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.

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

VHDA TRACKING NUMBER **2026-TEB-192**

A. GENERAL INFORMATION ABOUT PROPOSED DEVELOPMENT

Application Date: 7/1/2026

1. Development Name: Crystal House Six

2. Address (line 1): 550 18th Street South
   Address (line 2):
   City: Arlington State: VA Zip: 22202

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

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

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

6. Development is located in the census tract of: 1036.02

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

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

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

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

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

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

Enter only Numeric Values below:

15. Congressional District: 8
    Planning District: 8
    State Senate District: 39
    State House District: 2

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

New construction of an 80-unit affordable senior apartment building in Crystal City in Arlington County, VA. This project is the third phase of a mixed-income development site that includes affordable family, affordable senior, market-rate rental, and market-rate for-sale.

VHDA TRACKING NUMBER **2026-TEB-192**

A. GENERAL INFORMATION ABOUT PROPOSED DEVELOPMENT Application Date: 7/1/2026

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: Mark Schwartz
Chief Executive Officer's Title: County Manager Phone: (703) 228-3120
Street Address: 2100 Clarendon Boulevard, Suite 318
City: Arlington State: VA Zip: 22201

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

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

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

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

B. RESERVATION REQUEST INFORMATION

1. **Requesting Credits From:**

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

   or

   b. If requesting Tax Exempt Bond credits, select the round. ROUND 3

   For Tax Exempt Bonds, where are bonds being issued? Arlington County Industrial Development Authority

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

2. **Type(s) of Allocation/Allocation Year (skip for TE Credits)**

   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:** New Construction

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

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

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

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:

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: 30

Definition of selection:

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

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.

C. OWNERSHIP INFORMATION

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

1. Owner Information: *Must be an individual or legally formed entity.*

a. Owner Name: Crystal House Six Limited Partnership

Developer Name: True Ground Housing Partners, Inc.

Contact: M/M ► Ms. First: Carmen MI: Last: Romero

Address: 4318 N Carlin Springs Road

City: Arlington St. ► VA Zip: 22203

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

Email address: cromero@truegroundhousing.org

Federal I.D. No. 931775032 (If not available, obtain prior to Carryover Allocation.)

Select type of entity: ► limited partnership Formation State: ► Virginia

Additional Contact: Please Provide Name, Email and Phone number.
Danny Ross, dross@truegroundhousing.org, (571) 800-9519

ACTION: a. Provide Certification from Virginia State Corporation Commission **(Mandatory TAB B)**
b. Complete the Principals' Previous Participation Certification tabs within this spreadsheet. Include signed in Application PDF, along with ROFR, if applicable.

b. FALSE Indicate if at least one principal listed within Org Chart has a Veteran-Owned Small Business Certification and has at least 25% ownership interest in the controlling general partner or managing member as defined in the manual.

ACTION: If true, provide Virginia Housing Veteran Owned Small Business Certification **(TAB AB)**

c. FALSE Indicate True if the owner meets the following statement:

An applicant with a principal that, within three years prior to the current application, beginning with deals awarded in 2025, received an IRS Form 8609 for placing a separate 9% development in service without returning credits to or requesting additional credits from the issuing housing finance agency, will be permitted to increase the amount of developer's fee included in the development's eligible basis by 10%.

If True above, what property placed in service?

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: 12/31/2026

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 12/31/2026 .

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: County Board of Arlington County, Virginia

Address: 2100 Clarendon Boulevard, Suite 300

City: Arlington St.: Virginia Zip: 22201

Contact Person: Anne Venezia Phone: (703) 228-3765

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

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

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

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

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:	Jessica Weston	This is a Related Entity.	FALSE
	Firm Name:	Gallagher LLP		
	Address:	218 North Charles Street, Suite 400	Veteran Owned Small Bus?	FALSE
	City, State, Zip	Baltimore, MD 21201		
	Email:	jweston@gallagherllp.com	Phone:	(401) 951-1402
2.	Tax Accountant:	Philip Cornblatt	This is a Related Entity.	FALSE
	Firm Name:	CohnReznick LLP		
	Address:	500 East Pratt Street, 4th Floor	Veteran Owned Small Bus?	FALSE
	City, State, Zip	Baltimore, MD 21202		
	Email:	philip.cornblatt@cohnreznick.com	Phone:	(410) 783-6236
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:	Stephen Boyce	This is a Related Entity.	FALSE
	Firm Name:	S.L. Nusbaum Realty Company		
	Address:	1700 Wells Fargo Center, 440 Monticello Av	Veteran Owned Small Bus?	FALSE
	City, State, Zip	Norfolk, VA 23510		
	Email:	sboyce@slnusbaum.com	Phone:	(757) 640-2293
5.	Contractor:	Brian McFee	This is a Related Entity.	FALSE
	Firm Name:	CBG Building Company		
	Address:	12200 Tech Road, Suite 300	Veteran Owned Small Bus?	FALSE
	City, State, Zip	Silver Spring, MD 20904		
	Email:	brian.mcfee@cbgbc.com	Phone:	(571) 329-0886
6.	Architect:	Christopher Gordon	This is a Related Entity.	FALSE
	Firm Name:	Kishimoto Gordon Dalaya		
	Address:	4040 North Fairfax Drive, Suite 1000A	Veteran Owned Small Bus?	FALSE
	City, State, Zip	Arlington, VA 22203		
	Email:	clgordon@kgdarchitecture.com	Phone:	(202) 338-3800

E. DEVELOPMENT TEAM INFORMATION

7.	Real Estate Attorney:		This is a Related Entity.	FALSE
	Firm Name:			
	Address:		Veteran Owned Small Bus?	FALSE
	City, State, Zip			
	Email:		Phone:	
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:	Ted Kalreiss	This is a Related Entity.	FALSE
	Firm Name:	KCM, Inc		
	Address:	16905 Simpson Circle	Veteran Owned Small Bus?	FALSE
	City, State, Zip	Paeonian Springs, VA 20129	Role:	Construction Manager
	Email:	tkalreiss@kcmbuild.com	Phone:	(703) 801-1187
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:

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

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

A. Nonprofit Involvement (All Applicants)

TRUE 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:

TRUE 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: ▶ Owner

Name: True Ground Housing Partners, Inc.

Contact Person: Carmen Romero

Street Address: 4318 N Carlin Springs Road

City: Arlington State: ▶ VA Zip: 22203

Phone: (703) 276-7444 Contact Email: cromero@truegroundhousing.org

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

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

G. NONPROFIT INVOLVEMENT

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

A. TRUE

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

or indicate true if Local Housing Authority FALSE

Name of Local Housing Authority

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.

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

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	80	bedrooms	89
	Total number of **rental** units in development	80	bedrooms	89
	Number of low-income rental units	80	bedrooms	89
	Percentage of rental units designated low-income	100.00%		

b.	Number of new units:	80	bedrooms	89
	Number of adaptive reuse units:	0	bedrooms	0
	Number of rehab units:	0	bedrooms	0

c. If any, indicate number of planned exempt units (included in total of all units in development) 0

d. Total Floor Area For The Entire Development 102,702.49 (Sq. ft.)

e. Unheated Floor Area (i.e. Breezeways, Balconies, Storage) 22,279.36 (Sq. ft.)

f. Nonresidential Commercial Floor Area (Not eligible for funding) 0.00

g. Total Usable Residential Heated Area 80,423.13 (Sq. ft.)

h. Percentage of Net Rentable Square Feet Deemed To Be **New Rental Space** 100.00%

i. Exact area of site in acres 0.980

j. Locality has approved a final site plan or plan of development. FALSE
If **True**, Provide required documentation (**TAB O**).

k. Requirement as of 2016: Site must be properly zoned for proposed development.
ACTION: Provide required zoning documentation **(MANDATORY TAB G)**

l. Development is eligible for Historic Rehab credits FALSE

Definition:

The structure is historic, by virtue of being listed individually in the National Register of Historic Places, or due to its location in a registered historic district and certified by the Secretary of the Interior as being of historical significance 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	0.00	SF	0	0
1 Story 2BR - Elderly	0.00	SF	0	0
Eff - Elderly	0.00	SF	0	0
1BR Elderly	972.30	SF	71	71
2BR Elderly	1265.52	SF	9	9
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
			80	80

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

3. Structures

a. Number of Buildings (containing rental units): 1

b. Age of Structure: 0 years

c. Maximum Number of stories: 5

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

h. Development contains an elevator(s). TRUE

If true, # of Elevators. 2

Elevator Type (if known)

H. STRUCTURE AND UNITS INFORMATION

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

4. Site Amenities (indicate all proposed)

a. Business Center	TRUE	f. Limited Access	TRUE
b. Covered Parking	TRUE	g. Playground	FALSE
c. Exercise Room	TRUE	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: Leasing office, resident services office, community room (divisible to three r

m. Number of Proposed Parking Spaces: 37
Parking is shared with another entity: FALSE

n. Development located within 1/2 mile of an existing commuter rail, light rail or subway station or 1/4 mile from existing 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 re[prt 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 below.

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 restricted to residents only.
65.00%	b1.	Percentage of brick covering the exterior walls.
35.00%	b2.	Percentage of Fiber Cement Board or other similar low-maintenance material approved by the Authority covering exterior walls. Community buildings are to be included in percentage calculations.
TRUE	c.	All kitchen light fixtures are LED and meet MDCR lighting guidelines.
FALSE	d.	Cooking surfaces are equipped with fire suppression features as defined in the manual
FALSE	e.	Full bath fans are wired to primary light with delayed timer or has continuous exhaust by ERV/DOAS.
or		
TRUE	f.	Full bath fans are equipped with a humidistat.
TRUE	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 service where it does not already exist.
TRUE	i.	Each unit is provided free individual high-speed internet access. *(Must have a minimum 20Mbps upload/ 100Mbps download speed per manual.)*
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		
FALSE	l.	All Construction types: each unit is equipped with a permanent dehumidification system.
FALSE	m.	All interior doors within units are solid core.
FALSE	n.	Installation of a renewable energy electric system in accordance with manufactorer's specifications and all 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

TRUE a. All cooking ranges have front controls.

FALSE 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:

TRUE Earthcraft Gold or higher certification

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

FALSE LEED Certification

FALSE Enterprise Green Communities (EGC) Certification

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

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

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

FALSE Zero Energy Ready Home Requirements

FALSE Passive House Standards

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)

TRUE a. Architect of record certifies that units will be constructed to meet Virginia Housing's Universal Design Standards.

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

100% 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	Electric Forced Air
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?	FALSE	Heat?	FALSE
Hot Water?	FALSE	AC?	FALSE
Lighting/ Electric?	FALSE	Sewer?	FALSE
Cooking?	FALSE	Trash Removal?	TRUE

Utilities	Enter Allowances by Bedroom Size				
	0-BR	1-BR	2-BR	3-BR	4-BR
Heating	0	18	22	0	0
Air Conditioning	0	8	10	0	0
Cooking	0	7	9	0	0
Lighting	0	28	34	0	0
Hot Water	0	17	20	0	0
Water	0	27	34	0	0
Sewer	0	38	53	0	0
Trash	0	0	0	0	0
Total utility allowance for costs paid by tenant	$0	$143	$181	$0	$0

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

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

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.

1. **Accessibility:** Indicate **True** for the following point category, as appropriate.
   Action: Provide appropriate documentation **(Tab X)**

FALSE — 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.

2. **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.)
FALSE — Persons with Disabilities (must meet the requirements of the Federal Americans with Disabilities Act) - Accessible Supportive Housing Pool only
FALSE — Supportive Housing (as described in the Tax Credit Manual)
If Supportive Housing is True: Will the supportive housing consist of units designated for
FALSE — 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 in the manual.)
Action: Provide Relocation Plan, Budget and Unit Delivery Schedule **(Mandatory if tenants are displaced - Tab J)**

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: Yes

Organization which holds waiting list: Arlington County

Contact person: Caleb Kopczyk

Title: Executive Director, Housing Choice Voucher Program

Phone Number: (703) 228-1455

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

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: Stephen
Last Name: Boyce

Phone Number: (757) 640-2293 Email: sboyce@slnusbaum.com

K. SPECIAL HOUSING NEEDS

5. **Rental Assistance**

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

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

FALSE	Rental Assistance Demonstration (RAD) or other PHA conversion to project based rental assistance.
FALSE	Section 8 New Construction Substantial Rehabilitation
FALSE	Section 8 Moderate Rehabilitation
FALSE	Section 811 Certificates
FALSE	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: 0
How many years in rental assistance contract?
Expiration date of contract:
There is an Option to Renew. FALSE

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

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 CATEGORY

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: Warning: Greater than 50% of units does not increase bonus points.

Income Levels		
# of Units	% of Units	
0	0.00%	20% Area Median
8	10.00%	30% Area Median
0	0.00%	40% Area Median
72	90.00%	50% Area Median
0	0.00%	60% Area Median
0	0.00%	70% Area Median
0	0.00%	80% Area Median
0	0.00%	Market Units
80	100.00%	**Total**

Rent Levels		
# of Units	% of Units	
0	0.00%	20% Area Median
8	10.00%	30% Area Median
0	0.00%	40% Area Median
72	90.00%	50% Area Median
0	0.00%	60% Area Median
0	0.00%	70% Area Median
0	0.00%	80% Area Median
0	0.00%	Market Units
80	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: FALSE 50% levels: FALSE

c. The development plans to utilize average income testing..... 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	30% AMI	2		670.97	$778.00	$1,556
Mix 2	1 BR - 1 Bath	50% AMI	2		671.16	$1,393.00	$2,786
Mix 3	1 BR - 1 Bath	50% AMI	2		677.00	$1,393.00	$2,786
Mix 4	1 BR - 1 Bath	50% AMI	4		677.03	$1,393.00	$5,572
Mix 5	1 BR - 1 Bath	30% AMI	3		677.11	$778.00	$2,334
Mix 6	1 BR - 1 Bath	50% AMI	4		677.57	$1,393.00	$5,572
Mix 7	1 BR - 1 Bath	50% AMI	1		681.25	$1,393.00	$1,393
Mix 8	1 BR - 1 Bath	50% AMI	1		681.78	$1,393.00	$1,393
Mix 9	1 BR - 1 Bath	30% AMI	2	2	671.16	$778.00	$1,556
Mix 10	1 BR - 1 Bath	30% AMI	1	1	676.88	$778.00	$778
Mix 11	1 BR - 1 Bath	50% AMI	1	1	680.05	$1,393.00	$1,393
Mix 12	1 BR - 1 Bath	50% AMI	4		677.06	$1,393.00	$5,572
Mix 13	1 BR - 1 Bath	50% AMI	1		683.62	$1,393.00	$1,393

L. UNIT DETAILS

Mix 14	1 BR - 1 Bath	50% AMI	4		658.71	$1,393.00	$5,572
Mix 15	1 BR - 1 Bath	50% AMI	4		697.39	$1,393.00	$5,572
Mix 16	1 BR - 1 Bath	50% AMI	4		697.43	$1,393.00	$5,572
Mix 17	1 BR - 1 Bath	50% AMI	4		663.82	$1,393.00	$5,572
Mix 18	1 BR - 1 Bath	50% AMI	4		666.61	$1,393.00	$5,572
Mix 19	1 BR - 1 Bath	50% AMI	4		666.71	$1,393.00	$5,572
Mix 20	1 BR - 1 Bath	50% AMI	1		668.54	$1,393.00	$1,393
Mix 21	1 BR - 1 Bath	50% AMI	1		668.78	$1,393.00	$1,393
Mix 22	1 BR - 1 Bath	50% AMI	1		668.91	$1,393.00	$1,393
Mix 23	1 BR - 1 Bath	50% AMI	4		548.44	$1,393.00	$5,572
Mix 24	1 BR - 1 Bath	50% AMI	4		521.05	$1,393.00	$5,572
Mix 25	1 BR - 1 Bath	50% AMI	3		733.45	$1,393.00	$4,179
Mix 26	1 BR - 1 Bath	50% AMI	4		626.82	$1,393.00	$5,572
Mix 27	1 BR - 1 Bath	50% AMI	1		898.18	$1,393.00	$1,393
Mix 28	2 BR - 1.5 Bath	50% AMI	1		733.45	$1,663.00	$1,663
Mix 29	2 BR - 1.5 Bath	50% AMI	4	4	921.38	$1,663.00	$6,652
Mix 30	2 BR - 1.5 Bath	50% AMI	4		954.60	$1,663.00	$6,652
Mix 31							$0
Mix 32							$0
Mix 33							$0
Mix 34							$0
Mix 35							$0
Mix 36							$0
Mix 37							$0
Mix 38							$0
Mix 39							$0
Mix 40							$0
Mix 41							$0
Mix 42							$0
Mix 43							$0
Mix 44							$0
Mix 45							$0
Mix 46							$0
Mix 47							$0
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Mix 49							$0
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Mix 69							$0
Mix 70							$0
Mix 71							$0
Mix 72							$0
Mix 73							$0

L. UNIT DETAILS

Mix 68							$0
Mix 69							$0
Mix 70							$0
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Mix 73							$0
Mix 74							$0
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Mix 87							$0
Mix 88							$0
Mix 89							$0
Mix 90							$0
Mix 91							$0
Mix 92							$0
Mix 93							$0
Mix 94							$0
Mix 95							$0
Mix 96							$0
Mix 97							$0
Mix 98							$0
Mix 99							$0
Mix 100							$0
TOTALS			80	8			$108,950

Total Units	**80**	**Net Rentable SF:**	**TC Units**	**55,272.18**
			MKT Units	**0.00**
			Total NR SF:	**55,272.18**

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

M. OPERATING EXPENSES

Administrative:				Use Whole Numbers Only!
1. Advertising/Marketing				$800
2. Office Salaries				$115,000
3. Office Supplies				$3,600
4. Office/Model Apartment		(type	)	$0
5. Management Fee				$44,922
3.64% of EGI	$561.53	Per Unit		
6. Manager Salaries				$0
7. Staff Unit (s)		(type	)	$0
8. Legal				$6,000
9. Auditing				$13,000
10. Bookkeeping/Accounting Fees				$0
11. Telephone & Answering Service				$10,000
12. Tax Credit Monitoring Fee				$3,600
13. Miscellaneous Administrative				$3,000
Total Administrative				$199,922
Utilities				
14. Fuel Oil				$0
15. Electricity				$22,800
16. Water				$16,000
17. Gas				$8,000
18. Sewer				$32,000
Total Utility				$78,800
Operating:				
19. Janitor/Cleaning Payroll				$0
20. Janitor/Cleaning Supplies				$2,000
21. Janitor/Cleaning Contract				$40,000
22. Exterminating				$10,000
23. Trash Removal				$35,000
24. Security Payroll/Contract				$0
25. Grounds Payroll				$0
26. Grounds Supplies				$0
27. Grounds Contract				$8,000
28. Maintenance/Repairs Payroll				$70,000
29. Repairs/Material				$4,000
30. Repairs Contract				$0
31. Elevator Maintenance/Contract				$20,000
32. Heating/Cooling Repairs & Maintenance				$8,000
33. Pool Maintenance/Contract/Staff				$0
34. Snow Removal				$1,000
35. Decorating/Payroll/Contract				$0
36. Decorating Supplies				$2,500
37. Miscellaneous				$32,800
Totals Operating & Maintenance				$233,300

M. OPERATING EXPENSES

Taxes & Insurance

38.	Real Estate Taxes			$99,820
39.	Payroll Taxes			$46,250
40.	Miscellaneous Taxes/Licenses/Permits			$8,000
41.	Property & Liability Insurance	*$625*	*per unit*	$50,000
42.	Fidelity Bond			$7,076
43.	Workman's Compensation			$0
44.	Health Insurance & Employee Benefits			$0
45.	Other Insurance			$8,000
	Total Taxes & Insurance			$219,146

Total Operating Expense $731,168

Total Operating Expenses Per Unit $9,140 **C.** **Total Operating Expenses as % of EGI** 59.23%

Replacement Reserves (Total # Units X $300 or $250 New Const./Elderly Minimum) $20,000

Total Expenses $751,168

N. PROJECT BUDGET - HARD COSTS

Cost/Basis/Maximum Allowable Credit

Complete cost column and basis column(s) as appropriate

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

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.

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" (B) Acquisition	"30% Present Value Credit" (C) Rehab/ New Construction	(D) "70 % Present Value Credit"
1.	**Contractor Cost**				
	a. Unit Structures (New)	20,942,984	0	20,692,952	0
	b. Unit Structures (Rehab)	0	0	0	0
	c. Non Residential Structures	0	0	0	0
	d. Commercial Space Costs	0	0	0	0
X	e. Structured Parking Garage	3,898,303	0	3,898,303	0
	Total Structure	24,841,287	0	24,591,255	0
	f. Earthwork	0	0	0	0
	g. Site Utilities	0	0	0	0
	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	555,683	0	0	0
	n. Site Environmental Mitigation	0	0	0	0
	o. Demolition	0	0	0	0
	p. Site Work	3,007,974	0	1,503,987	0
	q. Hard Cost Contingency	2,479,570	0	2,231,613	0
	Total Land Improvements	6,043,227	0	3,735,600	0
	Total Structure and Land	30,884,514	0	28,326,855	0
	r. General Requirements	1,582,390	0	1,582,390	0
	s. Builder's Overhead (0.0% Contract)	0	0	0	0
	t. Builder's Profit (4.4% Contract)	1,370,921	0	1,370,921	0
	u. Bonds	564,503	0	564,503	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: WiFi	72,000	0	72,000	0
	z. Other 2:	0	0	0	0
	aa. Other 3:	0	0	0	0
	Contractor Costs	$34,474,328	$0	$31,916,669	$0

Construction cost per unit: ***$382,200.31***

MAXIMUM COMBINED GR, OVERHEAD & PROFIT = **$4,323,832**

ACTUAL COMBINED GR, OVERHEAD & PROFIT = **$2,953,311**

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" (B) Acquisition	"30% Present Value Credit" (C) Rehab/ New Construction	(D) "70 % Present Value Credit"
2. Owner Costs				
a. Building Permit	781,440	0	781,440	0
b. Architecture/Engineering Design Fee ($18,690 /Unit)	1,495,234	0	1,495,234	0
c. Architecture Supervision Fee ($2,910 /Unit)	232,800	0	232,800	0
d. Tap Fees	863,001	0	863,001	0
e. Environmental	225,660	0		0
f. Soil Borings	5,000	0	5,000	0
g. Green Building (Earthcraft, LEED, etc.)	103,931	0	103,931	0
h. Appraisal	15,000	0	15,000	0
i. Market Study		0		0
j. Site Engineering / Survey	234,120	0	234,120	0
k. Construction/Development Mgt	879,645	0	879,645	0
l. Structural/Mechanical Study	0	0	0	0
m. Construction Loan Origination Fee	339,921	0	239,204	0
n. Construction Interest (0.0% for 0 months)	1,776,985	0	1,339,902	0
o. Taxes During Construction	512,253	0	512,253	0
p. Insurance During Construction	842,889	0	842,889	0
q. Permanent Loan Fee (0.0%)	210,775			
r. Other Permanent Loan Fees	0			
s. Letter of Credit	0	0	0	0
t. Cost Certification Fee	100,000	0	0	0
u. Accounting	0	0	0	0
v. Title and Recording	180,000	0	0	0
w. Legal Fees for Closing	620,000	0	310,000	0
x. Mortgage Banker	0	0	0	0
y. Tax Credit Fee	166,504			
z. Tenant Relocation	0			
aa. Fixtures, Furnitures and Equipment	200,000	0	200,000	0
ab. Organization Costs	0			
ac. Operating Reserve	670,236			
ad. Soft Costs Contingency	475,066			
ae. Security	150,000	0	150,000	0
af. Utilities	964,493	0	816,070	0
ag. Supportive Service Reserves	0			

O. PROJECT BUDGET - OWNER COSTS

(1)	Other*	specify: Consultants	238,660	0	228,660	0
(2)	Other*	specify: Proffers, Marketing/Leaseu	673,128	0	433,797	0
(3)	Other*	specify: Const. Inspections	443,958	0	443,958	0
(4)	Other*	specify: Commissioning	40,000	0	40,000	0
(5)	Other *	specify: Cell Booster	250,000	0	250,000	0
(6)	Other*	specify: IDA Bond Fee	104,721	0	0	0
(7)	Other*	specify: Predevelopment Interest	50,000	0	50,000	0
(8)	Other*	specify: Constr. Loan Interest Rate (	120,000	0	84,444	0
(9)	Other*	specify:	0	0	0	0
	Owner Costs Subtotal (Sum 2A..2(10))		$13,965,420	$0	$10,551,348	$0
	Subtotal 1 + 2 (Owner + Contractor Costs)		$48,439,748	$0	$42,468,017	$0
3.	**Developer's Fees**		3,000,000	0	3,000,000	0
4.	**Owner's Acquisition Costs**					
	Land		0			
	Existing Improvements		0	0		
	Subtotal 4:		$0	$0		
5.	**Total Development Costs**					
	Subtotal 1+2+3+4:		$51,439,748	$0	$45,468,017	$0

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

	$0	**Land**
(Provide documentation at **Tab E**)	$0	**Building**

Maximum Developer Fee: **$4,305,180**

Proposed Development's Cost per Sq Foot	$463	**Meets Limits**
Applicable Cost Limit by Square Foot:	$556	
Proposed Development's Cost per Unit	$594,268	**Proposed Cost per Unit exceeds limit**
Applicable Cost Limit per Unit:	$589,015	

P. ELIGIBLE BASIS CALCULATION

Item	(A) Cost	Amount of Cost up to 100% Includable in Eligible Basis--Use Applicable Column(s): "30 % Present Value Credit" (B) Acquisition	(C) Rehab/ New Construction	(D) "70 % Present Value Credit"
1. Total Development Costs	51,439,748	0	45,468,017	0
2. Reductions in Eligible Basis				
a. Amount of federal grant(s) used to finance qualifying development costs		0	0	0
b. Amount of nonqualified, nonrecourse financing		0	0	0
c. Costs of nonqualifying units of higher quality (or excess portion thereof)		0	0	0
d. Historic Tax Credit (residential portion)		0	0	0
3. Total Eligible Basis (1 - 2 above)		0	45,468,017	0
4. Adjustment(s) to Eligible Basis (For non-acquisition costs in eligible basis)				
a. For QCT or DDA (Eligible Basis x 30%)			13,640,405	0
State Designated Basis Boosts:				
b. For Revitalization or Supportive Housing (Eligible Basis x 30%)			0	0
c. For Green Certification (Eligible Basis x 10%)				0
Total Adjusted Eligible basis			59,108,422	0
5. Applicable Fraction		100.00000%	100.00000%	100.00000%
6. Total Qualified Basis (Eligible Basis x Applicable Fraction)		0	59,108,422	0
7. Applicable Percentage		4.00%	4.00%	9.00%
8. Maximum Allowable Credit under IRC §42 (Qualified Basis x Applicable Percentage)		$0	$2,364,337	$0
(Must be same as BIN total and equal to or less than credit amount allowed)			$2,364,337 Combined 30% & 70% P. V. Credit	

Q. SOURCES OF FUNDS

Action: Provide Documentation for all Funding Sources at **Tab T**

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

	Source of Funds	Date of Application	Date of Commitment	Amount of Funds	Name of Contact Person
1.	Construction Loan			$22,592,135	Capital One - Roy Danniell
2.	AHIF Loan			$3,400,000	Arlington County - Anne Veneiza
3.	Equity LP (4%)			$20,804,076	NEF - Debbie Burkart
	Total Construction Funding:			$46,796,211	

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	*(Whole Numbers only)* Amount of Funds	Annual Debt Service Cost	Interest Rate of Loan	Amortization Period IN YEARS	Term of Loan (years)
1.	Freddie Mac			$5,660,672	$409,849	6.75%	40	17
2.	Arlington County AHIF			$3,400,000		0.25%		38
3.	Sponsor Loan			$375,000		1.00%		38
4.	VHTF			$2,000,000		0.00%		30
5.	HIEE			$2,000,000		0.00%		30
6.	FHLB (sponsor loan)			$1,250,000		0.00%		30
7.	NHTF			$1,000,000	$5,000	0.50%		30
8.	HOME			$2,400,000		0.00%		30
9.	Other Loan			$12,000,000		0.00%		30
10.								
11.								
12.								
13.								
14.								
15.								
16.								
17.								
18.								
19.								
20.								
	Total Permanent Funding:			$30,085,672	$414,849			

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.	AHIF		$3,400,000
2.			
3.			
4.			
5.			
	Total Subsidized Funding		$3,400,000

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

TE: See Below For 50% Test Status

a.	Tax Exempt Bonds	$17,300,000
b.	RD 515	$0
c.	Section 221(d)(3)	$0
d.	Section 312	$0
e.	Section 236	$0
f.	Virginia Housing REACH Funds	$0
g.	HOME Funds	$2,400,000
h.	Choice Neighborhood	$0
i	National Housing Trust Fund	$1,000,000
j	Virginia Housing Trust Fund	$2,000,000
k	Other:	$5,400,000
	AHIF + HIEE	
l	Other:	$1,250,000
	FHLB (sponsor loan)	

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*		Grants	
a. CDBG	$0	c. State	
b. UDAG	$0	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: **38.05%**

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

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

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

a. FALSE Real Estate Tax Abatement on the increase in the value of the development.

b. FALSE **New** project based subsidy from HUD or Rural Development o**r** any other binding federal project based subsidy

0 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	$0	x Equity $	$0.000	=	$0
Amount of Virginia historic credits	$0	x Equity $	$0.000	=	$0

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)	99.99000%
v.	HOTC Credit Net	$0

c. Equity that Sponsor will Fund:

i.	Cash Investment	$0	
ii.	Contributed Land/Building	$0	
iii.	Deferred Developer Fee	$547,906	(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 $547,906

2. Equity Gap Calculation

a.	Total Development Cost		$51,439,748
b.	Total of Permanent Funding, Grants and Equity	-	$30,633,578
c.	Equity Gap		$20,806,170
d.	Developer Equity	-	$2,081
e.	Equity gap to be funded with low-income tax credit proceeds		$20,804,089

3. Syndication Information (If Applicable)

a. Actual or Anticipated Name of Syndicator: ▶ NEF

Contact Person: Debbie Burkart Phone: (312) 543-9584

Street Address: 915 Wilshire Blvd Ste 700

City: Los Angeles State: California Zip: 90017

b. Syndication Equity

i.	Anticipated Annual Credits	$2,364,337.00
ii.	Equity Dollars Per Credit (e.g., $0.85 per dollar of credit)	$0.880
iii.	Percent of ownership entity (e.g., 99% or 99.9%)	99.99000%
iv.	Syndication costs not included in Total Development Costs (e.g., advisory fees)	$0
v.	Net credit amount anticipated by user of credits	$2,364,101
vi.	Total to be paid by anticipated users of credit (e.g., limited partners)	$20,804,089

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

4. Net Syndication Amount

$20,804,089

Which will be used to pay for Total Development Costs

5. Net Equity Factor

88.0000169898%

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		$51,439,748
2.	Less Total of Permanent Funding, Grants and Equity	-	$30,633,578
3.	Equals Equity Gap		$20,806,170
4.	Divided by Net Equity Factor (Percent of 10-year credit expected to be raised as equity investment)		88.0000169898%
5.	Equals Ten-Year Credit Amount Needed to Fund Gap		$23,643,371
	Divided by ten years		10
6.	Equals Annual Tax Credit Required to Fund the Equity Gap		$2,364,337
7.	Maximum Allowable Credit Amount (from Eligible Basis Calculation)		$2,364,337

8. Requested Credit Amount

		For 30% PV Credit:	$2,364,337
		For 70% PV Credit:	$0
Credit per LI Units	$29,554.2125		
Credit per LI Bedroom	$26,565.5843	**Combined 30% & 70% PV Credit Requested**	**$2,364,337**

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		$108,950
Plus Other Income Source (list):	Miscellaneous	$1,664
Equals Total Monthly Income:		$110,614
Twelve Months		x12
Equals Annual Gross Potential Income		$1,327,366
Less Vacancy Allowance	7.0%	$92,916
Equals Annual Effective Gross Income (EGI) - Low Income Units		$1,234,450

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	$1,234,450
b.	Annual EGI Market Units	$0
c.	Total Effective Gross Income	$1,234,450
d.	Total Expenses	$751,168
e.	Net Operating Income	$483,282
f.	Total Annual Debt Service	$414,849
g.	Cash Flow Available for Distribution	$68,433

T. CASH FLOW

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

	Stabilized Year 1	Year 2	Year 3	Year 4	Year 5
Eff. Gross Income	1,234,450	1,259,139	1,284,322	1,310,009	1,336,209
Less Oper. Expenses	751,168	773,703	796,914	820,822	845,446
Net Income	483,282	485,436	487,408	489,187	490,763
Less Debt Service	414,849	414,849	414,849	414,849	414,849
Cash Flow	68,433	70,587	72,559	74,338	75,914
Debt Coverage Ratio	1.16	1.17	1.17	1.18	1.18

	Year 6	Year 7	Year 8	Year 9	Year 10
Eff. Gross Income	1,362,933	1,390,192	1,417,995	1,446,355	1,475,282
Less Oper. Expenses	870,810	896,934	923,842	951,557	980,104
Net Income	492,123	493,258	494,154	494,798	495,179
Less Debt Service	414,849	414,849	414,849	414,849	414,849
Cash Flow	77,274	78,409	79,305	79,949	80,330
Debt Coverage Ratio	1.19	1.19	1.19	1.19	1.19

	Year 11	Year 12	Year 13	Year 14	Year 15
Eff. Gross Income	1,504,788	1,534,884	1,565,582	1,596,893	1,628,831
Less Oper. Expenses	1,009,507	1,039,792	1,070,986	1,103,116	1,136,209
Net Income	495,281	495,092	494,596	493,778	492,622
Less Debt Service	414,849	414,849	414,849	414,849	414,849
Cash Flow	80,432	80,243	79,747	78,929	77,773
Debt Coverage Ratio	1.19	1.19	1.19	1.19	1.19

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 TAX CREDIT UNITS	NUMBER OF MARKET RATE UNITS	Please help us with the process: DO NOT use the CUT feature DO NOT SKIP LINES BETWEEN BUILDINGS Street Address 1	Street Address 2	City	State	Zip	30% Present Value Credit for Acquisition: Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount	30% Present Value Credit for Rehab / New Construction: Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount	70% Present Value Credit: Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount
1.		80		550 18th Street S		Arlington	VA	22202				$0	$59,108,422	09/30/28	4.00%	$2,364,337				$0
2.												$0				$0				$0
3.												$0				$0				$0
4.												$0				$0				$0
5.												$0				$0				$0
6.												$0				$0				$0
7.												$0				$0				$0
8.												$0				$0				$0
9.												$0				$0				$0
10.												$0				$0				$0
11.												$0				$0				$0
12.												$0				$0				$0
13.												$0				$0				$0
14.												$0				$0				$0
15.												$0				$0				$0
16.												$0				$0				$0
17.												$0				$0				$0
18.												$0				$0				$0
19.												$0				$0				$0
20.												$0				$0				$0
21.												$0				$0				$0
22.												$0				$0				$0
23.												$0				$0				$0
24.												$0				$0				$0
25.												$0				$0				$0
26.												$0				$0				$0
27.												$0				$0				$0
28.												$0				$0				$0
29.												$0				$0				$0
30.												$0				$0				$0
31.												$0				$0				$0
32.												$0				$0				$0
33.												$0				$0				$0
34.												$0				$0				$0
35.												$0				$0				$0
		80	0	If development has more than 35 buildings, contact Virginia Housing.																
				Totals from all buildings					$0			$0	$59,108,422			$2,364,337	$0			$0

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.

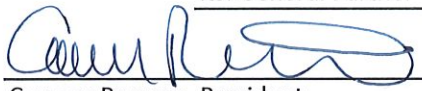
15. that undersigned agrees to provide disclosure to all tenants of the availability of Renter Education provided by Virginia Housing.

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: Crystal House Six Limited Partnership
By: Crystal House Six Development LLC
Its: General Partner

By: 

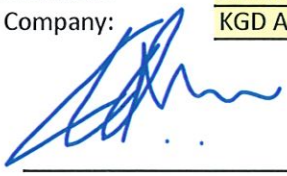
Its: Carmen Romero, President
(Title)

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: Christopher L Gordon
Virginia License#: 014067
Architecture Firm or Company: KGD Architecture

By: 

Its: Co-President
(Title)

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

V. Previous Participation Certification

Development Name: Crystal House Six

Name of Applicant (entity): Crystal House Six Limited Partnership

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 relating to their ownership or other participation in a multi-family housing development where the amount of damages sought by the plaintiffs against the Participants relates to such ownership or participation and is for an amount greater than 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

Carmen Romero

Printed Name

June 30 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. Plans and Specifications	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	Y	0 or 5	5.00
h. Location on land owned by Tribal Nation	N	0 or 15	0.00
Total:			20.00

2. HOUSING NEEDS CHARACTERISTICS:			
a. Sec 8 or PHA waiting list preference	Y	0 or up to 5	5.00
b. Existing RD, HUD Section 8 or 236 program	N	0 or 20	0.00
c. Subsidized funding commitments	6.61%	Up to 60	13.22
d. Tax abatement on increase of property's value	N	0 or 5	0.00
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:			38.22

3. DEVELOPMENT CHARACTERISTICS:

a. Enhancements (See calculations below)				64.00
b. <removed for 2026>				0.00
c. HUD 504 accessibility for 10% of units		N	0 or 20	0.00
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		100%	Up to 15	15.00
g. Developments with less than 100 low income units		Y	up to 20	8.00
h. Historic Structure eligible for Historic Rehab Credits		N	0 or 5	0.00
i. Meets Target Population Development Characteristics		N	0 or 10	0.00
	Total:			107.00

4. TENANT POPULATION CHARACTERISTICS:

Locality AMI	State AMI
$163,900	$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)		0.00%	Up to 10	0.00
e. Units in Higher Income Jurisdictions with rent and income at or below 50% of AMI		0.00%	Up to 50	0.00
f. Units in Higher Income Jurisdictions with rents <= 50% rented to tenants with <= 60% of AMI		0.00%	Up to 25	0.00
or g. Units in LI Jurisdictions with rents <= 50% rented to tenants with <= 60% of AMI		0.00%	Up to 50	0.00
	Total:			0.00

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 occurence)		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	44.50
	Total:			44.50

7. BONUS POINTS:

a. Extended Use Restriction beyond 15 year compliance period	15 Years		40 or 70	0.00
or b. Nonprofit or LHA purchase option/ ROFR		Y	0 or 60	60.00
or c. Nonprofit or LHA Home Ownership option		N	0 or 5	0.00
d. Combined 9% and 4% Tax Exempt Bond Site Plan		N	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, 10 or 20	0.00
	Total:			65.00

300 Point Threshold - all 9% Tax Credits

200 Point Threshold - Tax Exempt Bonds

TOTAL SCORE: **274.72**

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	34.00
c. LED Kitchen Light Fixtures	2	2.00
d. Cooking surfaces equipped with fire suppression features	2	0.00
e. Bath Fan - Delayed timer or continuous exhaust	3	0.00
f. Baths equipped with humidistat	3	3.00
g. Watersense labeled faucets, toilets and showerheads (without Green Certfication)	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	0.00
m. All interior doors within units are solid core	3	0.00
n. Installation of Renewable Energy Electric system	10	0.00
o. New Construction: Balcony or patio	4	0.00
		60.00
All elderly units have:		
p. Front-control ranges	1	1.00
q. Independent/suppl. heat source	1	0.00
r. Two eye viewers	1	1.00
s. Shelf or Ledge at entrance within interior hallway	2	2.00
		4.00
	Total amenities:	**64.00**

X. Development Summary

Summary Information **2026 Low-Income Housing Tax Credit Application For Reservation**

Deal Name:	**Crystal House Six**

Cycle Type:	4% Tax Exempt Bonds Credits		**Requested Credit Amount:**	$2,364,337	
Allocation Type:	New Construction		**Jurisdiction:**	Arlington County	
Total Units	80		**Population Target:**	Elderly	
Total LI Units	80				
Project Gross Sq Ft:	102,702.49		**Owner Contact:**	Carmen	Romero
Green Certified?	TRUE				

Total Score
274.72

Source of Funds	Amount	Per Unit	Per Sq Ft	Annual Debt Service
Permanent Financing	$30,085,672	$376,071	$293	$414,849
Grants	$0	$0		
Subsidized Funding	$3,400,000	$42,500		

Uses of Funds - Actual Costs

Type of Uses	Amount	Per Unit	Sq Ft	% of TDC
Improvements	$30,884,514	$386,056	$301	60.04%
General Req/Overhead/Profit	$2,953,311	$36,916	$29	5.74%
Other Contract Costs	$636,503	$7,956	$6	1.24%
Owner Costs	$13,965,420	$174,568	$136	27.15%
Acquisition	$0	$0	$0	0.00%
Developer Fee	$3,000,000	$37,500	$29	5.83%
Total Uses	**$51,439,748**	$642,997		

Total Development Costs

Total Improvements	$48,439,748
Land Acquisition	$0
Developer Fee	$3,000,000
Total Development Costs	**$51,439,748**

Proposed Cost Limit/Sq Ft:	$463
Applicable Cost Limit/Sq Ft:	$556
Proposed Cost Limit/Unit:	$594,268
Applicable Cost Limit/Unit:	$589,015

Income

Gross Potential Income - LI Units		$1,327,366
Gross Potential Income - Mkt Units		$0
	Subtotal	$1,327,366
Less Vacancy %	7.00%	$92,916
Effective Gross Income		$1,234,450

Rental Assistance? FALSE

Unit Breakdown

# of Eff	0
# of 1BR	71
# of 2BR	9
# of 3BR	0
# of 4+ BR	0
Total Units	80

Expenses

Category	Total	Per Unit
Administrative	$199,922	$2,499
Utilities	$78,800	$985
Operating & Maintenance	$233,300	$2,916
Taxes & Insurance	$219,146	$2,739
Total Operating Expenses	$731,168	$9,140
Replacement Reserves	$20,000	$250
Total Expenses	$751,168	$9,390

	Income Levels	Rent Levels
	# of Units	# of Units
<=30% AMI	8	8
40% AMI	0	0
50% AMI	72	72
60% AMI	0	0
>60% AMI	0	0
Market	0	0

Cash Flow

EGI	$1,234,450
Total Expenses	$751,168
Net Income	$483,282
Debt Service	$414,849
Debt Coverage Ratio (YR1):	1.16

Income Averaging? FALSE

Extended Use Restriction? 30

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%) x 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	$2,364,337
Credit Requested	$2,364,337
% of Savings	0.00%
Sliding Scale Points	44.5

Tab A:

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

CRYSTAL HOUSE SIX LIMITED PARTNERSHIP

AGREEMENT OF LIMITED PARTNERSHIP

THIS AGREEMENT OF LIMITED PARTNERSHIP (this "Agreement") is made and entered into as of the 17th day of Feburary, 2026, by and among the undersigned persons (the "Partners") upon the terms and conditions hereinafter set forth.

ARTICLE I

INTRODUCTION

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

"Capital Transaction" means the sale, refinancing or other disposition of the Partnership's interest in the Project.

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

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

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

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

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

"General Partner" means Crystal House Six Development LLC, a Virginia limited liability company, or any Person who succeeds it in that capacity in accordance with the provisions of this Agreement.

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

the appointment is stayed, for 120 days after the expiration of the stay during which period the appointment is not vacated.

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

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

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

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

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

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

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

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

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

"Partner Nonrecourse Deductions" has the meaning set forth in Section 1.704-2(i)(2) of the Treasury Regulations. The amount of Partner Nonrecourse Deductions with respect to a Partner Nonrecourse Debt for a Partnership fiscal year equals the excess, if any, of the net increase, if any, in the amount of Partner Minimum Gain attributable to such Partner Nonrecourse Debt during that fiscal year over the aggregate amount of any distributions during that fiscal year to the Partner that bears the economic risk of loss for such Partner Nonrecourse Debt to the extent such distributions are from the proceeds of such Partner Nonrecourse Debt and are allocable to an increase in Partner Minimum Gain attributable to such Partner Nonrecourse Debt, determined in accordance with Section 1.704-(2)(i)(2) of the Regulations.

"Partnership" means Crystal House Six Limited Partnership, a Virginia limited partnership.

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

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

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

"Person" means any individual or Entity.

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

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

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

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

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

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

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

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

"Project" means a project consisting of residential rental apartment units located in Fairfax County, Virginia, to be acquired, owned, operated and/or disposed of by the Partnership.

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

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

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

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

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

ARTICLE II

NAME, PURPOSE AND TERM

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

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

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

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

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

ARTICLE III

PARTNERS' CAPITAL

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

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

Section 3.3 Partnership Capital.

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

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

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

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

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

ARTICLE IV

RIGHTS, POWERS AND DUTIES OF THE GENERAL PARTNER

Section 4.1 Authorized Acts.

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

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

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

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

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

(v) To employ a management company, which may be the General Partner or an Affiliate thereof, to manage the assets of the Partnership and to authorize the Partnership to pay reasonable compensation for such services, provided the Managing Partners (if more than one) shall act unanimously in connection therewith.

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

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

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

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

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

Section 4.2 Management of Partnership Business.

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

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

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

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

Section 4.3 Business Control.

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

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

(i) Admitting a new Partner to the Partnership;

(ii) Selling any of the assets of the Partnership (other than in the ordinary course of business in furtherance of the purpose of the Partnership);

(iii) Leasing or otherwise encumbering any of the Partnership's real property (other than residential and commercial leases in the ordinary course of business in furtherance of the purpose of the Partnership);

(iv) Amending this Agreement in any manner;

(v) Dissolving, liquidating or winding-up the affairs of the Partnership;

(vi) Acquiring any real property (other than the Project as provided herein) or any interest in any entity;

(vii) Entering into any merger, consolidation or restructuring of the Partnership;

(viii) Initiating any proceeding under the Federal Bankruptcy Code or any similar law relating to the protection of creditors, or consent to the initiation against it of any such proceeding;

(ix) Issuing any debt that is convertible into equity in the Partnership; or

(xi) Borrowing money and issuing evidences of indebtedness in furtherance of the purpose of the Partnership, and to secure the same by mortgage, pledge or other lien on any assets of the Partnership.

Section 4.4 Duties and Obligations of the General Partner.

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

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

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

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

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

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

Section 4.6 Indemnification.

The Partnership shall indemnify and save harmless the General Partner against any claims or liability incurred by it provided that the acts or omissions giving rise to such claims or liabilities were performed in good faith and within the scope of its authority under this Agreement, except for acts of malfeasance, intentional and willful misconduct or gross negligence or for damages arising from any material misrepresentation, breach of warranty, or for damages arising

from a breach of any other agreement with the Partnership, provided that any indemnity under this Section shall be provided out of and to the extent of Partnership assets only. Nothing contained in this paragraph shall be construed as imposing any liability on any Partner.

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

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

ARTICLE V

TRANSFERABILITY OF GENERAL PARTNER'S INTEREST

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

ARTICLE VI

TRANSFERABILITY OF PARTNER INTERESTS AND REPRESENTATIONS OF PARTNERS

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

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

Section 6.3 Representations of Partners.

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

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

undertaking, arrangement, obligation, indebtedness or commitment providing for the disposition thereof.

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

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

ARTICLE VII

ALLOCATIONS AND DISTRIBUTIONS TO PARTNERS

Section 7.1 Allocations of Profit and Loss.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

B. Except as provided in Sections 7.4(C) and (D) hereof, in the event any Partner has a deficit Capital Account at the end of any Partnership fiscal year which is in excess of such Partner's Adjusted Capital Account Deficit, each such Partner shall be specially allocated items of Partnership income and gain in the amount of such excess for such year (and, if necessary, subsequent years) as quickly as possible.

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

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

E. Any Partner Nonrecourse Deductions for any fiscal year or other period shall be specially allocated to the Partner who bears the economic risk of loss with respect to the Partner

Nonrecourse Debt to which such Partner Nonrecourse Deductions are attributable in accordance with Regulations Section 1.704-2(f)(i).

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

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

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

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

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

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

ARTICLE VIII

DISSOLUTION, LIQUIDATION AND TERMINATION OF THE PARTNERSHIP

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

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

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

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

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

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

Section 8.2 Liquidation and Distributions on Dissolution.

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

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

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

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

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

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

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

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

ARTICLE IX

BOOKS AND RECORDS; ACCOUNTING, TAX ELECTIONS, ETC.

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

name and last known address of each Partner; a copy of this Agreement; copies of the Partnership's federal, state and local income tax returns and reports, if any, for the three most recent years; copies of any financial statements of the Partnership for the three most recent years; and the Partnership books. The Partnership may provide such financial or other statements to the Partners as the General Partner in its discretion deems advisable.

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

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

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

ARTICLE X

GENERAL PROVISIONS

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

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

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

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

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

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

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

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

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

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

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

END OF ARTICLE X

IN WITNESS WHEREOF, the parties hereto have executed this Agreement of Limited Partnership of Crystal House Six Limited Partnership as of the date first above written.

PARTNERS:

GENERAL PARTNER:

CRYSTAL HOUSE SIX DEVELOPMENT LLC,
a Virginia limited liability company

By: _____
Kenneth Burton
Assistant Treasurer

LIMITED PARTNER:

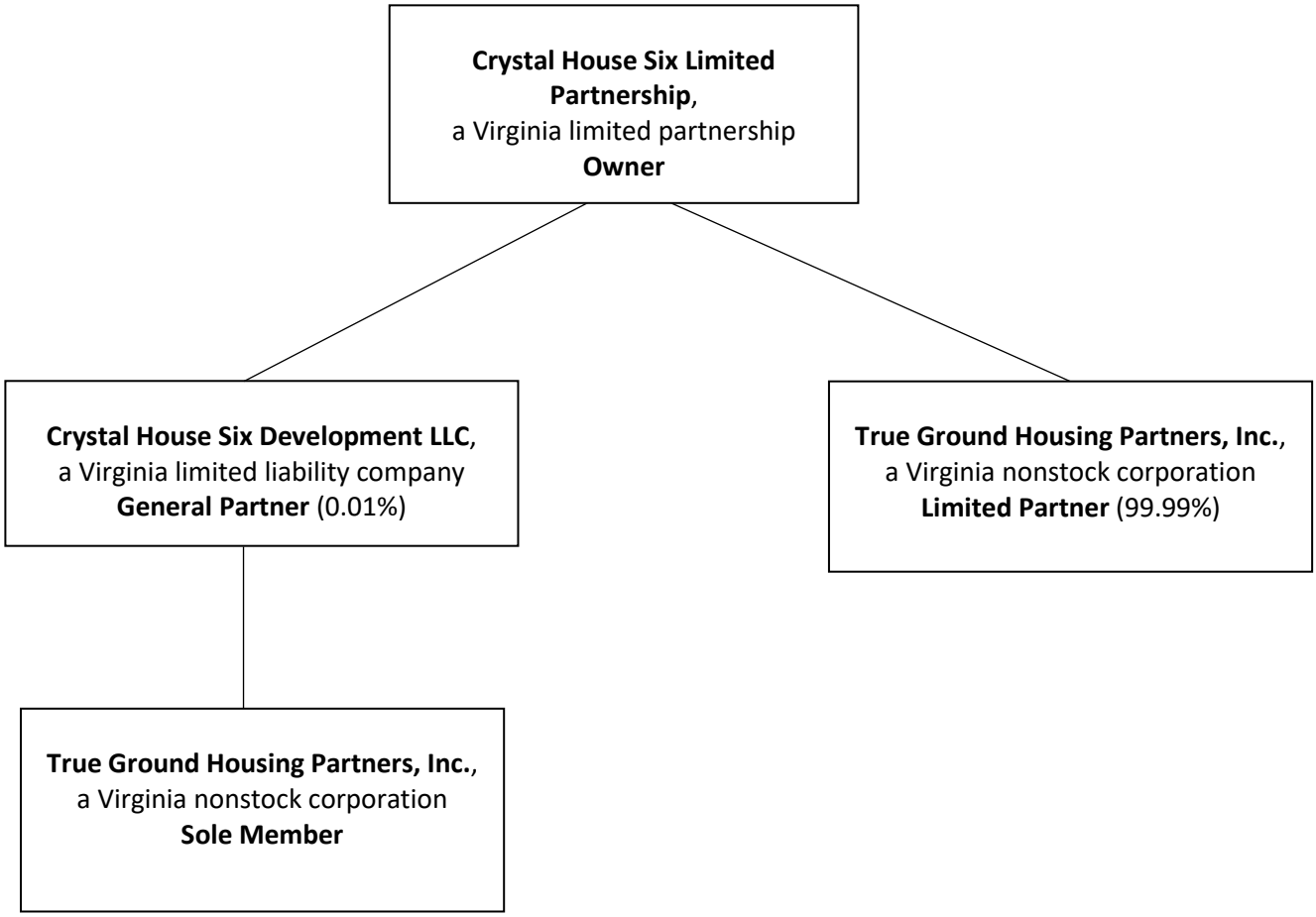
TRUE GROUND HOUSING PARTNERS, INC.,
a Virginia nonstock corporation

By: _____
Kenneth Burton
Assistant Treasurer

CRYSTAL HOUSE SIX LIMITED PARTNERSHIP

SCHEDULE I
TO
AGREEMENT OF LIMITED PARTNERSHIP

Partner's Name And Address	Capital Contribution	Percentage Interest
General Partner Crystal House Six Development LLC c/o True Ground Housing Partners, Inc. 4318 N. Carlin Springs Road Arlington, Virginia 22203 cromero@apah.org	$10.00	0.01%
Limited Partner True Ground Housing Partners, Inc. 4318 N. Carlin Springs Road Arlington, Virginia 22203 cromero@truegroundhousing.org	$10.00	99.99%


Crystal House Six Limited Partnership,
a Virginia limited partnership
Owner
Crystal House Six Development LLC,
a Virginia limited liability company
General Partner (0.01%)
True Ground Housing Partners, Inc.,
a Virginia nonstock corporation
Limited Partner (99.99%)
True Ground Housing Partners, Inc.,
a Virginia nonstock corporation
Sole Member

Tab B:

Virginia State Corporation Commission Certification
(MANDATORY)

Commonwealth of Virginia

STATE CORPORATION COMMISSION

Richmond, May 12, 2023

This is to certify that the certificate of limited partnership of

Crystal House Six Limited Partnership

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

Effective date: May 12, 2023

STATE CORPORATION COMMISSION
Attest:

Clerk of the Commission

Commonwealth of Virginia

STATE CORPORATION COMMISSION

Richmond, May 12, 2023

This is to certify that the certificate of organization of

Crystal House Six Development 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: May 12, 2023

STATE CORPORATION COMMISSION
Attest:

Clerk of the Commission

Tab C:

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

NATIONAL EQUITY FUND

June 25, 2026

Haley Norris
Director, Real Estate Development
True Ground Housing Partners
4318 N. Carlin Springs Road
Arlington, VA 22203

Re: ***Crystal House Six Senior Apartments*** (The "Project")
550 18th Street South, Arlington, Virginia 22202

We are pleased to present the following summary of terms for a potential equity investment in a limited partnership which will own and operate a residential rental property Arlington, Virginia. The project will have 80 units, of which all will be affordable to households earning up to 30% and 50% of AMI. The project has been reviewed and NEF is willing to favorably consider an equity investment in the project.

This summary of terms is based on the information you provided and is further based on certain assumptions made by NEF regarding the development budget, lease-up schedule, pro-forma operating statements, and ownership structure.

Developer/Sponsor: True Ground Housing Partners

Investment Entity: Crystal House Six Limited Partnership. NEF as limited partner will be entitled to 99.99% ownership interest

Annual 4% Federal Tax Credit Allocation (NEF, as Limited Partner, will be entitled to 99.99% of Federal Tax Credits):
$2,364,336

Federal Tax Credits purchased:
$23,643,360

Price per Federal Tax Credit:
$0.88

Total Tax Credit Equity:
$20,804,076

Equity Pay-In Schedule:

Capital Contribution #1
$3,370,108 (16%) at Closing

Capital Contribution #2
$2,641,696 (13%) at 50% Construction Completion

Capital Contribution #3
$880,565 (4%) at Construction Completion

Capital Contribution #4
$13,790,305 (66%) at Achievement of Stabilized Operations, Conversion of Construction Loan to Permanent Debt

Capital Contribution #5
$121,402 (1%) at 8609s

Capitalized Operating Reserve:
Amount of Operating Reserve to be determined during credit underwriting process.

Annual Replacement Reserve Requirement:
No less than $250/unit/year, increasing 3.0% annually.

Due Diligence Fee:
$75,000, paid at closing.

Other Terms and Conditions:

1) The General Partner must have a firm commitment for construction financing and fixed-rate permanent financing with terms, conditions and lender acceptable to NEF.

2) Receipt, review, and approval of the appraisal, market study, environmental and geological reports, plans and specifications, contractor and architect agreements, and such other due diligence as is customary and reasonable for an equity investment of this nature and amount.

3) The Capital Contributions are based on mutually agreed upon closing date, construction schedule and lease-up schedules.

4) The terms of this letter are subject to change based upon investor yield requirements at the time of credit award.

Please note that the National Equity Fund, as a nonprofit syndicator, has never sought to achieve early termination of a LIHTC extended use agreement through a qualified contract process, nor has NEF sought to prevent or undermine a non-profit's option to purchase in prior transactions.

After you have reviewed the terms outlined above, please contact me with any questions or issues that you may have. Upon the project's receipt of a Low-Income Housing Tax Credit award and a State Credit award, NEF will issue a binding Letter of Intent and begin our underwriting and closing process.

Sincerely,

NATIONAL EQUITY FUND, INC.

Debbie Burkart

Debbie Burkart
Managing Director, Supportive Housing

Tab D:

Any Supporting Documentation related to List of LIHTC Developments (Schedule A)

Tab D: Supporting Documentation Related to List of LIHTC Developments

In 2017, True Ground Housing Partners, Inc. (formerly the Arlington Partnership for Affordable Housing, Inc.) received IRS Form 8823 related to the Columbia Grove apartments. In 2016, True Ground began demolition of a surface parking lot at the Columbia Grove site as part of construction of the Columbia Hills East and Columbia Hills West developments, triggering a noncompliance event that was pre-approved by VHDA, and will remain uncorrected for the life of the compliance period.

True Ground has also received other IRS Form 8823s over the prior ten years as a result of minor noncompliance at other projects, all of which have been corrected.

The following properties have achieved substantial completion and are in the process of completing 8609s: Arna Marbella, Marbella South Four, and Marbella North Nine.

Arna Marbella achieved substantial completion on **June 6, 2024**. The final cost certification remains outstanding, and the Form 8609 application is due by **March 17, 2026**.

Marbella South Four and **Marbella North Nine** reached substantial completion on **October 30, 2025**. The Form 8609 application for Marbella North Nine was submitted, and the Form 8609 for Marbella South Four is due **October 25, 2026.**

Development Name: Crystal House Six

Name of Applicant: Crystal House Six Limited Partnership

Principals' Name: True Ground Housing Partners, Inc.

#	Development Name	Location	Ownership Entity	Ownership Entity Phone	CGP or "Named" Managing Member at the time of deal?	Total Develop-ment Units	Total Low Income Units	Placed in Service Date	8609 Issued Date	Uncorrected 8823s? If Y, Explain at Tab D
1.	Courthouse Crossings	1220, 1230 & 1223 N. Scot	Courthouse Crossings Limited Partnership	(703) 276-7444	Y	112	112	6/1/2006	4/14/2008	N
2.	Fisher House	1201 & 1211 N. Kennebec	Fisher House Limited Partnership	(703) 276-7444	Y	33	33	9/14/2007	6/19/2008	N
3.	Parc Rosslyn	1531 N. Pierce St., Arlingto	Rosslyn Ridge Associates Limited Partnership	(703) 276-7444	N	238	96	9/30/2008	5/20/2009	N
4.	Columbia Grove Apartments	1001, 1003, 1011, 1012, 10	Columbia Grove Apartments Limited Partnership	(703) 276-7444	Y	208	130	1/10/2009	7/13/2012	Y
5.	Buchanan Gardens	914 South Buchanan St., Al	Buchanan Gardens Limited Partnership	(703) 276-7444	Y	111	111	10/31/2011	8/8/2013	N
6.	Arlington Mill Residences	901 South Dinwiddie St., A	Arlington Mill Limited Partnership	(703) 276-7444	Y	122	121	1/31/2014	10/15/2014	N
7.	The Springs Apartments	555 North Thomas St., Arli	The Springs Apartments Limited Partnership	(703) 276-7444	Y	104	98	9/29/2016	5/3/2017	N
8.	Columbia Hills East	1000 S. Frederick St., Arling	Columbia Hills East Limited Partnership	(703) 276-7444	Y	97	97	9/28/2018	3/24/2020	N
9.	Columbia Hills West	1002 S. Frederick St., Arling	Columbia Hills West Limited Partnership	(703) 276-7444	Y	132	132	9/28/2018	3/24/2020	N
10.	Gilliam Place East	918 S. Lincoln Street, Arling	Gilliam Place East Limited Partnership	(703) 276-7444	Y	83	83	8/5/2019	9/10/2020	N
11.	Gilliam Place West	3507 Columbia Pike, Arling	Gilliam Place West Limited Partnership	(703) 276-7444	Y	90	90	8/2/2019	9/10/2020	N
12.	Fisher House II	5705, 5711, 5717 Washing	APAH Westover Apartments Limited Partnership	(703) 276-7444	Y	68	68	5/8/2019 (last)	7/20/2020	N
13.	Queens South Nine	1805 N Quinn Street, Arling	Queens South Nine Limited Partnership	(703) 276-7444	Y	90	90	3/30/2021	8/4/2022	N
14.	Queens North Four	1801 - 1805 N Quinn Stree	Queens North Four Limited Partnership	(703) 276-7444	Y	159	156	3/30/2021	8/4/2022	N
15.	Post West Nine	3445 Washington Boulevar	Post West Nine Limited Partnership	(703) 276-7444	Y	80	80	7/28/2022	8/28/2024	N
16.	Post East Four	3445 Washington Boulevar	Post East Four Limited Partnership	(703) 276-7444	Y	80	80	7/28/2022	7/24/2024	N
17.	Mt. Sterling Senior 9% B	21394 Mount Sterling Terr	Mt. Sterling Senior 9% Owner LLC	(703) 276-7444	Y	48	48	8/29/2022	8/8/2023	N
18.	Mt. Sterling Senior 4%	21394 Mount Sterling Terr	Mt. Sterling Senior 4% Owner LLC	(703) 276-7444	Y	50	50	8/29/2022	8/30/2023	N
19.	Snowden's Ridge Apartments	2000-2010, 2014-2026, 20	APAH Snowden Limited Partnership	(703) 276-7444	Y	87	87	3/19/2021	7/10/2023	N
20.	Oakwood South Nine	5815 S Van Dorn Street, Al	Oakwood South Nine Limited Partnership	(703) 276-7444	Y	71	71	6/26/2023	1/21/2025	N
21.	Oakwood North Four	5815 S Van Dorn Street, Al	Oakwood North Four Limited Partnership	(703) 276-7444	Y	79	79	6/26/2023	10/30/2025	N
22.	Unity Homes at Ballston	4201 Fairfax Drive, Arlingto	Ballston Limited Partnership	(703) 276-7444	Y	144	144	3/15/2024	3/17/2026	N
23.	Braddock Nine	10055 Braddock Road, Fair	Braddock Nine Limited Partnership	(703) 276-7444	Y	36	36	2/28/2024	6/12/2025	N
24.	Braddock Four	10055 Braddock Road, Fair	Braddock Four Limited Partnership	(703) 276-7444	Y	44	44	2/28/2024	6/12/2025	N
25.	Arna + Marbella	2300 25th St South, Arlingt	Arna Marbella Limited Partnership	(703) 276-7444	Y	101	101	6/14/2024	TBD	N
26.	Riggs Crossing	5543 South Dakota Ave NE	Fort Totten Limited Partnership	(703) 276-7444	Y	93	93	5/6/2025	TBD	N
27.	Marbella South Four	1300 N. Pierce Street, Arlin	Marbella South Four Limited Partnership	(703) 276-7444	Y	138	138	10/30/2025	TBD	N
28.	Marbella North Nine	1300 N. Pierce Street, Arlin	Marbella North Nine Limited Partnership	(703) 276-7444	Y	96	96	10/30/2025	TBD	N
29.	Dominion North Four	1592 Spring Hill Road, Tysc	APAH Tysons North Four Limited Partnership	(703) 276-7444	Y	265	265	TBD	TBD	N
30.	Dominion South Four	1592 Spring Hill Road, Tysc	APAH Tysons South Four Limited Partnership	(703) 276-7444	Y	251	251	TBD	TBD	N
31.	Avonlea Four	24790 Pinebrook Road, Ch	Avonlea Four Limited Partnership	(703) 276-7444	Y	65	65	TBD	TBD	N
32.	Avonlea Nine	24790 Pinebrook Road, Ch	Avonlea Nine Limited Partnership	(703) 276-7444	Y	65	65	TBD	TBD	N
33.	CH3 North Four	501 20th Street South	CH3 North Four Limited Partnership	(703) 276-7444	Y	344	344	TBD	TBD	
34.	CH3 South Nine	501 20th Street South	CH3 South Nine Limited Partnership	(703) 276-7444	Y	88	88	TBD	TBD	
35.										

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

Tab E:

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

Tab E – Site Control Documentation

1. Assignment of Acquisition and Development Rights between Crystal House JV LLC and Crystal House Six Limited Partnership
2. First Amendment to the Land Disposition and Development Agreement between the County Board of Arlington County, Virginia and Crystal House JV LCC
3. Second Amendment to the Land Disposition and Development Agreement between the County Board of Arlington County, Virginia and Crystal House JV LCC
4. Third Amendment to the Land Disposition and Development Agreement between the County Board of Arlington County, Virginia and Crystal House JV LCC
5. Fourth Amendment to the Land Disposition and Development Agreement between the County Board of Arlington County, Virginia and Crystal House JV LCC
6. Land Disposition and Development Agreement between the County Board of Arlington County, Virginia and Crystal House JV LCC
7. First Amendment to the Assignment and Assumption of Option Agreement between Acorn Development LLC, WHC Crystal LLC, and the County Board of Arlington County, Virgina
8. Second Amendment to the Assignment and Assumption of Option Agreement between Acorn Development LLC, WHC Crystal LLC and the County Board of Arlington County, Virginia
9. Third Amendment to the Assignment and Assumption of Option Agreement between Acorn Development LLC, WHC Crystal LLC and the County Board of Arlington County, Virginia
10. Fourth Amendment to the Assignment and Assumption of Option Agreement between Acorn Development LLC, WHC Crystal LLC and the County Board of Arlington County, Virginia
11. The Assignment and Assumption of Option Agreement between Acorn Development LLC, the County Board of Arlington County, Virginia, and WHC Crystal LLC
12. Option Agreement between WHC Crystal LLC and Acorn Development LLC
13. Real Estate Tax Assessment

ASSIGNMENT OF ACQUISITION AND DEVELOPMENT RIGHTS
(Crystal House Six)

THIS ASSIGNMENT OF ACQUISITION AND DEVELOPMENT RIGHTS (this "**Assignment**") is made as of September 28, 2023, by and between CRYSTAL HOUSE JV LLC, a Virginia limited liability company (the "**Assignor**" or "**Master Developer**") and CRYSTAL HOUSE SIX LIMITED PARTNERSHIP, a Virginia limited partnership (the "**Assignee**").

RECITALS

WHEREAS, WHC CRYSTAL HOUSE LLC, a District of Columbia limited liability company ("**WHC**"), owns approximately 16.93 acres of land located in Arlington County, Virginia (the "**Land**"), which contains improvements thereon commonly known as "Crystal House" containing two residential buildings with commercial space and certain other amenities; and

WHEREAS, WHC and Acorn Development LLC, a Delaware limited liability company ("**Amazon**"), entered into that certain Option Agreement, dated December 31, 2020 (the "**Option Agreement**"), pursuant to which WHC granted Amazon the option to acquire from WHC a portion of the Land (the "**Option Land**") along with entitlements for the development of additional buildings containing approximately 796,000 gross square feet of residential space, approximately 834 gross square feet of commercial space, parking areas containing approximately 825 parking spaces, and certain other improvements (collectively, the "**Additional Development**," and together with the Option Land, the "**Option Property**"); and

WHEREAS, WHC, as optionor, Amazon, as assignor, and the County Board of Arlington County, Virginia, a body corporate and politic of the Commonwealth of Virginia (the "**County**"), as assignee, entered into that certain Assignment and Assumption of Option Agreement, dated July 2021, as amended by that certain First Amendment to Assignment and Assumption of Option Agreement, dated May 31, 2023 (together, the "**Assignment of Option Agreement**"), pursuant to which Amazon assigned its rights under the Option Agreement to the County; and

WHEREAS, the Assignment of Option Agreement contemplates that the County will select a "Master Developer" to develop the Option Property, and that the County will assign its development rights under the Assignment of Option Agreement to such "Master Developer;" and

WHEREAS, the County selected the Assignor as the "Master Developer" for the Option Property, and the County and the Assignor entered into that certain Land Disposition and Development Agreement, dated December 13, 2022, as amended by that certain First Amendment to Land Disposition and Development Agreement, dated May 22, 2023 (together, the "**LDDA**"), pursuant to which Master Developer agreed to develop and construct the Additional Development; and

WHEREAS, the Assignment of Option Agreement contemplates that the Option Property may be developed in separate phases, and the LDDA requires the Master Developer to develop the Option Property in five distinct phases known as CH 3, CH 4, CH 6, CH 7, and CH 8; and

WHEREAS, phase CH 6 of the Option Property is required to be developed as an 80-unit affordable, residential rental project (the "**CH 6 Development**"), and the Master Developer contemplates that the CH 6 Development will be built upon a portion of the Option Land consisting of the to-be-created land condominium unit labeled "Condo Parcel CH6" shown on the Master Plan attached hereto as **Exhibit A** (the "**CH 6 Unit**"); and

WHEREAS, the Assignment of Option Agreement and the LDDA permit the Master Developer to assign to one or more sub-developers the right to develop, own, and construct one or more of the phases within the Additional Development; and

WHEREAS, the Master Developer desires to assign to Assignee, and the Assignee desires to assume from Master Developer, the right to develop, own, and construct the CH 6 Development, as further described herein; and

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor and Assignee hereby agree as follows:

1. Assignor hereby grants and assigns to Assignee, and Assignee hereby accepts and assumes from Assignor, all of Assignor's rights and obligations to acquire, develop, own, and construct the CH 6 Development as provided in the Option Agreement, the Assignment of Option Agreement, and the LDDA, including, without limitation, Assignor's right to acquire the CH 6 Unit.

2. Assignor agrees that the assignment described herein shall not relieve Assignor of Assignor's obligations under the LDDA, including any obligations under the Option Agreement or Assignment of Option Agreement to develop the Additional Development.

3. This Assignment shall be binding upon and shall inure to the benefit of the parties hereto and their successors and assigns.

4. This Assignment may be executed in counterparts.

[Signature Page Follows]

IN WITNESS WHEREOF, and intending to be legally bound, the undersigned parties have duly executed this Assignment of Acquisition and Development Rights as of the date written above.

ASSIGNOR:

CRYSTAL HOUSE JV LLC,
a Virginia limited liability company

By: APAH Crystal House Development LLC,
a Virginia limited liability company, its
managing member

By: Arlington Partnership for Affordable Housing, Inc.,
a Virginia nonstock corporation, its sole member

By: _____
Kyle McCandless, Assistant Treasurer

ASSIGNEE:

CRYSTAL HOUSE SIX LIMITED PARTNERSHIP,
a Virginia limited partnership

By: Crystal House Six Development LLC,
a Virginia limited liability company

By: Arlington Partnership for Affordable Housing, Inc.,
a Virginia nonstock corporation, its sole member

By: _____
Kyle McCandless, Assistant Treasurer

EXHIBIT A
Master Plan

[Attached]

FIRST AMENDMENT TO
LAND DISPOSITION AND DEVELOPMENT AGREEMENT

Crystal House Apartments

This FIRST AMENDMENT TO LAND DISPOSITION AND DEVELOPMENT AGREEMENT (this "**Amendment**") is entered into as of the 22 day of May 2023, by and between the COUNTY BOARD OF ARLINGTON COUNTY, VIRGINIA, a body corporate and politic of the Commonwealth of Virginia (the "**County**"), CRYSTAL HOUSE JV LLC, a Virginia limited liability company ("**Developer**"). The County and the Developer are collectively referred to herein as the "**Parties.**"

WHEREAS, the County and Developer entered into that certain Land Disposition and Development Agreement dated December 13, 2022 (the "**Agreement**") for the development of the Crystal House Apartments located in Arlington County, Virginia.

WHEREAS, the Parties desire to amend and modify the Agreement as set forth in this Amendment.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby enter into this Amendment on the terms and conditions set forth herein.

1. Recitals. The foregoing recitals are incorporated herein by reference.

2. Capitalized Terms. Capitalized terms used but not defined herein (including in the Recitals) shall have the meanings set forth in the Agreement.

3. Schedule of Project Milestones. The Schedule of Project Milestones attached to the Agreement as Exhibit G is hereby deleted and replaced with the Schedule of Project Milestones attached hereto as Exhibit A of this Amendment.

4. Counterparts. This Amendment may be executed in any number of counterparts, each of which shall be considered an original for all purposes; provided, however, that all such counterparts shall together constitute one and the same instrument.

5. Original Agreement. Except as amended hereby, the Agreement remains unchanged and in full force and effect and the Parties hereto hereby ratify and reaffirm the terms of the Agreement as amended hereby.

6. Applicable Law This Amendment shall be construed and enforced in accordance with the laws of the Commonwealth of Virginia.

[signature pages follow]

IN WITNESS WHEREOF, the Parties have duly executed this Amendment by their duly authorized signatories effective on or as of the date written at the commencement of this Amendment.

COUNTY:

Approved as to form:

MinhChau Corr, County Attorney

THE COUNTY BOARD OF ARLINGTON COUNTY, VIRGINIA, a body corporate and politic of the Commonwealth of Virginia

By: _____
Mark Schwartz, County Manager

[signatures continue on the following page]

DEVELOPER:

CRYSTAL HOUSE JV LLC, a Virginia limited liability company

By: APAH Crystal House Development LLC, a Virginia limited liability company, its managing member

By: Arlington Partnership for Affordable Housing, Inc., a Virginia nonstock corporation, its sole member

By: _____

Name: Carmen Romero

Title: President

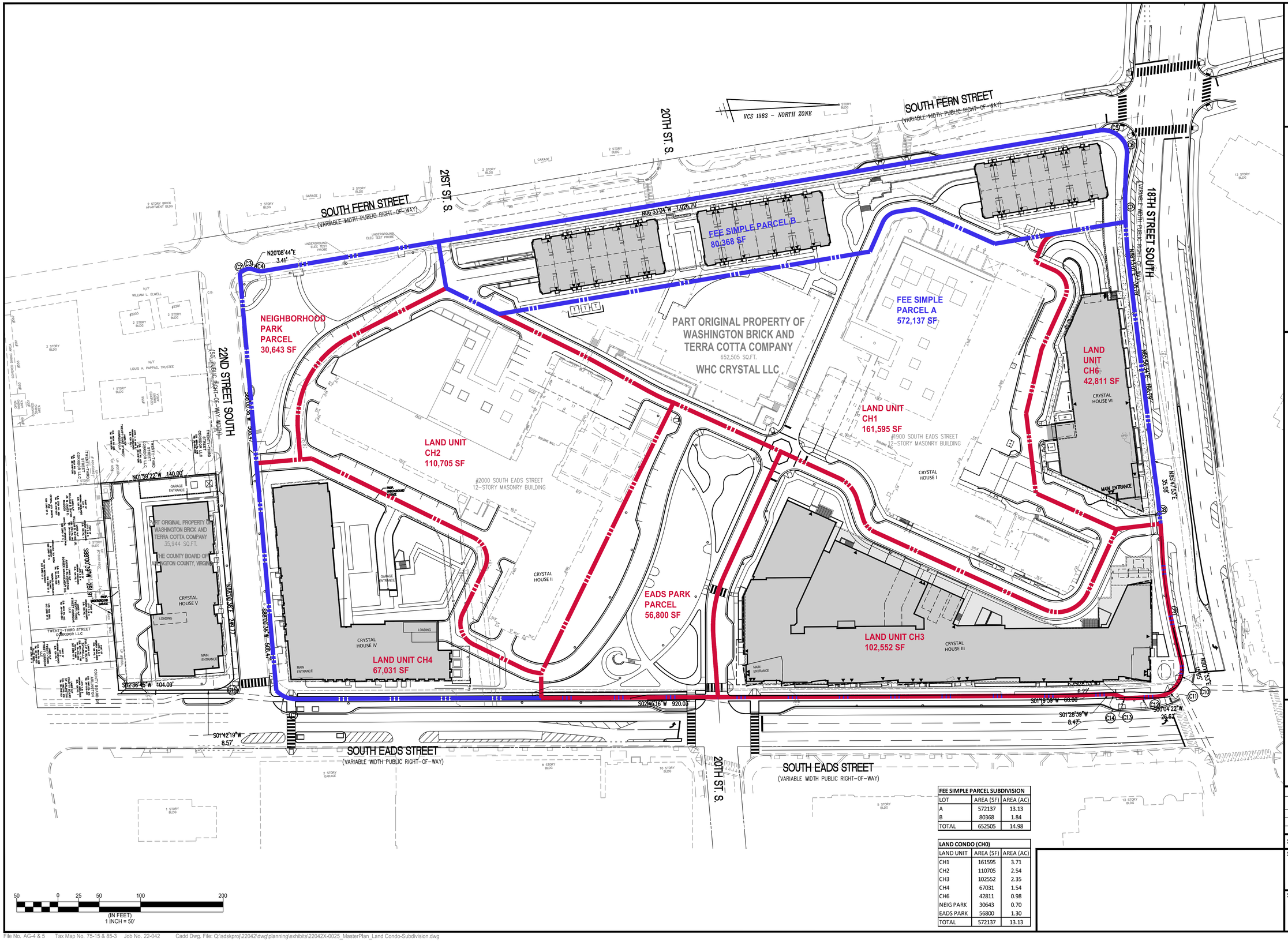
EXHIBIT A

Schedule of Project Milestones

[attached]

Schedule of Project Milestones

Project Milestone	Date
DDA Executed	December 31, 2022
Future Reasonable Agreements Obtained	December 31, 2023
Subdivision Recorded	July 1, 2024
Option Property Conveyed (Closing)	January 1, 2025
Project Commencement	July 1, 2025
Project Completion	January 1, 2028



FEE SIMPLE PARCEL SUBDIVISION		
LOT	AREA (SF)	AREA (AC)
A	572137	13.13
B	80368	1.84
TOTAL	652505	14.98

LAND CONDO (CH0)		
LAND UNIT	AREA (SF)	AREA (AC)
CH1	161595	3.71
CH2	110705	2.54
CH3	102552	2.35
CH4	67031	1.54
CH6	42811	0.98
NEIG PARK	30643	0.70
EADS PARK	56800	1.30
TOTAL	572137	13.13

WALTER L. PHILLIPS INCORPORATED ESTABLISHED 1945
Engineers • Surveyors • Planners
Landscape Architects • Arborists
207 PARK AVENUE
FALLS CHURCH, VIRGINIA 22046
(703) 532-6163 Fax (703) 533-1301
www.WLPINC.com

DRAWN: TPB | CHECKED: RW
DATE: 08/14/2024

CRYSTAL HOUSE
MASTER PLAN
RPC 36-018-014
ARLINGTON COUNTY, VIRGINIA

SUBMISSIONS

NO.	DESCRIPTION	DATE

SCALE: 1" = 50'

SHEET TITLE:
PRELIMINARY LAND CONDOMINIUM EXHIBIT

SHEET #:
1 OF 1

FIRST AMENDMENT TO
LAND DISPOSITION AND DEVELOPMENT AGREEMENT

Crystal House Apartments

This FIRST AMENDMENT TO LAND DISPOSITION AND DEVELOPMENT AGREEMENT (this "**Amendment**") is entered into as of the 22 day of May 2023, by and between the COUNTY BOARD OF ARLINGTON COUNTY, VIRGINIA, a body corporate and politic of the Commonwealth of Virginia (the "**County**"), CRYSTAL HOUSE JV LLC, a Virginia limited liability company ("**Developer**"). The County and the Developer are collectively referred to herein as the "**Parties.**"

WHEREAS, the County and Developer entered into that certain Land Disposition and Development Agreement dated December 13, 2022 (the "**Agreement**") for the development of the Crystal House Apartments located in Arlington County, Virginia.

WHEREAS, the Parties desire to amend and modify the Agreement as set forth in this Amendment.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby enter into this Amendment on the terms and conditions set forth herein.

1. Recitals. The foregoing recitals are incorporated herein by reference.

2. Capitalized Terms. Capitalized terms used but not defined herein (including in the Recitals) shall have the meanings set forth in the Agreement.

3. Schedule of Project Milestones. The Schedule of Project Milestones attached to the Agreement as Exhibit G is hereby deleted and replaced with the Schedule of Project Milestones attached hereto as Exhibit A of this Amendment.

4. Counterparts. This Amendment may be executed in any number of counterparts, each of which shall be considered an original for all purposes; provided, however, that all such counterparts shall together constitute one and the same instrument.

5. Original Agreement. Except as amended hereby, the Agreement remains unchanged and in full force and effect and the Parties hereto hereby ratify and reaffirm the terms of the Agreement as amended hereby.

6. Applicable Law This Amendment shall be construed and enforced in accordance with the laws of the Commonwealth of Virginia.

[signature pages follow]

IN WITNESS WHEREOF, the Parties have duly executed this Amendment by their duly authorized signatories effective on or as of the date written at the commencement of this Amendment.

COUNTY:

Approved as to form:

MinhChau Corr, County Attorney

THE COUNTY BOARD OF ARLINGTON COUNTY, VIRGINIA, a body corporate and politic of the Commonwealth of Virginia

By: _____
Mark Schwartz, County Manager

[signatures continue on the following page]

DEVELOPER:

CRYSTAL HOUSE JV LLC, a Virginia limited liability company

By: APAH Crystal House Development LLC, a Virginia limited liability company, its managing member

By: Arlington Partnership for Affordable Housing, Inc., a Virginia nonstock corporation, its sole member

By: _____

Name: Carmen Romero

Title: President

EXHIBIT A

Schedule of Project Milestones

[attached]

Schedule of Project Milestones

Project Milestone	Date
DDA Executed	December 31, 2022
Future Reasonable Agreements Obtained	December 31, 2023
Subdivision Recorded	July 1, 2024
Option Property Conveyed (Closing)	January 1, 2025
Project Commencement	July 1, 2025
Project Completion	January 1, 2028

SECOND AMENDMENT TO
LAND DISPOSITION AND DEVELOPMENT AGREEMENT

Crystal House Apartments

This SECOND AMENDMENT TO LAND DISPOSITION AND DEVELOPMENT AGREEMENT (this "**Amendment**") is entered into as of the __21___ day of __December_____ 2023, by and between the COUNTY BOARD OF ARLINGTON COUNTY, VIRGINIA, a body corporate and politic of the Commonwealth of Virginia (the "**County**"), CRYSTAL HOUSE JV LLC, a Virginia limited liability company ("**Developer**"). The County and the Developer are collectively referred to herein as the "**Parties**."

WHEREAS, the County and Developer entered into that certain Land Disposition and Development Agreement dated December 13, 2022, as amended to date (the "**Agreement**") for the development of the Crystal House Apartments located in Arlington County, Virginia.

WHEREAS, the Parties desire to amend and modify the Agreement as set forth in this Amendment.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby enter into this Amendment on the terms and conditions set forth herein.

1. Recitals. The foregoing recitals are incorporated herein by reference.

2. Capitalized Terms. Capitalized terms used but not defined herein (including in the Recitals) shall have the meanings set forth in the Agreement.

3. Schedule of Project Milestones. The Schedule of Project Milestones attached to the Agreement as Exhibit G is hereby deleted and replaced with the Schedule of Project Milestones attached hereto as Exhibit A of this Amendment.

4. Community Benefit Agreement. The phrase "one year after the Effective Date" in Section 4.5 of the Agreement is hereby deleted and replaced with "May 1, 2024".

5. Counterparts. This Amendment may be executed in any number of counterparts, each of which shall be considered an original for all purposes; provided, however, that all such counterparts shall together constitute one and the same instrument.

6. Original Agreement. Except as amended hereby, the Agreement remains unchanged and in full force and effect and the Parties hereto hereby ratify and reaffirm the terms of the Agreement as amended hereby.

7. Applicable Law This Amendment shall be construed and enforced in accordance with the laws of the Commonwealth of Virginia.

[signature pages follow]

IN WITNESS WHEREOF, the Parties have duly executed this Amendment by their duly authorized signatories effective on or as of the date written at the commencement of this Amendment.

COUNTY:

Approved as to form:

County Attorney

THE COUNTY BOARD OF ARLINGTON COUNTY, VIRGINIA, a body corporate and politic of the Commonwealth of Virginia

By: Mark Schwartz, County Manager

[signatures continue on the following page]

DEVELOPER:

CRYSTAL HOUSE JV LLC, a Virginia limited liability company

By: APAH Crystal House Development LLC, a Virginia limited liability company, its managing member

By: Arlington Partnership for Affordable Housing, Inc., a Virginia nonstock corporation, its sole member

By: _____

Name: Carmen Romero

Title: President

EXHIBIT A

Schedule of Project Milestones

[attached]

Schedule of Project Milestones

	Project Milestone	Outside Date
1	**DDA Executed**	N/A (complete)
2	**Future Reasonable Agreements Obtained**	May 1, 2024
3	**Subdivision Recorded**	July 1, 2024
4	**Option Property Conveyed (Closing)**	January 1, 2025
5	**Project Commencement**	July 1, 2025
6	**Project Completion**	January 1, 2028

THIRD AMENDMENT TO
LAND DISPOSITION AND DEVELOPMENT AGREEMENT

Crystal House Apartments

This THIRD AMENDMENT TO LAND DISPOSITION AND DEVELOPMENT AGREEMENT (this "**Amendment**") is entered into as of the 28th day of June 2024, by and between the COUNTY BOARD OF ARLINGTON COUNTY, VIRGINIA, a body corporate and politic of the Commonwealth of Virginia (the "**County**"), CRYSTAL HOUSE JV LLC, a Virginia limited liability company ("**Developer**"). The County and the Developer are collectively referred to herein as the "**Parties.**"

WHEREAS, the County and Developer entered into that certain Land Disposition and Development Agreement dated December 13, 2022, as amended to date (the "**Agreement**") for the development of the Crystal House Apartments located in Arlington County, Virginia.

WHEREAS, the Parties desire to amend and modify the Agreement as set forth in this Amendment.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby enter into this Amendment on the terms and conditions set forth herein.

1. Recitals. The foregoing recitals are incorporated herein by reference.

2. Capitalized Terms. Capitalized terms used but not defined herein (including in the Recitals) shall have the meanings set forth in the Agreement.

3. Schedule of Project Milestones. The Schedule of Project Milestones attached to the Agreement as Exhibit G is hereby deleted and replaced with the Schedule of Project Milestones attached hereto as Exhibit A of this Amendment.

4. Project Phasing Plan. The Project Phasing Plan attached to the Agreement as Exhibit E is hereby deleted and replaced with the Project Phasing Plan attached hereto as Exhibit B of this Amendment.

5. Occupancy Objective. The Parties agree that the reference to "seventy-five percent (75%)" in Section 2.3.3 of the Agreement is hereby replaced with "seventy-three percent (73%)". The Parties agree that the requirement in Section 2.3.3 to record an Option Property Affordable Housing Covenant at the Closing of a Phase shall not apply to a Phase that will not have any rent restricted or income restricted Units (i.e., only to CH 3, CH 4, CH 5, and CH 6, and not CH 7 or CH 8).

6. Counterparts. This Amendment may be executed in any number of counterparts, each of which shall be considered an original for all purposes; provided, however, that all such counterparts shall together constitute one and the same instrument.

7. Original Agreement. Except as amended hereby, the Agreement remains unchanged and in full force and effect and the Parties hereto hereby ratify and reaffirm the terms of the Agreement as amended hereby.

8. Applicable Law This Amendment shall be construed and enforced in accordance with the laws of the Commonwealth of Virginia.

[signature pages follow]

IN WITNESS WHEREOF, the Parties have duly executed this Amendment by their duly authorized signatories effective on or as of the date written at the commencement of this Amendment.

COUNTY:

Approved as to form:

Minh Chau Corr, County Attorney

THE COUNTY BOARD OF ARLINGTON COUNTY, VIRGINIA, a body corporate and politic of the Commonwealth of Virginia

By: _____
Mark Schwartz, County Manager

[signatures continue on the following page]

DEVELOPER:

CRYSTAL HOUSE JV LLC, a Virginia limited liability company

By: APAH Crystal House Development LLC, a Virginia limited liability company, its managing member

By: Arlington Partnership for Affordable Housing, Inc., a Virginia nonstock corporation, its sole member

By: _____

Name: Carmen Romero

Title: President

EXHIBIT A

Schedule of Project Milestones

[attached]

Schedule of Project Milestones

	Project Milestone	Outside Date
1	**DDA Executed**	N/A (complete)
2	**Future Reasonable Agreements Obtained**	May 1, 2024
3	**Subdivision Recorded**	December 31, 2025
4	**Option Property Conveyed (Closing)**	• Crystal House 3: December 31, 2025 • Crystal House 7: June 30, 2026 • Crystal House 8: June 30, 2026 • Crystal House 6: December 31, 2026 • Crystal House 4: September 30, 2028
5	**Project Commencement**	• Crystal House 3: December 31, 2025 • Crystal House 7: June 30, 2026 • Crystal House 8: June 30, 2026 • Crystal House 6: December 31, 2026 • Crystal House 4: September 30, 2028
6	**Project Completion**	• Crystal House 3: December 31, 2027 • Crystal House 7: June 30, 2028 • Crystal House 8: June 30, 2028 • Crystal House 6: December 31, 2028 • Crystal House 4: December 31, 2030

EXHIBIT B

Project Phasing Plan

[attached]

Project Phasing Plan

	CH 6	CH 3, 4, 7 & 8	CH 5
Phasing & Affordability	CH 6 – anticipated 80 affordable (Owner: APAH affiliate)	CH 3 – anticipated 432 affordable units (Owner: APAH affiliate) CH 4 – anticipated 54 affordable units & 168 market-rate (Owner: EYA affiliate) CH 7 & 8 – market-rate development program to be determined (Owner EYA affiliate)	CH 5 – anticipated 89 affordable units (Owner: APAH affiliate)
Disposition Structure	County Option Assignment for land associated with CH 6 and fee simple conveyance from WHC Crystal LLC to APAH affiliate.	County Option Assignment for land associated with CH 3, 4, 7 & 8 and fee simple conveyance from WHC Crystal LLC to APAH/EYA affiliates.	Ground lease between County and APAH affiliate.
Closing	Crystal House 6: December 31, 2026	• Crystal House 3: December 31, 2025 • Crystal House 7: June 30, 2026 • Crystal House 8: June 30, 2026 • Crystal House 4: September 30, 2028	To-be-determined
Construction Start / Completion	*Start*: Crystal House 6: December 31, 2026 Completion: Crystal House 6: December 31, 2028	*Start*: • Crystal House 3: December 31, 2025 • Crystal House 7: June 30, 2026 • Crystal House 8: June 30, 2026 • Crystal House 4: September 30, 2028	To-be-determined

		Completion: • Crystal House 3: December 31, 2027 • Crystal House 7: June 30, 2028 • Crystal House 8: June 30, 2028 • Crystal House 4: December 31, 2030	

FOURTH AMENDMENT TO LAND DISPOSITION AND DEVELOPMENT AGREEMENT

Crystal House Apartments

This FOURTH AMENDMENT TO LAND DISPOSITION AND DEVELOPMENT AGREEMENT (this "**Amendment**") is entered into as of the 29th day of October, 2024, by and between the COUNTY BOARD OF ARLINGTON COUNTY, VIRGINIA, a body corporate and politic of the Commonwealth of Virginia (the "**County**"), CRYSTAL HOUSE JV LLC, a Virginia limited liability company ("**Developer**"). The County and the Developer are collectively referred to herein as the "**Parties**."

WHEREAS, the County and Developer entered into that certain Land Disposition and Development Agreement dated December 13, 2022, as amended to date (the "**Agreement**") for the development of the Crystal House Apartments located in Arlington County, Virginia.

WHEREAS, the Developer has requested an early Closing on the portion of the Option Property related to the CH 3 Phase in order to perform a portion of the CH3 Project construction consisting of the Site Preparation described in Section 7.4 of the Agreement ("**CH3 Site Preparation Work**") in advance of its financing closing, and the County is willing to permit the same subject to the terms and conditions set forth herein.

WHEREAS, the Parties desire to amend and modify the Agreement as set forth in this Amendment.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby enter into this Amendment on the terms and conditions set forth herein.

1. Recitals. The foregoing recitals are incorporated herein by reference.

2. Capitalized Terms. Capitalized terms used but not defined herein (including in the Recitals) shall have the meanings set forth in the Agreement.

3. CH3 Financing Closing Milestone. For the CH3 Phase only, an additional Project Milestone shall be added to Exhibit G to follow Project Milestone 4, "Option Property Conveyed (Closing)" as follows:

	Project Milestone	Date
4a	CH3 Financing Closing	December 31, 2025

4. Interim Payment and Performance Bond. Developer wishes to perform the CH3 Site Preparation Work prior to the CH 3 Financing Closing. For the CH3 Phase only, Section 8.2 of the Agreement is amended to allow Developer to provide a Bond in a penal sum of not less than one hundred percent (100%) of the scheduled cost of construction of the CH3 Site Preparation Work, and one hundred percent (100%) payment bond in the same amount ("**CH3 Interim Bond**"). Developer shall deliver to the County an original of the CH3 Interim Bond at, or prior to, the CH3 Closing. At the CH3 Financing Closing, Developer shall replace the CH3 Interim Bond with a new Bond in a penal sum of not less than one hundred percent (100%) of the scheduled cost of construction of the CH3 Project, and one hundred percent (100%) payment bond in the same amount ("**CH3 Full Bond**"). Developer shall deliver to the County an original of the CH3 Full Bond at, or prior to, the CH3 Financing Closing.

5. Conditions to Closing. The following conditions (the "**Deferred Conditions**") to the County's obligations to close on the CH 3 Phase only are hereby deferred until the Developer's construction financing closing (the "**CH3 Financing Closing**"):

i. The condition set forth in Section 4.6.3 of the Agreement;
ii. The condition set forth in Sections 5.1.3(m) of the Agreement;
iii. The Closing delivery set forth in Sections 6.3.2(l) of the Agreement.

6. Financing Closing. The Developer shall achieve the CH3 Financing Closing (and satisfy the Deferred Conditions) on or before December 31, 2025 (the "**CH3 Outside Date**"). Failure to achieve the foregoing shall deemed a Developer Default.

7. CH 3 Guaranty. For the purposes of early start on the CH 3 Phase only, the Completion Guaranty attached to the Agreement as Exhibit D and required to be delivered to the County as a condition of Closing is hereby replaced with the form of CH3 completion guaranty attached hereto as Exhibit A guaranteeing completion of the CH3 Site Preparation Work (the "**CH3 Interim Guaranty**"). On or before the CH3 Outside Date and at the CH3 Financing Closing, the CH3 Interim Guaranty shall be terminated and the Guarantor shall execute and deliver to the County the full executed Completion Guaranty for the CH3 Phase substantially in the form attached to the original Agreement as Exhibit D guaranteeing completion of the full CH3 Project ("**CH3 Full Guaranty**").

8. Assignor's Option Agreement. For the CH3 Phase only, Section 2.6 of the Agreement is amended to add to the conditions upon any of which Assignor may exercise Assignor's Option the following (each a "**CH3 Financing Closing Failure**"):

i. Developer's failure to deliver the CH3 Full Bond on or before the CH3 Financing Closing; or
ii. Developer's failure to deliver the CH3 Full Guaranty on or before the CH3 Financing Closing; or

iii. Developer's failure to achieve the CH3 Financing Closing by the CH3 Financing Closing Milestone date.

For the avoidance of doubt, the Project Commencement Failure and Project Construction Abandonment shall not apply to the period prior to the CH3 Financing Closing. For the CH3 Phase only, Project Commencement shall mean the commencement of CH3 Project construction work other than the CH3 Site Preparation Work ("**CH3 Full Construction Work**"). In other words, the CH3 Full Construction Work must commence by the CH3 Construction Commencement Project Milestone date. Project Abandonment shall be determined only with respect to the CH3 Full Construction Work, and only after the CH3 Full Construction Work has commenced.

9. Counterparts. This Amendment may be executed in any number of counterparts, each of which shall be considered an original for all purposes; provided, however, that all such counterparts shall together constitute one and the same instrument.

10. Original Agreement. Except as amended hereby, the Agreement remains unchanged and in full force and effect and the Parties hereto hereby ratify and reaffirm the terms of the Agreement as amended hereby.

11. Applicable Law This Amendment shall be construed and enforced in accordance with the laws of the Commonwealth of Virginia.

[signature pages follow]

IN WITNESS WHEREOF, the Parties have duly executed this Amendment by their duly authorized signatories effective on or as of the date written at the commencement of this Amendment.

Approved as to Form

MinhChau Corr, County Attorney

COUNTY:

COUNTY BOARD OF ARLINGTON COUNTY, VIRGINIA, a body corporate politic of the Commonwealth of Virginia

By: _____
Mark Schwartz, County Manager

[signatures continue on the following page]

DEVELOPER:

CRYSTAL HOUSE JV LLC, a Virginia limited liability company

By: APAH Crystal House Development LLC, a Virginia limited liability company, its managing member

By: True Ground Housing Partners, Inc. (f/k/a Arlington Partnership for Affordable Housing, Inc.,) a Virginia nonstock corporation, its sole member

By: _____

Name: Carmen Romero

Title: President

EXHIBIT A

Form of Interim Guaranty

[attached]

INTERIM DEVELOPMENT AND COMPLETION GUARANTY

THIS INTERIM DEVELOPMENT AND COMPLETION GUARANTY (this "**Guaranty**") is made as of October 29, 2024 ("**Effective Date**"), by TRUE GROUND HOUSING PARTNERS, INC. (f/k/a Arlington Partnership for Affordable Housing, Inc.) (the "**Guarantor**"), for the benefit of the COUNTY BOARD OF ARLINGTON COUNTY, VIRGINIA, a body corporate and politic of the Commonwealth of Virginia ("**County**") and ACORN DEVELOPMENT LLC, a Delaware limited liability company ("**Assignor**" together with County, the "**Beneficiaries**").

RECITALS:

WHEREAS, County and Crystal House JV LLC, a Virginia limited liability company ("**Master Developer**") have entered into a certain Land Disposition and Development Agreement, dated as of December 13, 2022 (as amended to date, the "**Development Agreement**"), pursuant to which, among other things, County has agreed to assign its rights to acquire the CH3 property to an affiliate of Developer, APAH Crystal House Acquisition LLC, a Virginia limited liability company ("**CH 3 Developer**" or "**Developer**") at Closing, and Developer has agreed to commence an early construction start pursuant to plans approved by the County (the "**Early Start Scope**") on the Option Property.

WHEREAS, as a condition to Closing under the Development Agreement, the Guarantor is required to deliver this Guaranty to the Beneficiaries to guaranty the performance of Developer of its obligations under the Development Agreement.

NOW, THEREFORE, in consideration of the premises, the mutual covenants contained herein and other good and valuable consideration in hand paid, the receipt and sufficiency of which are hereby acknowledged, Guarantor hereby agrees as follows:

1. **Recitals; Definitions.**

1.1 The foregoing recitals are true and correct and are incorporated into this Guaranty by this reference and made a material part of this Guaranty.

1.2 Capitalized terms used and not defined in this Guaranty shall have the meanings attributed to them in the Development Agreement.

2. **Representations and Warranties.**

2.1 Guarantor represents and warrants to the Beneficiaries as follows:

(a) the making and performance of this Guaranty by Guarantor will not result in any breach of any term, condition, or provision of, or constitute a default under, any contract, agreement, or other instrument to which Guarantor is a party or by which it is bound, or result in a breach of any regulation, order, writ, injunction, or decree of any court or any commission, board, or other administrative agency entered in any proceeding to which Guarantor is a party or by which it is bound;

(b) Guarantor has reviewed, with the advice and benefit of its legal counsel, the terms and provisions of the Development Agreement, this Guaranty, Project Phasing Plan, the Schedule of Project Milestones, the Approved Plans and Specifications, and the documents referenced in each of the foregoing;

(c) Guarantor (if Guarantor is not a natural person) is duly organized, validly existing and in good standing under the laws of the State of its organization and is duly qualified to do business, and is in good standing, in the State;

(d) Guarantor has been duly authorized to carry on its business, and to hold title to and own the property it owns, to execute, deliver, and perform this Guaranty, and to consummate the transactions contemplated hereby and thereby;

(e) this Guaranty has been duly authorized, executed and delivered by Guarantor, and this Guaranty, and each term and provision hereof is the legal, valid and binding obligation of Guarantor enforceable against Guarantor in accordance with its terms, except to the extent that enforceability may be limited by applicable bankruptcy, insolvency or other similar laws of general application or equitable principles relating to or affecting the enforcement of creditors' rights from time to time in effect;

(f) no actions, suits, or proceedings are pending or, to Guarantor's knowledge, threatened against or affecting Guarantor before any governmental authority which could, if adversely decided, result in a material adverse change in the financial condition of Guarantor (in comparison to any state of affairs existing before the Effective Date) or of the ability of Guarantor to perform, or of the Beneficiaries to enforce, any provision of this Guaranty (a "**Material Adverse Change**");

(g) no consent, approval, or authorization of, or registration, declaration, or filing with, any governmental authority or any other Person is required that has not been obtained in writing by Guarantor, in connection with the execution, delivery, and performance by Guarantor of this Guaranty and the transactions contemplated by this Guaranty;

(h) Guarantor is not insolvent (as such term is defined or determined for purposes of Bankruptcy Reform Act of 1978 (11 U.S.C. § 101-1330), as amended or recodified or

any other bankruptcy law (collectively, the "**Bankruptcy Code**"), and the execution and delivery of this Guaranty will not make Guarantor insolvent;

(i) to the best of Guarantor's knowledge, neither this Guaranty nor any financial information, certificate, or statement furnished to the Beneficiaries by or on behalf of Guarantor contains any untrue statement of a material fact or intentionally or knowingly omits to state a material fact necessary to make the statements herein and therein, in the light of the circumstances under which they are made, not misleading;

(j) to the best of Guarantor's knowledge, no conditions exist which would prevent Guarantor from complying with the provisions of this Guaranty within the time limits set forth herein and/or in the Development Agreement, as may be extended or deemed extended pursuant to the terms thereof;

(k) Guarantor has filed all tax returns and reports required by law to have been filed by it, and has paid all taxes, assessments, and governmental charges levied upon it or any of its assets which are due and payable, except any such taxes or charges which are being contested in good faith by appropriate proceedings and for which adequate reserves have been set aside;

(l) there are no conditions precedent to the effectiveness of this Guaranty;

(m) Guarantor is not a Prohibited Person; and

(n) all financial statements delivered to the Beneficiaries at any time by or on behalf of Guarantor (i) are true and correct in all material respects, (ii) fairly present in a manner consistent with prior statements submitted to Beneficiaries the respective financial conditions of the subjects thereof and for the periods referenced therein, and (iii) have been prepared in accordance with generally accepted accounting principles (if Guarantor is not a natural person) (or other accounting principles as the Beneficiaries may agree) consistently applied, and there has been no Material Adverse Change in the financial position of such Guarantor since the respective dates of (or periods covered by) such statements, and without limiting the foregoing, all assets shown on such financial statements, unless clearly designated to the contrary on such financial statements, (A) are free and clear of any exemption or any claim of exemption of Guarantor or any other Person, (B) accurately reflect all debt and prior pledges or encumbrances (direct or indirect) of or on any of Guarantor's assets at the date of the financial statements and at all times thereafter, and (C) are owned individually by Guarantor and not jointly with any spouse or other Person, except as otherwise reflected thereon.

2.2 Guarantor agrees that all of the representations and warranties of Guarantor in this Guaranty are made and shall be true as of the Effective Date and shall survive the execution and delivery of this Guaranty. Guarantor shall inform the Beneficiaries in writing within five (5) Business Days upon its discovering any breach of such representations or warranties.

2.3 Guarantor acknowledges that County is consummating the Closing in reliance upon the representations, warranties, and agreements contained in this Guaranty. The Beneficiaries shall be entitled to such reliance notwithstanding any investigation which has been made, has not been made, or may be conducted by the Beneficiaries or on the Beneficiaries behalf.

3. **Guaranteed Obligations**. Guarantor hereby absolutely and unconditionally guarantees to the Beneficiares and its successors and assigns: (i) the completion of the Early Start Scope on or before August 30, 2025; (ii) the CH 3 Property and the Improvements shall be kept free and clear of all liens (other than liens in favor of an approved mortgage of the County), claims of lien and other claims connected with or arising out of the construction or completion of CH 3; (iii) the payment in full of all amounts due to any contractor, subcontractor, materialman, laborer, any employee or other Person who is engaged by Developer at any time in work or supplying materials in connection with CH 3 if and to the extent not paid by Developer; (iv) any obligation of the Developer under the Development Agreement to indemnify, defend, and hold harmless the Beneficiaries; and (v) the enforcement of this Guaranty by the Beneficiaries (including, without limitation, reasonable attorneys' fees), which obligations shall survive the release of this Guaranty (collectively, the "**Guaranteed Obligations**").

4. **Liens.** If any valid mechanic's or materialmen's liens should be filed, or should attach, against the Property with respect to CH 3 and if such valid mechanic's or materialmen's liens have not been removed by Developer or released or waived by the party filing same, Guarantor shall take, or cause to be taken (by Developer or otherwise), action to cause the removal, release or waiver of such liens, including, if necessary, the posting of a bond or other security against the consequences of their possible judicial enforcement.

5. **Financial Statements.**

5.1 If Guarantor is not a natural person, within ninety (90) days after the end of Guarantor's fiscal year (or in the case of audited financials under (d) below, within the earlier of (i) 270 days after the end of Guarantor's fiscal year or (ii) ten (10) Business Days after Guarantor receives same from its accountant), Guarantor shall deliver to the Beneficiaries a copy of such Guarantor's balance sheet, income statement, and statement of changes in financial position for such fiscal year (collectively, the "**Corporate Financial Statements**"). The Corporate Financial Statements shall (a) include a schedule of all material contingent liabilities and all other notes and schedules relating thereto, (b) be in a form reasonably satisfactory to the Beneficiaries, (c) be prepared in accordance with generally accepted accounting principles (or other accounting principles as the Beneficiaries may agree) consistently applied, (d) if audits are done in the regular course of Guarantor's business, be audited by an independent, certified public accountant who is a member of the American Institute of Certified Public Accountants and otherwise acceptable to the Beneficiaries, and (e) be accompanied by a certification of Guarantor to the Beneficiaries (made by the chief financial officer in the case of any corporate Guarantor) that such Corporate Financial Statements (i) have been prepared in accordance with generally accepted accounting

principles (or other accounting principles as the Beneficiaries may agree) consistently applied, (ii) present fairly the financial condition of such Guarantor as of the respective dates thereof, and (iii) show all direct and contingent material liabilities of Guarantor as of such dates.

5.2 If the Guarantor is a natural person, within sixty (60) days after the end of each calendar year, Guarantor shall deliver to the Beneficiaries a copy of Guarantor's financial statement as of the end of such calendar year. Each such financial statement shall (a) include a statement of assets and liabilities, including a schedule of all material contingent liabilities and all other notes and schedules relating thereto, (b) be in a form reasonably satisfactory to the Beneficiaries (but need not be audited), (c) be accompanied by a certification of Guarantor to the Beneficiaries that such financial statement presents fairly the financial condition of Guarantor as of the respective dates thereof, and (d) show all direct and contingent material liabilities of Guarantor as of such dates.

5.3 From time to time promptly after the Beneficiaries request, Guarantor shall deliver to the Beneficiaries such additional information, reports and statements regarding its business operations reasonably related to CH 3 or the financial condition of Guarantor as the Beneficiaries may reasonably request.

6. **Nature of Guaranty; Independent Obligation**. This is a direct, absolute, and unconditional, guaranty of completion, and is a guaranty of payment and performance, not of collection. The obligations of Guarantor under this Guaranty are independent and primary, and the Beneficiaries shall not be required to take any action against Developer, any approved mortgage of an Institutional Lender, or any other Person or resort to any other collateral or security given for the performance of Developer as a precondition to the obligations of Guarantor under this Guaranty. Guarantor hereby waives any rights it may have to compel the Beneficiaries to proceed against Developer, or any security, or to participate in any security for Guarantor's obligations hereunder, even though any rights which such Guarantor may have against Developer or others may be destroyed, diminished or otherwise affected by such action or lack thereof. Neither the declaration of a Developer Default, nor the exercise of any remedies against Developer, shall in any way affect Guarantor's responsibility for the obligations guaranteed hereunder, even though any rights which Guarantor may have against Developer or others may be destroyed, diminished or otherwise affected by such action. To the fullest extent permitted by law, this Guaranty shall be construed as a continuing, absolute, and unconditional guaranty of performance without regard to: (a) the legality, validity, or enforceability of the Development Agreement, or any of the obligations of Developer evidenced thereby; (b) any defense, setoff, or counterclaim that may be available at any time to Developer or any other Person against and any right of setoff at any time held by the Beneficiaries (including, without limitation, any defense, setoff, or counterclaim by Guarantor under this Guaranty); or (c) any other circumstances whatsoever (with or without notice to or knowledge of Guarantor), whether or not similar to any of the foregoing, that constitutes or might

be construed to constitute an equitable or legal discharge of Developer or any other Person in bankruptcy or in any other instance.

7. **No Release or Waiver of Obligations; Consents.**

7.1 No action which Developer or the Beneficiaries may take or omit to take in connection with CH 3, nor any course of dealing with Developer or any other Person, shall release Guarantor's obligations hereunder or affect this Guaranty in any way, even if any such action may otherwise be deemed a legal or equitable discharge of a guarantor or surety.

7.2 Guarantor consents and agrees that the Beneficiaries may, at any time and from time to time, without notice or demand, and without affecting the enforceability or continuing effectiveness hereof: (a) accept partial payments on, or performance of, the obligations owed to the Beneficiaries and apply any and all payments or recoveries from Developer or any other Person to such of the obligations owed to the Beneficiaries as the Beneficiaries may elect in its sole discretion; (b) receive and hold additional security or guaranties for the obligations owed to the Beneficiaries or any part thereof; (c) release, reconvey, terminate, waive, abandon, fail to perfect, subordinate, exchange, substitute, transfer, or enforce any security or guaranties, and apply any security and direct the order or manner of sale thereof as the Beneficiaries may elect in its sole and absolute discretion may determine; (d) release any Person from any personal liability with respect to the obligations owed to the Beneficiaries or any party thereof; (e) settle, release on terms satisfactory to the Beneficiaries, as the case may be, or by operation of applicable law or otherwise, liquidate or enforce any obligations owed to the Beneficiaries and any security or guaranty in any manner, consent to the transfer of any security and bid and purchase at any sale (other than by reason of the timely and full payment and performance of all obligations owed to the Beneficiaries); (i) consent to the merger, change of any other restructuring or termination of the corporate existence of Developer or any other Person and correspondingly restructure the obligations owed to the Beneficiaries, and any such merger, change, restructuring, or termination shall not affect the liability of such Guarantor or the continuing effectiveness hereof, or the enforceability thereof with respect to all or any part of the obligations owed to the Beneficiaries; or (j) otherwise deal with Developer or any other Person as the Beneficiaries may elect in its sole discretion.

8. **Bankruptcy; Relief from Automatic Stay.**

8.1 The release or discharge of Developer, Guarantor, or any other Person from any obligation in any receivership, bankruptcy, winding-up or other creditor proceeding shall not affect the validity of this Guarantor or of Guarantor's obligations hereunder.

8.2 If the automatic stay imposed by the applicable provisions of the Bankruptcy Code, or under any other applicable law, against the exercise of the rights and remedies otherwise available to creditors of Developer is deemed by the court having jurisdiction to apply to Guarantor

who is not in bankruptcy so that Guarantor is not permitted to perform its obligations under this Guaranty and/or the Beneficiaries may not immediately enforce the terms of this Guaranty or exercise such other rights and remedies against Guarantor as would otherwise be provided by law, the Beneficiaries shall immediately be entitled, and Guarantor hereby consents, to relief from such stay, and Guarantor hereby authorizes and directs the Beneficaries to present this Guaranty to the applicable court to evidence such agreement and consent.

9. **Waivers**.

9.1 To the fullest extent the Guarantor may do so under applicable law, Guarantor expressly waives notice of acceptance of this Guaranty or any liability under this Guaranty. The Beneficiaries shall not be required to give any notice to Guarantor hereunder in order to preserve or enforce the Beneficaries' rights hereunder, any such notice being expressly waived by Guarantor.

9.2 Guarantor agrees that the Beneficiaries shall have no duty to disclose to Guarantor any information it receives or have reasonably available to it regarding the financial status of Developer, or any contractor, subcontractor or materialmen involved in the construction of the 3H 3, or any information relating to the CH 3 Project, whether or not such information indicates that the risk that Guarantor may be required to perform hereunder has been or may be increased. Guarantor assumes full responsibility for being and keeping informed of all such matters.

9.3 In addition to the foregoing, Guarantor expressly waives the following defenses:

(a) lack of validity, genuineness, or enforceability of any provision of any of the Development Agreement, or any other agreement between the Beneficiaries, Developer, Guarantor or any other Person;

(b) the incapacity, lack of authority, death, or disability of any Person or the failure of the Beneficiaries to file or enforce a claim against the estate of any Person in any administrative, bankruptcy, or other proceeding;

(c) the election of remedies by the Beneficiaries, whether or not such election may affect in any way the recourse, subrogation, or other rights of Guarantor against Developer or any other Person in connection with the Guaranteed Obligations;

(d) the negligence of the Beneficiaries in administering or overseeing the CH 3 Project or any part thereof, or taking or failing to take any action in connection therewith;

(e) any change to the Approved Plans and Specifications, the Development Agreement, Project Phasing Plan, Schedule of Project Milestones, or any of the documents referenced in any of the foregoing made without the consent or knowledge of Guarantor;

(f) the unenforceability or invalidity of any security or guaranty for the Guaranteed Obligations or the lack of perfection or continuing perfection or failure of priority of any security for the Guaranteed Obligations;

(g) the failure of the Beneficiaries to marshal assets in favor of Developer or any other Person;

(h) the failure of the Beneficiaries to give notice or sale or other disposition of any collateral (now or hereafter securing the obligations of any Person) to Developer or any other Person, as applicable, or any defect in any notice that may be given in connection with any sale or disposition of collateral or to comply with applicable law or other requirements in connection with the sale or other disposition of any collateral or other security for any obligation owed to the Beneficiaries;

(i) any act or omission of the Beneficiaries, or others, that directly or indirectly results in or aids the discharge or release of Developer or any other Person, or the Guaranteed Obligations or any security or guaranty therefor by operation of law or otherwise (other than by reason of the timely performance of all Guaranteed Obligations);

(j) any applicable law or other laws or requirements of the Beneficiaries or other states which provides that the obligation of a surety or guarantor must neither be larger in amount nor in other respects more burdensome than that of the principal or which reduces a surety's or guarantor's obligation in proportion to the principal obligation, including, without limitation, all rights and benefits under the laws of the Beneficiaries purporting to reduce Guarantor's obligation in proportion to the obligation of the principal;

(k) the avoidance of any lien in favor of the Beneficiaries for any reason;

(l) all rights or defenses Guarantor may have by reason of protection afforded to a principal with respect to the Guaranteed Obligations pursuant to applicable law or other laws of the Beneficiaries or other states limiting or discharging the principal's obligations (provided that the same shall not be deemed to waive a defense based on performance of the Guaranteed Obligations); and

(m) any defense based on any other circumstances whatsoever (with or without notice to or knowledge of Guarantor), whether or not similar to any of the foregoing, that constitutes or might be construed to constitute an equitable or legal discharge of Developer or any other Person in bankruptcy or in any other instance (provided that the same shall not be deemed to waive a defense based on performance of the Guaranteed Obligations).

10. **Rights Upon Default.**

10.1 Upon the occurrence and during the continuance of (a) any failure by Guarantor in the performance of the Guaranteed Obligations beyond applicable notice and cure periods, (b) the dissolution or insolvency of Guarantor, (d) the inability of Guarantor to pay its debts as they mature, (d) a general assignment by Guarantor for the benefit of creditors, (e) the institution of any proceeding by or against Guarantor in bankruptcy or for a reorganization or an arrangement with creditors, or for the appointment of a receiver, trustee, or custodian for Guarantor or its properties that is not dismissed or stayed within one hundred twenty (120) days after Guarantor's receipt of notice of filing, (f) the falsity in any material respect of or any material omission in any representation made to the Beneficiaries by Guarantor, or (g) any other default by Guarantor of any other obligations owed to the Beneficiaries by Guarantor under this Guaranty (a "**Guarantor Default**"), the Beneficiaries shall have such rights and remedies available to it as permitted by law and in equity and may enforce this Guaranty in accordance with the terms hereof, independently of any other remedy or security the Beneficiaries at any time may have or hold in connection with the Guaranteed Obligations as to Developer, and it shall not be necessary for the Beneficiaries to marshal assets in favor of Developer, Guarantor, or any other Person or to proceed upon or against and/or exhaust any security or remedy before proceeding to enforce this Guaranty in accordance with the terms hereof. Additionally, Guarantor agrees that during the continuance of any Guarantor Default, the Beneficiaries may, without the consent of or notice to Guarantor, take or refrain from taking such other action to enforce the provisions of this Guaranty against Guarantor as it may from time to time determine in its sole discretion as to any obligations then unperformed.

10.2 Guarantor absolutely, irrevocably and unconditionally, and jointly and severally, agrees to the fullest extent permitted by law, to indemnify, defend, and hold harmless the Beneficiaries from any and all loss, cost, liability, and expense arising out of or in connection with (a) any Guarantor Default and (b) the enforcement of this Guaranty by the Beneficiaries (including, without limitation, reasonable attorneys' fees).

10.3 Guarantor shall immediately, upon demand therefor, reimburse the Beneficiaries for any and all expenditures incurred by the Beneficiaries under this Section 10, plus interest thereon at the rate of fifteen percent (15%) per annum until all sums are paid to the Beneficiaries.

10.4 Guarantor agrees that the Beneficiaries and Developer or any other Person may deal with each other in connection with the Guaranteed Obligations or otherwise, or alter any contracts or agreements now or hereafter existing between them, in any manner whatsoever, all without in any way altering or affecting the security of this Guaranty. The Beneficiaries' rights hereunder shall be reinstated and revived and the enforceability of this Guaranty shall continue with respect to any amount at any time paid on account of the Guaranteed Obligations, which thereafter shall be required to be restored or returned by the Beneficiaries upon the bankruptcy, insolvency, or reorganization of Developer of any other Person, or for any other reason, all as though such amount had not been paid. The rights of the Beneficiaries created or granted herein and the enforceability of this Guaranty at all times shall remain effective even though the Guaranteed Obligations,

including any part thereof or any other security or guaranty therefor, may be or hereafter may become invalid or otherwise unenforceable as against Developer.

11. **Cumulative Rights**. The exercise by the Beneficiaries of any right or remedy hereunder, under the Development Agreement, any other documents executed by the Beneficiaries and Developer, or at law or in equity, shall not preclude the concurrent or subsequent exercise of any other right or remedy. The Beneficiaries shall have all rights, remedies, and recourses afforded to the Beneficiaries by reason of this Guaranty, any other documents executed between the Beneficiaries and Developer, or by law or equity or otherwise, and the same (a) shall be cumulative and concurrent; (b) may be pursued separately, successively, or concurrently against Guarantor or others obligated for the Guaranteed Obligations, or any part thereof, or against any one or more of them, at the sole and absolute discretion of the Beneficiaries; (c) may be exercised as often as occasion therefor shall arise, it being agreed by Guarantor that the exercise of, discontinuance of the exercise of, or failure to exercise any of such rights, remedies, or recourses shall in no event be construed as a waiver or release thereof or of any other right, remedy, or recourse; and (d) are intended to be and shall be nonexclusive. No waiver of any default on the part of Guarantor or of any breach of any of the provisions of this Guaranty or of any other document shall be considered a waiver of any other or subsequent default or breach, and no delay or omission in exercising or enforcing the rights and powers granted herein or in any other document shall be construed as a waiver of such rights and powers, and no exercise or enforcement of any rights or powers hereunder or under any other document shall be held to exhaust such rights and powers, and every such right and power may be exercised from time to time. The granting of any consent, approval, or waiver by the Beneficiaries shall be limited to the specific instance and purpose therefor and shall not constitute consent or approval in any other instance or for any other purpose. No notice to or demand on Guarantor in any case shall of itself entitle such Guarantor to any other or further notice or demand in similar or other circumstances.

12. **Statute of Limitations and Other Laws**. Until the Guaranteed Obligations have been irrevocably paid and/or performed in full, all of the rights, privileges, powers, and remedies granted to the Beneficiaries hereunder shall continue to exist and may be exercised by the Beneficiaries at any time and from time to time, irrespective of the fact that any of the Guaranteed Obligations may have become barred by any statutes of limitations. Guarantor expressly waives the benefit of any and all statutes of limitations, and any and all laws providing for exemption of property from execution or for valuation and appraisal upon foreclosure, and any and all rights and benefits, if any, arising under the laws of the Beneficiaries.

13. **Indemnification**. Guarantor agrees to indemnify and hold harmless the Beneficiaries for all reasonable, direct, and out-of-pocket costs and expenses, including, without limitation, all court costs, reasonable attorneys' fees and expenses, and costs of collection incurred or paid by the Beneficiaries arising out of or in connection with (a) the Guaranteed Obligations and (b) the enforcement of this Guaranty by Beneficiaries. Notwithstanding the foregoing, Guarantor shall not

have any obligation to indemnify the Beneficiaries for any costs and expenses, including, without limitation, all court costs, reasonable attorneys' fees and expenses, if Guarantor should prevail in an enforcement action; provided, further, the immediately preceding proviso clause shall not be deemed to release Guarantor from its indemnification obligations under this Guaranty if the Beneficiaries prevails against Guarantor in any enforcement action notwithstanding the fact that the Beneficiaries may not have prevailed against Guarantor in a previous enforcement action. The foregoing notwithstanding, Guarantor shall not be required to indemnify the Beneficiaries for loss resulting from its gross negligence and/or willful misconduct.

14. **No Limitation of Obligations**. To the fullest extent Guarantor may do so under applicable law, Guarantor agrees that it shall make no claim or setoff, defense, recoupment, or counterclaim of any sort whatsoever, nor shall Guarantor seek to impair, limit, or defeat in any way its obligations hereunder. To the fullest extent Guarantor may do so under applicable law, Guarantor hereby waives any right to such a claim in limitation of its obligations hereunder.

15. **No Right of Subrogation**. Until all of the Guaranteed Obligations are fully paid, performed and/or fulfilled, Guarantor agrees solely with respect to itself that it: (i) shall have no right of subrogation against Developer by reason of any payments or acts of performance by Guarantor in compliance with the obligations of Guarantor under this Guaranty and (ii) waives any right to enforce any remedy which Guarantor now or hereafter shall have against Developer by reason of any payment or act of performance in compliance with the obligations of Guarantor hereunder.

16. **No Assignment or Delegation; Merger**. Guarantor shall not assign or delegate its obligations under this Guaranty. If Guarantor is not a natural person and is merged into or with any other company, firm or corporation, the resulting merged company, firm or corporation shall become liable as a Guarantor under this Guaranty to the same extent as the original named Guarantor hereunder.

17. **Choice of Law and Consent to Jurisdiction**. This Guaranty shall, in all respects, be governed by and construed in accordance with the laws of the Commonwealth of Virginia, without reference to its conflicts of law principles. Guarantor hereby consents to jurisdiction of the federal or local jurisdiction courts within the Commonwealth of Virginia for purposes of such litigation and waives any right it may have to seek a change of venue of such proceedings. Guarantor further agrees not to assert in any action, suit or proceeding arising out of or relating to the Development Agreement that Guarantor is not personally subject to the jurisdiction of such courts, that the action, suit, or other proceeding is brought in an inconvenient forum, or that the venue of the action, suit, or other proceeding is improper. Guarantor agrees that service of process may be made, and personal jurisdiction over Guarantor obtained, by serving a copy of the summons and complaint upon Guarantor at the notice address set forth below in accordance with the applicable laws of the Commonwealth of Virginia. Nothing herein contained, however, shall prevent the Beneficiaries from bringing any action or exercising any right against Guarantor within any other jurisdiction or

state. Initiating such proceeding or taking such action in any other jurisdiction or state shall not, however, constitute a waiver of the agreement herein contained that the laws of the Commonwealth of Virginia shall govern the rights and obligations of the parties hereunder. Guarantor agrees that Beneficiaries may, and Guarantor agrees not to oppose the Beneficiaries' attempts to, consolidate any litigation arising out of or relating to this Guaranty with any action(s), suit(s), or proceeding(s) against Developer or any other individual or entity and/or the property of any of the foregoing arising out of or relating to the Development Agreement.

18. **Notices**. Any notice, demand, statement, or request required under this Guaranty shall be in writing and delivered by certified mail (return receipt requested, postage pre-paid), by hand, or by reputable private overnight commercial courier service, at the following respective addresses:

IF TO COUNTY:

Arlington County Board
Office of the County Manager
2100 Clarendon Blvd., Suite 302
Arlington, Virginia 22201
Attn: County Manager
Fax: (703) 228-3218
Email: mschwartz@ArlingtonVA.US

With a copy to:

Arlington County
Office of the County Attorney
2100 Clarendon Blvd., Suite 403
Arlington, Virginia 22201
Attn: County Attorney
Fax: (703) 228-7106
Email: mcorr@ArlingtonVA.US

Arlington County
Housing Division
2100 Clarendon Blvd., Suite 700
Arlington, Virginia 22201
Attn: Housing Directors
Fax: (703) 228-3384
Email: avenezia@ArlingtonVA.US

Reno & Cavanaugh PLLC

10175 Little Patuxent Parkway, Suite 900
Columbia, MD 21044
Attn: Anne Schroth
Email: aschroth@renocavanaugh.com

IF TO ASSIGNOR:

Amazon in the Community
410 Terry Avenue North
Seattle, WA 98109-5210
Email: housingequityfund@amazon.com

With a copy to:

Attn: General Counsel
P.O. Box 81226
Seattle, WA 98108-1226
Email: contracts-legal@amazon.com

Davis Wright Tremaine LLP
920 Fifth Avenue, Suite 3300
Seattle, WA 98104-1610
Attention: Anthony Caso
Email: anthonycaso@dwt.com

IF TO GUARANTOR:

True Ground Housing Partners, Inc.
(f/k/a Arlington Partnership for Affordable Housing, Inc.)
4318 N. Carlin Springs Road
Arlington, Virginia 22203
Attn: Carmen Romero, President
Email: cromero@apah.org

With a copy to:

Gallagher Evelius & Jones LLP
218 N. Charles Street, Suite 400
Baltimore, Maryland 21201
Attn: Benjamin J. Rubin, Esq.
Email: brubin@gejlaw.com

Notices served upon the Beneficiaries or Guarantor in the manner aforesaid shall be deemed to have been received for all purposes under this Guaranty as follows: (i) if hand delivered to a party against receipted copy, when the copy of the notice is receipted; (ii) if given by nationally recognized overnight delivery service, on the next Business Day after the notice is deposited with the overnight delivery service; or (iii) if given by certified mail, return receipt requested, postage prepaid, on the date of actual delivery or refusal thereof. If notice is tendered under the terms of this Guaranty and is refused by the intended recipient of the notice, the notice shall nonetheless be considered to have been received and shall be effective as of the date provided in this Guaranty.

19. **Severability**. In the event that any provision of this Guaranty is held to be void or unenforceable, all other provisions shall remain unaffected and be enforceable, unless this construction would constitute a substantial deviation from the general intent of the Parties as reflected in this Guaranty.

20. **Waiver of Jury Trial**. TO THE EXTENT PERMITTED BY LAW, EACH PARTY HEREBY: (I) COVENANTS AND AGREES NOT TO ELECT TRIAL BY JURY OF ANY ISSUE HEREUNDER TRIABLE OF RIGHT BY A JURY AND (II) WAIVES ANY RIGHT TO TRIAL BY JURY OF ANY ISSUE FULLY TO THE EXTENT THAT ANY SUCH RIGHT SHALL NOW OR HEREAFTER EXIST. THIS WAIVER OF RIGHT TO TRIAL BY JURY IS SEPARATELY GIVEN, KNOWINGLY AND VOLUNTARILY, BY GUARANTOR, AND THIS WAIVER IS INTENDED TO ENCOMPASS INDIVIDUALLY EACH INSTANCE AND EACH ISSUE AS TO WHICH THE RIGHT TO A JURY TRIAL WOULD OTHERWISE ACCRUE. EACH PARTY ACKNOWLEDGES THAT THIS WAIVER IS A MATERIAL INDUCEMENT FOR THE OTHER PARTY TO PROVIDE OR ACCEPT THIS GUARANTY, AS APPLICABLE. FOR THE PURPOSES OF THIS SECTION 20, THE TERM "PARTY" IS DEEMED TO MEAN THE BENEFICIARIES, AS WELL AS GUARANTOR.

21. **Time is of the Essence**. Time is of the essence with respect to all matters set forth in this Guaranty.

22. **No Amendment**. Neither this Guaranty nor any provision hereof may be modified, amended, waived, terminated, or changed orally, but only by an agreement in writing signed by the Beneficiaries and Guarantor.

23. **Irrevocable Survival.** This Guaranty shall be irrevocable by the Guarantor until this Guaranty is released by the Beneficiaries.

[SIGNATURE PAGE FOLLOWS]

SIGNATURE PAGE TO
INTERIM DEVELOPMENT AND COMPLETION GUARANTY

IN WITNESS WHEREOF, Guarantor has executed this Guaranty as of the Effective Date.

GUARANTOR:

TRUE GROUND HOUSING PARTNERS, INC.

By: _____
Name: Carmen Romero
Title: President and CEO

Execution Copy

LAND DISPOSITION AND DEVELOPMENT AGREEMENT

by and between the

COUNTY BOARD OF ARLINGTON COUNTY, VIRGINIA

and

CRYSTAL HOUSE JV LLC

for the

DEVELOPMENT OF
CRYSTAL HOUSE APARTMENTS
1900 S. Eads St., Arlington County, Virginia

December 13, 2022

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LAND DISPOSITION AND DEVELOPMENT AGREEMENT

THIS LAND DISPOSITION AND DEVELOPMENT AGREEMENT (this "**Agreement**"), is made effective for all purposes as of the 13th day of December, 2022 (the "**Effective Date**") between (i) **COUNTY BOARD OF ARLINGTON COUNTY, VIRGINIA**, a body corporate and politic of the Commonwealth of Virginia ("**County**"), and (ii) **CRYSTAL HOUSE JV LLC**, a Virginia limited liability company ("**Developer**") (individually a "**Party**" and collectively, the "**Parties**").

RECITALS:

R-1. WHC Crystal LLC, a District of Columbia limited liability company ("**Property Owner**") owns certain real property located in the County of Arlington, Virginia, and as further described in Exhibit A attached hereto (the "**Larger Property**").

R-2. The Larger Property is improved with two buildings and parking areas and is entitled for a development consisting of additional residential space, commercial space, parking and other improvements (the "**Additional Development**"). The Larger Property will be subdivided into two separate lots: one to contain the existing two buildings (commonly known as Crystal House 1 and Crystal House 2)(the "**CH 1 & 2 Parcel**") and the other to contain the portion of the Larger Parcel on which the Additional Development is to be constructed (the "**Additional Development Parcels**").

R-3. Property Owner and Acorn Development LLC, a Delaware limited liability company, ("**Assignor**") entered into that certain Option Agreement dated effective as of December 31, 2020, as amended pursuant to that certain Partial Release of Option Agreement, dated effective as of May 10, 2021 (the "**Original Option**") granting Assignor the right, at its election and subject to certain conditions, to have Property Owner convey the Additional Development Parcels, with the improvements on such parcels, and such other entitlements and development rights (the "**Option Property**" as further defined herein), to Assignor.

R-4. Assignor, County and Property Owner entered into that certain Assignment and Assumption of Option Agreement (the "**Option Assignment**") as of July 27, 2021, pursuant to which Assignor conveyed to County, subject to certain conditions, all of its rights, duties and obligations under the Original Option. The Original Option and the Option Assignment are collectively referred to herein as the "**County Option Agreements**", and this Agreement is expressly subject to the terms thereof.

R-5. County intends to utilize its rights under the Option Assignment to select an experienced entity to cause the development of approximately 738,319 gross square feet of residential space and approximately 800 square feet of commercial space, parking areas containing approximately 825 parking spaces and certain other improvements on the Option Property pursuant to Site Plan 451 approved by the County on December 14, 2019 (the "**Site Plan Ordinance**").

R-6. On March 22, 2022, County issued a Request for Proposals for the Crystal House Apartments Infill Opportunity (the "**RFP**") to seek one or more developers to serve as master developer for the development of the Project (as further defined herein). The County through a competitive selection process selected the Developer, a joint venture of Arlington Partnership for Affordable Housing, Inc. ("**APAH**"), a Virginia nonstock corporation and EYA Development LLC, a Maryland limited liability company ("**EYA**"), as master developer for the Project.

R-7. Pursuant to its rights under the County Option Agreements, County proposes to assign its rights and obligations to Developer, subject to the terms and conditions of an option assignment ("**County Option Assignment**") and this Agreement. The Parties intend for this Agreement to govern the County's assignment of the Option Property and the subsequent development of the Option Property in five phases. Upon the satisfaction of specified conditions contained herein, County proposes to assign the Option Property applicable to each phase to Developer in a County Option Assignment for each phase, who shall acquire the Option Property from the Property Owner and construct affordable housing on the Option Property in accordance with the terms and conditions of this Agreement.

R-8. In addition to governing the development of the Option Property, the Parties intend for this Agreement to govern the development, as a separate phase, of the property known as Crystal House 5 ("**CH 5**"), a parcel formerly part of the Additional Development Parcels and more fully described as "Parcel II – Part Two, Being a Portion of the Property of Crystal House Apartments Investors LLC, Deed Book 4668 Page 128, Arlington County, Virginia" in the legal description attached as Exhibit A-2 (the "**CH 5 Property**"), that was previously conveyed to County from Property Owner. Subject to the terms and conditions of this Agreement, the County intends to ground lease the CH 5 Parcel to Developer ("**Ground Lease**") for the development of affordable housing.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Parties hereto, County and Developer do hereby agree as follows, to wit:

ARTICLE I
DEFINITIONS

1.1 Definitions. For the purposes of this Agreement, the following capitalized terms shall have the meanings ascribed to them below (or, if not set forth herein, in the County Option Agreements):

"**Affiliate**" means with respect to any Person ("first Person") (i) any other Person directly or indirectly Controlling, Controlled by, or under common Control with such first Person, (ii) any officer, director, partner, shareholder, manager, member, or trustee of such first Person, or (iii) any officer, director, general partner, manager, member, or trustee of any Person described in clauses (i) or (ii) of this sentence.

"**Agreement**" means this Land Disposition and Development Agreement.

"**AMI**" means the median income for the Washington, DC-Arlington-Alexandria, DC-VA-MD HUD Metro FMR Area, adjusted for actual household size, as published from time to time by the United States Department of Housing and Urban Development.

"**APAH**" means Arlington Partnership for Affordable Housing, Inc.

"**Applicable Law**" means all applicable Commonwealth of Virginia and federal laws, codes, regulations, and orders, including, without limitation, Environmental Laws, laws relating to historic preservation, and laws relating to accessibility for persons with disabilities.

"**Approvals**" means all applicable governmental approvals that are required under Applicable Law to construct the Improvements, including those that pertain to any subdivision, tax lot designations, street closing(s), and other regulatory approvals, including, without limitation, approval by the Arlington County Board of Zoning Appeals or Zoning Committee, and approval by the County Board of any amendments to Site Plan Ordinance, but expressly excluding the Permits. Such Approvals are sometimes referred to as "Governmental Approvals".

"**Approved Plans and Specifications**" means the Construction Plans and Specifications approved by the Arlington County Permit Office.

"**Architect**" means the architect of record for each Phase of the Project, who shall be licensed to practice architecture in the State.

"**Assignor**" is defined in the Recitals.

"**Assignor Option Agreement**" is defined in Section 2.6.

"**Bond**" is defined in Section 8.2.

"**Business Day**" means Monday through Friday, inclusive, other than holidays recognized by the County government, or days on which the County government is officially closed.

"**CH 1 & 2 Parcel**" is defined in the Recitals.

"**CH 3**" means the Project to be developed as Crystal House 3.

"**CH 4**" means the Project to be developed as Crystal House 4.

"**CH 5**" is defined in the Recitals.

"**CH 6**" means the Project to be developed as Crystal House 6.

"**CH 7**" means the Project to be developed as Crystal House 7.

"**CH 8**" means the Project to be developed as Crystal House 8.

"**CH 5 Affordable Housing Covenant**" means that Affordable Housing Covenant between County and Developer in the form attached hereto as Exhibit K to be recorded in the Land Records against the CH 5 property.

"**CH 5 Property**" is defined in the Recitals.

"**Closing**" is the consummation of the transactions involving (i) the assignment of County's rights to the Option Property from County to the Developer pursuant to a County Option Assignment for each Phase, except CH 5, and the conveyance of the portion of the Option Property applicable to each Phase (except CH 5) from Property Owner to Developer or its approved Affiliates and (ii) the lease of the CH 5 property from County to Developer pursuant to a ground lease agreement to be entered into between the Parties, as contemplated by this Agreement. A Closing may occur separately for each of the subdivided parcels that make up the Option Property and for the CH 5 Property.

"**Closing Date**" is defined in Section 6.1.

"**Commencement of Construction**" means, subject to events of Force Majeure, the commencement of construction of the Improvements for each Phase after Closing and otherwise in accordance with the Project Phasing Plan, as amended or extended by the Parties.

"**Community Benefit Agreement**" is defined in Section 4.5.

"**Concept Plans**" are the design plans that serve the purpose of establishing the major direction of the design of the Improvements for each Phase.

"**Construction Contract**" means a contract with the Contractor for the construction of the Improvements for each Phase in accordance with the Project Phasing Plan, the Approved Plans and Specifications and this Agreement.

"**Construction Drawings**" mean the detailed architectural drawings and specifications that are prepared by the Architect for all aspects of the Improvements in accordance with the approved Design Development Plans and that are used to obtain Permits, detailed cost estimates, to solicit and receive construction bids, and to direct the actual construction of the Improvements.

"**Construction Plans and Specifications**" mean the Concept Plans, the Schematic Drawings, the Design Development Plans and the Construction Drawings, individually or collectively, as the context shall appear, which shall be delivered by Developer to County, and approved by County, to the extent required by, and in accordance with the standards set forth in, Article IV of this Agreement. As used in this Agreement, the term "Construction Plans and

Specifications" shall include any changes to such Construction Plans and Specifications that are made in accordance with the terms of this Agreement.

"**Contractor**" means the general contractor for each Phase of the Project.

"**Control**" means the possession, directly or indirectly, of the power to direct, or cause the direction of, the management and policies of a Person, whether through ownership of voting securities, membership interests or partnership interests, by contract or otherwise, or the power to elect at least fifty percent (50%) of, as applicable, the directors, managers, managing partners, or Persons exercising similar authority with respect to the subject Person. The terms "Control," "Controlling," "Controlled by" or "under common Control with" shall have meanings correlative thereto.

"**County**" is defined in the Recitals.

"**County Option Agreements**" is defined in the Recitals

"**County Minimum Development Program Requirements**" is defined in Section 2.3.1.

"**County Resolution**" means the approval to be obtained by the County on or around December 17, 2022 approving and authorizing the County's execution of this Agreement.

"**Debt Financing**" shall mean the aggregate financing or financings to be obtained by Developer from one or more Institutional Lenders to fund the costs set forth in each Phase's Development Budget, other than any Equity Investment.

"**Design Development Plans**" are the design plans produced after review and approval of the Schematic Plans that reflect refinement of the approved Schematic Plans, showing all aspects of the Improvements at their proposed size and shape. The Design Development Plans shall include details of materials and design, including size and scale of façade elements, which are presented in detailed illustrations.

"**Developer**" is defined in the Preamble, and for purposes of this Agreement shall include all permitted assignees of Developer.

"**Developer's Agents**" means Developer's agents, officers, directors, employees, consultants, contractors, subcontractors. and representatives.

"**Developer Default**" is defined in Section 9.1.1.

"**Development Budget**" has the meaning given in Section 4.6.2.

"**Development Financing Plan**" has the meaning given in Section 4.6.1.

"**Development Work Product**" is defined in Section 9.6.

"**Disposal Plan**" is defined in Section 2.3.1(b).

"**Effective Date**" is the date first written above, provided that all Parties shall have executed and delivered this Agreement to one another by that date.

"**Environmental Laws**" means any present and future federal, state or local law and any amendments (whether common law, statute, rule, order, regulation or otherwise), permits and other requirements or guidelines of Governmental Authorities and relating to (a) the protection of health, safety, and the indoor or outdoor environment; (b) the conservation, management, or use of natural resources and wildlife; (c) the protection or use of surface water and groundwater; (d) the management, manufacture, possession, presence, use, generation, transportation, treatment, storage, disposal, release, threatened release, abatement, removal, remediation, or handling of or exposure to Hazardous Materials; or (e) pollution (including any release to air, land, surface water, and groundwater), including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. § 9601 et seq.; the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act of 1976, and subsequently amended, 42 U.S.C. § 6901 et seq.; the Hazardous Materials Transportation Act, 49 U.S.C. § 5101 et seq.; the Federal Water Pollution Control Act, as amended by the Clean Water Act of 1977, 33 U.S.C. § 1251 et seq.; the Oil Pollution Act of 1990, 33 U.S.C. § 32701 et seq.; the Federal Insecticide, Fungicide, and Rodenticide Act, as amended, 7 U.S.C. § 136-136y, the Clean Air Act, as amended, 42 U.S.C. § 7401 et seq.; the Toxic Substances Control Act of 1976, as amended, 15 U.S.C. § 2601 et seq.; the Safe Drinking Water Act of 1974, as amended, 42 U.S.C. § 300f et seq.; the Emergency Planning and Community Right-To-Know Act of 1986, 42 U.S.C. § 11001 et seq.; the Occupational Safety and Health Act of 1970, 29 U.S.C. § 651 et seq.; the National Environmental Policy Act of 1969, 42 U.S.C. § 4321 et seq.; and any similar, implementing, or successor law, and any amendment, rule, regulatory order, or directive issued thereunder.

"**Equity Investment**" shall mean the funding for the development and construction of each Phase of the Project that is provided by any Person with a direct or indirect ownership interest in Developer or Developer's assignee, which funding shall cover the difference between the proceeds of all Debt Financing and the costs set forth in the Development Budget for the applicable Phase of the Project.

"**Final Completion**" means with respect to the Project, or with any Phase of the Project, the point in time when all of the following shall have occurred: (1) issuance of a final certificate of occupancy by County and such other approvals required to permit occupancy and use the applicable component of the Improvements; (2) the construction of such component(s) of the Improvements has been fully completed and the architect has duly certified that the construction of such component the Improvements (including the Punch List Items) has been completed in accordance with such final construction documents; (3) payment, settlement or other extinguishment, discharge, release, waiver, bonding or insuring against any mechanic's lien that have been recorded or stop notices that have been delivered in connection with such component(s)

of the Improvements; and (4) such component(s) of the Improvements has been developed substantially in accordance with this Agreement and the Approved Plans and Specification.

"**Final Development Budget**" is defined in Section 4.6.3.

"**Final Development Financing Plan**" is defined in Section 4.6.3.

"**Financing Commitments**" shall mean bona fide commitment(s) for the Debt Financing and Equity Investment.

"**Financing Documents**" means (a) the final loan documents for the Debt Financing, (b) the agreements evidencing the Equity Investment, and (c) a statement detailing the disbursement of the proceeds of the Debt Financing and Equity Investment.

"**Force Majeure**" is an act or event, including, as applicable, an act of God; acts of terror or terrorism; fire; earthquake; flood; explosion; war; invasion; insurrection; riot; mob violence; sabotage; terrorism; inability to procure or a general shortage of labor, equipment, facilities, materials, or supplies in the open market; failure or unavailability of transportation; strike, lockout, or other actions of labor unions; a taking by eminent domain or requisition; and laws or orders of government or of civil, military, or naval authorities enacted or adopted after the Effective Date; so long as such act or event: (i) is not within the reasonable control of Developer, Developer's Agents, or its Members, or by County in the event County's claim is based on a Force Majeure event; (ii) is not due to the fault or negligence of Developer, Developer's Agents, or its Members, or by County in the event County's claim is based on a Force Majeure event; (iii) is not reasonably avoidable by Developer, Developer's Agents, or its Members or by County in the event County's claim is based on a Force Majeure event; and (iv) directly results in a delay in performance by Developer or County, as applicable; but specifically excluding: (A) shortage or unavailability of funds or Developer's financial condition; (B) changes in market conditions such that the Project is no longer practicable under the circumstances; or (C) the acts or omissions of a general contractor, its subcontractors, or any of Developer's Agents or Members, except to the extent such acts or omissions are covered by sub-paragraphs (i) to (iii) above.

"**Governmental Authority**" means the United States of America, the Commonwealth of Virginia, Arlington County, Virginia and any agency, department, commission, board, bureau, instrumentality or political subdivision of the foregoing, now existing or hereafter created, having jurisdiction over Developer or the Project or portion thereof, or any street, road, avenue or sidewalk comprising a part of, or in front of, the Property, or any vault in or under the Property, or airspace within or over the Property.

"**Ground Lease**" is defined in the Recitals.

"**Guarantor**" is, for each Closing, APAH or EYA, or such other Person selected by Developer and approved by County pursuant to Section 8.1, who will enter into a Guaranty at each Closing.

"**Guarantor Submissions**" shall mean the current audited financial statements and audited balance sheets, profit and loss statements, cash flow statements and other financial reports and other financial information of a proposed guarantor as County may reasonably request, together with a summary of such proposed guarantor's other guaranty obligations and the other contingent obligations of such proposed guarantor (in each case, if not audited then certified by such proposed guarantor or an officer of such proposed guarantor as being true, correct and complete). Additionally, for any proposed guarantor that is not a natural person, the following documents evidencing the due organization and authority of such guarantor to enter into, join and consummate the actions required under the Guaranty: (i) the organizational documents and a current certificate of good standing issued by its state of formation and the State for the proposed guarantor; (ii) authorizing resolutions, in form and content satisfactory to County, demonstrating the authority of the proposed guarantor and of the Person executing the Guaranty on behalf of such proposed guarantor; and (iii) a customary opinion of counsel that such proposed guarantor is validly organized, existing and in good standing in its state of formation, and is authorized to do business in the State, that such proposed guarantor has the full authority and legal right to carry out the terms of the Guaranty, that such proposed guarantor has taken all actions to authorize the execution, delivery, and performance of the Guaranty, that none of the aforesaid actions, undertakings, or agreements violate any restriction, term, condition, or provision of the organizational documents of such proposed guarantor, or, to counsel's actual knowledge, any contract or agreement to which such proposed guarantor is a party or by which it is bound.

"**Guaranty**" means a development and completion guaranty to be executed by Guarantor in the form attached hereto as Exhibit D, at each Closing, which shall, among other things, obligate the Guarantor to develop and otherwise construct the applicable Improvements for each Phase in the manner and within the time frames provided in the Schedule of Project Milestones and the Project Phasing Plan and required by the terms of the Option Property Affordable Housing Covenant or the CH 5 Affordable Housing Covenant, as applicable, and the County Minimum Development Program Requirements.

"**Hazardous Materials**" means (a) asbestos and any asbestos containing material; (b) any substance that is then defined or listed in, or otherwise classified pursuant to, any Environmental Law or any other Applicable Law as a "hazardous substance," "hazardous material," "hazardous waste," "infectious waste," "toxic substance," or "toxic pollutant" or any other formulation intended to define, list or classify substances by reason of deleterious properties, such as ignitability, corrosivity, reactivity, carcinogenicity, toxicity, reproductive toxicity, or Toxicity Characteristic Leaching Procedure (TCLP) toxicity; (c) any petroleum and drilling fluids, produced waters and other wastes associated with the exploration, development or production of crude oil, natural gas or geothermal resources; and (d) any petroleum product, polychlorinated biphenyls, urea formaldehyde, radon gas, radioactive material (including any source, special nuclear or by-product material), medical waste, chlorofluorocarbon, lead or lead-based product, and any other substance the presence of which could be detrimental to the Property or hazardous to health or the environment.

"**Improvements**" means landscaping, hardscape, and improvements to be constructed or placed on the Option Property or the CH 5 Property in accordance with the Project Phasing Plan, and the Approved Plans and Specifications; provided, however, that in no event shall trade fixtures, furniture, operating equipment (in contrast to building equipment), stock in trade, inventory, or other personal property used in connection with the conduct of any business within the Improvements be deemed included in the term "Improvements" as used in this Agreement.

"**Institutional Lender**" shall mean a Person that is not an Affiliate of Developer or a Prohibited Person and is, at the time it first makes a loan to Developer, or acquires an interest in any such loan, (i) a commercial bank, investment bank, investment company, savings and loan association, trust company, or national banking association, acting for its own accord; (ii) a finance company principally engaged in the origination of commercial mortgage loans or any financing related subsidiary of a Fortune 500 company; (iii) an insurance company acting for its own account or for special accounts maintained by it or as agent or manager or advisor for other entities covered by any of clauses (i) – (x) hereof; (iv) a public employees' pension or retirement system; (v) a pension, retirement, or profit sharing, or commingled trust or fund for which any bank, trust company, national banking association, or investment adviser registered under the Investment Advisors Act of 1940, as amended is acting as trustee or agent; (vi) a real estate investment trust (or umbrella partnership or other entity of which a real estate investment trust is the majority owner), a real estate mortgage investment conduit, hedge fund, private equity fund, or securitization trust or similar investment entity; (vii) any federal or state, government agency regularly making, purchasing, or guaranteeing mortgage loans, or any governmental agency supervising the investment of public funds; (viii) a profit-sharing or commingled trust or fund, the majority of equity investors in which are pension funds having in the aggregate no less than $1 billion in assets; (ix) any entity of any kind actively engaged in commercial real estate financing and having total assets in the aggregate of no less than $1 billion; or (x) such other lender, subject to approval by County, in its sole and absolute discretion, provided that such other lender is at the time of making the loan of a type which is then customarily used as a lender on the real property and/or Improvements similar to the Property.

"**Land Records**" means the property records maintained by the Land Records Office for the County.

"**Letter of Credit**" means a letter of credit in the amount of $800,200 with a financial institution approved by County in favor of County for performance by Developer of its obligations under this Agreement, which shall be reduced based on the completion of each Phase, as well as the associated community benefits pursuant to the Community Benefit Agreement described in Section 4.5 herein. The phased reduction of the Letter of Credit shall occur as further described in Section 8.3 herein.

"**Managing Member**" means the entity named as such in the definition of Permitted Transfer.

"**Material Change**" means (i) any change in size or design from the Approved Plans and Specifications that substantially affects the general appearance of the Improvements, or changes the building bulk or the number of floors of the Improvements or any change or series of changes that result in a diminution or increase of square footage of the Improvements in excess of five percent (5%); (ii) any change to the structural integrity of exterior walls or elevations; (iii) any changes in exterior finishing materials that substantially affects the architectural appearance from those shown and specified in the Approved Plans and Specifications; (iv) any change in the functional use and operation of the Improvements from those shown and specified in the Approved Plans and Specifications; (v) any changes in design and construction of the Improvements requiring approval of, or any changes required by, any County agency, body, commission or officer (other than County); (vi) any change in number of parking spaces in the Improvements by ten percent (10%) or more from the Approved Plans and Specifications and the Project Phasing Plan; (vii) any significant change that affects the appearance of landscape design or plantings from the Approved Plans and Specifications; (viii) any significant change that affects the general appearance or structural integrity of exterior pavement, exterior lighting and other exterior site features from the Approved Plans and Specifications; and, if applicable, (ix) any change that reduces the number of affordable units depicted in the County Minimum Development Program Requirements; (x) any change or series of changes that reduces the total residential square footage of the Improvements by more than five percent (5%); or (xii) any changes to the Schedule of Project Milestones.

"**Member**" means any Person with an ownership interest in Developer.

"**Mortgage**" means a mortgage, deed of trust, mortgage deed, or such other classes of legal documents as are commonly given to secure advances on fee simple and leasehold estates under the laws of the Commonwealth of Virginia.

"**Option Property**" means (A)(i) the Additional Development Parcels and Improvements located on the Additional Development Parcels (if any), (ii) all rights, proceeds, privileges, easements and hereditaments relating or appertaining thereto, and (iii) all personal property, fixtures, and equipment required or beneficial for the operation thereof; and (B) those entitlements, transferable development rights and other rights that are set forth in the Site Plan Ordinance. The Option Property shall be further subdivided for each Phase, except CH 5. For the avoidance of doubt, the Option Property shall not include the CH 5 Property.

"**Option Property Affordable Housing Covenant**" means that Affordable Housing Covenant between County and Developer in the form attached hereto as Exhibit B, to be recorded in the Land Records against the Option Property for each Phase, except CH 5, which Option Property Affordable Housing Covenants shall collectively comply with the Original Option and the Option Assignment.

"**Option Property Projects**" is defined in Section 2.1.

"**Outside Closing Date**" is defined in Section 6.1.

"**Party**" when used in the singular, shall mean either County or Developer; when used in the plural, shall mean both County and Developer.

"**Permits**" means all demolition, site, building, dewatering, construction, excavation, and other permits, approvals, licenses, and rights required to be obtained from any Governmental Authority having jurisdiction over the Property necessary to commence and complete construction of the Improvements in accordance with the Project Phasing Plan, the Approved Plans and Specifications, and this Agreement.

"**Permitted Exceptions**" is defined in Section 2.10.

"**Permitted Materials**" means any materials or substances, and amounts of the same, regulated by Environmental Laws that are reasonably and customarily used during construction or use of a project similar to the Project, provided that same are used, handled and stored in compliance with all applicable Environmental Laws.

"**Permitted Transfer**" means, with respect to any particular Phase of the Project: (a) any direct or indirect sale or transfer by Developer of all of, a majority of, or a fifty percent interest in, Developer, to any permitted Affiliate of Developer, provided that APAH or EYA (together, the "**Managing Member**") remains in Control of the entity developing the Phase, and with respect to any such Permitted Transfer, Developer shall provide the County evidence reasonably acceptable to County in the form of organizational agreements or other documentary evidence demonstrating that such sale or transfer is a Permitted Transfer, (b) the creation of one or more joint ventures, limited liability companies, limited partnerships or other entities under the Control of APAH or EYA, created for the purpose of holding title to all or a portion of the Project in which APAH or EYA is or controls the newly-created entity, or (c) any direct or indirect sale or transfer of a non-controlling interest in Developer or a permitted successor of Developer, or (d) the granting of any customary utility or construction easements. In the case of subsection (a), (b), (c) or (d) above, any such Permitted Transfer shall not be effective unless and until Developer provides the County (i) at least ten (10) Business Days' prior written notice of any such Permitted Transfer, (ii) evidence reasonably acceptable to the County in the form of organizational agreements or other documentary evidence demonstrating that, after any such Permitted Transfer, Developer or a permitted Developer successor, including APAH or EYA shall remain in Control of any transferee entity, and the management and construction of the Project, and (iii) evidence reasonably acceptable to the County that any transferee entity and all members of such transferee entity are not Prohibited Persons.

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

"**Phase**" means the development of CH 3, CH 4, CH 5, CH 6, CH 7 and CH 8, each to be developed as a separate phase and in accordance with the Project Phasing Plan.

"**Progress Meetings**" is defined in Section 4.1.3.

"**Prohibited Person**" shall mean any of the following Persons: (A) any Person (or any Person whose operations are directed or controlled by a Person) who has been convicted of, has pleaded guilty in a criminal proceeding for, or is an on-going target of a grand jury investigation concerning, a felony for one or more of the following: (i) fraud, (ii) intentional misappropriation of funds, (iii) bribery, (iv) conspiracy to commit a crime, (v) making false statements to a governmental agency, (vi) improperly influencing a governmental official, and (vii) extortion; or (B) any Person organized in or controlled from a country, the effects of the activities with respect to which are regulated or controlled pursuant to the following United States laws and the regulations or executive orders promulgated thereunder: (x) the Trading with the Enemy Act of 1917, 50 U.S.C. § 4301 et seq., as amended; (y) the International Emergency Economic Powers Act of 1977, 50 U.S.C. § 1701 et seq., as amended; and (z) the Antiterrorism and Arms Export Amendments Act of 1989, codified at Section 6(j) of the Export Administration Act of 1979, 50 U.S.C. § 4605, as amended; or (C) any Person who has engaged in any dealings or transactions (i) in contravention of the applicable money laundering laws or regulations or conventions or (ii) in contravention of Executive Order No. 13224 dated September 24, 2001 issued by the President of the United States (Executive Order Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism), as may be amended or supplemented from time-to-time or any published terrorist or watch list that may exist from time to time; or (D) any Person who appears on or conducts any business or engages in any transaction with any person appearing on the list maintained by the U.S. Treasury Department's Office of Foreign Assets Control located at 31 C.F.R., Chapter V, Appendix A or is a person described in Section 1 of the Anti-Terrorism Order described above; or (E) any Person who could be debarred if the standards applied in Chapter 43. Article II, Section 4321 of the Code of Virginia were applied to such Person's failure to satisfy a contractual obligation to the County; or (F) any Person who is on the County's list of debarred, suspended or ineligible Persons; or (G) any Affiliate of any of the Persons described in any one or more of clauses (A) through (F) above.

"**Project**" means the design, development, and construction of the Improvements for each Phase in accordance with the Approvals, the Project Phasing Plan, this Agreement, and the Approved Plans and Specifications, and the terms and provisions of the Original Option and the Option Assignment.

"**Project Commencement Failure**" means the failure of Commencement of Construction by Developer for CH 3, CH 4, CH 6, CH 7 or CH 8 as required by the Schedule of Project Milestones and the Project Phasing Plan, subject to a Force Majeure.

"**Project Construction Abandonment**" means abandoning or substantially suspending construction of CH 3, CH 4, CH 6, CH 7 or CH 8 on the applicable Option Property parcel for a period of ninety (90) days after written notice of such abandonment or suspension from Assignor (with a copy to lender and investor), subject to a Force Majeure.

"**Project Phasing Plan**" means that schedule of development applicable to each Phase, attached hereto as Exhibit E and incorporated herein, setting forth the timeline for design,

development, construction, and completion of the Improvements in each Phase (including a construction timeline in customary form) together with the dates for submission of documentation required under this Agreement, as may be amended by mutual agreement of the Parties from time to time. The milestones set forth in the Project Phasing Plan, other than Final Completion, shall be subject to delays caused by events of Force Majeure, as applicable, as provided in Section 14.11.

"**Property**" means the Option Property and the CH 5 Property.

"**Punch List Items**" mean the minor items of work to be completed or corrected prior to final payment to Developer's general contractor pursuant to its construction contract in order to fully complete each Phase of the Project in accordance with the Approved Plans and Specifications.

"**Residential Units**" means the residential dwelling units to be constructed on the Property in accordance with the Project Phasing Plan and the County Minimum Development Program Requirements.

"**Retail Plan**" is defined in Section 4.4.

"**Schematic Drawings**" means drawings and plans for the Improvements that include and show, at a minimum, the following: (a) site survey; (b) site plan; (c) ground level plan; (d) preliminary building elevations; (e) a landscape plan (1"=30') showing the proposed location of plantings, including trees and shrubs on the Property; (f) the approximate square footage of each building to be developed as part of the Improvements; (g) the location of parking facilities and approximate number of spaces; (h) schematic building plans, inclusive of any underground garage facility (1/20"=1'); (i) typical floors plans, inclusive of any underground garage facilities (1/20"=1'); (j) a chart showing expected floor areas, expected floor area ratio, expected building coverage of the Property, expected building height, areas dedicated to pedestrian and recreational uses, and expected location of loading docks; (k) a topographic survey for the Property; (l) expected open spaces, driveways, access roads, private streets, sidewalks and loading on the Property; and (m) the intended affordable unit count and proposed unit location, which shall be consistent with the requirements of the County Minimum Development Program Requirements.

"**Settlement Agent**" means the title agent selected by Developer and mutually acceptable to Developer and County, and if required by County such Settlement Agent must act as agent for a nationally known title insurance provider.

"**Settlement Statement**" is the settlement statement prepared by Settlement Agent setting forth the sources and uses of all funds associated with Closing.

"**Site Plan Ordinance**" is defined in the Recitals.

"**Submissions**" means those certain plans, specifications, documents, items and other matters to be submitted by Developer to County pursuant to the terms of this Agreement.

"**State**" means the Commonwealth of Virginia.

"**Studies**" is defined in Section 2.9.

"**Transfer of Membership Interests**" is defined in Section 11.2.

"**Zoning Commission**" means the Arlington County Zoning Committee.

1.2 **Rules of Construction**. Unless the context clearly indicates to the contrary, for all purposes of this Agreement, (a) words importing the singular number include the plural number and words importing the plural number include the singular number; (b) words of the masculine gender include correlative words of the feminine and neuter genders; (c) words importing persons include any Person; (d) any reference to a particular Section shall be to such Section of this Agreement; and (e) any reference to a particular Exhibit shall be to such Exhibit to this Agreement; and to all sub-exhibits related thereto (e.g., references to Exhibit A shall include Exhibit A-1, Exhibit A-2, etc.).

1.3 **Other Definitions**. When used with its initial letter(s) capitalized, any term which is not defined in this Article I shall have the definition assigned to it elsewhere in this Agreement.

ARTICLE II
THE PROJECT

2.1 **Project Phasing Plan**. The Parties have agreed to a development plan for the Project attached hereto at Exhibit E (the "**Project Phasing Plan**") pursuant to which approximately 755 new residential units, approximately 751 parking spaces, and approximately 800 square feet of retail space will be developed on the Option Property in five phases to be known as CH 3, CH 4, CH 6, CH 7 and CH 8 (collectively, the "**Option Property Projects**"), in accordance with Site Plan Ordinance. Additionally, approximately 89 new residential units and approximately 80 parking spaces will be developed on the CH 5 Property as a separate phase to be known as CH 5. The development of the Project shall be completed by the timelines set forth in the Schedule of Project Milestones attached hereto as Exhibit G (the "**Schedule of Project Milestones**"), or such other timelines as may be extended in writing by Developer, the County and Assignor. In no event shall the completion of the Option Property Projects occur after January 1, 2028. Provided, however, that if an Institutional Lender has exercised its rights under its mortgage or deed of trust on the Option Property or the subject portion of the Option Property, and, through foreclosure, deed-in-lieu, or otherwise, and a new assignee pursuant to the Option Assignment or developer has acquired the Option Property or the subject portion of the Option Property, then the dates in the Schedule of Milestones under this Agreement with respect to the Option Property or the subject portion of the Option Property, beginning after Closing, shall each be extended by 180 days, or such other mutually agreed upon term, from the date the new assignee under the Option Assignment or developer acquires the Option Property or the subject portion of the Option Property.

2.2 **Subdivision**.

2.2.1 Developer will work with Property Owner to cause the Larger Property to be subdivided (whether via a traditional subdivision, a land condominium regime or a combination of both, subject to the approval of Assignor) into at least two separate legal lots, one to contain the CH 1 & 2 Parcel and the other to contain the Option Property (the "**Subdivision**"). The Developer shall work with the Property Owner to cause the further division of the Option Property into at least five parcels for each development phase of the Option Property Projects (the "**Option Property Subdivision**"). Developer shall consult with Assignor and County with respect to the configuration of the Option Property Subdivision (whether via a traditional subdivision, a land condominium regime or a combination of both, subject to the approval of Assignor) and shall not agree to such configuration without the prior written approval of County and Assignor. Developer with the Property Owner shall deliver to Assignor and County for review and comment, draft applications for governmental approvals and permits, final plats, final declarations, and owner-agent agreements and other documents reasonably necessary to allow Developer and Property Owner to undertake and complete the Subdivision and the Option Property Subdivision. All costs of the Subdivision and the Option Property Subdivision shall be borne solely by Developer.

2.2.2 The Subdivision shall be deemed complete when the separate legal lots created by the Subdivision are each able to be conveyed in compliance with applicable State and Arlington County law. The completion of the Subdivision shall be a condition precedent to Closing pursuant to Sections 5.1.1 and 5.1.3 of this Agreement.

2.2.3 If Developer fails to cause the Subdivision to be completed in a timely fashion as set forth in the Schedule of Project Milestones, then County, without limiting its remedies otherwise available at law or in equity, may itself seek to cause the Subdivision to occur and Developer shall reasonably cooperate with County in such effort.

2.3 **Affordability**.

2.3.1 Affordable Housing Minimum. The Project will include a minimum number of affordable units to be located in CH 3, CH 4, CH 5 and CH 6 (the "**Affordable Housing Minimum**"), as further detailed in the County Minimum Development Program Requirements attached hereto as Exhibit C (the "**County Minimum Development Program Requirements**").

2.3.2 Site Plan Ordinance. The parties acknowledge that the CH 5 Property is owned without encumbrance by County in furtherance of Condition 42.B of the Site Plan Ordinance. The parties acknowledge and agree that the Option Property shall not include the CH 5 Property. Pursuant to Section 2.7 of this Agreement, County will ground lease the CH 5 Parcel to Developer for the development of affordable housing.

2.3.3 Option Property Affordable Housing Covenant. At the Closing for each Phase of the Option Property Projects, the Developer shall convey to Assignor and County,

the Option Property Affordable Housing Covenant applicable to that Phase, and the Affordable Housing Covenant Agreement dated as of December 31, 2020 by and between Land Owner and Washington Housing Conservancy shall be released from the property applicable to that Phase. The Option Property Affordable Housing Covenant shall have priority over all deeds of trust and other encumbrances created at or after the Closing for each Phase of the Option Property Projects, and shall further define the occupancy objective of the Option Property Projects to achieve, collectively, a tenant mix of seventy-five (75%) income and rent restricted units, of which not less than twenty percent (20%) of the units being leased to qualifying tenants with annual income not in excess of fifty percent (50%) of the MSA Median Family Income ("Very Low Income Tenants") and another fifty-five percent (55%) of the units being leased to qualify tenants with annual income not in excess of eighty percent (80%) of the area median family income as determined by the U. S. Department of Housing and Urban Development. The Affordable Housing Covenant applicable to any Phase intended to satisfy all or part of the requirement to provide Units to be leased to Very Low Income Tenants shall expressly include that requirement in such Affordable Housing Covenant. The Option Property Affordable Housing Covenant shall be a condition precedent to the closing of each Phase of the Option Property Projects pursuant to Section 6.3 of this Agreement. The County agrees to work in good faith with Developer and Assignor to consider any amendments to the Option Property Affordable Housing Covenant deemed necessary, in County's reasonable discretion, to secure financing from an Institutional Lender.

2.3.4 CH 5 Property Affordable Housing Covenant. At the CH 5 Closing, the Developer shall convey to County, the CH 5 Affordable Housing Covenant. The CH 5 Affordable Housing Covenant shall have priority over all deeds of trust and other encumbrances created at or after the CH 5 Closing (subject to negotiations between the County and Institutional Lender for the development of CH 5) and shall further define the occupancy objection of CH 5 to achieve a tenant mix of 100% income and rent restricted units. The CH 5 Affordable Housing Covenant shall be a condition precedent to the closing of CH 5 pursuant to Section 6.4 of this Agreement. The County agrees to work in good faith with Developer and Assignor to consider any amendments to the CH 5 Property Affordable Housing Covenant deemed necessary, in County's reasonable discretion, to secure financing from an Institutional Lender.

2.4 Declaration of Conditions, Covenants and Restrictions. Developer, Property Owner and County shall enter into a Declaration of Conditions, Covenants and Restrictions providing, among other things, taxes, maintenance, access and cost sharing of the common areas (e.g. internal roads, common infrastructure and open spaces) of the Project (the "**Declaration of CCR**"). The Declaration of Conditions, Covenants and Restrictions shall be a condition precedent to Closing pursuant to Section 6.3 of this Agreement. The form and content of the Declaration of CCR shall be subject to Assignor's prior approval and may, at County's discretion, be subject to County's prior approval.

2.5 County Option Assignment. Subject to and in accordance with the terms of this Agreement and upon satisfaction of the conditions set forth in Section 5.1.3 of this Agreement and the prior written consent of Assignor (which Assignor may or may not give in its

sole discretion), at each Closing for the Option Property Projects, County shall enter into a County Option Assignment (substantially in the form attached hereto as Exhibit F) with Developer; provided, however, that the County may, subject to Assignor's prior written approval (in Assignor's sole discretion), enter into a County Option Assignment prior to the Developer's satisfaction of the conditions set forth in Section 5.1.3 of this Agreement, to enable the application by the Developer for federal low-income housing tax credits or other financing needed to facilitate the development of the Option Property Projects. At each Closing for the Option Property Projects, Developer shall also exercise the option under the County Option Assignment to acquire from Property Owner the portion of the Option Property for the development of each Phase.

2.6 **Assignor Option Agreement.** At each Closing for the Option Property Projects, Developer shall convey to Assignor an option agreement ("**Assignor Option Agreement**"), pursuant to which Assignor shall have the election upon the occurrence of a condition subsequent, specifically, either a Project Commencement Failure or a Project Construction Abandonment, in addition to all other remedies available to Assignor in equity or at law upon Developer's Project Commencement Failure of Project Construction Abandonment, to acquire the applicable portion of the Option Property for no additional consideration. The Assignor Option Agreement shall be in the form approved by Assignor in its sole discretion subject to the terms and conditions of the Option Assignment and with terms substantially similar to those set forth in form of Transfer Agreement set forth on Exhibit B to the Option Agreement. The County agrees to work in good faith with Developer and Assignor to consider any amendments to the Option Assignment deemed necessary, in County's reasonable discretion, to secure financing from an Institutional Lender. The Assignor Option Agreement shall terminate and be extinguished with respect to the applicable portion of the Option Property when the applicable phase is completed. For the avoidance of doubt, the Assignor Option Agreement shall not apply to the CH 5 Property.

2.7 **County Ground Lease.** Subject to and in accordance with the terms of this Agreement and upon Developer's satisfaction of the conditions set forth in Section 5.1.3 of this Agreement, County shall enter into a Ground Lease with Developer for the development of affordable housing on the CH 5 Property, including approximately 89 affordable housing units to households earning 80% AMI or less and 35 public parking spaces, as further detailed in the County Minimum Development Program Requirements. The Ground Lease shall be in the form reasonably agreed to by County and Developer.

2.8 **Parking Sharing**. The Parties acknowledge that the Site Plan Ordinance requires that the CH 1 & 2 Parcel will maintain 498 parking spaces upon the Larger Property. Upon the Subdivision and the transfer of all of the Option Property to the Developer, the Developer shall provide 330 parking spaces on the Option Property, offsite, or on the CH 1 & 2 Parcel for the benefit of the units located on the CH 1 & 2 Parcel, pursuant to a Parking Sharing Agreement to be agreed upon by Property Owner, Assignor, Developer and County ("**Parking Sharing Agreement**"), subject to the terms and conditions of the Option Assignment. The Parties further agree that any future subdivision of the Option Property shall not reduce or impair the existing 168 parking spaces currently existing on the CH 1 & 2 Parcel. The parking space requirements set forth

in this paragraph shall be reduced upon the agreement of the Property Owner, unless Property Owner and Assignor consent to a reduction to CH 1 and 2 parking requirements in their sole discretion.

2.9 **Condition of Property**.

2.9.1 Feasibility Studies; Access to Property.

(a) From time to time prior to the Closing of each Phase, provided this Agreement is in full force and effect and no uncured Developer Default has occurred, Developer and Developer's Agents shall continue to have the right to enter the Property for purposes of conducting surveys, soil tests, environmental studies, engineering tests, and such other tests, studies, and investigations (hereinafter "**Studies**") as Developer deems necessary or desirable to conduct due diligence and to evaluate the entire Property pursuant to the terms of this Agreement and the County Option Assignment, as if such terms, conditions and agreements were expressly set forth herein. Developer or Developer's Agents may conduct any invasive Studies with the prior written consent of County and Property Owner, and, if approved, shall permit a representative of County to accompany Developer or Developer's Agents during the conduct of any such invasive Studies. In the event of any conflict between the terms of the County Option Assignment or the terms of this Agreement, the terms of this Agreement shall control and be paramount.

(b) In the event that Developer or Developer's Agents disturbs, discovers or removes any materials or waste from the Property while conducting the Studies, or otherwise during its entry on the Property, which are determined to be Hazardous Materials, Developer shall notify County, Property Owner and [Department of Environmental Services ("DES")] promptly (or immediately if an imminent danger to life exists) after its discovery of such Hazardous Materials. In the event such Hazardous Materials are discovered by Developer or Developer's Agents, Developer shall submit a notice of a proposed plan for disposal (the "**Disposal Plan**") to County, Property Owner and DES no later than thirty (30) days after discovery. The Disposal Plan shall contain all identifying information as to the type and condition of the Hazardous Materials discovered and a detailed account of the proposed removal, disposal or remediation of the Hazardous Materials, including the name and location of the hazardous waste disposal site. Upon approval of the Disposal Plan, Developer shall remove and dispose of all Hazardous Materials in accordance with the approved Disposal Plan and all Applicable Law; provided, however, Developer shall not be required to remove and dispose of Hazardous Materials unless and until Developer is actually conveyed the portion of the Property upon which the Hazardous Materials are contained. Within thirty (30) days after the disposal or remediations of any Hazardous Materials, Developer shall provide County and Property Owner such written evidence and receipts confirming the proper disposal of all Hazardous Materials removed from the Property.

(c) Prior to the Closing for each Phase, Developer shall have the right to object to any condition as a result of any Studies conducted after the Effective Date, so long as Developer has not caused, or contributed to, any such new condition. If Developer objects

to any such condition that would prevent the development and financing of a Phase, so long as Developer has not caused or contributed to such new condition, County agrees to work with Developer, Land Owner and Assignor in good faith to cure such condition to the extent reasonably feasible.

(d) Prior to Closing for each Phase, Developer shall have the right to object to any lien, encumbrance or title exception, so long as Developer has not caused, or contributed to, any such new condition. If Developer objects to any such condition that would prevent the development and financing of a Phase, so long as Developer has not caused or contributed to such new condition, County agrees to work with Developer, Land Owner and Assignor in good faith to cure such condition to the extent reasonably feasible.

(e) Notwithstanding any provision herein to the contrary, in the event of a termination of this Agreement prior to any Closing, neither Developer nor any of Developer's Agents shall have any continuing liability or obligations regarding the Phase's Disposal Plan or the removal or remediation of any Hazardous Materials on the portion of the Option Property associated with that Phase, except for any Hazardous Materials introduced by, or disturbed by, Developer or Developer's Agents.

(f) Developer covenants and agrees that Developer shall keep confidential all information obtained by Developer as to the condition of the portion of the Option Property associated with each Phase; provided, however, that (i) Developer may disclose such information to its Members, officers, directors, attorneys, consultants, Settlement Agent, contractors and subcontractors, and potential lenders and investors so long as Developer directs such parties to maintain such information as confidential; and (ii) Developer may disclose such information as it may be legally compelled so to do. The foregoing obligation of confidentiality shall not be applicable to any information which is a matter of public record or, by its nature, necessarily available to the general public. This provision shall survive Closing of the associated Phase or the earlier termination of this Agreement.

(g) Developer shall indemnify and hold harmless County, its officials, officers, employees, and agents from all liabilities, obligations, damages, penalties, claims, costs, charges, and expenses (including reasonable attorneys' fees), of whatsoever kind and nature for injury, including personal injury or death of any person or persons, and for loss or damage to any property occurring in connection with, or in any way arising out of the use and occupancy of the Property during, and performance of, the Studies; provided, however, the foregoing indemnity shall exclude (i) any claims or liabilities caused by the gross negligence or willful misconduct of County or its officials, officers, agents, employees, or contractor or (ii) any damage, loss, claims or liabilities resulting from the mere discovery by Developer of any pre-existing condition on the Property. This provision shall survive Closing or earlier termination of this Agreement.

2.9.2 AS-IS. OTHER THAN THE EXPRESS REPRESENTATIONS IN SECTION 3.1, COUNTY IS NOT MAKING AND HAS NOT AT ANY TIME MADE

ANY WARRANTIES OR REPRESENTATIONS OF ANY KIND OR CHARACTER, EXPRESS OR IMPLIED, WITH RESPECT TO THE OPTION PROPERTY OR THE CH 5 PROPERTY, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OR REPRESENTATIONS AS TO HABITABILITY, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE, ZONING, TAX CONSEQUENCES, LATENT OR PATENT PHYSICAL OR ENVIRONMENTAL CONDITION, UTILITIES, OPERATING HISTORY OR PROJECTIONS, VALUATION, GOVERNMENTAL APPROVALS, THE COMPLIANCE OF THE OPTION PROPERTY AND THE CH 5 PROPERTY WITH LAWS, THE TRUTH, ACCURACY OR COMPLETENESS OF ANY DOCUMENTS OR OTHER INFORMATION PERTAINING TO THE OPTION PROPERTY OR THE CH 5 PROPERTY, THE STATUS OF ANY LITIGATION OR OTHER MATTER, OR ANY OTHER INFORMATION PROVIDED BY OR ON BEHALF OF COUNTY TO DEVELOPER, OR ANY OTHER MATTER OR THING REGARDING THE OPTION PROPERTY OR CH 5 PROPERTY. DEVELOPER ACKNOWLEDGES AND AGREES, THAT, SUBJECT TO THE TERMS OF THIS AGREEMENT, THE COUNTY OPTION ASSIGNMENT FOR THE OPTION PROPERTY AND THE GROUND LEASE FOR THE CH 5 PROPERTY, AND ANY REPRESENTATIONS OR WARRANTIES MADE THEREIN, UPON CLOSING, COUNTY SHALL ASSIGN OR GROUND LEASE TO DEVELOPER AND DEVELOPER SHALL ACCEPT THE OPTION PROPERTY AND THE CH 5 PROPERTY, "AS IS, WHERE IS, WITH ALL FAULTS." FURTHER, DEVELOPMENT OF THE OPTION PROPERTY AND THE CH 5 PROPERTY IN ACCORDANCE WITH THIS AGREEMENT SHALL BE "AS IS, WHERE IS, WITH ALL FAULTS" BUT SUBJECT TO THE TERMS OF THIS AGREEMENT THAT SURVIVE CLOSING, IF ANY, DEVELOPER IS ADVISED THAT MOLD AND/OR OTHER MICROSCOPIC ORGANISMS MAY EXIST AT THE OPTION PROPERTY OR THE CH 5 PROPERTY AND THAT MOLD AND/OR OTHER MICROSCOPIC ORGANISMS MAY CAUSE PHYSICAL INJURIES, INCLUDING, WITHOUT LIMITATION, ALLERGIC REACTIONS, RESPIRATORY REACTIONS OR OTHER PROBLEMS, PARTICULARLY IN PERSONS WITH IMMUNE SYSTEM PROBLEMS, YOUNG CHILDREN AND ELDERLY PERSONS. OTHER THAN THE EXPRESS REPRESENTATIONS MADE BY COUNTY IN SECTION 3.1, DEVELOPER HAS NOT RELIED AND WILL NOT RELY ON, AND COUNTY IS NOT LIABLE FOR OR BOUND BY, ANY EXPRESS OR IMPLIED WARRANTIES, GUARANTIES, STATEMENTS, OTHER REPRESENTATIONS OR INFORMATION PERTAINING TO THE OPTION PROPERTY OR THE CH 5 PROPERTY OR RELATING THERETO MADE OR FURNISHED BY COUNTY, ANY MANAGER OF THE OPTION PROPERTY OR THE CH 5 PROPERTY, OR ANY AGENT REPRESENTING OR PURPORTING TO REPRESENT COUNTY, TO WHOMEVER MADE OR GIVEN, DIRECTLY OR INDIRECTLY, ORALLY OR IN WRITING. DEVELOPER REPRESENTS TO COUNTY THAT DEVELOPER HAS HAD THE OPPORTUNITY TO, AND/OR HAS CONDUCTED, SUCH INVESTIGATIONS OF THE OPTION PROPERTY AND THE CH 5 PROPERTY, INCLUDING, BUT NOT

LIMITED TO, THE PHYSICAL AND ENVIRONMENTAL CONDITIONS THEREOF, AS DEVELOPER DEEMS NECESSARY TO SATISFY ITSELF AS TO THE CONDITION OF THE OPTION PROPERTY AND THE CH 5 PROPERTY AND THE EXISTENCE OR NONEXISTENCE OR CURATIVE ACTION TO BE TAKEN WITH RESPECT TO ANY MOLD, FUNGI, VIRAL OR BACTERIAL MATTER, HAZARDOUS MATERIALS OR TOXIC SUBSTANCES ON OR DISCHARGED FROM THE OPTION PROPERTY OR THE CH 5 PROPERTY, AND WILL RELY SOLELY UPON SAME AND NOT UPON ANY INFORMATION PROVIDED BY OR ON BEHALF OF COUNTY OR ITS AGENTS OR EMPLOYEES WITH RESPECT THERETO. DEVELOPER SHALL ASSUME THE RISK THAT ADVERSE MATTERS, INCLUDING BUT NOT LIMITED TO, CONSTRUCTION DEFECTS AND ADVERSE PHYSICAL AND ENVIRONMENTAL CONDITIONS (INCLUDING MOLD, FUNGI, VIRAL OR BACTERIAL MATTER, HAZARDOUS MATERIALS, RADIOLOGICAL CONDITIONS, OR ITEMS OR TOXIC SUBSTANCES), MAY NOT HAVE BEEN REVEALED BY DEVELOPER'S INVESTIGATIONS, AND DEVELOPER SHALL BE DEEMED TO HAVE WAIVED, RELINQUISHED AND RELEASED COUNTY FROM AND AGAINST ANY AND ALL CLAIMS, DEMANDS, CAUSES OF ACTION (INCLUDING CAUSES OF ACTION IN TORT), LOSSES, DAMAGES, LIABILITIES, COSTS, AND EXPENSES (INCLUDING ATTORNEYS' FEES AND COURT COSTS) OF ANY AND EVERY KIND OR CHARACTER, KNOWN OR UNKNOWN, BUT EXCLUDING CLAIMS FOR BREACH OF REPRESENTATIONS IN SECTION 3.1 WHICH CLAIMS FOR BREACH OF REPRESENTATIONS WILL NOT INCLUDE CLAIMS FOR CONSEQUENTIAL OR PUNITIVE DAMAGES UNLESS AWARDED TO THIRD PARTIES. DEVELOPER AGREES THAT SHOULD ANY CLEANUP, REMEDIATION OR REMOVAL OF MOLD, FUNGI, VIRAL OR OTHER BACTERIAL MATTER, HAZARDOUS MATERIALS, OR TOXIC SUBSTANCES OR OTHER ENVIRONMENTAL CONDITIONS ON THE OPTION PROPERTY OR CH 5 PROPERTY BE REQUIRED FROM AND AFTER THE ACQUISITION OF ANY SUCH PROPERTY, OR EARLIER IF CAUSED BY DEVELOPER, SUCH CLEAN-UP, REMOVAL, OR REMEDIATION SHALL BE THE RESPONSIBILITY OF AND SHALL BE PERFORMED AT THE SOLE COST AND EXPENSE OF DEVELOPER, SUBJECT TO DEVELOPER'S RIGHT TO ENFORCE ANY REPRESENTATIONS AND WARRANTIES SET FORTH IN SECTION 3.1. COUNTY SHALL HAVE NO RESPONSIBILITY TO PREPARE THE OPTION PROPERTY OR CH 5 PROPERTY IN ANY WAY FOR DEVELOPMENT AT ANY TIME.

2.10 Title.

2.10.1 Developer hereby acknowledges that it has reviewed the title to the Property on or before the Effective Date, and has deemed the same acceptable. The "**Permitted Exceptions**" shall be the following collectively: (i) all title and survey matters, encumbrances or exceptions of record as of the Effective Date; (ii) encroachments, overlaps, boundary disputes, or

other matters which would be disclosed by an accurate survey or an inspection of the Property as of the Initial Closing Date; (iii) any documents described in this Agreement that are to be recorded in the Land Records pursuant to the terms of this Agreement; (iv) defects or exceptions to title to the extent such defects or exceptions are created by Developer or Developer's Agents or created as a result of or in connection with the use of or activities on the Property or any portion thereof by Developer or Developer's Agents; (v) all building, zoning, and other Applicable Law affecting the Property; (vi) any easements, rights-of-way, exceptions and other matters required in order to obtain necessary approvals from Governmental Authorities for the Project; and (vii) any matter to which Developer has objected, County is unable or unwilling to cure, and Developer elects to proceed to the relevant Closing pursuant to Section 2.9.1.

2.10.2 Developer may, at or prior to each Closing, notify County in writing of any material adverse changes to the status of title to the Property or survey matters that occurred after the Effective Date as a direct result of action by (or the failure to act of) Property Owner. If upon notifying the Property Owner of same, Property Owner elects not to cure any objections specified in Developer's notice, or if County is unable to effect a cure prior to the relevant Closing, Developer shall have the following options: (i) to proceed to the relevant Closing and accept the County Option Assignment of the Property subject to the Permitted Exceptions, in which event Developer shall be obligated to develop the Property in accordance with this Agreement and the Project Phasing Plan, or (ii) to terminate this Agreement by sending notice thereof to County and Property Owner, and upon delivery of such notice of termination, this Agreement shall terminate, and thereafter neither Party hereto shall have any further rights, obligations or liabilities hereunder except to the extent that any right, obligation or liability set forth herein expressly survives termination of this Agreement.

2.11 Risk of Loss. No casualty prior to each Closing to all or any portion of the existing improvements on the Property (if any) shall excuse Developer from its obligation to proceed to such Closing hereunder, but neither Developer nor County shall have any obligation to rebuild or restore any existing improvements damaged by such casualty.

2.12 Condemnation.

2.12.1 Notice. If, prior to each Closing, any condemnation or eminent domain proceedings shall be commenced by any other competent public authority against the Property, and Property Owner has provided such notice to County, County shall promptly give Developer notice thereof.

2.12.2 Total Taking. In the event of a taking of the entire Property in a Phase by a governmental authority prior to the applicable Closing this Agreement shall terminate with regard to the Phase in question, and the Parties shall be released from any and all rights, obligations and liabilities hereunder (unless such rights, obligations, and liabilities expressly survive termination pursuant to this Agreement).

2.12.3 Partial Taking. In the event of a partial taking of a Phase of the Property prior to the applicable Closing, County and Developer shall jointly determine in good faith whether the development of the Project remains physically and economically feasible for such Phase. If the Parties reasonably determine that the Project is no longer feasible for such Phase, whether physically or economically, as a result of such condemnation, this Agreement shall terminate with regards to the Phase in question and the Parties shall be released from any further liability or obligation hereunder, except as expressly provided otherwise herein. If the Parties jointly determine that the Phase of the Project remains economically and physically feasible, the Parties shall be deemed to have elected to proceed to Closing with respect to the portions of the Phase of the Property in question not subject to the condemnation. In the event that within forty-five (45) days after the date of receipt by County of notice from Property Owner of such condemnation the Parties have not jointly determined, in accordance with the foregoing provisions, to elect to terminate or proceed to the relevant Closing hereunder, such failure shall be deemed the Parties' election to terminate this Agreement, and the termination provisions of this Section 2.11.3 shall apply.

2.13 Easement Agreement for Development of Option Property. As part of the development of the Option Property, County understands that Developer will soon begin negotiations with Property Owner regarding the easements and other rights benefiting and burdening the Option Property and the CH 1 & 2 Parcel, respectively that are necessary or convenient for the development of the Option Property including, without limitation, access, construction, construction staging, crane swing, tie-back and other easements and cooperation agreements (the "**Easement Agreement**"). When such negotiations are concluded it is expected that Developer will enter into the Easement Agreement. Developer agrees that it will give County an opportunity to review and approve all plans and specifications for such work, and will give County and Assignor an opportunity to review and approve the Easement Agreement before execution.

ARTICLE III
REPRESENTATIONS AND WARRANTIES

3.1 Representations and Warranties of County.

3.1.1 County hereby represents and warrants to Developer as follows:

(a) County (i) has all requisite right, power and authority to execute and deliver this Agreement and to perform its obligations under this Agreement and (ii) has taken all necessary action to authorize the execution, delivery and performance of this Agreement. This Agreement has been duly executed and delivered by County, and constitutes the legal, valid and binding obligation of County, enforceable against it in accordance with its terms. The Person signing this Agreement on behalf of County is authorized to do so.

(b) There is no litigation, arbitration, condemnation, administrative or other similar proceeding pending, or to the current actual knowledge of County,

threatened against County, which relates to the Property. There is no other litigation, arbitration, administrative proceeding, or other similar proceeding pending or to County's current actual knowledge threatened against County which, if decided adversely to County, would impair County's ability to perform its obligations under this Agreement. For purposes of this representation, the County's knowledge shall mean the current actual knowledge of the then current County Manager.

(c) The execution, delivery, and performance of this Agreement by County and the consummation of the transactions contemplated hereby do not violate any of the terms, conditions or provisions of any judgment, order, injunction, decree, regulation, or ruling of any court or other Governmental Authority, or Applicable Law, to which County is subject, or any agreement or contract to which County is a party or to which it is subject.

(d) County has not procured or entered into any (i) service, management, maintenance, or development contracts, or (ii) leases, licenses, easements, or other occupancy agreements affecting the Property that will survive Closing.

3.1.2 Survival. The representations and warranties contained in Section 3.1.1 shall survive Closing for a period of one (1) year. County shall have no liability or obligation hereunder for any representation or warranty that becomes untrue because of reasons beyond County's control, but County agrees to promptly disclose in writing any such change to Developer promptly after County becomes aware thereof. Upon a breach by County of its representations and warranties (regardless of whether such breach is due to reasons beyond County's control), Developer may pursue its remedies under Section 9.3 herein.

3.2 Representations and Warranties of Developer.

3.2.1 Developer hereby covenants, represents, and warrants to County as follows:

(a) Developer is a limited liability company, duly formed and validly existing and in good standing, and has full power and authority under, the laws of the Commonwealth of Virginia, to conduct the business in which it is now engaged.

(b) Attached as Exhibit H is a true, accurate and complete organizational structure chart of Developer showing all Members and their respective ownership interests in Developer. Neither Developer, any Member of Developer nor any Person owning directly or indirectly any interest in Developer or any Member is a Prohibited Person.

(c) The execution, delivery, and performance of this Agreement and the consummation of the transactions contemplated hereby have been duly and validly authorized by Developer and Managing Member of Developer. Upon the due execution and delivery of this Agreement by Developer, this Agreement constitutes the valid and binding obligation of Developer, enforceable in accordance with its terms.

(d) The execution, delivery, and performance of this Agreement and the consummation of the transactions contemplated hereby do not violate any of the terms, conditions, or provisions of: (i) Developer's organizational documents, (ii) any judgment, order, injunction, decree, regulation, or ruling of any court or other Governmental Authority, or Applicable Law to which Developer or Managing Member is subject, or (iii) any agreement or contract to which Developer is a party or to which it is subject.

(e) There is no litigation, arbitration, administrative, or other similar proceeding pending or to Developer's knowledge, threatened against Developer that, if decided adversely to Developer would (i) impair Developer's ability to enter into and perform its obligations under this Agreement or (ii) materially adversely affect the financial condition or operations of Developer.

(f) Developer's entering into the County Option Assignment and the Ground Lease and its other undertakings pursuant to this Agreement are for the purpose of constructing and operating the Improvements in accordance with the Project Phasing Plan and the Approved Plans and Specifications and not for speculation in land holding.

(g) Neither Developer nor any of its Members is the subject debtor under any federal, state, or local bankruptcy or insolvency proceeding, or any other proceeding for dissolution, liquidation, or winding up of its assets.

3.2.2 Survival. The representations and warranties contained in Section 3.2.1 shall survive Closing. Developer shall have no liability or obligation hereunder for any representation or warranty that becomes untrue because of reasons beyond Developer's control, but Developer but agrees to promptly disclose in writing any such change to County promptly after Developer becomes aware thereof.

ARTICLE IV
COUNTY REVIEW OF CONSTRUCTION PLANS AND SPECIFICATIONS AND OTHER SUBMISSIONS

4.1 Developer's Submissions for each Phase of the Project.

4.1.1 Construction Plans and Specifications. Developer shall submit to County (or County's designated representative or other staff) for County's review pursuant to Section 4.2 of this Agreement, the Construction Plans and Specifications for each Phase of the Improvements within the timeframes set forth on the Project Phasing Plan. All Construction Plans and Specifications shall be prepared and completed in accordance with this Agreement and the Project Phasing Plan.

4.1.2 [Intentionally Omitted].

4.1.3 Progress Meetings. During the preparation of the Construction Plans and Specifications, County's staff, Assignor's staff and Developer shall hold weekly or bi-weekly progress meetings ("**Progress Meetings**"), during which meetings Developer and designated representatives of County and other County staff, and designated representatives of Assignor's staff, shall coordinate the preparation, submission and review of the Construction Plans and Specifications, as well as any other pending matters (e.g. LIHTC application, debt financing) involving the development and construction of all Phases of the Project. All documents and discussions from the Progress Meetings shall remain confidential and shall not be disclosed to any third parties except as required by law.

4.2 County Review of Construction Plans and Specifications.

4.2.1 County Review. County (or County's designated representative or other staff) shall have the right to review all or any part of each of the following components of Construction Plans and Specifications: (i) Concept Plans, (ii) Schematic Drawings, (iii) Design Development Plans and (iv) Construction Drawings. In each case such Construction Plans and Specifications provided for review shall be consistent with the Project Phasing Plan, the Concept Plans, and with the information exchanged in Progress Meetings and are in accordance with the requirements of the terms herein and Applicable Law.

4.2.2 [Intentionally Omitted].

4.2.3 [Intentionally Omitted].

4.2.4 No Representation; No Liability. County's review of the Construction Plans and Specifications is not and shall not be construed as a representation or other assurance that they comply with any building codes, regulations, or standards, including, without limitation, building engineering and structural design or any other Applicable Law. County shall incur no liability in connection with its review of any Construction Plans and Specifications and is reviewing such Construction Plans and Specifications solely for the purpose of ensuring that the Construction Plans and Specifications are consistent with the Project Phasing Plan and in accordance with the terms of this Agreement.

4.2.5 [Intentionally Omitted].

4.3 Project Professionals.

4.3.1 Approval of Project Professionals. Any Person that Developer proposes for any of the following shall be subject to County's approval, which approval shall not be unreasonably withheld, conditioned, or delayed: (i) the Architect; (ii) the Contractor; and (iii) any replacement of either of the foregoing. County's review of any proposed Person under this Section 4.4.1 shall be limited to whether the Person (i) reasonably has the experience and technical qualifications to provide the services required and (ii) is not a Prohibited Person.

4.3.2 Copies of Contracts. Upon County's request, Developer shall provide to County copies of the contracts with any Person required to be approved by County pursuant to the foregoing provisions of this Section 4.4.2.

4.3.3 No Prohibited Persons. No Person who is a Prohibited Person shall be engaged as contractor or a subcontractor or otherwise provide materials or services with respect to the Project.

4.4 Retail Plan. Prior to the Closing of the last Phase, Developer shall submit to County for County's review and approval, which shall not be unreasonably withheld, conditioned or delayed, a retail strategy and marketing plan for the retail component of the Improvements, if applicable (the "**Retail Plan**").

4.5 Community Benefit Agreement. No later than one year after the Effective Date, Developer shall provide to County for its review and approval a description of Developer's plan to include as part of the redevelopment of the Project certain community benefits and amenities and a plan to allocate the costs of such infrastructure upgrades proportionally to each Phase according to unit count (the "**Community Benefit Agreement**"). The Community Benefit Agreement shall include among other amenities and benefits: (i) parking benefits including 35 public parking spaces at CH 5 and available trash loading/collection space for abutting retail, (ii) approximately 55,000 square feet of public park space prepared in consultation with the County Department of Parks and Recreation, (iii) wireless infrastructure and LEED Gold (or a certification substantially similar such as Earthcraft Gold) and EPA Energy Star certifications for newly constructed buildings, (iv) infrastructure improvements, including utility underground upgrades, frontage improvements, pedestrian walkways, traffic signals and a dedicated easement area for signal improvements and (v) plans to design and construct (or plans and funding for the County to construct) a protected bike lane along Eads Street to be delivered prior to the Certificate of Occupancy for CH 3.

4.6 Development Financing Plan; Development Budget.

4.6.1 Development Financing Plan. Developer shall provide to County, for County's review, its initial financing plan for each Phase of the Project describing the sources and uses of funds, the methods for obtaining such funds (including lending sources), a cash flow pro forma (including the proposed sales price for the homeownership units for CH 7 and CH 8), and financial model (including the Developer's estimated return and the calculation of the market land value for CH 4, CH 7 and CH 8) (the "**Development Financing Plan**"). The Development Financing Plan shall also include (i) the approximate amount of funds committed by Developer (based on the estimated fair market value of the market rate units of CH 4, CH 7 and CH 8, but in no event less than $1,500,000 in the aggregate) to build the Committed Affordable Units identified in the County Minimum Development Program Requirements and (ii) the Anticipated County Financing Requests as further described in Exhibit J attached hereto and Section 10.4 of this Agreement. County staff shall review the Development Financing Plan for each Phase and submit

the plan to the County Board for review and final approval prior to the scheduled closing for each Phase as described in Section 4.6.3 of this Agreement.

4.6.2 Development Budget. Developer shall provide to County, for County's review, its initial Development Budget for each Phase of the Project describing the expenditure of direct and indirect costs for the development of each Phase, which shall include a cost itemization prepared by Developer specifying all "hard" and "soft" costs (direct and indirect) by item, including (i) the costs of all labor, materials, and services necessary for each Phase (ii) all other expenses anticipated by Developer incident to each Phase (including, without limitation, anticipated interest on all financing, taxes and insurance costs) and the construction thereof (such budget, as may be modified from time to time in accordance with this Agreement being the "**Development Budget**"). County staff shall review the Development Budget for each Phase and submit the budget to the County Board for review and final approval prior to the scheduled closing for each Phase as described in Section 4.6.3 of this Agreement.

4.6.3 Final Development Financing Plan and Final Development Budget. As set forth on the Schedule of Project Milestones, Developer shall provide County with a revised Development Budget and Development Financing Plan and such supporting documentation as County may reasonably request. Developer shall further modify the Development Budget for each Phase and Development Financing Plan for each Phase (i) upon receipt of the Financing Commitments relating to each Phase and (ii) within sixty (60) days but no later than thirty (30) days prior to the scheduled Closing for each Phase. The County Board shall review and approve the Development Budget and Development Financing Plan for each Phase no later than thirty (30) days prior to the scheduled Closing for each Phase, or such earlier date as may be required by the Virginia Housing Development Authority in connection with the issuance of bonds for the financing of the applicable phase, even if such required earlier date is earlier than the timeframes provided in items (i) or (ii) of this paragraph, provided that the earlier timeframe will allow for the County Board to review and approve the Development Budget and Development Financing Plan at a regularly scheduled County Board meeting. Upon the County Board's approval of the modified Development Budget for each Phase and Development Financing Plan for each Phase submitted pursuant to clause (ii), such modified Development Budget and Development Financing Plan shall be the "**Final Development Budget**" and "**Final Development Financing Plan**", respectively, and such defined term shall apply for each Phase.

ARTICLE V
CONDITIONS TO CLOSING

1.1 **Conditions Precedent To Close on Each Phase.**

5.1.1 Conditions Precedent To Developer's Obligation To Close on Each Phase. The obligations of Developer to consummate Closing each Phase on the Closing Date applicable to each such Phase (as set forth in the Schedule of Project Milestones) shall be subject to the following conditions precedent:

(a) the representations and warranties made by County in Section 3.1.1 of this Agreement shall be true and correct in all material respects on and as if made on the Closing Date;

(b) County shall have performed all of its material obligations and observed and complied with all material covenants and conditions required at or prior to the applicable Closing under this Agreement;

(c) this Agreement shall not have been previously terminated pursuant to any provision hereof;

(d) County shall have delivered (or caused to be delivered) the original, executed documents required to be delivered pursuant to Section 6.3.1 herein; and

(e) County shall have delivered the prior written consent of Assignor approving the County Option Assignment, with respect to the Option Property Projects.

(e) no condemnation or eminent domain proceedings affecting all or a part of the Property shall be pending;

(f) County shall have delivered (or caused to be delivered) the original, executed documents required to be delivered pursuant to Section 6.3.1 with respect to the applicable Closing;

(g) Each of the documents required to be delivered at Closing by Developer, to the extent such documents have not been agreed upon prior to the Effective Date, shall have been fully negotiated to Developer satisfaction; and

(h) Property Owner shall have completed the Subdivision and Option Property Subdivision pursuant to Section 2.2 of this Agreement.

5.1.2 Failure of Condition. If all of the conditions to Closing set forth above in Section 5.1.1 have not been satisfied by the Closing Date, provided the same is not the result of Developer's failure to perform any obligation of Developer hereunder, Developer shall have the option, in its sole discretion, to: (i) waive such condition(s) and proceed to Closing hereunder; (ii) terminate this Agreement by delivering notice of such termination to County, whereby the Parties shall be released from any further liability or obligation hereunder except those that expressly survive termination of this Agreement; or (iii) delay Closing for up to sixty (60) days (or such longer time as may be agreed to by the Parties) to permit County to satisfy the conditions to Closing set forth in Section 5.1.1. In the event Developer proceeds under clause (iii), Closing shall occur within sixty (60) days after the conditions precedent set forth in Section 5.1.1 have been satisfied, but in no event later than the Outside Closing Date. If such conditions precedent have not been satisfied by the end of the sixty (60) day period, provided the same is not the result of Developer's failure to perform any obligation of Developer hereunder, Developer may again proceed under clause (i), (ii), or (iii) above, in its sole discretion. The foregoing

notwithstanding, Closing shall not occur after the Outside Closing Date. If Closing has not occurred by the Outside Closing Date, this Agreement shall immediately terminate and be of no further force and effect, except for those provisions that expressly survive termination of this Agreement. Notwithstanding anything set forth above to the contrary, if any such failed condition precedent is a result of a County Default, then Developer may exercise its remedies in Section 9.3.

5.1.3 Conditions Precedent To County's Obligation To Close on each Phase of the Project. The obligation of County to assign the Option Property and consummate the Closing on the Closing Date applicable to each Phase shall be subject to the following conditions precedent:

(a) Developer shall have performed all of its material obligations hereunder and observed and complied with all material covenants and conditions required at or prior to the applicable Closing under this Agreement;

(b) the representations and warranties made by Developer in Section 3.2.1 of this Agreement shall be true and correct in all material respects on and as if made on the applicable Closing Date;

(c) this Agreement shall not have been previously terminated pursuant to any other provision hereof;

(d) County's authority, pursuant to the County Assignment Agreements and the County Resolution, to proceed with the disposition, as contemplated in this Agreement, shall have not previously expired;

(e) the Construction Plans and Specifications for the Improvements to be constructed on the applicable Phase shall have been approved as Approved Plans and Specifications in their entirety pursuant to Article IV of this Agreement;

(f) all Submissions required to be submitted prior to the applicable Closing shall have been approved by County in their entirety;

(g) Developer shall have certified to County in writing that it is ready, willing, and able in accordance with the terms and conditions of this Agreement to acquire the Option Property and achieve Commencement of Construction on or before the date set forth in the Project Phasing Plan as applicable to each Phase;

(h) Developer shall have obtained all Approvals necessary to complete the applicable Phase of the Project;

(i) Developer shall have obtained, and furnished to County certificates of insurance or duplicate originals of insurance policies, for the insurance coverage required under this Agreement;

(j) Developer shall have obtained all Permits for demolition (if any), excavation, sheeting and shoring, and the building permit for construction of the Improvements, except for those Permits which are normally obtained during the course of construction of the Improvements, such as Permits for elevators and landscaping, and shall have delivered the copies of the same to County;

(k) Developer shall have provided County with satisfactory evidence of its authority to acquire the Option Property or lease the CH 5 Property, as applicable, and to perform its obligations under this Agreement;

(l) Developer shall have delivered (or caused to be delivered) the original, executed documents required to be delivered pursuant to Section 6.3.2 herein;

(m) Developer shall have delivered to County the documents required under Section 10.1 and County shall have approved the Financing Commitments;

(n) County shall have approved the Project Phasing Plan (including, in its reasonable discretion, any updates to the Project Phasing Plan, including an updated unit mix, required to take into account Phase then being closed), Parking Sharing Agreement, Easement Agreement, Declaration of CCR, Final Development Financing Plan and the Final Development Budget, and there shall have been no changes to the same, except to the extent such changes have been approved by County;

(o) Assignor shall have approved in its sole discretion, the Project Phasing Plan (including, in its sole discretion, any updates to the Project Phasing Plan, including an updated unit mix, required to take into account Phase then being closed);

(p) Developer shall have executed a Construction Contract;

(q) Developer shall have provided to County updated Guarantor Submissions and County shall have confirmed that no material adverse change has occurred in the financial condition of any Guarantor, determined in accordance with the provisions of Section 8.1.4 or, if a material adverse change has occurred, County has approved a substitute guarantor pursuant to Section 8.1.4 of this Agreement;

(r) Developer shall have delivered the Bond pursuant to Section 8.2 of this Agreement;

(s) Property Owner shall have completed the Subdivision and Option Property Subdivision pursuant to Section 2.2 of this Agreement;

(t) Prior to the Closing on CH 4, Developer shall have delivered and County shall have approved the CH 4 Development Plan, including a profit-sharing plan with terms to be agreed upon by the parties;

(u) Each of the documents required to be delivered at Closing by County, to the extent such documents have not been agreed upon prior to the Effective Date, shall have been fully negotiated to County's satisfaction; and

(v) Prior to the Closing on CH 7 or CH 8, whichever occurs first, Developer shall have delivered and County shall have approved the CH 7/8 Development Plan, including a profit-sharing plan with terms to be agreed upon by the parties.

5.1.4 Failure of Condition. If all of the conditions to Closing set forth above in Section 5.1.3 have not been satisfied by the Closing Date, provided the same is not the result of County's failure to perform any obligation of County hereunder, County shall have the option, in its sole discretion, by notice to Developer, to: (i) waive such condition(s) and proceed to Closing hereunder, except as to Section 5.1.3 (d), (j) and (l) for which County shall not exercise its option to waive such condition(s) without first receiving Developer's reasonable approval to such waiver; (ii) terminate this Agreement by delivering notice of such termination to Developer whereby the Parties shall be released from any further liability or obligation hereunder except those that expressly survive termination of this Agreement; or (iii) delay Closing for up to sixty (60) days (or such longer period as may be agreed to by the Parties), to permit Developer to satisfy the conditions to Closing set forth in Section 5.1.3. In the event County proceeds under clause (iii), Closing shall occur within sixty (60) days after the conditions precedent set forth in Section 5.1.3 have been satisfied but in no event later than the Outside Closing Date. If such conditions precedent have not been satisfied by the end of the sixty (60) day period, provided the same is not the result of County's failure to perform any obligation of County hereunder, County may again proceed under clause (i), (ii), or (iii) above, in its sole discretion. The foregoing notwithstanding, Closing shall not occur after the Outside Closing Date. If Closing has not occurred by the Outside Closing Date, this Agreement shall immediately terminate and be of no further force and effect, except for those provisions that expressly survive termination of this Agreement. Notwithstanding anything set forth above to the contrary, if any such failed condition precedent is result of a Developer Default, then County may exercise its remedies in Section 9.1.

ARTICLE VI
CLOSING

6.1 **Closing Dates and Outside Closing Date**. Developer and County shall close each Phase upon satisfaction (or waiver by the Party entitled to waive the same) of all conditions to Closing, but no later than the dates set for each Closing in the Schedule of Project Milestones (each date referred to as a "**Closing Date**"). In no event shall the Closing Date for the first Phase occur after January 1, 2025 (the "**Outside Closing Date**"). Each Closing shall occur at 10:00 a.m. at the offices of County or another location in the County acceptable to the Parties.

6.2 **Pre-Closing Deliveries for CH 4, CH 7 and CH 8**. Developer shall deliver to County, prior to the Closing of CH 4, a development plan for CH 4 (the "**CH 4 Development**

Plan") and prior to the Closing of CH 7 or CH 8, whichever is first, a development plan for CH 7 and CH 8 (the "**CH 7/8 Development Plan**") that include the requirements detailed below.

6.2.1 CH 4 Development Plan. The CH/4 Development Plan shall include: (a) a description of the proposed project including unit and affordability mix (e.g. number of market-rate and affordable units), (b) concept drawings if the proposed development is different from the currently approved Site Plan Ordinance, (c) a Development Financing Plan and Development Budget (as such terms are defined in Section 4.6) and (d) a profit-sharing plan in the event of a resale of the market-rate rental development.

6.2.2 CH 7/8 Development Plan. The CH 7/8 Development Plan shall analyze (i) the ability to maximize land value from the market rate development to assist with the financing of the affordable units designated for the Project through sponsor loans, (ii) recommendations from the County's Homeownership Study regarding the inclusion of an affordable homeownership component as part of the CH 7 and CH 8 development and (iii) feasibility of entitlement process required to complete the CH 7 and CH 8 development. Specifically, the CH 7/8 Development Plan shall include: (a) a description of the type of proposed project (e.g. multifamily rental, for-sale condominiums or fee simple townhomes) and the number of units, (b) concept drawings if the proposed development is different from the currently approved Site Plan Ordinance, (c) a Development Financing Plan and Development Budget (as such terms are defined in Section 4.6) and (d) a profit-sharing plan in the event of a resale of the market-rate rental development.

6.2.3 Approval of CH 4 and CH 7/8 Development Plans. The County shall have a period of sixty (60) days each to review and comment on the CH 4 Development Plan and the CH 7/8 Development Plan. For each plan, Developer shall have thirty (30) days to revise and resubmit the plan to County in response to County's comments. Approval of the CH 4 Development Plan and the CH 7/8 Development Plan by the County Manager, or its designee, shall be a condition to the phases' applicable Closing as further detailed in Section 6.3 of this Agreement.

6.3 **Closing Deliveries**.

6.3.1 County's Deliveries. On or before the Closing Date, subject to the terms and conditions of this Agreement, County shall execute, notarize, as applicable, and deliver to Settlement Agent with respect to each Phase unless otherwise specified:

(a) with respect to each Phase, except Phase 5, the County Option Assignment applicable to the portion of the Option Property being assigned for development;

(d) with respect to each Phase, except Phase 5, the Option Property Affordable Housing Covenant, in a form approved by Assignor in its sole discretion and in recordable form to be recorded in the Land Records against the applicable portion of the Option Property;

(c) with respect to the CH 5, the Ground Lease and the Memorandum of Ground Lease in recordable form to be recorded in the Land Records against the CH 5 Property;

(d) with respect to the CH 5, the CH 5 Affordable Housing Covenant in recordable form to be recorded in the Land Records against the CH 5 Property;

(e) a certificate, duly executed by County, stating that all of County's representations and warranties set forth herein are true and correct all material respects as of and as if made on the Closing Date; and

(f) any and all other deliveries required from County on each Closing Date under this Agreement and such other documents and instruments as are customary and as may be reasonably requested by Developer or Settlement Agent, and reasonably acceptable to County, to effectuate the transactions contemplated by this Agreement.

6.3.2 Developer's Deliveries. On or before the Closing Date, subject to the terms and conditions of this Agreement, Developer shall execute, notarize, as applicable, and deliver to County with respect to each Phase unless otherwise specified:

(a) any funds, if so required by County to be delivered at each Closing;

(b) with respect to each Phase, except Phase 5, the County Option Assignment applicable to the portion of the Option Property being assigned for development;

(c) with respect to the CH 5, the Ground Lease and Memorandum of Ground Lease in recordable form to be recorded in the Land Records against the CH 5 Property;

(d) Easement Agreement as further described in Section 2.13 of this Agreement;

(e) Parking Sharing Agreement as further described in Section 2.8 of this Agreement;

(f) with respect to each Phase, except Phase 5, the Option Property Affordable Housing Covenant, in a form approved by Assignor in its sole discretion and in recordable form to be recorded in the Land Records against the Option Property;

(g) with respect to the CH 5, the CH 5 Affordable Housing Covenant in recordable form to be recorded in the Land Records against the CH 5 Property;

(h) with respect to CH 4, County approval of the CH 4 Development Plan as described in Section 6.2 of this Agreement;

(i) with respect to CH 7 or CH 8, whichever occurs first, County approval of the CH 7/8 Development Plan as described in Section 6.2 of this Agreement;

(j) the Bond meeting the requirements of Section 8.2 of this Agreement;

(k) the fully executed Completion Guaranty substantially in the form attached hereto as Exhibit D;

(l) the Financing Documents and any other documents required to close on the Debt Financing and Equity Investment for the applicable Phase of the Project;

(m) a certificate, duly executed by Developer, stating that all of Developer's representations and warranties set forth herein are true and correct in all material respects as of and as if made on the applicable Closing Date and that Developer shall comply with all of the terms and conditions of the County Option Agreements;

(n) a certificate, duly executed by Developer stating that (i) there is no default, or event which with the passage of time or giving of notice or both would become a default, by any party under the Financing Documents for the applicable Phase and (ii) the terms of the Financing Documents for the applicable Phase are consistent with the terms of the Financing Commitments approved by County;

(o) the following documents evidencing the due organization and authority of Developer and Managing Member to enter into, join and consummate this Agreement and the transactions contemplated herein:

(i) organizational documents and a current certificate of good standing for Developer issued by the State;

(ii) authorizing resolutions, in form and content reasonably satisfactory to County, demonstrating the authority of the entity and of the Person executing each document on behalf of Developer and Managing Member in connection with this Agreement and the Project; and

(iii) if requested by County, an opinion of Developer's counsel that Developer and Managing Member are validly organized, existing and in good standing in the State, that Developer and Managing Member have the full authority and legal right to carry out the terms of this Agreement and the documents to be recorded in the Land Records, that Developer and Managing Member have taken all actions to authorize the execution, delivery, and performance of said documents and any other document relating thereto in accordance with their respective terms, that none of the aforesaid actions, undertakings, or agreements violate any restriction, term, condition, or provision of the organizational documents of Developer or Managing Member or any contract or agreement to which they are a party or by which they are bound; provided, however, that if a separate opinion is provided by Developer's counsel to an Institutional Lender covering such matters, that Developer may satisfy the requirements of this clause (iii) by delivering a counsel letter to County stating that County shall be entitled to rely on the legal opinion provided to the Institutional Lender;

(p) an updated Project Phasing Plan, including a proposed unit mix, for any subsequent Phases not yet closed, in form and substance reasonably acceptable to the County, and acceptable to Assignor in its sole discretion;

(q) any agreement that may be reasonably required to allocate responsibilities under the Site Plan Ordinance with the Property Owner; and

(r) any and all other deliveries required from Developer on the applicable Closing Date under this Agreement and such other documents and instruments as are customary and as may be reasonably requested by County or Settlement Agent, and reasonably acceptable to Developer, to effectuate the transactions contemplated by this Agreement.

6.2.3 On the applicable Closing Date, Settlement Agent shall record and distribute documents and funds in accordance with closing instructions provided by the Parties so long as they are consistent with this Agreement.

6.2.4 Notwithstanding any other provision of this Agreement, it is agreed that Developer shall have the right to designate its Affiliates to execute at the Closing of each Phase all Closing documents required to be delivered by Developer hereunder related to the County Option Assignment, and in furtherance thereof, Developer shall have the right to designate one or more entities controlled by APAH or EYA to own and operate the Project; provided, however, that (i) each of such Affiliates execute and deliver to the County at each Closing a Partial Assignment and Assumption Agreement in form and substance acceptable to Developer, such Affiliates and the County evidencing the agreement of such Affiliates to assume all obligations set forth herein with regards to their respective properties only, as more particularly set forth in such Partial Assignment and Assumption Agreements, applicable exclusively to each Closing and its applicable property, and (ii) Developer shall remain fully liable for all obligations of Developer hereunder, including, without limitation, delivery of all Closing documents, guaranties and required documentation, provision of all representations and warranties, and completion of all undertakings hereunder.

6.4 **Recordation of Closing Documents; Closing Costs**.

6.4.1 At each Closing, except the Closing for Phase 5, Settlement Agent shall file for recordation among the Land Records a Memorandum of County Option Assignment and an Option Property Affordable Housing Covenant. Such documents shall be recorded prior to any security instruments to be recorded in connection with the Debt Financing for the applicable Phase.

6.4.2 At each Closing, Developer shall be responsible for and pay all costs pertaining to the transfer and financing of the Option Property and the CH 5 Property, including, without limitation: (i) title search costs, (ii) title insurance premiums and endorsement charges, (iii) survey costs, (iv) all recordation and transfer taxes, and (v) all of Settlement Agent's fees and costs.

ARTICLE VII
DEVELOPMENT OF PROPERTY AND CONSTRUCTION OF IMPROVEMENTS

Obligation To Construct Improvements. Developer hereby agrees to develop, construct, use, maintain, and operate the Improvements in accordance with the Project Phasing Plan, subject only to Force Majeure. Developer's failure to perform its obligations in accordance with the Schedule of Project Milestones shall constitute a Developer Default, and the Parties' rights and obligations in such event shall be governed by Article IX. Developer shall construct the Improvements in accordance with the Approved Plans and Specifications and in compliance with all Permits, Approvals and Applicable Law. All costs of the Project, including all due diligence, predevelopment and soft costs, shall be borne solely by Developer.

7.2 **Approvals**. Prior to each Closing Date, Developer shall obtain all necessary Approvals to construct the Improvements. Any application for an Approval, or

modifications to existing Approvals, shall be prepared and filed by Developer on behalf of Property Owner as the owner of the Property. All applications for Approvals shall be subject to prior approval by County. Developer shall submit a copy of the proposed application to County for its review and approval prior to submission of the application. County shall have thirty (30) days to review and comment on the application. County shall cooperate, at no cost to County, with Developer in connection with all such applications approved by County and shall join such applications as reasonably requested by Developer.

7.3 **Issuance of Permits**. Prior to each Closing Date, Developer shall have the sole responsibility for obtaining all Permits and shall make application therefor directly to the applicable Governmental Authority. In no event shall Developer commence site work or construction of all or any portion of the Improvements until Developer shall have obtained all Permits for the work in question; provided, however, that the County shall work with the Developer in good faith and cooperate with any of the Developer's attempts to negotiate with the Property Owner the right to perform certain site work for a parcel prior to the parcel's Closing. Developer shall submit its application for Permits within a period of time that Developer believes in good faith is reasonably sufficient to allow issuance of such Permits prior to the Closing Date. From and after the date of Developer's submission of an application for a Permit, Developer shall diligently prosecute such application until receipt. In addition, from and after submission of any such application until issuance of the Permit, Developer shall report Permit status in writing on a periodic basis to County, not more frequently than once every thirty (30) days.

7.4 **Site Preparation**. Developer, at its sole cost and expense, shall be responsible for all preparation of the Property for development and construction in accordance with the Design Development Plan and Approved Plans and Specifications, including costs associated with excavation, construction of the Improvements, utility relocation and abandonment, relocation and rearrangement of water and sewer lines and hook-ups, and construction or repair of alley ways on the Property and abutting public property necessary for the Project. All such work, including but not limited to, excavation, backfill, and upgrading of the lighting and drainage, shall be performed under all required Permits and Approvals and in accordance with Applicable Law. Notwithstanding anything to the contrary set forth in the Agreement, Developer may commence excavation, sheeting and shoring for the applicable Phase of the Project at any time after the Closing applicable to such Phase so long as Developer delivers to County a copy of the permit(s) therefore at least ten (10) Business Days prior to such commencement.

ARTICLE VIII
CLOSING GUARANTIES

8.1 **Construction Completion Guaranty**.

8.1.1 Delivery at Closing. Developer shall deliver to County and Assignor on, as a condition of Closing, a Guaranty executed by Guarantor as security for Developer's promises under this Agreement.

8.1.2 Approval of Guarantor. The Guaranty shall be from one or more Persons approved by County and Assignor in County and Assignor's sole and absolute discretion, which approval shall include County and Assignor's determination as to whether such Person has sufficient net worth and liquidity to satisfy its obligations under the Guaranty, taking into account all relevant factors, including, without limitation, such Person's obligations under other guaranties and the other contingent obligations of such Person. In no event shall a Guarantor be a Prohibited Person.

8.1.3 Guarantor Submissions. In order for County and Assignor to approve a Person as a Guarantor under Section 8.1.2, Developer shall deliver or cause the Person to deliver to County and Assignor the Guarantor Submissions. Developer shall submit to County and Assignor updated Guarantor Submissions (a) at any time upon County or Assignor's request and (b) no later than thirty (30) days prior to Closing.

8.1.4 Material Adverse Change in Financial Condition of Guarantor. In the event County or Assignor determines, in its sole and absolute discretion, that a material adverse change in the financial condition of the Guarantor has occurred that impacts, or could threaten to impact, the Guarantor's ability to perform under the Guaranty, Developer shall, within twenty (20) Business Days after notice from County or Assignor, identify a proposed substitute guarantor and request County's approval of the same, which request shall include delivery of the Guarantor Submissions for such proposed substitute guarantor.

8.2 **Payment and Performance Bond**. Prior to each Closing, as further assurance of Developer's obligations under this Agreement, Developer shall obtain, a payment and performance bond in form and substance acceptable to the County and Assignor, naming the County and the Assignor as a named obligee. The payment and performance bond (the "**Bond**") shall (a) be issued by one or more surety companies that are admitted as bonding carriers listed on the then-most current version of U.S. Treasury Circular 570 or any replacement or substitute U.S. government listing, have an A.M. Best's rating of at least A-:VIII or better and are duly licensed and authorized to conduct and transact surety business in the State, (b) be on a form consistent with AIA Document 312 or another form that provides substantially equivalent protection to the owner, with such changes as the County or Assignor may reasonably request, and (c) name County and Assignor as a beneficiary. The Bond shall be in a penal sum each of not less than one hundred percent (100%) of the scheduled cost of construction of the portions of the Project for which a Closing has occurred, and one hundred percent (100%) payment bond in the same amount. Developer shall deliver to the County an original of such Bond at, or prior to, each Closing.

8.3 **Letter of Credit**. On the Effective Date or no later than sixty (60) days after the Effective Date, as further assurance to County of Developer's obligations under this Agreement, Developer shall deliver to County the original copy of the Letter of Credit. The extension of sixty (60) days beyond the Effective Date to provide the Letter of Credit is solely to allow Developer additional time to secure the Letter of Credit and not to be deemed by the Developer as a feasibility period or a period of time in which to terminate this Agreement without

incurring Letter of Credit liability. The Letter of Credit shall be reduced based on the completion of each Phase, as well as the completion of associated community benefits pursuant to the Community Benefit Agreement described in Section 4.6 herein. The phased reduction of the Letter of Credit shall occur as follows: (i) a pro rata portion of the amount of the Letter of Credit shall be reduced upon the Final Completion of the first Phase of the Project to be developed (on the basis of a fraction, the numerator of which is the number of units to be constructed as a part of such Phase, and the denominator of which is 844 units) (ii) following the Final Completion of the first Phase of the Project to be developed and upon the Final Completion for each subsequent Phase until the Final Completion of the last Phase to be developed, the Letter of Credit shall be further reduced (on the basis of a fraction, the numerator of which is the number of units to be constructed as a part of each such Phase, and the denominator of which is 844 units), provided that the amount of the Letter of Credit shall not be less than $133,367 until the Final Completion of the final Phase of the Project, and (iii) the Letter of Credit shall be released by the County upon the Final Completion of the final Phase of the Project to be developed, upon which all Phases of the Project (CH 3, CH 4, CH 5, CH 6, CH 7 and CH 8) shall have been completed.

ARTICLE IX
DEFAULTS AND REMEDIES

9.1 **Default**.Default by Developer. Developer shall be in default under this Agreement if (each, a "**Developer Default**"):

(a) any of Developer's representations and warranties under Section 3.2.1 is not materially true and correct as of the Effective Date or as of the relevant Closing Date, and such failure is not due to the acts of omissions of the County;

(b) Developer fails to (i) achieve a milestone on the Project Phasing Plan (other than Final Completion) by the outside date therefor, subject to Force Majeure, and such failure shall continue for a period of thirty (30) days after notice from County or (ii) achieve Final Completion;

(c) Developer shall (i) admit in writing in a legal proceeding its inability to pay its debts as they mature, (ii) file a voluntary petition in bankruptcy or insolvency or for reorganization under the United States Bankruptcy Code, (iii) be adjudicated bankrupt or insolvent by any court, (iv) be the subject of involuntary proceedings under the United States Bankruptcy Code, or the appointment of a receiver or trustee for all or substantially all of its property and such proceedings shall not be dismissed or stayed, or the receivership or trustee ship vacated, within one hundred twenty (120) days, or (v) make a general assignment for the benefit of creditors;

(d) Developer becomes a Prohibited Person and such breach is not cured within thirty (30) days after notice from County;

(e) Developer fails to perform any obligation or requirement under this Agreement or fails to comply with any term or provision of this Agreement that is not specified under (a) – (d) above, and such default remains uncured for thirty (30) days after notice from County (except as provided in Section 5.1.2, no notice shall be necessary nor shall any cure period apply to Developer's obligation to close on its acquisition of the relevant Phase of the Property by the Outside Closing Date related to such Phase, time being of the essence), or if such a default does not involve the payment of money and cannot reasonably be cured within thirty (30) days, Developer shall have such additional time as is reasonably necessary, not to exceed an additional sixty (60) days, to cure such default, provided that Developer commences the cure within the initial thirty (30) day period and diligently pursues completion of such cure thereafter; or

(f) Developer fails to cure, after the expiration of the applicable cure period, an event of default under the Option Assignment or the County Option Assignment.

9.1.2 Default by County. County shall be in default under this Agreement if County fails to perform any obligation or requirement under this Agreement or fails to comply with any term or provision of this Agreement and such default remains uncured for thirty (30) days after receipt of notice of such failure from Developer (any such default that remains uncured after all notice and cure periods have expired, a "**County Default**"). Notwithstanding the foregoing, if a default cannot reasonably be cured within thirty (30) days, County shall have such additional time as is reasonably necessary, not to exceed an additional sixty (60) days, to cure such default; provided, however, County must commence the cure within the initial thirty (30) day period and diligently pursue completion of such cure thereafter.

9.2 **County Remedies in the Event of a Developer Default**. In the event of a Developer Default under this Agreement, County may elect to:

(a) terminate this Agreement. Upon such termination, the Development Work Product shall be automatically assigned to County in accordance with Section 9.6;

(b) cure any Developer Default at Developer's sole cost and expense, whereupon County shall be entitled to reimbursement of such costs, in addition to pursuing any other legal remedies;

(c) pursue specific performance; and/or

(d) pursue any other legal or equitable relief.

9.3 **Developer Remedies in the Event of a County Default**. In the event of a County Default prior to Closing, Developer may elect to:

(a) extend the Closing Date for a reasonable period of time to allow County to cure the County Default, not to exceed the Outside Closing Date;

(b) terminate this Agreement, whereupon the Parties shall be released from any further liability or obligation hereunder, except those that expressly survive termination of this Agreement; or

(c) pursue specific performance or other injunctive relief.

9.4 **Limitation on Remedies; Cure Periods**. The remedies of Developer and County provided herein shall be the sole and exclusive remedies of the Parties in the event of a County Default or Developer Default hereunder. In no event shall either Party be liable for any consequential, punitive or special damages. Notwithstanding anything to the contrary contained in this Agreement, any cure period provided to County or Developer under this Article IX shall not delay the Closing applicable to a particular Phase beyond, and shall automatically expire on, the Closing Date related to such Phase.

9.5 **No Waiver By Delay; Waiver**. Notwithstanding anything to the contrary contained herein, any delay by any Party in instituting or prosecuting any actions or proceedings with respect to a default by the other hereunder or otherwise asserting its rights or pursuing its remedies under this Article, shall not operate as a waiver of such rights or to deprive such Party of or limit such rights in any way (it being the intent of this provision that neither Party shall be constrained by waiver, laches, or otherwise in the exercise of such remedies). Any waiver by either Party hereto must be made in writing. Any waiver in fact made with respect to any specific default under this Section shall not be considered or treated as a waiver with respect to any other defaults or with respect to the particular default except to the extent specifically waived in writing.

9.6 **Assignment of Development Work Product**. Upon termination of this Agreement pursuant to Section 9.2(a), Developer shall assign to County all of Developer's assignable right, title and interest in and to all plans, drawings, specifications, engineering studies, investigations, reports, Approvals and Permits in connection with the Project (collectively, the "**Development Work Product**") at Developer's sole cost and expense. Developer shall cause all professional contracts for Development Work Product to expressly provide that Developer shall have the right to so assign (or failing that, to license) the Development Work Product to County and that, from and after the effective date of such assignment (or license), County shall have the right to use such Development Work Product and rely thereon to the same extent as Developer. Upon termination of this Agreement pursuant to Section 9.2(a), if requested by County, Developer shall execute such assignments as County may request to perfect such assignment. Developer hereby indemnifies, defends and holds harmless County from and against any and all third party costs, claims or liabilities, caused by the failure of Developer to pay when due third parties for any Development Work Product amounts incurred prior to the termination. Developer's obligations pursuant to this Section 9.6 shall survive termination of this Agreement. Notwithstanding any term of this Section 9.6, Developer shall not be deemed to represent or warrant the correctness or accuracy of any Development Work Product undertaken prior to the assignment to County.

9.7 **Attorneys' Fees**. In the event a party prevails in any legal action or proceeding to enforce the terms of this Agreement, each party shall bear its own costs, expenses and attorneys' fees incurred in such action or proceeding.

9.8 **Rights and Remedies Cumulative**. The rights and remedies of the Parties under this Agreement shall be cumulative, and the exercise by a Party of any one or more of such remedies shall not preclude the exercise of any other remedies for the same such default or breach.

ARTICLE X
CONSTRUCTION FINANCING

10.1 Debt Financing. For the purpose of obtaining County's approval of any such Debt Financing or Mortgage, Developer shall, at least ten (10) Business Days prior to closing on such financing, submit to County such documents as County or Assignor may reasonably request, including, but not limited, copies of:

(a) The commitment or agreement between Developer and the holder of such Debt Financing or Mortgage, certified by Developer to be a true and correct copy thereof;

(b) A statement detailing the disbursement of the proceeds of the proposed Debt Financing or Mortgage, certified by Developer to be true and accurate;

(c) A copy of the proposed deed of trust or such other instrument to be used to secure the Debt Financing or Mortgage; and

(d) A copy of the proposed subordination agreement with Assignor and the holder of such Debt Financing or Mortgage which complies with the provisions of Section 9 and 10 of the Option Assignment.

10.2 Bona Fide Indebtedness. The Debt Financing obtained in connection with each Closing and construction of the Improvements shall (i) secure a bona fide indebtedness to an Institutional Lender, the proceeds of which shall be applied only to the costs identified in the Final Development Budget and (ii) be of an amount which, together with all other funds available to Developer, shall be sufficient to complete construction of the Improvements. In no event shall the proceeds of any Debt Financing or Mortgage be used to fund the acquisition, development, construction, operation, or any other costs relating to any real property, personal property or business operation other than the Project.

10.3 Submissions. At least thirty (30) days prior to Closing, Developer shall submit to County, for the purpose of obtaining County's approval of any Debt Financing or Equity Investment, such documents as County may reasonably request, including, but not limited to, copies of:

(a) the Financing Commitments, certified by Developer to be a true and correct copy thereof;

(b) the proposed agreements evidencing the commitment to provide the Equity Investment for the Project; and

(c) a statement detailing the disbursement of the proceeds of the proposed Debt Financing and Equity Investment, certified by Developer to be true and accurate.

The County shall work with Assignor and Property Owner in good faith to extend a Closing Date for a reasonable period of time to allow Developer to receive the Financing Commitments, provided that no extension of time shall exceed the Outside Closing Date.

10.4 County Financing. The County shall consider an application or applications from Developer for the County to make a loan or series of loans to cover construction of the Improvements for the Project as detailed in the Anticipated County Financing Requests detailed on Exhibit J, on such terms as the County may require in its sole and absolute discretion. Such possible loans applicable to any such Phase shall not exceed the sum set forth in the applicable Final Development Financing Plan. Nothing contained herein shall be deemed to obligate the County to extend any of such possible loans, it being understood that the decision to make any such loans shall be made by the County in the exercise of its sole and absolute discretion, subject to the approval by the County as may be required by Applicable Law.

ARTICLE XI
ASSIGNMENT AND TRANSFER

11.2 **Assignment**. Prior to each Closing, Developer represents, warrants, covenants, and agrees, for itself and its successors and assigns, that Developer (or any successor in interest thereof) shall not assign its rights under this Agreement, or delegate its obligations under this Agreement, except to an entity that is a successor to Developer under a Permitted Transfer transaction, without County's prior written approval, which may be granted or denied in County's sole and absolute discretion. After each Closing, Developer, or its permitted successor, with regard to the County Option Assignment for the applicable Phase Property, may assign or transfer the Developer's (or the permitted successor to Developer's) interest in the applicable County Option Assignment in accordance with the terms of the County Option Assignment applicable to each such Phase.

11.2 Transfer of Membership Interests. Prior to each Closing, neither Developer, any permitted successor to Developer, nor any Member of Developer (including any successors in interest of Developer or its Members) shall cause or suffer to be made any assignment, sale, conveyance or other transfer, or make any contract or agreement to do any of the same, whether directly or indirectly, of the membership interests of Developer, except to (i) an entity that is Controlled by Managing Member, (ii) through operation of estate planning; or (iii) in connection with a an Equity Investment for the Project or any Phase thereof (provided that

Managing Member remains in Control of Developer or the permitted successor of Developer), without County's prior written approval, which may be granted or denied in County's sole and absolute discretion; provided, however, no membership interest shall be held by a Prohibited Person ("**Transfer of Membership Interests**"). After each Closing for a Phase, Developer may conduct a Transfer of Membership Interests in accordance with the provisions of the County Option Assignment applicable to each such Phase.

11.3 No Unreasonable Restraint. Developer hereby acknowledges and agrees that the restrictions on transfers set forth in this Article do not constitute an unreasonable restraint on Developer's right to transfer or otherwise alienate the Property or its rights under this Agreement. Developer hereby waives any and all claims, challenges, and objections that may exist with respect to the enforceability of such restrictions, including any claim that such restrictions constitute an unreasonable restraint on alienation.

ARTICLE XII
INSURANCE OBLIGATIONS; INDEMNIFICATION

11.4 Insurance Obligations. Beginning on the Effective Date, Developer shall maintain, and cause its Contractor and Subcontractors to maintain, as applicable, the insurance required under Exhibit I herein.

12.2 Waiver of Subrogation. All required policies shall contain a waiver of subrogation provision in favor of the Government of Arlington County, Virginia.

12.3 Liability. The required insurance coverage and limits pursuant to this Section 12.3 is the minimum coverage limits Developer is required to carry. HOWEVER, THE REQUIRED MINIMUM INSURANCE REQUIREMENTS PROVIDED ABOVE, WILL NOT IN ANY WAY LIMIT DEVELOPER'S LIABILITY UNDER THIS AGREEMENT.

12.4 Indemnification. Developer shall indemnify, defend, and hold harmless County and County's agents and employees from and against any and all losses, costs, claims, damages, liabilities, and causes of action (including reasonable attorneys' fees and court costs) arising out of death of or injury to any person or damage to any property that is directly or indirectly caused by any acts or omissions of Developer, its Members, or Developer's Agents; provided, however, that the forgoing indemnity shall not apply to any losses, costs, claims, damages, liabilities, and causes of action (including reasonable attorneys' fees and court costs) due solely to the gross negligence or willful misconduct of County as determined by a court of competent jurisdiction. Developer shall further indemnify, defend, and hold harmless Assignor as required under Section 12 of the Option Assignment pursuant to the terms and conditions thereof. The obligations of Developer under this Section shall survive Closing or the earlier termination of this Agreement.

ARTICLE XIII
NOTICES

13.1 To County. Any notices given under this Agreement shall be in writing and delivered (i) by U.S. Certified Mail (return receipt requested, postage pre-paid), (ii) by hand, (iii) by reputable private overnight commercial courier service, or (iv) such other means as the Parties may agree in writing, to County at the following addresses:

Arlington County Board
Office of the County Manager
2100 Clarendon Blvd., Suite 302
Arlington, Virginia 22201
Attn: County Manager
Fax: (703) 228-3218
Email: mschwartz@ArlingtonVA.US

With a copy to:

Arlington County
Office of the County Attorney
2100 Clarendon Blvd., Suite 403
Arlington, Virginia 22201
Attn: Acting County Attorney
Fax: (703) 228-7106
Email: mcorr@ArlingtonVA.US

Arlington County
Housing Division
2100 Clarendon Blvd., Suite 700
Arlington, Virginia 22201
Attn: Housing Directors
Fax: (703) 228-3384
Email: avenezia@ArlingtonVA.US

Reno & Cavanaugh PLLC
10175 Little Patuxent Parkway, Suite 900
Columbia, MD 21044
Attn: Anne Schroth
Email: aschroth@renocavanaugh.com

13.2 To Developer. Any notices given under this Agreement shall be in writing and delivered (i) by U.S. Certified Mail (return receipt requested, postage pre-paid), (ii) by hand, (iii) by reputable private overnight commercial courier service, or (iv) such other means as the Parties may agree in writing, to Developer at the following addresses:

Arlington Partnership for Affordable Housing, Inc.
4318 N. Carlin Springs Road

Arlington, Virginia 22203
Attn: Carmen Romero, President

And:

EYA Development, LLC
4800 Hampden Lane
Suite 300
Bethesda, MD 20814
Attention: Aakash Thakkar

With a copy to:

Gallagher Evelius & Jones LLP
218 N. Charles Street, Suite 400
Baltimore, Maryland 21201
Attn: Benjamin J. Rubin, Esq.

13.3 **To Assignor**. Any notices given under this Agreement shall be in writing and delivered (i) by U.S. Certified Mail (return receipt requested, postage pre-paid), (ii) by hand, (iii) by reputable private overnight commercial courier service, or (iv) such other means as the Parties may agree in writing, to Developer at the following addresses:

Amazon in the Community
410 Terry Avenue North
Seattle, WA 98109-5210
Email: housingequityfund@amazon.com

With a copy to:

Attn: General Counsel
P.O. Box 81226
Seattle, WA 98108-1226
Email: contracts-legal@amazon.com

Davis Wright Tremaine LLP
920 Fifth Avenue, Suite 3300
Seattle, WA 98104-1610
Attention: Anthony Caso
Email: anthonycaso@dwt.com

Notices served upon Developer, Assignor or County in the manner aforesaid shall be deemed to have been received for all purposes hereunder at the time such notice shall have been: (i) if hand

delivered to a Party against receipted copy, when the copy of the notice is receipted; (ii) if given by overnight courier service, on the next Business Day after the notice is deposited with the overnight courier service; or (iii) if given by certified mail, return receipt requested, postage pre-paid, on the date of actual delivery or refusal thereof. If notice is tendered under the terms of this Agreement and is refused by the intended recipient of the notice, the notice shall nonetheless be considered to have been received and shall be effective as of the date provided in this Agreement. The Parties agree that counsel to any of them may provide notice to the other Parties under this Agreement.

ARTICLE XIV
MISCELLANEOUS

11.5 Party in Position of Surety With Respect to Obligations. Developer, for itself and its successors and assigns and for all other persons who are or who shall become, whether by express or implied assumption or otherwise, liable upon or subject to any obligation or burden under the Agreement, hereby waives, to the fullest extent permitted by law and equity, any and all claims or defenses otherwise available on the grounds of its being or having become a person in the position of surety, whether real, personal, or otherwise or whether by agreement or operation of law, including, without limitation any and all claims and defenses based upon extension of time, indulgence or modification of this Agreement.

14.2 Conflict of Interests; Representatives Not Individually Liable. No official or employee of County shall participate in any decision relating to this Agreement which affects his or her personal interests or the interests of any County agency, partnership, or association in which he or she is, directly or indirectly, interested. No official or employee of County shall be personally liable to Developer or any successor-in-interest in the event of any default or breach by County or for any amount which may become due to Developer or such successor-in-interest or on any obligations hereunder.

14.3 Titles of Articles and Sections. Titles and captions of the several parts, articles, and sections of this Agreement are inserted for convenient reference only and shall be disregarded in construing or interpreting Agreement provisions.

14.4 Law Applicable; Forum for Disputes. This Agreement shall be governed by, interpreted under, construed, and enforced in accordance with the laws of the Commonwealth of Virginia, without reference to the conflicts of laws provisions thereof. County and Developer irrevocably submit to the jurisdiction of (a) the courts of the Commonwealth of Virginia and (b) the United States District Court for the Eastern District of Virginia for the purposes of any suit, action, or other proceeding arising out of this Agreement or any transaction contemplated hereby. County and Developer irrevocably and unconditionally waive any objection to the laying of venue of any action, suit, or proceeding arising out of this Agreement or the transactions contemplated hereby in the courts named in (a) and (b) above, and hereby further waive and agree not to plead

or claim in any such court that any such action, suit, or proceeding brought in any such court has been brought in an inconvenient forum.

14.5 Entire Agreement; Recitals; Exhibits.

14.5.1 Entire Agreement. This Agreement (including the Exhibits annexed hereto and made part hereof), and any document delivered pursuant to this Agreement collectively contain all the agreements and understandings between County and Developer relative to the transactions contemplated herein and thereby and there are no agreements or understandings, oral or written, expressed or implied, between them with respect thereto other than as herein set forth or expressly referenced herein and made a part hereof. Upon execution of this Agreement, all previous agreements shall be deemed null and void.

14.5.2 Recitals. The Recitals of this Agreement are incorporated herein by this reference and are made a substantive part of the agreements between the Parties.

14.5.3 Exhibits. All Exhibits are incorporated herein by reference, whether or not so stated. In the event of any conflict between the Exhibits and this Agreement that occurs prior to Closing, this Agreement shall control. In the event of any conflict between the Exhibit and this Agreement that occurs after Closing, the Exhibits shall control.

14.5.4 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be an original but all of which shall together constitute one and the same instrument. Execution and delivery of this Agreement by facsimile or e-mail .pdf shall be sufficient for all purposes and shall be binding on any Person who so executes.

14.5.5 Time of Performance. All dates for performance (including cure) shall expire at 5:00 p.m. (Eastern time) on the performance or cure date. A performance date which falls on a Saturday, Sunday, County government holiday, or day in which the County government is officially closed for business is automatically extended to the next Business Day.

14.5.6 Successors and Assigns. Except as otherwise provided herein, this Agreement shall be binding upon and shall inure to the benefit of, the successors and assigns of County and Developer, and where the term "Developer" or "County" is used in this Agreement, it shall mean and include their respective successors and assigns.

14.5.7 Third Party Beneficiary. Assignor shall be a third party beneficiary of this Agreement.

14.5.8 Waiver of Jury Trial. TO THE EXTENT PERMITTED BY LAW, ALL PARTIES HERETO WAIVE THE RIGHT TO TRIAL BY JURY IN CONNECTION WITH ANY LITIGATION ARISING IN RESPECT OF THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

14.5.9 Further Assurances. Each Party agrees to execute and deliver to the other Party such additional documents and instruments as the other Party reasonably may request in order to fully carry out the purposes and intent of this Agreement.

14.5.10 Modifications and Amendments. None of the terms or provisions of this Agreement may be changed, waived, modified, or removed except by an instrument in writing executed by the Party or Parties against which enforcement of the change, waiver, modification, or removal is asserted. None of the terms or provisions of this Agreement shall be deemed to have been abrogated or waived by reason of any failure or refusal to enforce the same.

14.5.11 Severability. If any provision of this Agreement is held to be illegal, invalid, or unenforceable under present or future Applicable Law, such provision shall be fully severable, this Agreement shall be construed and enforced as if such illegal, invalid, or unenforceable provision had never comprised a part of this Agreement, and the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid, or unenforceable provision or by its severance from this Agreement, unless this construction would constitute a substantial deviation from the general intent of the Parties as reflected in this Agreement. Furthermore, there shall be added automatically as a part of this Agreement a provision as similar in terms to such illegal, invalid, or unenforceable provision as may be possible that is legal, valid, and enforceable.

14.6 Anti-Deficiency Limitation; Authority.

14.6.1 Though no financial obligations on the part of County are anticipated, Developer acknowledges that County is not authorized to make any obligation in advance or in the absence of lawfully available appropriations and that County's authority to make such obligations is and shall remain subject to the provisions of the federal Antideficiency Act, 31 U.S.C. §§ 1341, 1342, 1349, 1350, 1351.

14.6.2 Developer acknowledges and agrees that any unauthorized act by County is void. It is Developer's obligation to accurately ascertain the extent of County's authority.

14.7 Time of the Essence: Standard of Performance. Time is of the essence with respect to all matters set forth in this Agreement. For all deadlines set forth in this Agreement, the standard of performance of the Party required to meet such deadlines shall be strict adherence and not reasonable adherence.

14.8 No Partnership. County and Developer are independent parties under this Agreement, and nothing in this Agreement shall be deemed or construed for any purpose to

establish between them, or any third party, a relationship of principal and agent, employment, partnership, or joint venture.

14.9 Each Party To Bear Its Own Costs. Each Party shall bear its own costs and expenses incurred in connection with the negotiation of this Agreement and the performance of such Party's duties and obligations hereunder.

14.10 Discretion. Unless explicitly provided to the contrary in this Agreement, where either Party has the right to approve or consent to any matter herein, such approval or consent shall not be unreasonably withheld, conditioned, or delayed nor any charge made therefor.

14.11 Force Majeure. Neither County nor Developer, as the case may be, nor any of their successors-in-interest, shall be considered in default of their obligations under this Agreement, in the event such Party's performance is materially and adversely affected by a Force Majeure. In the event of the occurrence of any such Force Majeure, the time or times for performance of the obligations of County or of Developer or successors-in-interest shall be extended day-for-day for the period of the Force Majeure; provided however, that (a) the Party seeking the benefit of this Section 14.11 shall notify the other Party in writing within ten (10) days after it becomes aware of the beginning of any such Force Majeure, of the cause or causes thereof, with supporting documentation, and such Party's estimate of the length of the delay that will be caused by such Force Majeure, and (b) the Party seeking the delay must take commercially reasonable actions to minimize the delay.

14.12 Joint Preparation. County and Developer each acknowledge that it has thoroughly read and reviewed this Agreement, including all Exhibits and attachments thereto, and has sought and received whatever competent advice and counsel as was necessary for it to form a full and complete understanding of all rights and obligations herein. The language of this Agreement has been agreed to by the Parties to express their mutual intent and no rule of strict construction shall be applied against any Party hereto.

14.13 Estoppel Certificates. At any time and from time to time upon not less than thirty (30) days' prior notice, either Party shall execute, acknowledge and deliver to the other requesting Party, a written statement certifying: (a) this Agreement is in full force and effect; (b) this Agreement has not been modified or amended (or if it has, identifying the modifications and amendments); (c) to such Party's knowledge, the Party requesting the certificate is not then in default under this Agreement; (d) to such Party's knowledge, the Party requesting the certificate has fully performed all of its respective obligations hereunder (or, if it has not, identifying such failures to perform); and (e) such other factual statements as such requesting Party may reasonably request.

14.14 Publicity. Neither County nor Developer (nor any of their respective agents or assignees) shall make any public announcement or issue any press release regarding the transaction described in this Agreement, either prior to or after a Closing (except to the extent

required to comply with reporting requirements pursuant to applicable law), as more specifically set forth in Section 14 of the Option Assignment.

[Signature Pages Follow]

IN WITNESS WHEREOF, County and Developer have each caused this Agreement to be signed, acknowledged and delivered in its name by its duly authorized representative as of the day and year first above written.

COUNTY:

Approved as to form:

THE COUNTY BOARD OF ARLINGTON COUNTY, VIRGINIA, a body corporate and politic of the Commonwealth of Virginia

MinhChau Corr, County Attorney

By: _____

Mark Schwartz, County Manager

IN WITNESS WHEREOF, County and Developer have each caused this Agreement to be signed, acknowledged and delivered in its name by its duly authorized representative as of the day and year first above written.

COUNTY:

Approved as to form:

THE COUNTY BOARD OF ARLINGTON COUNTY, VIRGINIA, a body corporate and politic of the Commonwealth of Virginia

MinhChau Corr, County Attorney

By: _____

Mark Schwartz, County Manager

CRYSTAL HOUSE JV LLC, a Virginia limited liability company

By: APAH Crystal House Development LLC, a Virginia limited liability company, its managing member

By: Arlington Partnership for Affordable Housing, Inc., a Virginia nonstock corporation, its sole member

By: _____

Name: Carmen Romero

Title: President

Exhibit A-1

Legal Description of Option Property

ALL those certain lots, pieces, or parcels of land, situate, lying and being in Arlington County, Virginia and more particularly described as follows:

PARCEL I:

BEGINNING at the intersection of the southerly line of 18th Street South with the easterly line of South Fern Street said point being the northwest corner of the property of Washington Brick & Terra Cotta Company; thence running with the southerly line of 18th Street, South, N 85 degrees 56 minutes 59 seconds E. - 711.03 feet to its intersection with the westerly line of South Eads Street; thence running with said westerly line of South Eads Street 229.95 feet on the arc of a curve to the right, which curve has a radius of 2839.79 feet, the chord of which arc bears S 00 degree 27 minutes 18 seconds W. - 229.88 feet to the PT; thence continuing with the line of South Eads Street S 02 degrees 46 minutes 29 seconds W. - 367.86 feet to a point; thence departing from said line of South Eads Street and running through the property of Washington Brick & Terra Cotta Company S 87 degrees 58 minutes 25 seconds W. - 623.98 feet to a point in the aforementioned easterly line of South Fern Street; thence running with the said line of South Fern Street, N 06 degrees 37 minutes 01 seconds W.- 572.97 feet to the point of beginning; containing 8.98949 acres of land, more or less.

PARCEL II - PART ONE:

BEGINNING at the intersection of the easterly line of South Fern Street with the northerly line of 22nd Street South as dedicated in Deed Book 1548 at page 162 and recorded among the land records of Arlington County, Virginia, thence running with said line of South Fern Street N 06 degrees 37 minutes 01 seconds W - 531.71 feet to the center line of 20th Street South (vacated); thence departing from said street line of South Fern Street and running with the center line of vacated 20th Street South N 87 degrees 58 minutes 25 seconds E - 623.98 feet to a point in the west line of South Eads Street; thence running with said line of South Eads Street S 02 degrees 46 minutes 29 seconds W 531.88 feet to the point in the northerly line of 22nd Street South, thence with the line of the aforementioned 22nd Street South S 87 degrees 58 minutes 29 seconds W 536.91 feet to the point of beginning; containing 7.06247 acres of land.

Exhibit A-2

Legal Description of CH 5 Property

Beginning at a point in the west line of South Eads Street, said point being the northeast corner of Block "A", Virginia Highlands Association as same appears duly platted and recorded among the land records of Arlington County, Virginia; thence departing from said street line and running with a portion of the north line of said Block "A", Virginia Highlands Association S 87° 58' 29" W 272.67 feet to the southeast corner of the Mills Property as recorded in Deed Book 461 at page 249 of the aforementioned land records; thence running with the east line of Mills N 02° 01' 31" W 140.00 feet to the northeast corner of the Mills Property as recorded in Deed Book 414 at page 435 of the aforementioned land records; thence running with the southerly line of 22nd Street South, N 87° 58' 29" E 284.43 feet to a point in the aforesaid west line of South Eads Street; thence with said line of South Eads Street S 02° 46' 29" W 140.49 feet to the point of beginning; containing 0.89524 acres of land, more or less.

Part of Tax Map No. 36-018-014

Exhibit B

Form of Option Property Affordable Housing Covenant

EXHIBIT B

FORM OF OPTION PROPERTY AFFORDABLE HOUSING COVENANT AGREEMENT

OPTION PROPERTY AFFORDABLE HOUSING COVENANT AGREEMENT

THIS OPTION PROPERTY AFFORDABLE HOUSING COVENANT AGREEMENT (as amended, modified or supplemented from time to time, this "Agreement"), dated as of _____, (the "Effective Date") by and between [CH___ OWNER], a Virginia [limited liability company] (together with its permitted accessors and assigns, ("Project Owner"), and COUNTY BOARD OF ARLINGTON COUNTY, VIRGINIA, a body corporate politic of the Commonwealth of Virginia (together with its permitted accessors and assigns) ("County") and ACORN DEVELOPMENT LLC, a Delaware limited liability company (together with its permitted accessors and assigns) ("Assignor").

RECITALS:

WHEREAS, Assignor made a mortgage loan to WHC Crystal LLC, a District of Columbia limited liability company ("Property Owner"), to create affordable housing on certain real property owned by Property Owner, located in Arlington County, Virginia, including a portion of such property as described in **Exhibit A** hereto (the ["CH___ Land"]);

WHEREAS, Property Owner and Assignor entered into that certain Option Agreement dated effective as of December 31, 2020, as amended pursuant to that certain Partial Release of Option Agreement, dated effective as of May 10, 2021 (the "Option Agreement") granting Assignor the rights, at its election, and subject to certain conditions, to have Property Owner convey property including the [CH ___ Land] to Assignor;

WHEREAS, Assignor, Property Owner and County entered into that certain Assignment and Assumption of Option Agreement dated as of July 27, 2021 (the "Option Assignment") pursuant to which Assignor assigned to County all of its rights, duties, and obligations under the Option Agreement;

WHEREAS, County and Project Owner have entered into that certain Assignment Agreement dated _____, 20___ (the "County Assignment") pursuant to which County assigned to Project Owner all of its rights duties and obligations under the Option Assignment with respect to the [CH ___ Land];

WHEREAS, pursuant to the County Assignment, Project Owner exercised its option to acquire the [CH ___ Land] from Property Owner on _____, 20___;

WHEREAS, Project Owner now owns the [CH ___ Land] and improvements thereon, and under this Agreement, Project Owner intends, declares and covenants that the regulatory and restrictive

covenants set forth herein governing the use and occupancy of the Project shall be covenants running with the [CH ___ Land], encumbering the [CH ___ Land]for the Term of this Agreement stated herein and binding upon all subsequent owners and operators of the Project, for such Term of this Agreement, and are not merely personal covenants of the Owner;

WHEREAS, as required by the Option Assignment upon the closing of Project Owner's purchase of the [CH ___ Land], Project Owner shall convey to Assignor and County an affordable housing covenant to be recorded on the [CH ___ Land], with terms substantially similar to that certain Affordable Housing Covenant Agreement dated as of December 31, 2020 by and between Land Owner and Washington Housing Conservancy (the "**Original Covenant**") and the [CH ___ Land] shall be released from the Original Covenant;

WHEREAS, Project Owner hereby covenants to record this Agreement as a covenant running with the [CH ___ Land] as set forth herein; and

NOW, THEREFORE, in consideration of the mutual covenants, conditions and agreements which follow, the parties hereby agree as follows:

ARTICLE I
DEFINITIONS

Section 1.1 **Definitions.**

Capitalized terms used in this Agreement shall have the following meanings:

"**Annual Income**" shall mean total annual income of the applicable tenant for the prior year from all sources of the head of the household and spouse (even if temporarily absent) and each additional member of the household.

"**Functionally Related and Subordinate Facilities**" shall mean and include facilities for use by tenants and their guests, such as, laundry facilities, parking areas and recreational facilities, provided that the same is of a character and size commensurate with the character and size of the Project (as defined herein).

"**Holdover Low Income Tenants**" shall have the meaning set forth in Section 4.1(a) hereof.

"**HUD**" shall mean the United States Department of Housing and Urban Development.

"**Improvements**" shall mean landscaping, hardscape, and improvements to be constructed or place on the [CH ___ Land] in accordance with the LDDA (as defined herein).

"**Land Disposition and Development Agreement**" shall mean the Land Disposition and Development Agreement by and between County and [Master Developer], a Virginia _____ dated _____, 20____.

"**Management Agent**" shall mean _____, a _____, or an organization or firm qualified to do business under Virginia laws and regulations with experience in managing multi-family rental housing.

"**Management Agreement**" shall mean the Management Agreement entered into as of _____, 20____ between the Project Owner and Management Agent, as Manager, as it may be amended from time to time.

"**Monitoring Agent**" shall mean such entity as may be designated by Project Owner from time to time to perform services as monitor of compliance with the terms of this Agreement, which initially is the Management Agent and if the Management Agent ceases to perform that function, any subsequent Monitoring Agent shall be an entity approved for such purpose by the Lender, such approval not to be unreasonably withheld, conditioned or delayed.

"**Monitoring Agreement**" means the agreement between Project Owner and the Monitoring Agent in in effect from time to time, which may be the Management Agreement.

"**Monitoring Fee**" shall have the meaning set forth in Section 3.1(i) hereof.

"**MSA Median Family Income**" shall mean the median income, adjusted for household size, as determined from time to time by HUD in a manner consistent with determinations of area median gross income for the Metropolitan Statistical Area in which the Project is located, under Section 8 of the United States Housing Act of 1937, as amended, and (ii) Section 3009a of the Economic Recovery Act of 2008, which median income shall be deemed, for purposes of this Agreement, to have been adopted on the twenty-second (22nd) day following its determination by HUD.

"**Occupancy Objective**" shall mean the leasing of sufficient Units to Qualifying Tenants to achieve a tenant mix which results in [____ (__) Units being leased to qualifying tenants with annual income not in excess of fifty percent (50%) of the MSA Median Family Income and another ____ (__) Units being leased to qualify tenants with annual income not in excess of eighty percent (80%) of the area median family income as determined by the U. S. Department of Housing and Urban Development] [provide occupancy objective per Phase].

"**Project**" shall mean the Improvements to be developed on the [CH ___ Land] in accordance with the LDDA.

"**Qualified Unit**" shall mean a residential Unit (as defined herein) in the Project occupied by or held available for occupancy by Qualifying Tenants (as defined herein).

"**Qualifying Tenant**" shall mean individuals or families of low or moderate income with Annual Income not in excess of the maximum Annual Income necessary for the Project to achieve the Occupancy Objective.

"**Regulation**" or "**Regulations**" shall mean the temporary or final Regulations promulgated by the United States Treasury Department under Section 142 of the Code, as amended from time to time, if any.

"**Security Instrument**" shall mean one or more Deed(s) of Trust, Assignment of Rents and Security Agreement (or similar encumbrance) granted by the Project Owner with respect to the Project to secure any indebtedness incurred from time to time by the Project Owner to finance or refinance the acquisition or development of the Project.

"**Term of this Agreement**" shall mean the term determined pursuant to Article II hereof.

"**Unit**" or "**Units**" shall mean completed dwelling units within the Project made available for rental, and not ownership, by tenants who are members of the general public, each of which Units shall contain complete living facilities for at least one person, which are to be used other than on a transient basis and facilities that are Functionally Related and Subordinate to the living facilities, including any Unit or Units occupied by a Management Agent of the Project or any employee of a Management Agent.

Section 1.2 **Rules of Interpretation.**

For all purposes of this Agreement, except as otherwise expressly provided or unless the context will clearly indicate otherwise:

1. **"This Agreement"** means this instrument as originally executed and as it may from time to time be supplemented or amended from time to time.

2. All references in this Agreement to designated **"Articles," "Sections"** and other subdivisions are to the designated Articles, Sections and other subdivisions of this Agreement. The words **"herein," "hereof," "hereunder"** and **"herewith"** and other words of similar import refer to this Agreement as a whole and not to any particular Article, Section or other subdivision.

3. All terms used herein include the plural as well as the singular.

4. All accounting terms not otherwise defined herein have the meanings assigned to them in accordance with generally accepted accounting principles consistently applied.

5. Words of the masculine gender will be deemed and construed to include correlative words of the feminine and neuter genders.

6. The headings and captions used in this Agreement are for convenience of reference only and will not define or limit the provisions hereof.

ARTICLE II
TERM OF AGREEMENT

This Agreement shall become effective upon its execution and delivery and recordation in the Land Records of Arlington County, Virginia and shall expire upon the first to occur of (a) termination as set forth in Section 6.8 or (b) December 31, 2119. Upon the termination of this

Agreement, upon request of any party hereto, County, Assignor and Project Owner shall execute a recordable document further evidencing and confirming such termination.

ARTICLE III
SPECIAL COVENANTS

Section 3.1 **Covenants**.

(a) The Project Owner covenants and agrees to perform each and every covenant and agreement set forth in this Agreement.

(b) The Project will be operated according to the covenants in this Agreement for the Term of this Agreement.

(c) (i) None of the Units in the Project shall at any time be licensed by Project Owner for use on a transient basis; (ii) none of the Units in the Project shall ever be leased for a period of less than thirty (30) days; and (iii) neither the Project nor any portion thereof shall be used as a hotel, motel, dormitory, fraternity house, sorority house, rooming house, hospital, sanitarium, nursing home, rest home, health club (which shall not be construed to include recreational facilities which are available only to all tenants and their guests), trailer court or park.

(d) (i) All available Units in the Project shall be leased or made available for lease on a continuous basis to members of the general public provided, however, that one (1) Unit may be used as an office for the Management Agent and (ii) the Project Owner shall not give preference in renting Units in the Project to any particular class or group of persons, other than Qualifying Tenants as provided herein, *provided, however,* that Units in the Project may be occupied by maintenance, security or managerial employees of the Project Owner or its Management Agent. Qualifying Tenants will have equal access to and enjoyment of all common facilities of the Project.

(e) The Project Owner will not convert the ownership of the Project into a condominium or a cooperative housing corporation form of ownership during the Term of this Agreement.

(f) The Project Owner will make the Functionally Related and Subordinate Facilities available to all tenants in the Project. If the Project Owner imposes charges for the use of Functionally Related and Subordinate Facilities the charges, if any, will be reasonable in relation to the use of such facilities and will be on equal terms to all tenants.

(g) The Project Owner has not and shall not discriminate on the basis of race, creed, religion, color, sex, age or national origin, source of income or on any other basis provided by law in the lease, use or occupancy of the Project or in connection with the employment or application for employment of persons for the operation and management of the Project.

(h) The Project Owner will not discriminate against prospective tenants on the basis of their receipt of, or eligibility for, housing assistance under any federal, state or local program, but the Project Owner will not be required to permit more persons to occupy a Unit than may be allowed under local zoning laws, or this Agreement.

(i) Project Owner shall engage a Monitoring Agent at the Project Owner's expense to monitor compliance with this Agreement. The Project Owner covenants to perform all obligations and comply with all conditions contained in the Monitoring Agreement, including payment of the fee due thereunder, if any (the **"Monitoring Fee"**).

ARTICLE IV
OCCUPANCY REQUIREMENTS

Section 4.1 **Occupancy**.

(a) Throughout the Term of This Agreement, the Project Owner will use its good faith efforts to satisfy the Occupancy Objective. For purposes of satisfying this objective, a Qualifying Tenant shall continue to qualify as a Qualifying Tenant if, after its most recent income certificate, the Annual Income of such tenant exceeds the maximum applicable qualifying income level so long as the Annual Income of such tenant does not exceed one hundred forty percent (140%) of the then current maximum allowable Annual Income for Qualifying Unit Tenants of the same family size (each, a "Holdover Low Income Tenant").

(b) If, as of the most recent annual income certification, (which may be provided in the form of tenant income certification provided to Virginia housing for any low-income housing tax credit unit), it is determined that the Annual Income of a person or family occupying a Qualified Unit exceeds one hundred forty percent (140%) of the then current maximum Qualifying Tenant's Annual Income, such Holdover Low Income Tenant shall not be disqualified as a Qualifying Tenant, *provided* that the next vacant Unit of comparable or smaller size is rented to a person or family that qualifies as a Qualifying Tenant. Upon the leasing of such vacant Unit of comparable or smaller size to a new resident who does qualify as a Qualifying Tenant, such Holdover Low Income Tenant will no longer qualify as a Qualifying Tenant. If a Unit is vacated by a tenant which qualified as a Qualifying Tenant, such Unit shall be treated as occupied by a Qualifying Tenant until reoccupied, at which time the character of the Unit shall be redetermined.

Section 4.2 **Determination of Income**.

The Project Owner shall obtain from all Qualifying Tenants no more than thirty (30) days following to their respective initial occupancy of Units, and thereafter shall use its good faith efforts to obtain not less than twenty (20) days prior to the anniversary of each such Tenant's initial occupancy (x) two (2) to six (6) months paystubs upon move-in, (y) the Tenant's Federal income tax return or W-2 for the taxable year immediately preceding the anniversary of the Tenant's initial certification, or (z) such other third-party income verification as may substantiate the Tenant's

sources of income during the year preceding such occupancy or anniversary. The Project Owner will promptly provide to Project Owner and Assignor a copy of any tenant income certification provided to Virginia Housing for any low-income housing tax credit unit following submission of same.

ARTICLE V
RENT RESTRICTIONS

Section 5.1 **Qualified Units**.

During the Term of this Agreement, the Project Owner shall limit rents charged to Qualified Tenants so as to satisfy the Occupancy Objective.

Section 5.2 **Rent Increases**.

The annual adjustment of rents for Qualified Units shall be calculated so as to enable the Project Owner to continue to achieve the Occupancy Objective. No Rent increases shall be effective until the first (1st) day on which rent is normally paid, occurring at least thirty (30) days after notice of such increase is given to a tenant.

Section 5.3 **Failure to Comply**.

Failure by the Project Owner to comply with the provisions of this Article V shall not give rise to any private right of action.

ARTICLE VI
MISCELLANEOUS

Section 6.1 **Notices**.

All notices, certificates or other communications hereunder will be sufficiently given and will be deemed given when mailed by certified mail, return receipt requested, postage prepaid, or dispatched by telegram or telecopy (if confirmed promptly telephonically and in writing by the sender of such telecopy and if receipt of such telecopy is confirmed in writing by the intended recipient), addressed as follows:

To the Project Owner: [CH___ Owner]

With a copy to:

If to the County: Arlington County Board
Office of the County Manager
2100 Clarendon Blvd., Suite 302

	Arlington, Virginia 22201 Attn: County Manager Fax (703) 228-3218 Email: mschwartz@ArlingtonVA.US
With a copy to:	Arlington County Board Office of the County Attorney 2100 Clarendon Blvd., Suite 403 Arlington, Virginia 22201 Attn: Acting County Attorney Fax (703) 228-7106 Email: mcorr@ArlingtonVA.US
and to:	Arlington County Board Housing Division 2100 Clarendon Blvd., Suite 700 Arlington, Virginia 22201 Attn: Housing Director Fax (703) 228-7106 Email: avenezia@ArlingtonVA.US
and to:	Reno & Cavanaugh PLLC 10175 Little Patuxent Pkwy, Suite 900 Columbia, Maryland 21044 Attn: Anne Schroth Email: aschroth@renocavanaugh.com
If to Assignor:	Amazon in the Community 410 Terry Avenue North Seattle, Washington 98109-5210 Email: housingequityfund@amazon.com
With a copy to:	Attn: General Counsel P.O. Box 81226 Seattle, Washington 98108-1226 Email: contracts-legal@amazon.com
and to:	Davis Wright Tremaine LLP 920 Fifth Avenue, Suite 3300 Seattle, Washington 98104-1610 Attn: Anthony Caso Email: anthonycasv@dwt.com

Project Owner, County and Assignor may, by notice hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications will be sent.

Section 6.2 **Recording and Filing; Covenants Running with [CH ___ Land]**.

The Project Owner hereby agrees as follows:

(a) Simultaneously with the acquisition of the [CH ___ Land], the Project Owner shall cause this Agreement and thereafter shall cause any amendments and supplements hereto to be recorded and filed in the Land Records of the Arlington County, Virginia and shall pay all fees and charges incurred in connection therewith.

(b) Project Owner intends, declares and covenants, on behalf of itself and all future owners and operators of the Project during the Term of this Agreement, that this Agreement and the covenants, restrictions and charges set forth in this Agreement regulating and restricting the use and occupancy of the Project (i) shall be covenants running with the [CH ___ Land], encumbering the [CH ___ Land], for the Term of this Agreement, binding upon the Project Owner's successors in title and all subsequent owners and operators of the Project, including any purchaser, grantee, owner or lessee (other than tenants in the ordinary course) of any portion of the Project and any other person or entity having any right, title or interest therein and upon the respective heirs, executors, administrators, devisees, successors and assigns of any purchaser, grantee, owner or lessee of any portion of the Project and any other person or entity having any right, title or interest therein, for the Term of this Agreement, (ii) are not merely personal covenants of the Project Owner, and (iii) shall bind the Project Owner and the benefits shall inure to County and Assignor and their respective successors and assigns during the Term of this Agreement. The Project Owner hereby agrees that any and all requirements of the laws of the Commonwealth of Virginia to be satisfied in order for the provisions of this Agreement to constitute deed restrictions and covenants running with the [CH ___ Land] shall be deemed to be satisfied in full, and that any requirements of privity of estate are intended to be satisfied, or in the alternate, that an equitable servitude has been created to ensure that these restrictions run with the [CH ___ Land]. Each and every contract, deed or other instrument hereafter executed covering or conveying the Project or any portion thereof or interest therein (other than a lease to a tenant in the ordinary course) during the Term of this Agreement shall contain an express provision making such conveyance subject to the covenants, restrictions, charges and easements contained herein; *provided, however,* that any such contract, deed or other instrument shall conclusively be held to have been executed, delivered and accepted subject to such covenants, regardless of whether or not such covenants are set forth or incorporated by reference in such contract, deed or other instrument.

Section 6.3 **Uniformity: Common Plan**.

The provisions hereof shall apply uniformly to the entire Project in order to establish and carry out a common plan for the use, development and improvement of the [CH ___ Land].

Section 6.4 **Burden and Benefit**.

The burden of the covenants, reservations, agreements and restrictions set forth herein touches and concerns the [CH ___ Land]in that such covenants, reservations, agreements and restrictions limit the use and development of the [CH ___ Land]and thereby render the [CH ___ Land]less valuable. The benefit of such covenants, reservations, agreements and restrictions touches and concerns the [CH ___ Land] by making the Project available for use and occupancy by Qualifying Tenants.

Section 6.5 **Event of Default and Enforcement.**

(a) If the Project Owner defaults in the performance or observance of any covenant, agreement or obligation under this Agreement, and if such default remains uncured for a period of sixty (60) days after written notice specifying such default and the actions required to correct the same shall have been given by the County or Assignor, then such uncured breach or default shall constitute an "**Event of Default**" hereunder.

(b) Upon the occurrence of an Event of Default hereunder, County or Assignor may take whatever other action for specific performance of any covenant in this Agreement or such other similar equitable remedy as may be deemed most effectual by it to enforce the obligations of the Project Owner under this Agreement, including the institution and prosecution of any action or proceeding to abate, prevent or enjoin any such violation or attempted violation or to enforce compliance caused by such violation or attempted violation. In no event shall County or Assignor be entitled to monetary damages in connection with any Event of Default.

(c) The Owner acknowledges and agrees that specific performance of the covenants and requirements of this Agreement shall be necessary to achieve the intent hereof, and that no appropriate remedy at law would be available upon an Event of Default hereunder; therefore, notwithstanding anything to the contrary stated in this Agreement, County and Assignor each will have the right to seek specific performance of any of the covenants and requirements of this Agreement or an order enjoining any violation of this Agreement.

(d) The equitable remedies conferred upon or reserved to County and Assignor by this Agreement are intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement. No delay or omission to exercise any right or power accruing upon any failure to perform under this Agreement shall impair any such right or power or shall be construed to be a waiver thereof.

(e) No Event of Default hereunder shall constitute a default under the documents evidencing any Security Instrument.

Section 6.6 **Governing Law**.

This Agreement shall be governed by the laws of the Commonwealth of Virginia.

Section 6.7 **Severability**.

If any provision hereof shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining portions shall not in any way be affected or impaired.

Section 6.9 **Execution in Counterparts**.

This Agreement may be executed in several counterparts, each of which will be an original and all of which will constitute but one and the same instrument.

Section 6.10 **Captions**.

The captions and headings in this Agreement are for convenience only and in no way define, limit, or describe the scope or intent of any provisions or sections of this Agreement.

Section 6.11 **Amendment**.

This Agreement (including its exhibits) may not be amended without the written consent of the parties, its successors and assigns.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Project Owner has caused this Agreement to be executed in its name by its duly authorized person, all as of the date first above written.

PROJECT OWNER:

[CH _____ OWNER]

By: _____

COMMONWEALTH OF VIRGINIA ss:

COUNTY OF _____

I HEREBY CERTIFY that on this day, _____ before me, the subscriber, a Notary Public in and for the jurisdiction aforesaid, personally appeared in said jurisdiction personally well known to me (or satisfactorily proven) to be _____, as authorized person of [CH _____ Owner] and personally well known to me (or satisfactorily proven) to be the person who executed the foregoing instrument; and acknowledged that, having authority so to do, he/she executed the foregoing instrument as the act and deed of said limited partnership for the purposes therein contained, and delivered the same as such.

WITNESS my hand and Notarial Seal the year and day first above written.

_____

Notary Public

IN WITNESS WHEREOF, County has caused this Agreement to be executed in its name by its duly authorized person, all as of the date first above written.

COUNTY:

COUNTY BOARD OF ARLINGTON COUNTY, VIRGINIA, a body corporate politic of the Commonwealth of Virginia

By: _____

Reviewed:

Date: _____

By: _____

COMMONWEALTH OF VIRGINIA ss:

COUNTY OF ARLINGTON

I HEREBY CERTIFY that on this day, _____ before me, the subscriber, a Notary Public in and for the jurisdiction aforesaid, personally appeared in said jurisdiction personally well known to me (or satisfactorily proven) to be _____, as authorized person of COUNTY BOARD OF ARLINGTON COUNTY, VIRGINIA and personally well known to me (or satisfactorily proven) to be the person who executed the foregoing instrument; and acknowledged that, having authority so to do, he/she executed the foregoing instrument as the act and deed of said limited partnership for the purposes therein contained, and delivered the same as such.

WITNESS my hand and Notarial Seal the year and day first above written.

_____
Notary Public

IN WITNESS WHEREOF, Assignor has caused this Agreement to be executed in its name by its duly authorized person, all as of the date first above written.

ASSIGNOR:

ACORN DEVELOPMENT LLC,
a Delaware limited liability company

By: _____

COMMONWEALTH OF VIRGINIA ss:

COUNTY OF _____

I HEREBY CERTIFY that on this day, _____ before me, the subscriber, a Notary Public in and for the jurisdiction aforesaid, personally appeared in said jurisdiction personally well known to me (or satisfactorily proven) to be _____, as authorized person of ACORN DEVELOPMENT LLC and personally well known to me (or satisfactorily proven) to be the person who executed the foregoing instrument; and acknowledged that, having authority so to do, he/she executed the foregoing instrument as the act and deed of said limited partnership for the purposes therein contained, and delivered the same as such.

WITNESS my hand and Notarial Seal the year and day first above written.

_____
Notary Public

EXHIBIT A
REAL PROPERTY DESCRIPTION

Exhibit C

County Minimum Development Program Requirements

County Minimum Development Program Requirements

The following represents minimum County requirements for the number of affordable units for each Phase as delineated below. Terms not defined herein shall have the meaning ascribed to them in the Agreement.

I. Aggregate Number of Committed Affordable Units (CAF units)

Crystal Houses 3, 4, and 6	
AMI Levels*	**Units**
30%	44
40%	0
50%	148
60%	316
80%	58
Total Minimum CAF Units**	**566**

**While represented as minimum counts, the number of units serving higher AMI levels may be decreased if the number of units serving lower AMI units are increased.*

***While the developer has proposed a minimum of 566 CAFs on CH 3, 4, and 6, the Amazon Assignment and Assumption Agreement requires a total minimum number of only 554 CAFs on CH 3, 4, and 6, of which 148 shall be affordable up to 50% AMI. The County may approve a decrease in the total CAFs from 566 to as low as 554 in exchange for other additional benefits (e.g. deeper affordability, additional family-sized units, etc.).*

II. Aggregate Number of Committed Affordable Units – CH 5

Crystal House 5	
AMI Levels*	**Units**
30%	4
40%	0
50%	38
60%	47
80%	0
Total Minimum CAF Units*	**89**

**While represented as minimum counts, the number of units serving higher AMI levels may be decreased if the number of units serving lower AMI units are increased.*

III. **Family-Sized CAFs**

Developer shall provide a minimum of 371 family-sized units (two-bedroom or greater), of which at least 102 are three-bedroom units or larger.

IV. **Accessible Units:**

Developer shall provide minimum of 34 units or 5% of all CAF units, whichever is greater.

V. **Universal Design:**

Developer shall provide a minimum of 102 units or 18% of all CAF units, whichever is greater.

VI. **Permanent Supportive Housing Units (PSH units)**

Developer shall provide a minimum of 34 units or 5% of all CAF units, whichever is greater.

VII. **Target Population by Project:**

Developer shall include one project of at least 80 units that serves the senior population and conforms to all then prevailing Virginia Housing ("**VH**") and Arlington County requirements for housing this population.

VIII. **Design and Construction**

Developer shall meet or exceed VH Minimum Design and Construction Requirements (MDCR), locality building codes, green certification(s) as required by Site Plan 451 and VH LIHTC program. VH Minimum Design and Construction Requirements shall apply to only those buildings financed by or allocated LIHTC's through VH.

IX. **Digital Equity**

For designated CAF units, developer shall provide free Wi-Fi and in-building Wireless Infrastructure to meet or exceed Arlington County Notice of Funding Availability (NOFA) guidelines of 30 Mbps symmetrical. Current proposal estimated to be download speeds from 100 - 200 Mbps and upload speeds from 50 - 200 Mbps, to be confirmed prior to AHIF commitment.

X. Resident Services

Based on its proposal submission, developer plants to provide primary resident services covering range of program areas including but not limited to Rent Relief, Food Insecurity, Economic Stability, Education, Health and Wellness, and to include partnerships with Arlington County DHS, Arlington Food Assistance Center (AFAC), Our Stomping Ground (OSG). Changes to this resident services programming shall be approved by County in its reasonable discretion.

XI. Parking and Site Plan Amendment Requests

Developer shall submit an application for an amendment to the Site Plan Ordinance to reduce the parking ratio from that which was approved by the County Board on December 14, 2019 to no more than 0.58 spaces per unit. Additionally, Developer shall continue to work with WHC on a mutually agreed upon lower amount of replacement parking for CH 1 and 2. Developer shall work with the County, WHC, and Amazon to make any needed amendments to the Option Agreement so that it is consistent with the Site Plan Ordinance and any future amendments to the Site Plan Ordinance.

Exhibit D

Form of Completion Guaranty

Exhibit D
FORM OF DEVELOPMENT AND COMPLETION GUARANTY

THIS DEVELOPMENT AND COMPLETION GUARANTY (this "**Guaranty**") is made as of _____, 20__ ("**Effective Date**"), by _____ (the "**Guarantor**"), for the benefit of the COUNTY BOARD OF ARLINGTON COUNTY, VIRGINIA, a body corporate and politic of the Commonwealth of Virginia ("**County**") and ACORN DEVELOPMENT LLC, a Delaware limited liability company ("**Assignor**" together with County, the "**Beneficiaries**").

RECITALS:

WHEREAS, County and [MASTER DEVELOPER] ("**Master Developer**") have entered into a certain Land Disposition and Development Agreement, dated as of December _____, 2022 (the "**Development Agreement**"), pursuant to which, among other things, County has agreed to [assign/lease] the [CH ____] property to an affiliate of Developer, [CH ___ OWNER] ("**CH ___ Developer**" or "**Developer**") at Closing, and Developer has agreed to develop [CH ____] on the [Option Property/CH 5 Property].

WHEREAS, as a condition to Closing under the Development Agreement, the Guarantor is required to deliver this Guaranty to the Beneficiaries to guaranty the performance of Developer of its obligations under the Development Agreement.

NOW, THEREFORE, in consideration of the premises, the mutual covenants contained herein and other good and valuable consideration in hand paid, the receipt and sufficiency of which are hereby acknowledged, Guarantor hereby agrees as follows:

1. **Recitals; Definitions.**

1.1 The foregoing recitals are true and correct and are incorporated into this Guaranty by this reference and made a material part of this Guaranty.

1.2 Capitalized terms used and not defined in this Guaranty shall have the meanings attributed to them in the Development Agreement.

2. **Representations and Warranties.**

2.1 Guarantor represents and warrants to the Beneficiaries as follows:

(a) the making and performance of this Guaranty by Guarantor will not result in any breach of any term, condition, or provision of, or constitute a default under, any contract, agreement, or other instrument to which Guarantor is a party or by which it is bound, or result in a breach of any regulation, order, writ, injunction, or decree of any court or any commission, board, or other administrative agency entered in any proceeding to which Guarantor is a party or by which it is bound;

(b) Guarantor has reviewed, with the advice and benefit of its legal counsel, the terms and provisions of the Development Agreement, this Guaranty, Project Phasing Plan, the

Schedule of Project Milestones, the Approved Plans and Specifications, and the documents referenced in each of the foregoing;

(c) Guarantor (if Guarantor is not a natural person) is duly organized, validly existing and in good standing under the laws of the State of its organization and is duly qualified to do business, and is in good standing, in the State;

(d) Guarantor has been duly authorized to carry on its business, and to hold title to and own the property it owns, to execute, deliver, and perform this Guaranty, and to consummate the transactions contemplated hereby and thereby;

(e) this Guaranty has been duly authorized, executed and delivered by Guarantor, and this Guaranty, and each term and provision hereof is the legal, valid and binding obligation of Guarantor enforceable against Guarantor in accordance with its terms, except to the extent that enforceability may be limited by applicable bankruptcy, insolvency or other similar laws of general application or equitable principles relating to or affecting the enforcement of creditors' rights from time to time in effect;

(f) no actions, suits, or proceedings are pending or, to Guarantor's knowledge, threatened against or affecting Guarantor before any governmental authority which could, if adversely decided, result in a material adverse change in the financial condition of Guarantor (in comparison to any state of affairs existing before the Effective Date) or of the ability of Guarantor to perform, or of the Beneficiaries to enforce, any provision of this Guaranty (a "**Material Adverse Change**");

(g) no consent, approval, or authorization of, or registration, declaration, or filing with, any governmental authority or any other Person is required that has not been obtained in writing by Guarantor, in connection with the execution, delivery, and performance by Guarantor of this Guaranty and the transactions contemplated by this Guaranty;

(h) Guarantor is not insolvent (as such term is defined or determined for purposes of Bankruptcy Reform Act of 1978 (11 U.S.C. § 101-1330), as amended or recodified or any other bankruptcy law (collectively, the "**Bankruptcy Code**"), and the execution and delivery of this Guaranty will not make Guarantor insolvent;

(i) to the best of Guarantor's knowledge, neither this Guaranty nor any financial information, certificate, or statement furnished to the Beneficiaries by or on behalf of Guarantor contains any untrue statement of a material fact or intentionally or knowingly omits to state a material fact necessary to make the statements herein and therein, in the light of the circumstances under which they are made, not misleading;

(j) to the best of Guarantor's knowledge, no conditions exist which would prevent Guarantor from complying with the provisions of this Guaranty within the time limits set forth herein and/or in the Development Agreement, as may be extended or deemed extended pursuant to the terms thereof;

(k) Guarantor has filed all tax returns and reports required by law to have been filed by it, and has paid all taxes, assessments, and governmental charges levied upon it or any of its assets which are due and payable, except any such taxes or charges which are being contested in good faith by appropriate proceedings and for which adequate reserves have been set aside;

(l) there are no conditions precedent to the effectiveness of this Guaranty;

(m) Guarantor is not a Prohibited Person; and

(n) all financial statements delivered to the Beneficiaries at any time by or on behalf of Guarantor (i) are true and correct in all material respects, (ii) fairly present in a manner consistent with prior statements submitted to Beneficiaries the respective financial conditions of the subjects thereof and for the periods referenced therein, and (iii) have been prepared in accordance with generally accepted accounting principles (if Guarantor is not a natural person) (or other accounting principles as the Beneficiaries may agree) consistently applied, and there has been no Material Adverse Change in the financial position of such Guarantor since the respective dates of (or periods covered by) such statements, and without limiting the foregoing, all assets shown on such financial statements, unless clearly designated to the contrary on such financial statements, (A) are free and clear of any exemption or any claim of exemption of Guarantor or any other Person, (B) accurately reflect all debt and prior pledges or encumbrances (direct or indirect) of or on any of Guarantor's assets at the date of the financial statements and at all times thereafter, and (C) are owned individually by Guarantor and not jointly with any spouse or other Person, except as otherwise reflected thereon.

2.2 Guarantor agrees that all of the representations and warranties of Guarantor in this Guaranty are made and shall be true as of the Effective Date and shall survive the execution and delivery of this Guaranty. Guarantor shall inform the Beneficiaries in writing within five (5) Business Days upon its discovering any breach of such representations or warranties.

2.3 Guarantor acknowledges that County is consummating the Closing in reliance upon the representations, warranties, and agreements contained in this Guaranty. The Beneficiaries shall be entitled to such reliance notwithstanding any investigation which has been made, has not been made, or may be conducted by the Beneficiaries or on the Beneficiaries behalf.

3. **Guaranteed Obligations**. Guarantor hereby absolutely and unconditionally guarantees to the Beneficiares and its successors and assigns: (i) the Commencement of Construction and prosecution of construction through Final Completion of [CH ___] pursuant to the terms and conditions of the Development Agreement and within the time period allotted therefor in the Schedule of Project Milestones; (ii) the [CH ___] Property and the Improvements shall be kept free and clear of all liens (other than liens in favor of an approved mortgage of an Institutional Lender), claims of lien and other claims connected with or arising out of the construction or completion of [CH ___]; (iii) the payment in full of all amounts due to any contractor, subcontractor, materialman, laborer, any employee or other Person who is engaged by Developer at any time in work or supplying materials in connection with [CH ____] if and to the extent not paid by Developer; (iv) any obligation of the Developer under the Development Agreement to indemnify, defend, and hold harmless the Beneficiaries; and (v) the enforcement of this Guaranty

by the Beneficiaries (including, without limitation, reasonable attorneys' fees), which obligations shall survive the release of this Guaranty (collectively, the "**Guaranteed Obligations**").

4. **Liens.** If any valid mechanic's or materialmen's liens should be filed, or should attach, against the Property with respect to [CH ___] and if such valid mechanic's or materialmen's liens have not been removed by Developer or released or waived by the party filing same, Guarantor shall take, or cause to be taken (by Developer or otherwise), action to cause the removal, release or waiver of such liens, including, if necessary, the posting of a bond or other security against the consequences of their possible judicial enforcement.

5. **Financial Statements.**

5.1 If Guarantor is not a natural person, within ninety (90) days after the end of Guarantor's fiscal year, Guarantor shall deliver to the Beneficiaries a copy of such Guarantor's balance sheet, income statement, and statement of changes in financial position for such fiscal year (collectively, the "**Corporate Financial Statements**"). The Corporate Financial Statements shall (a) include a schedule of all material contingent liabilities and all other notes and schedules relating thereto, (b) be in a form reasonably satisfactory to the Beneficiaries, (c) be prepared in accordance with generally accepted accounting principles (or other accounting principles as the Beneficiaries may agree) consistently applied, (d) if audits are done in the regular course of Guarantor's business, be audited by an independent, certified public accountant who is a member of the American Institute of Certified Public Accountants and otherwise acceptable to the Beneficiaries, and (e) be accompanied by a certification of Guarantor to the Beneficiaries (made by the chief financial officer in the case of any corporate Guarantor) that such Corporate Financial Statements (i) have been prepared in accordance with generally accepted accounting principles (or other accounting principles as the Beneficiaries may agree) consistently applied, (ii) present fairly the financial condition of such Guarantor as of the respective dates thereof, and (iii) show all direct and contingent material liabilities of Guarantor as of such dates.

5.2 If the Guarantor is a natural person, within sixty (60) days after the end of each calendar year, Guarantor shall deliver to the Beneficiaries a copy of Guarantor's financial statement as of the end of such calendar year. Each such financial statement shall (a) include a statement of assets and liabilities, including a schedule of all material contingent liabilities and all other notes and schedules relating thereto, (b) be in a form reasonably satisfactory to the Beneficiaries (but need not be audited), (c) be accompanied by a certification of Guarantor to the Beneficiaries that such financial statement presents fairly the financial condition of Guarantor as of the respective dates thereof, and (d) show all direct and contingent material liabilities of Guarantor as of such dates.

5.3 From time to time promptly after the Beneficiaries request, Guarantor shall deliver to the Beneficiaries such additional information, reports and statements regarding its business operations reasonably related to [CH ___] or the financial condition of Guarantor as the Beneficiaries may reasonably request.

6. **Nature of Guaranty; Independent Obligation.** This is a direct, absolute, and unconditional, guaranty of completion, and is a guaranty of payment and performance, not of collection. The obligations of Guarantor under this Guaranty are independent and primary, and the

Beneficiaries shall not be required to take any action against Developer, any approved mortgage of an Institutional Lender, or any other Person or resort to any other collateral or security given for the performance of Developer as a precondition to the obligations of Guarantor under this Guaranty. Guarantor hereby waives any rights it may have to compel the Beneficiaries to proceed against Developer, or any security, or to participate in any security for Guarantor's obligations hereunder, even though any rights which such Guarantor may have against Developer or others may be destroyed, diminished or otherwise affected by such action or lack thereof. Neither the declaration of a Developer Default, nor the exercise of any remedies against Developer, shall in any way affect Guarantor's responsibility for the obligations guaranteed hereunder, even though any rights which Guarantor may have against Developer or others may be destroyed, diminished or otherwise affected by such action. To the fullest extent permitted by law, this Guaranty shall be construed as a continuing, absolute, and unconditional guaranty of performance without regard to: (a) the legality, validity, or enforceability of the Development Agreement, or any of the obligations of Developer evidenced thereby; (b) any defense, setoff, or counterclaim that may be available at any time to Developer or any other Person against and any right of setoff at any time held by the Beneficiaries (including, without limitation, any defense, setoff, or counterclaim by Guarantor under this Guaranty); or (c) any other circumstances whatsoever (with or without notice to or knowledge of Guarantor), whether or not similar to any of the foregoing, that constitutes or might be construed to constitute an equitable or legal discharge of Developer or any other Person in bankruptcy or in any other instance.

7. **No Release or Waiver of Obligations; Consents.**

7.1 No action which Developer or the Beneficiaries may take or omit to take in connection with [CH ___], nor any course of dealing with Developer or any other Person, shall release Guarantor's obligations hereunder or affect this Guaranty in any way, even if any such action may otherwise be deemed a legal or equitable discharge of a guarantor or surety.

7.2 Guarantor consents and agrees that the Beneficiaries may, at any time and from time to time, without notice or demand, and without affecting the enforceability or continuing effectiveness hereof: (a) accept partial payments on, or performance of, the obligations owed to the Beneficiaries and apply any and all payments or recoveries from Developer or any other Person to such of the obligations owed to the Beneficiaries as the Beneficiaries may elect in its sole discretion; (b) receive and hold additional security or guaranties for the obligations owed to the Beneficiaries or any part thereof; (c) release, reconvey, terminate, waive, abandon, fail to perfect, subordinate, exchange, substitute, transfer, or enforce any security or guaranties, and apply any security and direct the order or manner of sale thereof as the Beneficiaries may elect in its sole and absolute discretion may determine; (d) release any Person from any personal liability with respect to the obligations owed to the Beneficiaries or any party thereof; (e) settle, release on terms satisfactory to the Beneficiaries, as the case may be, or by operation of applicable law or otherwise, liquidate or enforce any obligations owed to the Beneficiaries and any security or guaranty in any manner, consent to the transfer of any security and bid and purchase at any sale (other than by reason of the timely and full payment and performance of all obligations owed to the Beneficiaries); (i) consent to the merger, change of any other restructuring or termination of the corporate existence of Developer or any other Person and correspondingly restructure the obligations owed to the Beneficiaries, and any such merger, change, restructuring, or termination

shall not affect the liability of such Guarantor or the continuing effectiveness hereof, or the enforceability thereof with respect to all or any part of the obligations owed to the Beneficiaries; or (j) otherwise deal with Developer or any other Person as the Beneficiaries may elect in its sole discretion.

8. **Bankruptcy; Relief from Automatic Stay.**

8.1 The release or discharge of Developer, Guarantor, or any other Person from any obligation in any receivership, bankruptcy, winding-up or other creditor proceeding shall not affect the validity of this Guarantor or of Guarantor's obligations hereunder.

8.2 If the automatic stay imposed by the applicable provisions of the Bankruptcy Code, or under any other applicable law, against the exercise of the rights and remedies otherwise available to creditors of Developer is deemed by the court having jurisdiction to apply to Guarantor who is not in bankruptcy so that Guarantor is not permitted to perform its obligations under this Guaranty and/or the Beneficiaries may not immediately enforce the terms of this Guaranty or exercise such other rights and remedies against Guarantor as would otherwise be provided by law, the Beneficiaries shall immediately be entitled, and Guarantor hereby consents, to relief from such stay, and Guarantor hereby authorizes and directs the Beneficaries to present this Guaranty to the applicable court to evidence such agreement and consent.

9. **Waivers.**

9.1 To the fullest extent the Guarantor may do so under applicable law, Guarantor expressly waives notice of acceptance of this Guaranty or any liability under this Guaranty. The Beneficiaries shall not be required to give any notice to Guarantor hereunder in order to preserve or enforce the Beneficaries' rights hereunder, any such notice being expressly waived by Guarantor.

9.2 Guarantor agrees that the Beneficiaries shall have no duty to disclose to Guarantor any information it receives or have reasonably available to it regarding the financial status of Developer, or any contractor, subcontractor or materialmen involved in the construction of the [CH ____], or any information relating to theh [CH ____] Project, whether or not such information indicates that the risk that Guarantor may be required to perform hereunder has been or may be increased. Guarantor assumes full responsibility for being and keeping informed of all such matters.

9.3 In addition to the foregoing, Guarantor expressly waives the following defenses:

(a) lack of validity, genuineness, or enforceability of any provision of any of the Development Agreement, or any other agreement between the Beneficiaries, Developer, Guarantor or any other Person;

(b) the incapacity, lack of authority, death, or disability of any Person or the failure of the Beneficiaries to file or enforce a claim against the estate of any Person in any administrative, bankruptcy, or other proceeding;

(c) the election of remedies by the Beneficiaries, whether or not such election may affect in any way the recourse, subrogation, or other rights of Guarantor against Developer or any other Person in connection with the Guaranteed Obligations;

(d) the negligence of the Beneficiaries in administering or overseeing the [CH ____] Project or any part thereof, or taking or failing to take any action in connection therewith;

(e) any change to the Approved Plans and Specifications, the Development Agreement, Project Phasing Plan, Schedule of Project Milestones, or any of the documents referenced in any of the foregoing made without the consent or knowledge of Guarantor;

(f) the unenforceability or invalidity of any security or guaranty for the Guaranteed Obligations or the lack of perfection or continuing perfection or failure of priority of any security for the Guaranteed Obligations;

(g) the failure of the Beneficiaries to marshal assets in favor of Developer or any other Person;

(h) the failure of the Beneficiaries to give notice or sale or other disposition of any collateral (now or hereafter securing the obligations of any Person) to Developer or any other Person, as applicable, or any defect in any notice that may be given in connection with any sale or disposition of collateral or to comply with applicable law or other requirements in connection with the sale or other disposition of any collateral or other security for any obligation owed to the Beneficiaries;

(i) any act or omission of the Beneficiaries, or others, that directly or indirectly results in or aids the discharge or release of Developer or any other Person, or the Guaranteed Obligations or any security or guaranty therefor by operation of law or otherwise (other than by reason of the timely performance of all Guaranteed Obligations);

(j) any applicable law or other laws or requirements of the Beneficiaries or other states which provides that the obligation of a surety or guarantor must neither be larger in amount nor in other respects more burdensome than that of the principal or which reduces a surety's or guarantor's obligation in proportion to the principal obligation, including, without limitation, all rights and benefits under the laws of the Beneficiaries purporting to reduce Guarantor's obligation in proportion to the obligation of the principal;

(k) the avoidance of any lien in favor of the Beneficiaries for any reason;

(l) all rights or defenses Guarantor may have by reason of protection afforded to a principal with respect to the Guaranteed Obligations pursuant to applicable law or other laws of the Beneficiaries or other states limiting or discharging the principal's obligations (provided that the same shall not be deemed to waive a defense based on performance of the Guaranteed Obligations); and

(m) any defense based on any other circumstances whatsoever (with or without notice to or knowledge of Guarantor), whether or not similar to any of the foregoing, that

constitutes or might be construed to constitute an equitable or legal discharge of Developer or any other Person in bankruptcy or in any other instance (provided that the same shall not be deemed to waive a defense based on performance of the Guaranteed Obligations).

10. **Rights Upon Default.**

10.1 Upon the occurrence and during the continuance of (a) any failure by Guarantor in the performance of the Guaranteed Obligations beyond applicable notice and cure periods, (b) the dissolution or insolvency of Guarantor, (d) the inability of Guarantor to pay its debts as they mature, (d) a general assignment by Guarantor for the benefit of creditors, (e) the institution of any proceeding by or against Guarantor in bankruptcy or for a reorganization or an arrangement with creditors, or for the appointment of a receiver, trustee, or custodian for Guarantor or its properties that is not dismissed or stayed within one hundred twenty (120) days after Guarantor's receipt of notice of filing, (f) the falsity in any material respect of or any material omission in any representation made to the Beneficiaries by Guarantor, or (g) any other default by Guarantor of any other obligations owed to the Beneficiaries by Guarantor under this Guaranty (a "**Guarantor Default**"), the Beneficiaries shall have such rights and remedies available to it as permitted by law and in equity and may enforce this Guaranty in accordance with the terms hereof, independently of any other remedy or security the Beneficiaries at any time may have or hold in connection with the Guaranteed Obligations as to Developer, and it shall not be necessary for the Beneficiaries to marshal assets in favor of Developer, Guarantor, or any other Person or to proceed upon or against and/or exhaust any security or remedy before proceeding to enforce this Guaranty in accordance with the terms hereof. Additionally, Guarantor agrees that during the continuance of any Guarantor Default, the Beneficiaries may, without the consent of or notice to Guarantor, take or refrain from taking such other action to enforce the provisions of this Guaranty against Guarantor as it may from time to time determine in its sole discretion as to any obligations then unperformed.

10.2 Guarantor absolutely, irrevocably and unconditionally, and jointly and severally, agrees to the fullest extent permitted by law, to indemnify, defend, and hold harmless the Beneficiaries from any and all loss, cost, liability, and expense arising out of or in connection with (a) any Guarantor Default and (b) the enforcement of this Guaranty by the Beneficiaries (including, without limitation, reasonable attorneys' fees).

10.3 Guarantor shall immediately, upon demand therefor, reimburse the Beneficiaries for any and all expenditures incurred by the Beneficiaries under this Section 10, plus interest thereon at the rate of fifteen percent (15%) per annum until all sums are paid to the Beneficiaries.

10.4 Guarantor agrees that the Beneficiaries and Developer or any other Person may deal with each other in connection with the Guaranteed Obligations or otherwise, or alter any contracts or agreements now or hereafter existing between them, in any manner whatsoever, all without in any way altering or affecting the security of this Guaranty. The Beneficiaries' rights hereunder shall be reinstated and revived and the enforceability of this Guaranty shall continue with respect to any amount at any time paid on account of the Guaranteed Obligations, which thereafter shall be required to be restored or returned by the Beneficiaries upon the bankruptcy, insolvency, or reorganization of Developer of any other Person, or for any other reason, all as though such amount had not been paid. The rights of the Beneficiaries created or granted herein and the enforceability of this Guaranty at all times shall remain effective even though the Guaranteed Obligations,

including any part thereof or any other security or guaranty therefor, may be or hereafter may become invalid or otherwise unenforceable as against Developer.

11. **Cumulative Rights.** The exercise by the Beneficiaries of any right or remedy hereunder, under the Development Agreement, any other documents executed by the Beneficiaries and Developer, or at law or in equity, shall not preclude the concurrent or subsequent exercise of any other right or remedy. The Beneficiaries shall have all rights, remedies, and recourses afforded to the Beneficiaries by reason of this Guaranty, any other documents executed between the Beneficiaries and Developer, or by law or equity or otherwise, and the same (a) shall be cumulative and concurrent; (b) may be pursued separately, successively, or concurrently against Guarantor or others obligated for the Guaranteed Obligations, or any part thereof, or against any one or more of them, at the sole and absolute discretion of the Beneficiaries; (c) may be exercised as often as occasion therefor shall arise, it being agreed by Guarantor that the exercise of, discontinuance of the exercise of, or failure to exercise any of such rights, remedies, or recourses shall in no event be construed as a waiver or release thereof or of any other right, remedy, or recourse; and (d) are intended to be and shall be nonexclusive. No waiver of any default on the part of Guarantor or of any breach of any of the provisions of this Guaranty or of any other document shall be considered a waiver of any other or subsequent default or breach, and no delay or omission in exercising or enforcing the rights and powers granted herein or in any other document shall be construed as a waiver of such rights and powers, and no exercise or enforcement of any rights or powers hereunder or under any other document shall be held to exhaust such rights and powers, and every such right and power may be exercised from time to time. The granting of any consent, approval, or waiver by the Beneficiaries shall be limited to the specific instance and purpose therefor and shall not constitute consent or approval in any other instance or for any other purpose. No notice to or demand on Guarantor in any case shall of itself entitle such Guarantor to any other or further notice or demand in similar or other circumstances.

12. **Statute of Limitations and Other Laws.** Until the Guaranteed Obligations have been irrevocably paid and/or performed in full, all of the rights, privileges, powers, and remedies granted to the Beneficiaries hereunder shall continue to exist and may be exercised by the Beneficiaries at any time and from time to time, irrespective of the fact that any of the Guaranteed Obligations may have become barred by any statutes of limitations. Guarantor expressly waives the benefit of any and all statutes of limitations, and any and all laws providing for exemption of property from execution or for valuation and appraisal upon foreclosure, and any and all rights and benefits, if any, arising under the laws of the Beneficiaries.

13. **Indemnification.** Guarantor agrees to indemnify and hold harmless the Beneficiaries for all reasonable, direct, and out-of-pocket costs and expenses, including, without limitation, all court costs, reasonable attorneys' fees and expenses, and costs of collection incurred or paid by the Beneficiaries arising out of or in connection with (a) the Guaranteed Obligations and (b) the enforcement of this Guaranty by Beneficiaries. Notwithstanding the foregoing, Guarantor shall not have any obligation to indemnify the Beneficiaries for any costs and expenses, including, without limitation, all court costs, reasonable attorneys' fees and expenses, if Guarantor should prevail in an enforcement action; provided, further, the immediately preceding proviso clause shall not be deemed to release Guarantor from its indemnification obligations under this Guaranty if the Beneficiaries prevails against Guarantor in any enforcement action notwithstanding the fact that

the Beneficiaries may not have prevailed against Guarantor in a previous enforcement action. The foregoing notwithstanding, Guarantor shall not be required to indemnify the Beneficiaries for loss resulting from its gross negligence and/or willful misconduct.

14. **No Limitation of Obligations**. To the fullest extent Guarantor may do so under applicable law, Guarantor agrees that it shall make no claim or setoff, defense, recoupment, or counterclaim of any sort whatsoever, nor shall Guarantor seek to impair, limit, or defeat in any way its obligations hereunder. To the fullest extent Guarantor may do so under applicable law, Guarantor hereby waives any right to such a claim in limitation of its obligations hereunder.

15. **No Right of Subrogation**. Until all of the Guaranteed Obligations are fully paid, performed and/or fulfilled, Guarantor agrees solely with respect to itself that it: (i) shall have no right of subrogation against Developer by reason of any payments or acts of performance by Guarantor in compliance with the obligations of Guarantor under this Guaranty and (ii) waives any right to enforce any remedy which Guarantor now or hereafter shall have against Developer by reason of any payment or act of performance in compliance with the obligations of Guarantor hereunder.

16. **No Assignment or Delegation; Merger**. Guarantor shall not assign or delegate its obligations under this Guaranty. If Guarantor is not a natural person and is merged into or with any other company, firm or corporation, the resulting merged company, firm or corporation shall become liable as a Guarantor under this Guaranty to the same extent as the original named Guarantor hereunder.

17. **Choice of Law and Consent to Jurisdiction**. This Guaranty shall, in all respects, be governed by and construed in accordance with the laws of the Commonwealth of Virginia, without reference to its conflicts of law principles. Guarantor hereby consents to jurisdiction of the federal or local jurisdiction courts within the Commonwealth of Virginia for purposes of such litigation and waives any right it may have to seek a change of venue of such proceedings. Guarantor further agrees not to assert in any action, suit or proceeding arising out of or relating to the Development Agreement that Guarantor is not personally subject to the jurisdiction of such courts, that the action, suit, or other proceeding is brought in an inconvenient forum, or that the venue of the action, suit, or other proceeding is improper. Guarantor agrees that service of process may be made, and personal jurisdiction over Guarantor obtained, by serving a copy of the summons and complaint upon Guarantor at the notice address set forth below in accordance with the applicable laws of the Commonwealth of Virginia. Nothing herein contained, however, shall prevent the Beneficiaries from bringing any action or exercising any right against Guarantor within any other jurisdiction or state. Initiating such proceeding or taking such action in any other jurisdiction or state shall not, however, constitute a waiver of the agreement herein contained that the laws of the Commonwealth of Virginia shall govern the rights and obligations of the parties hereunder. Guarantor agrees that Beneficiaries may, and Guarantor agrees not to oppose the Beneficiaries' attempts to, consolidate any litigation arising out of or relating to this Guaranty with any action(s), suit(s), or proceeding(s) against Developer or any other individual or entity and/or the property of any of the foregoing arising out of or relating to the Development Agreement.

18. **Notices**. Any notice, demand, statement, or request required under this Guaranty shall be in writing and delivered by certified mail (return receipt requested, postage pre-paid), by hand, or by reputable private overnight commercial courier service, at the following respective addresses:

IF TO COUNTY:

Arlington County Board
Office of the County Manager
2100 Clarendon Blvd., Suite 302
Arlington, Virginia 22201
Attn: County Manager
Fax: (703) 228-3218
Email: mschwartz@ArlingtonVA.US

With a copy to:

Arlington County
Office of the County Attorney
2100 Clarendon Blvd., Suite 403
Arlington, Virginia 22201
Attn: Acting County Attorney
Fax: (703) 228-7106
Email: mcorr@ArlingtonVA.US

Arlington County
Housing Division
2100 Clarendon Blvd., Suite 700
Arlington, Virginia 22201
Attn: Housing Directors
Fax: (703) 228-3384
Email: avenezia@ArlingtonVA.US

Reno & Cavanaugh PLLC
10175 Little Patuxent Parkway, Suite 900
Columbia, MD 21044
Attn: Anne Schroth
Email: aschroth@renocavanaugh.com

IF TO ASSIGNOR:

Amazon in the Community
410 Terry Avenue North
Seattle, WA 98109-5210
Email: housingequityfund@amazon.com

With a copy to:

Attn: General Counsel
P.O. Box 81226
Seattle, WA 98108-1226
Email: contracts-legal@amazon.com

Davis Wright Tremaine LLP
920 Fifth Avenue, Suite 3300
Seattle, WA 98104-1610
Attention: Anthony Caso
Email: anthonycaso@dwt.com

IF TO GUARANTOR:
[_____]

With a copy to:
[_____]

Notices served upon the Beneficiaries or Guarantor in the manner aforesaid shall be deemed to have been received for all purposes under this Guaranty as follows: (i) if hand delivered to a party against receipted copy, when the copy of the notice is receipted; (ii) if given by nationally recognized overnight delivery service, on the next Business Day after the notice is deposited with the overnight delivery service; or (iii) if given by certified mail, return receipt requested, postage prepaid, on the date of actual delivery or refusal thereof. If notice is tendered under the terms of this Guaranty and is refused by the intended recipient of the notice, the notice shall nonetheless be considered to have been received and shall be effective as of the date provided in this Guaranty.

19. **Severability**. In the event that any provision of this Guaranty is held to be void or unenforceable, all other provisions shall remain unaffected and be enforceable, unless this construction would constitute a substantial deviation from the general intent of the Parties as reflected in this Guaranty.

20. **Waiver of Jury Trial**. TO THE EXTENT PERMITTED BY LAW, EACH PARTY HEREBY: (I) COVENANTS AND AGREES NOT TO ELECT TRIAL BY JURY OF ANY ISSUE HEREUNDER TRIABLE OF RIGHT BY A JURY AND (II) WAIVES ANY RIGHT TO TRIAL BY JURY OF ANY ISSUE FULLY TO THE EXTENT THAT ANY SUCH RIGHT SHALL NOW OR HEREAFTER EXIST. THIS WAIVER OF RIGHT TO TRIAL BY JURY IS SEPARATELY GIVEN, KNOWINGLY AND VOLUNTARILY, BY GUARANTOR, AND THIS WAIVER IS INTENDED TO ENCOMPASS INDIVIDUALLY EACH INSTANCE AND EACH ISSUE AS TO WHICH THE RIGHT TO A JURY TRIAL WOULD OTHERWISE ACCRUE. EACH PARTY ACKNOWLEDGES THAT THIS WAIVER IS A MATERIAL INDUCEMENT FOR THE OTHER PARTY TO PROVIDE OR ACCEPT THIS GUARANTY, AS APPLICABLE. FOR THE PURPOSES OF THIS SECTION 20, THE TERM "PARTY" IS DEEMED TO MEAN THE BENEFICIARIES, AS WELL AS GUARANTOR.

21. **Time is of the Essence.** Time is of the essence with respect to all matters set forth in this Guaranty.

22. **No Amendment.** Neither this Guaranty nor any provision hereof may be modified, amended, waived, terminated, or changed orally, but only by an agreement in writing signed by the Beneficiaries and Guarantor.

23. **Irrevocable Survival.** This Guaranty shall be irrevocable by the Guarantor until this Guaranty is released by the Beneficiaries.

[SIGNATURE PAGE FOLLOWS]

SIGNATURE PAGE TO
DEVELOPMENT AND COMPLETION GUARANTY

IN WITNESS WHEREOF, Guarantor has executed this Guaranty as of the Effective Date.

GUARANTOR:

_____

Exhibit E

Project Phasing Plan

	CH 6	CH 3, 4, 7 & 8	CH 5
Phasing & Affordability	CH 6 – anticipated 80 affordable (Owner: APAH affiliate)	CH 3 – anticipated 432 affordable units (Owner: APAH affiliate) CH 4 – anticipated 54 affordable units & 168 market-rate (Owner: EYA affiliate) CH 7 & 8 – market-rate development program to be determined (Owner EYA affiliate)	CH 5 – anticipated 89 affordable units (Owner: APAH affiliate)
Disposition Structure	County Option Assignment for land associated with CH 6 and fee simple conveyance from WHC Crystal LLC to APAH affiliate.	County Option Assignment for land associated with CH 3, 4, 7 & 8 and fee simple conveyance from WHC Crystal LLC to APAH/EYA affiliates.	Ground lease between County and APAH affiliate.
Closing	Spring 2024	January 1, 2025	No earlier than 2027
Construction Start / Completion	Start: 2024 Completion: 2026	Start: 2025 Completion: 2027	Anticipated Start: 2027 Anticipated Completion: 2029

Exhibit F

Form of County Option Assignment

EXHIBIT F – FORM OF COUNTY OPTION ASSIGNMENT

ASSIGNMENT AGREEMENT

THIS ASSIGNMENT AGREEMENT (this "**Assignment**") is made as of the ____ day of _____ _____, 20___, by and between COUNTY BOARD OF ARLINGTON COUNTY, VIRGINIA, a body corporate and politic of the Commonwealth of Virginia (the "**Assignor**") and [CH_____ OWNER], a Virginia [limited liability company] (the "**Assignee**").

RECITALS

A. Assignor is a party to that certain Assignment and Assumption of Option Agreement, entered into as of July 27, 2021, by and among Assignor, as "Assignee" thereunder, Acorn Development LLC, a Delaware limited liability company, as "Assignor" thereunder, and WHC Crystal LLC, a District of Columbia limited liability company, as "Optionor" thereunder (the "**Original Option Assignment**"), a copy of which is attached hereto as Exhibit B, for the option to purchase certain real property located in the County of Arlington, Commonwealth of Virginia (the "**Property**").

B. Assignor and [Master Developer], a Virginia _____ ("**Master Developer**") and an affiliate of Assignee, have entered into that certain Land Disposition and Development Agreement dated as of _____, 2022 (the "**LDDA**"), pursuant to which Assignor proposes to assign its rights, title and interest under the Original Option Assignment to [Master Developer, or its affiliate] for the acquisition and development of the Property.

C. In accordance with the LDDA, [Master Developer] has separated the Property into individual legal lots in order to acquire and develop each lot as a separate phase.

D. For the development of each phase, and pursuant to Section 16 of the Original Option Assignment, Assignor may assign the Original Option Assignment, in part, with the prior written consent of Acorn Development LLC.

E. Pursuant to [Section 6.3] of the LDDA, in order for Assignee to exercise the option to purchase the property applicable to the development of CH ___ (as such term is defined in the LDDA) (the "**[CH ___ Property]**"), as more described in Exhibit A attached hereto, Assignee and Master Developer have delivered all deliverables required for Assignor to assign all of its rights, title and interest under the Original Option Assignment with respect to the [CH ___ Property] to Assignee.

F. Pursuant to the rights of Assignor under the LDDA and the Original Option Assignment, Assignor desires to assign all its rights, title and interest in the Original Option Assignment, with respect to the [CH ___ Property] to Assignee.

G. Assignee desires to assume all of the Assignor's duties and obligations under the Original Option Assignment with respect to the acquisition and development of the [CH __ Property] (the "**Assigned Rights**").

AGREEMENT

NOW, THEREFORE, in consideration of the premises, the sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Assignor hereby assigns to Assignee all its rights, title and interest in and to the Assigned Rights.

2. Assignee hereby assumes all of Assignor's duties and obligations arising after the date hereof pursuant to the Original Option Assignment with respect to the Assigned Rights and the obligations of [Master Developer] associated therewith.

3. Assignor represents and warrants to Assignee that:

(a) Assignor has not previously assigned or otherwise encumbered all or any portion of the Assigned Rights, and the Assigned Rights have not been pledged for any obligations; and

(b) Assignor's assignment of the Assigned Rights does not (i) violate or conflict with any other agreement, contract, or instrument to which Assignor is a party, (ii) violate any law or judicial order to which Assignor is subject, or (iii) except for notices, approvals and consents that have been made or obtained, require that the Assignor obtain any consent or approval of, or that the Assignor give notice to, any person.

4. Assignee represents and warrants to Assignor that Assignee's assumption of the Assigned Rights does not (i) violate or conflict with any other agreement, contract, or instrument to which Assignee is a party, (ii) violate any law or judicial order to which Assignee is subject, or (iii) except for notices, approvals and consents that have been made or obtained, require that the Assignee obtain any consent or approval of, or that the Assignee give notice to, any person.

5. This Assignment may be executed in any number of counterparts (delivered by mail, fax, overnight delivery or electronic mail), each of which shall be deemed to be an original and all such counterparts taken together shall be deemed to constitute one and the same instrument. It is understood and agreed between the parties that all other terms, conditions, provisions, and covenants contained in the Agreement not inconsistent herewith shall remain in full force and effect and are hereby ratified and reaffirmed. The recitals set forth in this Assignment are, by this reference, incorporated into and deemed a part of this Assignment.

[Remainder of Page Intentionally Left Blank; Signatures to Follow]

IN WITNESS WHEREOF, the Assignor has executed this Assignment as of the date first above written.

ASSIGNOR:

COUNTY BOARD OF ARLINGTON COUNTY, VIRGINIA,
a body corporate politic of the Commonwealth of Virginia

By: _____

Reviewed:

Date: _____

By: _____

IN WITNESS WHEREOF, the Assignee has executed this Assignment as of the date first above written.

ASSIGNEE:

[CH _____ OWNER]

By: _____

CONSENTED TO BY ACORN DEVELOPMENT LLC:

ACORN DEVELOPMENT LLC,
a Delaware limited liability company

By: _____
Name: _____
Title: _____

EXHIBIT A

LEGAL DESCRIPTION

EXHIBIT B

ASSIGNMENT AND ASSUMPTION OF OPTION AGREEMENT

(Attached)

Exhibit G

Schedule of Project Milestones

Project Milestone	**Date**
DDA Executed	December 31, 2022
Future Reasonable Agreements Obtained	June 1, 2023
Subdivision Recorded	July 1, 2024
Option Property Conveyed (Closing)	January 1, 2025
Project Commencement	July 1, 2025
Project Completion	January 1, 2028

Exhibit H

Developer's Organizational Chart

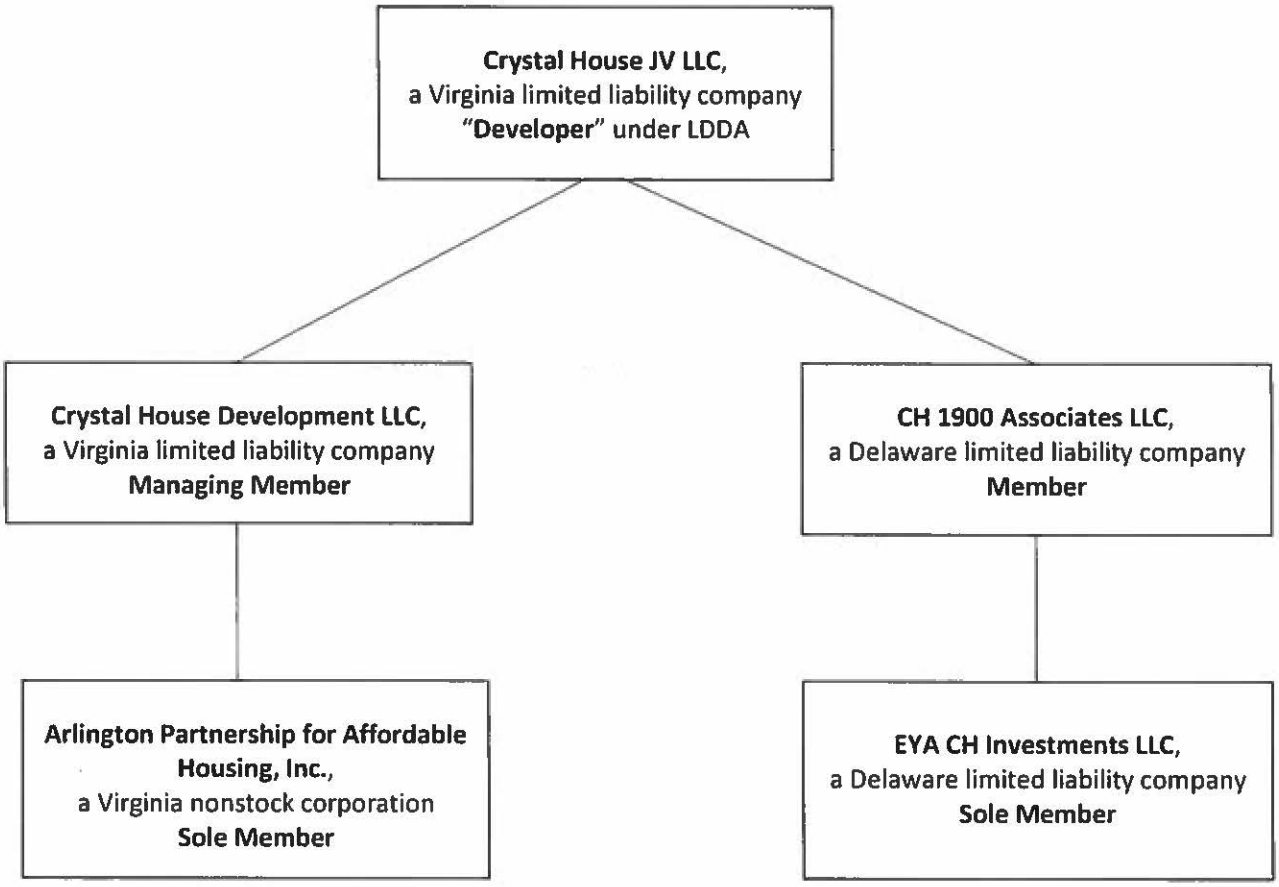

Crystal House JV LLC,
a Virginia limited liability company
"Developer" under LDDA
Crystal House Development LLC,
a Virginia limited liability company
Managing Member
CH 1900 Associates LLC,
a Delaware limited liability company
Member
Arlington Partnership for Affordable Housing, Inc.,
a Virginia nonstock corporation
Sole Member
EYA CH Investments LLC,
a Delaware limited liability company
Sole Member

Exhibit I

Insurance Requirements

Insurance Requirements During Construction. Prior to Commencement of Construction, the Developer shall maintain coverage of the type now known as completed value builder's risk insurance, as delineated on a Builder's Risk 100% Value Non-Reporting Form. Such insurance shall insure against direct physical loss or damage by fire, lightning wind, storm, explosion, collapse, earth movement, land movement or earthquake, flood, vandalism, malicious mischief, glass breakage and such other causes as are covered by such form of insurance. Such policy shall include (A) a "Replacement Cost Endorsement" in an amount not less than 100% of the then full replacement cost, to be determined at least once annually and subject to reasonable approval by the County, and (B) an endorsement to include coverage for budgeted soft costs (including construction loan interest, building permit fees, construction inspection fees, builder's risk insurance, and property taxes during renovation or construction of the Property). The replacement cost coverage shall be for work performed and equipment, supplies and materials furnished to and which become part of the Property without deduction for physical depreciation and with a deductible not exceeding (a) $50,000.00 per occurrence and (b) $100,000.00 for water intrusion and interior water damage.

Insurance Requirements.

(a) Developer covenants and agrees that during the Term of this Agreement, shall maintain the following insurance coverage (a portion of which may be maintained through a Contractor Controlled Insurance Program ("CCIP"):

(1) To the extent required by law, Workers' Compensation insurance in accordance with the Virginia Workers' Compensation Act and employee's liability to $1,000,000 per accident / $1,000,000 per disease / $500,000 disease policy limit; and

(2) Commercial General Liability insurance with limits not less than $1,000,000 per event and $2,000,000 in the aggregate, including coverage for contractual liability, personal injury, broad form of property damage, products and completed operations; and

(3) Automobile Liability insurance with limits not less than $1,000,000, including coverage for owned, non-owned and hired vehicles, as applicable; provided, however, that if the Developer does not own or lease vehicles for purposes of this Agreement, then no automobile insurance shall be required; and

(4) All risk with specified exclusions Property and Fire insurance covering the entire Property for full replacement value.

(5) Crime insurance, to include employee dishonesty, in the amount of $250,000 per occurrence, with a deductible not to exceed $25,000.

(b) All insurance required by this Agreement shall be with a company acceptable to the County Manager or his authorized designee and authorized to transact business in the Commonwealth of Virginia. The required insurance shall be provided under an occurrence form and shall be maintained continuously so long as any promissory note relating to this Agreement is outstanding. Any liability policy purchased by the Developer on a claims made basis must remain in force or be extended for a period of two years past the final payment of the promissory note by the Developer purchasing an extended reporting period endorsement. Evidence of such endorsement shall be provided on a certificate or a copy of the endorsement itself. Should any of the required insurance be provided under a form of coverage that includes an annual aggregate limit or provides that claims investigation or legal defense costs be included in such annual aggregate limit, such annual aggregate limit shall be three times the occurrence limits specified above.

(c) Commercial General Liability. All risks with specified exclusions / Property, Fire and Automobile Liability insurance policies shall be endorsed to name as an "Additional Insured" the County Board and Assignor, and their respective officers, agents and employees and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the County Board and that the insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by the County Board's insurance.

(d) Prior to the disbursement of any funds by the County Board under this Agreement, Developer shall deliver certificates of insurance to the County Manager or his authorized designee showing that Developer has in effect the insurance required by this Agreement. The Developer shall deliver a new or amended certificate of insurance promptly after any change is made in any insurance policy which would alter the information on the certificate previously delivered to the County Manager or his authorized designee. Acceptance or approval of insurance shall in no way modify or change the indemnification clause contained in Section 12.4 of this Agreement, which shall remain in full force and effect.

(e) All policies and bonds shall be endorsed to provide thirty (30) days prior written notice to the County Manager or his authorized designee of cancellation, reduction in coverage, or intent not to renew and such written notice shall be provided to the address for notices to the County.

(f) Developer covenants and agrees that during the pendency of the CH 5 Affordable Housing Covenant recorded against the Property, Developer and any successor shall use any insurance proceeds awarded to repair or replace any damage to the Property.

Exhibit J

Anticipated County Financing Requests

Developer will submit County funding requests by phase, which will maximize the amount of non-County funding sources and minimize the County funding request.

The following represents estimated County funding requests with proposed terms by project based on the developer's proposal. All future funding requests are subject to County staff underwriting and future consideration of the County Board.

	Phase	Estimated Request	Proposed Terms
CH 3	1	$35,269,058	1% interest 50% of residual receipts payment Coterminous with senior loan
CH 4	2	$0	n/a
CH 6	2	$10,850,000	0.25% interest 50% of residual receipts payment Coterminous with senior loan
CH 5	CH 5	$7,320,000	1% interest 50% of residual receipts payment Coterminous with senior loan

Exhibit K

Form of CH 5 Affordable Housing Covenant

PREPARED BY AND AFTER RECORDING RETURN TO:

Office of the Arlington County Attorney
2100 Clarendon Blvd., Suite 403
Arlington, Virginia 22201
Attn: Brenda Heffernan, Assistant County Attorney

(For Recorder's Use)

DEED OF DECLARATION OF RESTRICTIVE COVENANTS
[CH 5 OWNER]

[CRYSTAL HOUSE 5]

THIS DEED OF DECLARATION OF RESTRICTIVE COVENANTS (this "**Declaration**") is made as of the ____ day of _____ 20___ (the "**Effective Date**") by **[CH 5 OWNER]**, a _____ (the "**Declarant**") to the County Board of Arlington County, Virginia, a corporate and body politic of the Commonwealth of Virginia (the "**County Board**").

RECITALS

A. **WHEREAS,** Declarant was formed and organized as a single-purpose entity to (i) acquire a leasehold interest in certain real property located in Arlington County, Virginia at 1900 South Eads Street (the "**CH 5 Property**"), as more particularly described in **Exhibit A**, created by that certain Deed of Ground Lease dated as of _____, 2021, by and between the County Board, as landlord, and the Declarant, as tenant, and all assignments, modifications, extensions and renewals thereof, a memorandum of which, entitled Memorandum of Ground Lease, is to be recorded prior to the recordation of this Declaration (the "**Ground Lease**"), and (ii) finance, develop, construct, maintain, operate, lease and own a [___-story] residential apartment building to be constructed on the CH 5 Property which will contain a total of eighty-nine (89) residential apartment units intended for rental to Low-, Very Low- and Extremely Low-Income Households (defined below) (the "**CH 5 Apartments**," and together with the CH 5 , the "**Property**"); and

B. **WHEREAS,** Declarant and the County Board have executed a Land Disposition and Development Agreement, dated as of December ____, 2022 (the "**County LDDA**"), setting forth certain terms and conditions for the development of the CH 5 Property, including, without limitations, the restrictions and covenants upon the use, occupancy and transfer of the Property; and

C. **WHEREAS,** pursuant to the County LDDA, the Declarant covenants and agrees that for the duration of the CH 5 Affordability Compliance Period:

(i) at least [_____ (__)] residential apartment units in the CH 5 Apartments complex shall be solely rented to and occupied by or, if vacant, available for occupancy by, Extremely Low-Income Households with annual incomes at or below thirty percent (30%) of the median income for the Washington, DC metropolitan statistical area, adjusted for Actual Household Size, as published from time to time by HUD (the "**AMI**"); and

(ii) at least [_____ (__)] residential apartment units in the CH 5 Apartments complex shall be solely rented to and occupied by or, if vacant, available for occupancy by, Very Low-Income Households with annual incomes at or below fifty percent (50%) of the AMI; and

(iii) at least [_____ (__)] residential apartment units in the CH 5 Apartments complex shall be solely rented to and occupied by or, if vacant, available for occupancy by, Low-Income Households with annual incomes at or below sixty percent (60%) of the AMI; and

D. **WHEREAS,** the Declarant shall by this Declaration impose upon the Income-Restricted Units certain occupancy, income and affordability restrictive covenants and requirements for the benefit of the County Board and the Income-Restricted Households who desire to reside in Arlington County and rent and occupy available Income-Restricted Units in the CH 5 Apartments complex; and

E. **WHEREAS,** all capitalized terms used but not defined herein shall have the meaning ascribed to such terms in the County LDDA.

NOW, THEREFORE, the Declarant hereby declares that the Property shall be held, leased, transferred, and conveyed subject to the following restrictive easements, covenants, conditions, and restrictions which are for the purpose of providing affordable housing rental units to Income-Restricted Households for the duration of the CH 5 Affordability Compliance Period. Such restrictive easements, covenants, conditions, and restrictions shall run with the Property submitted to this Declaration and shall be binding on all parties having any right, title, or interest in the described Property or any part thereof, their heirs, successors, successors-in-title and assigns.

DECLARATIONS

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Declarant hereby subjects the Property to the following restrictive covenants and conditions:

1. **Term of Agreement**

This Agreement shall become effective upon its execution and delivery and recordation in the Land Records of Arlington County, Virginia and shall expire upon the date which is the [ninety-ninth (99th) anniversary] of the Effective Date of this Agreement (the "**CH 5 Affordability Compliance Period**"). Upon the termination of this Agreement, County and Declarant shall execute a recordable document further evidencing and confirming such termination.

2. **Income Eligibility and Occupancy Requirements for Income-Restricted Units**.

(a) Declarant covenants, declares and agrees that for the duration of the CH 5 Affordability Compliance Period:

(i) [_____ (__)] of the residential apartment units in the CH 5 Apartments complex shall be designated as Extremely Low-Income Restricted Units, and shall be solely rented to and occupied by or, if vacant, available for occupancy by Extremely Low-Income Households with incomes at or below thirty percent (30%) of the AMI;

(ii) [_____ (__)] of the residential apartment units in the CH 5 Apartments complex shall be designated as Very Low-Income Restricted Units, and shall be solely rented to and occupied by or, if vacant, available for occupancy by Very Low-Income Households with incomes at or below fifty percent (50%) of the AMI;

(iii) [_____ (__)] of the residential apartment units in the CH 5 Apartments complex shall be designated as Low-Income Restricted Units, and shall be solely rented to and occupied by or, if vacant, available for occupancy by Low-Income Households with incomes at or below sixty percent (60%) of the AMI; and

(iv) the distribution of the Income-Restricted Units in the CH 5 Apartments complex shall be as follows:

	30% of AMI	50% of AMI	60% of AMI	TOTAL
Efficiency				
One-bedroom				
Two-bedroom				
Three-bedroom				
TOTAL				

3. **Accessible Housing Units**.

(a) Accessible Housing Units. Declarant covenants, declares and agrees that for the duration of the CH 5 Affordability Compliance Period at least _____ Income-Restricted Units in the CH 5 Apartments complex shall be Type A accessible under standards described in the ICC International Building Code/2015 (ICC/ANSI A117.1-2009), as provided in the current applicable accessible standards as adopted by the Virginia Uniform Statewide Building Code, as amended. The Declarant covenants and agrees to diligently market the accessible Income-Restricted Units to persons with disabilities pursuant to the Declarant's Affirmative Marketing Plan. The distribution of the accessible housing units in the CH 5Apartments complex shall be as follows:

	Total Accessible Units
Studio	
One-bedroom	
Two-bedroom	
Three-bedroom	
TOTAL	

(b) Permanent Supportive Housing Units. [TBD]

4. **Tenant Qualifications**. Declarant covenants, declares and agrees that for the duration of the CH 5 Affordability Compliance Period, the Declarant shall, prior to the initial occupancy of an Income-Restricted Unit by a qualified household, establish that each qualified household that leases an Income-Restricted Unit (i) has an income that qualifies it for occupancy of such Income-Restricted Unit, and (ii) meets the County Manager's or his authorized designee's administrative requirements for the determination and verification of income and occupancy for such Income-Restricted Unit. Annually thereafter, the Declarant shall obtain from each household that leases an Income-Restricted Unit a signed Arlington County Income Certification for Income Restricted Units form establishing the continued eligibility of such household, based on then current annual income, to occupy the Income-Restricted Unit under the terms of this Declaration, together with a signed Arlington County Annual Rental Occupancy Affidavit form certifying that such household continues to occupy the Income-Restricted Unit. Any lease for an Income-Restricted Unit shall include a lease provision that states that a Tenant's failure to provide income information upon recertification will constitute a default with the lease and that tenancy may be terminated for such default. Further, such default on the part of the Tenant requires that the Declarant lease to another qualified household who is in compliance with the income standards for that particular Income-Restricted Unit or a similar one. If an Income-Restricted Household's income increases above 140% of the qualifying income level, upon lease renewal that Income-Restricted Household would be considered an "**Over-Income Household**" but would be permitted to continue to occupy their Income-Restricted Unit pursuant to the applicable guidelines of Section 42 of the United States Internal Revenue Code for the Low-Income Housing Tax Credit program. In the event that a previously qualified Income-Restricted Household is being evicted or removed for a default involving non-compliance with the occupancy requirements/income restrictions, the Declarant will continue to be considered in compliance with this document as long as the Declarant is pursuing possession of the Income-Restricted Unit occupied by such tenant through all available legal means.

5. **Rental Rate Requirements**.

(a) Income Restricted Units. Declarant covenants, declares and agrees that for the duration of the CH 5 Affordability Compliance Period, the rental rates charged of tenants occupying the Income-Restricted Units on the Property shall (i) be established in accordance with the U.S. Housing and Urban Department ("**HUD**") rent limits set for Arlington County for imputed incomes at thirty percent (30%) of AMI, fifty percent (50%) of AMI and sixty percent (60%) of AMI (provided that if HUD does not publish a rent limit for 30% of AMI or 60% of AMI, then the 30% AMI rent limit will be 60% of the rent limit for 50% of AMI and the 60% AMI rent limit will be 120% of the rent limit for 50% of AMI) and (ii) not exceed the established affordability level for the gross rents, as published by HUD. It shall be the responsibility of the Declarant and not the County Board or its designees to establish rents for the Income-Restricted Units in accordance with applicable HUD regulations.

(b) Intentionally Omitted.

6. **Required Acceptance of Certain Grants**. Declarant covenants, declares and agrees that for the duration of the CH 5 Affordability Compliance Period, the Declarant shall accept tenant-based vouchers from the Housing Choice Voucher Program and the Arlington County Department of Human Services Housing Grant Program (as applicable) as part of the rental payment from qualified Income-Restricted Households, and to suspend any requirement for minimum income for prospective Income-Restricted Households who are participants in the Housing Choice Voucher Program; provided, however, that the Declarant shall not be required to give preference to such participants or applicants over other qualified Income-Restricted Households, and further provided that such suspension does not violate VHDA's regulatory agreement or result in the loss of low income tax credits pursuant to the Code.

7. **Utility Allowance**. Declarant covenants, declares and agrees that during the CH 5 Affordability Compliance Period, to the extent that Tenants pay their own utility charges, the maximum monthly rent shall be reduced by the utility allowance which shall be documented in each tenant file and provided annually to the County Manager or his authorized designee.

8. **Utility Usage Information**. Declarant covenants and agrees to install energy monitoring equipment capable of tracking the Property's use data and provide to the County Manager or his designee, on or before January 31st of the year following the issuance date of the partial certificate of occupancy for the last floor of the CH 5 Apartments, and on or before each January 31st thereafter during the Term of this Agreement:

(a) utility usage information for the Property, including electric, gas, water and back-up generator fuel consumption for the purpose of benchmarking and tracking utility usage. When requested by the County Manager or his designee, such information shall be historic (at least twelve (12) months of data on utility usage) as well as current (the most recent month as of the date of the County Manger's or his designee's request); and

(b) a complete "ENERGY STAR Portfolio Manager Report" (or equivalent as approved by the County Manager or his designee) for the CH 5 Apartments.

9. **Leases**. Declarant covenants, declares and agrees that all leases for the Income-Restricted Units entered into by Declarant shall provide for a minimum term of one (1) year. Declarant agrees to provide residents of all Income-Restricted Units full access to all amenities provided to other residents of the Property, if any, subject to the rules, regulations and conditions governing the use of these facilities for all tenants as reasonably established by the Declarant. Declarant also agrees to comply with all of the guidelines listed in Section 3-23 of the 4350.3 HUD Occupancy Handbook, as amended, to ensure that tenants residing in Income-Restricted Units have a household size appropriate to the size of the unit being leased.

10. **Management**. The Income-Restricted Units on the Property shall be owned, managed and operated continuously as affordable rental apartment units during the CH 5 Affordability Compliance Period. The Declarant

may manage the operations of the Property itself or may hire another party to do so. In the event said manager is not the Declarant, any agreement between the Declarant and said manager shall be subject to approval by the County Manager or his authorized designee and incorporate the terms of this Declaration. County hereby approves the management agreement in effect as of the date hereof.

11. **Reporting**. During the CH 5 Affordability Compliance Period, on or before the sixtieth (60th) day after the close of the Declarant's fiscal year or such other date as may be reasonably requested by the County Manager or his authorized designee, the Declarant shall provide to the County Manager or his authorized designee a report in a form required by the County Manager, listing the name of each household member occupying an Income-Restricted Unit, the qualifying income level of the household occupying such Income-Restricted Unit and the rental amount then being charged by Declarant for such Income-Restricted Unit. Further, the report will contain the recertification date, unit number and any other information that the County Manager or his authorized designee deems reasonably necessary. In addition, at any time the County Manager or his authorized designee may review or request copies of each tenant's file, or review or request copies of the following documents, with respect to any Income-Restricted Unit:

(a) a copy of the tenant's rental application;

(b) a copy of the executed rental agreement (lease);

(c) the Income Certification for Income-Restricted Units Form, with supporting documentation, ([which form shall be provided by the County]); and

(d) a copy of any Annual Rental Occupancy Affidavit, ([which form shall be provided by the County]).

12. **Inspections**. The covenants and restrictions set forth herein shall be enforceable by the County Manager or his authorized designee in all respects. To assure and enforce compliance with this Declaration, the County Manager or his authorized designee shall have the right during Declarant's normal business hours and following upon reasonable prior written notice to Declarant, and subject to the rights of tenants under their leases and under applicable law, to inspect the Property, all books and records related thereto including, but not limited to, rental applications, rent rolls, and all other relevant documents which pertain to rents paid, occupancy, and incomes of all tenants of the CH 5 Apartments complex.

13. **Transfers**. Except as expressly permitted below [and except as expressly permitted in the Ground Lease], the Declarant shall not make or create or suffer to be made or created, any "Transfer", either voluntarily or by operation of law, without the prior written approval of the County Board. As used herein, the term "Transfer" means (i) any total or partial sale, lease, assignment, or other conveyance, or any trust or power, or any transfer in any other mode or form of any part of or interest in the Property, or any agreement to do any of the foregoing or (ii) any total or partial sale, assignment, or other conveyance, or any trust or power, or any transfer in any other mode or form, of or with respect to any ownership interest in the Declarant or any agreement to do any of the foregoing. Any Transfer made in contravention of this Declaration shall at the County Board's discretion be void, whether or not Declarant knew of or participated in such Transfer. [The only Transfers permitted at any time without the prior written approval of the County Board are the rental of residential apartment units on the Property by the Declarant in the ordinary course of business and transfers permitted pursuant to Section _____ of the Ground Lease. The Declarant shall promptly notify the County Manager or his authorized designee in writing of any such Transfer permitted without prior approval of the County Board.]

14. **Affirmative Marketing Plan**. Declarant covenants and agrees to implement an Affirmative Marketing Plan in substantially that form as required by HUD. The Affirmative Marketing Plan shall be in a form and substance acceptable to the County Manager, or designee, according to the County Manager's criteria for such marketing plan. The County Manager hereby approves the Affirmative Marketing Plan as of the date hereof.

15. **Non-Discrimination**.

(a) The Declarant shall not, in the selection of residents, in the provision of services, or in any other manner, discriminate against any person on the grounds of Race, National Origin, Color, Marital Status, Sex, Religion, Age/Elderliness, Disability (physical or mental), Sexual Orientation, or Familial Status (being pregnant or having children under age 18), or discriminate in violation of any applicable law or regulation. The Declarant shall comply with all requirements imposed by Title VIII of the Civil Rights Act of 1968, and any related rules and regulations. Nothing in this paragraph shall prohibit Declarant from complying with the obligation in its VHDA tax credit approval, if any, to give preference to individuals with intellectual and/or developmental disabilities.

(b) The Declarant agrees not to discriminate against prospective tenants on the basis that they receive or are eligible to receive housing assistance under any Federal, State, or local housing assistance program and not to discriminate against or deny occupancy to any tenant or prospective tenant by reason that the tenant has a minor child or children who will be residing with them.

(c) The Declarant shall not discriminate in the selection of contractors or contract workers because of Race, National Origin, Color, Marital Status, Sex, Religion, Age, Disability, Sexual Orientation, or Familial Status, except where one of these characteristics is a bona fide occupational qualification reasonably necessary to the normal operation of the Contractor.

(d) The Declarant covenants and agrees to encourage the use of, and provide the opportunity for, Minority and Women Business Enterprises to provide goods or services to the Declarant.

16. **Default; Enforcement**. In the event that the Declarant defaults in the performance of any of the covenants or its obligations under this Declaration, the County Board may, at its option, pursue any one or more of the remedies provided by Article _____ of the Ground Lease, law or in equity, including but not limited to the right to apply to any court of competent jurisdiction within the Commonwealth of Virginia to enforce specific performance by the Declarant of its obligations hereunder or to obtain an injunction against any violations hereof, or to obtain any other such relief as may be appropriate.

17. **Waiver; Forbearance**. The County Board shall have the right to waive at its option any of the rights granted to it hereunder to enforce the terms hereof, provided that the County Board's election not to pursue any particular remedy in the event of a default hereunder shall not be construed to preclude or be a waiver of the County Board's right to pursue any of the other remedies with respect to the violation for which such remedy was pursued or with respect to any other violation prior or subsequent thereto. In addition, any forbearance by the County Board in exercising any of its rights hereunder shall not constitute a waiver or preclude the exercise of such rights.

18. **Intentionally Omitted**.

19. **Governing Law**. This Declaration shall be governed by the laws of the Commonwealth of Virginia.

20. **Severability**. The invalidity of any clause, part, or provision of this Declaration shall not affect the validity of the remaining portions hereof.

21. **Survival**. The obligations of Declarant as set forth herein shall survive the term of the County Loans and shall not be deemed to merge with or be terminated by the making of such County Loans.

22. **Covenants Run with the Land**. The covenants set forth herein shall be deemed covenants running with the land and shall be an encumbrance on the Property. Such covenants shall be binding upon the Declarant and its successors and assigns, including any successor in title to the Property.

23. **Intentionally Omitted**.

SIGNATURE ON THE FOLLOWING PAGE

IN WITNESS WHEREOF, the Declarant has caused this Declaration to be executed as of the date first above written.

DECLARANT:

[CH 5 OWNER], a _____

By: _____

By: _____

ACKNOWLEDGMENT

COMMONWEALTH OF VIRGINIA
COUNTY OF ARLINGTON

On this the ____ day of _____ 20___, before me, personally appeared _____, who acknowledged [himself/herself] to be the _____ of [CH 5 OWNER] in the above instrument, and that she, as _____, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of _____, [Managing Member/General Partner] of [CH 5 OWNER], by [himself/herself] as _____ of [CH 5 OWNER].

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

_____
NOTARY PUBLIC
My Commission Expires: _____
Serial Number: _____

ACKNOWLEDGED AND AGREED TO:

THE COUNTY BOARD OF ARLINGTON COUNTY, VIRGINIA, a corporate and body politic of the Commonwealth of Virginia

By:_____
Mark Schwartz, County Manager

Approved as to form:

By:_____
MinhChau Corr, Acting County Attorney

EXHIBIT A

Legal Description
CH 5 Apartments

(End of Exhibit "A")

FIRST AMENDMENT TO ASSIGNMENT AND ASSUMPTION OF OPTION AGREEMENT

Crystal House Apartments

This FIRST AMENDMENT TO ASSIGNMENT AND ASSUMPTION OF OPTION AGREEMENT (this "**Amendment**") is entered into as of the 31.00 day of May 2023, by and between ACORN DEVELOPMENT LLC, a Delaware limited liability company ("**Assignor**"), COUNTY BOARD OF ARLINGTON COUNTY, VIRGINIA, a body corporate and politic of the Commonwealth of Virginia (the "**Assignee**") and WHC CRYSTAL LLC, a District of Columbia limited liability company ("**Optionor**") as consenting party hereto. The Assignor and Assignee are collectively referred to herein as the "**Parties**."

WHEREAS, the Parties entered into that certain Assignment and Assumption of Option Agreement dated July 27, 2021 (the "**Agreement**") to assign the Option Agreement to Assignee for the development of the Crystal House Apartments located in Arlington County, Virginia.

WHEREAS, the Parties desire to amend and modify the Agreement as set forth in this Amendment.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby enter into this Amendment on the terms and conditions set forth herein.

1. Recitals. The foregoing recitals are incorporated herein by reference.

2. Capitalized Terms. Capitalized terms used but not defined herein (including in the Recitals) shall have the meanings set forth in the Agreement.

3. Project Milestones. The Project Milestones attached to the Agreement as Exhibit C is hereby deleted and replaced with the Project Milestones attached hereto as Exhibit A of this Amendment.

4. Counterparts. This Amendment may be executed in any number of counterparts, each of which shall be considered an original for all purposes; provided, however, that all such counterparts shall together constitute one and the same instrument.

5. Original Agreement. Except as amended hereby, the Agreement remains unchanged and in full force and effect and the Parties hereto hereby ratify and reaffirm the terms of the Agreement as amended hereby.

6. Applicable Law. This Amendment shall be construed and enforced in accordance with the laws of the Commonwealth of Virginia.

7. Optionor Consent. Optionor hereby acknowledges and consents to this Amendment.

[signature pages follow]

IN WITNESS WHEREOF, the Parties have duly executed this Amendment by their duly authorized signatories effective on or as of the date written at the commencement of this Amendment.

ASSIGNOR:

ACORN DEVELOPMENT LLC, a Delaware limited liability company

By: DocuSigned by: London Kemp
FAE7EDC03B2D420...
London Kemp, Authorized Signatory

[signatures continue on the following page]

ASSIGNEE:

Approved as to form:

MinhChau Corr, County Attorney

THE COUNTY BOARD OF ARLINGTON COUNTY, VIRGINIA, a body corporate and politic of the Commonwealth of Virginia

By: _____
Mark Schwartz, County Manager

[signatures continue on the following page]

The foregoing Amendment is acknowledged and consented to by:

OPTIONOR:

WHC CRYSTAL LLC, a District of Columbia limited liability company

By: Washington Housing Conservancy, Inc.
a District of Columbia non-profit corporation,
its Sole Member

By: _____
Kimberly C. Driggins, Executive Director

EXHIBIT A

Project Milestones

[attached]

Project Milestones

	Project Milestone	Date
1	DDA Executed	December 31, 2022
2	Future Reasonable Agreements Obtained	December 31, 2023
3	Subdivision Recorded	July 1, 2024
4	Option Property Conveyed (Closing)	January 1, 2025
5	Project Commencement	July 1, 2025
6	Project Completion	January 1, 2028

ATTACHMENT 1

ASSIGNMENT AND ASSUMPTION AGREEMENT

SECOND AMENDMENT TO
ASSIGNMENT AND ASSUMPTION OF OPTION AGREEMENT

Crystal House Apartments

This SECOND AMENDMENT TO ASSIGNMENT AND ASSUMPTION OF OPTION AGREEMENT (this "**Amendment**") is entered into as of the 29 day of December 2023, by and between ACORN DEVELOPMENT LLC, a Delaware limited liability company (**"Assignor**"), COUNTY BOARD OF ARLINGTON COUNTY, VIRGINIA, a body corporate and politic of the Commonwealth of Virginia (the "**Assignee**") and WHC CRYSTAL LLC, a District of Columbia limited liability company ("**Optionor**") as consenting party hereto. The Assignor and Assignee are collectively referred to herein as the "**Parties**."

WHEREAS, the Parties entered into that certain Assignment and Assumption of Option Agreement dated July 27, 2021, as amended to date (the "**Agreement**") to assign the Option Agreement to Assignee for the development of the Crystal House Apartments located in Arlington County, Virginia.

WHEREAS, the Parties desire to amend and modify the Agreement as set forth in this Amendment.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby enter into this Amendment on the terms and conditions set forth herein.

1. Recitals. The foregoing recitals are incorporated herein by reference.

2. Capitalized Terms. Capitalized terms used but not defined herein (including in the Recitals) shall have the meanings set forth in the Agreement.

3. Project Milestones. The Project Milestones attached to the Agreement as Exhibit C is hereby deleted and replaced with the Project Milestones attached hereto as Exhibit A of this Amendment.

4. Predevelopment Site Access. With the prior approval of Assignor and Assignee, which approval shall not be unreasonably withheld, conditioned, or delayed, Optionor may enter into a work agreement with Master Developer, allowing Master Developer access to perform at the Option Property for site work, utility relocation, and related work prior to Master Developer or its affiliates taking ownership of the Option Property.

5. Counterparts. This Amendment may be executed in any number of counterparts, each of which shall be considered an original for all purposes; provided, however, that all such counterparts shall together constitute one and the same instrument.

6. Original Agreement. Except as amended hereby, the Agreement remains unchanged and in full force and effect and the Parties hereto hereby ratify and reaffirm the terms of the Agreement as amended hereby.

7. Applicable Law. This Amendment shall be construed and enforced in accordance with the laws of the Commonwealth of Virginia.

8. Optionor Consent. Optionor hereby acknowledges and consents to this Amendment.

[signature pages follow]

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IN WITNESS WHEREOF, the Parties have duly executed this Amendment by their duly authorized signatories effective on or as of the date written at the commencement of this Amendment.

ASSIGNOR:

ACORN DEVELOPMENT LLC, a Delaware limited liability company

By: DocuSigned by: Jason Weinstein 7BBD3A693988436...
Jason Weinstein, Authorized Signatory

[signatures continue on the following page]

ASSIGNEE:

Approved as to form:

County Attorney

THE COUNTY BOARD OF ARLINGTON COUNTY, VIRGINIA, a body corporate and politic of the Commonwealth of Virginia

By: _____
Mark Schwartz, County Manager

[signatures continue on the following page]

The foregoing Amendment is acknowledged and consented to by:

OPTIONOR:

WHC CRYSTAL LLC, a District of Columbia limited liability company

By: Washington Housing Conservancy, Inc.
a District of Columbia non-profit corporation,
its Sole Member

By:_____
Kimberly C. Driggins, Executive Director

EXHIBIT A

Project Milestones

[attached]

Project Milestones

	Project Milestone	Outside Date
1	**DDA Executed**	N/A (complete)
2	**Future Reasonable Agreements Obtained**	May 1, 2024
3	**Subdivision Recorded**	July 1, 2024
4	**Option Property Conveyed (Closing)**	January 1, 2025
5	**Project Commencement**	July 1, 2025
6	**Project Completion**	January 1, 2028

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THIRD AMENDMENT TO ASSIGNMENT AND ASSUMPTION OF OPTION AGREEMENT

Crystal House Apartments

This THIRD AMENDMENT TO ASSIGNMENT AND ASSUMPTION OF OPTION AGREEMENT (this "**Amendment**") is entered into as of the 28 day of June 2024, by and between ACORN DEVELOPMENT LLC, a Delaware limited liability company ("**Assignor**"), COUNTY BOARD OF ARLINGTON COUNTY, VIRGINIA, a body corporate and politic of the Commonwealth of Virginia (the "**Assignee**") and WHC CRYSTAL LLC, a District of Columbia limited liability company ("**Optionor**") as consenting party hereto. The Assignor and Assignee are collectively referred to herein as the "**Parties.**"

WHEREAS, the Parties entered into that certain Assignment and Assumption of Option Agreement dated July 27, 2021, as amended to date (the "**Agreement**") to assign the Option Agreement to Assignee for the development of the Crystal House Apartments located in Arlington County, Virginia.

WHEREAS, the Parties desire to amend and modify the Agreement as set forth in this Amendment.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby enter into this Amendment on the terms and conditions set forth herein.

1. Recitals. The foregoing recitals are incorporated herein by reference.

2. Capitalized Terms. Capitalized terms used but not defined herein (including in the Recitals) shall have the meanings set forth in the Agreement.

3. Project Milestones. The Project Milestones attached to the Agreement as Exhibit C is hereby deleted and replaced with the Project Milestones attached hereto as Exhibit A of this Amendment.

4. Subdivision. The Parties agree (with the consent of the Optionor provided by Optionor's signature hereto) that for all purposes under the Agreement and Option Agreement, the "Subdivision" (as defined in the Option Agreement) may be accomplished pursuant to a traditional lot subdivision, a land condominium regime imposed on the Option Property, or a combination of both.

5. Option Property Affordable Housing Covenant. The Parties agree (with the consent of the Optionor provided by Optionor's signature hereto) that the following is inserted as a new second sentence in Section 5(viii) of the Agreement: "The Option Property Affordable Housing Covenant shall encumber each phase of the Option Property, with the exception of CH 7 and CH8."

6. Occupancy Objective. The Parties agree (with the consent of the Optionor provided by Optionor's signature hereto) that the definition of "Occupancy Objective" in the Agreement is hereby deleted and replaced with the following:

> "Occupancy Objective" shall mean the leasing of sufficient Units to Qualifying Tenants to achieve a tenant mix which results in seventy-three

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percent (73%) of the Units being income and rent restricted, of which not less than twenty percent (20%) of the Units being leased to Qualifying Tenants with Annual Income not in excess of fifty percent (50%) of the MSA Median Family Income ("Very Low Income Tenants") and another fifty-three percent (53%) of the Units being leased to Qualifying Tenants with Annual Income not in excess of eighty percent (80%) of the MSA Median Family Income ("Low Income Tenants"), in each case with the applicable tenant paying no more for the rent and those utilities provided by Owner (excluding cable, internet and telephone) of the Qualified Unit (excluding charges for parking, pet fees and other customary fees and charges) than the maximum allowable rent for such unit for projects receiving Low Income Housing Tax Credits under Section 42 of the Code as the same may be amended from time to time.

7. Counterparts. This Amendment may be executed in any number of counterparts, each of which shall be considered an original for all purposes; provided, however, that all such counterparts shall together constitute one and the same instrument.

8. Original Agreement. Except as amended hereby, the Agreement remains unchanged and in full force and effect and the Parties hereto hereby ratify and reaffirm the terms of the Agreement as amended hereby.

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

10. Optionor Consent. Optionor hereby acknowledges and consents to this Amendment.

[signature pages follow]

Docusign Envelope ID: AD339559-6726-4480-871B-EF5C390E5D42

IN WITNESS WHEREOF, the Parties have duly executed this Amendment by their duly authorized signatories effective on or as of the date written at the commencement of this Amendment.

ASSIGNOR:

ACORN DEVELOPMENT LLC, a Delaware limited liability company

By: DocuSigned by: _____
790CD41906EF4D6...
John Schoettler, Authorized Signatory

[signatures continue on the following page]

Docusign Envelope ID: AD339559-6726-4480-871B-EF5C390E5D42

ASSIGNEE:

Approved as to form:

MiphChau Corr, County Attorney

THE COUNTY BOARD OF ARLINGTON COUNTY, VIRGINIA, a body corporate and politic of the Commonwealth of Virginia

By: _____
Mark Schwartz, County Manager

[signatures continue on the following page]

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The foregoing Amendment is acknowledged and consented to by:

OPTIONOR:

WHC CRYSTAL LLC, a District of Columbia limited liability company

By: Washington Housing Conservancy, Inc.
a District of Columbia non-profit corporation,
its Sole Member

DocuSigned by:
By: Kimberly Driggins
C37BB3E47AC946D...
Kimberly C. Driggins, Executive Director

Docusign Envelope ID: AD339559-6726-4480-871B-EF5C390E5D42

EXHIBIT A

Project Milestones

[attached]

Docusign Envelope ID: AD339559-6726-4480-871B-EF5C390E5D42

Project Milestones

	Project Milestone	Outside Date
1	**DDA Executed**	N/A (complete)
2	**Future Reasonable Agreements Obtained**	May 1, 2024
3	**Subdivision Recorded**	December 31, 2025
4	**Option Property Conveyed (Closing)**	• Crystal House 3: December 31, 2025 • Crystal House 7: June 30, 2026 • Crystal House 8: June 30, 2026 • Crystal House 6: December 31, 2026 • Crystal House 4: September 30, 2028
5	**Project Commencement**	• Crystal House 3: December 31, 2025 • Crystal House 7: June 30, 2026 • Crystal House 8: June 30, 2026 • Crystal House 6: December 31, 2026 • Crystal House 4: September 30, 2028
6	**Project Completion**	• Crystal House 3: December 31, 2027 • Crystal House 7: June 30, 2028 • Crystal House 8: June 30, 2028 • Crystal House 6: December 31, 2028 • Crystal House 4: December 31, 2030

FOURTH AMENDMENT TO ASSIGNMENT AND ASSUMPTION OF OPTION AGREEMENT

Crystal House Apartments

This FOURTH AMENDMENT TO ASSIGNMENT AND ASSUMPTION OF OPTION AGREEMENT (this "**Amendment**") is entered into as of the 29th day of October 2024, by and between ACORN DEVELOPMENT LLC, a Delaware limited liability company ("**Assignor**"), COUNTY BOARD OF ARLINGTON COUNTY, VIRGINIA, a body corporate and politic of the Commonwealth of Virginia (the "**Assignee**") and WHC CRYSTAL LLC, a District of Columbia limited liability company ("**Optionor**") as consenting party hereto. The Assignor and Assignee are collectively referred to herein as the "**Parties**."

WHEREAS, the Parties entered into that certain Assignment and Assumption of Option Agreement dated July 27, 2021, as amended to date (the "**Agreement**") to assign the Option Agreement to Assignee for the development of the Crystal House Apartments located in Arlington County, Virginia.

WHEREAS, the Master Developer has requested an early closing on the portion of the Option Property related to the CH 3 Phase in order to commence construction work in advance of its financing closing, and the Assignor, Assignee, and Optionor are agreeing to cooperate with same subject to the terms and conditions set forth herein.

WHEREAS, the Parties desire to amend and modify the Agreement as set forth in this Amendment.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby enter into this Amendment on the terms and conditions set forth herein.

1. Recitals. The foregoing recitals are incorporated herein by reference.

2. Capitalized Terms. Capitalized terms used but not defined herein (including in the Recitals) shall have the meanings set forth in the Agreement or in the certain Land Disposition and Development Agreement dated December 13, 2022, as amended, by and between Assignee and Crystal House JV LLC, a Virginia limited liability company ("**Developer**").

3. Conditions to Closing. The Parties agree that, with respect to CH3 only, the "Financing Commitments Obtained" condition to the exercise of the Option as set forth in Sections 5.vii and 7 of the Agreement (the "**Deferred Conditions**") are hereby deferred until the Master Developer's CH3 construction financing closing (the "**CH3 Financing Closing**").

4. Assignor's Option. For the CH3 Phase only, Section 9.iv of the Agreement is amended to add to the conditions upon any of which Assignor may exercise Assignor's Option the following (each

a "**CH3 Financing Closing Failure**"):

i. Developer's failure to deliver the CH3 Full Bond on or before the CH3 Financing Closing; or
ii. Developer's failure to deliver the CH3 Full Guaranty on or before the CH3 Financing Closing; or
iii. Developer's failure to achieve the CH3 Financing Closing by the CH3 Financing Closing Milestone date.

5. Counterparts. This Amendment may be executed in any number of counterparts, each of which shall be considered an original for all purposes; provided, however, that all such counterparts shall together constitute the same instrument.

6. Original Agreement. Except as amended hereby, the Agreement remains unchanged and in full force and effect and the Parties hereto hereby ratify and reaffirm the terms of the Agreement as amended hereby.

7. Applicable Law. This Amendment shall be construed and enforced in accordance with the laws of the Commonwealth of Virginia.

8. Optionor Consent. Optionor hereby acknowledges and consents to this Amendment.

[signature pages follow]

IN WITNESS WHEREOF, the Parties have duly executed this Amendment by their duly authorized signatories effective on or as of the date written at the commencement of this Amendment.

ASSIGNOR:

ACORN DEVELOPMENT LLC, a Delaware limited liability company

By: _____
Shannon Loew, Authorized Signatory

[signatures continue on the following page]

ASSIGNEE:

Approved as to Form

COUNTY BOARD OF ARLINGTON COUNTY, VIRGINIA, a body corporate politic of the Commonwealth of Virginia

MinhChau Corr, County Attorney

By: _____
Mark Schwartz, County Manager

[signatures continue on the following page]

The foregoing Amendment is acknowledged and consented to by:

OPTIONOR:

WHC CRYSTAL LLC, a District of Columbia limited liability company

By: Washington Housing Conservancy, Inc.
a District of Columbia non-profit corporation,
its Sole Member

By: _____
Kimberly C. Driggins, Executive Director

ASSIGNMENT AND ASSUMPTION OF OPTION AGREEMENT

This **ASSIGNMENT AND ASSUMPTION OF OPTION AGREEMENT** (this "**Assignment**") is made and entered into as of July __, 2021, by and among ACORN DEVELOPMENT LLC, a Delaware limited liability company and its successors, participants, and assigns ("**Assignor**"), and COUNTY BOARD OF ARLINGTON COUNTY, VIRGINIA, a body corporate and politic of the Commonwealth of Virginia ("**Assignee**"), and WHC CRYSTAL LLC, a District of Columbia limited liability company ("**Optionor**") as consenting party hereto.

BACKGROUND

A. Optionor owns certain real property located in the County of Arlington, Commonwealth of Virginia, and legally described on Exhibit A attached hereto (the "**Larger Property**").

B. The Larger Property is improved with two buildings and with parking areas.

C. In addition to the existing buildings and related improvements, the Larger Parcel is entitled for a development consisting of additional buildings containing in the aggregate approximately 738,319 gross square feet of residential space and approximately 800 gross square feet of commercial space, parking areas containing approximately 825 parking spaces and certain other improvements (the "**Additional Development**"). The portion of the Larger Parcel on which the Additional Development is to be constructed is referred to herein as the "**Additional Development Parcels**."

D. Assignor and Optionor entered into that certain Option Agreement dated effective as of December 31, 2020, as amended pursuant to that certain Partial Release of Option Agreement, dated effective as of May 10, 2021 (the "**Option Agreement**") granting Assignor the right, at its election, and subject to certain conditions, to have Optionor convey the "Option Property" to Assignor. As used in the Option Agreement, the term "**Option Property**" means: "(A) (i) the Additional Development Parcels and the Improvements located on the Additional Development Parcels (if any), (ii) all rights, proceeds, privileges, easements and hereditaments relating or appertaining thereto, and (iii) all personal property, fixtures, and equipment required or beneficial for the operation thereof; and (B) those entitlements, transferable development rights and other rights that are set forth in Site Plan #451, approved by the Assignee on December 14, 2019 ("**Site Plan # 451**"), but excluding any such entitlements, development rights and other rights in Site Plan #451 that are necessary to continue to operate the CH 1&2 Parcel as currently operated. Notwithstanding the foregoing, the Option Property does not include any land area or parking needed under applicable land use regulation to support the continued operation of the portion of the Land and Improvements that are not a part of the Option Property. Capitalized terms used in this Assignment shall have the same meanings set forth in the Option Agreement unless otherwise expressly provided herein. A copy of the Option Agreement is attached hereto as Exhibit B.

E. The Option Agreement allows Assignor to assign the Option Agreement to any party, in whole or in part, in its sole discretion.

F. Assignor desires to assign to Assignee all of its rights, duties, and obligations under the Option Agreement, subject to the terms and conditions of this Assignment.

G. Assignee desires to assume all such rights, duties, and obligations, as applicable subject to the terms and conditions of this Assignment.

H. Assignor has (i) notified Optionor in writing of the proposed assignment; (ii) provided Optionor with the name and address of the proposed assignee; and (iii) provided Optionor with a copy of the proposed instrument of assignment all as required by the Option Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual benefits derived herein the parties agree as follows:

1. **Assignment.** Assignor hereby assigns to Assignee all of its rights, duties, and obligations under the Option Agreement, subject to the terms and conditions herein.

2. **Assumption.** Assignee hereby assumes all rights, duties, and obligations of Assignor under the Option Agreement, subject to the terms and conditions herein. Assignee acknowledges and agrees that, upon assuming such assignment, it shall be deemed to have made any and all representations and warranties made by Assignor under the Option Agreement (as reasonably amended to account for Assignee's entity structure, place of organization and similar criteria that differ between Assignor and Assignee), as if the Assignee were the original signatory to the Option Agreement.

3. **Development of the Project.**

i. Assignee shall utilize its rights under this Assignment and under the Option Agreement as assigned to cause the development of up to 738 new residential units pursuant to Site Plan #451 (the "**Project**"). The Project shall include a minimum of 554 affordable residential units, of which a minimum of 148 of the residential units shall be committed to households earning fifty percent (50%) or less of the median income for the Washington, DC-Arlington-Alexandria, DC-VA-MD HUD Metro FMR Area, adjusted for actual household size, as published from time to time by the United States Department of Housing and Urban Development ("**AMI**"), and a minimum of 406 of the residential units shall be committed to households earning eighty percent (80%) or less of the AMI. The Assignee shall

cause the development and completion of the Project by no later than January 1, 2028, subject to Enforced Delay as hereinafter defined.

ii. Assignee may accomplish the Project by either (a) selecting an entity experienced and capable of managing development of the Project pursuant to the process set forth in Section 4 hereof ("**Master Developer**") and assigning its rights and obligations hereunder to the Master Developer, subject to the terms and conditions of this Assignment, or (b) exercising the Option pursuant to the terms of the Option Agreement and subject to satisfaction of the conditions precedent set forth in the DDA (as defined below), including, without limitation, those described in Section 5.vii below, and conveying its fee interest and/or a leasehold interest in the Option Property to the selected Master Developer and/or multiple sub-developers, subject to the terms and conditions of the DDA and this Assignment.

4. **Selection of the Master Developer.** Assignee shall select a Master Developer for the Project following a process that includes the following:

i. Assignee shall develop prequalification criteria, in collaboration with the Assignor, for the Master Developer. The predevelopment criteria shall emphasize developers with ample experience delivering large, high quality affordable housing development and who could serve as a Master Developer overseeing multiple phases of development with potentially different sub-developers.

ii. Using the approved prequalification criteria, Assignee shall issue a Request for Qualifications for Master Developer.

iii. Assignee shall invite at least three of the developers who responded to the RFQ and satisfy the prequalification criteria to submit proposals for the Project pursuant to a Request for Proposals ("**Assignee RFP**").

iv. Pursuant to the Assignee RFP, the Assignee, in its discretion, will select the Master Developer from among those that submit proposals.

5. **Disposition and Development Agreement.** Assignee shall enter into a Disposition and Development Agreement ("**DDA**") for the Option Property with the selected Master Developer ("**DDA Executed**"). The DDA shall contain the following terms:

i. Master Developer shall design the Project to achieve certain "Fundamental Project Elements" – including the development and completion of a minimum of 554 affordable residential units, of which a minimum of 148 of the residential units shall be committed to households earning fifty percent (50%) or less of the AMI, and a minimum of 406 of the residential units shall be committed to households earning eighty percent (80%) or less of the AMI ("**Affordable Housing Minimum**").

Assignee will use reasonable efforts to cause the development of affordable residential units beyond the Affordable Housing Minimum, with a goal of causing the development of 650 affordable residential units. As used herein, the term "affordable residential unit" shall mean a unit committed to a household earning eighty percent (80%) or less of the AMI. Assignee may require the Master Developer to deliver the other features promised in the Master Developer's proposal through the DDA and enforcement of the DDA so long as such does not compromise achievement of the Affordable Housing Minimum.

ii. Either the Assignee or the Master Developer, as applicable, shall negotiate and obtain the Future Reasonable Agreements under Section 9 of the Option Agreement ("**Future Reasonable Agreements Obtained**"). The form and content of the Future Reasonable Agreements shall be subject to Assignor's prior approval and may, at Assignee's discretion, be subject to Assignee's prior approval.

iii. Either the Assignee or the Master Developer, as applicable, shall work with Optionor and have Optionor cause the Larger Property to be subdivided as provided in Section 5(a) of the Option Agreement ("**Subdivision Recorded**").

iv. Master Developer shall develop a financing plan describing the sources and uses of funds for the development and operation of the Project ("**Financing Plan Developed**") and shall develop a plan for the phasing of the development of portions of the Project over time ("**Phasing Plan Developed**").

v. Either the Assignee or the Master Developer, as applicable, shall obtain all necessary Entitlements for the Project, including building permits, and including the Subdivision design and schedule ("**Entitlements Obtained**").

vi. The Project design, the Future Reasonable Agreements, the Subdivision, the Financing Plan, and the Phasing Plan shall be subject to Assignee's prior approval.

vii. When Assignee has approved the Project design, the Future Reasonable Agreements, the Subdivision, the Financing Plan and the Phasing Plan, and Master Developer has obtained commitments for all necessary financing as described in the Financing Plan ("**Financing Commitments Obtained**") and obtained all necessary Entitlements, Assignee shall either (a) assign the Option Agreement to the Master Developer, the Master Developer shall exercise the Option, and the Optionor shall convey the Option Property to Master Developer or to multiple sub-developers working with the Master Developer, or (b) exercise the Option, the Optionor shall convey the Option Property to the Assignee, and the Assignee shall convey its fee interest and/or a leasehold interest in the Option Property to the selected Master Developer and/or multiple sub-developers ("**Option Property Conveyed**") ; provided, however, that the Assignee may, subject to Assignor's prior written

approval, in Assignor's sole discretion, either (y) assign the Option Agreement to the Master Developer pursuant to (a) above, or (z) exercise the Option pursuant to (b) above, prior to the Assignee's approval of the Project design, the Future Reasonable Agreements, the Subdivision, the Financing Plan and the Phasing Plan, and the Financing Commitments Obtained to enable application by the Master Developer and/or sub-developers for federal low-income housing tax credits or other financing needed to facilitate the development of the Project.

viii. At Closing (as defined below), either (a) the Master Developer shall convey to Assignor and Assignee, an affordable housing covenant upon the Option Property, with terms substantially similar to that certain Affordable Housing Covenant Agreement, dated as of December 31, 2020, by and between the Optionor and Washington Housing Conservancy now encumbering Crystal Houses #1 and #2 (the "**Option Property Affordable Housing Covenant**"), or (b) the Assignee shall convey to Assignor the Option Property Affordable Housing Covenant. The Option Property Affordable Housing Covenant shall have priority over all deeds of trust and other encumbrances created at or after Closing to secure acquisition of the Option Property or development of the Project. Under the Option Property Affordable Housing Covenant, "Occupancy Objective" shall be defined as:

> "Occupancy Objective" shall mean the leasing of sufficient Units to Qualifying Tenants to achieve a tenant mix which results in seventy-five percent (75%) of the Units being income and rent restricted, of which not less than twenty percent (20%) of the Units being leased to Qualifying Tenants with Annual Income not in excess of fifty percent (50%) of the MSA Median Family Income ("Very Low Income Tenants") and another fifty-five percent (55%) of the Units being leased to Qualifying Tenants with Annual Income not in excess of eighty percent (80%) of the MSA Median Family Income ("Low Income Tenants"), in each case with the applicable tenant paying no more for the rent and those utilities provided by Owner (excluding cable, internet and telephone) of the Qualified Unit (excluding charges for parking, pet fees and other customary fees and charges) than the maximum allowable rent for such unit for projects receiving Low Income Housing Tax Credits under Section 42 of the Code as the same may be amended from time to time.

The above definition of "Occupancy Objective" may be adjusted by the Parties, each in its sole discretion, if Site Plan #451 is amended to permit additional density for the Project and the applicable affordability percentages are changed.

Assignee may propose to develop some of the required number of affordable housing units on property in Arlington County other than the Option Property. Such alternative location affordable housing development shall be subject to substantially similar development terms as contained in this Assignment and the DDA and shall

be subject to the Option Property Affordable Housing Covenant. Assignor may accept or reject such proposal in its sole discretion.

To the extent that subjecting the Option Property to the Option Property Affordable Housing Covenant gives rise to entitlements, transferable development rights or other benefits that may be used or credited in the development of other property, Assignor and Assignee will extinguish and not use or not transfer to another party any such rights so as not to reduce or limit obligations to provide such community benefits as may be required with respect to the development of such other property.

ix. At Closing, either the Assignee, the Master Developer or one or more sub-developer, as applicable, shall convey to Assignor, or its successor or assign, an Option to have title to the applicable Option Property parcel conveyed to Assignor at Assignor's election upon the occurrence of a Project Commencement Failure or a Project Construction Abandonment, as hereinafter defined, on the applicable Option Property parcel. Assignee shall attach a form of Contingent Option Agreement (developed in collaboration with, and previously approved by, Assignor) to the DDA.

x. At Closing, the Master Developer shall provide Assignor and Assignee a performance and payment bond and a construction completion guaranty, in forms approved by Assignor and Assignee, as security for Master Developer's promises.

xi. Following acquisition of the Option Property, Master Developer shall expeditiously commence construction of the Project (**"Project Commencement**") and continue to work diligently to Complete it according to the schedule of Project Milestones in Exhibit C, subject to Enforced Delay ("**Project Completion**"). The DDA shall define "Completion" and "Complete" to mean, with respect to the Project, or with respect to any component of the Improvements the point in time when all of the following shall have occurred: (1) issuance of a final certificate of occupancy by Arlington County and such other approvals required to permit occupancy and use the applicable component of the Improvements; (2) the construction of such component(s) of the Improvements has been fully completed and the architect has duly certified that the construction of such component the Improvements (including the Punch List Items) has been completed in accordance with such final construction documents; (3) payment, settlement or other extinguishment, discharge, release, waiver, bonding or insuring against any mechanic's lien that have been recorded or stop notices that have been delivered in connection with such component(s) of the Improvements; and (4) such component(s) of the Improvements has been developed substantially in accordance with this Assignment, the DDA and the approved construction plans. As used in this Assignment, "Completion" and "Complete" shall have the same meaning.

xii. Assignor shall be a third-party beneficiary of the DDA with respect to Master Developer's obligation to convey the Option Property Affordable Housing Covenant to Assignor at Closing and to execute and deliver the Contingent Option Agreement to Assignor at Closing.

6. **No Termination of Option Agreement or Transfer Agreement without prior Approval of Assignor.** Assignee shall not terminate the Option Agreement or, following exercise of the Option and execution of the Transfer Agreement, as such term is defined in the Option Agreement, terminate the Transfer Agreement, without prior written approval of Assignor, which Assignor may or may not give in its sole discretion. If Assignee requests Assignor's approval of such termination, Assignor may terminate this Assignment in its sole discretion.

7. **Timing of Exercise of Option.** Assignee shall not exercise the Option, or assign the Option Agreement to the Master Developer as provided herein, unless and until Assignee or Master Developer has successfully completed the following: "DDA Executed"; "Future Reasonable Agreements Obtained"; "Subdivision Recorded"; "Financing Plan Developed"; "Phasing Plan Developed"; "Financing Commitments Obtained" and "Entitlements Obtained", not later than the dates set forth on Exhibit C, subject to Enforced Delay; provided, however, that the Assignee may either assign the Option Agreement to the Master Developer or exercise the Option as provided herein, prior to Assignee or Master Developer successfully completing "DDA Executed"; "Future Reasonable Agreements Obtained"; "Subdivision Recorded"; "Financing Plan Developed"; "Phasing Plan Developed"; "Financing Commitments Obtained" and "Entitlements Obtained", subject to Assignor's prior approval in its sole discretion, to enable application by the Master Developer and/or sub-developers for federal low-income housing tax credits or other financing needed to facilitate the development of the Project.

8. **Sub-Developers and Phasing.** Assignee and/or the Master Developer may assign the Option Agreement in part to one or more sub-developers according to the approved Phasing Plan. Each sub-developer must have ample experience delivering large, high quality affordable housing development. Each sub-developer shall be bound by the DDA to Complete its portion of the overall Project pursuant to the terms and conditions of the DDA and the Option Agreement and this Assignment. The assignment of the DDA in part to a sub-developer according to the approved Phasing Plan may incorporate "Date[s] by which Assignee must achieve Project Milestones" that are different from those set forth in Exhibit C, provided that each such date is earlier than the corresponding date for such Project Milestone set forth on Exhibit C. For the avoidance of doubt, this means, for example, that the portion of the Option Property associated with each Phase may be conveyed separately to each sub-developer on different dates so long as the last portion of the Option Property is conveyed by the Option Property Conveyed Project Milestone Date set forth on Exhibit C. The assignment of a portion of the Option Agreement to a sub-developer shall not

relieve the Master Developer, as assignee of the Option Agreement and successor to Assignee, of its obligations to Assignor under the Option Agreement or this Assignment.

9. Default and Remedies.

i. Event of Default. Each of the following events, if uncured after expiration of the applicable cure period, shall constitute an "**Event of Default**":

a. Assignee or Master Developer (or its successor in interest) fails to achieve any of the Project Milestones by the date set forth for such Project Milestone on Exhibit C, subject to Enforced Delay, and Assignor does not grant Assignee an extension hereunder or approve Assignee granting Master Developer an extension under the DDA.

b. Assignee or Master Developer breaches any material provision of this Assignment.

c. Any representation or warranty of Assignee or Master Developer contained in this Assignment or the DDA or in any application, financial statement, certificate, or report submitted to Assignor in connection with this Assignment or the DDA proves to have been incorrect in any material and adverse respect when made and continues to be materially adverse to Assignor.

d. A court having jurisdiction shall have made or entered any decree or order (a) adjudging Assignee or Master Developer to be bankrupt or insolvent, (b) approving as properly filed a petition seeking reorganization of Assignee or Master Developer, seeking any arrangement for Assignee or Master Developer under the bankruptcy law or any other applicable debtor's relief law or statute of the United States or any state or other jurisdiction, (c) appointing a receiver, trustee, liquidator, or assignee of Assignee or Master Developer in bankruptcy or insolvency or for any of their properties, or (d) directing the winding up or liquidation of Assignee or Master Developer.

e. Assignee or Master Developer shall have assigned its assets for the benefit of its creditors (other than pursuant to a Security Financing Interest) or suffered a sequestration or attachment of or execution on any substantial part of its property, unless the property so assigned, sequestered, attached, or executed upon shall have been returned or released within ninety (90) days after such event.

f. Assignee or Master Developer shall have voluntarily suspended its business, or Assignee or Master Developer shall have been dissolved or terminated.

ii. Notice and Cure; Remedies. Upon the happening of any event described in Section 9.i, Assignor shall first notify Assignee and Master Developer in writing of its purported breach or failure. Assignee or Master Developer shall have sixty (60) days from receipt of such notice to cure such breach or failure; provided, however, that if such breach or failure cannot reasonably be cured within such sixty (60) day period and Assignee or Master Developer has commenced the cure within such sixty (60) day period and thereafter is diligently working in good faith to complete such cure, Assignee or Master Developer shall have such longer period of time as may reasonably be necessary to cure the breach or failure. Notwithstanding the foregoing, a default described in Paragraph (a) of Section 9.i shall constitute a Assignee or Master Developer Event of Default immediately upon its occurrence without need for notice and without opportunity to cure unless Assignee or Master Developer provides Assignor written notice that Master Developer expects not to meet the Project Milestone and the reasonable bases why it cannot timely meet such Project Milestone at least ninety (90) days prior to by the date set forth for such Project Milestone on Exhibit C. Notwithstanding anything to the contrary herein, if Assignee or Master Developer and Assignor are in good faith disputing whether Assignee or Master Developer has caused a breach or failure of performance of its obligations under this Assignment, then Assignee or Master Developer shall not be deemed to have caused such breach or failure of performance until Assignee or Master Developer has been determined by a court of competent jurisdiction to have caused a breach or failure of performance under this Assignment. If Assignee or Master Developer does not cure within the applicable cure period set forth above, then the event shall constitute an Event of Default and Assignor may pursue all remedies available at law or in equity in addition to any other remedies expressly provided herein. A copy of all notices to Assignee and Master Developer from Assignor shall also be delivered to the Lender(s) and Investor(s) as defined below, of which Assignee or Master Developer has provided notice to Assignor. Any Lender or Investor shall have the right, but not the obligation, to cure an Event of Default on the same basis as Assignee or Master Developer.

iii. Termination of this Assignment. In addition to all other remedies available at law or in equity, Assignor shall have the right, at its option and subject to legal process, to terminate this Assignment if, prior to the conveyance of the Option Property ("**Closing**"), Assignee or Master Developer (or its successor in interest) fails to (i) meet any of the pre-Closing Project Milestones by the date set forth for such Project Milestone on Exhibit C, subject to Enforced Delay, or (ii) assigns this Assignment or any rights herein in violation of this Assignment, if such violation shall not be cured within thirty (30) days after the date of receipt of written notice thereof by

Assignor to the Assignee or Master Developer; and provided, further, however, that prior to the termination of this Assignment due to the Master Developer's failure to meet any of the pre-Closing Project Milestones by the date set forth for such Project Milestone on Exhibit C, subject to Enforced Delay, Assignor and Assignee shall consult in good faith to determine whether each wishes to have Assignee work to select, each in its sole discretion**,** a new Master Developer to develop the Option Property for affordable housing purposes in a manner similar to that set forth in this Assignment.

iv. Assignor's Option.

a. Pursuant to the DDA, at Closing, either the Assignee, the Master Developer, or one or more sub-developers, as applicable, shall convey to Assignor an Option to have Assignee, the Master Developer, or one or more sub-developers convey the applicable Option Property parcel to Assignor at Assignor's election upon the occurrence of a condition subsequent, specifically,

I. Either the Master Developer's or sub-developer's failure to commence construction of the Project on the applicable Option Property parcel as required by this Assignment by the Project Commencement Project Milestone, subject to Enforced Delay ("**Project Commencement Failure**"); or

II. Abandoning or substantially suspending construction of the Project on the applicable Option Property parcel for a period of ninety (90) days after written notice of such abandonment or suspension from Assignor (with a copy to Lender and Investor as defined below), subject to Enforced Delay ("**Project Construction Abandonment**").

b. In addition to all other remedies available to Assignor in equity or at law, upon Master Developer's or sub-developer's Project Commencement Failure or upon Master Developer's or sub-developer's Project Construction Abandonment, Assignor may exercise its Option.

c. Prior to Assignor's exercise of the Option, Assignor and Assignee shall consult in good faith to determine whether each wish to have Assignee work to select a new Master Developer to develop the Option Property for affordable housing purposes in a manner similar to that set forth in this Assignment.

10. Option Subordinate to Mortgage or Deed of Trust; Assignor's Right to Pay Secured Debt and Have Mortgage or Deed of Trust Satisfied or Reconveyed.

i. The Option Property shall be subject to the Option set forth in Section 9.iv (the "**Option**"). However, with respect to any mortgage or deed of trust on the Option Property or on any portion of the Option Property (each mortgagee or beneficiary of such a mortgage or deed of trust is a "**Lender**") securing an Approved Development Loan and created in conformance with the Approved Financing Plan, the Option shall be subordinate to such mortgage or deed of trust subject to Assignor's right to have the mortgage satisfied or the deed of trust reconveyed by paying the secured debt as provided below. "**Approved Development Loan**" means, as to the Project, any construction or permanent loan approved by Assignee as part of the Financing Plan approved pursuant to Section 5.iv ("**Approved Financing Plan**"), and that requires all proceeds of such loan to be used exclusively for acquisition of the Option Property, site development related costs and/or the construction of Improvements for the Project pursuant to the Approved Financing Plan. For avoidance of doubt, the subordination herein means that Assignor may not exercise the Option with respect to the Option Property, or to a portion of the Option Property, while any mortgage or deed of trust encumbers all or part of the Option Property, or such portion of the Option Property, and that the transfer of the Option Property, such portion of the Option Property or any part thereof pursuant to foreclosure of any deed of trust, judicially or nonjudicially, or deed in lieu thereof, or any court-ordered sale in any insolvency or receivership proceeding, shall automatically and permanently extinguish the Option. In such event, Assignor shall, promptly upon request, execute and deliver for recording an instrument confirming the extinguishment of the Option.

ii. Notwithstanding the foregoing, the Option shall not be subordinate to any such mortgage or deed of trust securing an Approved Development Loan ("**Authorized Mortgage**") unless the Lender and Assignor shall execute and deliver for recording with the Clerk's Office of the Circuit Court of Arlington County, Virginia a subordination agreement or priority and subordination agreement stating that the Option is subordinate to such Authorized Mortgage as provided herein. Assignor agrees to execute such a subordination agreement or priority and subordination agreement (in a form approved by Lender and Assignor, which approval shall not be unreasonably withheld, conditioned, or delayed) reflecting the subordination of Assignor's Option to the Authorized Mortgage. Any such subordination agreement or priority and subordination agreement (either, a "**Subordination Agreement**") shall contain the following terms or incorporate them by reference. Lender shall give Assignor notice of Assignee or Master Developer's default under the Approved Development Loan or an Authorized Mortgage and the Lender's intent to seek remedies ("**Lender's Notice to Assignor**") at least 30 days before commencing any proceeding for foreclosure (judicial or nonjudicial) or for a

transfer of the property by deed in lieu of foreclosure, any court-ordered sale in any insolvency or receivership proceeding, the acceleration of all or any part of indebtedness, the advertising of or commencement of any foreclosure or trustee's sale proceedings with respect to all or a portion of the Option Property, the exercise of any power of sale, the acceptance of a deed or assignment in lieu of foreclosure or sale with respect to all or a portion of the Option Property, the collecting of rents, the obtaining of or seeking of the appointment of a receiver for all or a portion of the Option Property, the seeking of default interest on the Approved Development Loan, the taking of possession or control of all or a portion of the Option Property, the commencement of any suit or other legal, administrative, or arbitration proceeding based upon the note or other loan documents documenting an Approved Development Loan ("**Approved Development Loan Documents**"), the exercising of any banker's lien or rights of set-off or recoupment with respect to the Approved Development Loan, or the exercise of any other remedy under the Approved Development Loan Documents against the borrower, any other party liable for any of the indebtedness under the Approved Development Loan or obligated under any of the Approved Development Loan Documents, on all or a portion of the Option Property ("**Enforcement Action**"). If Assignor shall give a Triggering Event Notice (as defined below) before or within 90 days after the Lender's Notice to Assignor, then the Lender shall not cause a foreclosure sale or transfer in lieu of foreclosure or any court-ordered sale in any insolvency or receivership proceeding or any other Enforcement Action to occur before the later of 90 days after the end of the Cure Period, or, if applicable, the Extended Cure Period (both defined below) or 180 days after the date of the Triggering Event Notice. After the Option has terminated as to the Option Property or the portion thereof encumbered by a Lender's Authorized Mortgage, a Lender shall not be obligated to provide any Lender's Notice to Assignor.

iii. Assignee or Master Developer (or its successor in interest) may grant Lender and/or any equity investor in the entity that owns fee title to the Option Property or the subject portion of the Option Property (each an "**Investor**") a right to cure any default that triggers, or would, absent any mortgage or deed of trust, trigger the opportunity to exercise the Option ("**Triggering Event**") and to Complete the Project, or portion thereof applicable to the subject portion of the Option Property, within a reasonable, extended time period. Assignee or Master Developer (or its successor in interest) shall promptly notify Assignor in writing of any such Lender or Investor, including such Lender's or Investor's notice address. Assignor shall deliver written notice of the Triggering Event ("**Triggering Event Notice**"), to Assignee or Master Developer (or its successor in interest), and each Lender and Investor of which Assignee or Master Developer has provided Assignor prior written notice. Assignee or Master Developer (or its successor in interest), and such Lenders and Investors shall have a period of thirty (30) days from the date of such notice to cure such default ("**Cure Period**"). In the case of a default that

cannot with due diligence be cured within a period of thirty (30) days, such cure period shall be extended for up to an additional ninety (90) days if the curing party is diligently pursuing a cure ("**Extended Cure Period**").

iv. If Assignee or Master Developer (or its successor in interest), Lender(s) and Investor(s) do not effect a cure within the Cure Period or Extended Cure Period, as applicable, then Assignor may pay each Lender an amount equal to the respective then outstanding secured debt plus reasonable expenses attributable to such Lender's loan to Assignee or Master Developer, and the mortgage(s) and/or deed(s) of trust shall be satisfied or reconveyed as appropriate. Upon such satisfaction or reconveyance following repayment of the obligations secured by the Lenders' mortgage(s) or deed(s) of trust, but only upon such satisfaction or reconveyance, Assignor may exercise its Option. The Deed shall be expressly subject to the Option. The Option shall be memorialized in an instrument executed by the parties and recorded contemporaneously with the Deed. Assignor may convey or otherwise assign its Option by recorded instrument and with written notice to Assignee or Master Developer and any Lender or Investor of which Assignor has notice, at any time following Assignee or Master Developer's committing a material default described above.

v. In the event that Assignee or Master Developer (or its successor in interest), Lenders or Investors do not so cure and Complete the Project, or the portion of such Project applicable to the subject Portion of the Option Property and Assignor pays Lenders the amounts described above necessary to have the mortgage(s) satisfied and deed(s) of trust reconveyed and then exercises its Option to the Option Property or the subject Portion of the Option Property, then Assignee or Master Developer shall, promptly upon Assignor's request, and without additional consideration, but subject to the assignment provisions in such contracts, assign the applicable permits and governmental approvals and the construction contracts and all other agreements, licenses and rights applicable to the Project, or the portion of such Project applicable to the subject Portion of the Option Property to Assignor.

vi. If Assignor has not satisfied all conditions to exercise its Option to the Option Property or to a subject Portion of the Option Property, then a Lender may exercise its rights under its mortgage or deed of trust on the Option Property, or the subject Portion of the Option Property to take an Enforcement Action including, without limitation, foreclosure or acceptance of a deed in lieu of foreclosure ("**Mortgagee Rights**"), provided however that the Option Property, and such Portion of the Option Property shall remain subject to the Covenants and the covenants, conditions and restrictions and other terms of this Assignment relating to the use of the Option Property and the subject Portion of the Option Property that were in effect as encumbrances running with the land prior to exercise of Mortgagee Rights, except for the Option. Assignor shall retain all of its other rights and remedies

under the Covenants and this Assignment with respect to the Option Property and the subject Portion of the Option Property and the owner(s) of the Option Property and the subject Portion of the Option Property, except as set forth below and excluding the Option. No successor owner after exercise of Mortgagee Rights by a Lender shall have any liability for any breach or default by any previous or later owner.

vii. If Assignor exercises its Option with respect to the Option Property or the subject Portion of the Option Property, and the Option Property or the subject Portion of the Option Property becomes revested in Assignor, then the Option Property or the subject portion of the Option Property shall remain subject to any easement, covenant, dedication, or recorded agreement that Assignee or Master Developer shall have granted in favor of Arlington County ("**County**") or the Commonwealth of Virginia ("**Commonwealth** ") as a condition to any permit or approval for development of the Option Property or the subject portion of the Option Property, unless Assignor agrees in writing with the County or the Commonwealth , as applicable, to revocation or cancellation of the applicable permit or approval.

viii. If a Lender has exercised its rights under its mortgage or deed of trust on the Option Property or the subject Portion of the Option Property, and, through foreclosure, deed in lieu, or otherwise, and a new Assignee or Master Developer has acquired the Option Property or the subject Portion of the Option Property, then the dates in the Project Schedule and the Project Milestones under this Assignment with respect to the Option Property or the subject Portion of the Option Property, beginning after "Real Estate Closing" shall each be extended by 180 days, or such other mutually agreed upon term, from the date the new Assignee or Master Developer acquires the Option Property or the subject Portion of the Option Property.

ix. The Option shall terminate and be extinguished with respect to the Option Property or the subject Portion of the Option Property when the Project or the portion applicable to the subject Portion of the Option Property is Completed. Assignor shall execute and record a certificate confirming that the Option has terminated and been extinguished within a reasonable time following Assignee or Master Developer's delivery to Assignor of documentation establishing that Completion of the Project or the portion applicable to the subject Portion of the Option Property has been achieved.

x. The rights established in this Section 10 are to be interpreted in light of the fact that Assignor will convey the interests in the Option Property to Assignee or Master Developer for development and not for speculation.

xi. The terms of this Section shall be included in the Memorandum of Assignment and Assumption of Option Agreement, in the form attached hereto as Exhibit E.

11. **Project Documents.** Copies of all drawings, specifications, reports, records, documents and other materials prepared by Assignee or Mater Developer, its employees, agents and subcontractors in the performance of the Agreement, which documents are in the possession of Assignee or Master Developer and are not confidential and which Assignee or Master Developer is authorized to release, shall be delivered to Assignor upon request in the event of a termination of the Agreement pursuant to Section 9.iii, or the exercise of the Option, pursuant to Section 9.iv. In such event, Assignee and Master Developer shall have no claim for additional compensation as a result of the exercise by Assignor of its rights hereunder. Insofar as Assignee and Master Developer are concerned, Assignor shall have an unrestricted right to use such documents and materials as if it were in all respects the owner of the same, subject to the ownership or proprietary rights of third parties (as to which Assignee and Master Developer make no warranty, representation, or assurance).

12. **General Indemnity by Assignee and Master Developer.** With the exception that neither this section nor any other provisions of this Assignment shall be construed to require indemnification by Assignee or Master Developer to a greater extent than allowed under the Laws and policies of the Commonwealth of Virginia, Assignee and Master Developer shall indemnify, defend (with counsel reasonably acceptable to Assignor), and hold harmless Assignor, its employees, attorneys, agents, and successors and assigns (the "**Indemnified Parties**") against all suits, actions, claims, causes of action, costs, demands, judgments and liens arising out of Assignee's or Master Developer's performance or non-performance under this Assignment or arising in connection with entry onto, ownership of, occupancy in, construction on or use of the Option Property by Assignee or Master Developer, or of any of their officers, employees, attorneys, agents, invitees, or any successors or assigns. This indemnity obligation shall not extend to any claim to the extent such claim is attributable to or arising from the applicable Indemnified Party's sole or gross negligence or willful misconduct. Assignee's and Master Developer's obligation to indemnify under this Section 11 shall survive termination of this Assignment, and shall be interpreted broadly so as to apply to any legal or administrative proceeding, arbitration, or enforcement action.

The indemnification, defense and hold harmless obligations of Assignee and Master Developer under this section and elsewhere in this Assignment or the Exhibits hereto (sometimes collectively, the "**Indemnification Obligations**") shall not be limited by the amounts or types of insurance (or the deductibles or self-insured retention amounts of such insurance) carried by Assignee or Master Developer. In claims against any of the Indemnified Parties by an employee of Assignee or Master Developer, or anyone directly or indirectly employed by Assignee or Master Developer or anyone for whose acts Assignee or Master Developer may be liable, the Indemnification Obligations also shall not be limited by amounts or types of damages, compensation or benefits payable by or for Assignee or Master Developer or anyone directly or indirectly employed by Assignee or Master Developer or anyone for whose acts Assignee or Master Developer may be liable.

The Indemnification Obligations of Assignee and Master Developer shall be independent of and in addition to the Indemnified Parties' rights under the insurance carried by Assignee or Master Developer. The duty to defend hereunder is wholly independent of and separate from the duty to indemnify.

13. **Notices.** All notices, demands, and requests which may be given, or are required to be given by either party to the other shall be in writing, and shall be either hand delivered by Federal Express or sent by United States certified mail, return receipt requested, with proper first class postage prepaid, properly, and fully addressed:

If to Assignee:

Arlington County Board
Office of the County Manager
2100 Clarendon Blvd, Suite 302
Arlington, Virginia 22201
Attn: County Manager
Fax: (703) 228-3218
Email: MSchwartz@ArlingtonVA.US

With copies to:

Arlington County
Office of the County Attorney
2100 Clarendon Blvd, Suite 403
Arlington, Virginia 22201
Attn: Acting County Attorney
Fax: (703) 228-7106
Email: MCorr@ArlingtonVA.US

Arlington County
Housing Division
2100 Clarendon Blvd, Suite 700
Arlington, Virginia 22201
Attn: Housing Director
Fax: (703) 228-3384
Email: avenezia@ArlingtonVA.US

If to Assignor:

Attn: Amazon in the Community
410 Terry Avenue North
Seattle, WA 98109-5210

Email: housingequityfund@amazon.com

With copies to:

Attn: General Counsel
P.O. Box 81226
Seattle, WA 98108-1226
Email: contracts-legal@amazon.com

Davis Wright Tremaine LLP
920 Fifth Avenue, Suite 3300
Seattle, WA 98104-1610
Attention: Anthony Caso
Email: anthonycaso@dwt.com

A notice shall be deemed given (a) when delivered, if delivered by courier or overnight delivery service, or (b) two (2) business days after the date of posting with the U.S. mail, if sent by registered or certified mail. Any party may, by like notice given at least ten (10) days before such change becomes effective, designate a new address to which such notices shall be sent.

14. **Public Announcements.** Neither Assignor nor Assignee (nor any of their respective agents or assignees) shall make any public announcement or issue any press release regarding the transaction described in this Assignment, either prior to or after the exercise of the Option or earlier termination of this Assignment or the Transfer Agreement (except to the extent required to comply with reporting requirements pursuant to applicable law), without the specific prior written approval of the other party, which (i) prior to the exercise of the Option and the subsequent Settlement or earlier termination of this Assignment or the Transfer Agreement, such approval may be granted or withheld in such party's sole discretion, and (ii) after the exercise of the Option and the subsequent Settlement, or earlier termination of this Assignment or the Transfer Agreement, such approval shall not be unreasonably withheld, conditioned or delayed. This Section 9 shall survive until two (2) years following the later of (i) the settlement of the conveyance of the Option Property pursuant to the Transfer Agreement, (ii) the termination of the Transfer Agreement or (iii) the termination of this Assignment.

15. **Enforced Delay.** Performance by either party hereunder shall not be deemed to be in default where delays or defaults are primarily due to war; insurrection; strikes; lock-outs; riots; floods; earthquakes; fires; acts of the "public enemy"; epidemics; quarantine restrictions; freight embargoes; governmental restrictions; refusal or delays by the regulatory agency with jurisdiction in the issuance of permits and approvals for or directly affecting the Project (except that to the extent that such refusal or delay results from acts or the failure to act of Assignee or Master Developer, such refusal or delays shall not excuse

performance of Assignee or Master Developer), litigation directly related to the Project; unusually severe weather; inability to secure necessary labor, materials or tools; delays of any contractor, subcontractor, consultant, or supplier; acts or failure to act of the other party; acts or the failure to act of a public or governmental agency or entity (except that acts or the failure to act of Assignor shall not excuse performance by Assignor); the existence or discovery of Contaminants, tanks, physical obstructions, rock or unsuitable soils in, on, under or affecting the Option Property that were not disclosed by the Optionor, were not reasonably foreseeable based upon the disclosures made by the Optionor; or were not otherwise knowable through reasonable site investigation and due diligence; or any other causes beyond the reasonable control or without the fault of the party claiming an extension of time to perform. Such a delay shall be referred to herein as an "**Enforced Delay**". Enforced Delay of one Project Milestone shall entitle Assignee or Master Developer to additional time to complete all subsequent Project Milestones that are affected by the Enforced Delay. Notwithstanding the foregoing, Enforced Delay shall not include delays due to Assignee or Master Developer's failure to diligently prosecute the Project to Completion.

16. Miscellaneous.

i. Entire Agreement. This Assignment, together with the Exhibits attached hereto, all of which are incorporated by reference, constitutes the entire agreement between the parties with respect to the subject matter hereof, and no alteration, modification or interpretation hereof shall be binding unless in writing and signed by both parties. The parties are not bound by any agreements, understandings, provisions, conditions, representations, or warranties (whether written or oral and whether made by Assignor or any agent, employee or principal of Assignor or any other party) other than as are expressly set forth and stipulated in this Assignment.

ii. Severability. If any provision of this Assignment or application to any party or circumstances shall be determined by any court of competent jurisdiction to be invalid and unenforceable to any extent, the remainder of this Assignment or the application of such provision to such person or circumstances, other than those as to which it is so determined invalid or unenforceable, shall not be affected thereby, and each provision hereof shall be valid and shall be enforced to the fullest extent permitted by law.

iii. Applicable Law. This Assignment shall be construed and enforced in accordance with the laws of the Commonwealth of Virginia.

iv. Assignability. Assignee may assign this Assignment of Option Agreement to any party, in whole or in part, with the prior written consent of Assignor, which Assignor may or may not give in its sole discretion. Any assignee shall be deemed to have made any and all representations and warranties made by Assignee

hereunder (as reasonably amended to account for new assignee entity structure, place of organization and similar criteria that differ between Assignee and assignee), as if the new assignee were the original signatory hereto. If Assignee intends to assign this Assignment, Assignee shall (i) notify Assignor and Optionor in writing of the proposed assignment; (ii) provide Assignor and Optionor with the name and address of the proposed assignee; and (iii) provide Assignor and Optionor with a copy of the proposed instrument of assignment. This Assignment shall be binding upon and inure to the benefit of Assignee and Assignor and their respective successors and permitted assigns. Upon any assignment of Assignee's entire interest under this Assignment, Assignee shall be relieved of all further liability under this Assignment. Assignor may freely assign this Assignment of Option Agreement to any party, in whole or in part.

v. Captions. The captions in this Assignment are inserted only as a matter of convenience and for reference and in no way define, limit, or describe the scope of this Assignment or the scope or content of any of its provisions.

vi. Attorneys' Fees. In the event of any litigation arising out of this Assignment, the prevailing party shall be entitled to recover from the other party reasonable attorneys' and paralegals' fees and costs actually incurred, whether incurred out of court, at trial, on appeal or in any bankruptcy, arbitration, or administrative proceedings.

vii. No Relationship. Nothing contained in this Assignment shall be construed to create a fiduciary, partnership, joint venture, principal/agent or other relationship between the parties or their successors or assigns, and the parties owe no duty to each other except as expressly stated in this Assignment.

viii. Time of Essence. Time is of the essence for all purposes of this Assignment.

ix. Counterparts. This Assignment may be executed and delivered in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including portable document format (PDF) or any electronic signature complying with the United States Electronic Signatures in Global and National Commerce (ESIGN) Act of 2000, e.g., www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

x. Proper Execution. Signatures of this Assignment transmitted by via electronic mail (*.pdf or similar file types) shall be valid and effective to bind the party so signing. Each party agrees to promptly deliver an execution original to this Assignment, any amendment thereto, or any notice sent via electronic mail with its actual signature

to the other party, but a failure to do so shall not affect the enforceability of this Assignment, amendment or notice, it being expressly agreed that each party to this Assignment shall be bound by its own electronically mailed signature in all instances and shall accept the electronically mailed signature of the other party to this Assignment.

xi. No Personal Liability. Any liability for participation in this transaction shall remain with Assignee and Assignor only and in no event shall there be any personal liability on the part of any officer, manager, or employee of the parties, their direct or indirect partners and investors or their direct or indirect constituent members or entities. This provision shall survive the exercise of the Option and the subsequent Settlement or any termination of this Assignment or of the Transfer Agreement(s).

xii. Date of Agreement. All references to the date of this Assignment mean the date upon which both Assignor and Assignee have executed this Assignment.

xiii. Date of Performance. If the date of performance of any obligation or the expiration of any time period provided herein should fall on a Saturday, Sunday, or legal holiday, then said obligation shall be due and owing, and said time period shall expire, on the first day thereafter which is not a Saturday, Sunday, or legal holiday. Any reference in this Assignment to a "business day" shall mean any day of the week other than a Saturday, Sunday, or legal holiday. Except as may otherwise be set forth herein, any performance provided for herein shall be timely made if completed not later than 5:00 p.m. (prevailing Eastern time) on the day of performance.

xiv. Waiver. Excuse or waiver of the performance by the other party of any obligation under this Assignment shall only be effective if evidenced by a written statement signed by the party so excusing or waiving. No delay in exercising any right or remedy shall constitute a waiver thereof, and no waiver by Assignor or Assignee of the breach of any covenant of this Assignment shall be construed as a waiver of any preceding or succeeding breach of the same or any other covenant or condition of this Assignment. All of the provisions of this Section 16.xiv shall survive the exercise of the Option and the subsequent Settlement or any termination of this Assignment, the Option Agreement or of the Transfer Agreement(s).

xv. Interpretation. This Assignment is the result of negotiations between the parties who are experienced in sophisticated and complex matters similar to the transaction contemplated by this Assignment and is entered into by both parties in reliance upon the economic and legal bargains contained herein and shall be interpreted and construed in a fair and impartial manner without regard to such factors as the party which prepared the Agreement, the relative bargaining powers of the parties or the domicile of any party. Assignor and Assignee are each represented by legal counsel

competent of advising them of their obligations and liabilities hereunder. The presentation and negotiation of this Assignment shall not be construed as any offer by Assignor to transfer, or any offer by Assignee to accept, the Option Property or obligate either party unless and until this Assignment has been duly executed and delivered to both parties.

xvi. Termination. Upon termination of this Assignment in accordance with its terms (and not as a result of an Event of Default), neither party shall have any further rights or obligations or liabilities, except those rights and obligations arising under any sections of this Assignment which expressly survive termination of this Assignment.

xvii. Construction. As used herein, the words "include", "including", and similar terms shall be construed as if followed by the phrase "without limitation".

xviii. No Third -Party Beneficiary. This Assignment is not intended to give or confer any benefits, rights, privileges, claims, actions, or remedies to any person or entity as a third -party beneficiary.

xix. Waiver of Jury Trial. TO THE EXTENT PERMITTED BY LEGAL REQUIREMENTS, THE PARTIES WAIVE ANY RIGHT TO TRIAL BY JURY OR TO HAVE A JURY PARTICIPATE IN RESOLVING ANY DISPUTE, WHETHER SOUNDING IN CONTRACT, TORT, OR OTHERWISE, BETWEEN THE PARTIES ARISING OUT OF THIS ASSIGNMENT OR ANY OTHER INSTRUMENT, DOCUMENT, OR AGREEMENT EXECUTED OR DELIVERED IN CONNECTION HEREWITH OR THE TRANSACTIONS RELATED HERETO.

xx. Anti-Corruption. Assignee acknowledges that Assignor's Code of Business Conduct and Ethics posted at http://phx.corporateir.net/phoenix.zhtml?c=97664&p=irol-gov Conduct (the "**Code**") prohibits the paying of bribes to anyone for any reason, whether in dealings with governments or the private sector. Assignor will not violate or knowingly permit anyone to violate the Code's prohibition on bribery or any applicable anti-corruption laws in performing under this Assignment. Assignor may immediately terminate or suspend performance under this Assignment if Assignee breaches this section. Assignee will maintain true, accurate and complete books and records concerning any payments made to another party by Assignee under this Assignment, including on behalf of Assignor. Assignor and its designated representative may inspect Assignee's books and records to verify such payments and for compliance with this Section.

xxi. Reasonable Approvals. Any approval or consent required of either party hereunder shall not be unreasonably withheld, conditioned, or delayed unless otherwise expressly permitted hereunder. For the avoidance of doubt, Arlington County's land use decisions (and other decisions made in the exercise of the County's police power) shall not be subject to this standard. Only Assignee's business decisions under this Assignment are subject to the reasonableness standard described above.

xxii. Authority.

a. Authority of Assignor. The persons executing this Assignment on behalf of Assignor do hereby covenant and warrant that:

I. Assignor is a duly authorized and existing Delaware limited liability company;

II. Assignor is and shall remain in good standing and qualified to do business in the Commonwealth of Virginia;

III. Assignor has full right, power, and authority to enter into this Assignment and to carry out all actions on its part contemplated by this Assignment;

IV. The execution and delivery of this Assignment were duly authorized by proper action of Assignor, and no consent, authorization or approval of any person is necessary in connection with such execution and delivery or to carry out all actions on Assignor's part contemplated by this Assignment, except as have been obtained and are in full force and effect;

V. The persons executing this Assignment on behalf of Assignor have full authority to do so; and

VI. This Assignment constitutes the valid, binding, and enforceable obligation of Assignor.

B. Authority of Assignee. The persons executing this Assignment on behalf of Assignee do hereby covenant and warrant that:

I. Assignee is a duly authorized and existing a body corporate and politic of the Commonwealth of Virginia;

II. Assignee is and shall remain in good standing and qualified to do business in the Commonwealth of Virginia;

III. Assignee has full right, power, and authority to enter into this Assignment and to carry out all actions on its part contemplated by this Assignment;

IV. The execution and delivery of this Assignment were duly authorized by proper action of Assignee, and no consent, authorization or approval of any person is necessary in connection with such execution and delivery or to carry out all actions on Assignee's part contemplated by this Assignment, except as have been obtained and are in full force and effect;

V. The persons executing this Assignment on behalf of Assignee have full authority to do so; and

VI. This Assignment constitutes the valid, binding, and enforceable obligation of Assignee.

xxiii. Memorandum of Assignment and Assumption of Option Agreement. The parties shall execute a Memorandum of Assignment and Assumption of Option Agreement substantially in the form attached hereto as Exhibit E.

17. Optionor hereby acknowledges and consents to this Assignment.

[Signatures appear on following page]

IN WITNESS WHEREOF, the parties have executed this Assignment as of the date first written above.

ASSIGNOR:

ACORN DEVELOPMENT LLC, a Delaware limited liability company

By: _____
Antonio Masone, Treasurer

Assignor Acknowledgment

STATE OF _____)
) ss.
COUNTY OF _____)

On this the _____ day of _____, 2021, before me, _____, the undersigned officer, personally appeared Antonio Masone, who acknowledged himself to be the Treasurer of ACORN DEVELOPMENT LLC, a Delaware limited liability company, and that he as such Treasurer, being authorized so to do executed the foregoing instrument for the purposes therein contained, by signing the name of the limited liability company by himself as Treasurer.

In witness whereof I hereunto set my hand.

_____
Signature of Notary Public

Date Commission Expires: _____

ASSIGNEE:

THE COUNTY BOARD OF ARLINGTON COUNTY, VIRGINIA, a body corporate and politic of the Commonwealth of Virginia

By: _____
Mark Schwartz, County Manager

Approved as to form:

_____
MinhChau Corr, Acting County Attorney

Assignor Acknowledgment

STATE OF _____)
) ss.
COUNTY OF _____)

On this the _____ day of _____, 2021, before me personally appeared Mark Schwartz, who acknowledged himself to be the County Manager of Arlington County, Virginia, and, being authorized so to do, executed the foregoing instrument by signing the name of the County Board of Arlington County, Virginia, a body corporate and politic of the Commonwealth of Virginia, by himself as County Manager of Arlington County, Virginia.

In witness whereof I hereunto set my hand.

_____
Signature of Notary Public

Date Commission Expires: _____

The foregoing Assignment is acknowledged and consented to by:

OPTIONOR:

WHC CRYSTAL LLC, a District of
Columbia limited liability company
By: Washington Housing Conservancy, Inc.,
a District of Columbia non-profit
corporation, its Sole Member

By: _____
Kimberly C. Driggens, Executive Director

EXHIBIT A

LEGAL DESCRIPTION OF THE LARGER PROPERTY

ALL those certain lots, pieces, or parcels of land, situate, lying and being in Arlington County, Virginia and more particularly described as follows:

PARCEL I:

BEGINNING at the intersection of the southerly line of 18th Street South with the easterly line of South Fern Street said point being the northwest corner of the property of Washington Brick & Terra Cotta Company; thence running with the southerly line of 18th Street, South, N 85 degrees 56 minutes 59 seconds E. - 711.03 feet to its intersection with the westerly line of South Eads Street; thence running with said westerly line of South Eads Street 229.95 feet on the arc of a curve to the right, which curve has a radius of 2839.79 feet, the chord of which arc bears S 00 degree 27 minutes 18 seconds W. - 229.88 feet to the PT; thence continuing with the line of South Eads Street S 02 degrees 46 minutes 29 seconds W. - 367.86 feet to a point; thence departing from said line of South Eads Street and running through the property of Washington Brick & Terra Cotta Company S 87 degrees 58 minutes 25 seconds W. - 623.98 feet to a point in the aforementioned easterly line of South Fern Street; thence running with the said line of South Fern Street, N 06 degrees 37 minutes 01 seconds W.- 572.97 feet to the point of beginning; containing 8.98949 acres of land, more or less.

PARCEL II - PART ONE:

BEGINNING at the intersection of the easterly line of South Fern Street with the northerly line of 22nd Street South as dedicated in Deed Book 1548 at page 162 and recorded among the land records of Arlington County, Virginia, thence running with said line of South Fern Street N 06 degrees 37 minutes 01 seconds W - 531.71 feet to the center line of 20th Street South (vacated); thence departing from said street line of South Fern Street and running with the center line of vacated 20th Street South N 87 degrees 58 minutes 25 seconds E - 623.98 feet to a point in the west line of South Eads Street; thence running with said line of South Eads Street S 02 degrees 46 minutes 29 seconds W 531.88 feet to the point in the northerly line of 22nd Street South, thence with the line of the aforementioned 22nd Street South S 87 degrees 58 minutes 29 seconds W 536.91 feet to the point of beginning; containing 7.06247 acres of land.

EXHIBIT B

OPTION AGREEMENT
(*See Attached*)

EXHIBIT C

PROJECT MILESTONES

	Project Milestone	**Date by which Assignee must achieve Project Milestone**
1	DDA Executed	December 31, 2022
2	Future Reasonable Agreements Obtained	June 1, 2023
3	Subdivision Recorded	July 1, 2024
4	Option Property Conveyed (Closing)	January 1, 2025
5	Project Commencement	July 1, 2025
6	Project Completion	January 1, 2028

EXHIBIT D

FORM OF MEMORANDUM OF ASSIGNMENT AND ASSUMPTION OF OPTION AGREEMENT

This document prepared by;
After recording return to:

Davis Wright Tremaine LLP
Attention: Anthony Caso
920 Fifth Avenue, Suite 3300
Seattle, WA 98104

RPC No. _____

MEMORANDUM OF ASSIGNMENT AND ASSUMPTION OF OPTION AGREEMENT

THIS MEMORANDUM OF ASSIGNMENT AND ASSUMPTION OF OPTION AGREEMENT ("**Memorandum**") dated as of __ day of July, 2021, by and between the COUNTY BOARD OF ARLINGTON COUNTY, VIRGINIA, a body corporate and politic of the Commonwealth of Virginia, having an address at 2100 Clarendon Boulevard, Arlington, VA 22201 ("**Assignee**"), ACORN DEVELOPMENT LLC, a Delaware limited liability company having an address at 410 Terry Avenue North, Seattle, WA 98109-5210 ("**Assignor**"), and WHC CRYSTAL LLC, a District of Columbia limited liability company ("**Optionor**") as consenting party hereto. Assignor, Assignee and Optionor are also sometimes referred to herein collectively as the "**Parties**" or individually as a "**Party**."

Assignor, Assignee and Optionor hereby acknowledge the following:

1. Assignment of Option Agreement. Pursuant to the terms of that certain Assignment and Assumption of Option Agreement, dated July __, 2021 (the "**Assignment**"), Assignor has assigned to Assignee, and Assignee has assumed from Assignor all of Assignor's rights, duties, and obligations under that certain Option Agreement dated effective as of December 31, 2020, as amended pursuant to that certain Partial Release of Option Agreement, dated effective as of May 10, 2021 (the "**Option Agreement**") granting Assignor the right, at its election, and subject to certain conditions, to have Optionor convey the "Option Property" to Assignor under the terms and conditions set out in said Option Agreement. As used in the Option Agreement, the term "**Option Property**" means: "(A) (i) the Additional Development Parcels and the Improvements located on the Additional Development Parcels (if any), (ii) all rights, proceeds,

privileges, easements and hereditaments relating or appertaining thereto, and (iii) all personal property, fixtures, and equipment required or beneficial for the operation thereof; and (B) those entitlements, transferable development rights and other rights that are set forth in Site Plan #451, approved by the Assignee on December 14, 2019 ("**Site Plan # 451**"), but excluding any such entitlements, development rights and other rights in Site Plan #451 that are necessary to continue to operate the CH 1&2 Parcel as currently operated. Notwithstanding the foregoing, the Option Property does not include any land area or parking needed under applicable land use regulation to support the continued operation of the portion of the Land and Improvements that are not a part of the Option Property. Capitalized terms used in this Assignment shall have the same meanings set forth in the Option Agreement unless otherwise expressly provided herein.

2. **Notices.** All notices, demands, and requests which may be given, or are required to be given by either party to the other shall be in writing, and shall be either hand delivered by Federal Express or sent by United States certified mail, return receipt requested, with proper first class postage prepaid, properly and fully addressed:

If to Assignee:

Arlington County Board
Office of the County Manager
2100 Clarendon Blvd, Suite 302
Arlington, Virginia 22201
Attn: County Manager
Fax: (703) 228-3218
Email: MSchwartz@ArlingtonVA.US

With copies to:

Arlington County
Office of the County Attorney
2100 Clarendon Blvd, Suite 403
Arlington, Virginia 22201
Attn: Acting County Attorney
Fax: (703) 228-7106
Email: MCorr@ArlingtonVA.US

Arlington County
Housing Division
2100 Clarendon Blvd, Suite 700
Arlington, Virginia 22201
Attn: Housing Director
Fax: (703) 228-3384
Email: avenezia@ArlingtonVA.US

If to Assignee:

Amazon.com, Inc.
Attn: Amazon in the Community
410 Terry Avenue North
Seattle, WA 98109-5210
Email: housingequityfund@amazon.com

With copies to:

Amazon.com, Inc.
Attn: General Counsel
P.O. Box 81226
Seattle, WA 98108-1226
Email: contracts-legal@amazon.com

Davis Wright Tremaine LLP
Attention: Anthony Caso
920 Fifth Avenue, Suite 3300
Seattle, WA 98104-1610
Email: anthonycaso@dwt.com

A notice shall be deemed given (a) when delivered, if delivered by courier or overnight delivery service, or (b) two (2) business days after the date of posting with the U.S. mail, if sent by registered or certified mail. Any party may, by like notice given at least ten (10) days before such change becomes effective, designate a new address to which such notices shall be sent.

3. Conflicts. This Memorandum is intended only for recording purposes to provide notice of certain terms and conditions contained in the Assignment and Assumption of Option Agreement and is not to be construed as a complete summary of the terms and conditions thereof. This Memorandum is subject to the Assignment and Assumption of Option Agreement and any amendments, modifications, alterations, renewals, and extensions of the Assignment and Assumption of Option Agreement. The terms and provisions of the Assignment and Assumption of Option Agreement are incorporated in this Memorandum by reference. If there is any conflict between this Memorandum and the Assignment and Assumption of Option Agreement, the provisions of the Assignment and Assumption of Option Agreement shall control.

4. Counterparts. This Memorandum may be executed in multiple counterparts, each of which shall be deemed an original and all of which when taken together shall constitute one and the same document.

IN WITNESS WHEREOF, the Parties hereto have executed this Memorandum as of the date first above written.

ASSIGNOR:

ACORN DEVELOPMENT LLC, a Delaware limited liability company

By: _____
Antonio Masone, Treasurer

Assignor Acknowledgment

STATE OF _____)
) ss.
COUNTY OF _____)

On this the _____ day of _____, 2021, before me, _____, the undersigned officer, personally appeared Antonio Masone, who acknowledged himself to be the Treasurer of ACORN DEVELOPMENT LLC, a Delaware limited liability company, and that he as such Treasurer, being authorized so to do executed the foregoing instrument for the purposes therein contained, by signing the name of the limited liability company by himself as Treasurer.

In witness whereof I hereunto set my hand.

_____
Signature of Notary Public

Date Commission Expires: _____

ASSIGNEE:

THE COUNTY BOARD OF ARLINGTON COUNTY, VIRGINIA, a body corporate and politic of the Commonwealth of Virginia

By: _____
Mark Schwartz, County Manager

Approved as to form:

_____
MinhChau Corr, Acting County Attorney

Assignor Acknowledgment

STATE OF _____)
) ss.
COUNTY OF _____)

On this the _____ day of _____, 2021, before me personally appeared Mark Schwartz, who acknowledged himself to be the County Manager of Arlington County, Virginia, and, being authorized so to do, executed the foregoing instrument by signing the name of the County Board of Arlington County, Virginia, a body corporate and politic of the Commonwealth of Virginia, by himself as County Manager of Arlington County, Virginia.

In witness whereof I hereunto set my hand.

_____
Signature of Notary Public

Date Commission Expires: _____

The foregoing Assignment is acknowledged and consented to by:

OPTIONOR:

WHC CRYSTAL LLC, a District of
Columbia limited liability company
By: Washington Housing Conservancy, Inc.,
a District of Columbia non-profit
corporation, its Sole Member

By: _____
Kimberly C. Driggens, Executive Director

OPTION AGREEMENT

THIS OPTION AGREEMENT (this "***Agreement***") dated effective as of December 31, 2020 (the "***Effective Date***") is entered into by and between WHC CRYSTAL LLC, a District of Columbia limited liability company ("***Optionor***"), and ACORN DEVELOPMENT LLC, a Delaware limited liability company and its successors, participants, and assigns ("***Optionee***").

RECITALS

WHEREAS, Optionor, as successor-in-interest to Crystal House Apartments Investors LLC, a Delaware limited liability company has entered into a Real Estate Purchase and Sale and Escrow Agreement (as assigned and amended, the "***Larger Property PSA***") with Crystal House Apartments Investors LLC, a Delaware limited liability company ("***Original Seller***"), dated December 14, 2020, to acquire the land located in the County of Arlington, Commonwealth of Virginia, and legally described on Exhibit A attached hereto (the "***Land***"), together with the improvements located thereon commonly known as "Crystal House," consisting of two buildings containing in the aggregate approximately 738,792 net rentable square feet of residential space and approximately 7,711 net rentable square feet of commercial space, parking areas containing approximately 766 parking spaces and certain other improvements (collectively the "***Improvements***").

WHEREAS, in addition to the Improvements, the Land is entitled for a development consisting of: (i) additional buildings containing in the aggregate approximately 796,000 gross square feet of residential space and approximately 834 gross square feet of commercial space, parking areas containing approximately 825 parking spaces and certain other improvements; and (ii) CH #5 (as defined below) ((i) and (ii) collectively being, the "***Additional Development***"). The portion of the Land on which the Additional Development is to be constructed is referred to in this Agreement as the "***Additional Development Parcels***."

WHEREAS, in order to finance the acquisition, operation and maintenance of the Land, Improvements and associated rights, Optionor expects to enter into certain loan documents with Optionee (the "***Loan Documents***").

WHEREAS, Optionee is willing to make the loan on the terms and conditions set forth in the Loan Documents, including, without limitation, a requirement that Optionor enter into an Option Agreement with Optionee concurrently with the Loan Documents, pursuant to which Optionor agrees to (i) subdivide the Land to allow for the construction of the Additional Development on the Additional Development Parcels, and (ii) grant Optionee an option to acquire the Additional Development Parcels following such subdivision.

WHEREAS, as used in this Option Agreement, the term "***Larger Property***" shall mean (i) the Land and the Improvements, (ii) all rights, proceeds, privileges, easements and hereditaments relating or appertaining thereto, and (iii) all personal property, fixtures, and equipment required or beneficial for the operation thereof. As used in this Option Agreement, the term "***Option Property***" shall mean: (A) (i)the Additional Development Parcels and the Improvements located on the Additional Development Parcels (if any), (ii) all rights, proceeds, privileges, easements and hereditaments relating or appertaining thereto, and (iii) all personal

property, fixtures, and equipment required or beneficial for the operation thereof; and (B) those entitlements, transferable development rights and other rights that are set forth in the Site Plan Ordinance (as defined below) on the Larger Property, but excluding any such entitlements, development rights and other rights in the Site Plan Ordinance that are necessary to continue to operate the CH 1&2 Parcel as currently operated. Notwithstanding the foregoing, the Option Property does not include any land area or parking needed under applicable land use regulation to support the continued operation of the portion of the Land and Improvements that are not a part of the Option Property.

WHEREAS, Optionor wishes to grant to Optionee, and Optionee wishes to obtain from Optionor, an irrevocable and exclusive option to acquire the Option Property, subject to the terms and conditions set forth below.

AGREEMENT

NOW, THEREFORE, in fulfillment of Optionor's obligation to enter into this Option Agreement pursuant to the Loan Documents, the Option Payment (defined below) and the other mutual covenants and agreements hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. **Grant of Option**. Optionor hereby grants to Optionee, upon Optionor's acquisition of the Larger Property, the sole, exclusive, and irrevocable option (the "***Option***") to cause Optionor to convey the Option Property to Optionee.

2. **Option Term**. The term of the Option (the "***Option Term***") shall commence on the date Optionor acquires the Larger Property and automatically expire on the date that is ten (10) years following the Effective Date (the "***Option Termination Date***"), unless duly extended, exercised, or sooner terminated as provided below. Optionee shall have four consecutive options to extend the Option Term as follows: (a) the first extension shall be for an additional ten (10) year term; and (b) the second through fourth extensions shall be for terms of twenty (20) years each. Optionee may exercise any such extension option by delivering notice thereof to Optionor prior to the end of the then current Option Term.

3. **Option Consideration**.

(a) **Option Consideration**. The Option is granted in consideration of Optionee's payment to Optionor, concurrently with the execution of this Agreement, of the amount of Forty Million One Thousand Dollars ($40,001,000) (the "***Option Payment***") and in fulfillment of Optionor's obligation to enter into this Option Agreement under the Loan Documents which was given in consideration, in part, for Optionee's agreement to enter into the Loan Documents. The parties acknowledge that One Thousand Dollars ($1,000) of the Option Payment (the "***Option Memo Recording Payment***") is expressly provided in consideration of Optionor's agreement to record the Memorandum of the Option as described in Section 18.u hereof.

(b) **Option Consideration Earned Upon Delivery**. Optionor acknowledges and agrees that the Option Payment and Optionee's agreement to enter into the Loan Documents constitute consideration to Optionor for Optionor's agreement (among other things) to (i) enter into this Agreement with Optionee, (ii) not sell, convey or otherwise transfer the Option Property to another party while this Agreement is in effect, and (iii) convey the Option Property to Optionee or its designee(s) on the terms and conditions set forth herein, provided that Optionee has exercised the Option in the manner provided in Section 4 below.

(c) **Optionee Reimbursement of Certain Optionor Carrying Costs During Option Extension Term**. If Optionee extends the Option Term as provided in Section 2 hereof (any portion of the Option Term after the original Option Term while any Option Property remains unconveyed to Optionee being referred to as the "***Reimbursement Period***"), then Optionor shall calculate the following (A) actual, reasonable, direct costs it incurs attributable exclusively to the Option Property during such extended Option Term(s) ("***Carrying Costs***"):

i. **Property Taxes**. Prior to the Subdivision, the property taxes attributable exclusively to the Option Property shall be Forty Nine percent (49.0%) if the Option Property contains CH #5 or Forty Six and Two Tenths percent (46.2%) if the Option Property does not contain CH #5 of the property taxes levied on the land alone, and not on the Improvements. After the Subdivision, the property taxes attributable to the Option Property shall be the property taxes levied on the parcels then constituting the Option Property.

ii. **Insurance**. The proportionate cost of commercial general liability insurance that is attributable exclusively to the Option Property and not to CH #1 or CH #2 or the Improvements.

iii. **Ordinary Repairs and Maintenance**. One-half of the cost of all ordinary repairs, maintenance and cleaning, including, without limitation, the cost of landscaping and other service agreements, and snow, ice, trash, and debris removal associated with the landscaped areas of the Option Property and not associated with CH #1 or CH #2 or the Improvements (but not including any roadways, sidewalks, parkways, driveways, lighting facilities, fences, gates, or similar improvements located on the Option Property benefitting CH #1 or CH #2 or the Improvements) up to a maximum amount for each calendar year of Ten Thousand Dollars ($10,000.00).

After calculating the Carrying Costs described above, Optionor and Optionee shall deduct (B) the net parking revenue generated on the Larger Parcel, from any parking spaces above 498 parking spaces ("***Net Parking Revenue***; and Optionee shall reimburse the difference between the (A) Carrying Costs and (B) the Net Parking Revenue (such calculation being the "***Net Carrying Costs***").

Optionee shall pay the Net Carrying Costs throughout the Reimbursement Period, and, if Optionee exercises the Option for any or all of the Option Property during the Reimbursement Period, Optionee shall continue to pay the Net Carrying Costs until Optionor conveys such Option Property to Optionee. Optionor's and Optionee's respective obligations hereunder with respect to any Option Property not conveyed to Optionee shall continue throughout the Reimbursement Period until so conveyed. Each and every time less than all of the Option Property is conveyed to Optionee, the respective property taxes, insurance and maintenance costs, shall be reduced proportionately from Carrying Costs.

At the end of each calendar year during the Reimbursement Period, Optionor shall invoice Optionee for Carrying Costs and provide evidence thereof. Optionor shall also provide a full report of the Net Parking Revenue for such calendar year (and subtract same from such invoice). Optionee shall thereafter pay the Net Carrying Costs to Optionor within thirty (30) days of its receipt of such invoice. Optionor shall exercise commercially reasonable efforts, in good faith, to maximize the Net Parking Revenue and minimize Carrying Costs. If the parties are unable to reach agreement on Net Carrying Costs (or any of the components necessary to calculate Net Carrying Costs), the parties shall engage in dispute resolution to resolve outstanding issues expeditiously and to reach final agreement.

As more fully provided in Section 9 below, the parties shall negotiate in good faith to reach agreement on, and shall enter into, a reciprocal easement agreement, shared parking agreement, or other Future Reasonable Agreements to address, *inter alia*, the agreements covered by this Section 3(c). The parties agree that such Future Reasonable Agreements shall be controlling over the covenants and agreements contained in this Section 3(c), including the shared use of and costs related to any Replacement Parking. The parties expect that such Future Reasonable Agreement shall provide that Optionee's annual obligation to pay Optionor's Net Carrying Cost during the Reimbursement Period, as provided herein, shall be reduced, as an offset, by Optionee's reasonable operations and maintenance costs incurred in providing Replacement Parking for that year. If the parties are unable to reach agreement on such Future Reasonable Agreement, the parties shall engage in dispute resolution to resolve outstanding issues expeditiously and to reach final agreement.

4. **Exercise of Option; Termination of Option**. At any time during the Term, Optionee may exercise the Option by timely sending Optionor a written notice of Optionee's intention to exercise the Option ("***Exercise Notice***") accompanied by an executed copy of a real estate transfer agreement substantially in the form attached hereto or described on Exhibit B (the "***Transfer Agreement***"). Optionor shall promptly execute the Transfer Agreement and return a fully executed copy of the Transfer Agreement to Optionee. Optionee may, in its sole discretion, exercise the Option with respect to any of the specific parcels within the Option Property created by the Subdivision at any time during the Term. In such event, Optionee shall send Optionor an Exercise Notice and executed copy of a Transfer Agreement applicable to such specific parcel(s) within the Option Property and Optionor shall promptly execute and return a fully executed copy of such Transfer Agreement to Optionee. This Option Agreement shall remain effective with

respect to such parcels of the Option Property for which Optionee has not sent an Exercise Notice for the remainder of the Option Term. If Optionee does not timely exercise the Option in the manner described herein on or before the Option Termination Date for all or a portion of the Option Property, then the Option shall automatically terminate with respect to the portions of the Option Property for which Optionee has not sent an Exercise Notice and thereafter neither party shall have any further obligations or rights hereunder with respect to the portions of the Option Property for which Optionee has not sent an Exercise Notice except for those that expressly survive the termination of this Agreement. Optionee shall pay all recordation and transfer taxes on the transferred parcels. Optionee also shall have the right to terminate this Option Agreement, with respect to all or any portion of the Option Property, for any reason or no reason, by delivering written notice specifying the portion of the Option Property for which this Option Agreement is to be terminated given to Optionor at any time. In the event of any such termination, no party shall have any further liability to any other party under this Option Agreement with respect to the portion of the Option Property for which this Option Agreement has been terminated, except for those that expressly survive the termination of this Option Agreement.

5. **Segregation of the Larger Property and Government Approvals**.

(a) **Subdivision**. Optionor shall upon a schedule proposed by Optionee and subject to Optionor's approval, which approval shall not be unreasonably withheld, conditioned or delayed, cause the Larger Property to be segregated by means of a subdivision into at least two (2) separate legal lots, one to contain the existing Improvements (commonly known as Crystal Houses 1 and 2) (the "***CH 1&2 Parcel***") and the other for the Option Property (the "***Subdivision***"). Optionor shall cause the Subdivision to segregate the Option Property into any number of separate parcels as Optionee, in its sole discretion, may direct. Optionor shall consult closely with Optionee with respect to the configuration of the Option Property within the Subdivision and the terms and conditions of the Subdivision. Optionor shall not agree to such configuration or such terms and conditions without the prior written approval of Optionee, which Optionee may give or withhold in its sole discretion; provided, however, that no Subdivision shall adversely affect the legal entitlements of Optionor in other than a *de minimis* manner to operate the CH 1&2 Parcel as currently operated. Optionor shall deliver to Optionee for review and comment, draft applications for governmental approvals and permits, final plats, final declarations, and owner-agent agreements and other documents reasonably necessary to allow Optionor to undertake and complete the segregation of the Larger Property as described above and Optionor shall incorporate Optionee's comments substantially consistent with this Agreement into such applications, as Optionee directs. If Optionor fails to cause the Subdivision to be completed in a timely fashion as set forth in the proposed schedule Optionor has reasonably approved, then Optionee, without limiting its remedies otherwise available at law or in equity, may itself seek to cause the Subdivision to occur and Optionor shall reasonably cooperate with Optionee in such effort. The Subdivision shall be deemed completed for purposes of this Option Agreement when the separate legal lots created by the Subdivision are each able to be conveyed in compliance with applicable Virginia and Arlington

County law. Optionee shall reimburse Optionor for the actual, customary and reasonable costs and expenses Optionor incurs in seeking to cause the Subdivision to occur, as provided herein. Optionee shall reimburse Optionor for all reasonable documented third party costs incurred in the Subdivision process.

(b) **Governmental Approvals**. During the Option Term, Optionee may to apply for a zoning change, variance, subdivision map, lot line adjustment, or other discretionary governmental act, approval or permit with respect to the Option Property ("***Entitlements***"). Optionee also may submit any reports, studies or other documents, including without limitation, plans and specifications, impact statements for water, sewage, drainage or traffic, environmental review forms, or energy conservation checklists to any governmental agency, or any amendment or modification to any such instruments or documents prior to exercising the Option ("***Reports***"). Optionor agrees to reasonably cooperate with Optionee in seeking such Entitlements, so long as Optionee requests Optionor to do so (and in the event attendance at any zoning or other governmental meetings where an employee of Optionor is required to be present, at least five (5) Business Days prior written notice is given to Optionor, if possible) and, provided further that Optionor does not bear any material expense in connection with its cooperation.

6. **Crystal Houses #5**. On December 14, 2019, Arlington County passed a Site Plan Ordinance approving Site Plan #451 (the "***Site Plan Ordinance***"). Condition 42.B of the Site Plan Ordinance requires that the owner of the Larger Property, when it seeks to execute the Additional Development, must convey fee simple title to "the real property located on a portion of RPC No. 36-018-014 located at 1900 South Eads Street, Arlington Virginia, and known as the Remainder of Parcel II Property of Crystal House Apartment Investors, LLC" ("***CH #5***") to Arlington County if the County Manager timely requests the owner to do so. (CH #5 is more fully described as "Parcel II – Part Two" in the legal description attached as Exhibit A.) The Site Plan Ordinance also provides that once CH #5 is so conveyed to Arlington County, the owner developing the Additional Development "shall have no further affordability obligation under this Condition No. 42.B". The parties acknowledge and agree that if CH #5 is conveyed to Arlington County or other designee in furtherance of the Site Plan Ordinance prior to exercising the Option and executing the Transfer Agreement(s), then the Option Property shall not include CH #5 and the relief from otherwise complying with the affordable housing obligations of Condition 42.B and all other development rights and other benefits outlined in the Site Plan Ordinance that result from such conveyance of CH #5 to Arlington County shall accrue the remaining portion of the Option Property.

7. **Future Affordable Housing Benefits**. The parties agree that the Option Property includes all entitlements, transferable development rights and other rights relating to the provision of affordable housing on the Larger Property, including, without limitation, rights relating to the imposition of affordable housing covenants on CH #1 and #2 and/or the Additional Development Parcel.

8. **Replacement Parking and Crystal House 2 Garage**. The parties acknowledge that the Site Plan Ordinance requires that CH #1 and #2 maintain 498 parking spaces upon the Larger Parcel for the Improvements. The parties agree that after the Subdivision, if Optionee exercises

the Option and acquires the Option Property, then Optionee shall provide parking spaces on the Option Property or on CH #1 or #2 for the benefit of CH #1 and #2 in an amount of 330 spaces (498 spaces less 168 spaces currently located in the Improvements), it being understood that any future subdivision or entitlement shall not reduce or impair the existing 168 parking spaces located in the Improvements (the "***Replacement Parking Spaces***"). The parties will work together in good faith to provide the parking in locations that allow for development of the Option Parcel with at minimal impact to Optionor's operation of CH #1 and CH #2; provided, however, that the location of the Replacement Parking Spaces on the Option Property shall be at Optionee's sole discretion. Optionee shall not build the Crystal House 2 Garage as described and required by the Site Plan Ordinance. Optionor and Optionee shall work together in good faith with Arlington County to resolve parking-related issues.

9. **Future Agreements**. Optionor and Optionee and/or Optionee's designee shall negotiate in good faith to reach agreement on the following ("***Future Reasonable Agreements***") prior to the completion of the Subdivision consistent with this Agreement:

(a) Easements and other rights benefiting and burdening the Option Property and CH #1 and #2, respectively that are necessary or convenient for the development of the Option Property including, without limitation, access, construction, construction staging, crane swing, tie-back and other easements and cooperation agreements.

(b) Allocation of Responsibility for Complying with Site Plan Ordinance and Subdivision Conditions;

(c) Parking Sharing Agreement;

(d) Conditions, Covenants and Restrictions ("***CC&R***") (regarding, among other things, ongoing cost sharing and management of common areas (e.g. internal roads and open spaces) and common infrastructure to be determined between the parties.)

The parties agree to be guided by reasonable principles in fashioning the Future Reasonable Agreements with the goal of allocating privileges and responsibilities between the parties and among the parcels as is commonly done in Arlington County in similar subdivisions while at all times preserving the right of Optionor to continue to operate the CH 1&2 Parcel as currently operated. If the parties are unable to reach agreement on any Future Reasonable Agreement, the parties shall engage in dispute resolution to resolve outstanding issues expeditiously and to reach final agreement.

10. **Physical Inspection of the Property**. Optionor agrees that Optionee shall have the right, at Optionee's own risk, cost and expense, at any time or times during the Option Term, to conduct such non-invasive environmental and engineering tests, including inspections, investigations, studies, surveys, examinations, and appraisals as Optionee deems necessary or desirable to evaluate the Property (collectively, the "***Investigations***") in accordance with this paragraph. Optionee may not conduct any physical intrusive testing on the Property without Optionor's prior written consent, which consent will not be unreasonably withheld or delayed

provided the same is conducted to minimize interference with tenants' normal use of the Property and Optionee is properly insured in accordance with the terms of this paragraph. For purposes of this paragraph, "physically intrusive testing" shall mean testing that involves borings (such as the taking of soil samples and/or a "***Phase II***" environmental study), borings (such as the taking of roof or wall samples), or any taking of physical samples or penetration of the surface of the Land or the Improvements comprising the Option Property. Optionee shall have the right to enter upon any portion of the Option Property at any time or times during the Option Term, during normal business hours and after at least one (1) business day's advance notice to (or in the case of physically intrusive testing, at least two (2) business days' prior advance notice) Optionor, for purposes of conducting the Investigations. In the event of any damage to the Option Property caused by Optionee, its agents, engineers, employees, contractors or surveyors as part of the Investigations Optionee performs, or causes to be performed, Optionee shall restore or pay the cost incurred by Optionee (or Optionor) to restore the Option Property to the condition, as nearly as possible, existing prior to the performance of such tests, investigations or studies. Optionor shall not be liable for any damages to person or property occasioned by the acts of Optionee or its contractors while conducting its investigation on the Option Property except to the extent such liability arises from Optionor's gross negligence or willful misconduct and Optionee shall furnish or cause its consultants or agents to furnish to Optionor, prior to any entry onto the Option Property, certificates of insurance which shall name Optionor as an additional insured evidencing comprehensive general liability coverage in the minimum amount of Two Million Dollars ($2,000,000). In no event may Optionee's investigations cause tenants of the CH #1 or CH #2 to be disturbed. The provisions of this paragraph shall survive the exercise of the Option or earlier termination of this Agreement for a period of nine (9) months.

11. **Maintenance of the Option Property during the Option Term**. During the Option Term, Optionor shall manage and operate the Option Property only in the ordinary and usual manner; maintain in full force and effect insurance policies, or renewals thereof for not more than one year; maintain the Option Property in its present order and condition, make all commercially reasonable and necessary repairs and replacements that are consistent with its normal business practices; not make or install any Improvements upon the Option Property without Optionee's prior approval; and give prompt notice to the Optionee of any fire or other casualty materially affecting the Option Property.

12. **Continued Marketing**. Until the expiration of the Option Term, Optionor shall not negotiate the sale or lease of the Option Property to any person except Optionee, and Optionor shall not show the Option Property to any prospective buyer or optionee.

13. **Mortgages**. During the Term, neither Optionor nor Optionee shall encumber the Option Property or any portion thereof with a deed of trust, mortgage, or other monetary encumbrance other than as provided in the Loan Documents or for the Subordinate Loan (as defined in the Loan Documents).

14. **Damage or Destruction**. If the Option Property is totally or partially damaged or destroyed by fire, earthquake, accident, or other casualty prior to exercise of the Option through no fault of Optionee, then Optionee may cancel this Agreement by giving written notice to Optionor.

15. **Default by Optionor**. If Optionor fails to perform any of its obligations or is otherwise in default hereunder after the notice and cure period provided in the following sentence, then such failure shall be in an Optionor "***Event of Default***". Optionee shall provide written notice to Optionor of such failure and allow Optionor thirty (30) days to cure such default (provided that if such default is not reasonably capable of being cured within such thirty (30) day period, such longer period that is necessary to cure such default, provided further that Optionee commences such cure within such thirty (30) day period and diligently prosecutes such cure to completion). If Optionor commits an Event of Default, Optionee shall have the right to terminate this Agreement, and/or to seek such other relief Optionee may have at law or in equity, including, without limitation, seeking injunctive relief to prevent a sale of the Option Property to a party other than Optionee and the filing of an action for specific performance.

16. Notices. All notices, demands, and requests which may be given, or are required to be given by either party to the other shall be in writing, and shall be either hand delivered by Federal Express or sent by United States certified mail, return receipt requested, with proper first class postage prepaid, properly and fully addressed:

If to Optionor:	WHC 1310 L Street, NW Washington, D.C. 20005 Attention: Executive Director Phone: 202-481-3255
With a copy to:	c/o JBG Smith 4747 Bethesda Avenue, Suite 200 Bethesda, Maryland 20814 Attention: Greg Benkowski Email: gbenkowski@jbgsmith.com Phone: 240-333-3728
And a copy to:	Arent Fox 1717 K Street, NW Washington, D.C. 20006 Attention: Richard A. Newman, Esq. Email: richard.newman@arentfox.com Phone: 202-857-6170
If to Optionee:	Amazon.com, Inc. Attn: Amazon in the Community 410 Terry Avenue North Seattle, WA 98109-5210 Email: housingequityfund@amazon.com
With a copy to:	Amazon.com, Inc. Attn: General Counsel P.O. Box 81226

Seattle, WA 98108-1226
Email: contracts-legal@amazon.com

With a copy to: Davis Wright Tremaine LLP
Attention: Anthony Caso
920 Fifth Avenue, Suite 3300
Seattle, WA 98104-1610
Email: anthonycaso@dwt.com

A notice shall be deemed given (a) when delivered, if delivered by courier or overnight delivery service, or (b) two (2) business days after the date of posting with the U.S. mail, if sent by registered or certified mail. Any party may, by like notice given at least ten (10) days before such change becomes effective, designate a new address to which such notices shall be sent.

17. **Public Announcements**. Neither Optionor nor Optionee (nor any of their respective agents or assignees) shall make any public announcement or issue any press release regarding the transaction described in this Agreement, either prior to or after the exercise of the Option or earlier termination of this Agreement or the Transfer Agreement (except to the extent required to comply with reporting requirements pursuant to applicable law), without the specific prior written approval of the other party, which (i) prior to the exercise of the Option and the subsequent Settlement or earlier termination of this Agreement or the Transfer Agreement, such approval may be granted or withheld in such party's sole discretion, and (ii) after the exercise of the Option and the subsequent Settlement, or earlier termination of this Agreement or the Transfer Agreement, such approval shall not be unreasonably withheld, conditioned or delayed. This Section 17 shall survive until two (2) years following the later of (i) the settlement of the conveyance of the Option Property pursuant to the Transfer Agreement, (ii) the termination of the Transfer Agreement or (iii) the termination of this Agreement.

18. **Miscellaneous**.

(a) **Entire Agreement**. This Agreement, together with the Exhibits attached hereto, all of which are incorporated by reference, constitutes the entire agreement between the parties with respect to the subject matter hereof, and no alteration, modification or interpretation hereof shall be binding unless in writing and signed by both parties. The parties are not bound by any agreements, understandings, provisions, conditions, representations or warranties (whether written or oral and whether made by Optionor or any agent, employee or principal of Optionor or any other party) other than as are expressly set forth and stipulated in this Agreement.

(b) **Severability**. If any provision of this Agreement or application to any party or circumstances shall be determined by any court of competent jurisdiction to be invalid and unenforceable to any extent, the remainder of this Agreement or the application of such provision to such person or circumstances, other than those as to which it is so determined invalid or unenforceable, shall not be affected thereby, and each provision hereof shall be valid and shall be enforced to the fullest extent permitted by law.

(c) **Applicable Law**. This Agreement shall be construed and enforced in accordance with the laws of the Commonwealth of Virginia.

(d) **Assignability**. Optionee may assign this Option Agreement to any party, in whole or in part, in its sole discretion. Any assignee shall be deemed to have made any and all representations and warranties made by Optionee hereunder (as reasonably amended to account for Optionee entity structure, place of organization and similar criteria that differ between Optionee and assignee), as if the assignee were the original signatory hereto. If Optionee intends to assign this Agreement, Optionee shall (i) notify Optionor in writing of the proposed assignment; (ii) provide Optionor with the name and address of the proposed assignee; and (iii) provide Optionor with a copy of the proposed instrument of assignment. This Agreement shall be binding upon and inure to the benefit of Optionee and Optionor and their respective successors and permitted assigns. Upon any assignment of Optionee's entire interest under this Agreement, Optionee shall be relieved of all further liability under this Agreement.

(e) **Captions**. The captions in this Agreement are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope of this Agreement or the scope or content of any of its provisions.

(f) **Attorneys' Fees**. In the event of any litigation arising out of this Agreement, the prevailing party shall be entitled to recover from the other party reasonable attorneys' and paralegals' fees and costs actually incurred, whether incurred out of court, at trial, on appeal or in any bankruptcy, arbitration or administrative proceedings.

(g) **No Relationship**. Nothing contained in this Agreement shall be construed to create a fiduciary, partnership, joint venture, principal/agent or other relationship between the parties or their successors or assigns, and the parties owe no duty to each other except as expressly stated in this Agreement.

(h) **Time of Essence**. Time is of the essence for all purposes of this Agreement.

(i) **Counterparts**. This Agreement may be executed and delivered in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including portable document format (PDF) or any electronic signature complying with the United States Electronic Signatures in Global and National Commerce (ESIGN) Act of 2000, e.g. www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

(j) **Proper Execution**. Signatures of this Agreement transmitted by via electronic mail (*.pdf or similar file types) shall be valid and effective to bind the party so signing. Each party agrees to promptly deliver an execution original to this Agreement, any amendment thereto, or any notice sent via electronic mail with its

actual signature to the other party, but a failure to do so shall not affect the enforceability of this Agreement, amendment or notice, it being expressly agreed that each party to this Agreement shall be bound by its own electronically mailed signature in all instances and shall accept the electronically mailed signature of the other party to this agreement.

(k) **No Personal Liability**. Any liability for participation in this transaction shall remain with Optionee and Optionor only and in no event shall there be any personal liability on the part of any officer, manager or employee of the parties, their direct or indirect partners and investors or their direct or indirect constituent members or entities. This provision shall survive the exercise of the Option and the subsequent Settlement or any termination of this Agreement or of the Transfer Agreement(s).

(l) **Date of Agreement**. All references to the date of this Agreement mean the date upon which both Optionor and Optionee have executed this Agreement.

(m) **Date of Performance**. If the date of performance of any obligation or the expiration of any time period provided herein should fall on a Saturday, Sunday or legal holiday, then said obligation shall be due and owing, and said time period shall expire, on the first day thereafter which is not a Saturday, Sunday or legal holiday. Any reference in this Agreement to a "business day" shall mean any day of the week other than a Saturday, Sunday or legal holiday. Except as may otherwise be set forth herein, any performance provided for herein shall be timely made if completed not later than 5:00 p.m. (prevailing Eastern time) on the day of performance.

(n) **Waiver**. Excuse or waiver of the performance by the other party of any obligation under this Agreement shall only be effective if evidenced by a written statement signed by the party so excusing or waiving. No delay in exercising any right or remedy shall constitute a waiver thereof, and no waiver by Optionor or Optionee of the breach of any covenant of this Agreement shall be construed as a waiver of any preceding or succeeding breach of the same or any other covenant or condition of this Agreement. All of the provisions of this Section 18.n shall survive the exercise of the Option and the subsequent Settlement or any termination of this Agreement or of the Transfer Agreement(s).

(o) **Interpretation**. This Agreement is the result of negotiations between the parties who are experienced in sophisticated and complex matters similar to the transaction contemplated by this Agreement and is entered into by both parties in reliance upon the economic and legal bargains contained herein and shall be interpreted and construed in a fair and impartial manner without regard to such factors as the party which prepared the Agreement, the relative bargaining powers of the parties or the domicile of any party. Optionor and Optionee are each represented by legal counsel competent of advising them of their obligations and liabilities hereunder. The presentation and negotiation of this Agreement shall not be construed as any offer by Optionor to transfer, or any offer by Optionee to

accept, the Property or obligate either party unless and until this Agreement has been duly executed and delivered to both parties.

(p) **Termination**. Upon termination of this Agreement in accordance with its terms (and not as a result of an Event of Default), neither party shall have any further rights or obligations or liabilities, except those rights and obligations arising under any sections of this Agreement which expressly survive termination of this Agreement.

(q) **Construction**. As used herein, the words "include", "including", and similar terms shall be construed as if followed by the phrase "without limitation".

(r) **No Third Party Beneficiary**. This Agreement is not intended to give or confer any benefits, rights, privileges, claims, actions, or remedies to any person or entity as a third party beneficiary.

(s) **Waiver of Jury Trial**. TO THE EXTENT PERMITTED BY LEGAL REQUIREMENTS, THE PARTIES WAIVE ANY RIGHT TO TRIAL BY JURY OR TO HAVE A JURY PARTICIPATE IN RESOLVING ANY DISPUTE, WHETHER SOUNDING IN CONTRACT, TORT, OR OTHERWISE, BETWEEN THE PARTIES ARISING OUT OF THIS AGREEMENT OR ANY OTHER INSTRUMENT, DOCUMENT, OR AGREEMENT EXECUTED OR DELIVERED IN CONNECTION HEREWITH OR THE TRANSACTIONS RELATED HERETO.

(t) **Anti-Corruption**. Optionor acknowledges that Optionee's Code of Business Conduct and Ethics posted at http://phx.corporate-ir.net/phoenix.zhtml?c=97664&p=irol-gov Conduct (the "***Code***") prohibits the paying of bribes to anyone for any reason, whether in dealings with governments or the private sector. Optionee will not violate or knowingly permit anyone to violate the Code's prohibition on bribery or any applicable anti-corruption laws in performing under this Agreement. Optionee may immediately terminate or suspend performance under this agreement if Optionor breaches this section. Optionor will maintain true, accurate and complete books and records concerning any payments made to another party by Optionor under this Agreement, including on behalf of Optionee. Optionee and its designated representative may inspect Optionor's books and records to verify such payments and for compliance with this Section.

(u) **Memorandum of Option**. The parties shall execute a Memorandum of Option substantially in the form attached hereto as Exhibit C.

In witness whereof, the parties hereby set their hands.

OPTIONOR:

WHC CRYSTAL LLC, a District of Columbia limited liability company

By: Washington Housing Conservancy, Inc., a District of Columbia non-profit corporation, its Sole Member

By: _____
Kimberly C. Driggins, Executive Director

Optionor Acknowledgment

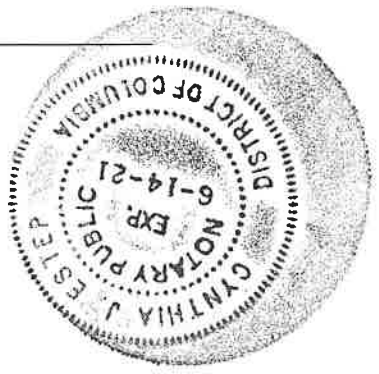
DISTRICT OF COLUMBIA ss:

This record was acknowledged before me on December 23, 2020 by Kimberly C. Driggins, as the Executive Director of Washington Housing Conservancy, Inc., a District of Columbia non-profit corporation, which is the Sole Member of WHC CRYSTAL LLC, a District of Columbia limited liability company.

Cynthia J Estep
Signature of notarial officer

Notary Public
Title of Office

My commission expires: 6/14/2021



OPTIONEE:

ACORN DEVELOPMENT LLC, a Delaware limited liability company

By: _____
Antonio Masone, Treasurer

Optionee Acknowledgment

STATE OF CONNECTICUT)
) ss. WESTPORT
COUNTY OF FAIRFIELD)

On this the 22nd day of December, 2020, before me, Mary Ellen Stella, the undersigned officer, personally appeared Antonio Masone, who acknowledged himself to be the Treasurer of ACORN DEVELOPMENT LLC, a Delaware limited liability company, and that he as such Treasurer, being authorized so to do executed the foregoing instrument for the purposes therein contained, by signing the name of the limited liability company by himself as Treasurer.

In witness whereof I hereunto set my hand.

Mary Ellen Stella
Signature of Notary Public

Date Commission Expires: July 31, 2025

Mary Ellen Stella
Notary Public, State of Connecticut
My Commission Expires July 31, 2025

EXHIBIT A

Description of the Larger Property

ALL those certain lots, pieces or parcels of land, situate, lying and being in Arlington County, Virginia and more particularly described as follows:

PARCEL I:

BEGINNING at the intersection of the southerly line of 18th Street South with the easterly line of South Fern Street said point being the northwest corner of the property of Washington Brick & Terra Cotta Company; thence running with the southerly line of 18th Street, South, N 85 degrees 56 minutes 59 seconds E. - 711.03 feet to its intersection with the westerly line of South Eads Street; thence running with said westerly line of South Eads Street 229.95 feet on the arc of a curve to the right, which curve has a radius of 2839.79 feet, the chord of which arc bears S 00 degree 27 minutes 18 seconds W. - 229.88 feet to the PT; thence continuing with the line of South Eads Street S 02 degrees 46 minutes 29 seconds W. - 367.86 feet to a point; thence departing from said line of South Eads Street and running through the property of Washington Brick & Terra Cotta Company S 87 degrees 58 minutes 25 seconds W. - 623.98 feet to a point in the aforementioned easterly line of South Fern Street; thence running with the said line of South Fern Street, N 06 degrees 37 minutes 01 seconds W.- 572.97 feet to the point of beginning; containing 8.98949 acres of land, more or less.

PARCEL II - PART ONE:

BEGINNING at the intersection of the easterly line of South Fern Street with the northerly line of 22nd Street South as dedicated in Deed Book 1548 at page 162 and recorded among the land records of Arlington County, Virginia, thence running with said line of South Fern Street N 06 degrees 37 minutes 01 seconds W - 531.71 feet to the center line of 20th Street South (vacated); thence departing from said street line of South Fern Street and running with the center line of vacated 20th Street South N 87 degrees 58 minutes 25 seconds E - 623.98 feet to a point in the west line of South Eads Street; thence running with said line of South Eads Street S 02 degrees 46 minutes 29 seconds W 531.88 feet to the point in the northerly line of 22nd Street South, thence with the line of the aforementioned 22nd Street South S 87 degrees 58 minutes 29 seconds W 536.91 feet to the point of beginning; containing 7.06247 acres of land.

PARCEL II - PART TWO:

BEGINNING at a point in the west line of South Eads Street, said point being the northeast corner of Block "A", Virginia Highlands Association as same appears duly platted and recorded among the land records of Arlington County, Virginia; thence departing from said street line and running with a portion of the north line of said Block "A", Virginia Highlands Association S 87 degrees 58 minutes 29 seconds W - 272.67 feet to the southeast corner of the Mills Property as recorded in Deed Book 461 at page 249 of the aforementioned land records; thence running with the east line of Mills N 02 degrees 01 minutes 31 seconds W - 140.00 feet to the northeast corner of the Mills Property as recorded in Deed Book 414 at page 435 of the aforementioned land records; thence

running with the southerly line of 22nd Street South, N 87 degrees 58 minutes 29 seconds E - 284.43 feet to a point in the aforesaid west line of South Eads Street; thence with said line of South Eads Street S 02 degrees 46 minutes 29 seconds W - 140.49 feet to the point of beginning; containing 0.89524 acres of land.

NOTE FOR INFORMATIONAL PURPOSES ONLY:
RPC No.: 36-018-014

The real property described above is the same property legally described as follows:

PARCEL I:

DESCRIPTION OF
PARCEL I
BEING A PORTION OF THE PROPERTY OF
CRYSTAL HOUSE APARTMENTS INVESTORS LLC
DEED BOOK 4668, PAGE 128
ARLINGTON COUNTY, VIRGINIA

Being a portion of the property of Crystal House Apartments Investors LLC as recorded in Deed Book 4668 at Page 128 among the Land Records of Arlington County, Virginia.

Beginning for the same at point marking the intersection of the southerly right-of-way line of 18th Street South (variable width public right-of-way) and the easterly right-of-way line of South Fern Street (variable width public right-of-way); thence running with said southerly right-of-way line of 18th Street South

1. North 85°58’37” East, 711.03 feet to a point of curvature, (non-tangent) marking the intersection of the aforesaid southerly right-of-way line of 18th Street South and the westerly right-of-way line of South Eads Street (variable width public right-of-way); thence leaving the said southerly right-of-way line of 18th Street South and running with the said westerly right-of-way line of South Eads Street the following two (2) courses and distances
2. 229.94 feet along the arc of a curve to the right having a radius of 2,839.79 feet and a chord bearing and distance of South 00°28’56” West, 229.88 feet to a point of tangency; thence
3. South 02°48’07” West, 367.86 feet to a point marking the northeasterly property corner of Parcel II – Part One, Crystal House Apartments Investors LLC as recorded in Deed Book 4668 at Page 128 among said Land Records, thence leaving the aforesaid westerly right-of-way line of South Eads Street and running

with the northerly line of Parcel II – Part One, Crystal House Apartments Investors LLC

4. South 88°00’03” West, 623.98 feet to a point on the easterly right-of-way line of South Fern Street (variable width public right-of-way), said point marking the northwesterly property corner of Parcel II – Part One, Crystal House Apartments Investors LLC; thence running with said easterly right-of-way line of South Fern Street
5. North 06°35’23” West, 572.97 feet to the point of beginning and containing 391,577 square feet or 8.98937 acres of land more or less.

PARCEL II - PART ONE:

DESCRIPTION OF
PARCEL II – PART ONE
BEING A PORTION OF THE PROPERTY OF
CRYSTAL HOUSE APARTMENTS INVESTORS LLC
DEED BOOK 4668 PAGE 128
ARLINGTON COUNTY, VIRGINIA

Being a portion of the property of Crystal House Apartments Investors LLC as recorded in Deed Book 4668 at Page 128 among the Land Records of Arlington County, Virginia.

Beginning for the same at a point marking the intersection of the northerly right-of-way line of 22nd Street South (50 foot public right-of-way) as recorded in Deed Book 1548 at Page 162 and the easterly right-of-way line of South Fern Street (variable width public right-of-way); thence running with said easterly right-of-way line of South Fern Street

1. North 06°35’23” West, 531.71 feet to a point marking the southwesterly property corner of Parcel I, Crystal House Apartments Investors LLC as recorded in Deed Book 4668 at Page 128 among said Land Records; thence running with the southerly property line of the said Parcel I, Crystal House
2. North 88°00’03” East, 623.98 feet to a point on the easterly right-of-way line of South Eads Street, (variable width public right-of-way), said point marking the southeasterly property corner of the aforesaid Parcel I, Crystal House Apartments Investors LLC; thence running with the said westerly right-of-way line South Eads Street
3. South 02°48’07” West, 531.88 feet to a point on the northerly right-of-way line of the aforesaid 22nd Street South; thence running with said northerly right-of-way line of 22nd Street South

4. South 88°00’07” West, 536.91 feet to the point of beginning and containing 307,640 square feet or 7.06244 acres of land more or less.

PARCEL II - PART TWO:

DESCRIPTION OF
PARCEL II – PART TWO
BEING A PORTION OF THE PROPERTY OF
CRYSTAL HOUSE APARTMENTS INVESTORS LLC
DEED BOOK 4668 PAGE 128
ARLINGTON COUNTY, VIRGINIA

Being a portion of the property of Crystal House Apartments Investors LLC as recorded in Deed Book 4668 at Page 128 among the Land Records of Arlington County, Virginia.

Beginning for the same at a point on the westerly right-of-way line of South Eads Street (variable width public right-of-way), said point marking the northeasterly property corner of the property of the County Board of Arlington County, Virginia as recorded in Deed Book 1963 at Page 916 among said Land Records; thence running with the northerly property line of said property of the County Board of Arlington County, Virginia and continuing with the northerly property lines of Lots 1 thru 5 and part of Lot 6, Block A, Virginia Highlands as recorded in Deed Book 126 at Page 1

1. South 88°00’07” West, 272.67 feet to a point marking the common property corner of the properties of William B. Bayne, Jr. as recorded in Deed Book 3724 at Page 468 and Twenty-third Street Corridor LLC as recorded in Deed Book 4624 at Page 635 all among the aforesaid Land Records; thence running with the easterly property lines of the properties of said Twenty-third Street Corridor LLC
2. North 01°59’53” West, 140.00 feet to a point on the southerly right-of-way line of 22nd Street South, 50 feet wide, as recorded in Deed Book 1548 at Page 162, said point marking the northeasterly property corner of the property of said Twenty-third Street Corridor LLC ; thence running with said southerly right-of-way line of said 22nd Street South
3. North 88°00’07” East, 284.42 feet to the point of intersection of the southerly right-of-way line of said 22nd Street South and the aforesaid westerly right-of-way line of South Eads Street (variable width public right-of-way); thence running with the aforesaid westerly right-of-way line of the South Eads Street (variable width public right-of-way)

4. South 02°48’07” West, 140.49 feet to the point of beginning and containing 38,996 square feet or 0.89522 acres of land more or less.

NOTE FOR INFORMATIONAL PURPOSES ONLY:
RPC No.: 36-018-014

EXHIBIT B

Form of Transfer Agreement

REAL ESTATE TRANSFER AGREEMENT

This REAL ESTATE TRANSFER AGREEMENT (this "***Agreement***") is made on December ___, 20__ by and among, WHC CRYSTAL LLC, a District of Columbia limited liability company ("***Transferor***"), and ACORN DEVELOPMENT LLC, a Delaware limited liability company, and its successors, participants, and assigns ("***Transferee***"). Transferor and Transferee are sometimes hereinafter collectively referred to as, the "***Parties***."

RECITALS

A. Transferor owns those certain parcels of land, with appurtenances thereto and the improvements thereon, located in Arlington County, Virginia (previously identified as Arlington County, Virginia RPC No. 36-018-014) (the "***Larger Property***").

B. A portion of the Larger Property is described as "Crystal Houses Parcels 3, 4, 5, 6, 7 and 8" consisting of approximately 361,961 square feet of land more or less, as more particularly shown on the plat attached hereto as Exhibit A (the "***Additional Development Parcels***"), consisting of, (i) land is currently entitled for a development consisting of additional buildings containing in the aggregate approximately 796,000 gross square feet of residential space and approximately 834 gross square feet of commercial space, parking areas containing approximately 825 parking spaces and certain other improvements, and (ii) CH #5 (as defined in the Option Agreement).

C. In order to finance the acquisition, operation and maintenance of the Larger Property, Transferor entered into certain loan documents with Transferee (the "***Loan Documents***").

D. The Loan Documents, required, among other things, that Transferor enter into the Option Agreement (defined below) with Transferee, concurrently with the Loan Documents, pursuant to which Transferor agrees to (i) subdivide the Larger Property and create the Additional Development Parcels, and (ii) grant Transferee an option to acquire the Additional Development Parcels upon such subdivision.

E. Transferor and Transferee have entered into that certain Option Agreement, dated December 31, 2020 (the "***Option Agreement***"), pursuant to which Transferor has agreed to convey the Property (hereinafter defined) to Transferee if Transferee exercises the Option (as such term is defined in the Option Agreement) as provided therein. Transferee paid Transferor Forty Million One Thousand Dollars ($40,001,000.00) as an Option Payment (defined below) at the time the parties entered the Option Agreement, the parties intending that if Transferee exercised the Option, Transferee would not provide any additional monetary consideration to Transferor for the conveyance of the property. The Option Agreement also provided that if and when Transferee exercises the Option, Transferor and Transferee would enter into a Real Estate Transfer Agreement substantially in the form hereof.

F. Transferor completed the Subdivision on _____ __, 20. Transferee exercised the Option on _____ __, 20__.

NOW, THEREFORE, in consideration of the mutual promises hereinafter set forth and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. **DEFINITIONS**:

a) **General Interpretive Principles**. For purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, (i) the terms defined in this Section include the plural as well as the singular, and the use of any gender herein shall be deemed to include the other genders; (ii) accounting terms not otherwise defined herein have the meanings assigned to them in accordance with generally accepted accounting principles with respect to commercial real estate; (iii) references herein to "Articles," "Sections," "subsections," "paragraphs" and other subdivisions, which are not referenced to a document, are to designated Articles, Sections, subsections, paragraphs and other subdivisions of this Agreement; (iv) a reference to an Exhibit or a Schedule without a further reference to the document to which the Exhibit or Schedule is attached is a reference to an Exhibit or Schedule to this Agreement; (v) the words "herein," "hereof," "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular provision; and (vi) the word "including" means "including, but not limited to."

b) **Defined Terms**. For all purposes of this Agreement, the following terms shall have the respective meanings set forth below:

"***Affiliate***" shall mean, with respect to any Person, a party controlling, controlled by or under common control with such Person, and if such Person is a partnership or limited partnership, a partner of such Person, or if such Person is a limited liability company, a member of such Person, or if such Person is a corporation, a shareholder of such Person.

"***Agreement***" shall mean this Agreement as it may be amended from time to time.

"***Bankruptcy***" shall mean Title 11, U.S. Code, and any similar state law for the relief of debtors, as such laws may be amended.

"***Business Day***" shall mean any day of the week other than (i) Saturday, (ii) Sunday, or (iii) a day on which banking institutions are obligated or authorized by law or executive action to be closed to the transaction of normal banking business in the Commonwealth of Virginia. If the date for the performance of any obligation, or the giving of any notice, by Transferor or Transferee hereunder falls upon a day that is not a business day, then the time for such performance or notice shall be extended until the next business day.

"***Contracts***" shall mean all oral or written agreements, providing for the management, operation, supply, maintenance, repair, advertising or promotion of the Property to which agreements Transferor is a party, transferee, assignee, a third party beneficiary or which otherwise relate to the Property, including service agreements, maintenance contracts, cleaning

contracts, contracts for the purchase or delivery of labor, services, materials or supplies and equipment rental agreements or leases, and landscaping and lawn maintenance agreements.

"***Custodian***" shall mean a receiver, trustee, assignee, liquidator or similar official under any Bankruptcy Law.

"***Deed***" shall mean a special warranty deed, substantially in the form attached as Exhibit B, signed by Transferor in proper form for recording, sufficient to convey to Transferee fee simple title to the Additional Development Parcels, free and clear of all monetary liens, encumbrances, leases, covenants, conditions and other matters affecting title other than the Permitted Exceptions.

"***Easement Agreements***" shall mean any and all easement agreements, reciprocal easement agreements, declarations of covenants, conditions, restrictions and easements, party wall agreements, "tie-back" agreements, common area agreements, shared maintenance agreements, common use agreements or similar agreements or understandings which burden or benefit the Property and under which Transferor has any obligations, and all supplements, amendments, modifications and memoranda thereof, relating to the development, use, operation, management, maintenance or occupancy of the Property. Easement Agreements shall include the above-described agreements, whether or not such agreements convey an interest in real property.

"***Effective Date***" means the date of execution and delivery of this Agreement by the last of the Parties hereto to execute and deliver same.

"***Environmental Law***" shall mean any federal, state or local law, ordinance, rule, regulation, requirement, guideline, code, resolution, order or decree (including consent decrees and administrative orders) in effect on the date of this Agreement in the jurisdiction where the Property is located, which regulates the use, generation, handling, storage, treatment, transportation, decontamination, clean-up, removal, encapsulation, enclosure, abatement or disposal of any Hazardous Material, including the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Section 9601, *et seq.,* the Resource Conservation and Recovery Act, 42 U.S.C. Sections 6901, et seq., the Toxic Substance Control Act, 15 U.S.C. Sections 2601, *et seq.*, the Clean Water Act, 33 U.S.C. Sections 1251 *et seq*., the Hazardous Materials Transportation Act, 49 U.S.C. Section 1802, their state analogues, and any other federal, state or local statute, law, ordinance, resolution, code, rule, regulation, order or decree regulating, relating to, or imposing liability or standards of conduct concerning any Hazardous Material.

"***Feasibility Period***" shall mean the period beginning with the Effective Date and expiring sixty (60) days thereafter.

"***Governmental Authorities***" shall mean any authority, board, bureau, commission, department or body of any municipal, county, state or federal governmental entity, instrumentality, unit, or any subdivision thereof, having or acquiring jurisdiction over the Property or the management, operation, use or improvement thereof.

"***Hazardous Material***" shall mean any flammable, explosive, radioactive or reactive materials, any asbestos (whether friable or non-friable), any pollutants, contaminants or other hazardous, dangerous or toxic chemicals, materials or substances, any petroleum products or substances or compounds containing petroleum products, including gasoline, diesel fuel and oil, any polychlorinated biphenyls or substances or compounds containing polychlorinated biphenyls, and any other material or substance defined as a "hazardous substance," "hazardous material," "hazardous waste," "toxic materials," "contamination," and/or "pollution" within the meaning of any Environmental Law.

"***Legal Requirements***" shall mean all laws, ordinances, rules, regulations, orders and requirements of all Governmental Authorities relating to, or regulating the ownership, use, operation, management, maintenance and repair of the Property, including zoning laws, building, fire, safety and health laws and Environmental Laws, and any obligations imposed on the owner of the Property in connection with any site plan approval of the Property or any part thereof, or zoning proffers relating to the Property or any part thereof.

"***Mortgage***" shall mean a mortgage, deed of trust, or any other type of security instrument of the type commonly given to secure loans or advances on, or the unpaid purchase price of, real property in the County of Arlington, Virginia.

"***Permitted Exceptions***" shall mean (i) the lien of current real estate taxes not yet due and payable, (ii) all matters shown in the Title Commitment and/or Survey (each defined below) with respect to which Transferee fails to give a Title Notice on or before the last date for so doing, or to which Transferee waives its objection; (iii) all building, zoning, and other state, county or federal laws, codes and regulations (whether existing or proposed) affecting the Property; and (v) any matters agreed to in writing between Transferor and Transferee.

"***Person***" shall mean an individual, estate, trust, partnership, corporation, Governmental Authority or other legal entity.

"***Property***" shall mean:

a) The Additional Development Parcels and any and all of Transferor's rights, title and interest in and to any easements, licenses and privileges appertaining thereto, and more specifically described in Exhibit A attached hereto.

b) All improvements located on the Additional Development Parcels, including, but not limited to, structures, parking areas, systems, fixtures, and utilities (all such improvements being referred to herein collectively as the "***Improvements***");

c) All of Transferor's rights, title and interest in and to any easements, hereditaments, interests, and appurtenances belonging to or inuring to the benefit of Transferor and pertaining to the Additional Development Parcels, if any, including any development and water rights owned by or leased to Transferor, if any;

d) Any street or road abutting the Additional Development Parcels to the center lines thereof;

e) All of Transferor's right, title and interest in and to transferable consents, authorizations, variances or waivers, licenses, permits and approvals from any governmental or quasi-governmental agency, department, board, commission, bureau or other entity or instrumentality held by the Transferor in respect of the Additional Development Parcels or Improvements, including without limitation, all rights and entitlements with respect to the Additional Development Parcels under the Site Plan Ordinance approving Site Plan #451 enacted by the County on December 14, 2019, as now and hereinafter amended (collectively, the "***Approvals***").

"***Property Documents***" shall have the meaning set forth in Section 4(b).

"***Release Date***" shall have the meaning ascribed to such term in Section 8(d).

"***Transferor's Knowledge***" means the actual, conscious knowledge of [_____], and [_____] who are the current persons actively and directly engaged in the management and operation of the Property and are the persons most likely to possess relevant information concerning the Property and its operation.

2. **THE PROPERTY**: On the Settlement Date (as hereinafter defined in Section 6), Transferor agrees to transfer and convey to Transferee, and Transferee agrees to acquire from Transferor, the Property, subject to the terms and conditions set forth in this Agreement.

Transferor shall transfer and convey and Transferee shall acquire and accept fee simple title to the Property, free and clear of all liens, encumbrances, easements, covenants, conditions, leases, financing statements, rights of others, and other matters adversely affecting title in the Transferee's sole discretion, except for the Permitted Exceptions.

THE PARTIES ACKNOWLEDGE THAT, EXCEPT AS SPECIFICALLY SET FORTH IN THIS AGREEMENT, TRANSFEROR MAKES NO REPRESENTATION OR WARRANTIES AS TO THE PHYSICAL CONDITION OF THE PROPERTY, OR ITS SUITABILITY FOR ANY INTENDED USES INTENDED BY TRANSFEREE AND THE PROPERTY IS TO BE CONVEYED ON THE SETTLEMENT DATE IN IT'S "AS-IS" "WHERE IS" CONDITION.

3. **OPTION PAYMENT**: The consideration for the conveyance of the Property from Transferor to Transferee is Transferee's payment to Transferor, concurrently with the execution of the Option Agreement, of the amount of Forty Million One Thousand Dollars ($40,001,000) (the "***Option Payment***") and in fulfillment of Transferor's obligation to enter into an Option Agreement under the Loan Documents which was given in consideration, in part, for Transferee's (or Transferee's predecessor's) agreement to enter into the Loan Documents.

4. **INSPECTION AND FEASIBILITY**:

a) **Delivery of Property Documents**. Not later than three (3) Business Days after the Effective Date, Transferor shall deliver to Transferee, for inspection and review copies of all Property Documents (as hereinafter defined in Section 4(b)), to the extent such Property Documents are available, i.e., in Transferor's possession or control, or the possession or control of Transferor's agents or contractors, the Property documents are being furnished to Transferee for its convenience. Transferor does not warrant the accuracy or completeness of any of the

Property Documents furnished to Transferee. Transferee shall conduct its own due diligence and shall satisfy itself as to the suitability of the Property for its intended purposes.

b) **Description of Property Documents**. "***Property Documents***" consist of the following items:

1. Transferor's latest survey of the Property showing all improvements, rights of way, easements, dedications and similar matters.

2. All architectural, mechanical, electrical and structural plans, specifications and drawings relating to the improvements on and within the Property, if any.

3. All assessments and bills for real estate and any other taxes affecting the Property, and any special assessments affecting the Property.

4. All leases of the Property, or any portion thereof, including all amendments and modifications thereto, all assignments thereof, if any, and all other agreements between Transferor, or an Affiliate of Transferor, and a tenant, or an Affiliate of a tenant.

5. All Contracts.

6. Transferor's most recent owner's title insurance commitments or policies issued in connection with the Property and all amendments, endorsements, and exhibits thereto.

7. Copies of written notices of any civil, administrative, arbitration or other actions, judgments, litigation, suits or proceedings pending or threatened against Transferor or involving the Property which, if adversely determined, would have a material adverse effect on the Property or Transferor's ability to close the subject transaction.

8. All engineering, architectural, physical inspection, maintenance, repair, geological reports (if any) and the most recent environmental report conducted by or on behalf of Transferor and any related notices regarding the Property relating to the presence (or absence) of Hazardous Materials.

c) **Physical Inspection of Property**. Transferor agrees that Transferee shall have the right, at Transferee's own risk, cost and expense, at any time or times between the Effective Date and the Settlement Date, to conduct such non-invasive environmental and engineering tests, including inspections, investigations, studies, surveys, examinations, and appraisals as Transferee deems necessary or desirable to evaluate the Property (collectively, the "***Investigations***") in accordance with this paragraph. Transferee may not conduct any physical intrusive testing on the Property without Transferor's prior written consent, which consent will not be unreasonably withheld or delayed provided the same is conducted to minimize interference with tenants' normal use of the Property and Transferee is properly insured in accordance with the terms of this paragraph. For purposes of this paragraph, "physically intrusive testing" shall mean testing that involves borings (such as the taking of soil samples and/or a "***Phase II***" environmental study), borings (such as the taking of roof or wall samples), or any taking of physical samples or penetration of the surface of the Land or the Improvements comprising the Property. Transferee shall have the right to enter upon any portion of the

Property at any time or times prior to the Settlement Date, during normal business hours and after at least one (1) business day's advance notice to (or in the case of physically intrusive testing, at least two (2) business days' prior advance notice) Transferor, for purposes of conducting the Investigations. In the event of any damage to the Property caused by Transferee, its agents, engineers, employees, contractors or surveyors as part of the Investigations Transferee performs, or causes to be performed, Transferee shall restore or pay the cost incurred by Transferee (or Transferor) to restore the Property to the condition, as nearly as possible, existing prior to the performance of such tests, investigations or studies. Transferor shall not be liable for any damages to person or property occasioned by the acts of Transferee or its contractors while conducting its investigation on the Property except to the extent such liability arises from Optionor's gross negligence or willful misconduct and Transferee shall furnish or cause its consultants or agents to furnish to Transferor, prior to any entry onto the Property, certificates of insurance which shall name Transferor as an additional insured evidencing comprehensive general liability coverage in the minimum amount of Two Million Dollars ($2,000,000). In no event may Transferee's investigations cause tenants of the Larger Property to be disturbed. The provisions of this paragraph shall survive the Settlement Date or earlier termination of this Agreement for a period of nine (9) months.

d) **Termination**. Transferee shall have the right to terminate this Agreement, for any reason or no reason, by delivering written notice given to Transferor at any time before the Settlement Date. In the event of any such termination, except as otherwise provided in this Section, no party shall have any further liability to any other party under this Agreement, except for those that expressly survive the termination of this Agreement. If this Agreement is terminated pursuant to the provisions of this Section, Transferee agrees, within fifteen (15) days after the termination of this Agreement, to return to Transferor all Property Documents previously delivered by Transferor to Transferee.

5. **TITLE AND SURVEY**:

a) **General**. Transferor agrees to convey the Property to Transferee by the special warranty Deed subject only to the Permitted Exceptions. From and after the Effective Date, Transferor covenants that it shall not, except as specifically permitted by this Agreement, by commission or omission, cause or permit the Property to be encumbered in any way, without the prior written consent of the Transferee.

b) **Survey**. The boundaries and acreage of the Property to be conveyed may be determined and depicted by a survey prepared by a registered land surveyor or engineer, conducted at the direction and expense of Transferee (the "***Survey***"). The Survey may locate and depict all improvements, easements, rights of way, setbacks, encroachments, flood plain and flood fringe areas and any other particulars that may be required by Transferee. Transferee shall provide Transferor with a copy of the Survey.

c) **Title**. Transferee shall obtain from _____ (the "***Title Company***") a commitment for a standard coverage owner's policy of title insurance ALTA, Form 2006 insuring fee title to the Property (the "***Title Commitment***"), together with copies of all items shown as exceptions to title therein.

d) **Transferee's Review of Title Commitment and Survey**. Transferee shall have until thirty (30) days prior to the Settlement Date to provide written notice to Transferor of any matters shown by the Title Commitment or Survey that are not satisfactory to Transferee, which notice (the "***Title Notice***") shall specify the reason such matter(s) are not satisfactory and the curative steps necessary to remove such matters, provided, however, that (i) the standard printed exceptions on an ALTA Owner's Policy of Title Insurance (Form 2006) that would not be deleted by delivery of a customary owner's affidavit, and non-delinquent liens for general and special real estate taxes and installment payments of special assessments not yet due and payable, the current zoning of the Property, including all permits, waivers and stipulations, and the interest of any tenant occupying space at the Property, as a tenant only, and matters arising out of any act of Transferee or Transferee's representatives shall be "***Permitted Exceptions***" (as defined below), and (ii) Transferor shall be obligated to (a) remove any exceptions caused by Transferor's acts and not approved by Transferee, (b) satisfy and/or cause to be released any security instruments for existing indebtedness secured by the Property and liens against the Property for past due taxes or assessments on the Property, and (c) satisfy or cause to be released or bonded or insured over any mechanic's or materialmen's lien resulting from the performance of work or delivery of materials pursuant to contracts executed by Transferor (each of the foregoing, a "***Required Removal Exception***"). Notwithstanding the above, after a Title Notice is provided to Transferor, the Parties shall then have until on or before the Settlement Date, to make such arrangements or take such steps as they may mutually agree upon, if any, to satisfy Transferee's objection(s). Transferor shall have no obligation to expend or agree to expend any funds, to undertake or agree to undertake any obligations or otherwise to cure or agree to cure any title or survey objections, other than to remove Required Removal Exceptions. In the event Transferor fails to respond to Transferee's Title Notice within five (5) Business Days following receipt thereof, Transferor shall be deemed to have elected not to cure any matters identified in such Title Notice other than any Required Removal Exceptions. Except for the Required Removal Exceptions or matters that Transferor otherwise agrees to cure in writing in its sole and absolute discretion, Transferee's only recourse with respect to any Title Commitment or Survey matter to which it objects in a Title Notice given in a timely manner shall be to elect on or before the Settlement Date to either (1) waive such objection and proceed to Closing or (2) terminate this Agreement.

e) **Title Policy**. If Transferee so elects, Transferee shall obtain an updated Title Commitment to insure the gap from the period title was last examined to the date of recording of the deed (the "***Title Policy***"). If Transferee elects to secure an extended coverage owner's and/or lender's policy(ies) of title insurance, Transferee shall satisfy, at its cost, Title Company's requirements therefor and pay the increase in premium for such coverage. Transferee shall also be solely responsible for the cost of any endorsements to any title insurance policy that Transferee or its lender may require. Transferor shall not pay or be responsible to secure any endorsements that may be requested by Transferee, such as patent, contiguity, separate tax parcels, access, or zoning endorsements, all of which shall be Transferee's sole cost and expense if Transferee elects to secure such endorsements, provided, however, that Transferor shall not be obligated to provide to Title Company any owner's affidavit, indemnity, certifications, covenants, obligations or liabilities beyond those that Transferor is providing to Transferee under this Agreement or which go beyond that required for the issuance by Title Company of a standard owner's policy of title insurance.

6. **SETTLEMENT**:

a) **Settlement Date**. The settlement of the sale of the Property in accordance with this Agreement (the "***Settlement***" or "***Settlement Date***") shall take place pursuant to an escrow agreement on a date selected by Transferee that is not sooner than ten (10) Business Days after Transferee provides notice to Transferor of the date of Settlement with the pre-Settlement to occur on one (1) Business Day prior to the Settlement Date, unless otherwise mutually agreed to in writing by Transferee and Transferor.

b) **Settlement Agent**. Settlement shall take place in the offices of [NAME OF SETTLEMENT AGENT], [ADDRESS OF SETTLEMENT AGENT] (the "***Settlement Agent***") with neither party required to be physically present at the Settlement. The Parties agree that Settlement can occur by delivery of the Settlement documents and the funds to pay the Settlement Costs to the Title Company pursuant to written instruction letters. Transferee and Transferor shall each be obligated to provide to Settlement Agent, in immediately available funds, sufficient funds to pay all adjustments and expenses allocated to Transferor and Transferee pursuant to this Agreement and as reflected on a final settlement statement prepared by the Settlement Agent and approved by Transferee and Transferor (the "***Settlement Statement***"). The Settlement Agent shall deliver to Transferee all other documents and instruments received by it which, in accordance with the terms of this Agreement, are to be delivered by Transferor to Transferee at the Settlement and Settlement Agent shall deliver to Transferor all other documents and instruments received by it which, in accordance with the terms of this Agreement, are to be delivered by Transferee to Transferor at the Settlement. On or before the Settlement Date, Transferee shall effect a wire transfer of Federal funds to the Settlement Agent's escrow account in an amount equal to the net amount (if any) of the costs, expenses, prorations and adjustments indicated on the Settlement Statement and payable by Transferee under this Agreement. On or before the Settlement Date, Transferor shall effect a wire transfer of Federal funds to the Settlement Agent's escrow account in an amount equal to the net amount (if any) of the costs, expenses, prorations and adjustments indicated on the Settlement Statement which are payable by Transferor under this Agreement, including all amounts necessary to pay off the balance(s) of any monetary liens or encumbrances on the Property and obtain the release(s) thereof.

c) **Transferor's Deliveries**. At the Settlement, Transferor shall deliver to the Settlement Agent the following:

1. the Deed, signed by Transferor;

2. [Reserved];

3. [Reserved];

4. a certification as to Transferor's non-foreign status which complies with the provisions of Section 1445(b)(2) of the Internal Revenue Code of 1986, as amended, signed by Transferor;

5. an owner's affidavit signed by Transferor, for the benefit of the Title Company, in the form required by the title insurance company and approved by Transferor (in

the exercise of its reasonable discretion), to eliminate the exceptions for certain matters from Transferee's title insurance policy;

6. the Settlement Statement, signed by Transferor;

7. a certificate, signed by Transferor, that all the representations and warranties made by Transferor in Section 8, as revised to reflect any factual changes that occurred and were made known in writing from Transferor to Transferee prior to the expiration of the Feasibility Period (Transferor recognizes that such changes to the certificate shall not be deemed to relieve Transferor from any breach of the representations and warranties made by Transferor in Section 8), are true and correct in all material effects (with such necessary revisions to reflect factual changes as described above) on the Settlement Date with the same force and effect as if such representations and warranties had been made on and as of such date; and

8. any organizational documents of Transferor and all resolutions, certifications or other agreements evidencing the requisite authorization of Transferor to perform the transactions hereunder.

d) **Transferee's Deliveries**. At the Settlement, Transferee shall deliver to Transferor the following:

1. the Settlement Statement, signed by Transferee; and

2. a certificate, signed by Transferee, that all the representations and warranties made by Transferee in Section 9 are true and correct on the Settlement Date with the same force and effect as if such representations and warranties had been made on and as of such date; and

3. all organizational documents of Transferee and all resolutions, certifications or other agreements evidencing the requisite authorization of Transferee to perform the transactions hereunder.

e) **Delivery in Escrow**. The delivery to the Settlement Agent of the executed Deed and all other funds, documents and instruments required to be delivered by either party to the other by the terms of this Agreement shall be deemed to be a good and sufficient tender of performance of the terms hereof.

f) **Settlement Agent to Acknowledge Agreement**. The Settlement Agent shall acknowledge its agreement to the provisions of this Section 6 by executing this Agreement in the space provided below.

7. **SETTLEMENT ADJUSTMENTS AND PRORATIONS**:

a) **Taxes and Assessments**.

1. **Proration of Taxes at Settlement**. All non-delinquent real estate taxes assessed against the Property shall be prorated between Transferor and Transferee on an accrual basis, based upon the actual current tax bill. If the most recent tax bill received by Transferor

before the Settlement Date is not the actual current tax bill, then Transferor and Transferee shall initially prorate the real estate taxes at the Settlement by applying 105% of the tax rate indicated on the most recent tax bill received by Transferor to the latest assessed valuation, and shall re-prorate the real estate taxes retroactively at the Final Settlement Adjustment. All real estate taxes accruing through the Settlement Date shall be the obligation of Transferor and all real estate taxes accruing after the Settlement Date shall be the obligation of Transferee. Any delinquent real estate taxes assessed against the Property shall be paid (together with any interest and penalties) by Transferor at the Settlement.

2. **Post-Settlement; Supplemental Taxes**. If, after the Settlement Date, any additional or supplemental real estate taxes are assessed against the Property by reason of back assessments, corrections of previous tax bills or other events occurring before the Settlement Date, such additional or supplemental real estate taxes shall be paid by Transferor directly to the Treasurer.

3. **Post-Settlement; Refunds of Taxes**. Any refunds of real estate taxes made after the Settlement shall be held by Transferee (and, if received by Transferor, shall be delivered immediately to Transferee to be held in accordance with this Section) and shall first be applied to the unreimbursed costs incurred in obtaining the refund, then paid to Transferor (for the period through the Settlement Date) and to Transferee (for the period commencing after the Settlement Date).

4. **Pending Tax Proceedings**. If any administrative or judicial proceeding to determine, contest or challenge the assessed value of the Property or the real estate taxes payable with respect to the Property has been commenced before the date of this Agreement, all such proceedings, both administrative and judicial, shall, at Transferee's option, be, with respect to the Property, dismissed by Transferor (for the period after the Settlement Date, but not the period when the Property was owned by Transferor), with prejudice, within fifteen (15) days after Settlement.

b) **Utility Charges**. All charges for gas, electricity, and other utility services provided to the Property shall be prorated between Transferor and Transferee as of the Settlement Date, based on the actual number of days in the billing cycle during which the Settlement Date occurs. Transferor shall be responsible for all utility charges attributable to the period through the Settlement Date and Transferee shall be responsible for all utility charges attributable to the period after the Settlement Date.

c) **Settlement Costs and Transfer Taxes**. Transferee shall pay for the cost of preparing the Deed, the Virginia grantor's tax, the Regional Congestion Relief Tax and the WMATA Capital Fee payable in connection with the recording of the Deed, all costs to release Mortgages and other liens, and the Broker's fee to the extent any such fee is payable. All other State and County transfer taxes and recording charges payable in connection with the recording of the Deed (whether imposed in the form of transfer taxes, revenue stamps or otherwise) shall be the responsibility of Transferee or Transferee shall indicate to Transferor Transferee's exemption therefrom. Transferee shall pay for all expenses of examinations of title and survey including the cost of any title insurance policy (both owner and lender) including any additional charges for endorsements, issued in connection with this transaction, whether pursuant to the

Title Commitment or otherwise and any cancellation charges imposed by any title company in the event a title insurance policy is not issued. Transferee shall pay all fees and expenses of the Settlement Agent, and all other recording fees and Settlement expenses. Each party shall pay its own legal fees and other expenses incurred by it prior to Settlement.

d) **Income Taxes.** Notwithstanding any other provision of this Agreement to the contrary, all federal, state or local income or gross receipts taxes payable with respect to Transferor or the Property, if any, accruing through the Settlement Date, or any such income or gross receipts tax assessed with respect to the transaction described in this Agreement, if any, shall be the obligation of and for the account of Transferor, and Transferee shall have no obligation or liability whatsoever with respect thereto.

8. **REPRESENTATIONS AND WARRANTIES OF TRANSFEROR**: Transferor makes the following representations and warranties to Transferee for the purpose of inducing Transferee to execute and deliver this Agreement and to consummate the transactions contemplated by this Agreement, each of which representations and warranties are true and correct in all material respects on the Effective Date and shall be true and correct in all material respects on the Settlement Date:

a) **Representations and Warranties Regarding Authority and Status**.

1. **Organization**. Transferor is a duly organized limited liability company, under the laws of the District of Columbia, registered to do business in the Commonwealth of Virginia and is in good standing under the laws of the Commonwealth of Virginia.

2. **Authorization**. Transferor and each individual executing this Agreement on behalf of Transferor hereby represents and covenants that he/she is duly authorized to execute and deliver this Agreement, and that, and Transferor has the power and authority to enter into this Agreement, and that all necessary and required actions requisite to authorize Transferor to enter into this Agreement have been duly taken.

3. **No Conflicting Agreements**. The execution and delivery by Transferor of, and the performance and compliance by Transferor with the terms and provisions of, this Agreement do not violate any of the terms, conditions or provisions of (i) Transferor's organizational or authority documents, (ii) to Transferor's Knowledge, any judgment, order, injunction, decree, regulation or ruling of any court or other Governmental Authority to which Transferor is subject, or (iii) any agreement or contract listed on any Schedule to this Agreement or any other agreement or contract to which Transferor is a party or to which it or the Property is subject, nor shall such execution, delivery, performance or compliance with this Agreement constitute a material default thereunder or give to others any material rights of termination or cancellation in or with respect to the Property.

4. **Approvals**. No authorization, consent, order, approval or license from, filing with, or other act by any Governmental Authority is or will be necessary to permit the valid execution and delivery by Transferor of this Agreement or the performance by Transferor of the obligations to be performed by Transferor under this Agreement, including but not limited to conveyance of the Property to the Transferee. No authorization, consent, approval from any

other Person is or will be necessary to permit the valid execution and delivery by Transferor of this Agreement or the performance by Transferor of the obligations to be performed by Transferor under this Agreement, including but not limited to conveyance of the Property to the Transferee.

5. **United States Person**. Transferor is a "United States person" within the meaning of Sections 1445(f)(3) and 7701(a)(30) of the Internal Revenue Code of 1986, as amended.

6. **Absence of Bankruptcy**. Neither Transferor nor any member of Transferor has commenced (within the meaning of any Bankruptcy Law) a voluntary case, consented to the entry of an order for relief against it in an involuntary case, or consented to the appointment of a Custodian of it or for all or any substantial part of its property, nor has a court of competent jurisdiction entered an order or decree under any Bankruptcy Law that is for relief against Transferor or any of its general partners in an involuntary case or appoints a Custodian of Transferor or any of its general partners or for all or any substantial part of its or their property.

7. **Executive Order 13224**. Neither Transferor nor, to Transferor's actual knowledge, any shareholders, partners or members of Transferor is listed in Executive Order 13224-Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit or Support Terrorism, as amended ("***Executive Order 13224***"), and Transferor has no present, actual knowledge that any other persons or entities holding any legal or beneficial interest whatsoever in Transferor are included in, owned by, controlled by, knowingly acting for or on behalf of, knowingly providing assistance, support, sponsorship, or services of any kind to, or otherwise knowingly associated with any of the persons or entities referred to or described in Executive Order 13324, or other banned or blocked person, entity, nation or transaction pursuant to any law, order, rule or regulation that is enforced or administered by the Office of Foreign Assets Control. Neither Transferor, nor any holder of any direct or indirect equitable, legal or beneficial interest in the Transferor is the subject of any law blocking or prohibiting transactions with persons who commit, threaten to commit or support terrorism, including the USA Patriot Act. Without limiting the foregoing, Transferor does not engaged in any dealings or transactions, or is not otherwise associated with any such persons or entities or any "forbidden entity," including the governments of Cuba, Iran, North Korea, Myanmar, Syria and Sudan.

b) **Representations and Warranties Regarding the Property and Legal Matters**.

1. **Ownership of the Property**. Transferor is the sole owner of the Property. To Transferor's Knowledge, Transferor is not in default in complying with the terms and provisions of any of the covenants, conditions, restrictions, rights-of-way or easements constituting one or more of the Permitted Exceptions that are to be performed or complied with by the owner of the Property. Except as may be provided in the Option Agreement, no party, except Transferee, has or shall have on or before the Settlement Date any right to purchase or accept conveyance of the Property.

2. **Condemnation**. Except as disclosed to Transferee in writing, Transferor has not received from any Governmental Authority any written notice of, and Transferor has no

knowledge of, pending or contemplated condemnation proceedings affecting the Property, or any part thereof.

3. **Mechanics' Liens**. All bills and claims for labor performed and materials furnished to or for the benefit of the Property for all periods prior to the Settlement Date have been (or prior to the Settlement Date will be) paid in full, and on the Settlement Date there shall be no mechanics' liens or materialmen's liens (whether or not perfected), other than mechanics' liens or materialmen's liens arising from work performed by Transferee, or specifically authorized by Transferee to Transferee's contractors, on or affecting the Property.

4. **Litigation and Claims**. To Transferor's knowledge, there are no investigations, actions, suits, proceedings or claims pending or threatened in writing against or affecting Transferor or the Property, at law or in equity or before or by any court, federal, state, municipal or other governmental department, commission, board, agency or instrumentality, domestic or foreign (collectively, "***Litigation***"). To Transferor's Knowledge, Transferor is not operating the Property under or subject to, and is not in default with respect to, any order, writ, injunction or decree of any court or federal, state, municipal or other governmental agency or department, commission, board, agency or instrumentality, domestic or foreign.

5. **No Notices of Violations**. To Transferor's Knowledge, Transferor has not received any written notice from a Government Authority advising of any violations of any Legal Requirement as to any part of the Property.

6. **Hazardous Substances**. Except as may have been disclosed to Transferor as part of the Property Documents, to Transferor's Knowledge:

a. the Property has never been listed by any federal, state or county agency or governmental official as containing any oil, hazardous waste, hazardous material, chemical waste, or other toxic substance.

b. no hazardous substances, as defined by the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. 9601(14), pollutants or contaminants as defined in CERCLA, 42 U.S.C. 9601(33), or hazardous waste as defined by the Resource Conservation and Recovery Act, 42 U.S.C. 6903(5), or other similar applicable federal or state Laws, including, but not limited to, asbestos, radon, oil or other petroleum products, PCBs and urea formaldehyde (collectively, "***Hazardous Substances***"), have been handled, packaged, generated, manufactured, released, removed, stored, used, discharged, treated, installed, transported or deposited over, beneath, in or on the Property or any portion thereof, from any source whatsoever.;

c. there are not presently and never have been any storage tanks on or under the Property; and

d. there are not material adverse conditions or defects in the Property that have not been disclosed to Transferee.

7. **No Unrecorded Liens**. No lender has a right to encumber the Property, or any part thereof, except for such liens or security interests as may be disclosed in the land

records or financing statement records of Arlington County, Virginia and/or the Office of the Virginia State Corporation Commission.

c) **Representations and Warranties Regarding Leases, Contracts, and Agreements**.

1. **Leases**. On the Settlement Date, there will be no leases, licenses, or other unrecorded agreements in effect affecting the use, possession and/or occupancy of the Property.

2. **Contracts**. On the Settlement Date, there will be no Contracts remaining in effect providing for the management, operation, supply, maintenance, repair, advertising or promotion of the Property.

3. **Easement Agreements**. Neither Transferor nor, to Transferor's Knowledge, any of the other parties to the Easement Agreements is in default (beyond any grace period provided by such Easement Agreement) in the payment of any amount payable by it under such Easement Agreement, and neither Transferor nor, to Transferor's Knowledge, any of such parties is in default in the performance or observance of any of the other covenants or conditions to be kept, observed or performed by it under such Easement Agreement.

d) **No Untrue Statements**. No representation or warranty made by Transferor in this Agreement contains any untrue statement of a material fact, or fails to state a material fact known to Transferor necessary in order to make the statements contained therein not misleading or necessary in order to provide a prospective Transferee of the Property with adequate information as to the Property and its management, operation, maintenance and repair. The Property Documents delivered or made available to Transferee related to the Property not prepared by Transferor or Transferor Parties contain the information relied on by Transferor in connection with its ownership and operation of the Property. Any Property Documents prepared by Transferor or Transferor Parties are true, accurate and complete in all material respects.

e) **Survival**. All representations and warranties contained in this Section 8 shall survive the Settlement, and the execution and delivery of the Deed, for a period of nine (9) months after the Settlement Date (the "***Release Date***") and shall not be merged in the Deed at Settlement.

9. **REPRESENTATIONS AND WARRANTIES OF TRANSFEREE**: Transferee makes the following representations and warranties to Transferor for the purpose of inducing Transferor to execute and deliver this Agreement and to consummate the transactions contemplated by this Agreement:

a) **Organization**. Transferee is a corporation, under the laws of the state of Delaware, registered to do business in the Commonwealth of Virginia and is in good standing under the laws of the Commonwealth of Virginia.

b) **Authorization**. Transferee and each individual executing this Agreement on behalf of Transferee hereby represents and covenants that he/she is duly authorized to execute and deliver this Agreement, and that, and Transferee has the power and authority to enter into

this Agreement, and that all necessary and required actions requisite to authorize Transferee to enter into this Agreement have been duly taken.

c) **No Conflicting Agreements**. The execution and delivery by Transferee of, and the performance and compliance by Transferee with the terms and provisions of, this Agreement do not violate any of the terms, conditions or provisions of (i) any applicable judgment, order, injunction, decree, ruling of any court to which Transferee is subject, or (ii) any agreement or contract to which Transferee is a party.

d) **Survival**. All representations and warranties in this Section 9 shall survive Settlement, and the execution and delivery of the Deed, for a period of six (6) months after the Release Date and shall not be merged in the Deed at Settlement.

10. **ADDITIONAL OBLIGATIONS OF TRANSFEROR**:

a) **Possession**. Transferor agrees to give possession of the Property to Transferee on the Settlement Date.

b) **Affirmative Covenants**. Between the Effective Date and the Settlement Date, Transferor agrees that it shall:

1. manage and operate the Property only in the ordinary and usual manner, maintain in full force and effect until the Settlement Date insurance policies, or renewals thereof for not more than one year;

2. at its expense, maintain the Property in its present order and condition, make all necessary repairs and replacements and deliver the Property on the Settlement Date;

3. give prompt notice to the Transferee of any fire or other casualty affecting the Property after the date of this Agreement;

4. notify Transferee in writing, promptly after Transferor acquires knowledge thereof, of any facts or events which would cause any of Transferor's representations and warranties to be untrue or incorrect in any respect that would have a material adverse effect on the Property or Transferor's ability to close the subject transaction;

5. promptly deliver to Transferee any Property Document coming into the possession of Transferor that was not available during the Feasibility Period; and

c) **Negative Covenants**. Between Effective Date and the Settlement Date, Transferor agrees that, without Transferee's written consent in each case, or unless specifically permitted or required by this Agreement, it will not:

1. voluntarily grant, create or assume any Mortgage, lien, lease, encumbrance, easement, covenant, condition, right-of-way or restriction upon the Property other than the Permitted Exceptions, or voluntarily take or permit any action adversely affecting the title to the Property as it exists on the Effective Date;

2. permit occupancy of, or enter into any lease for, the Property between the Effective Date and the Settlement Date; or

3. market or advertise the Property for sale or enter into a letter of intent or contract for the sale of the Property to any other Person, whether or not such letter of intent or contract is contingent on the termination of this Agreement.

d) **Further Assurances**. Transferor agrees that it shall, at any time and from time to time after the Settlement Date, upon request of Transferee, do, execute, acknowledge and deliver, or will cause to be done, executed, acknowledged and delivered, all such further acts, deeds, assignments, transfers, conveyances and assurances as may reasonably be required for the better assigning, transferring, granting, assuring and confirming to Transferee, or to its successors and assigns, or for aiding and assisting in collecting and reducing to possession, any or all of the assets or Property being sold to Transferee pursuant to this Agreement; provided the same shall not increase the obligations or liabilities of Transferor (other than in a *de minimis* manner) hereunder, or decrease the rights or remedies of Transferor hereunder (other than in a *de minimis* manner).

e) **Expenses**. Transferor agrees to pay all expenses incurred by it in connection with the negotiation, execution and performance of this Agreement and the transactions contemplated hereby, including the fees and expenses of its legal counsel.

f) **Release**. Transferor shall obtain from every holder of a Mortgage on the Property, if any, and deliver to the Settlement Agent prior to the Settlement Date, a release from such mortgagee releasing such Property from the Mortgage (if and to the extent the Property has not been previously been released from the Mortgage on the Larger Property).

11. **CONDITIONS PRECEDENT TO TRANSFEROR'S OBLIGATIONS**: The obligations of Transferor to transfer the Property to Transferee and to perform the other covenants and obligations to be performed by Transferor on the Settlement Date shall be subject to the following conditions (all or any of which may be waived, in whole or in part, by Transferor):

a) **Transferee's Representations and Warranties True**. The representations and warranties made by Transferee in Section 9 shall be true and correct in all material respects on and as of the Settlement Date with the same force and effect as though such representations and warranties had been made on and as of such date, and Transferee shall have executed and delivered to Transferor a certificate, dated as of the Settlement Date (with such changes as permitted under Section 6(c)(6) above), to the foregoing effect.

b) **Transferee's Performance**. Transferee shall have performed all obligations required by this Agreement to be performed by it on or before the Settlement Date.

c) **Failure of Conditions**. In the event that any representations or warranty conditions in Section 8 becomes untrue as of the Settlement Date, but was true when made such fact shall not constitute a default on the part of the Transferor and in any such event Transferee shall have the unqualified right at any time prior to Settlement to terminate this Agreement in

which event neither Transferor or Transferee shall have any other or further obligation hereunder.

d) **Future Reasonable Agreements**. Any and all Future Reasonable Agreements (as defined in the Option Agreement) that are necessary or desirable for Transferor to continue to operate CH #1 and CH #2 have been negotiated and executed between Transferor and Transferee in accordance with the terms of the Option Agreement and have been recorded or are ready to be recorded and delivered to the Title Company properly executed and acknowledged on or before the Settlement Date for recordation in the Land Records where the CH #1 and CH #2 is located.

12. **CONDITIONS PRECEDENT TO TRANSFEREE'S OBLIGATIONS**: The obligations of Transferee to accept conveyance of the Property from Transferor and to perform the other covenants and obligations to be performed by Transferee on the Settlement Date shall be subject to the following conditions (all or any of which may be waived, in whole or in part, by Transferee):

a) **Transferor's Representations and Warranties True**. The representations and warranties made by Transferor in Section 8 shall be true and correct in all material respects on the date of this Agreement and shall be true and correct on and as of the Settlement Date with the same force and effect as if such representations had been made on and as of such date, and Transferor shall have executed and delivered to Transferee a certificate, dated as of the Settlement Date, to the foregoing effect.

b) **Transferor's Performance**. Transferor shall have performed all covenants and obligations required by this Agreement to be performed by it on or before the Settlement Date.

c) **Title to Property**. On the Settlement Date, (i) Transferor shall be the sole owner of the Property in fee simple and shall convey fee simple title to the Property to Transferee, subject only to the Permitted Exceptions.

d) **Future Reasonable Agreements**. Any and all Future Reasonable Agreements that are necessary or desirable for Transferee to operate the Property have been negotiated and executed between Transferor and Transferee in accordance with the terms of the Option Agreement and have been recorded or are ready to be recorded and delivered to the Title Company properly executed and acknowledged on or before the Settlement Date for recordation in the Land Records where the Property is located.

e) **Subdivision**. If necessary for conveyance of the Property to Transferee, at the Transferee's sole cost and expense, Transferor shall have obtained all required approvals from the County of Arlington, Virginia for a deed and plat of subdivision or re-subdivision, in form and substance acceptable to the Transferee, and shall have recorded the approved deed and plat of subdivision or re-subdivision among the land records of Arlington County, Virginia, establishing the Property as a separate legal parcel or parcels. In such event, the Deed of Subdivision and the Plat of Subdivision recorded prior to Settlement shall for all purposes be deemed a Permitted Exception.

f) **No Litigation**. On the Settlement Date, no New Litigation (as hereinafter defined) has arisen, which in the reasonable opinion of Transferee makes it inadvisable to

consummate the transactions contemplated by this Agreement. For purposes of this subsection (f), "***New Litigation***" means any action, suit or proceeding that either: (i) first arises after the Feasibility Period and prior to or on the Settlement Date; and (ii) Transferee has not previously waived in writing to Transferee its right with respect thereto and elected to terminate this Agreement; and which shall have been instituted or threatened, by any person or entity not a party to this Agreement, before any court to restrain, prohibit, enjoin, or to obtain damages in respect of, or which is related to or arises out of, this Agreement, or the consummation of the transactions contemplated herein.

g) **Condemnation**. On the Settlement Date, no part of the Property shall be about to be acquired *(i.e.,* Transferor has received notice of condemnation, which notice was first given after the expiration of the Feasibility Period or for which Transferor has not previously waived in writing to Transferee its right with respect thereto and elected to terminate this Agreement), or shall previously have been acquired, by authority of any governmental agency in the exercise of its power of eminent domain or by purchase in lieu of condemnation, nor on the Settlement Date shall there be any threat or imminence of any such condemnation or purchase in lieu of condemnation of which Transferee was not previously aware.

13. **DAMAGE BY FIRE OR OTHER CASUALTY**:

a) **Absence of Major Unrepaired Damage**. On the Settlement Date, and as a condition precedent to the obligation of Transferee to accept conveyance of the Property pursuant to this Agreement, there shall be no unrepaired damage by fire or other casualty to any portion of the Property that first occurred after the end of the Feasibility Period.

b) **Effect of Unrepaired Damage**. In the event of any unrepaired damage to the Property after the end of the Feasibility Period and prior to the Settlement Date, Transferee shall have the right to proceed to Settlement in which case insurance proceeds if any shall be assigned to Transferee or terminate this Agreement in which event neither Party shall have any further rights or obligations hereunder.

14. **DEFAULT AND REMEDIES**:

a) **Default**. Transferee or Transferor, as applicable, shall be deemed in default of this Agreement if any of the following failures or breaches occur and are not cured within twenty (20) days after receipt of written notice of such failure or breach from the other party (or, for defaults that cannot reasonable be cured within twenty day, for which the defaulting party has not commence the cure within twenty days):

1. Transferor is in breach of any of the representations or warranties made by it in this Agreement or fails to perform any of the covenants or agreements to be performed by it under this Agreement (other than a failure to obtain the release required under Section 10(f), if such failure is the result of Transferee under the Loan Documents);

2. Transferee fails to satisfy all of the conditions set forth in Section 11 on the Settlement Date; or

3. Transferee is in breach of any of the representations or warranties made by it in this Agreement or fails to perform any of the covenants or agreements to be performed by it under this Agreement.

b) ***Remedies***.

1. **Transferee's Remedies**.

a. If Transferor is in default of this Agreement pursuant to Section 14(a), Transferee as its sole remedies may, at is option,

(i) terminate this Agreement, or

(ii) seek specific performance and/or other applicable equitable remedies, if Transferor's default hereunder is the failure to deliver the Deed conveying the Property at Settlement; provided however that if specific performance is not available, then, in addition to the recovery described in Section 14(b)(1)(B) below, and not subject to the limitation described in Section 14(b)(1)(B) below, Transferee may pursue an action against Transferor for damages suffered by Transferee resulting from Transferor failure to convey the Property as agreed herein.

b. If Transferor fails or refuses to perform its obligations pursuant to, or required by, this Agreement, including but not limited to Transferor's obligation to convey the Property, then Transferee shall also be entitled to recover all of its costs and expenses incurred in connection with Transferor's breach of this Agreement, including but not limited to Transferee's costs for the preparation of this Agreement, and for all inspections, studies and surveys performed or contracted for in connection with this Agreement (collectively, "***Pursuit Costs***"), and all of its reasonable attorney's fees and costs incurred in connection with Transferee's efforts to accept conveyance of the Property hereunder, in an amount of such reasonable attorney's fees and Pursuit Costs not to exceed Fifty Thousand and 00/100 Dollars ($50,000.00).

2. **Transferor's Remedies**. If Transferee is in default of this Agreement pursuant to Section 14(a), Transferor at its sole remedy may terminate this Agreement, in which event, Transferee shall promptly return to Transferor all Property Documents, including, without limitation, engineering studies, leases, lease files and other written material relating to the Property previously delivered by Transferor to Transferee.

15. **BROKERS**: Transferor acknowledges and agrees that no broker has acted on behalf of Transferor in connection with the transaction contemplated hereby, and that Transferor shall be solely responsible for the payment of any fee or commission that may be due to any broker. Transferor represents and warrants to Transferee that Transferor has not engaged any broker, agent or finder to act on its behalf in connection with this transaction, and that Transferee shall not be liable for the payment of any fee or commission to any broker, agent or finder purporting to act on behalf of Transferor. Transferor hereby agrees to indemnify and hold harmless Transferee, its partners, members, officers, officials, and employees from any loss, damage, cost or expense incurred by such indemnified entity and persons and arising out of a breach of the representation and warranty made by Transferor as set forth in this Section 15. Transferee represents and warrants to Transferor that Transferee has not engaged any broker, agent or finder

to act on its behalf in connection with this transaction, and that Transferor shall not be liable for the payment of any fee or commission to any broker, agent or finder purporting to act on behalf of Transferee. Transferee hereby agrees to indemnify and hold harmless Transferor, its partners, members, and employees from any loss, damage, cost or expense incurred by such indemnified entity and persons and arising out of a breach of the representation and warranty made by Transferee as set forth in this Section 15.

16. **NOTICES**: All notices, demands, and requests which may be given, or are required to be given by either party to the other shall be in writing, and shall be either hand delivered by Federal Express or sent by United States certified mail, return receipt requested, with proper first class postage prepaid, properly and fully addressed:

If to Transferor:	c/o Washington Housing Conservancy 1310 L Street, Suite 325 Washington, D.C. 20005 Attention: Kimberly Driggins, Executive Director Email: kdriggins@washhousing.org Phone: (202) 481-3255
And to:	Arent Fox 1717 K Street, NW Washington, D.C. 20006 Attention: Richard A. Newman, Esq. Email: richard.newman@arentfox.com Phone: 202-857-6170 Fax: 202-857-6395.
If to Transferee:	Amazon.com, Inc. Attn: Amazon in the Community 410 Terry Avenue North Seattle, WA 98109-5210 Email: housingequityfund@amazon.com
With a copy to:	Amazon.com, Inc. Attn: General Counsel P.O. Box 81226 Seattle, WA 98108-1226 Email: contracts-legal@amazon.com
With a copy to:	Davis Wright Tremaine LLP 920 Fifth Avenue, Suite 3300 Seattle, Washington 98104 Attention: Anthony Caso, Esq. Email: anthonycaso@dwt.com Phone: 206-757-8273

A notice shall be deemed given (a) when delivered, if delivered by courier or overnight delivery service, or (b) two (2) Business Days after the date of posting with the U.S. mail, if sent by registered or certified mail. Any party may, by like notice given at least ten (10) days before such change becomes effective, designate a new address to which such notices shall be sent.

17. **ASSIGNMENT**: Transferee upon five (5) days prior written notice to Transferor may assign this Agreement, and all rights thereof, to any other person or entity, provided that any assignment of this Agreement by Transferee shall be made in writing. Transferor shall not assign this Agreement without Transferee's prior written consent.

18. **RELATIONSHIP BETWEEN PARTIES**. Notwithstanding any other provision of this Agreement, nothing contained herein shall be construed as making the Parties partners or joint venturers or rendering either liable for any of the debts or obligations of the other. It is the intent of this Agreement to create simply the relationship of Transferor and Transferee with respect to the Property.

19. **WEEKENDS AND HOLIDAYS**. Any date specified in this Agreement for the performance of an obligation or expiration of a time period which date is not a Business Day shall be extended to the first regular Business Day thereafter.

20. **RECITALS**. The Recitals to this Agreement are incorporated into this Agreement.

21. **ENTIRE AGREEMENT**. This Agreement contains the entire agreement between the Parties. There are no promises, agreements, conditions, undertakings, warranties, or representations, oral or written, express or implied, between them, other than as herein set forth. This Agreement is intended by the Parties to be an integration of all prior or contemporaneous promises, agreements, conditions, negotiations, and undertakings between the Parties. This Agreement may not be modified orally or in any other manner other than by an agreement in writing signed by both the Parties or their respective successors in interest. Except as otherwise specifically provided in this Agreement, the terms of this Agreement shall be merged into the Deed at Settlement.

22. **TIME OF ESSENCE**. Time is of the essence for all purposes of this Agreement.

23. **BENEFIT AND BURDEN**. All terms of this Agreement shall be binding upon, inure to the benefit of, and be enforceable by the Parties and their respective successors and assigns.

24. **NO RIGHTS IN THIRD PARTIES**. The Parties mutually agree that no provision of this Agreement shall create in the public, or in any person or entity other than those signing this Agreement as Parties, rights as a third party beneficiary hereunder, or authorize any person or entity not a party hereto, to maintain any action or personal injury, property damage or breach of contract pursuant to the terms of this Agreement or otherwise.

25. **SURVIVAL OF AGREEMENTS**: Except for the agreements and obligations set forth in Sections 4c, 7, 10d, and 15 of this Agreement, or otherwise expressly provided in this Agreement, none of the provisions of this Agreement shall survive Settlement.

26. **GOVERNMENTAL APPROVALS**. Prior to Settlement, Transferee may to apply for a zoning change, variance, subdivision map, lot line adjustment, or other discretionary governmental act, approval or permit with respect to the Option Property ("***Entitlements***"). Transferee also may submit any reports, studies or other documents, including without limitation, plans and specifications, impact statements for water, sewage, drainage or traffic, environmental review forms, or energy conservation checklists to any governmental agency, or any amendment or modification to any such instruments or documents prior to Closing ("***Reports***"). Transferee's obligation to purchase the Option Property shall not be subject to or conditioned upon Transferee obtaining any variance(s), zoning amendment, subdivision map, lot line adjustment condominium approval or other discretionary governmental act, approval or permit. Transferor agrees to reasonably cooperate with Transferee in seeking such Entitlements, so long as Transferee requests Transferor to do so (and in the event attendance at any zoning or other governmental meetings where an employee of Transferor is required to be present, at least five (5) Business Days prior written notice is given to Transferor) and, provided further that Transferor does not bear any expense in connection with its cooperation (other than in a de minimis manner).

27. **BINDING AGREEMENT**: The Parties mutually agree that: this Agreement shall be binding upon them, and each of the respective heirs, executors, administrators, successors and assigns; that the provisions hereof shall survive the execution and delivery of the deed aforesaid and shall not be merged therein except as specifically provided herein; that this Agreement contains the final and entire agreement between the Parties; and that they shall not be bound by any terms conditions, statements, warranties or representations, oral or written, not contained herein.

28. **COUNTERPARTS**: This Agreement may be executed in several counterparts, each of which shall be an original, but all of which shall constitute one and the same instrument.

29. **INTERPRETATION**: The paragraph headings used herein are for reference and convenience only and shall not enter into the interpretation hereof. Wherever herein reference is made to "days" the same shall mean "calendar days" unless Business Days are specified.

30. **PARTIAL INVALIDITY**: If any term, covenant or condition of this Agreement or the application thereof to any Person or circumstances shall be held to be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provisions to persons or circumstances other than those to which it is held invalid or unenforceable, shall not be affected thereby, and each term shall be valid and enforceable to the fullest extent permitted by law.

31. **GOVERNING LAW**: It is the intention of the Parties that this Agreement and the rights and liabilities of the Parties shall be governed by the laws of the Commonwealth of Virginia. All legal actions brought by either Transferee or Transferor concerning this Agreement shall be brought in the Arlington County General District or Circuit courts and in no other courts whatsoever.

32. **BINDING EFFECT**: All of the covenants, conditions and obligations contained in this Agreement shall be binding upon and inure to the benefit of the respective heirs, legal representatives, and successors of Transferor and Transferee.

33. **EFFECTIVE DATE**: This Agreement shall be effective upon the Effective Date. WITNESS the following signatures:

TRANSFEROR:

WHC CRYSTAL LLC, a District of Columbia limited liability company

By: Washington Housing Conservancy, Inc., a District of Columbia non-profit corporation, its Sole Member

By:_____

Name:_____

Title:_____

Date:_____

TRANSFEREE:

ACORN DEVELOPMENT LLC, a Delaware limited liability company

By:_____

Name:_____

Title:_____

Date:_____

The undersigned Settlement Agent executes this Agreement solely for the purpose of evidencing its agreement to perform its obligations as set forth in Section 6 of the foregoing and annexed Agreement, it being understood and agreed that Settlement Agent shall have absolutely no liability for the performance by Transferor or Transferee of their obligations under the Agreement.

[NAME OF TITLE COMPANY]

By:_____

Name:_____

Title:_____

Date:_____

EXHIBIT A

PROPERTY DESCRIPTION

[to be inserted at execution of RETA]

EXHIBIT B

FORM OF SPECIAL WARRANTY DEED

Grantee: **Return to:**

Consideration: $_____ **RPC #:**

SPECIAL WARRANTY DEED

THIS DEED, made this ____ day of _____, 20__, by and between [WASHINGTON HOUSING CONSERVANCY, INC.] a [_____] [corporation/limited liability company], "***Grantor***", and [ACORN DEVELOPMENT LLC.], a [_____] [corporation/limited liability company], "***Grantee***".

WITNESSETH:

For and in consideration of the sum of Ten Dollars ($10.00) cash in hand paid, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and acknowledged by Grantor and Grantee, Grantor does hereby grant, bargain, sell and convey unto Grantee with Special Warranty of Title, all that certain parcel of land, together with the improvements thereon, situated, lying and being in Arlington County, Virginia, and more particularly described as follows:

Legal Description attached as Exhibit A (the "***Property***")

TOGETHER WITH all ways, easements, rights, privileges and appurtenances thereto or in any way appertaining, all improvements thereon and all the estate, right, title, interest and claim, either at law or in equity, of Grantor in the said Property.

This conveyance is made subject to all recorded covenants, restrictions, conditions, easements, reservations, agreements, and rights-of-way, to the extent that the same are valid and lawfully apply to the Property or any part thereof.

Grantor hereby warrants that it has fee simple title to and the right to convey the Property. Grantor covenants that it has the right to convey the said land to Grantee, that it will warrant specially the Property hereby granted, and that it will execute such further assurances as may be requisite.

WITNESS the following signature and seal.

GRANTOR:

[WASHINGTON HOUSING CONSERVANCY, INC.], a District of Columbia limited liability company

By:_____

Name:_____

Title:_____

Date:_____

Optionor Acknowledgment

STATE OF VIRGINIA)
)
COUNTY OF _____)

The forgoing instrument was acknowledged before me this __ day of _____, 20__ by _____, as _____of [WASHINGTON HOUSING CONSERVANCY, INC.] a [_____] [corporation/limited liability company].

Notary Public _____

My Commission Expires:_____

Registration No._____

EXHIBIT A

LEGAL DESCRIPTION

EXHIBIT C

Form of Memorandum of Option

This document prepared by;
After recording return to:

Davis Wright Tremaine LLP
Attention: Anthony Caso
920 Fifth Avenue, Suite 3300
Seattle, WA 98104

RPC No. 36-018-014

MEMORANDUM OF OPTION AGREEMENT

THIS MEMORANDUM OF OPTION AGREEMENT ("***Memorandum***") dated as of ____ day of December 2020, by and between WHC CRYSTAL LLC, a District of Columbia limited liability company having an address at 1310 L Street, NW Washington, DC 20005 ("***Optionor***") and ACORN DEVELOPMENT LLC, a Delaware limited liability company having an address at 410 Terry Avenue North, Seattle, WA 98109-5210 ("***Optionee***"). Optionor and Optionee are also sometimes referred to herein collectively as the "Parties" or individually as a "***Party***."

Optionor and Optionee hereby acknowledge the following:

1. **Option Agreement**. For ONE THOUSAND DOLLARS ($1,000) and other valuable consideration described in that certain Option Agreement, dated December __, 2020 (the "***Option Agreement***"), Optionor has granted to Optionee the exclusive and irrevocable option to purchase a portion that certain real property having a street address of 1900 S. Eads Street, located in the City of Arlington, the County of Arlington, Commonwealth of Virginia, and being described on Exhibit A attached hereto and incorporated herein (the "***Property***") under the terms and conditions set out in said Option Agreement.

2. **Term**. The initial term of the Option commenced on December __, 2020 and expires on December __, 2030 (the "***Term***").

3. **Extension Options**. Optionee has four consecutive options to extend the Option Term as follows: (a) the first extension shall be for an additional ten (10) year term; and (b) the second through fourth extensions shall be for terms of twenty (20) years each. Optionee may exercise any such extension option by delivering notice thereof to Optionor prior to the end of the then current Option Term.

4. **Notices**. All notices, demands, and requests which may be given, or are required to be given by either party to the other shall be in writing, and shall be either hand delivered by Federal Express or sent by United States certified mail, return receipt requested, with proper first class postage prepaid, properly and fully addressed:

If to Optionor:	WHC 1310 L Street, NW Washington, DC 20005 Attention: Executive Director Phone: 202-481-3255
With a copy to:	c/o JBG Smith 4747 Bethesda Avenue, Suite 200 Bethesda, Maryland 20814 Attention: Greg Benkowski Email: gbenkowski@jbgsmith.com Phone: 240-333-3728
And a copy to:	Arent Fox 1717 K Street, NW Washington, D.C. 20006 Attention: Richard A. Newman, Esq. Email: richard.newman@arentfox.com Phone: 202-857-6170 Fax: 202-857-6395.
If to Optionee:	Amazon.com, Inc. Attn: Amazon in the Community 410 Terry Avenue North Seattle, WA 98109-5210 Email: housingequityfund@amazon.com
With a copy to:	Amazon.com, Inc. Attn: General Counsel P.O. Box 81226 Seattle, WA 98108-1226 Email: contracts-legal@amazon.com
With a copy to:	Davis Wright Tremaine LLP Attention: Anthony Caso 920 Fifth Avenue, Suite 3300 Seattle, WA 98104-1610 Email: anthonycaso@dwt.com

A notice shall be deemed given (a) when delivered, if delivered by courier or overnight delivery service, or (b) two (2) business days after the date of posting with the U.S. mail, if sent by

registered or certified mail. Any party may, by like notice given at least ten (10) days before such change becomes effective, designate a new address to which such notices shall be sent.

5. **Conflicts**. This Memorandum is intended only for recording purposes to provide notice of certain terms and conditions contained in the Option Agreement and is not to be construed as a complete summary of the terms and conditions thereof. This Memorandum is subject to the Option Agreement and any amendments, modifications, alterations, renewals, and extensions of the Option Agreement. The terms and provisions of the Option Agreement are incorporated in this Memorandum by reference. If there is any conflict between this Memorandum and the Option Agreement, the provisions of the Option Agreement shall control.

6. **Counterparts**. This Memorandum may be executed in multiple counterparts, each of which shall be deemed an original and all of which when taken together shall constitute one and the same document.

IN WITNESS WHEREOF, the Parties hereto have executed this Memorandum as of the date first above written.

OPTIONOR:

WHC CRYSTAL LLC, a District of Columbia limited liability company

By: Washington Housing Conservancy, Inc., a District of Columbia non-profit corporation, its Sole Member

By:_____
Kimberly C. Driggins, Executive Director

Optionor Acknowledgment

DISTRICT OF COLUMBIA ss:

This record was acknowledged before me on December ____, 2020 by Kimberly C. Driggins, as the Executive Director of Washington Housing Conservancy, Inc., a District of Columbia non-profit corporation, which is the Sole Member of WHC CRYSTAL LLC, a District of Columbia limited liability company.

_____
Signature of notarial officer

_____
Title of Office

My commission expires: _____

OPTIONEE:

ACORN DEVELOPMENT LLC, a Delaware limited liability company

By: _____
Antonio Masone, Treasurer

Optionee Acknowledgment

STATE OF _____)
) ss.
COUNTY OF _____)

On this the _____ day of December, 2020, before me, _____, the undersigned officer, personally appeared Antonio Masone, who acknowledged himself to be the Treasurer of ACORN DEVELOPMENT LLC, a Delaware limited liability company, and that he as such Treasurer, being authorized so to do executed the foregoing instrument for the purposes therein contained, by signing the name of the limited liability company by himself as Treasurer.

In witness whereof I hereunto set my hand.

_____
Signature of Notary Public

Date Commission Expires: _____

EXHIBIT A

LEGAL DESCRIPTION

ALL those certain lots, pieces or parcels of land, situate, lying and being in Arlington County, Virginia and more particularly described as follows:

PARCEL I:

BEGINNING at the intersection of the southerly line of 18th Street South with the easterly line of South Fern Street said point being the northwest corner of the property of Washington Brick & Terra Cotta Company; thence running with the southerly line of 18th Street, South, N 85 degrees 56 minutes 59 seconds E. - 711.03 feet to its intersection with the westerly line of South Eads Street; thence running with said westerly line of South Eads Street 229.95 feet on the arc of a curve to the right, which curve has a radius of 2839.79 feet, the chord of which arc bears S 00 degree 27 minutes 18 seconds W. - 229.88 feet to the PT; thence continuing with the line of South Eads Street S 02 degrees 46 minutes 29 seconds W. - 367.86 feet to a point; thence departing from said line of South Eads Street and running through the property of Washington Brick & Terra Cotta Company S 87 degrees 58 minutes 25 seconds W. - 623.98 feet to a point in the aforementioned easterly line of South Fern Street; thence running with the said line of South Fern Street, N 06 degrees 37 minutes 01 seconds W.- 572.97 feet to the point of beginning; containing 8.98949 acres of land, more or less.

PARCEL II - PART ONE:

BEGINNING at the intersection of the easterly line of South Fern Street with the northerly line of 22nd Street South as dedicated in Deed Book 1548 at page 162 and recorded among the land records of Arlington County, Virginia, thence running with said line of South Fern Street N 06 degrees 37 minutes 01 seconds W - 531.71 feet to the center line of 20th Street South (vacated); thence departing from said street line of South Fern Street and running with the center line of vacated 20th Street South N 87 degrees 58 minutes 25 seconds E - 623.98 feet to a point in the west line of South Eads Street; thence running with said line of South Eads Street S 02 degrees 46 minutes 29 seconds W 531.88 feet to the point in the northerly line of 22nd Street South, thence with the line of the aforementioned 22nd Street South S 87 degrees 58 minutes 29 seconds W 536.91 feet to the point of beginning; containing 7.06247 acres of land.

PARCEL II - PART TWO:

BEGINNING at a point in the west line of South Eads Street, said point being the northeast corner of Block "A", Virginia Highlands Association as same appears duly platted and recorded among the land records of Arlington County, Virginia; thence departing from said street line and running with a portion of the north line of said Block "A", Virginia Highlands Association S 87 degrees 58 minutes 29 seconds W - 272.67 feet to the southeast corner of the Mills Property as recorded in Deed Book 461 at page 249 of the aforementioned land records; thence running with the east line of Mills N 02 degrees 01 minutes 31 seconds W - 140.00 feet to the northeast corner of the Mills Property as recorded in Deed Book 414 at page 435 of the aforementioned land records; thence

running with the southerly line of 22nd Street South, N 87 degrees 58 minutes 29 seconds E - 284.43 feet to a point in the aforesaid west line of South Eads Street; thence with said line of South Eads Street S 02 degrees 46 minutes 29 seconds W - 140.49 feet to the point of beginning; containing 0.89524 acres of land.

NOTE FOR INFORMATIONAL PURPOSES ONLY:
RPC No.: 36-018-014

The real property described above is the same property legally described as follows:

PARCEL I:

DESCRIPTION OF
PARCEL I
BEING A PORTION OF THE PROPERTY OF
CRYSTAL HOUSE APARTMENTS INVESTORS LLC
DEED BOOK 4668, PAGE 128
ARLINGTON COUNTY, VIRGINIA

Being a portion of the property of Crystal House Apartments Investors LLC as recorded in Deed Book 4668 at Page 128 among the Land Records of Arlington County, Virginia.

Beginning for the same at point marking the intersection of the southerly right-of-way line of 18th Street South (variable width public right-of-way) and the easterly right-of-way line of South Fern Street (variable width public right-of-way); thence running with said southerly right-of-way line of 18th Street South

1. North 85°58’37” East, 711.03 feet to a point of curvature, (non-tangent) marking the intersection of the aforesaid southerly right-of-way line of 18th Street South and the westerly right-of-way line of South Eads Street (variable width public right-of-way); thence leaving the said southerly right-of-way line of 18th Street South and running with the said westerly right-of-way line of South Eads Street the following two (2) courses and distances
2. 229.94 feet along the arc of a curve to the right having a radius of 2,839.79 feet and a chord bearing and distance of South 00°28’56” West, 229.88 feet to a point of tangency; thence
3. South 02°48’07” West, 367.86 feet to a point marking the northeasterly property corner of Parcel II – Part One, Crystal House Apartments Investors LLC as recorded in Deed Book 4668 at Page 128 among said Land Records, thence leaving the aforesaid westerly right-of-way line of South Eads Street and running

with the northerly line of Parcel II – Part One, Crystal House Apartments Investors LLC

4. South 88°00’03” West, 623.98 feet to a point on the easterly right-of-way line of South Fern Street (variable width public right-of-way), said point marking the northwesterly property corner of Parcel II – Part One, Crystal House Apartments Investors LLC; thence running with said easterly right-of-way line of South Fern Street
5. North 06°35’23” West, 572.97 feet to the point of beginning and containing 391,577 square feet or 8.98937 acres of land more or less.

PARCEL II - PART ONE:

DESCRIPTION OF
PARCEL II – PART ONE
BEING A PORTION OF THE PROPERTY OF
CRYSTAL HOUSE APARTMENTS INVESTORS LLC
DEED BOOK 4668 PAGE 128
ARLINGTON COUNTY, VIRGINIA

Being a portion of the property of Crystal House Apartments Investors LLC as recorded in Deed Book 4668 at Page 128 among the Land Records of Arlington County, Virginia.

Beginning for the same at a point marking the intersection of the northerly right-of-way line of 22nd Street South (50 foot public right-of-way) as recorded in Deed Book 1548 at Page 162 and the easterly right-of-way line of South Fern Street (variable width public right-of-way); thence running with said easterly right-of-way line of South Fern Street

1. North 06°35’23” West, 531.71 feet to a point marking the southwesterly property corner of Parcel I, Crystal House Apartments Investors LLC as recorded in Deed Book 4668 at Page 128 among said Land Records; thence running with the southerly property line of the said Parcel I, Crystal House
2. North 88°00’03” East, 623.98 feet to a point on the easterly right-of-way line of South Eads Street, (variable width public right-of-way), said point marking the southeasterly property corner of the aforesaid Parcel I, Crystal House Apartments Investors LLC; thence running with the said westerly right-of-way line South Eads Street
3. South 02°48’07” West, 531.88 feet to a point on the northerly right-of-way line of the aforesaid 22nd Street South; thence running with said northerly right-of-way line of 22nd Street South

4. South 88°00’07” West, 536.91 feet to the point of beginning and containing 307,640 square feet or 7.06244 acres of land more or less.

PARCEL II - PART TWO:

DESCRIPTION OF
PARCEL II – PART TWO
BEING A PORTION OF THE PROPERTY OF
CRYSTAL HOUSE APARTMENTS INVESTORS LLC
DEED BOOK 4668 PAGE 128
ARLINGTON COUNTY, VIRGINIA

Being a portion of the property of Crystal House Apartments Investors LLC as recorded in Deed Book 4668 at Page 128 among the Land Records of Arlington County, Virginia.

Beginning for the same at a point on the westerly right-of-way line of South Eads Street (variable width public right-of-way), said point marking the northeasterly property corner of the property of the County Board of Arlington County, Virginia as recorded in Deed Book 1963 at Page 916 among said Land Records; thence running with the northerly property line of said property of the County Board of Arlington County, Virginia and continuing with the northerly property lines of Lots 1 thru 5 and part of Lot 6, Block A, Virginia Highlands as recorded in Deed Book 126 at Page 1

1. South 88°00’07” West, 272.67 feet to a point marking the common property corner of the properties of William B. Bayne, Jr. as recorded in Deed Book 3724 at Page 468 and Twenty-third Street Corridor LLC as recorded in Deed Book 4624 at Page 635 all among the aforesaid Land Records; thence running with the easterly property lines of the properties of said Twenty-third Street Corridor LLC
2. North 01°59’53” West, 140.00 feet to a point on the southerly right-of-way line of 22nd Street South, 50 feet wide, as recorded in Deed Book 1548 at Page 162, said point marking the northeasterly property corner of the property of said Twenty-third Street Corridor LLC ; thence running with said southerly right-of-way line of said 22nd Street South
3. North 88°00’07” East, 284.42 feet to the point of intersection of the southerly right-of-way line of said 22nd Street South and the aforesaid westerly right-of-way line of South Eads Street (variable width public right-of-way); thence running with the aforesaid westerly right-of-way line of the South Eads Street (variable width public right-of-way)
4. South 02°48’07” West, 140.49 feet to the point of beginning and containing 38,996 square feet or 0.89522 acres of land more or less.

NOTE FOR INFORMATIONAL PURPOSES ONLY:
RPC No.: 36-018-014

OPTION AGREEMENT

THIS OPTION AGREEMENT (this "***Agreement***") dated effective as of December 31, 2020 (the "***Effective Date***") is entered into by and between WHC CRYSTAL LLC, a District of Columbia limited liability company ("***Optionor***"), and ACORN DEVELOPMENT LLC, a Delaware limited liability company and its successors, participants, and assigns ("***Optionee***").

RECITALS

WHEREAS, Optionor, as successor-in-interest to Crystal House Apartments Investors LLC, a Delaware limited liability company has entered into a Real Estate Purchase and Sale and Escrow Agreement (as assigned and amended, the "***Larger Property PSA***") with Crystal House Apartments Investors LLC, a Delaware limited liability company ("***Original Seller***"), dated December 14, 2020, to acquire the land located in the County of Arlington, Commonwealth of Virginia, and legally described on Exhibit A attached hereto (the "***Land***"), together with the improvements located thereon commonly known as "Crystal House," consisting of two buildings containing in the aggregate approximately 738,792 net rentable square feet of residential space and approximately 7,711 net rentable square feet of commercial space, parking areas containing approximately 766 parking spaces and certain other improvements (collectively the "***Improvements***").

WHEREAS, in addition to the Improvements, the Land is entitled for a development consisting of: (i) additional buildings containing in the aggregate approximately 796,000 gross square feet of residential space and approximately 834 gross square feet of commercial space, parking areas containing approximately 825 parking spaces and certain other improvements; and (ii) CH #5 (as defined below) ((i) and (ii) collectively being, the "***Additional Development***"). The portion of the Land on which the Additional Development is to be constructed is referred to in this Agreement as the "***Additional Development Parcels***."

WHEREAS, in order to finance the acquisition, operation and maintenance of the Land, Improvements and associated rights, Optionor expects to enter into certain loan documents with Optionee (the "***Loan Documents***").

WHEREAS, Optionee is willing to make the loan on the terms and conditions set forth in the Loan Documents, including, without limitation, a requirement that Optionor enter into an Option Agreement with Optionee concurrently with the Loan Documents, pursuant to which Optionor agrees to (i) subdivide the Land to allow for the construction of the Additional Development on the Additional Development Parcels, and (ii) grant Optionee an option to acquire the Additional Development Parcels following such subdivision.

WHEREAS, as used in this Option Agreement, the term "***Larger Property***" shall mean (i) the Land and the Improvements, (ii) all rights, proceeds, privileges, easements and hereditaments relating or appertaining thereto, and (iii) all personal property, fixtures, and equipment required or beneficial for the operation thereof. As used in this Option Agreement, the term "***Option Property***" shall mean: (A) (i)the Additional Development Parcels and the Improvements located on the Additional Development Parcels (if any), (ii) all rights, proceeds, privileges, easements and hereditaments relating or appertaining thereto, and (iii) all personal

property, fixtures, and equipment required or beneficial for the operation thereof; and (B) those entitlements, transferable development rights and other rights that are set forth in the Site Plan Ordinance (as defined below) on the Larger Property, but excluding any such entitlements, development rights and other rights in the Site Plan Ordinance that are necessary to continue to operate the CH 1&2 Parcel as currently operated. Notwithstanding the foregoing, the Option Property does not include any land area or parking needed under applicable land use regulation to support the continued operation of the portion of the Land and Improvements that are not a part of the Option Property.

WHEREAS, Optionor wishes to grant to Optionee, and Optionee wishes to obtain from Optionor, an irrevocable and exclusive option to acquire the Option Property, subject to the terms and conditions set forth below.

AGREEMENT

NOW, THEREFORE, in fulfillment of Optionor's obligation to enter into this Option Agreement pursuant to the Loan Documents, the Option Payment (defined below) and the other mutual covenants and agreements hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. **Grant of Option**. Optionor hereby grants to Optionee, upon Optionor's acquisition of the Larger Property, the sole, exclusive, and irrevocable option (the "***Option***") to cause Optionor to convey the Option Property to Optionee.

2. **Option Term**. The term of the Option (the "***Option Term***") shall commence on the date Optionor acquires the Larger Property and automatically expire on the date that is ten (10) years following the Effective Date (the "***Option Termination Date***"), unless duly extended, exercised, or sooner terminated as provided below. Optionee shall have four consecutive options to extend the Option Term as follows: (a) the first extension shall be for an additional ten (10) year term; and (b) the second through fourth extensions shall be for terms of twenty (20) years each. Optionee may exercise any such extension option by delivering notice thereof to Optionor prior to the end of the then current Option Term.

3. **Option Consideration**.

(a) **Option Consideration**. The Option is granted in consideration of Optionee's payment to Optionor, concurrently with the execution of this Agreement, of the amount of Forty Million One Thousand Dollars ($40,001,000) (the "***Option Payment***") and in fulfillment of Optionor's obligation to enter into this Option Agreement under the Loan Documents which was given in consideration, in part, for Optionee's agreement to enter into the Loan Documents. The parties acknowledge that One Thousand Dollars ($1,000) of the Option Payment (the "***Option Memo Recording Payment***") is expressly provided in consideration of Optionor's agreement to record the Memorandum of the Option as described in Section 18.u hereof.

(b) **Option Consideration Earned Upon Delivery**. Optionor acknowledges and agrees that the Option Payment and Optionee's agreement to enter into the Loan Documents constitute consideration to Optionor for Optionor's agreement (among other things) to (i) enter into this Agreement with Optionee, (ii) not sell, convey or otherwise transfer the Option Property to another party while this Agreement is in effect, and (iii) convey the Option Property to Optionee or its designee(s) on the terms and conditions set forth herein, provided that Optionee has exercised the Option in the manner provided in Section 4 below.

(c) **Optionee Reimbursement of Certain Optionor Carrying Costs During Option Extension Term**. If Optionee extends the Option Term as provided in Section 2 hereof (any portion of the Option Term after the original Option Term while any Option Property remains unconveyed to Optionee being referred to as the "***Reimbursement Period***"), then Optionor shall calculate the following (A) actual, reasonable, direct costs it incurs attributable exclusively to the Option Property during such extended Option Term(s) ("***Carrying Costs***"):

i. **Property Taxes**. Prior to the Subdivision, the property taxes attributable exclusively to the Option Property shall be Forty Nine percent (49.0%) if the Option Property contains CH #5 or Forty Six and Two Tenths percent (46.2%) if the Option Property does not contain CH #5 of the property taxes levied on the land alone, and not on the Improvements. After the Subdivision, the property taxes attributable to the Option Property shall be the property taxes levied on the parcels then constituting the Option Property.

ii. **Insurance**. The proportionate cost of commercial general liability insurance that is attributable exclusively to the Option Property and not to CH #1 or CH #2 or the Improvements.

iii. **Ordinary Repairs and Maintenance**. One-half of the cost of all ordinary repairs, maintenance and cleaning, including, without limitation, the cost of landscaping and other service agreements, and snow, ice, trash, and debris removal associated with the landscaped areas of the Option Property and not associated with CH #1 or CH #2 or the Improvements (but not including any roadways, sidewalks, parkways, driveways, lighting facilities, fences, gates, or similar improvements located on the Option Property benefitting CH #1 or CH #2 or the Improvements) up to a maximum amount for each calendar year of Ten Thousand Dollars ($10,000.00).

After calculating the Carrying Costs described above, Optionor and Optionee shall deduct (B) the net parking revenue generated on the Larger Parcel, from any parking spaces above 498 parking spaces ("***Net Parking Revenue***; and Optionee shall reimburse the difference between the (A) Carrying Costs and (B) the Net Parking Revenue (such calculation being the "***Net Carrying Costs***").

Optionee shall pay the Net Carrying Costs throughout the Reimbursement Period, and, if Optionee exercises the Option for any or all of the Option Property during the Reimbursement Period, Optionee shall continue to pay the Net Carrying Costs until Optionor conveys such Option Property to Optionee. Optionor's and Optionee's respective obligations hereunder with respect to any Option Property not conveyed to Optionee shall continue throughout the Reimbursement Period until so conveyed. Each and every time less than all of the Option Property is conveyed to Optionee, the respective property taxes, insurance and maintenance costs, shall be reduced proportionately from Carrying Costs.

At the end of each calendar year during the Reimbursement Period, Optionor shall invoice Optionee for Carrying Costs and provide evidence thereof. Optionor shall also provide a full report of the Net Parking Revenue for such calendar year (and subtract same from such invoice). Optionee shall thereafter pay the Net Carrying Costs to Optionor within thirty (30) days of its receipt of such invoice. Optionor shall exercise commercially reasonable efforts, in good faith, to maximize the Net Parking Revenue and minimize Carrying Costs. If the parties are unable to reach agreement on Net Carrying Costs (or any of the components necessary to calculate Net Carrying Costs), the parties shall engage in dispute resolution to resolve outstanding issues expeditiously and to reach final agreement.

As more fully provided in Section 9 below, the parties shall negotiate in good faith to reach agreement on, and shall enter into, a reciprocal easement agreement, shared parking agreement, or other Future Reasonable Agreements to address, *inter alia*, the agreements covered by this Section 3(c). The parties agree that such Future Reasonable Agreements shall be controlling over the covenants and agreements contained in this Section 3(c), including the shared use of and costs related to any Replacement Parking. The parties expect that such Future Reasonable Agreement shall provide that Optionee's annual obligation to pay Optionor's Net Carrying Cost during the Reimbursement Period, as provided herein, shall be reduced, as an offset, by Optionee's reasonable operations and maintenance costs incurred in providing Replacement Parking for that year. If the parties are unable to reach agreement on such Future Reasonable Agreement, the parties shall engage in dispute resolution to resolve outstanding issues expeditiously and to reach final agreement.

4. **Exercise of Option; Termination of Option**. At any time during the Term, Optionee may exercise the Option by timely sending Optionor a written notice of Optionee's intention to exercise the Option ("***Exercise Notice***") accompanied by an executed copy of a real estate transfer agreement substantially in the form attached hereto or described on Exhibit B (the "***Transfer Agreement***"). Optionor shall promptly execute the Transfer Agreement and return a fully executed copy of the Transfer Agreement to Optionee. Optionee may, in its sole discretion, exercise the Option with respect to any of the specific parcels within the Option Property created by the Subdivision at any time during the Term. In such event, Optionee shall send Optionor an Exercise Notice and executed copy of a Transfer Agreement applicable to such specific parcel(s) within the Option Property and Optionor shall promptly execute and return a fully executed copy of such Transfer Agreement to Optionee. This Option Agreement shall remain effective with

respect to such parcels of the Option Property for which Optionee has not sent an Exercise Notice for the remainder of the Option Term. If Optionee does not timely exercise the Option in the manner described herein on or before the Option Termination Date for all or a portion of the Option Property, then the Option shall automatically terminate with respect to the portions of the Option Property for which Optionee has not sent an Exercise Notice and thereafter neither party shall have any further obligations or rights hereunder with respect to the portions of the Option Property for which Optionee has not sent an Exercise Notice except for those that expressly survive the termination of this Agreement. Optionee shall pay all recordation and transfer taxes on the transferred parcels. Optionee also shall have the right to terminate this Option Agreement, with respect to all or any portion of the Option Property, for any reason or no reason, by delivering written notice specifying the portion of the Option Property for which this Option Agreement is to be terminated given to Optionor at any time. In the event of any such termination, no party shall have any further liability to any other party under this Option Agreement with respect to the portion of the Option Property for which this Option Agreement has been terminated, except for those that expressly survive the termination of this Option Agreement.

5. **Segregation of the Larger Property and Government Approvals**.

(a) **Subdivision**. Optionor shall upon a schedule proposed by Optionee and subject to Optionor's approval, which approval shall not be unreasonably withheld, conditioned or delayed, cause the Larger Property to be segregated by means of a subdivision into at least two (2) separate legal lots, one to contain the existing Improvements (commonly known as Crystal Houses 1 and 2) (the "***CH 1&2 Parcel***") and the other for the Option Property (the "***Subdivision***"). Optionor shall cause the Subdivision to segregate the Option Property into any number of separate parcels as Optionee, in its sole discretion, may direct. Optionor shall consult closely with Optionee with respect to the configuration of the Option Property within the Subdivision and the terms and conditions of the Subdivision. Optionor shall not agree to such configuration or such terms and conditions without the prior written approval of Optionee, which Optionee may give or withhold in its sole discretion; provided, however, that no Subdivision shall adversely affect the legal entitlements of Optionor in other than a *de minimis* manner to operate the CH 1&2 Parcel as currently operated. Optionor shall deliver to Optionee for review and comment, draft applications for governmental approvals and permits, final plats, final declarations, and owner-agent agreements and other documents reasonably necessary to allow Optionor to undertake and complete the segregation of the Larger Property as described above and Optionor shall incorporate Optionee's comments substantially consistent with this Agreement into such applications, as Optionee directs. If Optionor fails to cause the Subdivision to be completed in a timely fashion as set forth in the proposed schedule Optionor has reasonably approved, then Optionee, without limiting its remedies otherwise available at law or in equity, may itself seek to cause the Subdivision to occur and Optionor shall reasonably cooperate with Optionee in such effort. The Subdivision shall be deemed completed for purposes of this Option Agreement when the separate legal lots created by the Subdivision are each able to be conveyed in compliance with applicable Virginia and Arlington

County law. Optionee shall reimburse Optionor for the actual, customary and reasonable costs and expenses Optionor incurs in seeking to cause the Subdivision to occur, as provided herein. Optionee shall reimburse Optionor for all reasonable documented third party costs incurred in the Subdivision process.

(b) **Governmental Approvals**. During the Option Term, Optionee may to apply for a zoning change, variance, subdivision map, lot line adjustment, or other discretionary governmental act, approval or permit with respect to the Option Property ("***Entitlements***"). Optionee also may submit any reports, studies or other documents, including without limitation, plans and specifications, impact statements for water, sewage, drainage or traffic, environmental review forms, or energy conservation checklists to any governmental agency, or any amendment or modification to any such instruments or documents prior to exercising the Option ("***Reports***"). Optionor agrees to reasonably cooperate with Optionee in seeking such Entitlements, so long as Optionee requests Optionor to do so (and in the event attendance at any zoning or other governmental meetings where an employee of Optionor is required to be present, at least five (5) Business Days prior written notice is given to Optionor, if possible) and, provided further that Optionor does not bear any material expense in connection with its cooperation.

6. **Crystal Houses #5**. On December 14, 2019, Arlington County passed a Site Plan Ordinance approving Site Plan #451 (the "***Site Plan Ordinance***"). Condition 42.B of the Site Plan Ordinance requires that the owner of the Larger Property, when it seeks to execute the Additional Development, must convey fee simple title to "the real property located on a portion of RPC No. 36-018-014 located at 1900 South Eads Street, Arlington Virginia, and known as the Remainder of Parcel II Property of Crystal House Apartment Investors, LLC" ("***CH #5***") to Arlington County if the County Manager timely requests the owner to do so. (CH #5 is more fully described as "Parcel II – Part Two" in the legal description attached as Exhibit A.) The Site Plan Ordinance also provides that once CH #5 is so conveyed to Arlington County, the owner developing the Additional Development "shall have no further affordability obligation under this Condition No. 42.B". The parties acknowledge and agree that if CH #5 is conveyed to Arlington County or other designee in furtherance of the Site Plan Ordinance prior to exercising the Option and executing the Transfer Agreement(s), then the Option Property shall not include CH #5 and the relief from otherwise complying with the affordable housing obligations of Condition 42.B and all other development rights and other benefits outlined in the Site Plan Ordinance that result from such conveyance of CH #5 to Arlington County shall accrue the remaining portion of the Option Property.

7. **Future Affordable Housing Benefits**. The parties agree that the Option Property includes all entitlements, transferable development rights and other rights relating to the provision of affordable housing on the Larger Property, including, without limitation, rights relating to the imposition of affordable housing covenants on CH #1 and #2 and/or the Additional Development Parcel.

8. **Replacement Parking and Crystal House 2 Garage**. The parties acknowledge that the Site Plan Ordinance requires that CH #1 and #2 maintain 498 parking spaces upon the Larger Parcel for the Improvements. The parties agree that after the Subdivision, if Optionee exercises

the Option and acquires the Option Property, then Optionee shall provide parking spaces on the Option Property or on CH #1 or #2 for the benefit of CH #1 and #2 in an amount of 330 spaces (498 spaces less 168 spaces currently located in the Improvements), it being understood that any future subdivision or entitlement shall not reduce or impair the existing 168 parking spaces located in the Improvements (the "***Replacement Parking Spaces***"). The parties will work together in good faith to provide the parking in locations that allow for development of the Option Parcel with at minimal impact to Optionor's operation of CH #1 and CH #2; provided, however, that the location of the Replacement Parking Spaces on the Option Property shall be at Optionee's sole discretion. Optionee shall not build the Crystal House 2 Garage as described and required by the Site Plan Ordinance. Optionor and Optionee shall work together in good faith with Arlington County to resolve parking-related issues.

9. **Future Agreements**. Optionor and Optionee and/or Optionee's designee shall negotiate in good faith to reach agreement on the following ("***Future Reasonable Agreements***") prior to the completion of the Subdivision consistent with this Agreement:

(a) Easements and other rights benefiting and burdening the Option Property and CH #1 and #2, respectively that are necessary or convenient for the development of the Option Property including, without limitation, access, construction, construction staging, crane swing, tie-back and other easements and cooperation agreements.

(b) Allocation of Responsibility for Complying with Site Plan Ordinance and Subdivision Conditions;

(c) Parking Sharing Agreement;

(d) Conditions, Covenants and Restrictions ("***CC&R***") (regarding, among other things, ongoing cost sharing and management of common areas (e.g. internal roads and open spaces) and common infrastructure to be determined between the parties.)

The parties agree to be guided by reasonable principles in fashioning the Future Reasonable Agreements with the goal of allocating privileges and responsibilities between the parties and among the parcels as is commonly done in Arlington County in similar subdivisions while at all times preserving the right of Optionor to continue to operate the CH 1&2 Parcel as currently operated. If the parties are unable to reach agreement on any Future Reasonable Agreement, the parties shall engage in dispute resolution to resolve outstanding issues expeditiously and to reach final agreement.

10. **Physical Inspection of the Property**. Optionor agrees that Optionee shall have the right, at Optionee's own risk, cost and expense, at any time or times during the Option Term, to conduct such non-invasive environmental and engineering tests, including inspections, investigations, studies, surveys, examinations, and appraisals as Optionee deems necessary or desirable to evaluate the Property (collectively, the "***Investigations***") in accordance with this paragraph. Optionee may not conduct any physical intrusive testing on the Property without Optionor's prior written consent, which consent will not be unreasonably withheld or delayed

provided the same is conducted to minimize interference with tenants' normal use of the Property and Optionee is properly insured in accordance with the terms of this paragraph. For purposes of this paragraph, "physically intrusive testing" shall mean testing that involves borings (such as the taking of soil samples and/or a "***Phase II***" environmental study), borings (such as the taking of roof or wall samples), or any taking of physical samples or penetration of the surface of the Land or the Improvements comprising the Option Property. Optionee shall have the right to enter upon any portion of the Option Property at any time or times during the Option Term, during normal business hours and after at least one (1) business day's advance notice to (or in the case of physically intrusive testing, at least two (2) business days' prior advance notice) Optionor, for purposes of conducting the Investigations. In the event of any damage to the Option Property caused by Optionee, its agents, engineers, employees, contractors or surveyors as part of the Investigations Optionee performs, or causes to be performed, Optionee shall restore or pay the cost incurred by Optionee (or Optionor) to restore the Option Property to the condition, as nearly as possible, existing prior to the performance of such tests, investigations or studies. Optionor shall not be liable for any damages to person or property occasioned by the acts of Optionee or its contractors while conducting its investigation on the Option Property except to the extent such liability arises from Optionor's gross negligence or willful misconduct and Optionee shall furnish or cause its consultants or agents to furnish to Optionor, prior to any entry onto the Option Property, certificates of insurance which shall name Optionor as an additional insured evidencing comprehensive general liability coverage in the minimum amount of Two Million Dollars ($2,000,000). In no event may Optionee's investigations cause tenants of the CH #1 or CH #2 to be disturbed. The provisions of this paragraph shall survive the exercise of the Option or earlier termination of this Agreement for a period of nine (9) months.

11. **Maintenance of the Option Property during the Option Term**. During the Option Term, Optionor shall manage and operate the Option Property only in the ordinary and usual manner; maintain in full force and effect insurance policies, or renewals thereof for not more than one year; maintain the Option Property in its present order and condition, make all commercially reasonable and necessary repairs and replacements that are consistent with its normal business practices; not make or install any Improvements upon the Option Property without Optionee's prior approval; and give prompt notice to the Optionee of any fire or other casualty materially affecting the Option Property.

12. **Continued Marketing**. Until the expiration of the Option Term, Optionor shall not negotiate the sale or lease of the Option Property to any person except Optionee, and Optionor shall not show the Option Property to any prospective buyer or optionee.

13. **Mortgages**. During the Term, neither Optionor nor Optionee shall encumber the Option Property or any portion thereof with a deed of trust, mortgage, or other monetary encumbrance other than as provided in the Loan Documents or for the Subordinate Loan (as defined in the Loan Documents).

14. **Damage or Destruction**. If the Option Property is totally or partially damaged or destroyed by fire, earthquake, accident, or other casualty prior to exercise of the Option through no fault of Optionee, then Optionee may cancel this Agreement by giving written notice to Optionor.

15. **Default by Optionor**. If Optionor fails to perform any of its obligations or is otherwise in default hereunder after the notice and cure period provided in the following sentence, then such failure shall be in an Optionor "***Event of Default***". Optionee shall provide written notice to Optionor of such failure and allow Optionor thirty (30) days to cure such default (provided that if such default is not reasonably capable of being cured within such thirty (30) day period, such longer period that is necessary to cure such default, provided further that Optionee commences such cure within such thirty (30) day period and diligently prosecutes such cure to completion). If Optionor commits an Event of Default, Optionee shall have the right to terminate this Agreement, and/or to seek such other relief Optionee may have at law or in equity, including, without limitation, seeking injunctive relief to prevent a sale of the Option Property to a party other than Optionee and the filing of an action for specific performance.

16. Notices. All notices, demands, and requests which may be given, or are required to be given by either party to the other shall be in writing, and shall be either hand delivered by Federal Express or sent by United States certified mail, return receipt requested, with proper first class postage prepaid, properly and fully addressed:

If to Optionor:	WHC 1310 L Street, NW Washington, D.C. 20005 Attention: Executive Director Phone: 202-481-3255
With a copy to:	c/o JBG Smith 4747 Bethesda Avenue, Suite 200 Bethesda, Maryland 20814 Attention: Greg Benkowski Email: gbenkowski@jbgsmith.com Phone: 240-333-3728
And a copy to:	Arent Fox 1717 K Street, NW Washington, D.C. 20006 Attention: Richard A. Newman, Esq. Email: richard.newman@arentfox.com Phone: 202-857-6170
If to Optionee:	Amazon.com, Inc. Attn: Amazon in the Community 410 Terry Avenue North Seattle, WA 98109-5210 Email: housingequityfund@amazon.com
With a copy to:	Amazon.com, Inc. Attn: General Counsel P.O. Box 81226

Seattle, WA 98108-1226
Email: contracts-legal@amazon.com

With a copy to: Davis Wright Tremaine LLP
Attention: Anthony Caso
920 Fifth Avenue, Suite 3300
Seattle, WA 98104-1610
Email: anthonycaso@dwt.com

A notice shall be deemed given (a) when delivered, if delivered by courier or overnight delivery service, or (b) two (2) business days after the date of posting with the U.S. mail, if sent by registered or certified mail. Any party may, by like notice given at least ten (10) days before such change becomes effective, designate a new address to which such notices shall be sent.

17. **Public Announcements**. Neither Optionor nor Optionee (nor any of their respective agents or assignees) shall make any public announcement or issue any press release regarding the transaction described in this Agreement, either prior to or after the exercise of the Option or earlier termination of this Agreement or the Transfer Agreement (except to the extent required to comply with reporting requirements pursuant to applicable law), without the specific prior written approval of the other party, which (i) prior to the exercise of the Option and the subsequent Settlement or earlier termination of this Agreement or the Transfer Agreement, such approval may be granted or withheld in such party's sole discretion, and (ii) after the exercise of the Option and the subsequent Settlement, or earlier termination of this Agreement or the Transfer Agreement, such approval shall not be unreasonably withheld, conditioned or delayed. This Section 17 shall survive until two (2) years following the later of (i) the settlement of the conveyance of the Option Property pursuant to the Transfer Agreement, (ii) the termination of the Transfer Agreement or (iii) the termination of this Agreement.

18. **Miscellaneous**.

(a) **Entire Agreement**. This Agreement, together with the Exhibits attached hereto, all of which are incorporated by reference, constitutes the entire agreement between the parties with respect to the subject matter hereof, and no alteration, modification or interpretation hereof shall be binding unless in writing and signed by both parties. The parties are not bound by any agreements, understandings, provisions, conditions, representations or warranties (whether written or oral and whether made by Optionor or any agent, employee or principal of Optionor or any other party) other than as are expressly set forth and stipulated in this Agreement.

(b) **Severability**. If any provision of this Agreement or application to any party or circumstances shall be determined by any court of competent jurisdiction to be invalid and unenforceable to any extent, the remainder of this Agreement or the application of such provision to such person or circumstances, other than those as to which it is so determined invalid or unenforceable, shall not be affected thereby, and each provision hereof shall be valid and shall be enforced to the fullest extent permitted by law.

(c) **Applicable Law**. This Agreement shall be construed and enforced in accordance with the laws of the Commonwealth of Virginia.

(d) **Assignability**. Optionee may assign this Option Agreement to any party, in whole or in part, in its sole discretion. Any assignee shall be deemed to have made any and all representations and warranties made by Optionee hereunder (as reasonably amended to account for Optionee entity structure, place of organization and similar criteria that differ between Optionee and assignee), as if the assignee were the original signatory hereto. If Optionee intends to assign this Agreement, Optionee shall (i) notify Optionor in writing of the proposed assignment; (ii) provide Optionor with the name and address of the proposed assignee; and (iii) provide Optionor with a copy of the proposed instrument of assignment. This Agreement shall be binding upon and inure to the benefit of Optionee and Optionor and their respective successors and permitted assigns. Upon any assignment of Optionee's entire interest under this Agreement, Optionee shall be relieved of all further liability under this Agreement.

(e) **Captions**. The captions in this Agreement are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope of this Agreement or the scope or content of any of its provisions.

(f) **Attorneys' Fees**. In the event of any litigation arising out of this Agreement, the prevailing party shall be entitled to recover from the other party reasonable attorneys' and paralegals' fees and costs actually incurred, whether incurred out of court, at trial, on appeal or in any bankruptcy, arbitration or administrative proceedings.

(g) **No Relationship**. Nothing contained in this Agreement shall be construed to create a fiduciary, partnership, joint venture, principal/agent or other relationship between the parties or their successors or assigns, and the parties owe no duty to each other except as expressly stated in this Agreement.

(h) **Time of Essence**. Time is of the essence for all purposes of this Agreement.

(i) **Counterparts**. This Agreement may be executed and delivered in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including portable document format (PDF) or any electronic signature complying with the United States Electronic Signatures in Global and National Commerce (ESIGN) Act of 2000, e.g. www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

(j) **Proper Execution**. Signatures of this Agreement transmitted by via electronic mail (*.pdf or similar file types) shall be valid and effective to bind the party so signing. Each party agrees to promptly deliver an execution original to this Agreement, any amendment thereto, or any notice sent via electronic mail with its

actual signature to the other party, but a failure to do so shall not affect the enforceability of this Agreement, amendment or notice, it being expressly agreed that each party to this Agreement shall be bound by its own electronically mailed signature in all instances and shall accept the electronically mailed signature of the other party to this agreement.

(k) **No Personal Liability**. Any liability for participation in this transaction shall remain with Optionee and Optionor only and in no event shall there be any personal liability on the part of any officer, manager or employee of the parties, their direct or indirect partners and investors or their direct or indirect constituent members or entities. This provision shall survive the exercise of the Option and the subsequent Settlement or any termination of this Agreement or of the Transfer Agreement(s).

(l) **Date of Agreement**. All references to the date of this Agreement mean the date upon which both Optionor and Optionee have executed this Agreement.

(m) **Date of Performance**. If the date of performance of any obligation or the expiration of any time period provided herein should fall on a Saturday, Sunday or legal holiday, then said obligation shall be due and owing, and said time period shall expire, on the first day thereafter which is not a Saturday, Sunday or legal holiday. Any reference in this Agreement to a "business day" shall mean any day of the week other than a Saturday, Sunday or legal holiday. Except as may otherwise be set forth herein, any performance provided for herein shall be timely made if completed not later than 5:00 p.m. (prevailing Eastern time) on the day of performance.

(n) **Waiver**. Excuse or waiver of the performance by the other party of any obligation under this Agreement shall only be effective if evidenced by a written statement signed by the party so excusing or waiving. No delay in exercising any right or remedy shall constitute a waiver thereof, and no waiver by Optionor or Optionee of the breach of any covenant of this Agreement shall be construed as a waiver of any preceding or succeeding breach of the same or any other covenant or condition of this Agreement. All of the provisions of this Section 18.n shall survive the exercise of the Option and the subsequent Settlement or any termination of this Agreement or of the Transfer Agreement(s).

(o) **Interpretation**. This Agreement is the result of negotiations between the parties who are experienced in sophisticated and complex matters similar to the transaction contemplated by this Agreement and is entered into by both parties in reliance upon the economic and legal bargains contained herein and shall be interpreted and construed in a fair and impartial manner without regard to such factors as the party which prepared the Agreement, the relative bargaining powers of the parties or the domicile of any party. Optionor and Optionee are each represented by legal counsel competent of advising them of their obligations and liabilities hereunder. The presentation and negotiation of this Agreement shall not be construed as any offer by Optionor to transfer, or any offer by Optionee to

accept, the Property or obligate either party unless and until this Agreement has been duly executed and delivered to both parties.

(p) **Termination**. Upon termination of this Agreement in accordance with its terms (and not as a result of an Event of Default), neither party shall have any further rights or obligations or liabilities, except those rights and obligations arising under any sections of this Agreement which expressly survive termination of this Agreement.

(q) **Construction**. As used herein, the words "include", "including", and similar terms shall be construed as if followed by the phrase "without limitation".

(r) **No Third Party Beneficiary**. This Agreement is not intended to give or confer any benefits, rights, privileges, claims, actions, or remedies to any person or entity as a third party beneficiary.

(s) **Waiver of Jury Trial**. TO THE EXTENT PERMITTED BY LEGAL REQUIREMENTS, THE PARTIES WAIVE ANY RIGHT TO TRIAL BY JURY OR TO HAVE A JURY PARTICIPATE IN RESOLVING ANY DISPUTE, WHETHER SOUNDING IN CONTRACT, TORT, OR OTHERWISE, BETWEEN THE PARTIES ARISING OUT OF THIS AGREEMENT OR ANY OTHER INSTRUMENT, DOCUMENT, OR AGREEMENT EXECUTED OR DELIVERED IN CONNECTION HEREWITH OR THE TRANSACTIONS RELATED HERETO.

(t) **Anti-Corruption**. Optionor acknowledges that Optionee's Code of Business Conduct and Ethics posted at http://phx.corporate-ir.net/phoenix.zhtml?c=97664&p=irol-gov Conduct (the "***Code***") prohibits the paying of bribes to anyone for any reason, whether in dealings with governments or the private sector. Optionee will not violate or knowingly permit anyone to violate the Code's prohibition on bribery or any applicable anti-corruption laws in performing under this Agreement. Optionee may immediately terminate or suspend performance under this agreement if Optionor breaches this section. Optionor will maintain true, accurate and complete books and records concerning any payments made to another party by Optionor under this Agreement, including on behalf of Optionee. Optionee and its designated representative may inspect Optionor's books and records to verify such payments and for compliance with this Section.

(u) **Memorandum of Option**. The parties shall execute a Memorandum of Option substantially in the form attached hereto as Exhibit C.

In witness whereof, the parties hereby set their hands.

OPTIONOR:

WHC CRYSTAL LLC, a District of Columbia limited liability company

By: Washington Housing Conservancy, Inc., a District of Columbia non-profit corporation, its Sole Member

By: _____
Kimberly C. Driggins, Executive Director

Optionor Acknowledgment

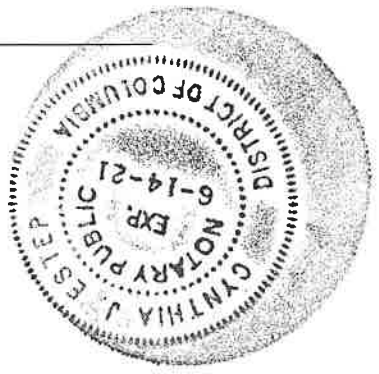
DISTRICT OF COLUMBIA ss:

This record was acknowledged before me on December 23, 2020 by Kimberly C. Driggins, as the Executive Director of Washington Housing Conservancy, Inc., a District of Columbia non-profit corporation, which is the Sole Member of WHC CRYSTAL LLC, a District of Columbia limited liability company.

Cynthia J Estep
Signature of notarial officer

Notary Public
Title of Office

My commission expires: 6/14/2021



OPTIONEE:

ACORN DEVELOPMENT LLC, a Delaware limited liability company

By: _____
Antonio Masone, Treasurer

Optionee Acknowledgment

STATE OF CONNECTICUT)
) ss. WESTPORT
COUNTY OF FAIRFIELD)

On this the 22nd day of December, 2020, before me, Mary Ellen Stella, the undersigned officer, personally appeared Antonio Masone, who acknowledged himself to be the Treasurer of ACORN DEVELOPMENT LLC, a Delaware limited liability company, and that he as such Treasurer, being authorized so to do executed the foregoing instrument for the purposes therein contained, by signing the name of the limited liability company by himself as Treasurer.

In witness whereof I hereunto set my hand.

Mary Ellen Stella
Signature of Notary Public

Date Commission Expires: July 31, 2025

Mary Ellen Stella
Notary Public, State of Connecticut
My Commission Expires July 31, 2025

EXHIBIT A

Description of the Larger Property

ALL those certain lots, pieces or parcels of land, situate, lying and being in Arlington County, Virginia and more particularly described as follows:

PARCEL I:

BEGINNING at the intersection of the southerly line of 18th Street South with the easterly line of South Fern Street said point being the northwest corner of the property of Washington Brick & Terra Cotta Company; thence running with the southerly line of 18th Street, South, N 85 degrees 56 minutes 59 seconds E. - 711.03 feet to its intersection with the westerly line of South Eads Street; thence running with said westerly line of South Eads Street 229.95 feet on the arc of a curve to the right, which curve has a radius of 2839.79 feet, the chord of which arc bears S 00 degree 27 minutes 18 seconds W. - 229.88 feet to the PT; thence continuing with the line of South Eads Street S 02 degrees 46 minutes 29 seconds W. - 367.86 feet to a point; thence departing from said line of South Eads Street and running through the property of Washington Brick & Terra Cotta Company S 87 degrees 58 minutes 25 seconds W. - 623.98 feet to a point in the aforementioned easterly line of South Fern Street; thence running with the said line of South Fern Street, N 06 degrees 37 minutes 01 seconds W.- 572.97 feet to the point of beginning; containing 8.98949 acres of land, more or less.

PARCEL II - PART ONE:

BEGINNING at the intersection of the easterly line of South Fern Street with the northerly line of 22nd Street South as dedicated in Deed Book 1548 at page 162 and recorded among the land records of Arlington County, Virginia, thence running with said line of South Fern Street N 06 degrees 37 minutes 01 seconds W - 531.71 feet to the center line of 20th Street South (vacated); thence departing from said street line of South Fern Street and running with the center line of vacated 20th Street South N 87 degrees 58 minutes 25 seconds E - 623.98 feet to a point in the west line of South Eads Street; thence running with said line of South Eads Street S 02 degrees 46 minutes 29 seconds W 531.88 feet to the point in the northerly line of 22nd Street South, thence with the line of the aforementioned 22nd Street South S 87 degrees 58 minutes 29 seconds W 536.91 feet to the point of beginning; containing 7.06247 acres of land.

PARCEL II - PART TWO:

BEGINNING at a point in the west line of South Eads Street, said point being the northeast corner of Block "A", Virginia Highlands Association as same appears duly platted and recorded among the land records of Arlington County, Virginia; thence departing from said street line and running with a portion of the north line of said Block "A", Virginia Highlands Association S 87 degrees 58 minutes 29 seconds W - 272.67 feet to the southeast corner of the Mills Property as recorded in Deed Book 461 at page 249 of the aforementioned land records; thence running with the east line of Mills N 02 degrees 01 minutes 31 seconds W - 140.00 feet to the northeast corner of the Mills Property as recorded in Deed Book 414 at page 435 of the aforementioned land records; thence

running with the southerly line of 22nd Street South, N 87 degrees 58 minutes 29 seconds E - 284.43 feet to a point in the aforesaid west line of South Eads Street; thence with said line of South Eads Street S 02 degrees 46 minutes 29 seconds W - 140.49 feet to the point of beginning; containing 0.89524 acres of land.

NOTE FOR INFORMATIONAL PURPOSES ONLY:
RPC No.: 36-018-014

The real property described above is the same property legally described as follows:

PARCEL I:

DESCRIPTION OF
PARCEL I
BEING A PORTION OF THE PROPERTY OF
CRYSTAL HOUSE APARTMENTS INVESTORS LLC
DEED BOOK 4668, PAGE 128
ARLINGTON COUNTY, VIRGINIA

Being a portion of the property of Crystal House Apartments Investors LLC as recorded in Deed Book 4668 at Page 128 among the Land Records of Arlington County, Virginia.

Beginning for the same at point marking the intersection of the southerly right-of-way line of 18th Street South (variable width public right-of-way) and the easterly right-of-way line of South Fern Street (variable width public right-of-way); thence running with said southerly right-of-way line of 18th Street South

1. North 85°58’37” East, 711.03 feet to a point of curvature, (non-tangent) marking the intersection of the aforesaid southerly right-of-way line of 18th Street South and the westerly right-of-way line of South Eads Street (variable width public right-of-way); thence leaving the said southerly right-of-way line of 18th Street South and running with the said westerly right-of-way line of South Eads Street the following two (2) courses and distances
2. 229.94 feet along the arc of a curve to the right having a radius of 2,839.79 feet and a chord bearing and distance of South 00°28’56” West, 229.88 feet to a point of tangency; thence
3. South 02°48’07” West, 367.86 feet to a point marking the northeasterly property corner of Parcel II – Part One, Crystal House Apartments Investors LLC as recorded in Deed Book 4668 at Page 128 among said Land Records, thence leaving the aforesaid westerly right-of-way line of South Eads Street and running

with the northerly line of Parcel II – Part One, Crystal House Apartments Investors LLC

4. South 88°00’03” West, 623.98 feet to a point on the easterly right-of-way line of South Fern Street (variable width public right-of-way), said point marking the northwesterly property corner of Parcel II – Part One, Crystal House Apartments Investors LLC; thence running with said easterly right-of-way line of South Fern Street
5. North 06°35’23” West, 572.97 feet to the point of beginning and containing 391,577 square feet or 8.98937 acres of land more or less.

PARCEL II - PART ONE:

DESCRIPTION OF
PARCEL II – PART ONE
BEING A PORTION OF THE PROPERTY OF
CRYSTAL HOUSE APARTMENTS INVESTORS LLC
DEED BOOK 4668 PAGE 128
ARLINGTON COUNTY, VIRGINIA

Being a portion of the property of Crystal House Apartments Investors LLC as recorded in Deed Book 4668 at Page 128 among the Land Records of Arlington County, Virginia.

Beginning for the same at a point marking the intersection of the northerly right-of-way line of 22nd Street South (50 foot public right-of-way) as recorded in Deed Book 1548 at Page 162 and the easterly right-of-way line of South Fern Street (variable width public right-of-way); thence running with said easterly right-of-way line of South Fern Street

1. North 06°35’23” West, 531.71 feet to a point marking the southwesterly property corner of Parcel I, Crystal House Apartments Investors LLC as recorded in Deed Book 4668 at Page 128 among said Land Records; thence running with the southerly property line of the said Parcel I, Crystal House
2. North 88°00’03” East, 623.98 feet to a point on the easterly right-of-way line of South Eads Street, (variable width public right-of-way), said point marking the southeasterly property corner of the aforesaid Parcel I, Crystal House Apartments Investors LLC; thence running with the said westerly right-of-way line South Eads Street
3. South 02°48’07” West, 531.88 feet to a point on the northerly right-of-way line of the aforesaid 22nd Street South; thence running with said northerly right-of-way line of 22nd Street South

4. South 88°00’07” West, 536.91 feet to the point of beginning and containing 307,640 square feet or 7.06244 acres of land more or less.

PARCEL II - PART TWO:

DESCRIPTION OF
PARCEL II – PART TWO
BEING A PORTION OF THE PROPERTY OF
CRYSTAL HOUSE APARTMENTS INVESTORS LLC
DEED BOOK 4668 PAGE 128
ARLINGTON COUNTY, VIRGINIA

Being a portion of the property of Crystal House Apartments Investors LLC as recorded in Deed Book 4668 at Page 128 among the Land Records of Arlington County, Virginia.

Beginning for the same at a point on the westerly right-of-way line of South Eads Street (variable width public right-of-way), said point marking the northeasterly property corner of the property of the County Board of Arlington County, Virginia as recorded in Deed Book 1963 at Page 916 among said Land Records; thence running with the northerly property line of said property of the County Board of Arlington County, Virginia and continuing with the northerly property lines of Lots 1 thru 5 and part of Lot 6, Block A, Virginia Highlands as recorded in Deed Book 126 at Page 1

1. South 88°00’07” West, 272.67 feet to a point marking the common property corner of the properties of William B. Bayne, Jr. as recorded in Deed Book 3724 at Page 468 and Twenty-third Street Corridor LLC as recorded in Deed Book 4624 at Page 635 all among the aforesaid Land Records; thence running with the easterly property lines of the properties of said Twenty-third Street Corridor LLC
2. North 01°59’53” West, 140.00 feet to a point on the southerly right-of-way line of 22nd Street South, 50 feet wide, as recorded in Deed Book 1548 at Page 162, said point marking the northeasterly property corner of the property of said Twenty-third Street Corridor LLC ; thence running with said southerly right-of-way line of said 22nd Street South
3. North 88°00’07” East, 284.42 feet to the point of intersection of the southerly right-of-way line of said 22nd Street South and the aforesaid westerly right-of-way line of South Eads Street (variable width public right-of-way); thence running with the aforesaid westerly right-of-way line of the South Eads Street (variable width public right-of-way)

4. South 02°48’07” West, 140.49 feet to the point of beginning and containing 38,996 square feet or 0.89522 acres of land more or less.

NOTE FOR INFORMATIONAL PURPOSES ONLY:
RPC No.: 36-018-014

EXHIBIT B

Form of Transfer Agreement

REAL ESTATE TRANSFER AGREEMENT

This REAL ESTATE TRANSFER AGREEMENT (this "***Agreement***") is made on December ___, 20__ by and among, WHC CRYSTAL LLC, a District of Columbia limited liability company ("***Transferor***"), and ACORN DEVELOPMENT LLC, a Delaware limited liability company, and its successors, participants, and assigns ("***Transferee***"). Transferor and Transferee are sometimes hereinafter collectively referred to as, the "***Parties***."

RECITALS

A. Transferor owns those certain parcels of land, with appurtenances thereto and the improvements thereon, located in Arlington County, Virginia (previously identified as Arlington County, Virginia RPC No. 36-018-014) (the "***Larger Property***").

B. A portion of the Larger Property is described as "Crystal Houses Parcels 3, 4, 5, 6, 7 and 8" consisting of approximately 361,961 square feet of land more or less, as more particularly shown on the plat attached hereto as Exhibit A (the "***Additional Development Parcels***"), consisting of, (i) land is currently entitled for a development consisting of additional buildings containing in the aggregate approximately 796,000 gross square feet of residential space and approximately 834 gross square feet of commercial space, parking areas containing approximately 825 parking spaces and certain other improvements, and (ii) CH #5 (as defined in the Option Agreement).

C. In order to finance the acquisition, operation and maintenance of the Larger Property, Transferor entered into certain loan documents with Transferee (the "***Loan Documents***").

D. The Loan Documents, required, among other things, that Transferor enter into the Option Agreement (defined below) with Transferee, concurrently with the Loan Documents, pursuant to which Transferor agrees to (i) subdivide the Larger Property and create the Additional Development Parcels, and (ii) grant Transferee an option to acquire the Additional Development Parcels upon such subdivision.

E. Transferor and Transferee have entered into that certain Option Agreement, dated December 31, 2020 (the "***Option Agreement***"), pursuant to which Transferor has agreed to convey the Property (hereinafter defined) to Transferee if Transferee exercises the Option (as such term is defined in the Option Agreement) as provided therein. Transferee paid Transferor Forty Million One Thousand Dollars ($40,001,000.00) as an Option Payment (defined below) at the time the parties entered the Option Agreement, the parties intending that if Transferee exercised the Option, Transferee would not provide any additional monetary consideration to Transferor for the conveyance of the property. The Option Agreement also provided that if and when Transferee exercises the Option, Transferor and Transferee would enter into a Real Estate Transfer Agreement substantially in the form hereof.

F. Transferor completed the Subdivision on _____ __, 20. Transferee exercised the Option on _____ __, 20__.

NOW, THEREFORE, in consideration of the mutual promises hereinafter set forth and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. **DEFINITIONS**:

a) **General Interpretive Principles**. For purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, (i) the terms defined in this Section include the plural as well as the singular, and the use of any gender herein shall be deemed to include the other genders; (ii) accounting terms not otherwise defined herein have the meanings assigned to them in accordance with generally accepted accounting principles with respect to commercial real estate; (iii) references herein to "Articles," "Sections," "subsections," "paragraphs" and other subdivisions, which are not referenced to a document, are to designated Articles, Sections, subsections, paragraphs and other subdivisions of this Agreement; (iv) a reference to an Exhibit or a Schedule without a further reference to the document to which the Exhibit or Schedule is attached is a reference to an Exhibit or Schedule to this Agreement; (v) the words "herein," "hereof," "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular provision; and (vi) the word "including" means "including, but not limited to."

b) **Defined Terms**. For all purposes of this Agreement, the following terms shall have the respective meanings set forth below:

"***Affiliate***" shall mean, with respect to any Person, a party controlling, controlled by or under common control with such Person, and if such Person is a partnership or limited partnership, a partner of such Person, or if such Person is a limited liability company, a member of such Person, or if such Person is a corporation, a shareholder of such Person.

"***Agreement***" shall mean this Agreement as it may be amended from time to time.

"***Bankruptcy***" shall mean Title 11, U.S. Code, and any similar state law for the relief of debtors, as such laws may be amended.

"***Business Day***" shall mean any day of the week other than (i) Saturday, (ii) Sunday, or (iii) a day on which banking institutions are obligated or authorized by law or executive action to be closed to the transaction of normal banking business in the Commonwealth of Virginia. If the date for the performance of any obligation, or the giving of any notice, by Transferor or Transferee hereunder falls upon a day that is not a business day, then the time for such performance or notice shall be extended until the next business day.

"***Contracts***" shall mean all oral or written agreements, providing for the management, operation, supply, maintenance, repair, advertising or promotion of the Property to which agreements Transferor is a party, transferee, assignee, a third party beneficiary or which otherwise relate to the Property, including service agreements, maintenance contracts, cleaning

contracts, contracts for the purchase or delivery of labor, services, materials or supplies and equipment rental agreements or leases, and landscaping and lawn maintenance agreements.

"***Custodian***" shall mean a receiver, trustee, assignee, liquidator or similar official under any Bankruptcy Law.

"***Deed***" shall mean a special warranty deed, substantially in the form attached as Exhibit B, signed by Transferor in proper form for recording, sufficient to convey to Transferee fee simple title to the Additional Development Parcels, free and clear of all monetary liens, encumbrances, leases, covenants, conditions and other matters affecting title other than the Permitted Exceptions.

"***Easement Agreements***" shall mean any and all easement agreements, reciprocal easement agreements, declarations of covenants, conditions, restrictions and easements, party wall agreements, "tie-back" agreements, common area agreements, shared maintenance agreements, common use agreements or similar agreements or understandings which burden or benefit the Property and under which Transferor has any obligations, and all supplements, amendments, modifications and memoranda thereof, relating to the development, use, operation, management, maintenance or occupancy of the Property. Easement Agreements shall include the above-described agreements, whether or not such agreements convey an interest in real property.

"***Effective Date***" means the date of execution and delivery of this Agreement by the last of the Parties hereto to execute and deliver same.

"***Environmental Law***" shall mean any federal, state or local law, ordinance, rule, regulation, requirement, guideline, code, resolution, order or decree (including consent decrees and administrative orders) in effect on the date of this Agreement in the jurisdiction where the Property is located, which regulates the use, generation, handling, storage, treatment, transportation, decontamination, clean-up, removal, encapsulation, enclosure, abatement or disposal of any Hazardous Material, including the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Section 9601, *et seq.,* the Resource Conservation and Recovery Act, 42 U.S.C. Sections 6901, et seq., the Toxic Substance Control Act, 15 U.S.C. Sections 2601, *et seq.*, the Clean Water Act, 33 U.S.C. Sections 1251 *et seq*., the Hazardous Materials Transportation Act, 49 U.S.C. Section 1802, their state analogues, and any other federal, state or local statute, law, ordinance, resolution, code, rule, regulation, order or decree regulating, relating to, or imposing liability or standards of conduct concerning any Hazardous Material.

"***Feasibility Period***" shall mean the period beginning with the Effective Date and expiring sixty (60) days thereafter.

"***Governmental Authorities***" shall mean any authority, board, bureau, commission, department or body of any municipal, county, state or federal governmental entity, instrumentality, unit, or any subdivision thereof, having or acquiring jurisdiction over the Property or the management, operation, use or improvement thereof.

"***Hazardous Material***" shall mean any flammable, explosive, radioactive or reactive materials, any asbestos (whether friable or non-friable), any pollutants, contaminants or other hazardous, dangerous or toxic chemicals, materials or substances, any petroleum products or substances or compounds containing petroleum products, including gasoline, diesel fuel and oil, any polychlorinated biphenyls or substances or compounds containing polychlorinated biphenyls, and any other material or substance defined as a "hazardous substance," "hazardous material," "hazardous waste," "toxic materials," "contamination," and/or "pollution" within the meaning of any Environmental Law.

"***Legal Requirements***" shall mean all laws, ordinances, rules, regulations, orders and requirements of all Governmental Authorities relating to, or regulating the ownership, use, operation, management, maintenance and repair of the Property, including zoning laws, building, fire, safety and health laws and Environmental Laws, and any obligations imposed on the owner of the Property in connection with any site plan approval of the Property or any part thereof, or zoning proffers relating to the Property or any part thereof.

"***Mortgage***" shall mean a mortgage, deed of trust, or any other type of security instrument of the type commonly given to secure loans or advances on, or the unpaid purchase price of, real property in the County of Arlington, Virginia.

"***Permitted Exceptions***" shall mean (i) the lien of current real estate taxes not yet due and payable, (ii) all matters shown in the Title Commitment and/or Survey (each defined below) with respect to which Transferee fails to give a Title Notice on or before the last date for so doing, or to which Transferee waives its objection; (iii) all building, zoning, and other state, county or federal laws, codes and regulations (whether existing or proposed) affecting the Property; and (v) any matters agreed to in writing between Transferor and Transferee.

"***Person***" shall mean an individual, estate, trust, partnership, corporation, Governmental Authority or other legal entity.

"***Property***" shall mean:

a) The Additional Development Parcels and any and all of Transferor's rights, title and interest in and to any easements, licenses and privileges appertaining thereto, and more specifically described in Exhibit A attached hereto.

b) All improvements located on the Additional Development Parcels, including, but not limited to, structures, parking areas, systems, fixtures, and utilities (all such improvements being referred to herein collectively as the "***Improvements***");

c) All of Transferor's rights, title and interest in and to any easements, hereditaments, interests, and appurtenances belonging to or inuring to the benefit of Transferor and pertaining to the Additional Development Parcels, if any, including any development and water rights owned by or leased to Transferor, if any;

d) Any street or road abutting the Additional Development Parcels to the center lines thereof;

e) All of Transferor's right, title and interest in and to transferable consents, authorizations, variances or waivers, licenses, permits and approvals from any governmental or quasi-governmental agency, department, board, commission, bureau or other entity or instrumentality held by the Transferor in respect of the Additional Development Parcels or Improvements, including without limitation, all rights and entitlements with respect to the Additional Development Parcels under the Site Plan Ordinance approving Site Plan #451 enacted by the County on December 14, 2019, as now and hereinafter amended (collectively, the "***Approvals***").

"***Property Documents***" shall have the meaning set forth in Section 4(b).

"***Release Date***" shall have the meaning ascribed to such term in Section 8(d).

"***Transferor's Knowledge***" means the actual, conscious knowledge of [_____], and [_____] who are the current persons actively and directly engaged in the management and operation of the Property and are the persons most likely to possess relevant information concerning the Property and its operation.

2. **THE PROPERTY**: On the Settlement Date (as hereinafter defined in Section 6), Transferor agrees to transfer and convey to Transferee, and Transferee agrees to acquire from Transferor, the Property, subject to the terms and conditions set forth in this Agreement.

Transferor shall transfer and convey and Transferee shall acquire and accept fee simple title to the Property, free and clear of all liens, encumbrances, easements, covenants, conditions, leases, financing statements, rights of others, and other matters adversely affecting title in the Transferee's sole discretion, except for the Permitted Exceptions.

THE PARTIES ACKNOWLEDGE THAT, EXCEPT AS SPECIFICALLY SET FORTH IN THIS AGREEMENT, TRANSFEROR MAKES NO REPRESENTATION OR WARRANTIES AS TO THE PHYSICAL CONDITION OF THE PROPERTY, OR ITS SUITABILITY FOR ANY INTENDED USES INTENDED BY TRANSFEREE AND THE PROPERTY IS TO BE CONVEYED ON THE SETTLEMENT DATE IN IT'S "AS-IS" "WHERE IS" CONDITION.

3. **OPTION PAYMENT**: The consideration for the conveyance of the Property from Transferor to Transferee is Transferee's payment to Transferor, concurrently with the execution of the Option Agreement, of the amount of Forty Million One Thousand Dollars ($40,001,000) (the "***Option Payment***") and in fulfillment of Transferor's obligation to enter into an Option Agreement under the Loan Documents which was given in consideration, in part, for Transferee's (or Transferee's predecessor's) agreement to enter into the Loan Documents.

4. **INSPECTION AND FEASIBILITY**:

a) **Delivery of Property Documents**. Not later than three (3) Business Days after the Effective Date, Transferor shall deliver to Transferee, for inspection and review copies of all Property Documents (as hereinafter defined in Section 4(b)), to the extent such Property Documents are available, i.e., in Transferor's possession or control, or the possession or control of Transferor's agents or contractors, the Property documents are being furnished to Transferee for its convenience. Transferor does not warrant the accuracy or completeness of any of the

Property Documents furnished to Transferee. Transferee shall conduct its own due diligence and shall satisfy itself as to the suitability of the Property for its intended purposes.

b) **Description of Property Documents**. "***Property Documents***" consist of the following items:

1. Transferor's latest survey of the Property showing all improvements, rights of way, easements, dedications and similar matters.

2. All architectural, mechanical, electrical and structural plans, specifications and drawings relating to the improvements on and within the Property, if any.

3. All assessments and bills for real estate and any other taxes affecting the Property, and any special assessments affecting the Property.

4. All leases of the Property, or any portion thereof, including all amendments and modifications thereto, all assignments thereof, if any, and all other agreements between Transferor, or an Affiliate of Transferor, and a tenant, or an Affiliate of a tenant.

5. All Contracts.

6. Transferor's most recent owner's title insurance commitments or policies issued in connection with the Property and all amendments, endorsements, and exhibits thereto.

7. Copies of written notices of any civil, administrative, arbitration or other actions, judgments, litigation, suits or proceedings pending or threatened against Transferor or involving the Property which, if adversely determined, would have a material adverse effect on the Property or Transferor's ability to close the subject transaction.

8. All engineering, architectural, physical inspection, maintenance, repair, geological reports (if any) and the most recent environmental report conducted by or on behalf of Transferor and any related notices regarding the Property relating to the presence (or absence) of Hazardous Materials.

c) **Physical Inspection of Property**. Transferor agrees that Transferee shall have the right, at Transferee's own risk, cost and expense, at any time or times between the Effective Date and the Settlement Date, to conduct such non-invasive environmental and engineering tests, including inspections, investigations, studies, surveys, examinations, and appraisals as Transferee deems necessary or desirable to evaluate the Property (collectively, the "***Investigations***") in accordance with this paragraph. Transferee may not conduct any physical intrusive testing on the Property without Transferor's prior written consent, which consent will not be unreasonably withheld or delayed provided the same is conducted to minimize interference with tenants' normal use of the Property and Transferee is properly insured in accordance with the terms of this paragraph. For purposes of this paragraph, "physically intrusive testing" shall mean testing that involves borings (such as the taking of soil samples and/or a "***Phase II***" environmental study), borings (such as the taking of roof or wall samples), or any taking of physical samples or penetration of the surface of the Land or the Improvements comprising the Property. Transferee shall have the right to enter upon any portion of the

Property at any time or times prior to the Settlement Date, during normal business hours and after at least one (1) business day's advance notice to (or in the case of physically intrusive testing, at least two (2) business days' prior advance notice) Transferor, for purposes of conducting the Investigations. In the event of any damage to the Property caused by Transferee, its agents, engineers, employees, contractors or surveyors as part of the Investigations Transferee performs, or causes to be performed, Transferee shall restore or pay the cost incurred by Transferee (or Transferor) to restore the Property to the condition, as nearly as possible, existing prior to the performance of such tests, investigations or studies. Transferor shall not be liable for any damages to person or property occasioned by the acts of Transferee or its contractors while conducting its investigation on the Property except to the extent such liability arises from Optionor's gross negligence or willful misconduct and Transferee shall furnish or cause its consultants or agents to furnish to Transferor, prior to any entry onto the Property, certificates of insurance which shall name Transferor as an additional insured evidencing comprehensive general liability coverage in the minimum amount of Two Million Dollars ($2,000,000). In no event may Transferee's investigations cause tenants of the Larger Property to be disturbed. The provisions of this paragraph shall survive the Settlement Date or earlier termination of this Agreement for a period of nine (9) months.

d) **Termination**. Transferee shall have the right to terminate this Agreement, for any reason or no reason, by delivering written notice given to Transferor at any time before the Settlement Date. In the event of any such termination, except as otherwise provided in this Section, no party shall have any further liability to any other party under this Agreement, except for those that expressly survive the termination of this Agreement. If this Agreement is terminated pursuant to the provisions of this Section, Transferee agrees, within fifteen (15) days after the termination of this Agreement, to return to Transferor all Property Documents previously delivered by Transferor to Transferee.

5. **TITLE AND SURVEY**:

a) **General**. Transferor agrees to convey the Property to Transferee by the special warranty Deed subject only to the Permitted Exceptions. From and after the Effective Date, Transferor covenants that it shall not, except as specifically permitted by this Agreement, by commission or omission, cause or permit the Property to be encumbered in any way, without the prior written consent of the Transferee.

b) **Survey**. The boundaries and acreage of the Property to be conveyed may be determined and depicted by a survey prepared by a registered land surveyor or engineer, conducted at the direction and expense of Transferee (the "***Survey***"). The Survey may locate and depict all improvements, easements, rights of way, setbacks, encroachments, flood plain and flood fringe areas and any other particulars that may be required by Transferee. Transferee shall provide Transferor with a copy of the Survey.

c) **Title**. Transferee shall obtain from _____ (the "***Title Company***") a commitment for a standard coverage owner's policy of title insurance ALTA, Form 2006 insuring fee title to the Property (the "***Title Commitment***"), together with copies of all items shown as exceptions to title therein.

d) **Transferee's Review of Title Commitment and Survey**. Transferee shall have until thirty (30) days prior to the Settlement Date to provide written notice to Transferor of any matters shown by the Title Commitment or Survey that are not satisfactory to Transferee, which notice (the "***Title Notice***") shall specify the reason such matter(s) are not satisfactory and the curative steps necessary to remove such matters, provided, however, that (i) the standard printed exceptions on an ALTA Owner's Policy of Title Insurance (Form 2006) that would not be deleted by delivery of a customary owner's affidavit, and non-delinquent liens for general and special real estate taxes and installment payments of special assessments not yet due and payable, the current zoning of the Property, including all permits, waivers and stipulations, and the interest of any tenant occupying space at the Property, as a tenant only, and matters arising out of any act of Transferee or Transferee's representatives shall be "***Permitted Exceptions***" (as defined below), and (ii) Transferor shall be obligated to (a) remove any exceptions caused by Transferor's acts and not approved by Transferee, (b) satisfy and/or cause to be released any security instruments for existing indebtedness secured by the Property and liens against the Property for past due taxes or assessments on the Property, and (c) satisfy or cause to be released or bonded or insured over any mechanic's or materialmen's lien resulting from the performance of work or delivery of materials pursuant to contracts executed by Transferor (each of the foregoing, a "***Required Removal Exception***"). Notwithstanding the above, after a Title Notice is provided to Transferor, the Parties shall then have until on or before the Settlement Date, to make such arrangements or take such steps as they may mutually agree upon, if any, to satisfy Transferee's objection(s). Transferor shall have no obligation to expend or agree to expend any funds, to undertake or agree to undertake any obligations or otherwise to cure or agree to cure any title or survey objections, other than to remove Required Removal Exceptions. In the event Transferor fails to respond to Transferee's Title Notice within five (5) Business Days following receipt thereof, Transferor shall be deemed to have elected not to cure any matters identified in such Title Notice other than any Required Removal Exceptions. Except for the Required Removal Exceptions or matters that Transferor otherwise agrees to cure in writing in its sole and absolute discretion, Transferee's only recourse with respect to any Title Commitment or Survey matter to which it objects in a Title Notice given in a timely manner shall be to elect on or before the Settlement Date to either (1) waive such objection and proceed to Closing or (2) terminate this Agreement.

e) **Title Policy**. If Transferee so elects, Transferee shall obtain an updated Title Commitment to insure the gap from the period title was last examined to the date of recording of the deed (the "***Title Policy***"). If Transferee elects to secure an extended coverage owner's and/or lender's policy(ies) of title insurance, Transferee shall satisfy, at its cost, Title Company's requirements therefor and pay the increase in premium for such coverage. Transferee shall also be solely responsible for the cost of any endorsements to any title insurance policy that Transferee or its lender may require. Transferor shall not pay or be responsible to secure any endorsements that may be requested by Transferee, such as patent, contiguity, separate tax parcels, access, or zoning endorsements, all of which shall be Transferee's sole cost and expense if Transferee elects to secure such endorsements, provided, however, that Transferor shall not be obligated to provide to Title Company any owner's affidavit, indemnity, certifications, covenants, obligations or liabilities beyond those that Transferor is providing to Transferee under this Agreement or which go beyond that required for the issuance by Title Company of a standard owner's policy of title insurance.

6. **SETTLEMENT**:

a) **Settlement Date**. The settlement of the sale of the Property in accordance with this Agreement (the "***Settlement***" or "***Settlement Date***") shall take place pursuant to an escrow agreement on a date selected by Transferee that is not sooner than ten (10) Business Days after Transferee provides notice to Transferor of the date of Settlement with the pre-Settlement to occur on one (1) Business Day prior to the Settlement Date, unless otherwise mutually agreed to in writing by Transferee and Transferor.

b) **Settlement Agent**. Settlement shall take place in the offices of [NAME OF SETTLEMENT AGENT], [ADDRESS OF SETTLEMENT AGENT] (the "***Settlement Agent***") with neither party required to be physically present at the Settlement. The Parties agree that Settlement can occur by delivery of the Settlement documents and the funds to pay the Settlement Costs to the Title Company pursuant to written instruction letters. Transferee and Transferor shall each be obligated to provide to Settlement Agent, in immediately available funds, sufficient funds to pay all adjustments and expenses allocated to Transferor and Transferee pursuant to this Agreement and as reflected on a final settlement statement prepared by the Settlement Agent and approved by Transferee and Transferor (the "***Settlement Statement***"). The Settlement Agent shall deliver to Transferee all other documents and instruments received by it which, in accordance with the terms of this Agreement, are to be delivered by Transferor to Transferee at the Settlement and Settlement Agent shall deliver to Transferor all other documents and instruments received by it which, in accordance with the terms of this Agreement, are to be delivered by Transferee to Transferor at the Settlement. On or before the Settlement Date, Transferee shall effect a wire transfer of Federal funds to the Settlement Agent's escrow account in an amount equal to the net amount (if any) of the costs, expenses, prorations and adjustments indicated on the Settlement Statement and payable by Transferee under this Agreement. On or before the Settlement Date, Transferor shall effect a wire transfer of Federal funds to the Settlement Agent's escrow account in an amount equal to the net amount (if any) of the costs, expenses, prorations and adjustments indicated on the Settlement Statement which are payable by Transferor under this Agreement, including all amounts necessary to pay off the balance(s) of any monetary liens or encumbrances on the Property and obtain the release(s) thereof.

c) **Transferor's Deliveries**. At the Settlement, Transferor shall deliver to the Settlement Agent the following:

1. the Deed, signed by Transferor;

2. [Reserved];

3. [Reserved];

4. a certification as to Transferor's non-foreign status which complies with the provisions of Section 1445(b)(2) of the Internal Revenue Code of 1986, as amended, signed by Transferor;

5. an owner's affidavit signed by Transferor, for the benefit of the Title Company, in the form required by the title insurance company and approved by Transferor (in

the exercise of its reasonable discretion), to eliminate the exceptions for certain matters from Transferee's title insurance policy;

6. the Settlement Statement, signed by Transferor;

7. a certificate, signed by Transferor, that all the representations and warranties made by Transferor in Section 8, as revised to reflect any factual changes that occurred and were made known in writing from Transferor to Transferee prior to the expiration of the Feasibility Period (Transferor recognizes that such changes to the certificate shall not be deemed to relieve Transferor from any breach of the representations and warranties made by Transferor in Section 8), are true and correct in all material effects (with such necessary revisions to reflect factual changes as described above) on the Settlement Date with the same force and effect as if such representations and warranties had been made on and as of such date; and

8. any organizational documents of Transferor and all resolutions, certifications or other agreements evidencing the requisite authorization of Transferor to perform the transactions hereunder.

d) **Transferee's Deliveries**. At the Settlement, Transferee shall deliver to Transferor the following:

1. the Settlement Statement, signed by Transferee; and

2. a certificate, signed by Transferee, that all the representations and warranties made by Transferee in Section 9 are true and correct on the Settlement Date with the same force and effect as if such representations and warranties had been made on and as of such date; and

3. all organizational documents of Transferee and all resolutions, certifications or other agreements evidencing the requisite authorization of Transferee to perform the transactions hereunder.

e) **Delivery in Escrow**. The delivery to the Settlement Agent of the executed Deed and all other funds, documents and instruments required to be delivered by either party to the other by the terms of this Agreement shall be deemed to be a good and sufficient tender of performance of the terms hereof.

f) **Settlement Agent to Acknowledge Agreement**. The Settlement Agent shall acknowledge its agreement to the provisions of this Section 6 by executing this Agreement in the space provided below.

7. **SETTLEMENT ADJUSTMENTS AND PRORATIONS**:

a) **Taxes and Assessments**.

1. **Proration of Taxes at Settlement**. All non-delinquent real estate taxes assessed against the Property shall be prorated between Transferor and Transferee on an accrual basis, based upon the actual current tax bill. If the most recent tax bill received by Transferor

before the Settlement Date is not the actual current tax bill, then Transferor and Transferee shall initially prorate the real estate taxes at the Settlement by applying 105% of the tax rate indicated on the most recent tax bill received by Transferor to the latest assessed valuation, and shall re-prorate the real estate taxes retroactively at the Final Settlement Adjustment. All real estate taxes accruing through the Settlement Date shall be the obligation of Transferor and all real estate taxes accruing after the Settlement Date shall be the obligation of Transferee. Any delinquent real estate taxes assessed against the Property shall be paid (together with any interest and penalties) by Transferor at the Settlement.

2. **Post-Settlement; Supplemental Taxes**. If, after the Settlement Date, any additional or supplemental real estate taxes are assessed against the Property by reason of back assessments, corrections of previous tax bills or other events occurring before the Settlement Date, such additional or supplemental real estate taxes shall be paid by Transferor directly to the Treasurer.

3. **Post-Settlement; Refunds of Taxes**. Any refunds of real estate taxes made after the Settlement shall be held by Transferee (and, if received by Transferor, shall be delivered immediately to Transferee to be held in accordance with this Section) and shall first be applied to the unreimbursed costs incurred in obtaining the refund, then paid to Transferor (for the period through the Settlement Date) and to Transferee (for the period commencing after the Settlement Date).

4. **Pending Tax Proceedings**. If any administrative or judicial proceeding to determine, contest or challenge the assessed value of the Property or the real estate taxes payable with respect to the Property has been commenced before the date of this Agreement, all such proceedings, both administrative and judicial, shall, at Transferee's option, be, with respect to the Property, dismissed by Transferor (for the period after the Settlement Date, but not the period when the Property was owned by Transferor), with prejudice, within fifteen (15) days after Settlement.

b) **Utility Charges**. All charges for gas, electricity, and other utility services provided to the Property shall be prorated between Transferor and Transferee as of the Settlement Date, based on the actual number of days in the billing cycle during which the Settlement Date occurs. Transferor shall be responsible for all utility charges attributable to the period through the Settlement Date and Transferee shall be responsible for all utility charges attributable to the period after the Settlement Date.

c) **Settlement Costs and Transfer Taxes**. Transferee shall pay for the cost of preparing the Deed, the Virginia grantor's tax, the Regional Congestion Relief Tax and the WMATA Capital Fee payable in connection with the recording of the Deed, all costs to release Mortgages and other liens, and the Broker's fee to the extent any such fee is payable. All other State and County transfer taxes and recording charges payable in connection with the recording of the Deed (whether imposed in the form of transfer taxes, revenue stamps or otherwise) shall be the responsibility of Transferee or Transferee shall indicate to Transferor Transferee's exemption therefrom. Transferee shall pay for all expenses of examinations of title and survey including the cost of any title insurance policy (both owner and lender) including any additional charges for endorsements, issued in connection with this transaction, whether pursuant to the

Title Commitment or otherwise and any cancellation charges imposed by any title company in the event a title insurance policy is not issued. Transferee shall pay all fees and expenses of the Settlement Agent, and all other recording fees and Settlement expenses. Each party shall pay its own legal fees and other expenses incurred by it prior to Settlement.

d) **Income Taxes.** Notwithstanding any other provision of this Agreement to the contrary, all federal, state or local income or gross receipts taxes payable with respect to Transferor or the Property, if any, accruing through the Settlement Date, or any such income or gross receipts tax assessed with respect to the transaction described in this Agreement, if any, shall be the obligation of and for the account of Transferor, and Transferee shall have no obligation or liability whatsoever with respect thereto.

8. **REPRESENTATIONS AND WARRANTIES OF TRANSFEROR**: Transferor makes the following representations and warranties to Transferee for the purpose of inducing Transferee to execute and deliver this Agreement and to consummate the transactions contemplated by this Agreement, each of which representations and warranties are true and correct in all material respects on the Effective Date and shall be true and correct in all material respects on the Settlement Date:

a) **Representations and Warranties Regarding Authority and Status**.

1. **Organization**. Transferor is a duly organized limited liability company, under the laws of the District of Columbia, registered to do business in the Commonwealth of Virginia and is in good standing under the laws of the Commonwealth of Virginia.

2. **Authorization**. Transferor and each individual executing this Agreement on behalf of Transferor hereby represents and covenants that he/she is duly authorized to execute and deliver this Agreement, and that, and Transferor has the power and authority to enter into this Agreement, and that all necessary and required actions requisite to authorize Transferor to enter into this Agreement have been duly taken.

3. **No Conflicting Agreements**. The execution and delivery by Transferor of, and the performance and compliance by Transferor with the terms and provisions of, this Agreement do not violate any of the terms, conditions or provisions of (i) Transferor's organizational or authority documents, (ii) to Transferor's Knowledge, any judgment, order, injunction, decree, regulation or ruling of any court or other Governmental Authority to which Transferor is subject, or (iii) any agreement or contract listed on any Schedule to this Agreement or any other agreement or contract to which Transferor is a party or to which it or the Property is subject, nor shall such execution, delivery, performance or compliance with this Agreement constitute a material default thereunder or give to others any material rights of termination or cancellation in or with respect to the Property.

4. **Approvals**. No authorization, consent, order, approval or license from, filing with, or other act by any Governmental Authority is or will be necessary to permit the valid execution and delivery by Transferor of this Agreement or the performance by Transferor of the obligations to be performed by Transferor under this Agreement, including but not limited to conveyance of the Property to the Transferee. No authorization, consent, approval from any

other Person is or will be necessary to permit the valid execution and delivery by Transferor of this Agreement or the performance by Transferor of the obligations to be performed by Transferor under this Agreement, including but not limited to conveyance of the Property to the Transferee.

5. **United States Person**. Transferor is a "United States person" within the meaning of Sections 1445(f)(3) and 7701(a)(30) of the Internal Revenue Code of 1986, as amended.

6. **Absence of Bankruptcy**. Neither Transferor nor any member of Transferor has commenced (within the meaning of any Bankruptcy Law) a voluntary case, consented to the entry of an order for relief against it in an involuntary case, or consented to the appointment of a Custodian of it or for all or any substantial part of its property, nor has a court of competent jurisdiction entered an order or decree under any Bankruptcy Law that is for relief against Transferor or any of its general partners in an involuntary case or appoints a Custodian of Transferor or any of its general partners or for all or any substantial part of its or their property.

7. **Executive Order 13224**. Neither Transferor nor, to Transferor's actual knowledge, any shareholders, partners or members of Transferor is listed in Executive Order 13224-Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit or Support Terrorism, as amended ("***Executive Order 13224***"), and Transferor has no present, actual knowledge that any other persons or entities holding any legal or beneficial interest whatsoever in Transferor are included in, owned by, controlled by, knowingly acting for or on behalf of, knowingly providing assistance, support, sponsorship, or services of any kind to, or otherwise knowingly associated with any of the persons or entities referred to or described in Executive Order 13324, or other banned or blocked person, entity, nation or transaction pursuant to any law, order, rule or regulation that is enforced or administered by the Office of Foreign Assets Control. Neither Transferor, nor any holder of any direct or indirect equitable, legal or beneficial interest in the Transferor is the subject of any law blocking or prohibiting transactions with persons who commit, threaten to commit or support terrorism, including the USA Patriot Act. Without limiting the foregoing, Transferor does not engaged in any dealings or transactions, or is not otherwise associated with any such persons or entities or any "forbidden entity," including the governments of Cuba, Iran, North Korea, Myanmar, Syria and Sudan.

b) **Representations and Warranties Regarding the Property and Legal Matters**.

1. **Ownership of the Property**. Transferor is the sole owner of the Property. To Transferor's Knowledge, Transferor is not in default in complying with the terms and provisions of any of the covenants, conditions, restrictions, rights-of-way or easements constituting one or more of the Permitted Exceptions that are to be performed or complied with by the owner of the Property. Except as may be provided in the Option Agreement, no party, except Transferee, has or shall have on or before the Settlement Date any right to purchase or accept conveyance of the Property.

2. **Condemnation**. Except as disclosed to Transferee in writing, Transferor has not received from any Governmental Authority any written notice of, and Transferor has no

knowledge of, pending or contemplated condemnation proceedings affecting the Property, or any part thereof.

3. **Mechanics' Liens**. All bills and claims for labor performed and materials furnished to or for the benefit of the Property for all periods prior to the Settlement Date have been (or prior to the Settlement Date will be) paid in full, and on the Settlement Date there shall be no mechanics' liens or materialmen's liens (whether or not perfected), other than mechanics' liens or materialmen's liens arising from work performed by Transferee, or specifically authorized by Transferee to Transferee's contractors, on or affecting the Property.

4. **Litigation and Claims**. To Transferor's knowledge, there are no investigations, actions, suits, proceedings or claims pending or threatened in writing against or affecting Transferor or the Property, at law or in equity or before or by any court, federal, state, municipal or other governmental department, commission, board, agency or instrumentality, domestic or foreign (collectively, "***Litigation***"). To Transferor's Knowledge, Transferor is not operating the Property under or subject to, and is not in default with respect to, any order, writ, injunction or decree of any court or federal, state, municipal or other governmental agency or department, commission, board, agency or instrumentality, domestic or foreign.

5. **No Notices of Violations**. To Transferor's Knowledge, Transferor has not received any written notice from a Government Authority advising of any violations of any Legal Requirement as to any part of the Property.

6. **Hazardous Substances**. Except as may have been disclosed to Transferor as part of the Property Documents, to Transferor's Knowledge:

a. the Property has never been listed by any federal, state or county agency or governmental official as containing any oil, hazardous waste, hazardous material, chemical waste, or other toxic substance.

b. no hazardous substances, as defined by the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. 9601(14), pollutants or contaminants as defined in CERCLA, 42 U.S.C. 9601(33), or hazardous waste as defined by the Resource Conservation and Recovery Act, 42 U.S.C. 6903(5), or other similar applicable federal or state Laws, including, but not limited to, asbestos, radon, oil or other petroleum products, PCBs and urea formaldehyde (collectively, "***Hazardous Substances***"), have been handled, packaged, generated, manufactured, released, removed, stored, used, discharged, treated, installed, transported or deposited over, beneath, in or on the Property or any portion thereof, from any source whatsoever.;

c. there are not presently and never have been any storage tanks on or under the Property; and

d. there are not material adverse conditions or defects in the Property that have not been disclosed to Transferee.

7. **No Unrecorded Liens**. No lender has a right to encumber the Property, or any part thereof, except for such liens or security interests as may be disclosed in the land

records or financing statement records of Arlington County, Virginia and/or the Office of the Virginia State Corporation Commission.

c) **Representations and Warranties Regarding Leases, Contracts, and Agreements**.

1. **Leases**. On the Settlement Date, there will be no leases, licenses, or other unrecorded agreements in effect affecting the use, possession and/or occupancy of the Property.

2. **Contracts**. On the Settlement Date, there will be no Contracts remaining in effect providing for the management, operation, supply, maintenance, repair, advertising or promotion of the Property.

3. **Easement Agreements**. Neither Transferor nor, to Transferor's Knowledge, any of the other parties to the Easement Agreements is in default (beyond any grace period provided by such Easement Agreement) in the payment of any amount payable by it under such Easement Agreement, and neither Transferor nor, to Transferor's Knowledge, any of such parties is in default in the performance or observance of any of the other covenants or conditions to be kept, observed or performed by it under such Easement Agreement.

d) **No Untrue Statements**. No representation or warranty made by Transferor in this Agreement contains any untrue statement of a material fact, or fails to state a material fact known to Transferor necessary in order to make the statements contained therein not misleading or necessary in order to provide a prospective Transferee of the Property with adequate information as to the Property and its management, operation, maintenance and repair. The Property Documents delivered or made available to Transferee related to the Property not prepared by Transferor or Transferor Parties contain the information relied on by Transferor in connection with its ownership and operation of the Property. Any Property Documents prepared by Transferor or Transferor Parties are true, accurate and complete in all material respects.

e) **Survival**. All representations and warranties contained in this Section 8 shall survive the Settlement, and the execution and delivery of the Deed, for a period of nine (9) months after the Settlement Date (the "***Release Date***") and shall not be merged in the Deed at Settlement.

9. **REPRESENTATIONS AND WARRANTIES OF TRANSFEREE**: Transferee makes the following representations and warranties to Transferor for the purpose of inducing Transferor to execute and deliver this Agreement and to consummate the transactions contemplated by this Agreement:

a) **Organization**. Transferee is a corporation, under the laws of the state of Delaware, registered to do business in the Commonwealth of Virginia and is in good standing under the laws of the Commonwealth of Virginia.

b) **Authorization**. Transferee and each individual executing this Agreement on behalf of Transferee hereby represents and covenants that he/she is duly authorized to execute and deliver this Agreement, and that, and Transferee has the power and authority to enter into

this Agreement, and that all necessary and required actions requisite to authorize Transferee to enter into this Agreement have been duly taken.

c) **No Conflicting Agreements**. The execution and delivery by Transferee of, and the performance and compliance by Transferee with the terms and provisions of, this Agreement do not violate any of the terms, conditions or provisions of (i) any applicable judgment, order, injunction, decree, ruling of any court to which Transferee is subject, or (ii) any agreement or contract to which Transferee is a party.

d) **Survival**. All representations and warranties in this Section 9 shall survive Settlement, and the execution and delivery of the Deed, for a period of six (6) months after the Release Date and shall not be merged in the Deed at Settlement.

10. **ADDITIONAL OBLIGATIONS OF TRANSFEROR**:

a) **Possession**. Transferor agrees to give possession of the Property to Transferee on the Settlement Date.

b) **Affirmative Covenants**. Between the Effective Date and the Settlement Date, Transferor agrees that it shall:

1. manage and operate the Property only in the ordinary and usual manner, maintain in full force and effect until the Settlement Date insurance policies, or renewals thereof for not more than one year;

2. at its expense, maintain the Property in its present order and condition, make all necessary repairs and replacements and deliver the Property on the Settlement Date;

3. give prompt notice to the Transferee of any fire or other casualty affecting the Property after the date of this Agreement;

4. notify Transferee in writing, promptly after Transferor acquires knowledge thereof, of any facts or events which would cause any of Transferor's representations and warranties to be untrue or incorrect in any respect that would have a material adverse effect on the Property or Transferor's ability to close the subject transaction;

5. promptly deliver to Transferee any Property Document coming into the possession of Transferor that was not available during the Feasibility Period; and

c) **Negative Covenants**. Between Effective Date and the Settlement Date, Transferor agrees that, without Transferee's written consent in each case, or unless specifically permitted or required by this Agreement, it will not:

1. voluntarily grant, create or assume any Mortgage, lien, lease, encumbrance, easement, covenant, condition, right-of-way or restriction upon the Property other than the Permitted Exceptions, or voluntarily take or permit any action adversely affecting the title to the Property as it exists on the Effective Date;

2. permit occupancy of, or enter into any lease for, the Property between the Effective Date and the Settlement Date; or

3. market or advertise the Property for sale or enter into a letter of intent or contract for the sale of the Property to any other Person, whether or not such letter of intent or contract is contingent on the termination of this Agreement.

d) **Further Assurances**. Transferor agrees that it shall, at any time and from time to time after the Settlement Date, upon request of Transferee, do, execute, acknowledge and deliver, or will cause to be done, executed, acknowledged and delivered, all such further acts, deeds, assignments, transfers, conveyances and assurances as may reasonably be required for the better assigning, transferring, granting, assuring and confirming to Transferee, or to its successors and assigns, or for aiding and assisting in collecting and reducing to possession, any or all of the assets or Property being sold to Transferee pursuant to this Agreement; provided the same shall not increase the obligations or liabilities of Transferor (other than in a *de minimis* manner) hereunder, or decrease the rights or remedies of Transferor hereunder (other than in a *de minimis* manner).

e) **Expenses**. Transferor agrees to pay all expenses incurred by it in connection with the negotiation, execution and performance of this Agreement and the transactions contemplated hereby, including the fees and expenses of its legal counsel.

f) **Release**. Transferor shall obtain from every holder of a Mortgage on the Property, if any, and deliver to the Settlement Agent prior to the Settlement Date, a release from such mortgagee releasing such Property from the Mortgage (if and to the extent the Property has not been previously been released from the Mortgage on the Larger Property).

11. **CONDITIONS PRECEDENT TO TRANSFEROR'S OBLIGATIONS**: The obligations of Transferor to transfer the Property to Transferee and to perform the other covenants and obligations to be performed by Transferor on the Settlement Date shall be subject to the following conditions (all or any of which may be waived, in whole or in part, by Transferor):

a) **Transferee's Representations and Warranties True**. The representations and warranties made by Transferee in Section 9 shall be true and correct in all material respects on and as of the Settlement Date with the same force and effect as though such representations and warranties had been made on and as of such date, and Transferee shall have executed and delivered to Transferor a certificate, dated as of the Settlement Date (with such changes as permitted under Section 6(c)(6) above), to the foregoing effect.

b) **Transferee's Performance**. Transferee shall have performed all obligations required by this Agreement to be performed by it on or before the Settlement Date.

c) **Failure of Conditions**. In the event that any representations or warranty conditions in Section 8 becomes untrue as of the Settlement Date, but was true when made such fact shall not constitute a default on the part of the Transferor and in any such event Transferee shall have the unqualified right at any time prior to Settlement to terminate this Agreement in

which event neither Transferor or Transferee shall have any other or further obligation hereunder.

d) **Future Reasonable Agreements**. Any and all Future Reasonable Agreements (as defined in the Option Agreement) that are necessary or desirable for Transferor to continue to operate CH #1 and CH #2 have been negotiated and executed between Transferor and Transferee in accordance with the terms of the Option Agreement and have been recorded or are ready to be recorded and delivered to the Title Company properly executed and acknowledged on or before the Settlement Date for recordation in the Land Records where the CH #1 and CH #2 is located.

12. **CONDITIONS PRECEDENT TO TRANSFEREE'S OBLIGATIONS**: The obligations of Transferee to accept conveyance of the Property from Transferor and to perform the other covenants and obligations to be performed by Transferee on the Settlement Date shall be subject to the following conditions (all or any of which may be waived, in whole or in part, by Transferee):

a) **Transferor's Representations and Warranties True**. The representations and warranties made by Transferor in Section 8 shall be true and correct in all material respects on the date of this Agreement and shall be true and correct on and as of the Settlement Date with the same force and effect as if such representations had been made on and as of such date, and Transferor shall have executed and delivered to Transferee a certificate, dated as of the Settlement Date, to the foregoing effect.

b) **Transferor's Performance**. Transferor shall have performed all covenants and obligations required by this Agreement to be performed by it on or before the Settlement Date.

c) **Title to Property**. On the Settlement Date, (i) Transferor shall be the sole owner of the Property in fee simple and shall convey fee simple title to the Property to Transferee, subject only to the Permitted Exceptions.

d) **Future Reasonable Agreements**. Any and all Future Reasonable Agreements that are necessary or desirable for Transferee to operate the Property have been negotiated and executed between Transferor and Transferee in accordance with the terms of the Option Agreement and have been recorded or are ready to be recorded and delivered to the Title Company properly executed and acknowledged on or before the Settlement Date for recordation in the Land Records where the Property is located.

e) **Subdivision**. If necessary for conveyance of the Property to Transferee, at the Transferee's sole cost and expense, Transferor shall have obtained all required approvals from the County of Arlington, Virginia for a deed and plat of subdivision or re-subdivision, in form and substance acceptable to the Transferee, and shall have recorded the approved deed and plat of subdivision or re-subdivision among the land records of Arlington County, Virginia, establishing the Property as a separate legal parcel or parcels. In such event, the Deed of Subdivision and the Plat of Subdivision recorded prior to Settlement shall for all purposes be deemed a Permitted Exception.

f) **No Litigation**. On the Settlement Date, no New Litigation (as hereinafter defined) has arisen, which in the reasonable opinion of Transferee makes it inadvisable to

consummate the transactions contemplated by this Agreement. For purposes of this subsection (f), "***New Litigation***" means any action, suit or proceeding that either: (i) first arises after the Feasibility Period and prior to or on the Settlement Date; and (ii) Transferee has not previously waived in writing to Transferee its right with respect thereto and elected to terminate this Agreement; and which shall have been instituted or threatened, by any person or entity not a party to this Agreement, before any court to restrain, prohibit, enjoin, or to obtain damages in respect of, or which is related to or arises out of, this Agreement, or the consummation of the transactions contemplated herein.

g) **Condemnation**. On the Settlement Date, no part of the Property shall be about to be acquired *(i.e.,* Transferor has received notice of condemnation, which notice was first given after the expiration of the Feasibility Period or for which Transferor has not previously waived in writing to Transferee its right with respect thereto and elected to terminate this Agreement), or shall previously have been acquired, by authority of any governmental agency in the exercise of its power of eminent domain or by purchase in lieu of condemnation, nor on the Settlement Date shall there be any threat or imminence of any such condemnation or purchase in lieu of condemnation of which Transferee was not previously aware.

13. **DAMAGE BY FIRE OR OTHER CASUALTY**:

a) **Absence of Major Unrepaired Damage**. On the Settlement Date, and as a condition precedent to the obligation of Transferee to accept conveyance of the Property pursuant to this Agreement, there shall be no unrepaired damage by fire or other casualty to any portion of the Property that first occurred after the end of the Feasibility Period.

b) **Effect of Unrepaired Damage**. In the event of any unrepaired damage to the Property after the end of the Feasibility Period and prior to the Settlement Date, Transferee shall have the right to proceed to Settlement in which case insurance proceeds if any shall be assigned to Transferee or terminate this Agreement in which event neither Party shall have any further rights or obligations hereunder.

14. **DEFAULT AND REMEDIES**:

a) **Default**. Transferee or Transferor, as applicable, shall be deemed in default of this Agreement if any of the following failures or breaches occur and are not cured within twenty (20) days after receipt of written notice of such failure or breach from the other party (or, for defaults that cannot reasonable be cured within twenty day, for which the defaulting party has not commence the cure within twenty days):

1. Transferor is in breach of any of the representations or warranties made by it in this Agreement or fails to perform any of the covenants or agreements to be performed by it under this Agreement (other than a failure to obtain the release required under Section 10(f), if such failure is the result of Transferee under the Loan Documents);

2. Transferee fails to satisfy all of the conditions set forth in Section 11 on the Settlement Date; or

3. Transferee is in breach of any of the representations or warranties made by it in this Agreement or fails to perform any of the covenants or agreements to be performed by it under this Agreement.

b) ***Remedies***.

1. **Transferee's Remedies**.

a. If Transferor is in default of this Agreement pursuant to Section 14(a), Transferee as its sole remedies may, at is option,

(i) terminate this Agreement, or

(ii) seek specific performance and/or other applicable equitable remedies, if Transferor's default hereunder is the failure to deliver the Deed conveying the Property at Settlement; provided however that if specific performance is not available, then, in addition to the recovery described in Section 14(b)(1)(B) below, and not subject to the limitation described in Section 14(b)(1)(B) below, Transferee may pursue an action against Transferor for damages suffered by Transferee resulting from Transferor failure to convey the Property as agreed herein.

b. If Transferor fails or refuses to perform its obligations pursuant to, or required by, this Agreement, including but not limited to Transferor's obligation to convey the Property, then Transferee shall also be entitled to recover all of its costs and expenses incurred in connection with Transferor's breach of this Agreement, including but not limited to Transferee's costs for the preparation of this Agreement, and for all inspections, studies and surveys performed or contracted for in connection with this Agreement (collectively, "***Pursuit Costs***"), and all of its reasonable attorney's fees and costs incurred in connection with Transferee's efforts to accept conveyance of the Property hereunder, in an amount of such reasonable attorney's fees and Pursuit Costs not to exceed Fifty Thousand and 00/100 Dollars ($50,000.00).

2. **Transferor's Remedies**. If Transferee is in default of this Agreement pursuant to Section 14(a), Transferor at its sole remedy may terminate this Agreement, in which event, Transferee shall promptly return to Transferor all Property Documents, including, without limitation, engineering studies, leases, lease files and other written material relating to the Property previously delivered by Transferor to Transferee.

15. **BROKERS**: Transferor acknowledges and agrees that no broker has acted on behalf of Transferor in connection with the transaction contemplated hereby, and that Transferor shall be solely responsible for the payment of any fee or commission that may be due to any broker. Transferor represents and warrants to Transferee that Transferor has not engaged any broker, agent or finder to act on its behalf in connection with this transaction, and that Transferee shall not be liable for the payment of any fee or commission to any broker, agent or finder purporting to act on behalf of Transferor. Transferor hereby agrees to indemnify and hold harmless Transferee, its partners, members, officers, officials, and employees from any loss, damage, cost or expense incurred by such indemnified entity and persons and arising out of a breach of the representation and warranty made by Transferor as set forth in this Section 15. Transferee represents and warrants to Transferor that Transferee has not engaged any broker, agent or finder

to act on its behalf in connection with this transaction, and that Transferor shall not be liable for the payment of any fee or commission to any broker, agent or finder purporting to act on behalf of Transferee. Transferee hereby agrees to indemnify and hold harmless Transferor, its partners, members, and employees from any loss, damage, cost or expense incurred by such indemnified entity and persons and arising out of a breach of the representation and warranty made by Transferee as set forth in this Section 15.

16. **NOTICES**: All notices, demands, and requests which may be given, or are required to be given by either party to the other shall be in writing, and shall be either hand delivered by Federal Express or sent by United States certified mail, return receipt requested, with proper first class postage prepaid, properly and fully addressed:

If to Transferor:	c/o Washington Housing Conservancy 1310 L Street, Suite 325 Washington, D.C. 20005 Attention: Kimberly Driggins, Executive Director Email: kdriggins@washhousing.org Phone: (202) 481-3255
And to:	Arent Fox 1717 K Street, NW Washington, D.C. 20006 Attention: Richard A. Newman, Esq. Email: richard.newman@arentfox.com Phone: 202-857-6170 Fax: 202-857-6395.
If to Transferee:	Amazon.com, Inc. Attn: Amazon in the Community 410 Terry Avenue North Seattle, WA 98109-5210 Email: housingequityfund@amazon.com
With a copy to:	Amazon.com, Inc. Attn: General Counsel P.O. Box 81226 Seattle, WA 98108-1226 Email: contracts-legal@amazon.com
With a copy to:	Davis Wright Tremaine LLP 920 Fifth Avenue, Suite 3300 Seattle, Washington 98104 Attention: Anthony Caso, Esq. Email: anthonycaso@dwt.com Phone: 206-757-8273

A notice shall be deemed given (a) when delivered, if delivered by courier or overnight delivery service, or (b) two (2) Business Days after the date of posting with the U.S. mail, if sent by registered or certified mail. Any party may, by like notice given at least ten (10) days before such change becomes effective, designate a new address to which such notices shall be sent.

17. **ASSIGNMENT**: Transferee upon five (5) days prior written notice to Transferor may assign this Agreement, and all rights thereof, to any other person or entity, provided that any assignment of this Agreement by Transferee shall be made in writing. Transferor shall not assign this Agreement without Transferee's prior written consent.

18. **RELATIONSHIP BETWEEN PARTIES**. Notwithstanding any other provision of this Agreement, nothing contained herein shall be construed as making the Parties partners or joint venturers or rendering either liable for any of the debts or obligations of the other. It is the intent of this Agreement to create simply the relationship of Transferor and Transferee with respect to the Property.

19. **WEEKENDS AND HOLIDAYS**. Any date specified in this Agreement for the performance of an obligation or expiration of a time period which date is not a Business Day shall be extended to the first regular Business Day thereafter.

20. **RECITALS**. The Recitals to this Agreement are incorporated into this Agreement.

21. **ENTIRE AGREEMENT**. This Agreement contains the entire agreement between the Parties. There are no promises, agreements, conditions, undertakings, warranties, or representations, oral or written, express or implied, between them, other than as herein set forth. This Agreement is intended by the Parties to be an integration of all prior or contemporaneous promises, agreements, conditions, negotiations, and undertakings between the Parties. This Agreement may not be modified orally or in any other manner other than by an agreement in writing signed by both the Parties or their respective successors in interest. Except as otherwise specifically provided in this Agreement, the terms of this Agreement shall be merged into the Deed at Settlement.

22. **TIME OF ESSENCE**. Time is of the essence for all purposes of this Agreement.

23. **BENEFIT AND BURDEN**. All terms of this Agreement shall be binding upon, inure to the benefit of, and be enforceable by the Parties and their respective successors and assigns.

24. **NO RIGHTS IN THIRD PARTIES**. The Parties mutually agree that no provision of this Agreement shall create in the public, or in any person or entity other than those signing this Agreement as Parties, rights as a third party beneficiary hereunder, or authorize any person or entity not a party hereto, to maintain any action or personal injury, property damage or breach of contract pursuant to the terms of this Agreement or otherwise.

25. **SURVIVAL OF AGREEMENTS**: Except for the agreements and obligations set forth in Sections 4c, 7, 10d, and 15 of this Agreement, or otherwise expressly provided in this Agreement, none of the provisions of this Agreement shall survive Settlement.

26. **GOVERNMENTAL APPROVALS**. Prior to Settlement, Transferee may to apply for a zoning change, variance, subdivision map, lot line adjustment, or other discretionary governmental act, approval or permit with respect to the Option Property ("***Entitlements***"). Transferee also may submit any reports, studies or other documents, including without limitation, plans and specifications, impact statements for water, sewage, drainage or traffic, environmental review forms, or energy conservation checklists to any governmental agency, or any amendment or modification to any such instruments or documents prior to Closing ("***Reports***"). Transferee's obligation to purchase the Option Property shall not be subject to or conditioned upon Transferee obtaining any variance(s), zoning amendment, subdivision map, lot line adjustment condominium approval or other discretionary governmental act, approval or permit. Transferor agrees to reasonably cooperate with Transferee in seeking such Entitlements, so long as Transferee requests Transferor to do so (and in the event attendance at any zoning or other governmental meetings where an employee of Transferor is required to be present, at least five (5) Business Days prior written notice is given to Transferor) and, provided further that Transferor does not bear any expense in connection with its cooperation (other than in a de minimis manner).

27. **BINDING AGREEMENT**: The Parties mutually agree that: this Agreement shall be binding upon them, and each of the respective heirs, executors, administrators, successors and assigns; that the provisions hereof shall survive the execution and delivery of the deed aforesaid and shall not be merged therein except as specifically provided herein; that this Agreement contains the final and entire agreement between the Parties; and that they shall not be bound by any terms conditions, statements, warranties or representations, oral or written, not contained herein.

28. **COUNTERPARTS**: This Agreement may be executed in several counterparts, each of which shall be an original, but all of which shall constitute one and the same instrument.

29. **INTERPRETATION**: The paragraph headings used herein are for reference and convenience only and shall not enter into the interpretation hereof. Wherever herein reference is made to "days" the same shall mean "calendar days" unless Business Days are specified.

30. **PARTIAL INVALIDITY**: If any term, covenant or condition of this Agreement or the application thereof to any Person or circumstances shall be held to be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provisions to persons or circumstances other than those to which it is held invalid or unenforceable, shall not be affected thereby, and each term shall be valid and enforceable to the fullest extent permitted by law.

31. **GOVERNING LAW**: It is the intention of the Parties that this Agreement and the rights and liabilities of the Parties shall be governed by the laws of the Commonwealth of Virginia. All legal actions brought by either Transferee or Transferor concerning this Agreement shall be brought in the Arlington County General District or Circuit courts and in no other courts whatsoever.

32. **BINDING EFFECT**: All of the covenants, conditions and obligations contained in this Agreement shall be binding upon and inure to the benefit of the respective heirs, legal representatives, and successors of Transferor and Transferee.

33. **EFFECTIVE DATE**: This Agreement shall be effective upon the Effective Date. WITNESS the following signatures:

TRANSFEROR:

WHC CRYSTAL LLC, a District of Columbia limited liability company

By: Washington Housing Conservancy, Inc., a District of Columbia non-profit corporation, its Sole Member

By:_____

Name:_____

Title:_____

Date:_____

TRANSFEREE:

ACORN DEVELOPMENT LLC, a Delaware limited liability company

By:_____

Name:_____

Title:_____

Date:_____

The undersigned Settlement Agent executes this Agreement solely for the purpose of evidencing its agreement to perform its obligations as set forth in Section 6 of the foregoing and annexed Agreement, it being understood and agreed that Settlement Agent shall have absolutely no liability for the performance by Transferor or Transferee of their obligations under the Agreement.

[NAME OF TITLE COMPANY]

By:_____

Name:_____

Title:_____

Date:_____

EXHIBIT A

PROPERTY DESCRIPTION

[to be inserted at execution of RETA]

EXHIBIT B

FORM OF SPECIAL WARRANTY DEED

Grantee: **Return to:**

Consideration: $_____ **RPC #:**

SPECIAL WARRANTY DEED

THIS DEED, made this ____ day of _____, 20__, by and between [WASHINGTON HOUSING CONSERVANCY, INC.] a [_____] [corporation/limited liability company], "***Grantor***", and [ACORN DEVELOPMENT LLC.], a [_____] [corporation/limited liability company], "***Grantee***".

WITNESSETH:

For and in consideration of the sum of Ten Dollars ($10.00) cash in hand paid, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and acknowledged by Grantor and Grantee, Grantor does hereby grant, bargain, sell and convey unto Grantee with Special Warranty of Title, all that certain parcel of land, together with the improvements thereon, situated, lying and being in Arlington County, Virginia, and more particularly described as follows:

Legal Description attached as Exhibit A (the "***Property***")

TOGETHER WITH all ways, easements, rights, privileges and appurtenances thereto or in any way appertaining, all improvements thereon and all the estate, right, title, interest and claim, either at law or in equity, of Grantor in the said Property.

This conveyance is made subject to all recorded covenants, restrictions, conditions, easements, reservations, agreements, and rights-of-way, to the extent that the same are valid and lawfully apply to the Property or any part thereof.

Grantor hereby warrants that it has fee simple title to and the right to convey the Property. Grantor covenants that it has the right to convey the said land to Grantee, that it will warrant specially the Property hereby granted, and that it will execute such further assurances as may be requisite.

WITNESS the following signature and seal.

GRANTOR:

[WASHINGTON HOUSING CONSERVANCY, INC.], a District of Columbia limited liability company

By:_____

Name:_____

Title:_____

Date:_____

Optionor Acknowledgment

STATE OF VIRGINIA)
)
COUNTY OF _____)

The forgoing instrument was acknowledged before me this __ day of _____, 20__ by _____, as _____of [WASHINGTON HOUSING CONSERVANCY, INC.] a [_____] [corporation/limited liability company].

Notary Public _____

My Commission Expires:_____

Registration No._____

EXHIBIT A

LEGAL DESCRIPTION

EXHIBIT C

Form of Memorandum of Option

This document prepared by;
After recording return to:

Davis Wright Tremaine LLP
Attention: Anthony Caso
920 Fifth Avenue, Suite 3300
Seattle, WA 98104

RPC No. 36-018-014

MEMORANDUM OF OPTION AGREEMENT

THIS MEMORANDUM OF OPTION AGREEMENT ("***Memorandum***") dated as of ____ day of December 2020, by and between WHC CRYSTAL LLC, a District of Columbia limited liability company having an address at 1310 L Street, NW Washington, DC 20005 ("***Optionor***") and ACORN DEVELOPMENT LLC, a Delaware limited liability company having an address at 410 Terry Avenue North, Seattle, WA 98109-5210 ("***Optionee***"). Optionor and Optionee are also sometimes referred to herein collectively as the "Parties" or individually as a "***Party***."

Optionor and Optionee hereby acknowledge the following:

1. **Option Agreement**. For ONE THOUSAND DOLLARS ($1,000) and other valuable consideration described in that certain Option Agreement, dated December __, 2020 (the "***Option Agreement***"), Optionor has granted to Optionee the exclusive and irrevocable option to purchase a portion that certain real property having a street address of 1900 S. Eads Street, located in the City of Arlington, the County of Arlington, Commonwealth of Virginia, and being described on Exhibit A attached hereto and incorporated herein (the "***Property***") under the terms and conditions set out in said Option Agreement.

2. **Term**. The initial term of the Option commenced on December __, 2020 and expires on December __, 2030 (the "***Term***").

3. **Extension Options**. Optionee has four consecutive options to extend the Option Term as follows: (a) the first extension shall be for an additional ten (10) year term; and (b) the second through fourth extensions shall be for terms of twenty (20) years each. Optionee may exercise any such extension option by delivering notice thereof to Optionor prior to the end of the then current Option Term.

4. **Notices**. All notices, demands, and requests which may be given, or are required to be given by either party to the other shall be in writing, and shall be either hand delivered by Federal Express or sent by United States certified mail, return receipt requested, with proper first class postage prepaid, properly and fully addressed:

If to Optionor:	WHC 1310 L Street, NW Washington, DC 20005 Attention: Executive Director Phone: 202-481-3255
With a copy to:	c/o JBG Smith 4747 Bethesda Avenue, Suite 200 Bethesda, Maryland 20814 Attention: Greg Benkowski Email: gbenkowski@jbgsmith.com Phone: 240-333-3728
And a copy to:	Arent Fox 1717 K Street, NW Washington, D.C. 20006 Attention: Richard A. Newman, Esq. Email: richard.newman@arentfox.com Phone: 202-857-6170 Fax: 202-857-6395.
If to Optionee:	Amazon.com, Inc. Attn: Amazon in the Community 410 Terry Avenue North Seattle, WA 98109-5210 Email: housingequityfund@amazon.com
With a copy to:	Amazon.com, Inc. Attn: General Counsel P.O. Box 81226 Seattle, WA 98108-1226 Email: contracts-legal@amazon.com
With a copy to:	Davis Wright Tremaine LLP Attention: Anthony Caso 920 Fifth Avenue, Suite 3300 Seattle, WA 98104-1610 Email: anthonycaso@dwt.com

A notice shall be deemed given (a) when delivered, if delivered by courier or overnight delivery service, or (b) two (2) business days after the date of posting with the U.S. mail, if sent by

registered or certified mail. Any party may, by like notice given at least ten (10) days before such change becomes effective, designate a new address to which such notices shall be sent.

5. **Conflicts**. This Memorandum is intended only for recording purposes to provide notice of certain terms and conditions contained in the Option Agreement and is not to be construed as a complete summary of the terms and conditions thereof. This Memorandum is subject to the Option Agreement and any amendments, modifications, alterations, renewals, and extensions of the Option Agreement. The terms and provisions of the Option Agreement are incorporated in this Memorandum by reference. If there is any conflict between this Memorandum and the Option Agreement, the provisions of the Option Agreement shall control.

6. **Counterparts**. This Memorandum may be executed in multiple counterparts, each of which shall be deemed an original and all of which when taken together shall constitute one and the same document.

IN WITNESS WHEREOF, the Parties hereto have executed this Memorandum as of the date first above written.

OPTIONOR:

WHC CRYSTAL LLC, a District of Columbia limited liability company

By: Washington Housing Conservancy, Inc., a District of Columbia non-profit corporation, its Sole Member

By:_____
Kimberly C. Driggins, Executive Director

Optionor Acknowledgment

DISTRICT OF COLUMBIA ss:

This record was acknowledged before me on December ____, 2020 by Kimberly C. Driggins, as the Executive Director of Washington Housing Conservancy, Inc., a District of Columbia non-profit corporation, which is the Sole Member of WHC CRYSTAL LLC, a District of Columbia limited liability company.

_____
Signature of notarial officer

_____
Title of Office

My commission expires: _____

OPTIONEE:

ACORN DEVELOPMENT LLC, a Delaware limited liability company

By: _____
Antonio Masone, Treasurer

Optionee Acknowledgment

STATE OF _____)
) ss.
COUNTY OF _____)

On this the _____ day of December, 2020, before me, _____, the undersigned officer, personally appeared Antonio Masone, who acknowledged himself to be the Treasurer of ACORN DEVELOPMENT LLC, a Delaware limited liability company, and that he as such Treasurer, being authorized so to do executed the foregoing instrument for the purposes therein contained, by signing the name of the limited liability company by himself as Treasurer.

In witness whereof I hereunto set my hand.

_____
Signature of Notary Public

Date Commission Expires: _____

EXHIBIT A

LEGAL DESCRIPTION

ALL those certain lots, pieces or parcels of land, situate, lying and being in Arlington County, Virginia and more particularly described as follows:

PARCEL I:

BEGINNING at the intersection of the southerly line of 18th Street South with the easterly line of South Fern Street said point being the northwest corner of the property of Washington Brick & Terra Cotta Company; thence running with the southerly line of 18th Street, South, N 85 degrees 56 minutes 59 seconds E. - 711.03 feet to its intersection with the westerly line of South Eads Street; thence running with said westerly line of South Eads Street 229.95 feet on the arc of a curve to the right, which curve has a radius of 2839.79 feet, the chord of which arc bears S 00 degree 27 minutes 18 seconds W. - 229.88 feet to the PT; thence continuing with the line of South Eads Street S 02 degrees 46 minutes 29 seconds W. - 367.86 feet to a point; thence departing from said line of South Eads Street and running through the property of Washington Brick & Terra Cotta Company S 87 degrees 58 minutes 25 seconds W. - 623.98 feet to a point in the aforementioned easterly line of South Fern Street; thence running with the said line of South Fern Street, N 06 degrees 37 minutes 01 seconds W.- 572.97 feet to the point of beginning; containing 8.98949 acres of land, more or less.

PARCEL II - PART ONE:

BEGINNING at the intersection of the easterly line of South Fern Street with the northerly line of 22nd Street South as dedicated in Deed Book 1548 at page 162 and recorded among the land records of Arlington County, Virginia, thence running with said line of South Fern Street N 06 degrees 37 minutes 01 seconds W - 531.71 feet to the center line of 20th Street South (vacated); thence departing from said street line of South Fern Street and running with the center line of vacated 20th Street South N 87 degrees 58 minutes 25 seconds E - 623.98 feet to a point in the west line of South Eads Street; thence running with said line of South Eads Street S 02 degrees 46 minutes 29 seconds W 531.88 feet to the point in the northerly line of 22nd Street South, thence with the line of the aforementioned 22nd Street South S 87 degrees 58 minutes 29 seconds W 536.91 feet to the point of beginning; containing 7.06247 acres of land.

PARCEL II - PART TWO:

BEGINNING at a point in the west line of South Eads Street, said point being the northeast corner of Block "A", Virginia Highlands Association as same appears duly platted and recorded among the land records of Arlington County, Virginia; thence departing from said street line and running with a portion of the north line of said Block "A", Virginia Highlands Association S 87 degrees 58 minutes 29 seconds W - 272.67 feet to the southeast corner of the Mills Property as recorded in Deed Book 461 at page 249 of the aforementioned land records; thence running with the east line of Mills N 02 degrees 01 minutes 31 seconds W - 140.00 feet to the northeast corner of the Mills Property as recorded in Deed Book 414 at page 435 of the aforementioned land records; thence

running with the southerly line of 22nd Street South, N 87 degrees 58 minutes 29 seconds E - 284.43 feet to a point in the aforesaid west line of South Eads Street; thence with said line of South Eads Street S 02 degrees 46 minutes 29 seconds W - 140.49 feet to the point of beginning; containing 0.89524 acres of land.

NOTE FOR INFORMATIONAL PURPOSES ONLY:
RPC No.: 36-018-014

The real property described above is the same property legally described as follows:

PARCEL I:

DESCRIPTION OF
PARCEL I
BEING A PORTION OF THE PROPERTY OF
CRYSTAL HOUSE APARTMENTS INVESTORS LLC
DEED BOOK 4668, PAGE 128
ARLINGTON COUNTY, VIRGINIA

Being a portion of the property of Crystal House Apartments Investors LLC as recorded in Deed Book 4668 at Page 128 among the Land Records of Arlington County, Virginia.

Beginning for the same at point marking the intersection of the southerly right-of-way line of 18th Street South (variable width public right-of-way) and the easterly right-of-way line of South Fern Street (variable width public right-of-way); thence running with said southerly right-of-way line of 18th Street South

1. North 85°58’37” East, 711.03 feet to a point of curvature, (non-tangent) marking the intersection of the aforesaid southerly right-of-way line of 18th Street South and the westerly right-of-way line of South Eads Street (variable width public right-of-way); thence leaving the said southerly right-of-way line of 18th Street South and running with the said westerly right-of-way line of South Eads Street the following two (2) courses and distances
2. 229.94 feet along the arc of a curve to the right having a radius of 2,839.79 feet and a chord bearing and distance of South 00°28’56” West, 229.88 feet to a point of tangency; thence
3. South 02°48’07” West, 367.86 feet to a point marking the northeasterly property corner of Parcel II – Part One, Crystal House Apartments Investors LLC as recorded in Deed Book 4668 at Page 128 among said Land Records, thence leaving the aforesaid westerly right-of-way line of South Eads Street and running

with the northerly line of Parcel II – Part One, Crystal House Apartments Investors LLC

4. South 88°00’03” West, 623.98 feet to a point on the easterly right-of-way line of South Fern Street (variable width public right-of-way), said point marking the northwesterly property corner of Parcel II – Part One, Crystal House Apartments Investors LLC; thence running with said easterly right-of-way line of South Fern Street
5. North 06°35’23” West, 572.97 feet to the point of beginning and containing 391,577 square feet or 8.98937 acres of land more or less.

PARCEL II - PART ONE:

DESCRIPTION OF
PARCEL II – PART ONE
BEING A PORTION OF THE PROPERTY OF
CRYSTAL HOUSE APARTMENTS INVESTORS LLC
DEED BOOK 4668 PAGE 128
ARLINGTON COUNTY, VIRGINIA

Being a portion of the property of Crystal House Apartments Investors LLC as recorded in Deed Book 4668 at Page 128 among the Land Records of Arlington County, Virginia.

Beginning for the same at a point marking the intersection of the northerly right-of-way line of 22nd Street South (50 foot public right-of-way) as recorded in Deed Book 1548 at Page 162 and the easterly right-of-way line of South Fern Street (variable width public right-of-way); thence running with said easterly right-of-way line of South Fern Street

1. North 06°35’23” West, 531.71 feet to a point marking the southwesterly property corner of Parcel I, Crystal House Apartments Investors LLC as recorded in Deed Book 4668 at Page 128 among said Land Records; thence running with the southerly property line of the said Parcel I, Crystal House
2. North 88°00’03” East, 623.98 feet to a point on the easterly right-of-way line of South Eads Street, (variable width public right-of-way), said point marking the southeasterly property corner of the aforesaid Parcel I, Crystal House Apartments Investors LLC; thence running with the said westerly right-of-way line South Eads Street
3. South 02°48’07” West, 531.88 feet to a point on the northerly right-of-way line of the aforesaid 22nd Street South; thence running with said northerly right-of-way line of 22nd Street South

4. South 88°00’07” West, 536.91 feet to the point of beginning and containing 307,640 square feet or 7.06244 acres of land more or less.

PARCEL II - PART TWO:

DESCRIPTION OF
PARCEL II – PART TWO
BEING A PORTION OF THE PROPERTY OF
CRYSTAL HOUSE APARTMENTS INVESTORS LLC
DEED BOOK 4668 PAGE 128
ARLINGTON COUNTY, VIRGINIA

Being a portion of the property of Crystal House Apartments Investors LLC as recorded in Deed Book 4668 at Page 128 among the Land Records of Arlington County, Virginia.

Beginning for the same at a point on the westerly right-of-way line of South Eads Street (variable width public right-of-way), said point marking the northeasterly property corner of the property of the County Board of Arlington County, Virginia as recorded in Deed Book 1963 at Page 916 among said Land Records; thence running with the northerly property line of said property of the County Board of Arlington County, Virginia and continuing with the northerly property lines of Lots 1 thru 5 and part of Lot 6, Block A, Virginia Highlands as recorded in Deed Book 126 at Page 1

1. South 88°00’07” West, 272.67 feet to a point marking the common property corner of the properties of William B. Bayne, Jr. as recorded in Deed Book 3724 at Page 468 and Twenty-third Street Corridor LLC as recorded in Deed Book 4624 at Page 635 all among the aforesaid Land Records; thence running with the easterly property lines of the properties of said Twenty-third Street Corridor LLC
2. North 01°59’53” West, 140.00 feet to a point on the southerly right-of-way line of 22nd Street South, 50 feet wide, as recorded in Deed Book 1548 at Page 162, said point marking the northeasterly property corner of the property of said Twenty-third Street Corridor LLC ; thence running with said southerly right-of-way line of said 22nd Street South
3. North 88°00’07” East, 284.42 feet to the point of intersection of the southerly right-of-way line of said 22nd Street South and the aforesaid westerly right-of-way line of South Eads Street (variable width public right-of-way); thence running with the aforesaid westerly right-of-way line of the South Eads Street (variable width public right-of-way)
4. South 02°48’07” West, 140.49 feet to the point of beginning and containing 38,996 square feet or 0.89522 acres of land more or less.

NOTE FOR INFORMATIONAL PURPOSES ONLY:
RPC No.: 36-018-014

- General Information
- Assessments
- Property Balances
- Improvements
- Sales
- Permits
- Economic Unit
- Resubdivision
- Site Plan/Rezoning
- Archives - Property Card
- Stormwater Information
- Assessment Notice
  - No Assessment Notice Available

Return to Search Results

New Search

View Map

Print

View Stormwater Map

36-018-022 18th ST S ARLINGTON VA 22202

Owner
WHC CRYSTAL LLC
% WASHINGTON HOUSING CONSERVANCY INC

Legal Description
WITHDRAWABLE LAND PHASES 2, 3, 4, & 5 WATERLOO AND VAC ST 493,153 SQ FT

Mailing Address
1310 L ST N W #325
WASHINGTON DC 20005

Trade Name
CRYSTAL HOUSE APTS

Year Built	Units	EU#
N/A	825	3601803A
Property Class Code	**Zoning**	**Lot Size**
313-Apartment - High-rise	RA6-15	493153
Neighborhood#	**Map Book/Page**	**Polygon**
880000	075-15	36018014
Site Plan	**Rezoning**	**Tax Exempt**
N/A	N/A	No

This is the Special District description - National Landing BID Residential Rate
National Landing BID Residential Rate: This property is part of a special tax district and is taxed accordingly.

Mixed Use Property: This property has both residential and commercial use and is assessed and taxed accordingly.

Stormwater management facility(ies) are present on this property. Maintenance is required by the owner through a Maintenance Agreement recorded with the deed. For additional information, please send an email to stormwaterinspection@arlingtonva.us.

QUESTIONS? Contact the Department of Real Estate Assessments at 703-228-3920 or assessments@arlingtonva.us

Note: Arlington County assesses a stormwater fee, which is billed on your real estate tax bill. For questions regarding the stormwater utility fee, please contact stormwaterutility@arlingtonva.us or by phone at 703-228-5577.

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36-018-022 18th ST S ARLINGTON VA 22202

General Information

Owner
WHC CRYSTAL LLC
% WASHINGTON HOUSING CONSERVANCY INC

Mailing Address
1310 L ST N W #325
WASHINGTON DC 20005

Legal Description
WITHDRAWABLE LAND PHASES 2, 3, 4, & 5 WATERLOO AND VAC ST 493,153 SQ FT

Trade Name
CRYSTAL HOUSE APTS

Year Built N/A	**Units** 825	**EU#** 3601803A
Property Class Code 313-Apartment - High-rise	**Zoning** RA6-15	**Lot Size** 493153
Neighborhood# 880000	**Map Book/Page** 075-15	**Polygon** 36018014
Site Plan N/A	**Rezoning** N/A	**Tax Exempt** No

This is the Special District description - National Landing BID Residential Rate

National Landing BID Residential Rate: This property is part of a special tax district and is taxed accordingly.

Mixed Use Property: This property has both residential and commercial use and is assessed and taxed accordingly.

Assessment History

Effective Date	Change Reason	Land Value	Improvement Value	Total Value
1/1/2025	01- Annual	$49,046,500	$253,039,900	$302,086,400

Mixed Use Assessment History

Effective Date	Change Reason	Use	Land Value	Improvement Value	Total Value
1/1/2025	01- Annual	Comm	$411,800	$667,500	$1,079,300
1/1/2025	01- Annual	Res	$48,634,700	$252,372,400	$301,007,100

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Property Sales History

Grantee	Sales Date	Sales Price	Sales Code	Deed Book / Page #	Deed Doc ID#
WHC CRYSTAL LLC	10/31/2024	$0	D-Resub/Declaration	/	20240100012549

Neighborhood 880000 Sales between 7/1/2021 and 12/31/2025

RPC	Address	Sales Date	Sales Price	Sales Code	Deed Book / Page #	Deed Doc ID#
24-031-043	2101 5th ST S	12/16/2024	$0	F-Multiple RPCs Not Market Sal	/	20240100014566
24-031-056	5th ST S	12/16/2024	$0	F-Multiple RPCs Not Market Sal	/	20240100014566
27-007-107	4301 16th ST S	11/21/2024	$0	5-Not Market Sale	/	20240100013675
36-018-020	18th ST S	11/19/2024	$0	F-Multiple RPCs Not Market Sal	/	20240100013363
36-018-021	18th ST S	11/19/2024	$0	F-Multiple RPCs Not Market Sal	/	20240100013363
36-018-022	18th ST S	10/31/2024	$0	D-Resub/Declaration	/	20240100012549
36-018-021	18th ST S	10/31/2024	$0	D-Resub/Declaration	/	20240100012549
36-018-020	18th ST S	10/31/2024	$0	D-Resub/Declaration	/	20240100012549
22-011-277	5519 COLUMBIA PIKE	9/30/2024	$4,000,000	M-Multiple RPCs Land Sale	/	20240100011245
22-011-278	COLUMBIA PIKE	9/30/2024	$0	M-Multiple RPCs Land Sale	/	20240100011245
28-003-002	4990 COLUMBIA PIKE	9/26/2024	$51,000,000	4-Multiple RPCs, Not A Coded S	/	20240100011227
28-030-032	955 S COLUMBUS ST	9/26/2024	$51,000,000	4-Multiple RPCs, Not A Coded S	/	20240100011227
35-004-012	1421 S HAYES ST	7/31/2024	$0	5-Not Market Sale	/	20240100008860
35-005-022	801 15th ST S	7/23/2024	$104,250,000		/	20240100008791
35-001-019	1201 S EADS ST	5/13/2024	$113,500,000		/	20240100005874
35-004-012	1421 S HAYES ST	5/6/2024	$0	D-Resub/Declaration	/	20240100005053
35-009-008	400 15th ST S	5/6/2024	$48,500,000		/	20240100005082
35-004-012	1421 S HAYES ST	5/6/2024	$0	5-Not Market Sale	/	20240100005054
35-004-012	1421 S HAYES ST	3/19/2024	$0	7-Partial Interest	/	20240100005052
35-001-028	400 11th ST S	2/21/2024	$0		/	20240100001778
28-006-054	5105 10th PL S	1/8/2024	$3,583,700		/	20240100000217
32-001-012	1701 S EDGEWOOD ST	1/2/2024	$2,400,000		/	20240100000029
27-007-107	4301 16th ST S	12/29/2023	$0	D-Resub/Declaration	/	20230100014799
27-007-108	16th ST S	12/29/2023	$0	D-Resub/Declaration	/	20230100014799
27-007-109	4201 S FOUR MILE RUN DR	12/29/2023	$0	D-Resub/Declaration	/	20230100014799
27-007-110	S FOUR MILE RUN DR	12/27/2023	$0	D-Resub/Declaration	/	20230100014799
31-001-034	17th ST S	12/5/2023	$0	5-Not Market Sale	/	20230100014060
24-033-001	129 S COURTHOUSE RD	10/16/2023	$2,170,000		/	20230100012177
22-010-001	S CARLIN SPRINGS RD	9/22/2023	$49,525,000	J-Property in 2 Jurisdictions	/	20230100011593
32-006-034	2920 COLUMBIA PIKE	7/24/2023	$105,000,000	4-Multiple RPCs, Not A Coded S	/	20230100008571
32-006-035	2920 COLUMBIA PIKE	7/24/2023	$105,000,000	4-Multiple RPCs, Not A Coded S	/	
29-018-003	4510 31st ST S	5/1/2023	$85,000,000	4-Multiple RPCs, Not A Coded S	/	20230100005457
29-003-009	4501 31st ST S	5/1/2023	$85,000,000	4-Multiple RPCs, Not A Coded S	/	20230100005457

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31-001-034	17th ST S	3/31/2023	$0	2-Sale or Gift to Relative	/	20230100003331
31-001-034	17th ST S	3/31/2023	$260,000	L-Land Sale	/	20230100003379
37-027-006	2868 FORT SCOTT DR	3/17/2023	$5,500,000	5-Not Market Sale	/	20230100002611
38-011-006	2300 25th ST S	12/22/2022	$20,800,000		/	20220100020932
28-004-212	5500 COLUMBIA PIKE	11/2/2022	$0	A-Correction Deed	/	20220100018747
35-001-376	1221 S EADS ST	5/17/2022	$305,200,000	4-Multiple RPCs, Not A Coded S	/	20220100010734
35-001-374	1331 S EADS ST	5/17/2022	$305,200,000	4-Multiple RPCs, Not A Coded S	/	20220100010734
22-014-403	835 S GREENBRIER ST	4/22/2022	$0	D-Resub/Declaration	/	20220100007977
22-014-402	855 S GREENBRIER ST	4/22/2022	$0	D-Resub/Declaration	/	20220100007977
32-001-007	1200 S COURTHOUSE RD	4/19/2022	$91,500,000		/	20220100007716
36-018-014	550 18TH ST S	2/17/2022	$0	D-Resub/Declaration	/	20220100003349
36-018-014	550 18TH ST S	2/17/2022	$0	D-Resub/Declaration	/	20220100003349
35-003-006	1311 S FERN ST	1/20/2022	$200,500,000	4-Multiple RPCs, Not A Coded S	/	20220100001499
35-003-008	1221 S FERN ST	1/20/2022	$200,500,000	4-Multiple RPCs, Not A Coded S	/	20220100001499
35-003-007	1301 S FERN ST	1/20/2022	$200,500,000	4-Multiple RPCs, Not A Coded S	/	20220100001499
24-031-015	323 S VEITCH ST	1/14/2022	$2,200,000		/	20220100001221
27-002-001	1100 S THOMAS ST	12/29/2021	$425,000,000	4-Multiple RPCs, Not A Coded S	/	20220100000183
27-002-006	4200 13th RD S	12/29/2021	$425,000,000	4-Multiple RPCs, Not A Coded S	/	20220100000183
27-007-077	4201 S FOUR MILE RUN DR	12/29/2021	$425,000,000	4-Multiple RPCs, Not A Coded S	/	20220100000183
27-002-005	4202 12th RD S	12/29/2021	$425,000,000	4-Multiple RPCs, Not A Coded S	/	20220100000183
27-003-001	4501 S FOUR MILE RUN DR	12/29/2021	$425,000,000	4-Multiple RPCs, Not A Coded S	/	20220100000183
27-002-010	4301 16th ST S	12/29/2021	$425,000,000	4-Multiple RPCs, Not A Coded S	/	20220100000183
27-002-004	4200 COLUMBIA PIKE	12/29/2021	$425,000,000	4-Multiple RPCs, Not A Coded S	/	20220100000183
27-004-003	4419 S FOUR MILE RUN DR	12/29/2021	$425,000,000	4-Multiple RPCs, Not A Coded S	/	20220100000183
25-021-037	1957 COLUMBIA PIKE	12/25/2021	$110,975,000	4-Multiple RPCs, Not A Coded S	/	20210100040761
25-021-038	COLUMBIA PIKE	12/15/2021	$110,975,000	4-Multiple RPCs, Not A Coded S	/	20210100040761
25-021-039	1941 COLUMBIA PIKE	12/15/2021	$110,975,000	4-Multiple RPCs, Not A Coded S	/	20210100040761
25-021-040	914 S TAFT ST	12/15/2021	$110,975,000	4-Multiple RPCs, Not A Coded S	/	20210100040761
25-021-044	COLUMBIA PIKE	12/15/2021	$110,975,000	4-Multiple RPCs, Not A Coded S	/	20210100040761
25-021-045	COLUMBIA PIKE	12/15/2021	$110,975,000	4-Multiple RPCs, Not A Coded S	/	20210100040761
25-021-051	S SCOTT ST	12/15/2021	$110,975,000	4-Multiple RPCs, Not A Coded S	/	20210100040761
25-021-031	911 S SCOTT ST	12/15/2021	$110,975,000	4-Multiple RPCs, Not A Coded S	/	20210100040761

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25-021-032	S SCOTT ST	12/15/2021	$110,975,000	4-Multiple RPCs, Not A Coded S	/	20210100040761
25-021-033	COLUMBIA PIKE	12/15/2021	$110,975,000	4-Multiple RPCs, Not A Coded S	/	20210100040761
25-021-034	COLUMBIA PIKE	12/15/2021	$110,975,000	4-Multiple RPCs, Not A Coded S	/	20210100040761
25-021-035	COLUMBIA PIKE	12/15/2021	$110,975,000	4-Multiple RPCs, Not A Coded S	/	20210100040761
34-020-283	2050 S BELL ST	12/2/2021	$0	D-Resub/Declaration	/	20210100038593
34-020-284	2051 S BELL ST	12/2/2021	$0	D-Resub/Declaration	/	20210100038593
34-020-282	2050 S BELL ST	11/8/2021	$0	5-Not Market Sale	/	20210100036390
34-020-282	2050 S BELL ST	10/8/2021	$0	D-Resub/Declaration	/	20210100031980
34-020-030	320 23rd ST S	9/30/2021	$0	5-Not Market Sale	/	20210100033009
34-024-457	305 10th ST S	9/29/2021	$0	5-Not Market Sale	/	20210100033014
34-020-253	1515 RICHMOND HWY	9/29/2021	$0	5-Not Market Sale	/	20210100033020
35-003-004	1411 S FERN ST	9/29/2021	$0	F-Multiple RPCs Not Market Sal	/	20210100033057
35-003-005	1401 S FERN ST	9/29/2021	$0	F-Multiple RPCs Not Market Sal	/	20210100033057
35-003-003	550 14th RD S	9/29/2021	$0	F-Multiple RPCs Not Market Sal	/	20210100033057
25-017-098	2301 COLUMBIA PIKE	8/26/2021	$80,100,000		/	20210100030403
22-004-015	5309 8th RD S	8/13/2021	$16,500,000		/	20210100028396
33-006-032	1420 S ROLFE ST	7/14/2021	$2,300,000		/	20210100025193

Properties in Economic Unit # 3601803A

RPC	Property Address
36-018-021	18th ST S
36-018-020	18th ST S
36-018-022	18th ST S

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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*****

RESNET Rater Signature	Printed Name	Date
	Benoit Rivard	4/24/2026

RESNET Provider Agency	Provider Contact Name
Southern Energy Management	Laurie Colwander

Contact Signature	Email	Phone
	laurie@southern-energy.com	919-538-7837

Crystal House 6
Development Name

Home Energy Rating Certificate

Projected Report
Based on Plans

Rating Date: 2025-11-01
Registry ID:
Ekotrope ID: vyzeaQw2

HERS® Index Score:

60

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

$895

*Relative to an average U.S. home

Home:

Arlington, VA 22202

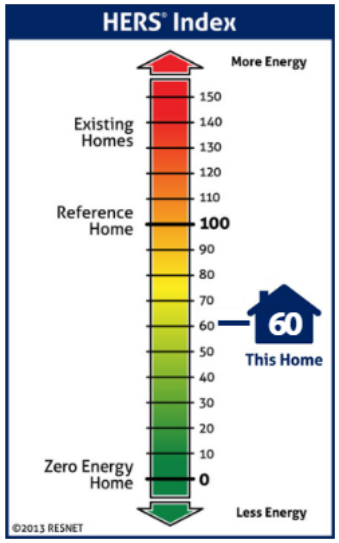
Builder:
CBG

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	6.2	$240
Cooling	2.3	$90
Hot Water	4.1	$160
Lights/Appliances	10.6	$412
Service Charges		$91
Generation (e.g. Solar)	0.0	$0
Total:	**23.3**	**$993**

This home meets or exceeds the criteria of the following:

ENERGY STAR MF v1.1
ENERGY STAR MF v1.0
2006 International Energy Conservation Code



Home Feature Summary:

Home Type:	Apartment, end unit
Model:	B1.1 LV5
Community:	Crystal House 6
Conditioned Floor Area:	741 ft²
Number of Bedrooms:	1
Primary Heating System:	Air Source Heat Pump • Electric • 10 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 21 SEER
Primary Water Heating:	Residential Water Heater • Electric • 0.95 Energy Factor
House Tightness:	0.25 CFM50 / s.f. Shell Area (Adjusted Infiltration: 2.26 ACH50)
Ventilation:	30 CFM • 32 Watts • Supply Only
Duct Leakage to Outside:	Untested Forced Air
Above Grade Walls:	R-21
Ceiling:	Vaulted Roof / Exposed Exterior, R-30
Window Type:	U-Value: 0.3, SHGC: 0.3
Foundation Walls:	N/A
Framed Floor:	R-20

Rating Completed by:

Energy Rater: Owen Burwell
RESNET ID: 6409954

Rating Company: Southern Energy Management MES
5908 Triangle Drive

Rating Provider: Southern Energy Management
5908 Triangle Drive, Raleigh, NC 27617
919-836-0330

Owen Burwell, Certified Energy Rater
Digitally signed: 4/24/26 at 11:48 AM

ENERGY STAR MF V1.1 Home Report

Property
Arlington, VA 22202
Model: B1.1 LV5
Community: Crystal House 6

Crystal House 6_B1.1 LV5
Bid Issue 03.27.2026

Organization
Southern Energy Manageme
Owen Burwell

Builder
CBG

Inspection Status
Results are projected

UNCONFIRMED

Mandatory Requirements

- ✔ Duct leakage at post construction better than or equal to applicable requirements.
- ✔ Total building thermal envelope UA meets or exceeds applicable requirements.
- ✔ Envelope insulation achieves RESNET Grade I installation, or uses exceptions in footnote 5.
- ✔ Total window thermal properties meet or exceed the applicable requirements
- ✔ Duct insulation meets the EPA minimum requirements of R-6.
- ✔ Mechanical ventilation system is installed in the home.
- ✔ Measured infiltration is better than or equal to applicable requirements.
- ✔ ENERGY STAR Checklists fully verified and complete.

ERI (HERS) Index Target

Reference Home ERI (HERS)	61
SAF (Size Adjustment Factor)	1.00
SAF Adjusted ERI (HERS) Target	61
As Designed Home ERI (HERS)	60
As Designed Home ERI (HERS) w/o PV	60

Normalized, Modified End-Use Loads (MBtu / year)

	ENERGY STAR	As Designed
Heating	6.8	7.9
Cooling	4.1	3.2
Water Heating	3.9	3.5
Lights and Appliances	11.2	10.6
Total	25.9	25.3

This home MEETS or EXCEEDS the energy efficiency requirements for designation as an EPA ENERGY STAR Qualified Home under Version Multifamily V1.1

Pollution Prevented

Type of Emissions	*Reduction*
Carbon Dioxide (CO_2) - tons/yr	-0.2

Energy Cost Savings

	$/yr
Heating	-103
Cooling	6
Water Heating	17
Lights & Appliances	22
Generation Savings	0
Total	-58

The energy savings and pollution prevented are calculated by comparing the Rated Home to the ENERGY STAR Version Multifamily V1.1 Reference Home as defined in the ENERGY STAR Qualified Homes ERI (HERS) Target Procedure for National Program Requirements, Version Multifamily V1.1 promulgated by the Environmental Protection Agency (EPA). In accordance with the ANSI/RESNET/ICC 301 Standard, building inputs affecting setpoints infiltration rates, window shading and the existence of mechanical systems may have been changed prior to calculating loads

All results are based on data entered by Ekotrope users. Ekotrope disclaims all liability for the information shown on this report.

Home Energy Rating Certificate

Projected Report
Based on Plans

Rating Date: 2025-11-01
Registry ID:
Ekotrope ID: d4KoQ71L

HERS® Index Score:

57

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

$1,116

*Relative to an average U.S. home

Home:

Arlington, VA 22202

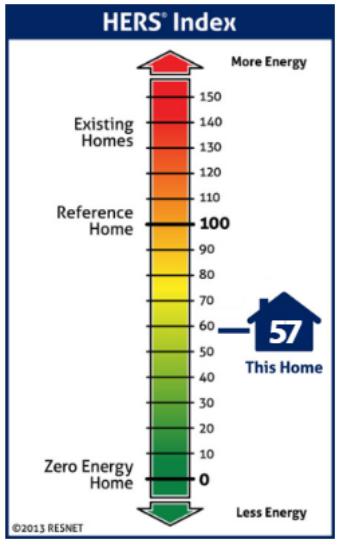
Builder:
CBG

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	6.9	$264
Cooling	2.5	$98
Hot Water	5.5	$210
Lights/Appliances	12.9	$498
Service Charges		$91
Generation (e.g. Solar)	0.0	$0
Total:	**27.8**	**$1,162**

This home meets or exceeds the criteria of the following:

ENERGY STAR MF v1.1
ENERGY STAR MF v1.0
2006 International Energy Conservation Code



Home Feature Summary:

Home Type:	Apartment, end unit
Model:	C1 LV2&4
Community:	Crystal House 6
Conditioned Floor Area:	987 ft²
Number of Bedrooms:	2
Primary Heating System:	Air Source Heat Pump • Electric • 9.5 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 22 SEER
Primary Water Heating:	Residential Water Heater • Electric • 0.95 Energy Factor
House Tightness:	0.25 CFM50 / s.f. Shell Area (Adjusted Infiltration: 1.09 ACH50)
Ventilation:	45 CFM • 48 Watts • Supply Only
Duct Leakage to Outside:	Untested Forced Air
Above Grade Walls:	R-21
Ceiling:	Adiabatic, R-30
Window Type:	U-Value: 0.3, SHGC: 0.3
Foundation Walls:	N/A
Framed Floor:	R-20

Rating Completed by:

Energy Rater: Owen Burwell
RESNET ID: 6409954

Rating Company: Southern Energy Management MES
5908 Triangle Drive

Rating Provider: Southern Energy Management
5908 Triangle Drive, Raleigh, NC 27617
919-836-0330

Owen Burwell, Certified Energy Rater
Digitally signed: 4/24/26 at 11:49 AM

ekotrope

Ekotrope RATER - Version:5.2.2.3849
The Energy Rating Disclosure for this home is available from the Approved Rating Provider.
This report does not constitute any warranty or guarantee.

ENERGY STAR MF V1.1 Home Report

Property
Arlington, VA 22202
Model: C1 LV2&4
Community: Crystal House 6

Crystal House 6_C1 LV2&4
Bid Issue 03.27.2026

Organization
Southern Energy Manageme
Owen Burwell

Builder
CBG

Inspection Status
Results are projected

UNCONFIRMED

Mandatory Requirements

- ✔ Duct leakage at post construction better than or equal to applicable requirements.
- ✔ Total building thermal envelope UA meets or exceeds applicable requirements.
- ✔ Envelope insulation achieves RESNET Grade I installation, or uses exceptions in footnote 5.
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- ✔ Duct insulation meets the EPA minimum requirements of R-6.
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- ✔ ENERGY STAR Checklists fully verified and complete.

ERI (HERS) Index Target

Reference Home ERI (HERS)	58
SAF (Size Adjustment Factor)	1.00
SAF Adjusted ERI (HERS) Target	58
As Designed Home ERI (HERS)	57
As Designed Home ERI (HERS) w/o PV	57

Normalized, Modified End-Use Loads (MBtu / year)

	ENERGY STAR	As Designed
Heating	7.5	8.9
Cooling	4.2	3.4
Water Heating	5.3	4.8
Lights and Appliances	13.5	12.9
Total	30.5	30.0

This home MEETS or EXCEEDS the energy efficiency requirements for designation as an EPA ENERGY STAR Qualified Home under Version Multifamily V1.1

Pollution Prevented

Type of Emissions	*Reduction*
Carbon Dioxide (CO_2) - tons/yr	-0.3

Energy Cost Savings

	$/yr
Heating	-133
Cooling	2
Water Heating	21
Lights & Appliances	23
Generation Savings	0
Total	-88

The energy savings and pollution prevented are calculated by comparing the Rated Home to the ENERGY STAR Version Multifamily V1.1 Reference Home as defined in the ENERGY STAR Qualified Homes ERI (HERS) Target Procedure for National Program Requirements, Version Multifamily V1.1 promulgated by the Environmental Protection Agency (EPA). In accordance with the ANSI/RESNET/ICC 301 Standard, building inputs affecting setpoints infiltration rates, window shading and the existence of mechanical systems may have been changed prior to calculating loads

All results are based on data entered by Ekotrope users. Ekotrope disclaims all liability for the information shown on this report.

Home Energy Rating Certificate

Projected Report
Based on Plans

Rating Date: 2025-11-01
Registry ID:
Ekotrope ID: LeaNJWpL

HERS® Index Score:

61

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

$785

*Relative to an average U.S. home

Home:

Arlington, VA 22202

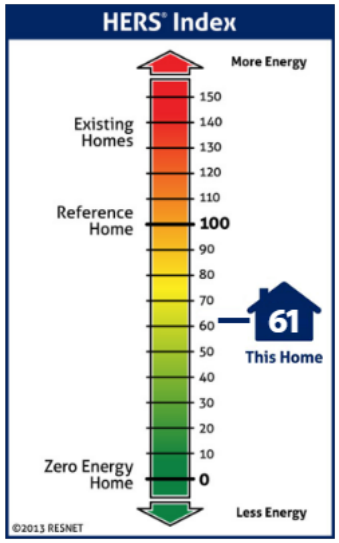
Builder:
CBG

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	5.8	$222
Cooling	2.1	$84
Hot Water	4.2	$163
Lights/Appliances	10.0	$388
Service Charges		$91
Generation (e.g. Solar)	0.0	$0
Total:	**22.1**	**$948**

This home meets or exceeds the criteria of the following:

ENERGY STAR MF v1.1
ENERGY STAR MF v1.0
2006 International Energy Conservation Code



Home Feature Summary:

Home Type:	Apartment, end unit
Model:	B4 LV5
Community:	Crystal House 6
Conditioned Floor Area:	574 ft²
Number of Bedrooms:	1
Primary Heating System:	Air Source Heat Pump • Electric • 10 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 21 SEER
Primary Water Heating:	Residential Water Heater • Electric • 0.95 Energy Factor
House Tightness:	0.25 CFM50 / s.f. Shell Area (Adjusted Infiltration: 2.33 ACH50)
Ventilation:	30 CFM • 32 Watts • Supply Only
Duct Leakage to Outside:	Untested Forced Air
Above Grade Walls:	R-21
Ceiling:	Vaulted Roof / Exposed Exterior, R-30
Window Type:	U-Value: 0.3, SHGC: 0.3
Foundation Walls:	N/A
Framed Floor:	R-20

Rating Completed by:

Energy Rater: Owen Burwell
RESNET ID: 6409954

Rating Company: Southern Energy Management MES
5908 Triangle Drive

Rating Provider: Southern Energy Management
5908 Triangle Drive, Raleigh, NC 27617
919-836-0330

Owen Burwell, Certified Energy Rater
Digitally signed: 4/24/26 at 11:48 AM

ENERGY STAR MF V1.1 Home Report

Property
Arlington, VA 22202
Model: B4 LV5
Community: Crystal House 6

Crystal House 6_B4 LV5
Bid Issue 03.27.2026

Organization
Southern Energy Manageme
Owen Burwell

Builder
CBG

Inspection Status
Results are projected

UNCONFIRMED

Mandatory Requirements

- ✔ Duct leakage at post construction better than or equal to applicable requirements.
- ✔ Total building thermal envelope UA meets or exceeds applicable requirements.
- ✔ Envelope insulation achieves RESNET Grade I installation, or uses exceptions in footnote 5.
- ✔ Total window thermal properties meet or exceed the applicable requirements
- ✔ Duct insulation meets the EPA minimum requirements of R-6.
- ✔ Mechanical ventilation system is installed in the home.
- ✔ Measured infiltration is better than or equal to applicable requirements.
- ✔ ENERGY STAR Checklists fully verified and complete.

ERI (HERS) Index Target

Reference Home ERI (HERS)	61
SAF (Size Adjustment Factor)	1.00
SAF Adjusted ERI (HERS) Target	61
As Designed Home ERI (HERS)	61
As Designed Home ERI (HERS) w/o PV	61

Normalized, Modified End-Use Loads (MBtu / year)

	ENERGY STAR	As Designed
Heating	5.9	7.2
Cooling	3.4	3.0
Water Heating	3.9	3.6
Lights and Appliances	10.4	10.0
Total	23.7	23.8

This home MEETS or EXCEEDS the energy efficiency requirements for designation as an EPA ENERGY STAR Qualified Home under Version Multifamily V1.1

Pollution Prevented

Type of Emissions	*Reduction*
Carbon Dioxide (CO_2) - tons/yr	-0.2

Energy Cost Savings

	$/yr
Heating	-104
Cooling	-3
Water Heating	17
Lights & Appliances	18
Generation Savings	0
Total	-72

The energy savings and pollution prevented are calculated by comparing the Rated Home to the ENERGY STAR Version Multifamily V1.1 Reference Home as defined in the ENERGY STAR Qualified Homes ERI (HERS) Target Procedure for National Program Requirements, Version Multifamily V1.1 promulgated by the Environmental Protection Agency (EPA). In accordance with the ANSI/RESNET/ICC 301 Standard, building inputs affecting setpoints infiltration rates, window shading and the existence of mechanical systems may have been changed prior to calculating loads

All results are based on data entered by Ekotrope users. Ekotrope disclaims all liability for the information shown on this report.

Home Energy Rating Certificate

Projected Report
Based on Plans

Rating Date: 2025-11-01
Registry ID:
Ekotrope ID: vPVkzqyL

HERS® Index Score:

59

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

$878

*Relative to an average U.S. home

Home:

Arlington, VA 22202

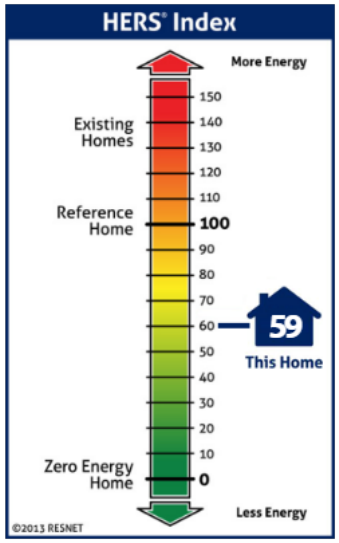
Builder:
CBG

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	4.8	$186
Cooling	2.3	$91
Hot Water	4.1	$159
Lights/Appliances	11.0	$425
Service Charges		$91
Generation (e.g. Solar)	0.0	$0
Total:	**22.2**	**$953**

This home meets or exceeds the criteria of the following:

ENERGY STAR MF v1.1
ENERGY STAR MF v1.0
2006 International Energy Conservation Code



Home Feature Summary:

Home Type:	Apartment, end unit
Model:	B5 LV2-4
Community:	Crystal House 6
Conditioned Floor Area:	797 ft²
Number of Bedrooms:	1
Primary Heating System:	Air Source Heat Pump • Electric • 10 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 21 SEER
Primary Water Heating:	Residential Water Heater • Electric • 0.95 Energy Factor
House Tightness:	0.25 CFM50 / s.f. Shell Area (Adjusted Infiltration: 1.24 ACH50)
Ventilation:	30 CFM • 32 Watts • Supply Only
Duct Leakage to Outside:	Untested Forced Air
Above Grade Walls:	R-21
Ceiling:	Adiabatic, R-30
Window Type:	U-Value: 0.3, SHGC: 0.3
Foundation Walls:	N/A
Framed Floor:	R-20

Rating Completed by:

Energy Rater: Owen Burwell
RESNET ID: 6409954

Rating Company: Southern Energy Management MES
5908 Triangle Drive

Rating Provider: Southern Energy Management
5908 Triangle Drive, Raleigh, NC 27617
919-836-0330

Owen Burwell, Certified Energy Rater
Digitally signed: 4/24/26 at 11:48 AM

ekotrope

Ekotrope RATER - Version:5.2.2.3849
The Energy Rating Disclosure for this home is available from the Approved Rating Provider.
This report does not constitute any warranty or guarantee.

ENERGY STAR MF V1.1 Home Report

Property
Arlington, VA 22202
Model: B5 LV2-4
Community: Crystal House 6

Crystal House 6_B5 LV2-4
Bid Issue 03.27.2026

Organization
Southern Energy Manageme
Owen Burwell

Builder
CBG

Inspection Status
Results are projected

UNCONFIRMED

Mandatory Requirements

- ✔ Duct leakage at post construction better than or equal to applicable requirements.
- ✔ Total building thermal envelope UA meets or exceeds applicable requirements.
- ✔ Envelope insulation achieves RESNET Grade I installation, or uses exceptions in footnote 5.
- ✔ Total window thermal properties meet or exceed the applicable requirements
- ✔ Duct insulation meets the EPA minimum requirements of R-6.
- ✔ Mechanical ventilation system is installed in the home.
- ✔ Measured infiltration is better than or equal to applicable requirements.
- ✔ ENERGY STAR Checklists fully verified and complete.

ERI (HERS) Index Target

Reference Home ERI (HERS)	59
SAF (Size Adjustment Factor)	1.00
SAF Adjusted ERI (HERS) Target	59
As Designed Home ERI (HERS)	59
As Designed Home ERI (HERS) w/o PV	59

Normalized, Modified End-Use Loads (MBtu / year)

	ENERGY STAR	As Designed
Heating	5.0	6.0
Cooling	3.4	3.2
Water Heating	3.8	3.5
Lights and Appliances	11.5	11.0
Total	23.8	23.7

This home MEETS or EXCEEDS the energy efficiency requirements for designation as an EPA ENERGY STAR Qualified Home under Version Multifamily V1.1

Pollution Prevented

Type of Emissions	*Reduction*
Carbon Dioxide (CO_2) - tons/yr	-0.2

Energy Cost Savings $/yr

Heating	-93
Cooling	-8
Water Heating	16
Lights & Appliances	23
Generation Savings	0
Total	-60

The energy savings and pollution prevented are calculated by comparing the Rated Home to the ENERGY STAR Version Multifamily V1.1 Reference Home as defined in the ENERGY STAR Qualified Homes ERI (HERS) Target Procedure for National Program Requirements, Version Multifamily V1.1 promulgated by the Environmental Protection Agency (EPA). In accordance with the ANSI/RESNET/ICC 301 Standard, building inputs affecting setpoints infiltration rates, window shading and the existence of mechanical systems may have been changed prior to calculating loads

All results are based on data entered by Ekotrope users. Ekotrope disclaims all liability for the information shown on this report.

Home Energy Rating Certificate

Projected Report
Based on Plans

Rating Date: 2025-11-01
Registry ID:
Ekotrope ID: LOOVzoEL

HERS® Index Score:

64

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

$1,090

*Relative to an average U.S. home

Home:

Arlington, VA 22202

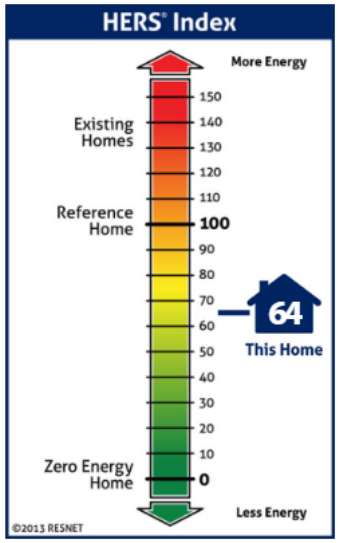
Builder:
CBG

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	9.7	$368
Cooling	4.2	$162
Hot Water	5.4	$208
Lights/Appliances	12.5	$480
Service Charges		$91
Generation (e.g. Solar)	0.0	$0
Total:	**31.8**	**$1,310**

This home meets or exceeds the criteria of the following:

ENERGY STAR MF v1.0
2006 International Energy Conservation Code



Home Feature Summary:

Home Type:	Apartment, end unit
Model:	C2 LV5
Community:	Crystal House 6
Conditioned Floor Area:	1,033 ft²
Number of Bedrooms:	2
Primary Heating System:	Air Source Heat Pump • Electric • 9.5 HSPF2
Primary Cooling System:	Air Source Heat Pump • Electric • 19 SEER2
Primary Water Heating:	Residential Water Heater • Electric • 0.95 Energy Factor
House Tightness:	0.25 CFM50 / s.f. Shell Area (Adjusted Infiltration: 2.72 ACH50)
Ventilation:	45 CFM • 48 Watts • Supply Only
Duct Leakage to Outside:	Untested Forced Air
Above Grade Walls:	R-21
Ceiling:	Vaulted Roof / Exposed Exterior, R-30
Window Type:	U-Value: 0.3, SHGC: 0.3
Foundation Walls:	N/A
Framed Floor:	R-20

Rating Completed by:

Energy Rater: Owen Burwell
RESNET ID: 6409954

Rating Company: Southern Energy Management MES
5908 Triangle Drive

Rating Provider: Southern Energy Management
5908 Triangle Drive, Raleigh, NC 27617
919-836-0330

Owen Burwell, Certified Energy Rater
Digitally signed: 4/24/26 at 11:48 AM

ekotrope

Ekotrope RATER - Version:5.2.2.3849
The Energy Rating Disclosure for this home is available from the Approved Rating Provider.
This report does not constitute any warranty or guarantee.

ENERGY STAR MF V1.1 Home Report

Property
Arlington, VA 22202
Model: C2 LV5
Community: Crystal House 6

Crystal House 6_C2 LV5
Bid Issue 03.27.2026

Organization
Southern Energy Manageme
Owen Burwell

Builder
CBG

Inspection Status
Results are projected

DOES NOT PASS
UNCONFIRMED

Mandatory Requirements

This design does not pass Energy Star

ERI (HERS) Index Target

Reference Home ERI (HERS)	60
SAF (Size Adjustment Factor)	1.00
SAF Adjusted ERI (HERS) Target	60
As Designed Home ERI (HERS)	64
As Designed Home ERI (HERS) w/o PV	64

Normalized, Modified End-Use Loads (MBtu / year)

	ENERGY STAR	As Designed
Heating	9.7	12.6
Cooling	5.7	5.8
Water Heating	5.2	4.8
Lights and Appliances	13.2	12.5
Total	33.8	35.7

This home DOES NOT MEET the requirements for designation as an EPA ENERGY STAR Qualified Home.

Pollution Prevented

Type of Emissions	*Reduction*
Carbon Dioxide (CO_2) - tons/yr	-0.5

Energy Cost Savings $/yr

Heating	-179
Cooling	-27
Water Heating	21
Lights & Appliances	30
Generation Savings	0
Total	-155

The energy savings and pollution prevented are calculated by comparing the Rated Home to the ENERGY STAR Version Multifamily V1.1 Reference Home as defined in the ENERGY STAR Qualified Homes ERI (HERS) Target Procedure for National Program Requirements, Version Multifamily V1.1 promulgated by the Environmental Protection Agency (EPA). In accordance with the ANSI/RESNET/ICC 301 Standard, building inputs affecting setpoints infiltration rates, window shading and the existence of mechanical systems may have been changed prior to calculating loads

All results are based on data entered by Ekotrope users. Ekotrope disclaims all liability for the information shown on this report.

Home Energy Rating Certificate

Projected Report
Based on Plans

Rating Date: 2025-11-01
Registry ID:
Ekotrope ID: LAkPQW6v

HERS® Index Score:

60

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

$1,065

*Relative to an average U.S. home

Home:

Arlington, VA 22202

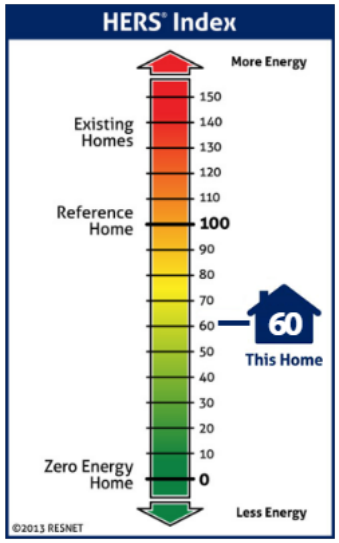
Builder:
CBG

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	8.6	$326
Cooling	2.5	$98
Hot Water	5.5	$210
Lights/Appliances	12.3	$472
Service Charges		$91
Generation (e.g. Solar)	0.0	$0
Total:	**28.8**	**$1,197**

This home meets or exceeds the criteria of the following:

ENERGY STAR MF v1.1
ENERGY STAR MF v1.0
2006 International Energy Conservation Code



Home Feature Summary:

Home Type:	Apartment, end unit
Model:	C3 PLAZA
Community:	Crystal House 6
Conditioned Floor Area:	969 ft²
Number of Bedrooms:	2
Primary Heating System:	Air Source Heat Pump • Electric • 9.5 HSPF2
Primary Cooling System:	Air Source Heat Pump • Electric • 19 SEER2
Primary Water Heating:	Residential Water Heater • Electric • 0.95 Energy Factor
House Tightness:	0.25 CFM50 / s.f. Shell Area (Adjusted Infiltration: 2.65 ACH50)
Ventilation:	45 CFM • 48 Watts • Supply Only
Duct Leakage to Outside:	Untested Forced Air
Above Grade Walls:	R-21
Ceiling:	Adiabatic, R-30
Window Type:	U-Value: 0.3, SHGC: 0.3
Foundation Walls:	N/A
Framed Floor:	R-20

Rating Completed by:

Energy Rater: Owen Burwell
RESNET ID: 6409954

Rating Company: Southern Energy Management MES
5908 Triangle Drive

Rating Provider: Southern Energy Management
5908 Triangle Drive, Raleigh, NC 27617
919-836-0330

Owen Burwell, Certified Energy Rater
Digitally signed: 4/24/26 at 11:48 AM

ekotrope

Ekotrope RATER - Version:5.2.2.3849
The Energy Rating Disclosure for this home is available from the Approved Rating Provider.
This report does not constitute any warranty or guarantee.

ENERGY STAR MF V1.1 Home Report

Property
Arlington, VA 22202
Model: C3 PLAZA
Community: Crystal House 6

Crystal House 6_C3 PLAZA
Bid Issue 03.27.2026

Organization
Southern Energy Manageme
Owen Burwell

Builder
CBG

Inspection Status
Results are projected

UNCONFIRMED

Mandatory Requirements

- ✔ Duct leakage at post construction better than or equal to applicable requirements.
- ✔ Total building thermal envelope UA meets or exceeds applicable requirements.
- ✔ Envelope insulation achieves RESNET Grade I installation, or uses exceptions in footnote 5.
- ✔ Total window thermal properties meet or exceed the applicable requirements
- ✔ Duct insulation meets the EPA minimum requirements of R-6.
- ✔ Mechanical ventilation system is installed in the home.
- ✔ Measured infiltration is better than or equal to applicable requirements.
- ✔ ENERGY STAR Checklists fully verified and complete.

ERI (HERS) Index Target

Reference Home ERI (HERS)	65
SAF (Size Adjustment Factor)	1.00
SAF Adjusted ERI (HERS) Target	65
As Designed Home ERI (HERS)	60
As Designed Home ERI (HERS) w/o PV	60

Normalized, Modified End-Use Loads (MBtu / year)

	ENERGY STAR	As Designed
Heating	11.5	11.1
Cooling	4.3	3.4
Water Heating	5.3	4.8
Lights and Appliances	12.9	12.3
Total	34.0	31.6

This home MEETS or EXCEEDS the energy efficiency requirements for designation as an EPA ENERGY STAR Qualified Home under Version Multifamily V1.1

Pollution Prevented

Type of Emissions	*Reduction*
Carbon Dioxide (CO_2) - tons/yr	-0.1

Energy Cost Savings

	$/yr
Heating	-76
Cooling	1
Water Heating	20
Lights & Appliances	26
Generation Savings	0
Total	-30

The energy savings and pollution prevented are calculated by comparing the Rated Home to the ENERGY STAR Version Multifamily V1.1 Reference Home as defined in the ENERGY STAR Qualified Homes ERI (HERS) Target Procedure for National Program Requirements, Version Multifamily V1.1 promulgated by the Environmental Protection Agency (EPA). In accordance with the ANSI/RESNET/ICC 301 Standard, building inputs affecting setpoints infiltration rates, window shading and the existence of mechanical systems may have been changed prior to calculating loads

All results are based on data entered by Ekotrope users. Ekotrope disclaims all liability for the information shown on this report.

4/24/2026

Energy Model & Green Program Assumptions Disclosure

Southern Energy Management has built energy models for the following project:

- **Crystal House 6**

The energy models follow the *ANSI/RESNET/ICC 301-2022 Standard for the Calculation and Labeling of the Energy Performance of Dwelling and Sleeping Units using an Energy Rating Index*.

The inputs in the energy models that are used to demonstrate preliminary compliance with the Virginia QAP standards are based upon the minimum requirements for Energy Star, as well as the initial plans provided (if applicable) to Southern Energy Management. If plans were provided, they were assumed to be the latest version and a representation of what will be constructed on site.

Unless otherwise indicated, building envelope performance values are assumed to be code minimum for the applicable jurisdiction and are also subject to change after on-site testing is performed. Initial files sent to the project team may indicate a variation in unit square footage values than what is provided to SEM on the preliminary plans. This difference can be attributed to the differing protocols for measuring units between the architect and the residential modeler. If square footage below is the same as the values listed on the plans, note that once measured for the final energy model the square footage utilized may vary.

Southern Energy Management does not guarantee nor attest compliance with the applicable QAP requirements based on these preliminary models or plan set(s) as our review is based on ENERGY STAR for Multifamily New Construction V1.1 compliance and green program (Earthcraft) qualification. All inputs listed in the following Building File Reports are subject to change with any alterations or modifications in the construction documents plan set as well as differences observed during on-site inspections.

As Modeled Unit Type(s)*

**Plans used to generate these scores are preliminary and may not be representative of the final design.*

Number of Bedrooms	Square Footage	Average HERS
1 bedroom (B4)	521	59

1 Bedroom (B1)	670	58
1 bedroom (C3)	898	60
2 bedroom (B5)	733	61
2 bedroom (C)	921	59

About Southern Energy Management

Southern Energy Management (SEM) is a HERS rater training provider that has been committed to improving the way people create, consume, and conserve energy since 2001. We are a team of over 200 building performance and solar experts who believe what you do is important, and how you do it matters just as much. SEM provides consultations, inspections, testing and third party verification for multifamily & commercial green building certification programs including (but not limited to): HERS Ratings, ENERGY STAR, National Green Building Standard, LEED, Green Globes, EarthCraft, Fitwel, etc.

https://southern-energy.com/multifamily-energy-services/

Tab G:

Zoning Certification Letter (MANDATORY)

ARLINGTON VIRGINIA

DEPARTMENT OF COMMUNITY PLANNING, HOUSING & DEVELOPMENT
Zoning Division

2100 Clarendon Boulevard, Suite 1000, Arlington, VA 22201
Phone: 703 -228-3883 | Fax: 703-228-3896 TTY: 703-228-4611
building.arlingtonva.us

Zoning Certification

DATE: January 14, 2026

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

RE: ZONING CERTIFICATION

Name of Development: Crystal House Six

Name of Owner/Applicant: Crystal House Six Limited Partnership

Name of Seller/Current Owner: County Board of Arlington County, Virginia

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

DEVELOPMENT DESCRIPTION:

Development Address:

550 18th Street South, Arlington, VA 22202

Legal Description:

See Legal Description Attached as "Exhibit A:

☒	New Construction:	80	# Units	1	# Buildings	102,702	Approx. Total Floor Area Sq. Ft.
☐	Adaptive Reuse:		# Units		# Buildings		Approx. Total Floor Area Sq. Ft.
☐	Rehabilitation:		# Units		# Buildings		Approx. Total Floor Area Sq. Ft.

Zoning Certification, cont'd

Current Zoning: C-O Crystal City, Mixed Use Crystal City District allowing a density of 99.41 units per acre, and the following other applicable conditions:

Property is subject to special exception site plan #451, approved by the Arlington County Board December 14, 2019, and as amended, to construct 4 multifamily residential buildings and three sticks of townhouse style multiple family units for a total of 857 new units and 1685 total onsite units.

Other Descriptive Information:

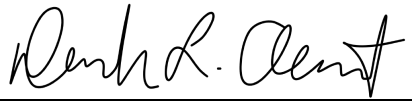
The property is to be developed as an affordable dwelling unit development. It is part of a larger Development plan. A portion of the site shall be developed with a residential building containing a total of 80 dwelling units.

LOCAL CERTIFICATION:

Check one of the following as appropriate:

☒ The zoning for the proposed development described above is proper for the proposed residential development. To the best of my knowledge, there are presently no zoning violations outstanding on this property. No further zoning approvals and/or special use permits are required.

☐ The development described above is an approved non-conforming use. To the best of my knowledge, there are presently no zoning violations outstanding on this property. No further zoning approvals and/or special use permits are required.



Signature

Deborah L. Albert, for
Arlova J. Vonhm

Printed Name

Zoning Administrator

Title of Local Official or Civil Engineer

703-228-3883

Phone:

01/14/26

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.

Description of proposed Land Unit CH6, Crystal House Land Condominium, being a portion of Part of Original Property of Washington Brick and Terra Cotta Company, Arlington County, Virginia:

Beginning at a point at the intersection of the east right-of-way line of South Fern Street with the south right-of-way line of 18th Street South; thence with the south right-of-way line of 18th Street South, 35.38 feet with the arc of a curve bearing to the right and having a radius of 30.28 feet, (tangent length 20.02 feet, chord length 33.40 feet, chord bearing N 29°40'34" E) to a point; thence 16.73 feet with the arc of a curve bearing to the right and having a radius of 30.77 feet, (tangent length 8.58 feet, chord length 16.53 feet, chord bearing N 83°18'33" E) to a point; thence 79.58 feet with the arc of a curve bearing to the left and having a radius of 655.33 feet, (tangent length 39.84 feet, chord length 79.53 feet, chord bearing S 85°44'57" E) to the True Point of Beginning; thence continuing with the south right-of-way line of 18th Street South, 44.90 feet with the arc of a curve bearing to the left and having a radius of 655.33 feet, (tangent length 22.46 feet, chord length 44.90 feet, chord bearing N 88°45'33" E) to a point; thence N 86°13'01" E, 38.78 feet to a point; thence N 85°58'34" E, 188.79 feet to a point; thence N 85°47'53" E, 35.58 feet to a point; thence 60.35 feet with the arc of a curve bearing to the right and having a radius of 978.45 feet, (tangent length 30.18 feet, chord length 60.34 feet, chord bearing N 86°26'16" E) to a point; thence through Part of Original Property of Washington Brick and Terra Cotta Company, S 03°37'17" E, 55.16 feet to a point; thence S 27°17'09" W, 105.44 feet to a point; thence S 86°03'37" W, 97.50 feet to a point; thence N 73°24'30" W, 80.08 feet to a point; thence N 62°42'51" W, 68.41 feet to a point; thence 39.38 feet with the arc of a curve bearing to the left and having a radius of 25.00 feet, (tangent length 25.11 feet, chord length 35.43 feet, chord bearing S 72°09'39" W) to a point; thence S 27°02'09" W, 25.61 feet to a point; thence N 64°48'53" W, 20.83 feet to a point; thence 25.43 feet with the arc of a curve bearing to the right and having a radius of 25.00 feet, (tangent length 13.94 feet, chord length 24.35 feet, chord bearing N 35°40'39" W) to a point; thence N 06°32'26" W, 83.66 feet to the True Point of Beginning and containing an area of 42,862 square feet or 0.9840 acres

This description does not create a legal condominium or division of the subject property.

James A. Madison, Jr, LS 2764
October 3, 2023

CIVIL ENGINEERS
LAND SURVEYORS
PLANNERS
LANDSCAPE ARCHITECTS
ARBORISTS

207 PARK AVENUE
FALLS CHURCH, VA 22046
PHONE: (703) 532-6163
FAX: (703) 533-1301
WWW.WLPINC.COM

Tab H:

Attorney's Opinion (MANDATORY)

Gallagher LLP

DATE: July 1, 2026

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

RE: 2026 4% Tax Credit Reservation Request (30% present value credits to be paired with tax-exempt bonds)

Name of Development: Crystal House Six
Name of Owner: Crystal House Six Limited Partnership

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 July 1, 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 the Hard Costs and Owners Costs section of the Application form, complies with all applicable requirements of the Code and Regulations.

2. [Select One]

[X] 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. [Select One]

☒ 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.

4. The site of the captioned Development is controlled by the Owner, as identified in the Site Control section of the Application.

5. Based solely upon my review of (i) the Applicant's 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.

6. The type of the nonprofit organization involved in the Development is an organization described in Code Section 501(c)(3) or 501(c)(4) and exempt from taxation under Code Section 501(a), whose purposes include the fostering of low-income housing.

7. The nonprofit organization's ownership interest in the development is as described in the Nonprofit Involvement section of the Application form.

Gallagher LLP

Finally, the undersigned is of the opinion that, if all information and representations contained in the Application and all current law were to remain unchanged, upon the placement in service of each building of the Development, the Owner would be eligible under the applicable provisions of the Code and the Regulations to an allocation of Credits in the amount(s) requested in the Application.

This opinion is rendered solely for the purpose of inducing the Virginia Housing Development Authority ("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.

GALLAGHER LLP

Jessica Weston

By: Jessica Weston, Esquire
Its: Partner

EXHIBIT A
TO
ATTORNEY'S OPINION LETTER

Based solely upon my review of (i) the Applicant's 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	Carmen Romero	President
2	Michael Chiappa	Vice President
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Gallagher LLP

~~Attorney's Opinion Letter – TAX EXEMPT VERSION~~

~~(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~~ _____

~~To~~

DATE: July 1, 2026

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

RE: ~~20__4~~2026 4% Tax Credit Reservation Request (30% present value credits to be paired with tax-exempt bonds)

Name of Development : Crystal House Six
Name of Owner : Crystal House Six Limited Partnership

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 July 1, 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 the Hard Costs and Owners Costs section of the Application form, complies with all applicable requirements of the Code and Regulations.

2. [Select One]

[X] 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. [Select One]

[X] 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.

4. The site of the captioned Development is controlled by the Owner, as identified in the Site Control section of the Application.

5. 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.

6. [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.

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

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

9. [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 the placement in service of each building of the Development, the Owner would be eligible under the applicable provisions of the Code and the Regulations to an allocation of Credits in the amount(s) requested in the Application.

This opinion is rendered solely for the purpose of inducing the Virginia Housing Development Authority ("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~~ _____ ~~By~~ _____

GALLAGHER LLP

Jessica Weston

By: Jessica Weston, Esquire
Its : Partner
~~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	Carmen Romero	President
2	Michael Chiappa	Vice President
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Description	Tab H Attorneys Opinion 4pct 9pct (4)
Document 2 ID	PowerDocs://DOCS/971288/1
Description	DOCS-#971288-v1-4%_Application_Opinion_(Crystal_House_6)
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Split/Merged cell	
Padding cell	

Statistics:	
	Count
Insertions	39
Deletions	30
Moved from	0
Moved to	0
Style changes	0
Format changes	0
Total changes	69

Tab I:

Nonprofit Questionnaire (MANDATORY for points or pool)

NOTE: 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)

Nonprofit Questionnaire

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

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

1. General Information

a. Name of development Crystal House Six

b. Name of owner/applicant Crystal House Six Limited Partnership

c. Name of nonprofit entity True Ground Housing Partners, Inc.

d. Address of principal place of business of nonprofit entity
4318 N Carlin Springs Road, Arlington, VA 22203

Indicate funding sources and amount used to pay for office space
A True Ground subsidiary, APAH Commercial LLC, owns the office space.

e. Tax exempt status ☑ 501(c)(3) ☐ 501(c)(4) ☐ 501(a)

f. Date of legal formation of nonprofit (must be prior to application deadline) 9/25/1989

Evidenced by the following documentation State Corporation Commission Certification, Articles and Bylaws (available upon request)

g. Date of IRS 501(c)(3) or 501(c)(4) determination letter (must be prior to application deadline and copy must be attached) 12/18/1990

h. Describe exempt purposes (must include the fostering of low-income housing in its articles of incorporation) To sponsor, develop, administer, and otherwise provide, on a nonprofit basis, housing for low and moderate income families and individuals in Arlington, VA and elsewhere in the United States.

i. Expected life (in years) of nonprofit In perpetuity

j. Explain the anticipated future activities of the nonprofit over the next five years:
True Ground will continue to sponsor, develop, administer, and otherwise provide housing and resident programming to low- and moderate-income households and individuals in the Washington, DC Metro region.

k. How many full time, paid staff members does the nonprofit and, if applicable, any other nonprofit organization(s) ("related nonprofit(s)") of which the nonprofit is a subsidiary or to which the nonprofit is otherwise related have (i.e. by shared directors, staff, etc.)? 61

How many part time, paid staff members? 0

Describe the duties of all staff members:
True Ground's staff does a variety of duties related to the development, preservation, financing, and management of multifamily affordable rental housing, as well as accounting, Human Resources, and office management

True Ground also has 25 staff focused on providing robust, onsite resident services and volunteer programming.

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

☐ YES ☑ NO If yes, explain in detail:

m. How many volunteers does the nonprofit and, if applicable, any related nonprofit have?
True Ground currently has a roster of 455 volunteers, which includes active and interested volunteers. True Ground had 233 volunteers in 2025.

n. What are the sources and manner of funding of the nonprofit? (You must disclose all financial and/ or the arrangements with any individual(s) or for profit entity, including anyone or any entity related, directly, indirectly, to the Owner of the Development.
Arlington County grants; individual and corporate donations; United Way contributions; other fundraising grants; Asset Management and Financial Oversight fees from properties; Development Fees; and other Service Agreements

o. List all directors of the nonprofit, their occupations, their length of service on the board, and their residential addresses See attached roster. Additional information available upon request.

2. Nonprofit Formation

a. Explain in detail the genesis of the formation of the nonprofit: True Ground was founded in 1989 by four couples that were members of a prayer group, motivated to act on the need for affordable housing in their hometown of Arlington. Pooling their own resources and expertise and with some additional start-up funds from their church, they began to purchase and preserve affordable apartments.

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

☐ YES ☑ NO If yes, explain in detail: _____

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

☐ YES ☑ NO If yes, explain in detail: _____

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

☐ YES ☑ NO If yes, explain in detail: _____

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

☐ YES ☑ NO If yes, explain in detail: _____

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

☐ YES ☑ NO

g. Explain in detail the past experience of the nonprofit including, if applicable, the past experience of any other related nonprofit of which the nonprofit is a subsidiary or to which the nonprofit is otherwise related (by shared directors, staff, etc.) True Ground and its subsidiaries and affiliates - Rosslyn Ridge Development Corporation, Cameron Commons Development Corporation- being non-profit entities that own real estate, have acquired and developed 27 properties since 1989 with a total of over 3,000 units, not including the 1,000+ units currently under construction.

h. If you included in your answer to the previous question information concerning any related nonprofit, describe the date of legal formation thereof, the date of IRS 501(c)(3) or 501(c)(4) status, its expected life, its charitable purposes and its relationship to the non- profit.
Rosslyn Ridge Development Corporation, an affiliate of True Ground, was founded in 2014 to sponsor, develop, administer, and otherwise provide housing to low and moderate income households and individuals. Cameron Commons Development Corporation, an affiliate of True Ground, was founded in 2001 for similar purposes.

3. Nonprofit Involvement

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

☑ YES ☐ NO

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

☑ YES ☐ NO

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

☑ YES ☐ NO

If no to either 3a.i or 3a.ii above, specifically describe the nonprofit's ownership interest

b. (i) Will the nonprofit be the managing member or managing general partner?

☐ YES ☑ NO If yes, where in the partnership/operating agreement is this provision specifically referenced?
A wholly owned subsidiary, Crystal House Six Development LLC, will be the general partner.

(ii) Will the nonprofit be the managing member or own more than 50% of the general partnership interest? ☑ YES ☐ NO

c. Will the nonprofit have the option or right of first refusal to purchase the proposed development at the end of the compliance period for a price not to exceed the outstanding debt and exit taxes of the for-profit entity? ☑ YES ☐ NO

If yes, where in the partnership/operating agreement is this provision specifically referenced?

See Section 4.8 within the Partnership Agreement in Tab A - Organizational Documents

☑ Recordable agreement attached to the Tax Credit Application as TAB V?

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

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

☑ YES ☐ NO If yes,

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

True Ground will coordinate and supervise all aspects of the development of the property incl. collaboration with architects, engineers, general contractor, lenders, and others. True Ground will also monitor construction for quality assurance and Virginia Housing compliance.

(ii) Describe the nature and extent of the nonprofit's involvement in the operation or management of the Development throughout the Extended Use Period (the entire time period of occupancy restrictions of the low-income units in the Development):

True Ground, through Crystal House Six Development LLC, will actively manage the asset and supervise the work of a VH-approved third-party management company that will be responsible for daily operations and maintenance.

(iii) Will the nonprofit invest in its overall interaction with the development more than 500 hours annually to this venture? ☑ YES ☐ NO If yes, subdivide the annual hours by activity and staff responsible and explain in detail :

Project Manager (450 hours): Budgeting, Finance, Const. Oversight, Credit Delivery. VP of RE Dev (50): Const. Finance, Const. Oversight, Credit Delivery. CFO (50): Financial/Budget, LIHTC monitor/delivery. CEO (25): Project and Staff Oversight. Asset Management (120): operations. Resident Services staff (100) programming.

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

In 2021-2022, Arlington County solicited proposals to develop 650+ units of affordable housing, over four buildings, plus market rate housing, public green spaces, and other amenities. True Ground submitted a proposal with a for-profit developer, EYA, and was selected by Arlington County in 2023.

The development of CH6 also meets many of the goals of the Arlington County Affordable Housing Master Plan

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

General Partner (0.01%): Crystal House Six Development LLC, a VA limited liability company

True Ground Housing Partners, Inc. (100%); sole owner of the General Partner

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

N/A

h. Is a for profit entity providing development services (excluding architectural, engineering, legal, and accounting services) to the proposed development? ☐ YES ☑ NO If yes,

(i) Explain the nature and extent of the consultant's involvement in the construction or rehabilitation and operation or management of the proposed development.

N/A

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

i. Will the nonprofit or the Owner (as identified in the application) pay a joint venture partner or consultant fee for providing development services? ☐ YES ☑ NO If yes, explain the amount and source of the funds for such payments.

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

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

l. Will any member of the board of directors, officer, or staff member of the nonprofit participate in the development and/or operation of the proposed development in any for-profit capacity?
☐ YES ☑ NO If yes, explain:

m. Disclose any business or personal (including family) relationships that any of the staff members, directors or other principals involved in the formation or operation of the non- profit have, either directly or indirectly, with any persons or entities involved or to be involved in the Development on a for-profit basis including, but not limited to the Owner of the Development, any of its for-profit general partners, employees, limited partners or any other parties directly or indirectly related to such Owner:

N/A

n. Is the nonprofit involving any local, community based nonprofit organizations in the development, role and operation, or provision of services for the development? ☑ YES ☐ NO If yes, explain in detail, including the compensation for the other nonprofits amount and timing of such payments.

True Ground will leverage its deep partnerships with local community-based nonprofits and service providers and Arlington County's Dept. of Human Services to manage the Crystal House Six project and deliver onsite resident services.

4. Virginia and Community Activity

a. Has the Virginia State Corporation Commission authorized the nonprofit to do business in Virginia?
☑ YES ☐ NO

b. Define the nonprofit's geographic target area or population to be served:

Washington DC Metropolitan Area, including Northern Virginia

c. Does the nonprofit or, if applicable, related nonprofit have experience serving the community where the proposed development is located (including advocacy, organizing, development, management, or facilitation, but not limited to housing initiatives)? ☑ YES ☐ NO

If yes, or no, explain nature, extent and duration of any service:

Most recently, True Ground completed construction on Wholey Legacy Homes (234 affordable unit LIHTC. True Ground owns and operates over 3,000 units located in Northern Virginia, D.C, and Montgomery County, MD. In Arlington County, True Ground has LIHTC projects under construction (CH3 South Nine and CH3 North Four). True Ground is involved in several local housing advocacy groups and is a leader in local efforts in support of more affordable housing.

d. Does the nonprofit's by laws or board resolutions provide a formal process for low income, program beneficiaries to advise the nonprofit on design, location of sites, development and management of affordable housing? ☑ YES ☐ NO If yes, explain

True Ground regularly seeks input from residents, including through resident surveys, resident participation in True Ground committees, and resident meetings, as well as informal conversations with True Ground staff. Currently, one True Ground resident is a full member of the True Ground board. In 2022 True Ground established its Resident Counsel where members from across the portfolio meet in order to raise issues and act as ambassadors for their fellow residents.

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

☑ YES ☐ NO

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

☑ YES ☐ NO If yes, explain:

True Ground has strong philanthropic support from diverse sources in and beyond Northern Virginia, reaching $4.2M in 2025. Our 2025 Celebrate Home! benefit raised more than $1M from businesses and individuals to support our resident services program and other True Ground activities. Grants from private foundations, community organizations, and government agencies provide both restricted and unrestricted funding for pre-development, resident programs, and other priority projects.

g. Has the nonprofit conducted any meetings with neighborhood, civic, or community groups and/or tenant associations to discuss the proposed development and solicit input? ☑ YES ☐ NO

If yes, describe the meeting dates, meeting locations, number of attendees and general discussion points:

This project underwent a robust community planning process when the site plan was originally approved in 2019. Since being selected as the development team for the Crystal House redevelopment (inc. CH6), True Ground hosted civic associations in the Summer/Fall of 2023, and remains in communication with the community

h. Are at least 33% of the members of the board of directors representatives of the community being served? ☑ YES ☐ NO If yes,

(i) Low-income residents of the community? ☐ YES ☑ NO

(ii) Elected representatives of low-income neighborhood organizations? ☐ YES ☑ NO

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

☑ YES ☐ NO

j. Does the board of directors hold regular meetings which are well attended and accessible to the target community? ☑ YES ☐ NO If yes, explain the meeting schedule:

Quarterly board meetings are conducted on a regular schedule. Committee meetings are held on a quarterly basis. All board meetings are held at the True Ground office in Arlington.

k. Has the nonprofit received a Community Housing Development Organization (CHDO) designation, as defined by the U.S. Department of Housing and Urban Development's HOME regulations, from the state or a local participating jurisdiction? ☐ YES ☑ NO

l. Has the nonprofit been awarded state or local funds for the purpose of supporting overhead and operating expenses? ☑ YES ☐ NO If yes, explain in detail:

True Ground receives some small grants from Virginia Housing, Arlington County, and Loudoun County. These funds comprise of less than 1% of True Ground's budget.

m. Has the nonprofit been formally designated by the local government as the principal community-based nonprofit housing development organization for the selected target area? ☐ YES ☑ NO If yes, explain:

The Washington DC Metro Area is home to multiple, substantial non-profit affordable housing organizations that help address affordable housing needs within the region.

n. Has the nonprofit ever applied for Low Income Housing Tax Credits for a development in which it acted as a joint venture partner with a for-profit entity? ☑ YES ☐ NO

If yes, note each such application including: the development name and location, the date of application, the nonprofit's role and ownership status in the development, the name and principals of the joint venture partners, the name and principals of the general contractor, the name and principals of the management entity, the result of the application, and the current status of the development(s).

True Ground is a joint venture partner and is a 50% co-general partner with Edmondson & Gallagher, a for-profit developer for Loudoun View Senior Residences. The project completed construction in late 2022. In 2006, True Ground partnered with Paradigm Companies to develop the Parc Rosslyn Apartments. True Ground was the 50% co-general partners until 2013, when it purchased the remaining gp interest. (See All Attached)

o. Has the nonprofit ever applied for Low Income Housing Tax Credits for a development in which it acted as the sole general partner/managing member? ☑ YES ☐ NO

If yes, note each such development including the name and location, the date of the application, the result of the application, and the current status of the development(s).

See tab of list of LIHTC Developments (Schedule A). Additional information available upon request.

p. To the best of your knowledge, has this development, or a similar development on the same site, ever received tax credits before? ☐ YES ☑ NO If yes, explain:

q. Has the nonprofit been an owner or applicant for a development that has received a reservation in a previous application round from the Virginia Housing Partnership or the Virginia Housing Funds?

☑ YES ☐ NO If yes, explain:

True Ground projects have been very successful in securing competitive state funds, including Virginia Housing Trust Fund (VHTF) and more recently, Housing Innovations in Energy Efficiency Funds (HIEE). Some recent examples include CH3 South Nine/North Four (awarded in 2025) and Avonlea Family (awarded in 2026).

r. Has the nonprofit completed a community needs assessment that is no more than three years old and that, at a minimum identifies all of the defined target area's housing needs and resources?

☑ YES ☐ NO If yes, explain the need identified:

The 2022 Affordable Housing Master Plan Implementation Framework identifies the deficit of affordable rental housing in Arlington County, particularly in the 60% AMI range and below. This provides recommendations on how existing and new County tools can be used to implement the County's affordable housing policies.

s. Has the nonprofit completed a community plan that (1) outlines a comprehensive strategy for addressing identified community housing needs, (2) offers a detailed work plan and timeline for implementing the strategy, and (3) documents that the needs assessment and comprehensive strategy were developed with the maximum possible input from the target community?

☑ YES ☐ NO If yes, explain the plan:

See Paragraph (r) above.

5. Attachments

Documentation of any of the above need not be submitted unless requested by Virginia Housing.

The undersigned Owner and nonprofit hereby each certify that, to the best of its knowledge, all of the foregoing information is complete and accurate. Furthermore, each certifies that no attempt has been or will be made to circumvent the requirements for nonprofit participation contained in the Plan or Section 42 of the Internal Revenue Code.

Date 5-14-2026

Owner/Applicant Crystal House Six Limited Partnership

By Crystal House Six Development LLC

Its General Partner
Title

Date 5-14-2026

True Ground Housing Partners, Inc.
Nonprofit

By
Board Chairman

By
Executive Director

2026 Board of Directors

Buzz Roberts, Chair
Buzz is the recently retired president/CEO of the National Association of Affordable Housing Lenders. NAAHL is the national coalition of profit- and mission-motivated capital providers for affordable housing and underserved communities.

John Green, Vice Chair
John is Managing Principal of Blackstar Real Estate Partners. With over 25 years of real estate and finance experience, John has managed approximately $5 billion in commercial, multifamily, single-family, and mixed-use properties throughout the nation.

Carmen Romero, President
True Ground Housing Partners' President and CEO, Carmen joined the staff in 2011 and spent a decade overseeing the real estate team contributing to the creation or preservation of over 1,000 new affordable housing units in the DC region before being named president/CEO in June 2022. Under her leadership, True Ground is building additional developments today in DC, Arlington, Fairfax, Loudoun, and Montgomery counties.

Latasha Edwards, Treasurer
Latasha is a Senior Vice President at BEAM Living, a Blackstone portfolio company. She leads investment strategy and performance there. Prior to joining BEAM, she led asset management for various regions at LivCor, a fellow Blackstone portfolio company, and Avalon Bay. Latasha has worked in the commercial real estate industry for 21 years covering multiple sectors – office, retail industrial as well as multi-family. Her experience includes acquisitions, dispositions, portfolio and asset management, as well as brokerage. In addition to her board participation for True Ground Partners, she serves on the board of the Real Estate Executive Council.

LaTasha Waddy, Secretary
Latasha Waddy is the President of the NFM Lending Family of lenders, a top 15 residential mortgage lender. LaTasha has been with the organization for over 15 years, serving in various roles within the legal and compliance departments. Her tenure includes participation in the growth of the company from 175 to over 1,200 team members nationwide.

Renee Aldrich
Renee Aldrich is the Chief Lending Officer and EVP at Trustar Bank, where she has been instrumental in leading the bank's commercial lending operations. With a background in banking and finance, Aldrich has held various positions, including Executive Vice President at Old Dominion National Bank and roles at National Capital Bank and EagleBank. Her expertise spans Commercial Banking, Loans, Commercial Lending, Portfolio Management, and Risk Management.

Rita Bamberger
Rita is a Principal and Senior Vice President of The Holladay Corporation, responsible for overseeing

acquisition and development projects in the Washington metro area. She joined Holladay in 1995 and has over 30 years of real estate development experience.

Susan Ingraham Bell
Susan Ingraham Bell has over 35 years of experience in land use policy, regulatory guidance and organizational operations. She is the former director of Arlington County's Department of Community Planning, Housing and Development, and was the County's Zoning Administrator for a decade. Following her retirement from Arlington County, Bell worked as an independent planning consultant for a decade, providing planning guidance and organizational development services to local governments and nonprofits. She holds a Master's in Urban and Regional Planning from George Washington University.

Kurt Conway
AvalonBay is a publicly traded multifamily real estate investment trust. Kurt leads corporate strategy, communications, marketing, customer insights, inclusion and diversity, and philanthropy for the company. Prior to joining AvalonBay in 2010, Mr. Conway held senior level marketing, sales, and strategy roles in multi-site hospitality and healthcare businesses including Sunrise Senior Living, Marriott International and HCR-Manor Care. Kurt holds an undergraduate degree from the University of Michigan and a master's degree from the University of Massachusetts.

Keiva Dennis
Keiva is a Vice President of Community Development Lending, at PNC Bank. Prior, she served as Assistant Vice President of Product Development at Deutsche Bank in New York.

Kyle DeThomas
As Counsel (Attorney) at Ballard Spahr, Kyle's practice focuses primarily on development and disposition of mixed-use, multifamily, and condominium properties in DC, Maryland and Virginia. He specializes in helping buyers and sellers navigate DC's Tenant Opportunity to Purchase Act (TOPA) and Maryland's right of first refusal (ROFR) laws and is also well-versed in real estate finance, land use and zoning, commercial leasing, title and survey matters, and payment in lieu of tax (PILOT) arrangements.

Matt Ginivan
Matt is Executive Vice President and Co-Head of Development at JBG SMITH where he is responsible for a diverse portfolio of planned and active mixed-use developments. He has led the successful development of over 5 million square feet, including Met Park: a 2.1 million square foot mixed-use development that is home to Amazon's HQ2. Mr. Ginivan graduated Cum Laude from Princeton University, where he was captain of the Rugby team.

Chris Hanessian
Chris is the President and CEO of Snell Properties, responsible for the company's performance and its assets including multi-family, office, hotel, student housing, development, and public and private market investments. He has extensive experience spans real estate business and asset management, property acquisitions, financing, construction, zoning and entitlement, master plan design, strategic planning, and the development of diverse property types. Prior to working for Snell, Chris worked for over 20 years with University Town Center, LLC (located in Maryland) and its affiliates, the last 10 years serving as its Chief Operating Officer. Chris holds degrees in Architecture and Environmental Design from Miami University and a Master's in Real Estate from The Johns Hopkins University. His prior experience includes work with

architectural firms and teaching asset management at the University of Maryland.

Ted Hicks
Ted is a True Ground Housing Partners resident and brings valuable knowledge and experience to our Board. He is retired and has held a variety of roles throughout his career including Property Manager, Personal Injury Investigator, and Housing Commision and Communit Development Commission (CDCAC). He founded the Arna Valley Civic Association and Community Health Clinic.

Amit Kulkarni
Amit is an enterprise executive and advisor with more than two decades of experience across real estate, housing, and technology platforms. He most recently served as Chief Marketing Officer of Bright MLS, the nation's largest MLS, where he led brand, revenue, and market strategy during a period of consolidation and regulatory complexity. Amit is a co-founder and principal at Alloy Advisors, where he advises boards and executive teams on governance, trust, market transitions, and sustainable organizational growth in regulated environments.

Alicia Plerhoples
Alicia is the Paul and Patricia Saunders Professor in Business Law, Anne Fleming Research Professor of Law, Associate Dean for Clinics and Experiential Learning, and Director | Social Enterprise & Nonprofit Law Clinic at Georgetown Law.

Colette Porter
Colette is currently an independent consultant, specializing in affordable housing finance. Most recently, she served as the Chief of Staff to the Head of the Fannie Mae Multifamily business, a platform with assets in excess of $500B. Colette was with Fannie Mae for over 30 years, and has held various positions relating to affordable lending, corporate investments and customer management within the single-family and multifamily divisions in Washington D.C., and Pasadena, CA. Prior to Fannie Mae, Colette developed multifamily affordable properties in the Mid-Atlantic states and Texas.

Pam Rothenberg
Pam is a partner at Womble Bond Dickinson (US) LLP. She is widely regarded and sought out as one of the leading national and regional practitioners in multifamily and mixed-use real estate transactions.

Robert Rozen
Bobby is a policy consultant with his own firm concentrating on legislative and regulatory tax issues relating to affordable housing and community economic development. He retired in 2016 as a partner from Washington Council, a unit of Ernst & Young that provides advocacy services to clients on a range of federal regulatory and legislative issues.

Tannia Talento
Tannia is a recognized Latina community leader and advocate in Arlington. She is actively involved in grassroots advocacy and also holds positions on several nonprofit and advisory boards. She most recently served as the Regional Director for a U.S. Senator, and she also formerly served on the Arlington County Board and on the Arlington County School Board, serving as Chair of the School Board from 2019-2020.

Andy VanHorn
Andy is the head of Real Estate for the Washington Commanders Football Team. He leads site selection efforts for the new team stadium, support facilities and adjacent real estate. He works closely with land seller(s), government entities and local officials, and is responsible for the design, construction and completion of all real estate elements associated with the new stadium as well as other team projects and properties in the Washington metro area. Prior to joining the Commanders, he was the President and Chief Development Officer at Dweck Properties. He has decades of experience as a real estate developer in the D.C. Metro region.

Kevin Yam
Kevin is a Managing Director of Portfolio Management at Principal Real Estate and a 20-year real estate private equity veteran with deep expertise in value creation across market cycles. He brings a full-cycle investment background—spanning sourcing, structuring, capitalization, development execution, asset management, and investor engagement — developed over two decades deploying institutional equity across value-add and opportunistic strategies. Kevin holds a B.A., magna cum laude, from Northwestern University.

Internal Revenue Service

Department of the Treasury

Washington, DC 20224

Person to Contact: Jim Joseph

Telephone Number: (202) 566-3893

Refer Reply to: E:EO:R:1-1

Date: DEC 18 1990

Arlington Partnership for
Affordable Housing, Inc.
1802 N. Wakefield Street
Arlington, VA 22207

Employer Identification Number:	54-1515133
Key District:	Baltimore
Accounting Period Ending:	December 31
Foundation Status Classification:	509(a)(2)
Advance Ruling Period Begins:	September 25, 1989
Advance Ruling Period Ends:	December 31, 1993
Form 990 Required:	Yes

Dear Applicant:

Based on information supplied, and assuming your operations will be as stated in your application for recognition of exemption, we have determined you are exempt from federal income tax under section 501(a) of the Internal Revenue Code as an organization described in section 501(c)(3).

Because you are a newly created organization, we are not now making a final determination of your foundation status under section 509(a) of the Code. However, we have determined that you can reasonably be expected to be a publicly supported organization described in the section(s) shown above.

Accordingly, you will be treated as a publicly supported organization, and not as a private foundation, during an advance ruling period. This advance ruling period begins and ends on the dates shown above.

Within 90 days after the end of your advance ruling period, you must submit to your key District Director information needed to determine whether you have met the requirements of the applicable support test during the advance ruling period. If you establish that you have been a publicly supported organization, you will be classified as a section 509(a)(1) or 509(a)(2) organization as long as you continue to meet the requirements of the applicable support test. If you do not meet the public support requirements during the advance ruling period, you will be classified as a private foundation for future periods. Also, if you are classified as a private foundation, you will be treated as a private foundation from the date of your inception for purposes of sections 507(d) and 4940.

benefit dinners, auctions, membership drives, etc., where something of value is received in return for contributions, you can help your donors avoid difficulties with their income tax returns by assisting them in determining the proper tax treatment of their contributions. To do this you should, in advance of the event, determine the fair market value of the benefit received and state it in your fund-raising materials such as solicitations, tickets, and receipts in such a way that your donors can determine how much is deductible and how much is not. To assist you in this, the Service has issued Publication 1391, Deductibility of Payments Made to Organizations Conducting Fund-Raising Events. You may obtain copies of Publication 1391 from your key district office.

In the heading of this letter we have indicated whether you must file Form 990, Return of Organization Exempt from Income Tax. If Yes is indicated, you are required to file Form 990 only if your gross receipts each year are normally more than $25,000. If your gross receipts each year are not normally more than $25,000, we ask that you establish that you are not required to file Form 990 by completing Part I of that Form for your first year. Thereafter, you will not be required to file a return until your gross receipts exceed the $25,000 minimum. For guidance in determining if your gross receipts are "normally" not more than the $25,000 limit, see the instructions for the Form 990. If a return is required, it must be filed by the 15th day of the fifth month after the end of your annual accounting period. A penalty of $10 a day is charged when a return is filed late, unless there is reasonable cause for the delay. The maximum penalty charged cannot exceed $5,000 or 5 percent of your gross receipts for the year, whichever is less. This penalty may also be charged if a return is not complete, so please be sure your return is complete before you file it.

You are required to make your annual return available for public inspection for three years after the return is due. You are also required to make available a copy of your exemption application, and supporting documents, and this exemption letter. Failure to make these documents available for public inspection may subject you to a penalty of $10 per day for each day there is a failure to comply (up to a maximum of $5,000 in the case of an annual return). See Internal Revenue Service Notice 88-120, 1988-2 C.B. 454, for additional information.

You are not required to file federal income tax returns unless you are subject to the tax on unrelated business income under section 511 of the Code. If you are subject to this tax, you must file an income tax return on Form 990-T, Exempt Organization Business Income Tax Return. In this letter we are not determining whether any of your present or proposed activities are unrelated

Form **872-C**
(Rev. March 1986)

Department of the Treasury—Internal Revenue Service

Consent Fixing Period of Limitation Upon Assessment of Tax Under Section 4940 of the Internal Revenue Code

(See Form 1023 instructions for Part IV, line 3.)

OMB No. 1545-0056
Expires 3-31-89

To be used with Form 1023. Submit in duplicate.

Under section 6501(c)(4) of the Internal Revenue Code, and as part of a request filed with Form 1023 that the organization named below be treated as a publicly supported organization under section 170(b)(1)(A)(vi) or section 509(a)(2) during an advance ruling period.

Arlington Partnership For Affordable Housing, Inc.
(Exact legal name of organization)

1802 N. Wakefield St., Arlington, Virginia 2220 } and the District Director of Internal Revenue Baltimore, MD
(Number, street, city or town, state, and ZIP code)

Consent and agree that the period for assessing tax (imposed under section 4940 of the Code) for any of the 5 tax years in the advance ruling period will extend 8 years, 4 months, and 15 days beyond the end of the first tax year.

However, if a notice of deficiency in tax for any of these years is sent to the organization before the period expires, then the time for making an assessment will be further extended by the number of days the assessment is prohibited, plus 60 days.

Ending date of first tax year December 31, 1989

Name of organization	Date
Arlington Partnership For Affordable Housing, Inc.	November 6, 1989

Officer or trustee having authority to sign

Signature ► Thomas P. Leckey, President

District Director	Date
Hild Dixon	1-24-90

By ► B. Jefferson-White - Group Manager

For Paperwork Reduction Act Notice, see page 1 of the Form 1023 instructions.

INTERNAL REVENUE SERVICE
DISTRICT DIRECTOR
31 HOPKINS PLAZA
BALTIMORE, MD 21201

DEPARTMENT OF THE TREASURY

Date: MAY 17 1994

Employer Identification Number:
54-1515133
Case Number:
524126086
Contact Person:
MRS. M. SMITH
Contact Telephone Number:
(410) 962-7963
Our Letter Dated:
December 1990
Addendum Applies:
Yes

ARLINGTON PARTNERSHIP FOR
AFFORDABLE HOUSING INC
1802 N WAKEFIELD ST
ARLINGTON, VA 22207

Dear Applicant:

This modifies our letter of the above date in which we stated that you would be treated as an organization that is not a private foundation until the expiration of your advance ruling period.

Your exempt status under section 501(a) of the Internal Revenue Code as an organization described in section 501(c)(3) is still in effect. Based on the information you submitted, we have determined that you are not a private foundation within the meaning of section 509(a) of the Code because you are an organization of the type described in section 509(a)(2).

Grantors and contributors may rely on this determination unless the Internal Revenue Service publishes notice to the contrary. However, if you lose your section 509(a)(2) status, a grantor or contributor may not rely on this determination if he or she was in part responsible for, or was aware of, the act or failure to act, or the substantial or material change on the part of the organization that resulted in your loss of such status, or if he or she acquired knowledge that the Internal Revenue Service had given notice that you would no longer be classified as a section 509(a)(2) organization.

If we have indicated in the heading of this letter that an addendum applies, the addendum enclosed is an integral part of this letter.

Because this letter could help resolve any questions about your private foundation status, please keep it in your permanent records.

If you have any questions, please contact the person whose name and telephone number are shown above.

Sincerely yours,

Paul A. Harrington
District Director

Enclosure:
Addendum

ARLINGTON PARTNERSHIP FOR

Guidelines under which private foundations may rely on this determination, for gifts, grants, and contributions made after March 13, 1989, were liberalized and published in Rev. Proc. 89-23, Cumulative Bulletin 1989-1, page 844.

You are required to make available for public inspection a copy of your exemption application, and supporting documents, and this exemption letter. If you are required to file an annual information return, you are also required to make a copy of the return available for public inspection for three years after the return is due. Failure to make these documents available for public inspection may subject you to a penalty of $10 per day for each day there is a failure to comply (up to a maximum of $5,000 in the case of an annual return). See Internal Revenue Service Notice 88-120, 1988-2 C.B. 454, for additional information.

IRS Department of the Treasury
Internal Revenue Service

KANSAS CITY MO 64999-0038

006514.503172.380423.9695 1 AB 0.593 532

TRUE GROUND HOUSING PARTNERS
4318 N CARLIN SPRINGS RD
ARLINGTON VA 22203-2006

006514

IRS Department of the Treasury
Internal Revenue Service

KANSAS CITY MO 64999-0038

In reply refer to: 0941426155
Dec. 16, 2024 LTR 4168C 0
54-1515133 000000 00
00021722
BODC: TE

TRUE GROUND HOUSING PARTNERS
4318 N CARLIN SPRINGS RD
ARLINGTON VA 22203-2006

006514

Employer ID number: 54-1515133
Form 990 required: Yes

Dear Taxpayer:

We're responding to your request dated Dec. 05, 2024, about your tax-exempt status.

We issued you a determination letter in Dec 1990, recognizing you as tax-exempt under Internal Revenue Code (IRC) Section 501(c)(03).

We also show you're not a private foundation as defined under IRC Section 509(a) because you're described in IRC Section 509(a)(2).

Donors can deduct contributions they make to you as provided in IRC Section 170. You're also qualified to receive tax deductible bequests, legacies, devises, transfers, or gifts under IRC Sections 2055, 2106, and 2522.

In the heading of this letter, we indicated whether you must file an annual information return. If you're required to file a return, you must file one of the following by the 15th day of the 5th month after the end of your annual accounting period:

- Form 990, Return of Organization Exempt From Income Tax
- Form 990EZ, Short Form Return of Organization Exempt From Income Tax
- Form 990-N, Electronic Notice (e-Postcard) for Tax-Exempt Organizations Not Required to File Form 990 or Form 990-EZ
- Form 990-PF, Return of Private Foundation or Section 4947(a)(1) Trust Treated as Private Foundation

According to IRC Section 6033(j), if you don't file a required annual information return or notice for 3 consecutive years, we'll revoke your tax-exempt status on the due date of the 3rd required return or notice.

You can get IRS forms or publications you need from our website at www.irs.gov/forms-pubs or by calling 800-TAX-FORM (800-829-3676).

If you have questions, call 877-829-5500 between 8 a.m. and 5 p.m., local time, Monday through Friday (Alaska and Hawaii follow Pacific

0941426155
Dec. 16, 2024 LTR 4168C 0
54-1515133 000000 00
00021723

TRUE GROUND HOUSING PARTNERS
4318 N CARLIN SPRINGS RD
ARLINGTON VA 22203-2006

time).

Thank you for your cooperation.

Sincerely yours,

Mrs. Sewell

Mrs. Sewell
Program Manager

V. List of LIHTC Developments (Schedule A)

INSTRUCTIONS

1. A Schedule A is required for every individual that makes up the GP or Managing Member, except as follows:

   - For Principals organized as a corporation (public or private), nonprofit organization, or governmental entity, you are only required to list the names of any officers who are directly responsible to the Board of Directors (or equivalent) and any stockholder holding a 25% or more interest in said Principal.
   - For Principals organized as a limited liability company with more than 25 individual members, you are only required to list the names of any officers and any managing members responsible for managing the affairs of the company, along with the name of any individual members holding 25% or more interest in the Principal.
   - For Principals organized as a trust, you are only required to list the names of all trustees and any individuals possessing a 25% or more beneficial interest in the assets of the trust.

2. For each property for which an uncorrected 8823 has been issued, provide a detailed explanation of the nature of the non-compliance, as well as a status statement at **Tab D**.

3. List only tax credit development experience for the past 15 years.

4. Use separate forms as needed, for each principal. Five additional tabs are available at the end of the application. Contact Virginia Housing if you need more available within the application.

Development Name: Crystal House Six

Name of Applicant: Crystal House Six Limited Partnership

Principals' Name: True Ground Housing Partners, Inc.

#	Development Name	Location	Ownership Entity	Ownership Entity Phone	CGP or "Named" Managing Member at the time of deal?	Total Development Units	Total Low Income Units	Placed in Service Date	8609 Issued Date	Uncorrected 8823s? If Y, Explain at Tab D
1.	Courthouse Crossings	1220, 1230 & 1223 N. Scott St.; 1240 & 1250 N. Rolfe St., Arlington, VA 222	Courthouse Crossings Limited Partnership	(703) 276-7444	Y	112	112	6/1/2006	4/14/2008	N
2.	Fisher House	1201 & 1211 N. Kennebec St.; 5701 N. 11th Rd.; and 1111 N. Kenilworth St	Fisher House Limited Partnership	(703) 276-7444	Y	33	33	9/14/2007	6/19/2008	N
3.	Parc Rosslyn	1531 N. Pierce St., Arlington, VA 22209	Rosslyn Ridge Associates Limited Partnership	(703) 276-7444	N	238	96	9/30/2008	5/20/2009	N
4.	Columbia Grove Apartments	1001, 1003, 1011, 1012, 1014, 1015, 1017, 1018, 1018, 1020, 1024, 1026	Columbia Grove Apartments Limited Partnership	(703) 276-7444	Y	208	130	1/10/2009	7/13/2012	Y
5.	Buchanan Gardens	914 South Buchanan St., Arlington, VA 22204	Buchanan Gardens Limited Partnership	(703) 276-7444	Y	111	111	10/31/2011	8/8/2013	N
6.	Arlington Mill Residences	901 South Dinwiddie St., Arlington, VA 22203	Arlington Mill Limited Partnership	(703) 276-7444	Y	122	121	1/31/2014	10/15/2014	N
7.	The Springs Apartments	555 North Thomas St., Arlington, VA 22203	The Springs Apartments Limited Partnership	(703) 276-7444	Y	104	98	9/29/2016	5/3/2017	N
8.	Columbia Hills East	1000 S. Frederick St., Arlington, VA 22204	Columbia Hills East Limited Partnership	(703) 276-7444	Y	97	97	9/28/2018	3/24/2020	N
9.	Columbia Hills West	1002 S. Frederick St., Arlington, VA 22204	Columbia Hills West Limited Partnership	(703) 276-7444	Y	132	132	9/28/2018	3/24/2020	N
10.	Gilliam Place East	918 S. Lincoln Street, Arlington, VA 22204	Gilliam Place East Limited Partnership	(703) 276-7444	Y	83	83	8/5/2019	9/10/2020	N
11.	Gilliam Place West	3507 Columbia Pike, Arlington, VA 22204	Gilliam Place West Limited Partnership	(703) 276-7444	Y	90	90	8/2/2019	9/10/2020	N
12.	Fisher House II	5705, 5711, 5717 Washington Blvd.; 1111 and 1209 N. Kensington St., 570	APAH Westover Apartments Limited Partnership	(703) 276-7444	Y	68	68	5700 11th St. N - 9/28/2	7/20/2020	N
13.	Queens South Nine	1805 N Quinn Street, Arlington, VA 22209	Queens South Nine Limited Partnership	(703) 276-7444	Y	90	90	3/30/2021	8/4/2022	N
14.	Queens North Four	1801 - 1805 N Quinn Street, Arlington, VA 22209	Queens North Four Limited Partnership	(703) 276-7444	Y	159	156	3/30/2021	8/4/2022	N
15.	Post West Nine	3445 Washington Boulevard, Arlington, VA 22201	Post West Nine Limited Partnership	(703) 276-7444	Y	80	80	7/28/2022	8/28/2024	N
16.	Post East Four	3445 Washington Boulevard, Arlington, VA 22201	Post East Four Limited Partnership	(703) 276-7444	Y	80	80	7/28/2022	7/24/2024	N
17.	Mt. Sterling Senior 9% B	21394 Mount Sterling Terrace, Sterling, VA 20164	Mt. Sterling Senior 9% Owner LLC	(703) 276-7444	Y	48	48	8/29/2022	8/8/2023	N
18.	Mt. Sterling Senior 4%	21394 Mount Sterling Terrace, Sterling, VA 20164	Mt. Sterling Senior 4% Owner LLC	(703) 276-7444	Y	50	50	8/29/2022	8/30/2023	N
19.	Snowden's Ridge Apartments	2000-2010, 2014-2026, 2030-2042, 2046-2058, 2062-2074, 2100-2114, 2	APAH Snowden Limited Partnership	(703) 276-7444	Y	87	87	3/19/2021	7/10/2023	N
20.	Oakwood South Nine	5815 S Van Dorn Street, Alexandria, VA 22310	Oakwood South Nine Limited Partnership	(703) 276-7444	Y	71	71	6/26/2023	1/21/2025	N
21.	Oakwood North Four	5815 S Van Dorn Street, Alexandria, VA 22310	Oakwood North Four Limited Partnership	(703) 276-7444	Y	79	79	6/26/2023	5/21/2025	N
22.	Ballston Station	4201 Fairfax Drive, Arlington, VA 22203	Ballston Limited Partnership	(703) 276-7444	Y	144	144	3/15/2024	TBD	N
23.	Braddock Nine	10055 Braddock Road, Fairfax, VA 22032	Braddock Nine Limited Partnership	(703) 276-7444	Y	36	36	2/28/2024	7/10/2025	N
24.	Braddock Four	10055 Braddock Road, Fairfax, VA 22032	Braddock Four Limited Partnership	(703) 276-7444	Y	44	44	2/28/2024	7/10/2025	N
25.	Arna + Marbella	2300 25th St South, Arlington, VA 22206; 1301 N Queen St, Arlington, VA 2	Arna Marbella Limited Partnership	(703) 276-7444	Y	101	101	1220 N. Queen - 1/12/2	TBD	N
26.	Riggs Crossing	5543 South Dakota Ave NE, Washington, DC 20011	Fort Totten Limited Partnership	(703) 276-7444	Y	93	93	TBD	TBD	N
27.	Marbella South Four	1300 N. Pierce Street, Arlington, VA 22209	Marbella South Four Limited Partnership	(703) 276-7444	Y	138	138	TBD	TBD	N
28.	Marbella North Nine	1300 N. Pierce Street, Arlington, VA 22209	Marbella North Nine Limited Partnership	(703) 276-7444	Y	96	96	TBD	TBD	N
29.	Dominion North Four	1592 Spring Hill Road, Tysons, VA 22182	APAH Tysons North Four Limited Partnership	(703) 276-7444	Y	265	265	TBD	TBD	N
30.	Dominion South Four	1592 Spring Hill Road, Tysons, VA 22182	APAH Tysons South Four Limited Partnership	(703) 276-7444	Y	251	251	TBD	TBD	N
31.	Avonlea Four	24790 Pinebrook Road, Chantilly, VA 20152	Avonlea Four Limited Partnership	(703) 276-7444	Y	65	65	TBD	TBD	N
32.	Avonlea Nine	24790 Pinebrook Road, Chantilly, VA 20152	Avonlea Nine Limited Partnership	(703) 276-7444	Y	65	65	TBD	TBD	N
33.	CH3 North Four	501 20th Street South, Arlington, VA 22202	CH3 North Four Limited Partnership	(703) 276-7444	Y	344	344	TBD	TBD	N
34.	CH3 South Nine	501 20th Street South, Arlington, VA 22202	CH3 South Nine Limited Partnership	(703) 276-7444	Y	88	88	TBD	TBD	N
35.										

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

Crystal House Six (Crystal House Six Limited Partnership)
Non-Profit Questionnaire Response to Section 4(n) Supplemental

Question:
Has the nonprofit ever applied for Low Income Housing Tax Credits for a development in which it acted as a joint venture partner with a for-profit entity? YES NO

If yes, note each such application including: the development name and location, the date of application, the nonprofit's role and ownership status in the development, the name and principals of the joint venture partners, the name and principals of the general contractor, the name and principals of the management entity, the result of the application, and the current status of the development(s). Please see below List of Partnerships:

1. **Avonlea Family:** True Ground is a joint venture partner and is a 75% co-general partner with Gibson Spyre, a for-profit developer for Avonlea Family (Avonlea Phase 2 Nine Limited Partnership). The project will commence construction in 2026.

2. **Loudoun View Senior Residences**: True Ground is a joint venture partner and is a 50% co-general partner with Edmondson & Gallagher, a for-profit developer for Loudoun View Senior Residences. The project completed construction in late 2022.

3. **Parc Rosslyn Apartments**: In 2006, True Ground partnered with Paradigm Companies to develop the Parc Rosslyn Apartments, in Arlington, VA. True Ground was the 50% co-general partners until 2013, when it purchased the remaining GP interest.

4. **Leckey Nine:** True Ground submitted a 9% LIHTC application this year for Leckey Nine that has Spearhead Solutions, Inc. as a 25% joint venture partner.

Tab J:

Relocation Plan and Unit Delivery Schedule

(MANDATORY-Rehab)

This deal does not require information behind this tab.

Tab K:

Documentation of Development Location:

Tab K.1

Revitalization Area Certification

Relevant pages for Crystal House Six Revitalization Area Certification on pp. 20-21 of pdf

ARLINGTON COUNTY, VIRGINIA
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KENDRA JACOBS
CLERK TO THE
COUNTY BOARD

ARLINGTON
VIRGINIA

MEMBERS
LIBBY GARVEY
CHAIR
TAKIS KARANTONIS
VICE CHAIR

MATT DE FERRANTI
MAUREEN COFFEY
SUSAN CUNNINGHAM

CERTIFICATION

I hereby certify that at its March 12, 2024 Special Meeting, on a motion by TAKIS KARANTONIS, Vice-Chair, seconded by MATT DE FERRANTI, Member, and carried by a vote of 5 to 0, the voting recorded as follows: Libby Garvey, Chair - Aye, Takis Karantonis, Vice-Chair - Aye, Matt de Ferranti, Member - Aye, Maureen Coffey, Member - Aye, and Susan Cunningham, Member - Aye, the County Board of Arlington, Virginia, approved the **C.M. RECOMMENDATIONS** in the attached County Manager's report dated March 8, 2024

SUBJECT: (i) Allocation of Fiscal Year (FY) 2024 Affordable Housing Investment Fund (AHIF) loan funds for use by Arlington Partnership for Affordable Housing (APAH), or its County-approved affiliate, to finance the development and new construction of 88 committed affordable units (CAFs) within the 432-unit Crystal House 3 infill development currently located at 1900 S. Eads Street, and (ii) Adopt the attached Resolution to designate this site as well as Crystal House 6 as a "Revitalization Area" for purposes of applying for Low-Income Housing Tax Credits.

Given under my hand this 12th day of March, 2024.

Kendra M. Jacobs, Clerk
Arlington County Board

By: Mason Kushnir, Deputy Clerk

ARLINGTON COUNTY, VIRGINIA

County Board Agenda Item
Meeting of March 12, 2024

DATE: March 8, 2024

SUBJECT: (i) Allocation of Fiscal Year (FY) 2024 Affordable Housing Investment Fund (AHIF) loan funds for use by Arlington Partnership for Affordable Housing (APAH), or its County-approved affiliate, to finance the development and new construction of 88 committed affordable units (CAFs) within the 432-unit Crystal House 3 infill development currently located at 1900 S. Eads Street, and (ii) Adopt the attached Resolution to designate this site as well as Crystal House 6 as a "Revitalization Area" for purposes of applying for Low-Income Housing Tax Credits.

C.M. RECOMMENDATION:

1. Allocate $12,150,000 of FY 2024 AHIF funds (101.495130.91102) to APAH or its County-approved affiliate (101.456300.91102), to fund a low-interest AHIF residual receipts loan to help finance the development and construction of the 88-unit 9% Low Income Housing Tax Credit (LIHTC) project. The proposed $12,150,000 AHIF loan is subject to a LIHTC allocation from Virginia Housing (VH) to APAH (or its affiliate owner entity) for the Crystal House 3 - 9% LIHTC project (CH3 9%) and the County Board's approval of the final loan terms and conditions as set forth in the AHIF loan documents. A draft of the AHIF loan terms and conditions are outlined in Attachment 1 of this report.

2. Adopt the attached Resolution (Attachment 3) to designate both the Crystal House 3 and the Crystal House 6 sites as "Revitalization Areas."

ISSUES: While a civic association expressed some concerns with the minor site plan amendment, there are no known issues with respect to these requested actions.

SUMMARY: Arlington Partnership for Affordable Housing, Inc. (APAH), is submitting a competitive 9% LIHTC application in March 2024 for Crystal House 3, the largest long-term affordable rental building in the Crystal Houses infill development project. APAH along with its partner EYA Development, LLC (EYA) was chosen after an extensive competitive process to identify a master developer to implement the revised Crystal Houses development program for the infill sites based on new ownership and funders Washington Housing Conservancy (WHC) and Amazon (AMZ). This is the first financing request to occur for an affordable infill project on the site, and it is anticipated that additional AHIF requests will be coming within the next year, including the 4% portion of CH 3 (344 units) and Crystal House 6 (80 units). This report also

County Manager: MJS/SFC

County Attorney: MNC BAH

Staff: Chris Dimotsis, CPHD-Housing

requests that the County Board adopt the attached Revitalization Resolution (Attachment 3), as is necessary to maximize the competitiveness of APAH's 9% LIHTC application.

As detailed further below, APAH via WHC (as current owner) submitted for a minor site plan amendment for CH 3 in November 2023 to make adjustments to the building form to conform to requirements and best practices in affordable housing development as well as to reduce costs. The minor site plan amendment is being considered by the County Board concurrently with this request and is the subject of a companion report.

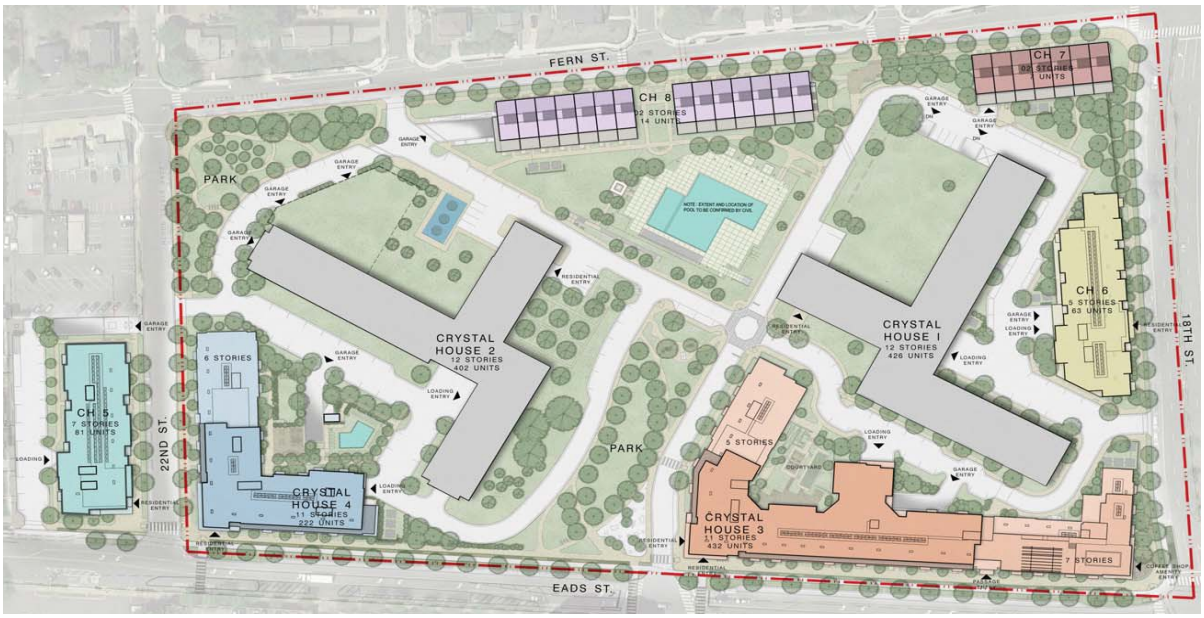
BACKGROUND: APAH and its development partner EYA were chosen by the County in 2022 after a highly competitive process to be master developer of the entitled but not-yet-built infill portions of the Crystal Houses development site, currently owned by WHC. WHC acquired this site in 2020 with funding from AMZ and other sources. Simultaneous with this acquisition, the rights to develop the infill parcels on the site were purchased and transferred to an Amazon-affiliated entity (Acorn Development, LLC), which then further assigned the Option for those development rights (via an Assignment of Option Agreement) to Arlington County in order to facilitate the development as primarily affordable housing. The intent of the development is for the majority of the new residential infill development to become committed affordable housing, consistent with WHC's mission and the underlying affordability covenant placed on the site with AMZ in 2020. The site is located a few blocks from AMZ's second headquarters in an area of the County that has not had a 100% committed affordable project built in 45 years.

When the original site plan was approved in 2019, the Crystal House 5 site (CH 5), was conveyed in fee-simple to the County to meet the overall site's affordable housing requirement under the original site plan and is now owned by the County. It is in operation as a paid surface parking lot and was entitled for a total of 81 units. This parcel was included in the competitive Request for Proposals (RFP) and 2022 Disposition and Development Agreement (DDA) with APAH/EYA in order to provide for additional affordable housing along with the WHC-owned infill parcels, although it is not subject to the Amazon Assignment of Option Agreement or the timelines contained therein.

Currently, the APAH/EYA team is working with WHC, the County, and Amazon to create separate legal divisions among the infill parcels in order to facilitate transfer and development. The terms of the DDA with the APAH/EYA team require a series of stepwise activities prior to any conveyance, in accordance with agreed upon phasing, development, and financing timelines. The APAH/EYA team continues to advance the full range of predevelopment activities, including amendments to existing planning entitlements; furthering architectural, civil, and utility plans; and other predevelopment activities (including financing applications for funding sources such as Virginia's Department of Housing and Community Development programs and 4% LIHTC). Per the executed DDA between the APAH/EYA team and the County, the County will have final sign-off on project designs, negotiated agreements, financing plans, and the project program and phasing prior to conveyance. Any early transfer of interests or conveyances will require written approval from WHC, Amazon, and the County.

DISCUSSION:

Overview of Crystal Houses Site: The Crystal Houses site is currently owned by WHC and includes two existing buildings (CH 1 and 2) containing 828 units, and the site plan approved in 2019 includes six infill development parcels (CH 3, CH 4, CH 5, CH 6, and CH 7/8) totaling 820 new units, as shown in the image below. As envisioned by the Option, the infill development parcels would convey either to the County or a master developer while the two existing buildings (CH 1 and 2) would continue to be owned and operated by WHC. APAH will develop CH 3, CH 5, and CH 6, while EYA will develop CH 4 and CH 7/8. The proposed CH 3 project is located in the lower right hand area of the site, at the corner of S. Eads Street and 18th Street S.



Approved Conceptual Site Plan 451

The table below provides a high-level overview of the anticipated program and affordability mix of the infill parcels:

Infill Parcel	Developer	Program
CH 3	APAH	432-unit family affordable rental building, with units affordable at 30% - 80% AMI
CH 4	EYA	222-unit primarily market-rate building, with 168 market-rate units & 54 units affordable at 80% AMI
CH 5	APAH	89-unit affordable building with AMI levels TBD *(project is on hold until units on infill parcels conveyed by Amazon are completed)*

Infill Parcel	Developer	Program
CH 6	APAH	80-unit senior affordable building, with units affordable at 30% - 60% AMI
CH 7/8	EYA	21 for-sale market rate townhomes

Overall Project Update: CH 3 (affordable family building) had been the planned second phase in the initial proposed phasing plan, which had CH 6 (affordable senior building) going first. However, due to additional construction cost increases, increased interest rates, and other unexpected state financing changes, the phasing plan has shifted in an attempt to contain costs in what is the largest infill affordable project on the larger parcel (432 units total).

County AHIF gap funding had been anticipated since this development opportunity arose, given the high costs of development in Arlington. However, due to several factors the total amount anticipated (excluding CH 5) has increased from $45.1M at the time of APAH/EYA's proposal submission to the RFP to $55.6M now. While this report only captures the AHIF request for the 88-unit 9% portion of CH 3, it sets preliminary terms and conditions related to future AHIF requests for the remaining affordable/LIHTC infill projects. Attachment 1 shows the change in anticipated AHIF requests, and Attachment 2 shows preliminary terms and conditions. Due to these cost increases, staff recommends deferring the CH 5 outparcel development until units on the infill parcels are complete.

The APAH/EYA team has planned development timing to the extent possible to minimize disruption to existing residents, balancing development timing such that the entire site is not fully in construction at the same time, however there will be some overlaps in construction phases. The current schedule has CH 3 closing and starting construction in roughly mid-2025 and completing in roughly late-2027.. The schedule may be refined further depending on the outcome of financing competitions as well as additional entitlement and permit processes taking shape in the coming year.

The changes being proposed in CH 3's minor site plan amendment include changes to increase GFA by approximately 4%, increased height on the eastern portion of the building, changed interior layouts, updated façade and exterior design elements, added roof solar panels and a partial green roof space, and decreased parking by 20 spaces (approximately 5%). These changes to the 2019 approval are proposed such that the building works for a myriad of affordable housing specific requirements (including LIHTC requirements) and to reduce costs. The CH 3 site plan amendment is being considered separately at a meeting of the County Board on March 12.

The proposed financing for CH 3-9% did not go through the County's Notice of Funding Availability (NOFA) due to the County's RFP process to select a master developer, which included consideration of Affordable Housing Master Plan (AHMP) priorities as well as

proposed project costs and future AHIF requests. As negotiated, the project largely meets or exceeds the AHMP goals and policies for this housing type.

CH 3 Infill Development Site: As shown in Figure 1, this building would be on the corner of 18th Street South and South Eads Street in Crystal City and adjacent to the east of the existing CH 1 building (owned by WHC). Currently the land in this infill parcel is used as surface parking for the WHC-owned existing CH 1 building. Temporary replacement parking will be provided by the existing CH 5 surface parking lot and other garages in the nearby Crystal City area owned by JBG Smith and other property owners. APAH's construction of CH 3 will include the construction of 199 replacement parking spaces for CH 1 & 2, a condition of the current site plan and estimated to cost roughly $10M. CH 4 & CH 5 will provide the balance of replacement spaces in order to fulfill obligations to Amazon and WHC as provided in the original Option Agreement.



Figure 1: *CH3 rendering at 18th St and South Eads Street as proposed in its minor site plan amendment.*

Affordable Housing Program: The 432 proposed new construction CAFs in CH 3 will be coterminous with the underlying Amazon covenant's expiration at closing (approximately 99 years). Eighty-eight (88) of the units will be in the 9% LIHTC project, with the balance of the units in the 4% LIHTC project (anticipated to be considered by the County Board in late 2024 or early 2025).

CH 3's development program will include 432 total units, and of this total, 10% (43 units) will be constructed to meet American National Standards Institute Type-A accessibility requirements. Five of the Type-A units (2%) will be accessible for individuals with hearing/visual impairments. The development will also include 5% of the units as Permanent Supportive Housing (PSH) units, and 110 units will meet Universal Design guidelines.

The proposed unit and affordability mix is as follows:

Unit Type	9% LIHTC Project				4% LIHTC Project					Total Both Projects	
	30% AMI	50% AMI	60% AMI	Total	30% AMI	50% AMI	60% AMI	80% AMI	Total	Units	Percent
Studio	-	1	-	1	-	-	62		62	63	15%
1BR	4	5	7	16	3	10	124		137	153	35%
2BR	13	23	17	53	10	19	71	3	103	156	35%
3BR	5	6	7	18	1	12	28	1	42	60	15%
Total	**22**	**35**	**31**	**88**	**14**	**41**	**285**	**4**	**344**	**432**	**100%**

Of the total 432 units, approximately 8% will be affordable up to 30% of AMI, 18% of the units will be affordable up to 50% of AMI, and the remaining 73% of units will be affordable up to 60% of AMI, with roughly 1% of units at 80% AMI. Please see Attachment 4 for the 2023 Rent and Income Limits for Arlington County Affordable Housing Programs. Approximately 50% of total units in Crystal Houses 3 will be composed of family-sized units (i.e., 2 or more bedrooms).

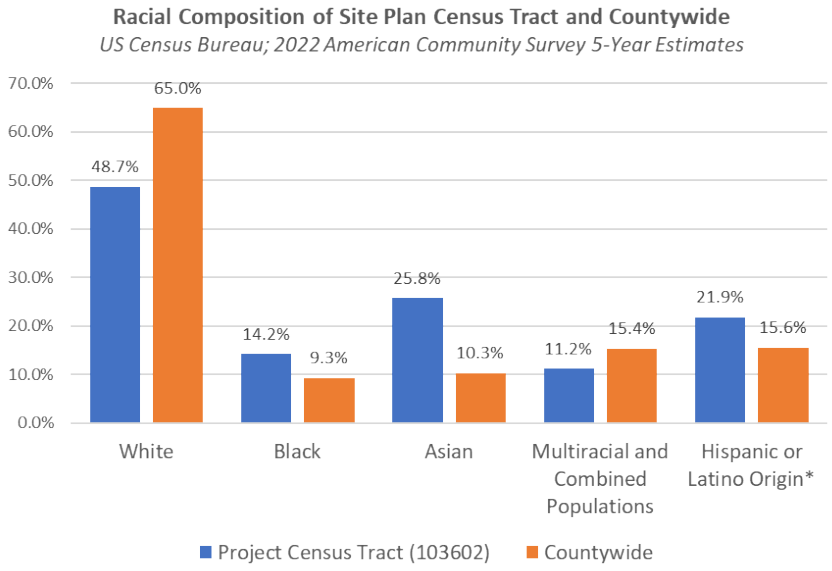
Affordable Housing Master Plan: As proposed, the **CH 3 - 9% project** would meet or exceed many Goals, Objectives and Policies of the Affordable Housing Master Plan (AHMP) adopted by the County Board in 2015.

AHMP Policy #	Description
1.1.1	The project will create 88 new construction CAF units through County financing assistance.
1.1.4	The project will create 88 new CAF units to the inventory of affordable housing in the Richmond Highway corridor.
1.1.5 & 3.4.1	The CAFs will be committed for 99 years.
1.1.6	Approximately 25% of the 88 CAFs in the 9% LIHTC will be affordable up to 30% AMI (22 units) and 100% of the units will be affordable up to 60% AMI.
1.1.8	The project will add 71 family-sized units to the County's CAF inventory, consisting of 53 two-bedroom units and 18 three-bedroom units.
1.1.9 & 3.2.2	The development will create 88 new construction CAFs within transit corridors, consistent with the County's adopted land use plans and policies.
2.3.2 & 2.5.2	The development will provide nine (9) new Permanent Supportive Housing (PSH) units.
2.4.2	The development is incorporating Universal Design in all 88 units to facilitate access with design elements for persons of all ages (including seniors).
2.5.3	The development helps to maintain a sufficient supply of CAF units that are accessible for persons with physical and sensory disabilities by adding a total of nine (9) Type-A accessible units.
3.3.1 & 3.3.2	The development will incorporate EarthCraft Gold and ENERGY STAR Multifamily New Construction as well as Zero Energy Ready Homes (ZERH)

	building guidelines. In addition, preliminary plans call for a solar PV array and a green roof on part of the building, furthering the County's adopted Community Energy Plan goals.

Racial Equity: The County Board adopted an Equity Resolution in September 2019. The resolution includes, in part, direction to apply a racial equity lens for every project. Specifically staff asks the following questions when considering racial impacts of County projects: 1) Who benefits?, 2) Who is burdened?, 3) Who is missing?, 4) How do we know?, and 5) What do/did we do?

The 2022 American Community Survey 5-year estimate data for racial composition for the census tract where Crystal Houses is located indicates there is a greater racial diversity in this area than in the County as a whole. As shown in the chart below, there is a smaller percentage of the White population (49% versus 65% Countywide) than the County as a whole, but a higher population of Black or African American (14% versus 9% Countywide), Asian (26% versus 10% Countywide) and Hispanic or Latino Origin populations (22% versus 16% Countywide) in the census tract where Crystal House is located compared to the County as a whole.



**The Census Bureau reports Hispanic or Latino Origin separately from other races. Therefore, total percentages do not add up to 100%.*

The proposed 88 CAFs will benefit and enable income-eligible families to live in an area of the County near metro and other community amenities. However, residents who benefit also are households we typically identify as burdened, as the FY 22 Annual Affordable Housing Plan Indicator Report indicates only 12.3% of Arlington's rental housing stock is affordable to households earning less than 60% of the AMI. Further, the 2021 American Community Survey 5-year estimate for household incomes indicates that 38% of black households earn under $50k per year, compared to almost 17% of households in the County as a whole. The commitment of

approximately 25% of the affordable units provided at up to 30% AMI will help serve the needs of very low-income residents in the community.

In terms of who is missing, the proposed units will be affordable for households earning 30% to 60% of the AMI and therefore may be unaffordable to households earning below this affordability range. However, the CH 3 - 9% project will include 9 Permanent Supportive Housing units that will serve a portion of the population that is at risk of homelessness, which may include extremely low-income households that otherwise may be missing from this opportunity.

We know this information based on the census tract information for this geographic area as compared to the rest of the County as well as racial data for households earning under $50,000 annually. In terms of what do we do, the County has an opportunity to consider this proposed affordable housing program in light of these potential benefits and impacts.

Digital Equity: APAH will be providing free in-unit internet access to the residents of the proposed CH 3 apartments that will meet or exceed the County's NOFA guidelines of 30 Mbps symmetrical. In addition, APAH plans to provide resident services that include computer courses and digital literacy programs in both Spanish and English.

Development Budget and Financing Package: APAH plans to finance the development and construction of CH 3 as a hybrid 9% / 4% LIHTC project. There have been significant cost escalations and changes to projected underwriting since the RFP and DDA stages. These cost escalations are being seen industry-wide and resulted from construction cost increases, increased interest rates, and other unexpected state financing changes. As a result, the phasing plan was shifted in an effort to prioritize cost containment on this phase as it is the largest, most expensive infill affordable project on the larger parcel. Attachment 1 further details cost increases across the phases.

Sources and uses are shown below for the CH 3 - 9% LIHTC project. The proposed permanent sources and uses are as follows:

CH 3 - 9% *LIHTC Project Sources and Uses*

SOURCES OF FUNDS		**USES OF FUNDS**	
Senior Mortgage Loans	$9,292,872	Acquisition Costs	$200,000
Tax Credit Equity	27,157,284	Construction Hard Costs	40,485,894
County AHIF Loan Allocation	12,150,000	Soft Costs	4,313,723
Deferred Developer Fee	1,250,000	Financing Costs	4,824,521
Other State and Federal Sources (VA DHCD HTF, NHTF, HIEE, ZERH)	3,885,351	Developer Fee and Reserves	3,911,369
Total Sources	**$53,735,507**	**Total Uses**	**$53,735,507**

The total development costs for the CH 3 - 9% LIHTC project of 88 units are estimated to be $53,735,507, of which less than 1% are acquisition costs, approximately 75% are construction costs, approximately 8% are soft costs, approximately 9% are financing costs, and roughly 7% will be for the developer fee and reserves. APAH's anticipated permanent financing package for the project will include a VH first mortgage (including taxable bonds and VH Sponsoring Partnerships and Revitalizing Communities (SPARC) / Resources Enabling Affordable Community Housing (REACH) funding), low-income housing tax credit equity (and Section 45L federal energy credits), a deferred developer fee, Virginia Department of Housing and Community Development funds (Housing Trust Funds, National Housing Trust Funds and Housing Innovations for Energy Efficiency funds) as well as a County AHIF loan.

While this report requests a $12,150,000 AHIF allocation for the 9% project, as stated above, it is anticipated that up to $29M in additional AHIF will be requested within the year for the balance of units in the CH 3- 4% project. In addition, there will likely be a future AHIF request to support financing the 80 units of senior affordable housing at CH 6.

AHIF Loan Request: APAH has requested a total of $12,150,000 in AHIF County Loan funds for the CH 3 - 9% project. This request is only covering an AHIF loan for the 9% LIHTC project and it equates to an AHIF per unit cost of $138,068. AHIF loans for new construction projects in the past have ranged from approximately $87,281 to $132,396 per unit among the four most recent County-funded new construction projects, and therefore this AHIF per unit request is slightly higher than recent affordable housing developments. This is due to the cost of the required replacement parking, which is included in the 9% project and adds approximately $10M to the total development costs. It is anticipated that the CH 3 - 4% project AHIF loan request will be lower on a per unit basis since the 9% project contains the replacement parking cost.

AHIF Terms: Staff recommends that the proposed $12,150,000 new AHIF loan for the 9% LIHTC Project have an up to forty-three (43)-year term to be coterminous with the VH permanent financing 40-year loan term, following an up to three-year construction period.

Staff recommends that the County AHIF loan accrues interest at a zero percent (0%) rate during the construction period. Thereafter, for the remaining 40 years of the term, the AHIF loan will accrue interest at a rate of three-quarters of a percent (0.75%), compounded annually. This proposed AHIF loan for the 9% LIHTC Project will be secured by a deed of trust subordinated to the senior financing and repayable from the project's residual receipts. Given the significant changes in project numbers over the past year since the DDA was signed, Attachment 2 includes APAH's commitments related to the overall CH project and financing in addition to the loan terms and conditions for the CH 3 - 9% LIHTC project.

Anticipated Timeline and Future County Board Requests: APAH will apply for 9% competitive LIHTC by March 14, 2024, and will receive notification of an award by approximately June 2024. The 2024 9% LIHTC round is anticipated to be highly competitive. If APAH does not receive a 2024 9% LIHTC award, then it will work with County staff to identify the most strategic application of the phases to submit for 2025 9% competitive LIHTC.

If the County Board approves the allocation of AHIF funds requested by this report, and APAH receives a 9% LIHTC award from Virginia Housing, then the twelve months following the LIHTC award announcement will be spent completing pre-development activities such as finalizing plans, obtaining building permits, applying for a CH 3 - 4% LIHTC award from Virginia Housing, and obtaining financing commitments for the senior mortgages and tax credit equity for both projects. Additionally, APAH will prepare the subdivision of the property for two land condominiums (for the future LIHTC projects).

If APAH receives a 9% LIHTC award, the anticipated construction closing would take place in spring of 2025. Prior to construction closing, County staff would work with the County Attorney's Office to bring forward a request to the County Board for its consideration of the AHIF loan and subordination documents.

Existing Public School Students and Student Generation Estimates: The student baseline for this project is zero students as the subject project is vacant land. Arlington Public Schools (APS) projected both Crystal House 3 - 9% and 4% projects separately given the separate finance structures and estimates the 9% project may generate approximately 56 APS students. This development is currently zoned for Oakridge Elementary School, Gunston Middle School and Wakefield High School. The total generation of students for the 9% project by age group is as follows:

- Number of Elementary School Students (K-5) generated: 26
- Number of Middle School Students (6-8) generated: 13
- Number of High School Students (9-12) generated: 17

The above estimates are generated by APS using the development characteristics as of January 2024, and used student generation factors that reflect the 2023-2024 school boundaries. Should

the housing unit characteristics or the student generation factors change, then the student generation estimates would also change. APS provides no guarantee that any residential development will continually be served by the same elementary, middle and/or high school(s).

Resident Services: APAH will be providing its full suite of comprehensive resident services in the proposed development. APAH administers a bilingual resident services program, which is a collaborative, best practices model that delivers on-site programs and connects adult residents to direct services.

APAH will have 1.5 (one and a half) full-time equivalent employees as Resident Services Coordinator(s) (RSC) for CH3, available throughout the day to meet one-on-one with residents. APAH takes a holistic approach in helping their residents achieve personal goals and increase their financial stability. Residents will complete a survey at move-in and the RSC will continue with "listening" interviews during the first few months of the lease up and welcoming process. From the onset, resident services programs will be targeted to address resident needs and interests while encouraging residents to share their talents and engage with the wider community.

The CH 3 project will have ground floor office space for Arlington County's Department of Human Services (DHS), as well as multiple community rooms, resident services offices and a business/computer room, in addition to a telehealth room, and a private courtyard for resident use. Services will be in a range of program areas including but not limited to Rent Relief, Food Security, Economic Stability, Education, Health and Wellness, and anticipated partnerships with Arlington County DHS, Arlington Food Assistance Center (AFAC), and Our Stomping Ground (OSG).

Revitalization Area Resolution: Applying for 9% LIHTC is a highly competitive process with points awarded to projects that meet specific criteria. A project is eligible for 15 points as a "Revitalization Area" if it is located in an area that meets the definition set forth in Virginia Code § 36-55.30:2. To receive the points, a County Board resolution is needed citing the specific statutory criteria (Attachment 3). If the County Board designates the CH Sites 3 and 6 as a "Revitalization Area," the designation will be used for the purpose of APAH's LIHTC applications, and if APAH is awarded LIHTC, for VH financing.

The proposed Revitalization Area is located within the Crystal City Sector Plan ("CCSP"). This plan contains the goals and objectives to expand the supply of affordable housing within the CCSP area, as well as orient development around multi-modal transit areas, such as the 18th Street Metro Station that is located a few blocks from these sites. Last, the plan calls for a vision of an urban place with a balanced mix of uses including affordable housing options. As a revitalization resolution is a key piece to competitive LIHTC financing, adopting the resolution furthers the proposed affordable housing consistent with the recommendations of the CCSP.

Finally, in order to finance this development of affordable housing, County gap financing in the form of an AHIF loan is necessary. As such, this site would also meet the Revitalization Area criteria that, "private enterprise and investment are not reasonably expected, without assistance,

to produce the construction or rehabilitation of decent, safe and sanitary housing and supporting facilities that will meet the needs of low- and moderate-income persons and families."

PUBLIC ENGAGEMENT:

Level of Engagement - Inform

Outreach Methods: Community feedback was sought in the pre-development process of this project. APAH met with WHC, as well as independently with the local civic associations and community organizations through late 2023 and early 2024, including Aurora Highlands Civic Association, National Landing BID, Crystal City Civic Association, Crystal-Pentagon Cities Council, as well as presented in two community meetings as part of the minor site plan amendment process. Lastly, APAH presented at the February Housing Commission meeting.

Community Feedback: The project design has been further refined through community feedback in the form of more well-defined entrances and transparency and activation of corners of the building/site. The Housing Commission voted 9-0-1 at its February 15th meeting to support the AHIF allocation and revitalization resolution and sent a recommendation letter to the County Board.

FISCAL IMPACT: There are sufficient unallocated AHIF funds to support the $12,150,000 AHIF allocation request in FY 2024. It is anticipated that the inclusion of nine new PSH units will have a fiscal impact on the County's PSH program budget. The full year incremental cost increase to the PSH budget within the General Fund in the Department of Human Services (DHS) is estimated to be approximately $166,208 per fiscal year upon project completion and occupancy (anticipated in late-2027 with a 9% LIHTC award in 2024).

ATTACHMENT 1

Larger Parcel	RFP Proposal with Increased Affordability	DDA Exhibit J Anticipated Requests	Current – February 2024
CH 3[1]	$34.2M	$33.7M	$41.2M AHIF: $12.15M – 9% Anticipated $29.05M – 4%
CH 4	$-	$-	$-
CH 6	$10.8M	$10.8M	$13.8M
Total AHIF Anticipated for Crystal House Development[2]	**$45M**	**$44.5M**	**$55.6M** ***(includes $600k for potential cost escalation)***

[1]One source of funding for CH 3 will be proceeds associated with EYA's land payment for the CH 4 and CH 7/8 infill parcels. The $41.2M February 2024 CH 3 AHIF amount anticipates a $4.1M land payment, subject to relevant approvals.

[2] CH 5 not included. Due to cost increases, staff recommends deferring the CH 5 outparcel development until units on the infill parcels are complete. An AHIF request would be made at that time.

ATTACHMENT 2

Overall Crystal Houses Project Commitments
Crystal Houses 3 - 9% AHIF Loan Terms and Conditions – $12,150,000

Overall Crystal Houses Project Commitments

1. APAH will commit to applying for the following DHCD funding for CH 3 and CH 6: HIEE (to the extent it is available at the time), Virginia Housing Trust Fund, and National Housing Trust Fund, totaling $3.8 million per LIHTC project. If other sources of DHCD funding become available and relevant to the project, APAH will work with County Staff and DHCD to review and possibly apply for other sources.

2. APAH will commit to seeking funding opportunities in addition to those listed in the current proformas to help offset cost escalation for CH3 and CH 6.

3. APAH will fund a sponsor loan equal to the amount of the CH 7/8 land payment, the final amount which will be underwritten and approved by the County, and in no event will be less than $4.1 million, subject to EYA receiving land use approvals.

4. County staff anticipates bringing forward an AHIF allocation request to the County Board for the CH 3 - 4% project, and CH 6 project in 2024-2025. These AHIF requests, in addition to the CH 3 9% AHIF request, shall in no event exceed $55.6 million. However, staff will underwrite the requests in advance of the County Board hearings with the goal that the total of all proposed County loans are less than $55.6 million as a result of additional funding sources and/or lower interest rates yielding additional senior debt.

5. If CH 3 attains a 2024 9% LIHTC allocation, APAH commits to continue to work with County staff to determine when and how CH 6 is financed, with goals of maximizing equity and outside funding sources and minimizing County funding needed.

6. If CH 3 does not win a 2024 9% LIHTC allocation, APAH commits to working with County staff to determine next steps, including which project is the most strategic and advantageous to apply for 9% LIHTC in 2025.

Crystal House 3 – 9% LIHTC Loan Terms and Conditions

1. The Applicant for the Crystal House 3 AHIF Loan (“Applicant”) shall apply to Virginia Housing (VH) by March 14, 2024, for a competitive annual 9% tax credit request.

2. The Applicant shall execute an Affordable Housing Investment Fund Loan Agreement (“AHIF Loan Agreement”) and other related loan instruments, as drafted and finalized by

the County Attorney, in a form acceptable to the County Manager and the County Attorney and subject to the County Board approval.

3. The Applicant shall include these Crystal House 3 AHIF Loan Terms and Conditions when requesting proposals from senior lenders and investors. If any terms are negotiated between the Applicant and other parties that are in violation of these Loan Terms and Conditions, the Applicant must submit a request to the County Board to consider revision of the Loan Terms and Conditions as necessary to conform to the negotiated terms between the Applicant and such other parties.

4. Within 30 days of receipt of final third-party debt and equity commitments, the Applicant shall submit final pro-forma, development budget, and sources and uses table for Crystal House 3 for approval by the County Manager or his designee.

5. The AHIF Loan shall be secured by Crystal House 3 - 9% project, and shall be repayable from the project's Residual Receipts, as defined in the AHIF Loan Agreement. Subject to an Event of Default (as defined in the AHIF Loan Agreement), the unpaid principal balance of this AHIF Loan shall accrue at: zero interest for the three-year period of time commencing on the date of construction closing; and the below market rate of three-quarters of one percent (0.75%) per annum commencing on the date that is three years after construction closing, compounded annually as called for in the related promissory note. The term shall be forty-three (43) years from construction closing (to be coterminous with the VH senior permanent loan).

6. Beginning in the first operating year and each subsequent year during the loan term, the County shall receive fifty percent (50%) of the Crystal House 3 - 9% Residual Receipts as an annual payment towards the Crystal House 3 - 9% AHIF Loan. Residual Receipts as defined in the County Loan Agreement, shall specifically include, but not be limited to, the amount by which gross revenues exceed annual debt service payments, approved operating expenses, payments to replacement reserve, and a priority payment fee of up to $200 per unit for APAH Resident Services, which can be escalated annually at two percent (2%). Any other fees or payments in excess of what is stated here must be paid from the Applicant's portion of Residual Receipts.

7. The Applicant shall receive a three million-dollar ($3,000,000) developer fee for Crystal House 3 - 9% project. The Applicant shall defer at least one-million, five hundred thousand dollars ($1,250,000) of this developer fee as source of financing for Crystal House 3 - 9%.

8. Following construction, the Applicant shall provide 50% of any Excess Proceeds to the County as a payment towards the AHIF Loan.

9. The Applicant must comply with the affordable housing set-aside for the rental units at Crystal House 3 - 9% LIHTC Project as follows: twenty-two (22) of the units will be restricted to households earning up to thirty percent (30%) of the AMI; thirty-five (35) of the units will be restricted to households earning up to fifty percent (50%) of the AMI, and thirty-one (31) units will be restricted to households earning up to sixty percent (60%) of the AMI for 99 years, or coterminous with the underlying Amazon covenant's expiration at closing, with the unit mix as shown in the table located in the "Affordable Housing Program" section of this document.

10. The Applicant agrees that the affordable rents shall be established in accordance with LIHTC rents as published annually by VH for the unit size, minus a utility allowance (if applicable) as per the Utility Allowance Schedule annually approved by HUD for the Arlington County, VA Housing Choice Voucher Program or other manner as permitted by applicable federal regulations and approved by the County or, if such LIHTC rents are not published by VH, then in accordance with HUD rent limits set for Arlington County.

11. The Applicant shall create nine (9) fully accessible Type-A units for persons with disabilities and will fully cooperate with an affirmative marketing program to market these units to households in need of such accommodation. Two (2) of those units will be accessible for those with hearing/visual impairments.

12. The Applicant will execute an agreement with the Department of Human Services to provide nine (9) supportive housing units with rents affordable to households earning up to 50% of the AMI. No more than 50% of supportive housing units are designated as Type-A accessible units.

ATTACHMENT 3

Revitalization Area Resolution

RESOLUTION OF THE COUNTY BOARD OF ARLINGTON COUNTY, VIRGINIA DESIGNATING THE CRYSTAL HOUSE SITES 3 & 6 REVITALIZATION AREA PURSUANT TO VIRGINIA CODE § 36-55.30:2

WHEREAS, pursuant to Section § 36-55.30:2 of the Code of Virginia of 1950, as amended, the County Board of Arlington County desire to designate the sites of Crystal House 3 & 6, at to-be-determined addresses currently located at: 1900 S. Eads Street, as shown in the map below (the "**Area**,") as a Revitalization Area;

WHERAS, the proposed development of Crystal House Sites 3 & 6 are within the Crystal City Sector Plan ("CCSP"), which establishes the goals and objectives to expand the supply of affordable housing within the CCSP area, as well as orienting development around multi-modal transit areas such as the Crystal City Metro Station in close proximity to these sites; and includes a vision of an urban place with a balanced mix of uses including affordable housing options; and supports the Policy Directives and recommendations of the plan;

WHEREAS, the affordable housing development proposed in this Area will provide a critical source of affordable housing for current and future low- and moderate-income residents whose tenancy and local employment is essential to implementing the goals of the County's Affordable Housing Master Plan and to the Area's future economic development and sustainability;

NOW, THEREFORE BE IT HEREBY DETERMINED as follows:
The above referenced development is located in a Revitalization Area in the County of Arlington, Virginia. The revitalization area is (i)(2) The industrial, commercial or other economic development of such area will benefit the city or county but such area lacks the housing needed to induce manufacturing, industrial, commercial, governmental, educational, entertainment, community development, healthcare or nonprofit enterprises or undertakings to locate or remain in such area; and (ii) private enterprise and investment are not reasonably expected, without assistance, to produce the construction or rehabilitation of decent, safe and sanitary housing and supporting facilities that will meet the needs of low and moderate income persons and families in such area and will induce other persons and families to live within such area and thereby create a desirable economic mix of residents in such area.


S Fern St
18th St S
20th St S
22nd St S
Dazzle Salon
Crystal House
CH6
CH3
S Eads St
Google

ATTACHMENT 4

2023 Income and Rent Limits for Arlington County Affordable Housing Programs

The income and rent limits are based on median income statistics for the Washington-Arlington-Alexandria Metro Area issued annually by the Department of Housing and Urban Development (HUD). Income and rents are shown below as a percent of area median income (AMI).

Incomes by Percent of AMI

Household Size	80%	60%	50%	30%
1	$ 84,400	$63,300	$52,750	$31,650
2	$ 96,480	$72,360	$60,300	$36,180
3	108,560	$81,420	$67,850	$40,710
4	120,560	$90,420	$75,350	$45,210
5	130,240	$97,680	$81,400	$48,840
6	139,920	$104,940	$87,450	$52,470

Affordable Rents by Percent of AMI

Unit Size	80%	60%	50%	30%
1	$2,110	$1,582	$1,318	$791
2	$2,261	$1,695	$1,413	$847
3	$2,714	$2,035	$1,696	$1,017
4	$3,135	$2,351	$1,959	$1,175
5	$3,498	$2,623	$2,186	$1,311

Tab K.2

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

X. Proximity to Transportation Certification

Surveyor's Certification of Proximity to Transportation

General Instructions

1. This form must be included with the Application.
2. This Letter must be submitted under the Surveyor's or Engineer's Corporate Letterhead.
3. Any change in this form may result in a reduction of points under the scoring system.
4. If you have any questions, please call the Tax Credit Allocation Department 804-343-5518.

Date 10/5/2023

To Virginia Housing
601 South Belvidere Street
Richmond, Virginia 23220

RE: 2023 Tax Credit Reservation Request

Name of Development Crystal House Six

Name of Owner Crystal House Six Limited Partnership

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.

Firm Name Walter L. Phillips, Inc.

By Karen White Karen L. White 2026-01-11 17:13:41

Its Director of Urban Planning and Engineering
Title

Tab L:

PHA / Section 8 Notification Letter

PHA or Section 8 Notification Letter

Date: January 9, 2026

To: Department of Human Services
2100 Washington Blvd
Arlington, VA 22204

Re: Proposed Affordable Housing Development

Name of Development: Crystal House Six

Name of Owner: Crystal House Six Limited Partnership

I would like to take this opportunity to notify you of a proposed affordable housing development to be completed in your jurisdiction. We are in the process of applying for federal low-income housing tax credits from Virginia Housing. We expect to make a representation in that application that we will give leasing preference to households on the local PHA or Section 8 waiting list. Units are expected to be completed and available for occupancy beginning on May 1, 2028 (date).

The following is a brief description of the proposed development:

Development Address: 550 18th Street South
Arlington, VA 22202

Proposed improvements:

New Construction:	# Units	80	# Buildings	1
Adaptive Reuse	# Units		# Buildings	
Rehabilitation:	# Units		# Buildings	

Proposed Rents:

Efficiencies:	$ _____ / month	
1 Bedroom Units:	$ 778.00 / month	to $1,393 /month
2 Bedroom Units:	$ 1,663.00 / month	
3 Bedroom Units:	$ _____ / month	
4 Bedroom Units:	$ _____ / month	

Other Descriptive Information:

Redevelopment of a parking lot to produce 80 new units of 100% affordable senior rental housing. Amenities include onsite leasing/property management, community rooms, onsite resident services office, in-unit washer/dryer, and garage parking. The development includes a mix of 1BR and 2BR units. The development is in close proximity to public transit.

PHA or Section 8 Notification Letter

We Appreciate your assistance with identifying qualified tenants.

If you have any questions about the proposed development, please call me at 703-276-7444.

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

Sincerely yours,

Name 

Title Carmen Romero, President, Crystal House Six Development for Crystal House Six Limited Partnership

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

Seen and acknowledged by: Caleb G. Kopczyk

Printed Name: Caleb G. Kopczyk

Title: HCV Executive Director

Phone: (703) 228-1455

Date: 01/12/2026

Tab M:

Intentionally Blank

This deal does not require information behind this tab.

Tab N:

Homeownership Plan

This deal does not require information behind this tab.

Tab O:

Plan of Development Certification Letter

This deal does not require information behind this tab.

Tab P:

Zero Energy or Passive House documentation for prior allocation by this developer

This deal does not require information behind this tab.

Tab Q:

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

This deal does not require information behind this tab.

Tab R:

Documentation of Utility Allowance calculation

December 11, 2025

Danny Ross
True Ground Housing
4318 N Carlin Springs Rd
Arlington, VA 22203
dross@truegroundhousing.org

RE: Preliminary Utility Allowance for Crystal House Six

Dear Danny Ross,

Please see the following Preliminary Utility Allowance (UA) for Crystal House Six located in Arlington, Virginia. Projections were generated with the applicable rates, fees, and taxes of following providers:

Electricity:	Dominion Energy	Gas:	N/A
Water:	Arlington County	Trash:	N/A
Sewer:	Arlington County		

The utility rates used to produce this UA are no older than the rates in place 60 days prior to the date of this letter. Below is a table depicting the highest monthly UA by each bedroom type. Should you have any questions do not hesitate to contact me.

UTILITY ALLOWANCE			ALLOWANCES BY BEDROOM SIZE				
Utilities	**Utility Type**	**Paid by**	**Studio**	**1-bdr**	**2-bdr**	**3-bdr**	**4-bdr**
Heating	Electric	Tenant	N/A	$ 17.74	$ 21.54	N/A	N/A
Air Conditioning	Electric	Tenant	N/A	$ 8.28	$ 10.05	N/A	N/A
Cooking	Electric	Tenant	N/A	$ 7.10	$ 8.62	N/A	N/A
Lighting	Electric	Tenant	N/A	$ 28.39	$ 34.46	N/A	N/A
Hot Water	Electric	Tenant	N/A	$ 16.56	$ 20.10	N/A	N/A
Water	-	Tenant	N/A	$ 26.64	$ 33.96	N/A	N/A
Sewer	-	Tenant	N/A	$ 38.33	$ 52.53	N/A	N/A
Total UA costs (Unrounded)			$ -	$ 143.05	$ 181.27	$ -	$ -

**Allowances only for Crystal House Six as an ENERGY STAR and EarthCraft Gold project. The water and sewer projections were produced using water fixtures with flow rates of 1.28 gpf toilets, 2.0 gpm showerheads, 2.2 gpm kitchen faucets, and 1.5 gpm lavatory faucets. Due to rounding, the amounts for the UA components may not add up to the Total UA amount.*

Sincerely,

Lauren Thomson
Project Manager

Tab S:

Supportive House Mandatory
Certification and Documentation

This deal does not require information behind this tab.

Tab T:

Funding Documentation

This deal does not require information behind this tab.

Tab U:

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

Virginia Housing Free Renter Education Acknowledgment for residents of Crystal House Six

I , acknowledge that I have received information regarding the Virginia Housing free renter education to tenants.

I understand that it is my responsibility to review the materials available at the link provided here: https://www.virginiahousing.com/renters/education. From this website, I can review the following educational topics:

- Rental Search
- Renter Education Online Course
- Renter Education Guide eBook
- Fair Housing Resources
- Renter Rights and Responsibilities
- Renter Programs
- Housing Counselors

By signing below, I acknowledge that I have read this form and understand how to access the Virginia Housing free renter education materials.

Resident Name: _____
Resident Signature: _____
Unit Number: _____
Date: _____

Tab V:

Nonprofit or LHA Purchase Option or Right of First Refusal

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

RIGHT OF FIRST REFUSAL AGREEMENT
(Crystal House Six)

RIGHT OF FIRST REFUSAL AGREEMENT (the "Agreement") dated as of [Closing Date] by and among **CRYSTAL HOUSE SIX LIMITED PARTNERSHIP**, a Virginia limited partnership (the "Owner" or the "Partnership"), **TRUE GROUND HOUSING PARTNERS, INC.**, a Virginia non-stock corporation (the "Grantee"), and is consented to by **CRYSTAL HOUSE SIX DEVELOPMENT LLC**, a Virginia limited liability company (the "General Partner"), **[INVESTOR ENTITY]**, a [[_]] limited liability company (the "Investor Limited Partner") , [[_____]] **SPECIAL LIMITED PARTNER, L.L.C.**, a [____] [____] limited liability company (the "Special Limited Partner"), and **VIRGINIA HOUSING DEVELOPMENT AUTHORITY**, a political subdivision of the Commonwealth of Virginia ("Virginia Housing"), as third party beneficiary. The General Partner, the Investor Limited Partner and the Special Limited Partner are sometimes collectively referred to herein as the "Consenting Partners." The Investor Limited Partner and Special Limited Partner are sometimes collectively referred to herein as the "Non-General Partners". This Agreement shall be fully binding upon and inure to the benefit of the parties and their successors and assigns to the foregoing.

Recitals

A. The Owner, pursuant to its [Amended and Restated] Agreement of Limited Partnership dated on or about the date hereof by and among the Consenting Partners (the "Partnership Agreement"), is engaged in the ownership and operation of an eighty (80)-unit apartment project for seniors located in Arlington County, Virginia and commonly known as "Crystal House Six" (the "Project"). The real property comprising the Project is legally defined in Exhibit A.

B. The Grantee is a qualified nonprofit organization as defined within Section 42 of the Internal Revenue Code of 1986, as amended (the "Code") and is both a member of the General Partner of the Owner and is instrumental to the development and operation of the Project; and

C. The Owner desires to give, grant, bargain, sell and convey to the Grantees certain rights of first refusal to purchase the Project on the terms and conditions set forth herein;

D. Capitalized terms used herein and not otherwise defined shall have the meanings outlined in the Partnership Agreement.

NOW, THEREFORE, in consideration of the foregoing, of the mutual promises of the parties hereto and of other good and valuable consideration, the receipt and sufficiency of which the parties hereto acknowledge, the parties hereby agree as follows:

Section 1. Right of First Refusal

The Owner hereby grants to the Grantee a right of first refusal (the "Refusal Right") to purchase the real or leasehold estate, fixtures, and personal property comprising the Project or associated with the physical operation thereof and owned by the Partnership at the time (the "Property"), for the price and subject to the other terms and conditions set forth below. The Property will include any reserves of the Partnership that are required by the Virginia Housing Development Authority ("Virginia Housing" or the "Credit Authority") or any lender of a loan being assumed in connection with the exercise of the Refusal Right to remain with the Project.

Section 2. Exercise of Refusal Right; Purchase Price

A. After the end of the Compliance Period, the Partnership agrees that it will not sell the Property or any portion thereof without first offering the Property to the Grantee (the "Refusal Right"), for the Purchase Price (as defined in Section 3); *provided, however*, that such Refusal Right shall be conditioned upon the receipt by the Partnership of a "bona fide offer" (the acceptance or rejection of which shall not require the Consent of the Partners). The Partnership shall give the notice of its receipt of such offer (the "Offer Notice") and shall deliver a copy of the Offer Notice to the Grantee and to Virginia Housing. Upon receipt of the Offer Notice by the Grantee and by Virginia Housing, the Grantee shall have 90 days to deliver to the Partnership a written notice of its intent to exercise the Refusal Right (the "Election Notice"). An offer made with the purchase price and basic terms of the proposed sale from a third party shall constitute a "bona fide offer" for purposes of this Agreement. Such offer (i) may be solicited by the Grantee or the General Partner (with such solicitation permitted to begin at any time following the end of the fourteenth (14th) year of the Compliance Period provided that the Election Notice may not be sent until the end of the Compliance Period) and (ii) may contain customary due diligence, financing, and other contingencies. Notwithstanding anything to the contrary herein, a sale of the Project pursuant to the Refusal Right shall not require the Consent of the Non-General Partners or of Virginia Housing.

B. If the Grantee fails to deliver the Election Notice within ninety (90) days of receipt of the Offer Notice, then its Refusal Right shall automatically transfer to Virginia Housing, and Virginia Housing shall have sixty (60) days from that date to deliver to the Partnership the Election Notice or to transfer its Refusal Right to another Qualified Beneficiary (as defined herein) to deliver the Election Notice within the same period.

C. If a Qualified Beneficiary fails to deliver the Election Notice to the Partnership within 150 days of the date both Grantee and Virginia Housing have received a copy of the Offer Notice, or if such Election Notice is delivered but the purchase of the Project is not consummated by the Grantee, Virginia Housing or any other Qualified Beneficiary within 270 days from the date of delivery of the Election Notice (each, individually, a "Terminating Event"), then its Refusal Right shall terminate, and the Partnership shall be permitted to sell the Property free of the Refusal Right.

Section 3. Purchase Price; Closing

A. The purchase price for the Property pursuant to the Refusal Right (the "Purchase Price") shall equal the sum of (i) the principal amount of all outstanding indebtedness secured by the Project, and any accrued interest on any of such debts and (ii) all federal, State, and local taxes

attributable to such sale, including those incurred or to be incurred by the partners or members of the Limited Partners. Notwithstanding the foregoing, however, the Purchase Price shall never be less than the amount of the "minimum purchase price" as defined in Section 42(i)(7)(B) of the Code. The Refusal Right granted hereunder is intended to satisfy the requirements of Section 42(i)(7) of the Code and shall be interpreted consistently therewith. In computing such price, it shall be assumed that each of the Limited Partners of the Owner (or their constituent partners or members) has an effective combined federal, state and local income tax rate equal to the maximum of such rates in effect on the date of Closing.

B. All costs of the Grantee's purchase of the Property pursuant to the Refusal Right, including any filing fees, shall be paid by the Grantee.

C. The Purchase Price shall be paid at Closing in either of the following methods:

(i) the payment of all cash or immediately available funds at Closing,

or

(ii) the assumption of any assumable Loans if Grantee has obtained the consent of the lenders to the assumption of such Loans, which consent shall be secured at the sole cost and expense of Grantee; provided, however, that any Purchase Price balance remaining after the assumption of the Loans shall be paid by Grantee in immediately available funds.

Section 4. Conditions Precedent; Termination

A. Notwithstanding anything in this Agreement to the contrary, the right of the Grantee to exercise the Refusal Right and consummate any purchase pursuant thereto is contingent on each of the following being true and correct at the time of exercise of the Refusal Right and any purchase pursuant thereto:

(i) the Grantee or its assignee shall be a "qualified nonprofit organization" as defined in Section 42(h)(5)(C) of the Code or another qualified purchaser described in Section 42(i)(7)(A) of the Code (collectively, each, a "Qualified Beneficiary"); and

(ii) the Project continues to be a "qualified low-income housing project" within the meaning of Section 42 of the Code.

B. This Agreement shall automatically terminate upon the occurrence of any of the following events and, if terminated, shall not be reinstated unless such reinstatement is agreed to in writing and signed by the Grantee and each of the Consenting Partners:

(i) the transfer of the Property to a lender in total or partial satisfaction of any loan; or

(ii) any transfer or attempted transfer of all or any part of the Refusal Right by the Grantee, whether by operation of law or otherwise, except as otherwise permitted under Section 7 of this Agreement; or

(iii) the Project ceases to be a "qualified low-income housing project" within the meaning of Section 42 of the Code, or

(iv) the Grantee fails to deliver its Election Notice or consummate the purchase of the Property within the timeframes outlined in Section 2 above.

C. If the Limited Partner removes the General Partner from the Partnership for failure to cure a default under the Partnership Agreement after all applicable notice and cure periods, the Limited Partner may elect to exercise any rights it has under the Partnership Agreement to terminate this Agreement and to exercise any rights it has under the Partnership Agreement to release this Agreement as a lien against the Project upon first obtaining the prior written consent of Virginia Housing, which consent may be granted or withheld in Virginia Housing's sole discretion.

Section 5. Contract and Closing

Upon determination of the purchase price, the Owner and the Grantee shall enter into a written contract for the purchase and sale of the Property in accordance with the terms of this Agreement and containing such other terms and conditions as are standard and customary for similar commercial transactions in the geographic area which the Property is located, providing for a closing (the "Closing") to occur in the County of Arlington, Virginia not later than the timeframes set forth in Section 2. In the absence of any such contract, this Agreement shall be specifically enforceable upon the exercise of the Refusal Right.

Section 6. Conveyance and Condition of the Property

The Owner's right, title and interest in the Property shall be conveyed by quitclaim deed or assignment of lease, subject to such liens, encumbrances and parties in possession as shall exist as of the date of Closing. The Grantee shall accept the Property "**AS IS, WHERE IS**" and "**WITH ALL FAULTS AND DEFECTS**," latent or otherwise, without any warranty or representation as to the condition thereof whatsoever, including without limitation, without any warranty as to fitness for a particular purpose, habitability, or otherwise and no indemnity for hazardous waste or other conditions with respect to the Property will be provided. It is a condition to Closing that all amounts due to the Owner and the Investor Limited Partner from the Grantee or its Affiliates be paid in full. The Grantee shall pay all closing costs, including, without limitation, the Owner's attorney's fees. Upon closing, the Owner shall deliver to the Grantee, along with the deed or assignment of the lease to the property, an ALTA owner's (leasehold, as applicable) title insurance policy dated as of the close of escrow in the amount of the purchase price, subject to the liens, encumbrances and other exceptions then affecting the title.

Section 7. Transfer

The Refusal Right shall not be transferred without the Consent of the Investor Limited Partner, except that the Grantee may assign all or any of its rights under this Agreement to Virginia Housing, or to an Affiliate of Grantee (a "Permitted Assignee") at the election and direction of the Grantee or to any assignee that shall be a "qualified nonprofit organization" as defined in Section

42(h)(5)(C) of the Code or another qualified purchaser described in Section 42 of the Code (collectively, each, a "Qualified Beneficiary").

In the case of any transfer of the Refusal Right (i) all rights, conditions and restrictions applicable to the exercise or transfer of the Refusal Right or to the purchase of the Property pursuant thereto shall also apply to such transferee, and (ii) such transferee shall be disqualified from the exercise of any rights hereunder at all times during which the transferor (whether the Grantee or Virginia Housing) would have been ineligible to exercise such rights hereunder had it not effected such transfer.

Section 8. Rights Subordinate; Priority of Requirements of Section 42 of the Code

This Agreement is subordinate in all respects to any regulatory agreements and to the terms and conditions of the Mortgage Loans encumbering the Property. In addition, it is the intention of the parties that nothing in this Agreement be construed to affect the Owner's status as owner of the Property for federal income tax purposes prior to exercise of the Refusal Right granted hereunder. Accordingly, notwithstanding anything to the contrary contained herein, both the grant and the exercise of the Refusal Right shall be subject in all respects to all applicable provisions of Section 42 of the Code, including, in particular, Section 42(i)(7). In the event of a conflict between the provisions contained in this Agreement and Section 42 of the Code, the provisions of Section 42 shall control.

Section 9. Option to Purchase

A. The parties hereto agree that if either the Code is revised or the Service hereafter issues public authority to permit the owner of a low-income housing tax credit project to grant an "option to purchase" pursuant to Section 42(i)(7) of the Code (or other applicable provision of Section 42) as opposed to a "right of first refusal" without adversely affecting the status of such owner as owner of its project for federal income tax purposes, then the parties shall amend this Agreement and the Owner shall grant the Grantee an option to purchase the Property at the Purchase Price provided in Section 3 hereof and that meets the requirements of Code Section 42.

B. The parties hereto agree that if either the Code is revised or the Service hereafter issues public authority to permit the owner of a low-income housing tax credit project to grant a "right of first refusal to purchase partner interests" and/or "purchase option to purchase partner interests" pursuant to Section 42(i)(7) of the Code (or other applicable provision) as opposed to a "right of first refusal to purchase the Project" without adversely affecting the status of such owner as owner of its project for federal income tax purposes (or the status of the Investor Limited Partner as a partner of the Partnership for federal income tax purposes) then the parties shall amend this Agreement and the Limited Partners shall provide a right of first refusal and/or purchase option, as the case may be, to acquire their Interests for the Purchase Price provided in Section 3 hereof and that meets the requirements of Code Section 42.

Section 10. Notice

Except as otherwise specifically provided herein, all notices, demands or other communications hereunder shall be in writing by hand delivery (whether personally or by courier

or other delivery service) or by certified mail, return receipt requested, to the parties hereto at the addresses set forth below, or to such other place as a party may from time to time designate in writing. Any such notice(s) shall be deemed given when received at such address or place or, in the case of certified mail, three (3) days after date of mailing.

(A) If to the Owner, at the principal office of the Partnership set forth in Article II of the Partnership Agreement;

(B) If to a Consenting Partner, at their respective addresses set forth in Schedule A of the Partnership Agreement;

(C) If to the Grantee, 4318 N. Carlin Springs Road, Arlington, VA 22203;

(D) [_____]; and

(E) If to Virginia Housing:

Virginia Housing Development Authority
c/o Director of Tax Credit Programs
601 S Belvidere Street
Richmond, Virginia 23220

Section 11. Severability of Provisions

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

Section 12. Binding Provisions

The covenants and agreements contained herein shall be binding upon, and inure to the benefit of, the heirs, legal representatives, successors and assignees of the respective parties hereto, except in each case as expressly provided to the contrary in this Agreement.

Section 13. Counterparts

This Agreement may be executed in several counterparts and all so executed shall constitute one agreement binding on all parties hereto, notwithstanding that all the parties have not signed the original or the same counterpart.

Section 14. Governing Law

This Agreement shall be construed and enforced in accordance with the laws of the Commonwealth of Virginia without regard to principles of conflicts of law. Notwithstanding the

foregoing, the Partnership, Investor Limited Partner and Grantee do not intend the Refusal Right in this Agreement to be a common law right of first refusal but rather intend it to be understood and interpreted as a mechanism authorized by Section 42 of the Code to allow nonprofit entities to preserve affordable housing for low-income families in accordance with Grantee's charitable objectives.

Section 15. Headings

All headings in this Agreement are for convenience of reference only. Masculine, feminine, or neuter gender, shall include all other genders, the singular shall include the plural, and vice versa as the context may require.

Section 16. Amendments

This Agreement shall not be amended except by written agreement between Grantee and the Owner with the consent of each of the Consenting Partners and Virginia Housing.

Section 17. Time

Time is of the essence with respect to this Agreement, and all provisions relating thereto shall be so construed.

Section 18. Legal Fees

Except as otherwise provided herein, in the event that legal proceedings are commenced by the Owner against the Grantee or by the Grantee against the Owner in connection with this Agreement or the transactions contemplated hereby, the prevailing party shall be entitled to recover all reasonable attorney's fees and expenses.

Section 19. Subordination

This Agreement is and shall remain automatically subject and subordinate to any bona fide mortgage to (or assigned to) an institutional or governmental lender with respect to the Project. In the event of a foreclosure of any such mortgage, or of the giving of a deed in lieu of foreclosure to any such mortgagee, this Agreement shall become void and shall be of no further force or effect.

Section 20. Rule Against Perpetuities Savings Clause

The term of this Agreement will be ninety years commencing on the date first written above unless sooner terminated pursuant to the provisions hereof. If any provision of this Agreement is construed as violating and applicable "Rule Against Perpetuities" by statute or common law, such provision will be deemed to remain in effect only until the death of the last survivor of the now living descendants of any member of the 116th Congress of the United States, plus twenty-one (21) years thereafter. This Agreement and the Refusal Right herein granted are covenants running with the land and the terms and provisions hereof will be binding upon, inure to the benefits of and be enforceable by the parties hereto and their respective successors and assigns.

Section 21. Third Party Beneficiary; Virginia Housing Rights and Powers

Virginia Housing shall be a third party beneficiary to this Agreement, and the benefits of all of the covenants and restrictions hereof shall inure to the benefit of Virginia Housing, including the right, in addition to all other remedies provided by law or in equity, to apply to any court of competent jurisdiction within the Commonwealth of Virginia to enforce specific performance by the parties or to obtain an injunction against any violations hereof, or to obtain such other relief as may be appropriate. Virginia Housing and its agents shall have those rights and powers with respect to the Project as set forth in the Act and the Virginia Housing Rules and Regulations promulgated thereunder, including without limitation, those rights and powers set forth in Chapter 1.2 of Title 365 of the Code of Virginia (1950), as amended, and 13VAC10-180-10 et seq., as amended.

[Signatures appear on following pages]

IN WITNESS WHEREOF, the parties hereto have caused this Right of First Refusal Agreement to be executed by their duly authorized representatives as of the date first stated above.

OWNER:

CRYSTAL HOUSE SIX LIMITED PARTNERSHIP, a Virginia limited partnership

By: Crystal House Six Development LLC a Virginia limited liability company, its general partner

By: _____
Name: Carmen Romero
Title: President

COMMONWEALTH OF VIRGINIA)
)
CITY/COUNTY OF ARLINGTON)

JOHN LOPEZ-SANCHEZ
NOTARY PUBLIC
REG. #8103578
COMMONWEALTH OF VIRGINIA
MY COMMISSION EXPIRES APRIL 30, 2028

On 1, JULY, 2026, before me, the undersigned, a notary public in and for the said state, personally appeared Carmen Romero, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that they executed the same in their capacity as the President of Crystal House Six Development LLC, a Virginia limited liability company, which is the General Partner of Crystal House Six Limited Partnership, a Virginia limited partnership, and that by their signature on the instrument, the entity, individual or the person on behalf of which the individual acted and executed the instrument.

_____
Notary Public

Commission Expires: APRIL 30 2029

Registration No.: 8103578

GRANTEE:

TRUE GROUND HOUSING PARTNERS, INC.,
a Virginia non-stock corporation

By: _____
Name: Carmen Romero
Title: President

COMMONWEALTH OF VIRGINIA)
)
CITY/COUNTY OF ARLINGTON)

JOHN LOPEZ-SANCHEZ
NOTARY PUBLIC
REG. #8103578
COMMONWEALTH OF VIRGINIA
MY COMMISSION EXPIRES APRIL 30, 2028

On 1, JULY, 2026, before me, the undersigned, a notary public in and for the said state, personally appeared Carmen Romero, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within the instrument and acknowledged to me that they executed the same in their capacity as President and that by their signature on the instrument, the entity, individual or the person on behalf of which the individual acted, executed the instrument.

_____
Notary Public

Commission Expires: April 30 2028

Registration No.: 8103578

GENERAL PARTNER:

CRYSTAL HOUSE SIX DEVELOPMENT LLC,
a Virginia limited liability company

By: _____
Name: Carmen Romero
Title: President

COMMONWEALTH OF VIRGINIA)
)
CITY/COUNTY OF ARLINGTON)

JOHN LOPEZ-SANCHEZ
NOTARY PUBLIC
REG. #8103578
COMMONWEALTH OF VIRGINIA
MY COMMISSION EXPIRES APRIL 30, 2028

On 1, JULY, 2026, before me, the undersigned, a notary public in and for said state, personally appeared Carmen Romero, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that they executed the same in their capacity as President of Crystal House Six Development LLC, and that by their signature on the instrument, the entity, individual or the person on behalf of which the individual acted, executed the instrument.

_____
Notary Public

Commission Expires: April 30 2028

Registration No.: 8103578

INVESTOR LIMITED PARTNER:

[INVESTOR ENTITY], a
[_____][_____]limited liability company

By: [_____]

By: _____

SPECIAL LIMITED PARTNER:

[_____][_____] **SPECIAL LIMITED PARTNER, L.L.C.**, a [_____][____] limited liability company

By: [_____], LLC, a [____][_____] limited liability company, its manager

By: _____

STATE OF_____)
)
CITY/COUNTY OF_____)

On_____, 20 , before me, the undersigned, a notary public in and for the said state, personally appeared [_____], personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that they executed the same in their capacity as [_____], the manager of **[Investor Entity]**, a [_____] limited liability company, and [_] **Special Limited Partner, L.L.C.**, a [_____] limited liability company, and that by their signature on the instrument, the entity, the individual or the person on behalf of which the individual acted, executed the instrument.

_____
Notary Public

Commission Expires:

EXHIBIT A

LEGAL DESCRIPTION

[Insert legal]

~~Right of First Refusal Template A~~

~~Applicants seeking points for a Right of First Refusal must use Virginia Housing's form Right of First Refusal (ROFR) template:~~

- ~~**Template A**: may be utilized by all applicants and **must** be used by all applicants unable to certify to Virginia Housing's form Previous Participation Certification *without striking any standard provisions*.~~

- ~~**Template B:** may only be utilized by applicants who submit Virginia Housing's form Previous Participation Certification with their respective Application *without striking any standard provisions*.~~

~~The Right of First Refusal submitted as part of the application must be accompanied by a blackline showing that no changes have been made to this form beyond those necessary to complete it (e.g. filling in blanks, selecting bracketed language as appropriate).~~

RECORDING REQUESTED
BY:_____
AND WHEN RECORDED MAIL TO:
_____

RIGHT OF FIRST REFUSAL AGREEMENT

([PROJECT NAME] ApartmentsCrystal House Six)

RIGHT OF FIRST REFUSAL AGREEMENT (the "Agreement") dated as of [Closing Date] by and among [OWNER ENTITY]**CRYSTAL HOUSE SIX LIMITED PARTNERSHIP**, a Virginia limited liability companypartnership (the ""Owner"" or the "Company"), [GRANTEE ENTITY]"Partnership"), **TRUE GROUND HOUSING PARTNERS, INC.,** a Virginia nonstock nonprofit non-stock corporation (the "Grantee"), and is consented to by [MANAGING MEMBER ENTITY]**CRYSTAL HOUSE SIX DEVELOPMENT LLC**, a Virginia limited liability company (the "Managing MemberGeneral Partner"), **[INVESTOR ENTITY]**, a [_____ [[_____]_____] limited liability company (the "Investor Member Limited Partner") , [[_____]] **SPECIAL MEMBER ENTITY] LIMITED PARTNER, L.L.C.**, a [_____]] limited liability company (the "Special Member Limited Partner"), and **VIRGINIA HOUSING DEVELOPMENT AUTHORITY**, a political subdivision of the Commonwealth of Virginia ("Virginia Housing"), as third- party beneficiary. The Managing MemberGeneral Partner, the Investor Member,Limited Partner and the Special MemberLimited Partner are sometimes collectively referred to herein as the "Consenting MembersPartners." The Investor MemberLimited Partner and Special MemberLimited Partner are sometimes collectively referred to herein as the "Non-Managing Members.General Partners". This Agreement shall be fully binding upon and inure to the benefitbenefit of the parties and their successors and assigns to the foregoing.

Recitals

A. A. The Owner, pursuant to its [Amended and Restated] Operating Agreement of Limited Partnership dated on or about the date hereof by and among the Consenting MembersPartners (the "OperatingPartnership Agreement"), is engaged in the ownership and operation of an [_____]eighty (80)-unit apartment project for familiesseniors located in [_____]Arlington County, Virginia and commonly known as "[PROJECT NAME] ApartmentsCrystal House Six" (the "Project"). The real property comprising the Project is legally defineddefined in Exhibit A; and
B.

B. The Grantee is a qualified nonprofit organization as defined within Section 42 of the Internal Revenue Code of 1986, as amended, (the "Code") ***[If Applicant competed for Credits within the nonprofit pool or received points for nonprofit participation in the Project,***

~~***include the following:***~~ ~~and~~ is both a member of the ~~Managing Member~~General Partner of the Owner and is instrumental to the development and operation of the Project~~]~~; and

C. ~~C.~~ The Owner desires to give, grant, bargain, sell~~,~~ and convey to the ~~Grantee~~Grantees certain rights of ~~first~~first refusal to purchase the Project on the terms and conditions set forth herein;~~ and~~

D. ~~D.~~ Capitalized terms used herein and not otherwise ~~defined~~defined shall have the meanings outlined in the ~~Operating~~Partnership Agreement.

NOW, THEREFORE, in consideration of the foregoing, of the mutual promises of the parties hereto and of other good and valuable consideration, the receipt and ~~sufficiency~~sufficiency of which the parties hereto acknowledge, the parties hereby agree as follows:

Section 1. Right of First Refusal

The Owner hereby grants to the Grantee a right of ~~first~~first refusal (the "Refusal Right") to purchase the real or leasehold estate, ~~fixtures~~fixtures, and personal property comprising the Project or associated with the physical operation thereof and owned by the ~~Company~~Partnership at the time (the "Property"), for the price and subject to the other terms and conditions set forth below. The Property will include any reserves of the Partnership that are required by the Virginia Housing Development Authority ("Virginia Housing" or the "Credit Authority")~~,~~ or any lender of a loan being assumed in connection with the exercise of the Refusal Right to remain with the Project.

Section 2. Exercise of Refusal Right; Purchase Price

A. ~~A.~~ After the end of the Compliance Period, the ~~Company~~Partnership agrees that it will not sell the Property or any portion thereof without ~~first offering~~first offering the Property to the Grantee (the "Refusal Right"), for the Purchase Price (as ~~defined~~defined in Section 3); *provided, however*, that such Refusal Right shall be conditioned upon the receipt by the ~~Company~~Partnership of a "bona ~~fide offer~~fide offer" (the acceptance or rejection of which shall not require the Consent of the ~~Members~~Partners). The ~~Company~~Partnership shall give the notice of its receipt of such ~~offer~~offer (the "~~Offer~~Offer Notice") and shall deliver a copy of the ~~Offer~~Offer Notice to the Grantee and to Virginia Housing. Upon receipt of the ~~Offer~~Offer Notice by the Grantee and by Virginia Housing, the Grantee shall have ~~ninety (~~90~~)~~ days to deliver to the ~~Company~~Partnership a written notice of its intent to exercise the Refusal Right (the "Election Notice"). An ~~offer~~offer made with the purchase price and basic terms of the proposed sale from a third party shall constitute a "bona ~~fide offer~~fide offer" for purposes of this Agreement. Such ~~offer:~~offer (i) may be solicited by the Grantee or the ~~Managing Member~~General Partner (with such solicitation permitted to begin at any time following the end of the fourteenth (14th) year of the Compliance Period~~,~~ provided that the Election Notice may not be sent until the end of the Compliance Period)~~;~~ and (ii) may contain customary due diligence, ~~financing~~financing, and other contingencies. Notwithstanding anything to the contrary herein, a sale of the Project pursuant to the Refusal Right shall not require the Consent of the Non-~~Managing Members~~

~~[~~General Partners or of Virginia Housing~~]~~.

B. ~~B.~~ If the Grantee fails to deliver the Election Notice within ninety (90) days of receipt of the ~~Offer~~Offer Notice, then its Refusal Right shall automatically transfer to Virginia Housing, and Virginia Housing shall have sixty (60) days from that date to deliver to the ~~Company~~Partnership the Election Notice or to transfer its Refusal Right to another Qualified Beneficiary (as defined herein) to deliver the Election Notice within the same period.

C. ~~C.~~ If a Qualified Beneficiary fails to deliver the Election Notice to the ~~Company~~Partnership within 150 days of the date both Grantee and Virginia Housing have received a copy of the Offer Notice, or if such Election Notice is delivered but the purchase of the Project is not consummated by the Grantee, Virginia Housing~~,~~ or any other Qualified Beneficiary within 270 days from the date of delivery of the Election Notice (each, individually, a "Terminating Event"), then its Refusal Right shall terminate, and the ~~Company~~Partnership shall be permitted to sell the Property free of the Refusal Right.

Section 3. Purchase Price; Closing

A. ~~A.~~ The purchase price for the Property pursuant to the Refusal Right (the "Purchase Price") shall equal the sum of (i) the principal amount of all outstanding indebtedness secured by the Project, and any accrued interest on any of such debts and (ii) all federal, State, and local taxes attributable to such sale, including those incurred or to be incurred by the partners or members of the ~~Non-Managing Members~~Limited Partners. Notwithstanding the foregoing, however, the Purchase Price shall never be less than the amount of the "minimum purchase price" as ~~defined~~defined in Section 42(i)(7)(B) of the Code. The Refusal Right granted hereunder is intended to satisfy the requirements of Section 42(i)(7) of the Code and shall be interpreted consistently therewith. In computing such price, it shall be assumed that each of the ~~Non-Managing Members~~Limited Partners of the Owner (or their constituent partners or members) has an ~~effective~~effective combined federal, state and local income tax rate equal to the maximum of such rates in ~~effect~~effect on the date of Closing.

B. ~~B.~~ All costs of the Grantee's purchase of the Property pursuant to the Refusal Right, including any ~~filing~~filing fees, shall be paid by the Grantee.

C. ~~C.~~ The Purchase Price shall be paid at Closing in either of the following methods:

(i) ~~(i)~~ the payment of all cash or immediately available funds at Closing~~;~~, or

(ii) ~~(ii)~~ the assumption of any assumable Loans if Grantee has obtained the consent of the lenders to the assumption of such Loans, which consent shall be secured at the sole cost and expense of Grantee; provided, however, that any Purchase Price balance remaining after the assumption of the Loans shall be paid by Grantee in immediately available funds.

Section 4. Conditions Precedent; Termination

A. ~~A.~~ Notwithstanding anything in this Agreement to the contrary, the right of the Grantee to exercise the Refusal Right and consummate any purchase pursuant thereto is contingent on each of the following being true and correct at the time of exercise of the Refusal Right and any purchase pursuant thereto:

(i) ~~(i)~~ the Grantee or its assignee shall be a "~~qualified nonprofit~~qualified nonprofit organization" as ~~defined~~defined in Section 42(h)(5)(C) of the Code or another ~~qualified~~qualified purchaser described in Section 42(i)(7)(A) of the Code (collectively, each, a ~~Qualified Beneficiary~~"Qualified Beneficiary"); and

(ii) ~~(ii)~~ the Project continues to be a "~~qualified~~qualified low-income housing project" within the meaning of Section 42 of the Code.

B. ~~B.~~ This Agreement shall automatically terminate upon the occurrence of any of the following events and, if terminated, shall not be reinstated unless such reinstatement is agreed to in writing and signed by the Grantee and each of the Consenting ~~Members~~Partners:

(i) ~~(i)~~ the transfer of the Property to a lender in total or partial satisfaction of any loan; or

(ii) ~~(ii)~~ any transfer or attempted transfer of all or any part of the Refusal Right by the Grantee, whether by operation of law or otherwise, except as otherwise permitted under Section 7 of this Agreement; or

(iii) ~~(iii)~~ the Project ceases to be a "~~qualified~~qualified low-income housing project" within the meaning of Section 42 of the Code~~;~~, or ~~(iv)~~

(iv) the Grantee fails to deliver its Election Notice or consummate the purchase of the Property within the timeframes outlined in Section 2 above.

C. If the ~~Investor Member~~Limited Partner removes the ~~Managing Member~~General Partner from the ~~Company~~Partnership for failure to cure a default under the ~~Operating~~Partnership Agreement after all applicable notice and cure periods, the ~~Investor Member~~Limited Partner may elect to exercise any rights it has under the ~~Operating~~Partnership Agreement to terminate this Agreement and to exercise any rights it has under the ~~Operating~~Partnership Agreement to release this Agreement as a lien against the Project~~,~~ upon ~~first~~first obtaining the prior written consent of Virginia Housing, which consent may be granted or withheld in Virginia Housing~~'~~'s sole discretion.

Section 5. Contract and Closing

Upon determination of the purchase price, the Owner and the Grantee shall enter into a written contract for the purchase and sale of the Property in accordance with the terms of this Agreement and containing such other terms and conditions as are standard and customary for similar commercial transactions in the geographic area which the Property is located, providing

for a closing (the "Closing") to occur in the ~~City/~~County of ~~[_____]~~Arlington, Virginia not later than the timeframes set forth in Section 2. In the absence of any such contract, this Agreement shall be ~~specifically~~specifically enforceable upon the exercise of the Refusal Right.

Section 6. Conveyance and Condition of the Property

The Owner~~'~~'s right, title~~,~~ and interest in the Property shall be conveyed by quitclaim deed or ~~an~~ assignment of lease, subject to such liens, encumbrances~~,~~ and parties in possession as shall exist as of the date of Closing. The Grantee shall accept the Property "**AS IS, WHERE IS**" and "**WITH ALL FAULTS AND DEFECTS**," latent or otherwise, without any warranty or representation as to the condition thereof whatsoever, including without limitation, without any warranty as to ~~fitness~~fitness for a particular purpose, habitability, or otherwise and no indemnity for hazardous waste or other conditions with respect to the Property will be provided. It is a condition to Closing that all amounts due to the Owner and the Investor ~~Member~~Limited Partner from the Grantee or its ~~Affiliates~~Affiliates be paid in full. The Grantee shall pay all closing costs, including, without limitation, the Owner's attorney's fees. Upon closing, the Owner shall deliver to the Grantee, along with the deed or assignment of the lease to the property, an ALTA owner's (leasehold, as applicable) title insurance policy dated as of the close of escrow in the amount of the purchase price, subject to the liens, encumbrances~~,~~ and other exceptions then ~~affecting~~affecting the title.

Section 7. Transfer

The Refusal Right shall not be transferred without the Consent of the Investor ~~Member~~Limited Partner, except that the Grantee may assign all or any of its rights under this Agreement to Virginia Housing, or to an ~~Affiliate~~Affiliate of Grantee (a "Permitted Assignee") at the election and direction of the Grantee~~,~~ or to any assignee that shall be a "~~qualified nonprofit~~qualified nonprofit organization" as ~~defined~~defined in Section 42(h)(5)(C) of the Code or another ~~qualified~~qualified purchaser described in Section 42 of the Code (collectively, each, a "~~Qualified Beneficiary~~Qualified Beneficiary").

In the case of any transfer of the Refusal Right~~,~~ (i) all rights, conditions~~,~~ and restrictions applicable to the exercise or transfer of the Refusal Right or to the purchase of the Property pursuant thereto shall also apply to such transferee, and (ii) such transferee shall be ~~disqualified~~disqualified from the exercise of any rights hereunder at all times during which the transferor (whether the Grantee or Virginia Housing) would have been ineligible to exercise such rights hereunder had it not ~~effected~~effected such transfer.

Section 8. Rights Subordinate; Priority of Requirements of Section 42 of the Code

This Agreement is subordinate in all respects to any regulatory agreements and to the terms and conditions of the Mortgage Loans encumbering the Property. In addition, it is the intention

of the parties that nothing in this Agreement be construed to ~~affect~~affect the Owner's status as owner of the Property for federal income tax purposes prior to exercise of the Refusal Right granted hereunder. Accordingly, notwithstanding anything to the contrary contained herein, both the grant and the exercise of the Refusal Right shall be subject in all respects to all applicable provisions of Section 42 of the Code, including, in particular, Section 42(i)(7). In the event of a ~~conflict~~conflict between the provisions contained in this Agreement and Section 42 of the Code, the provisions of Section 42 shall control.

Section 9. Option to Purchase

A. ~~A.~~ The parties hereto agree that if either the Code is revised or the Service hereafter issues public authority to permit the owner of a low-income housing tax credit project to grant an "option to purchase" pursuant to Section 42(i)(7) of the Code (or other applicable provision of Section 42) as opposed to a "right of ~~first~~first refusal" without adversely ~~affecting~~affecting the status of such owner as owner of its project for federal income tax purposes, then the parties shall amend this Agreement and the Owner shall grant the Grantee an option to purchase the Property at the Purchase Price provided in Section 3 hereof and that meets the requirements of Code Section 42.

B. ~~B.~~ The parties hereto agree that if either the Code is revised or the Service hereafter issues public authority to permit the owner of a low-income housing tax credit project to grant a ~~"~~"right of ~~first~~first refusal to purchase partner interests~~"~~" and/or "purchase option to purchase partner interests" pursuant to Section 42(i)(7) of the Code (or other applicable provision) as opposed to a "right of ~~first~~first refusal to purchase the Project" without adversely ~~affecting~~affecting the status of such owner as owner of its project for federal income tax purposes (or the status of the Investor ~~Member~~Limited Partner as a partner of the ~~Company~~Partnership for federal income tax purposes) then the parties shall amend this Agreement and the ~~Investor Members~~Limited Partners shall provide a right of ~~first~~first refusal and/or purchase option, as the case may be, to acquire their Interests for the Purchase Price provided in Section 3 hereof and that meets the requirements of Code Section 42.

Section 10. Notice

Except as otherwise specifically provided herein, all notices, demands or other communications hereunder shall be in writing by hand delivery (whether personally or by courier or other delivery service) or by certified mail, return receipt requested, to the parties hereto at the addresses set forth below, or to such other place as a party may from time to time designate in writing. Any such notice(s) shall be deemed given when received at such address or place or, in the case of certified mail, three (3) days after date of mailing.

(A) ~~(A)~~ If to the Owner, at the principal ~~office~~office of the ~~Company~~Partnership set forth in Article II of the ~~Operating~~Partnership Agreement;

(B) ~~(B)~~ If to a Consenting ~~Member~~Partner, at their respective addresses set forth in Schedule A of the ~~Operating~~Partnership Agreement;

(C) ~~(C)~~ If to the Grantee, ~~[_____]~~, ~~[_____]~~4318 N. Carlin Springs Road, Arlington, VA 22203;

(D) ~~(D)~~ [~~___~~_____]; and

(E) ~~(E)~~ If to Virginia Housing:

Virginia Housing Development Authority
c/o Director of Tax Credit Programs
601 S Belvidere Street
Richmond, Virginia 23220

Section 11. Severability of Provisions

Each provision of this Agreement shall be considered severable, and if for any reason any provision that is not essential to the ~~effectuation~~effectuation of the basic purposes of the Agreement is determined to be invalid and contrary to any existing or future law, such invalidity shall not impair the operation of or ~~affect~~affect those provisions of this Agreement that are valid.

Section 12. Binding Provisions

The covenants and agreements contained herein shall be binding upon, and inure to the ~~benefit~~benefit of, the heirs, legal representatives, successors~~,~~ and assignees of the respective parties hereto, except in each case as expressly provided to the contrary in this Agreement.

Section 13. Counterparts

This Agreement may be executed in several counterparts and all so executed shall constitute one agreement binding on all parties hereto, notwithstanding that all the parties have not signed the original or the same counterpart.

Section 14. Governing Law

This Agreement shall be construed and enforced in accordance with the laws of the Commonwealth of Virginia without regard to principles of ~~conflicts~~conflicts of law. Notwithstanding the foregoing, ~~Company~~the Partnership, Investor ~~Member,~~Limited Partner and Grantee do not intend the Refusal Right in this Agreement to be a common law right of ~~first~~first refusal but rather intend it to be understood and interpreted as a mechanism authorized by Section 42 of the Code to allow ~~nonprofit~~nonprofit entities to preserve ~~affordable~~affordable housing for low-income families in accordance with Grantee's charitable objectives.

Section 15. Headings

All headings in this Agreement are for convenience of reference only. Masculine, feminine, or neuter gender, shall include all other genders, the singular shall include the plural, and vice versa as the context may require.

Section 16. Amendments

This Agreement shall not be amended except by written agreement between Grantee and the Owner with the consent of each of the Consenting ~~Members [~~Partners and Virginia Housing~~]~~.

Section 17. Time

Time is of the essence with respect to this Agreement, and all provisions relating thereto shall be so construed.

Section 18. Legal Fees

Except as otherwise provided herein, in the event that legal proceedings are commenced by the Owner against the Grantee or by the Grantee against the Owner in connection with this Agreement or the transactions contemplated hereby, the prevailing party shall be entitled to recover all reasonable attorney's fees and expenses.

Section 19. Subordination

This Agreement is and shall remain automatically subject and subordinate to any bona ~~fide~~fide mortgage to (or assigned to) an institutional or governmental lender with respect to the Project. In the event of a foreclosure of any such mortgage, or of the giving of a deed in lieu of foreclosure to any such mortgagee, this Agreement shall become void and shall be of no further force or ~~effect~~effect.

Section 20. Rule Against Perpetuities Savings Clause

The term of this Agreement will be ninety years commencing on the date ~~first~~first written above unless sooner terminated pursuant to the provisions hereof. If any provision of this Agreement is construed as violating and applicable "Rule Against Perpetuities" by statute or common law, such provision will be deemed to remain in ~~effect~~effect only until the death of the last survivor of the now~~-~~ living descendants of any member of the 116th Congress of the United States, plus twenty-one
(21) years thereafter. This Agreement and the Refusal Right herein granted are covenants running with the land~~,~~ and the terms and provisions hereof will be binding upon, inure to the ~~benefits~~benefits of~~,~~ and be enforceable by the parties hereto and their respective successors and assigns.

Section 21. Third~~-~~ Party ~~Beneficiary~~Beneficiary; Virginia Housing Rights and Powers

Virginia Housing shall be a third~~-~~ party ~~beneficiary~~beneficiary to this Agreement, and the

~~benefits~~benefits of all of the covenants and restrictions hereof shall inure to the ~~benefit~~benefit of Virginia Housing, including the right, in addition to all other remedies provided by law or in equity, to apply to any court of competent jurisdiction within the Commonwealth of Virginia to enforce ~~specific~~specific performance by the parties or to obtain an injunction against any violations hereof, or to obtain such other relief as may be appropriate. Virginia Housing and its agents shall have those rights and powers with respect to the Project as set forth in the Act and the Virginia Housing Rules and Regulations promulgated thereunder, including~~,~~ without limitation, those rights and powers set forth in Chapter 1.2 of Title 365 of the Code of Virginia (1950), as amended, and 13VAC10-180-10 et seq., as amended.

[Signatures appear on following pages]

IN WITNESS WHEREOF, the parties hereto have caused this Right of First Refusal Agreement to be executed by their duly authorized representatives as of the date ~~first~~first stated above.

OWNER:

~~[OWNER], a [~~

CRYSTAL HOUSE SIX LIMITED PARTNERSHIP, a Virginia limited partnership

By: Crystal House Six Development LLC a Virginia~~]~~ limited liability company, its general partner

By: _____

_____

~~Its: _____~~

_____

Name: Carmen Romero

Title: President

COMMONWEALTH OF ~~_____~~VIRGINIA)

~~_____ of _____, to wit:~~

~~The foregoing instrument was acknowledged before me this ____day of _____, 20___, by _____~~

~~_____, on behalf of _____, a _____.~~

~~SEAL: _____~~

_____

)

CITY/COUNTY OF)

On _____, 2025, before me, the undersigned, a notary public in and for the said state, personally appeared Carmen Romero, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that they executed the same in their capacity as the President of Crystal House Six Development LLC, a Virginia limited liability company, which is the General Partner of Crystal House Six Limited Partnership, a Virginia limited partnership, and that by their signature on the instrument, the entity, individual or the person on behalf of which the individual acted and executed the instrument.

~~Notary Public~~ _____

Commission ~~expires:~~ _____Expires:

Registration No._____:

GRANTEE:

~~[GRANTEE]~~**TRUE GROUND HOUSING PARTNERS, INC.**, a ~~[~~Virginia~~] limited liability company~~ non-stock corporation

By: _____

_____

~~Its: _____~~

_____

Name: Carmen Romero
Title: President

COMMONWEALTH OF ~~_____~~VIRGINIA)

~~_____ of _____, to-wit:~~

~~The foregoing instrument was acknowledged before me this ____day of _____, 20___, by _____, on behalf of _____, a _____.~~

~~SEAL: _____~~

_____

)
CITY/COUNTY OF)

On _____, 2025, before me, the undersigned, a notary public in and for the said state, personally appeared Carmen Romero, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within the instrument and acknowledged to me that they executed the same in their capacity as President and that by their signature on the instrument, the entity, individual or the person on behalf of which the individual acted, executed the instrument.

Notary Public

Commission ~~expires:~~ _____Expires:

Registration No._____:

~~MANAGING MEMBER:~~

~~[MANAGING MEMBER]~~

GENERAL PARTNER:

CRYSTAL HOUSE SIX DEVELOPMENT LLC,
a [Virginia] limited liability company

By: _____

_____

Its: _____

_____

Name: Carmen Romero
Title: President

COMMONWEALTH OF _____VIRGINIA)

_____ of _____, to wit:

The foregoing instrument was acknowledged before me this ____day of _____, 20___, by _____, on behalf of _____, a _____.

SEAL: _____

_____

)
CITY/COUNTY OF)

On _____, 2025, before me, the undersigned, a notary public in and for said state, personally appeared Carmen Romero, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that they executed the same in their capacity as President of Crystal House Six Development LLC, and that by their signature on the instrument, the entity, individual or the person on behalf of which the individual acted, executed the instrument.

Notary Public

Commission ~~expires:~~ Expires:

Registration No.~~_____~~:

~~INVESTOR MEMBER~~

INVESTOR LIMITED PARTNER:

[INVESTOR ~~MEMBER~~ENTITY], a
[~~Virginia]~~ _____][_____]limited

liability company

By:

_____

~~Its:~~

_____

_____ [_____]

By: _____

SPECIAL LIMITED PARTNER:

[_____][_____] SPECIAL LIMITED PARTNER, L.L.C., a [_____][_____]
limited liability company

By: [_____], LLC, a [_____][_____]
limited liability company, its manager

By: _____

STATE OF _____

_____ of _____, ~~to-wit:~~

~~The foregoing instrument was acknowledged before me this ____day of _____, 20___, by _____, on behalf of _____, a _____.~~

~~SEAL:~~ _____)

)

CITY/COUNTY OF _____)

On _____, 20_____, before me, the undersigned, a notary public in and for the said state, personally appeared [_____], personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that they executed the same in their capacity as [_____], the manager of **[Investor Entity]**, a [_____] limited liability company, and **[ ] Special Limited Partner, L.L.C.**, a [_____] limited liability company, and that by their signature on the instrument, the entity, the individual or the person on behalf of which the individual acted, executed the instrument.

_____
Notary Public

Commission ~~expires:~~ _____Expires:

~~Registration No. _____~~

SPECIAL MEMBER:

[SPECIAL MEMBER], a [Virginia] limited liability company

By: _____

Its: _____

_____ OF _____

_____ of _____, to-wit:

The foregoing instrument was acknowledged before me this ____day of _____, 20___, by _____, on behalf of _____, a _____.

SEAL: _____
Notary Public

Commission expires: _____

Registration No. _____

EXHIBIT A

LEGAL DESCRIPTION

[~~insert~~Insert legal ~~description~~]

Document comparison by Workshare Compare on Tuesday, June 30, 2026 3:58:55 PM

Input:	
Document 1 ID	file://E:\1Scanner - PDF Files\Jessica Weston\Tab V Right of First Refusal Template A.docx
Description	Tab V Right of First Refusal Template A
Document 2 ID	PowerDocs://DOCS/993022/2
Description	DOCS-#993022-v2-Right_of_First_Refusal_(Crystal_House_Six)
Rendering set	Standard

Legend:	
Insertion	
~~Deletion~~	
~~Moved from~~	
Moved to	
Style change	
Format change	
~~Moved deletion~~	
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

Statistics:	
	Count
Insertions	254
Deletions	285
Moved from	0
Moved to	0
Style changes	0
Format changes	0
Total changes	539

Tab W:

Internet Safety Plan and Resident Information Form (if internet amenities selected)

Providing free Wi-Fi at Crystal House Six

Overview

1.) Security and Maintenance

a. Contract with an IT provider to install and maintain a firewall at the router level to prevent intrusion attempts.
b. Use same IT provider to maintain the deployed technology.

2.) Education

a. Provide computer basics and internet safety training intermittently as optional for residents to attend. Include lessons as part of package to disburse to residents.
    i. Lessons included on page 5.
b. Include disclaimers and internet security guidance in the Acceptable Use Policy (page 3) and the Acknowledgment (page 4) about inherent risks in using the internet.

Acceptable Use Policy

Residents of Crystal House Six must agree to and follow the acceptable use policy when using the CH6 network.

1. All CH6 residents must adhere to all federal and state laws when using the Crystal House Six network, services and/or internet access.
2. Spam may not be distributed using mail servers connected to the Crystal House Six network. Any computer on the Crystal House Six network that is infected with spam generating software and that distributes spam, with or without the Owner's knowledge or consent, may be disconnected from or denied access to the CH6 network at the discretion of Crystal House Six.
3. Viruses, malware, or other malicious code may not be distributed using computers connected to the Crystal House Six network. Any computer on the Crystal House Six network that is infected with malicious code and distributes malicious software, even without the Owner's knowledge or consent, may be disconnected from the network at the discretion of Crystal House Six.
4. Illegal file sharing is not allowed, and computers engaged in such activity may not be connected to the Crystal House Six network. Any computer on the Crystal House Six network that is infected with illegal file sharing software and distributes copyrighted materials, even without the Owner's knowledge or consent, may be disconnected from the Crystal House Six network at the discretion of Crystal House Six.
5. The service is designed for personal, general Internet use including streaming, web surfing, e-mail access, and all other possible legal online activities. Residents are not allowed to host **public servers** of any kind or use static IPv4 IP addresses. Crystal House Six may disconnect Residents who use the service for activities deemed to exceed typical residential use.
6. You agree to allow personnel of Crystal House Six and its partners reasonable access to your unit for proper maintenance of equipment.
7. The Access Points being distributed **are property of Crystal House Six** and may not be removed from the premises. Should your time at Crystal House Six come to an end, you may **not** take the access point with you. Doing so may result in a charge or forfeiture of your security deposit.
8. Like any commercially provided Internet Connection, this service is subject to usage monitoring. Anonymity is not guaranteed on the internet. Crystal House Six Staff will **not** have access to browsing data, however Crystal House Six **will** be alerted by the data center, the connection provider, should they detect a unit misusing the service as outlined in sections 1, 2, 3, 4, or 5. Gross misuse may result in the entire building being cut off by the data center, disrupting your neighbors as well.
9. Using the internet has inherent risks, be aware of the sites you navigate to, make sure they are using https (which you can verify by looking at the status bar) and don't give out personal information unless you have verified the legitimacy of a website.
10. Crystal House Six's Acceptable Use Policy may change without notice. All changes will be shared via flyers before taking effect.

DRAFT

Acknowledgement of Goods Received

Unit Number _____

First Name _____

Last Name _____

E-mail _____

By signing below, you acknowledge the following:

1.) You are currently living at Crystal House Six, and you have been walked through the following materials:
   a. Crystal House Six's Acceptable Use Policy
   b. This Acknowledgement Form

2.) That you are receiving **one** access point for your household, and it is currently installed in your unit.

3.) That the access point you are receiving is the property of Crystal House Six. You do **not** own this Access Point. Should your time at Crystal House Six come to an end, you may **not** take the access point with you. Doing so may result in an additional charge or forfeiture of your security deposit.

4.) Should an issue arise with your connectivity, please alert the contracted Internet Service Provider [to be finalized once a service agreement is executed], giving them your name and unit number. Upon moving into your unit, you will be provided with their contact information. Please contact the leasing office in case you are not provided with this information. If you damage or break the Access Point by accident or negligence you may be charged for replacing the unit.

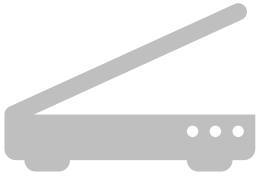
5.) If the Access Point or power cable fails on its own, you will not be charged for replacing the unit.

6.) The Access Point should not be moved to another unit without previous authorization from Crystal House Six or APAH staff.

x _____ / / _____

Signature Day / Month / Year

DRAFT



Lesson 1Part 1

Introduction to Computing

Introduction

- Who We Are
- What You Will Learn
- Class time 6PM until 730PM
- Class Etiquette
  - Breaks, cell phones, questions
- You get out of it what you put into it

A Computer is:

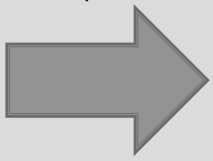
- A **machine** that manipulates/processes data (inputs) according to a set of instructions and produces/displays an output
- Combination of hardware and software



Hardware and Software

- Hardware – Physical parts of the computer. Anything that you can touch.
- Software – Instruction sets that run on **hardware** that create files, perform calculations, and display webpages (kind of like a cookbook)

How A Computer Works

Input Devices	Processor	Output Devices
Keyboard 	Takes the data from input devices and uses software to process it and direct it to Output Device 	Monitor 
Mouse 		Printer 
Camera & scanner 		Projector 
Audio and video 		

Hardware

The Hardware Parts

Output Device

1. Monitor (Screen)

Processing

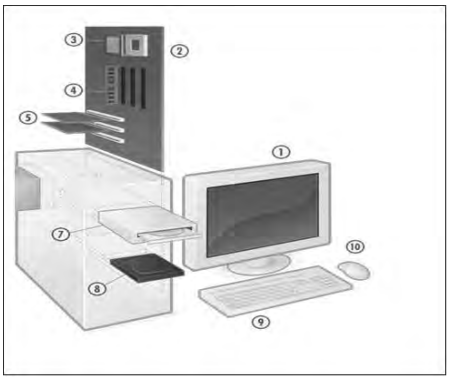
2. Mother Board
3. Central Processing Unit (CPU)

Storage

4. Memory Cards – RAM
5. Circuit Board
7. CD Rom Drive
8. Hard Drive

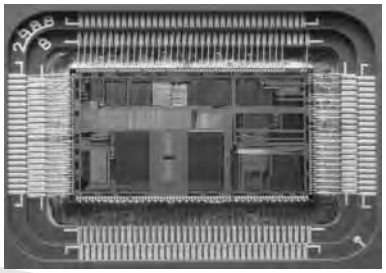
Input Devices

9. Keyboard
10. Mouse



Central Processing Unit (CPU)

- The CPU is an electronic circuit that can execute software in MIPS (millions of instructions per second!)
- The CPU is the "brain" of the computer



7

Mouse

- Desktop Mouse

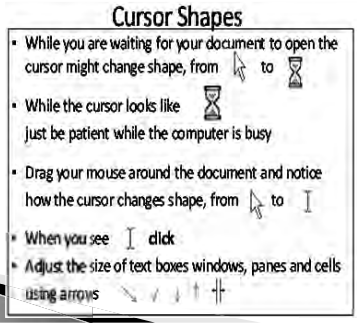


- Touchpad – laptop mouse



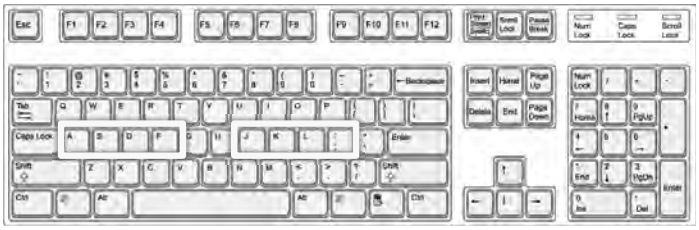
Mouse Functions

- Click = Press Left Button **(Select)**
- Double Click = Press Left Button Twice Quickly **(Open)**
- Right Click = Press Right Button **(Options)**



Keyboard

- Input Device with alpha, numeric, punctuation, symbols, and navigation keys



Home Row: asdf jkl;

10

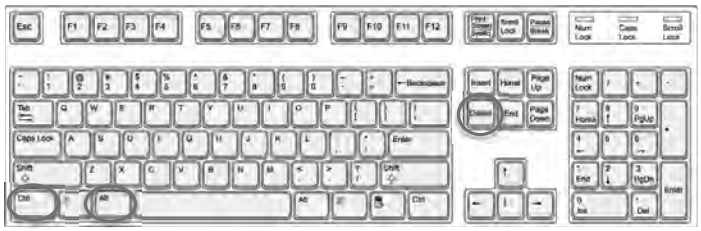
Software

- Operating System – The software that works with the hardware to control the computer's operations. Most computers have Microsoft Windows (such as Windows 7, Windows Vista)
- Programs – The software that users interact with to perform their work. Common applications include Microsoft Word, Excel, PowerPoint, Internet Explorer, and FireFox. Google Chrome

Turning On the Computer



Practice: Ctrl + Alt + Del → Enter



Logging Onto Laptop with Student ID & Password



Opening a Program

- Use the Start button to access "All Programs"



- Then select the program that you want to open



Exercise – Typing Practice

1. Open the program "Microsoft Office Word"
   Start > All Programs > Microsoft Office > Microsoft Office Word
2. Key in the following Home keys 10 times:
   asdf jkl; [Enter]
3. Key in the following 10 times:
   Your name. Press SHIFT key for upper case letters.

Exercise – More Typing Practice

1. Key in the following 5 times:
   Today's date: November 7, 2016
2. Key in the following 5 times:
   . , ; : / ? ' "
3. Key in the following 5 times:
   Your favorite movie or music.

Turning Off or Shut Down Computer



Lesson 1 Part 2

Introduction to Computing

Agenda

- Computer Desktop
- Files and Folders
- Windows
- Memory
- Keyboarding

Desktop

- What do you keep on a regular desktop?
  - Pens, paper, stapler, paper clips
- What is a Computer Desktop?
  - Place to store frequently accessed programs, files, photos, etc.



Opening a Program

- Use the Start button to access "All Programs"



- Then select the program that you want to open



Windows and MS Word

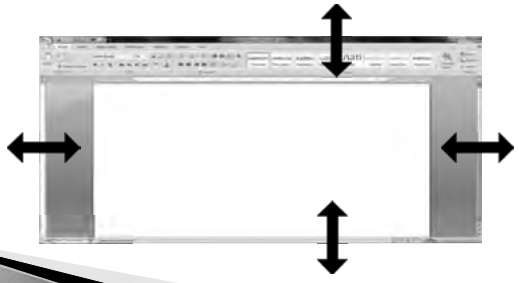
- Open program → Microsoft Word



Windows

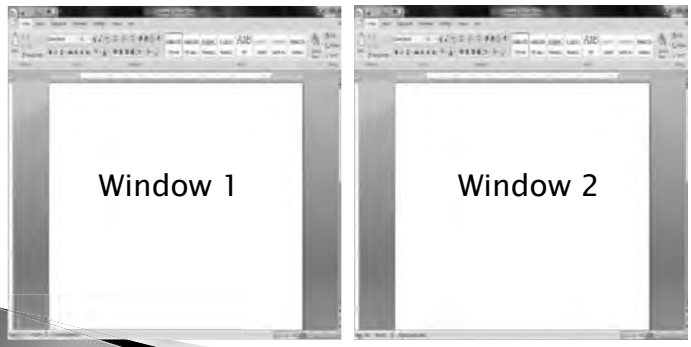
- Exercises:
  - Minimize, Maximize, Close button
  - Resize window to tall and thin
  - Resize window to short and wide





Windows

- Exercise:
  - Open two windows and place side by side. Why?



7

Files and Folders

- File = electronic version of a document, spreadsheet, presentation, etc.



- Folder = used to organize files



8

Memory

- Places to store files:
  - Hard Drive – My Documents on the computer
  - DVD –



  - Flash Drive –

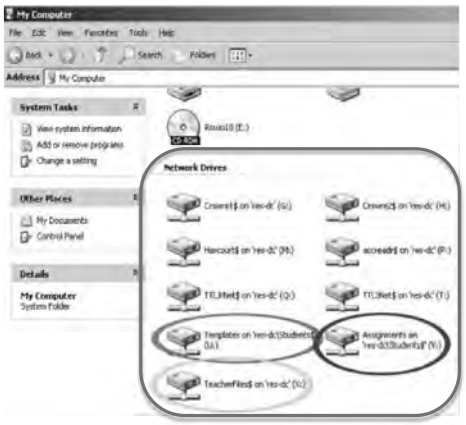


  - The "Cloud" –
  - Discussion of Pros and Cons for each type of memory

9

Memory

- Another place to store files:
  - Network Drive
  - Company's data system
  - Used only by members of that company



10

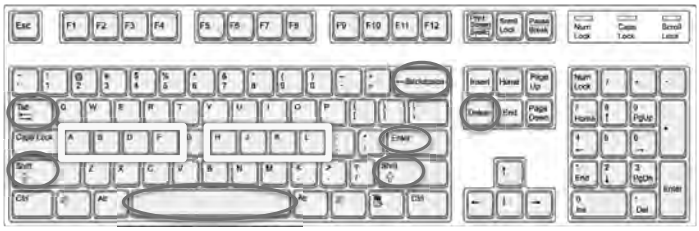
File Exercises

- Save new Word document
  - File > Save As
  - Choose a file name and save in My Documents
- Create new folder in My Documents
  - Name the folder "Class"
  - Create 3 files in Word: "Resume" "Budget" and "Jobs"
  - Select and Drag each file into the "Class" folder

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Keyboarding

- Home Row
- Backspace and Delete
- Space Bar
- Shift
- Enter
- Tab



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Keyboarding Practice

- Type three sentences in "Resume" file.
- REMEMBER TO SAVE YOUR DOCUMENT.
- Type three sentences in "Jobs" file.
- REMEMBER TO PRACTICE EACH DAY.
- QUESTIONS!!!!????

13

Turning Off or Shut Down Computer



Lesson 2

Internet Security
Navigating the Internet
Social Media
Voice over Internet Protocol (VoIP)/Chat

Agenda Part 1

- Computer Security—Why?
- Create Strong Passwords
- Backup/Save Your Data
- Online Banking Primer
- Buying Things Online
- Online Tracking

Computer Security—Why?

- Anti-Virus Software
  - Microsoft Security Essentials (free), McAfee, Norton: scans your computer for potential viruses.
- Flash Drives
  - Be careful using flash drives from other people.
- Updates
  - Always click 'YES' to Anti-Virus and Windows Updates.
- Firewall
  - NEVER disable the Windows Firewall (ON by default)

Create Strong Passwords

- All passwords must be airtight strong.
  - Reduces chances of hacking and ID theft.
- At least 10 characters with lower case, upper case, and special characters !@#$%&*
  - Can create a unique phrase or sentence that no one knows or is published. No birthdates, 12345, ABCDE, social security #.
  - Write down each password and place somewhere safe.
- Use different passwords for EACH account.
  - Computer
  - Online Banking
  - Social Media: Facebook, Twitter, Instagram

Create Strong Passwords

- **Class Exercise**:
  - Create a password together
  - At least 10 characters with lower case, upper case, and special characters !@#$%&*

Back Up Your Data

- SAVE, SAVE, SAVE
  - Save your files early and often!



- Backups
  - Computers can crash one day. Hard drives can become corrupted and viruses can erase files.
  - Periodically save a copy of your files to a flash drive or backup hard drive.
- Cloud Storage
  - Google Drive, Drop Box, backup files regularly



- Magnets
  - NEVER put a magnet near a computer. Can wipe data off the hard drive and ruin the monitor.



Online Banking

- Online Banking
  - Only access online banking sites from home computer.
  - Never access on a shared computer.
- Key in URL addresses in Browser.
- Don't automatically click links in email.
  www.bankofamerica.com
  not same as
  www.bankofamerica.com.fakewebsite.exe
  This is a **DANGEROUS** link.

7

Buying Things Online

- Only purchase items from well-known websites.
- Ensure the URL contains https and the lock symbol before entering credit card info.
- NEVER wire money as payment.



8

Online Tracking 1

- Websites remember where you have visited like Google & Facebook.
  - Why? So they can target sales ads to fit your interests.
- Also, sites are saved on the web browser.
  - To remove:
    - Firefox: History > Clear Recent History
    - Chrome: Clear Browsing Data

9

Online Tracking 2

- Prevent Online Tracking
  - Sign out of email when searching online.
  - Use Private Browsing.
- Firefox: Preferences > Privacy > Tracking
- Chrome: File > New incognito window

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Agenda Part 2

- Popular Uses of the Internet
- Internet Vocabulary
- Cable Internet Service & Connection
- Web Browser
- Format of URL Web Address
- Finding Stuff on the Internet

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Popular Uses of the Internet

To do this	What to use
View Websites	Browsers: Firefox, Chrome, Safari, Opera
Send & receive messages & documents	Gmail, Outlook, Yahoo
Send and receive short text messages	Cell phone carriers
Locate places on a map & get directions	Google maps, Mapquest, Rand McNally

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Internet Vocabulary

- Website: One organization's location on the Web.
- Browser: Software used to explore or "surf" the Web.
- URL: Address used to go to a website.
- Link: Text or picture when clicked with your mouse takes you quickly to a website.
  - www.nytimes.com

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How Do I Get Internet Service?

Two main ways to get Internet Service

- DSL from the phone company
- Cable Internet from the cable company

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Cable Connection

Internet Service from the cable company is called Cable Internet

↓

Cox, Comcast, etc. are cable companies

↓

Cable Internet uses TV cable to connect to the Internet

↓

Typically get Cable Internet with Cable TV service

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Other Types of Internet Service

FiOS: Fiber Internet connection (offered by Verizon)

↓

Wireless Broadband: Wireless card via cell phone towers

↓

Tethered Mobile Phone: Uses smartphone's Internet connection

↓

Satellite: Uses satellite dish to connect to Internet

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Connecting to the Internet

- Computer connects with cables to router



OR

- Computer connects wirelessly to router = Wi-Fi



- Caveats, snooping, intercepting signals

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Web Browsers

- An Application used to view web pages and navigate websites on the Internet
- Opera, Firefox, Safari, Chrome, Microsoft Edge



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MS Edge Web browser

- Parts to a Browser Window



Navigating Backward & Forward



- While browsing the internet, the Browser remembers websites visited.
- Use Back Button to return to previous sites.
- Use Forward Button to go in reverse direction.
- Often, when opening a new link, the website will appear in a new Tab or window.

Format of URL Web Address

www.washingtonpost.com

Often starts with "www" = Worldwide Web

Domain Name

Type of website
- Commercial (.com)
- Non-profit (.org)
- Educational (.edu)
- Government (.gov)

SEARCHING on the Internet

Question: Over 10 billion websites, how do I find the right one?

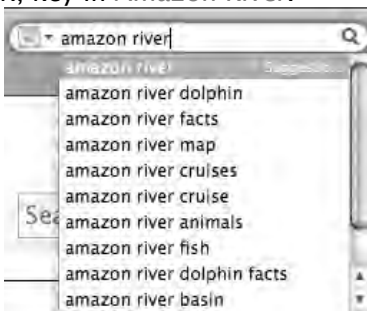
Answer: Use a search engine & key words.



SEARCHING the Internet (cont'd)

- For example, find information about the Amazon River in South America.
- In the search box, key in Amazon River.

Search box →



Interpreting Search Results

- Results page shows hundreds of websites or "hits."
- Each "hit" shows:
  - Blue link that takes you to the website.
  - Sample of text from the website.
  - URL of the website (in green).

Number of websites about the Amazon River

One of the hits



Your Turn on the Internet

- Find the name and height of the tallest mountain in the world.
- Find the name of the winner of the World Cup.
- Find an image of the Washington Wizards logo.
- Using Google maps, find directions from Arlington City (your address in this building) to a Harris Teeter market.

Email Communications

- Email is a way to send electronic messages to anyone in the world instantly.
- Email Services:
  - Gmail
  - Outlook (reinvented Hotmail)
  - Yahoo!
  - Aol Mail

PC Magazine
http://www.pcmag.com/article2/0,2817,2408983,00.asp

Email Security

- Most common way for a computer to be infected with a virus or get hacked.
- Be wary of suspicious looking emails
  - "You just won a prize!"
  - "Your account has been locked."
  - Pay attention to poor grammar, awkward, and unprofessional writing—signs of potential danger.
- NEVER
  - Open an email from someone you don't know
  - Open attachments that end in .exe .com .bat
  - Click on links inside emails

Email Addresses

- Must use an email address to send message to another person.
- Contains a username and a domain separated by the '@' symbol.
- The '@' symbol stands for the word "at."
- Example: john.smith@gmail.com

Email Address vs. URL

- Email Address
  - Identifies a person or entity
  - Always has the @ symbol
  - Shows the email service provider
  - Example: **john.smith@gmail.com**
- URL
  - Identifies a website
  - Usually begins with www, name of website, extension
  - Example: **www.carpentersshelter.org**

Sign Up/Sign In to Email

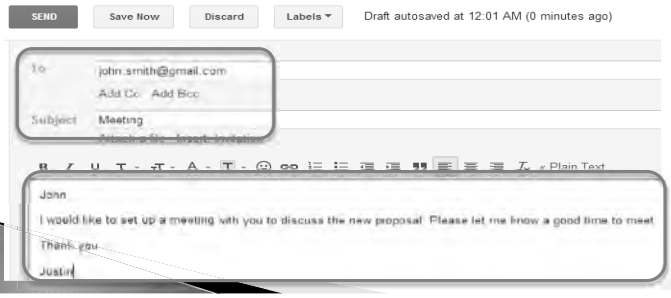
- If you already have an email account, sign into your account.
- If you don't have an email account, create one by going to www.gmail.com
  - Click "Create an Account" button CREATE AN ACCOUNT
  - Enter a name, username, and create a password.
  - Make sure your password has at least 10 characters with lower case, upper case, and special characters.
    - See next slide.

Create Strong Passwords

- At least 10 characters with lower case, upper case, and special characters !@#$%&
- Can create a unique phrase or sentence that no one knows or is published.
- No birthdates, 12345, ABCDE, social security #.
- Write down each password and place somewhere safe.

Compose an Email

- Click on the Compose button COMPOSE
- Three parts to an email:
  - To, Subject, and Message



CC and BCC

- Carbon Copy (CC)
  - Send a copy of the email to your supervisor.
- Blind Carbon Copy (BCC)
  - Send a copy of the email to your supervisor, but do not want the client to know.
  - Not recommended to do. Can **forward** a copy to your supervisor afterwards.



Reply, Reply All, Forward

- Reply – send an email **back to someone** who sent you an email.
- Reply All – send an email back to **everyone** who was on the email.
- Forward – send an email that you received to **someone else.**



Exercise

- Send an email to someone in class.
- Ask them "What is your favorite restaurant?"
- Open the email that you receive.
- Reply with the name of your favorite restaurant.

Attachments



- Email can be used to send files.
  - Documents, Spreadsheets, Presentations, Images.
- File size typically limited to 20-25 MB (megabytes).
- Click 'Attach a file' button and locate the file.
  - Typically in 'Documents' or 'Pictures' folders.
  - Drag & Drop feature available.



Exercise

- Create a Word document
  - Type three sentences describing your dream job.
  - Save the document as 'Resume' in 'Documents' folder.
- Compose and send an email to someone in class with 'Resume' document attached.

Email Etiquette

- Resist using Reply All unless applicable. Just use Reply.
- Don't use BCC (may make message look suspicious).
- Don't forward "chain letters" or jokes (especially at the office).
- Don't send anything negative about a person or your company. Why?
  - Any email you send at work may be read by your employer.

Email Etiquette (cont'd)

- Don't send anything in an email you would be uncomfortable seeing on the front page of a newspaper.
- Emails can get forwarded to anyone anywhere.
- NEVER open email attachments from people you don't know.
  - Most common way to infect a computer virus.

Voice over IP (VoIP)/Chat Communications

- Voice over IP and Chat tools are a way to communicate with someone on another computer or Smart Phone
- Applications include: SKYPE, G-Chat and Google Video, Facebook Messenger, WhatsApp, Face Time, etc.



Voice over IP (VoIP)/Chat Communications (cont'd)

- Applications have many similar features and allow you to chat or share video or have person to person video chats, live
- Applications are available for free and downloadable to your desktop
- To enjoy enhanced features you can pay extra

Turning Off your Computer



APAH Lesson 3

Advanced Internet Topics

1

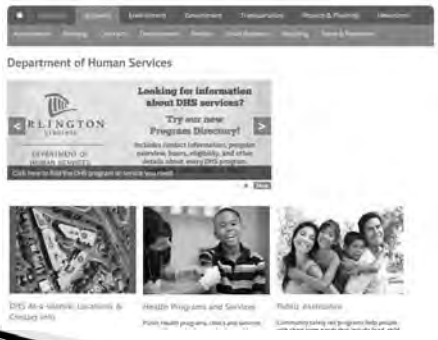
Agenda

- Arlington Co. Dept. of Human Services website
- Arlington Co. Government Website
- "Common Sense Media" (resources for families/parents)
- Library Websites & resources
- "Lynda.com" free to residents with library card
- Resume resources and websites
- Job Searching hints
- Applying for jobs online

2

Arlington Co. Human Services Main page

- Multi purpose site for all your needs
  - https://departments.arlingtonva.us/dhs



3

Arlington Co. Human Services (Cont'd)

- "Cards" displaying varied content of interest



4

Arlington Co. Human Services Website (Cont'd)

- The Resident Housing link was selected.



5

Arlington Co. Govt. Website

- URL of website: https://www.arlingtonva.us/



6

Arlington Human Services Website (Cont'd)

- Many aspects of site available in Spanish



7

Common Sense Media – Why?

- Website to assist with families with Children URL: https://www.commonsensemedia.org/



8

Common Sense Media

- Independent Non-profit organization that attempts to assist families and their kids in navigating the web and all data out there,
- Provide Movie and Book Reviews,
- Best movies for kids along with reviews,
- Age appropriate information on media.



9

Arlington Library "Lynda" Website

- Lynda.com is a learning website available to Arlington County residents with a valid library card (Now run by ***LinkedIn*** learning)



10

"Lynda.com" Website (Cont'd)

- On line courses, certifications, Learn software, creative, and business skills to achieve your personal and professional goals. Join today to get access to thousands of courses.



11

Resume Resources

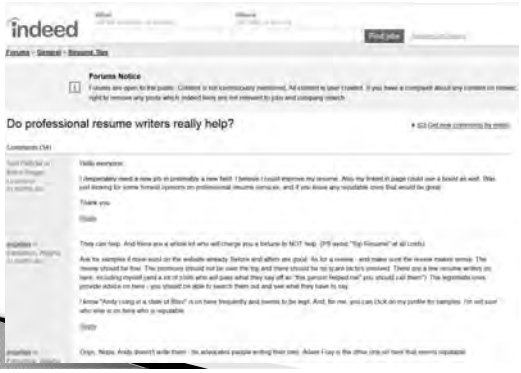
- Get assistance with writing your resume from many sources on line.



12

Resume Resources

- Get assistance with writing your resume from many sources on line. Indeed.com:



13

Resume Resources

- Get assistance with writing your resume from many sources on line.
  - **Monster.com:** https://www.monster.com/career-advice/article/resume-writing-help
  - **Indeed.com**: https://www.indeed.com/forum/gen/Resume-Tips/Do-professional-resume-writers-really-help/t533665
  - **Create a Free Resume online**: https://resume-help.org/



14

Applying online for jobs

- **Linked In,**
- **USA.gov**
- **Indeed.com**
- **Careerbuilder.com**
- **Monster.com**





15

Job Searching hints

- Sign up for Linked In with your resume
- **Have a professional email address not a frivolous one,**
- **Go to job fairs with copies of your resume,**
- **Target each application to the job opportunity**
- **Use online learning like Lynda.com to develop your skills and marketability,**
- **Practice job interviewing with a mentor or friend or teacher.**
- **Research, research!!!**

16

Applying online for jobs (cont'd)

- **<u>DO's:</u>**
- **Check company website and apply from that site**
- **Tailor your resume to that position. Good idea to have a couple of resumes, why?**
- **Update your Linked-In site, as people will solicit job offers to you. Examples**
- **Write a cover letter for the job and attach it with your application if possible.**

17

Applying online for jobs (cont'd)

<u>DONT's:</u>

- **Type lazily, make spelling mistakes (no excuses) and that grammar is correct. First impressions!**
- **Never use '<u>auto fill</u>' when applying, why?**
- **Leave any blanks, always complete the entire application,**
- **Save your work as you go along,**

There is a lot of competition out there, put your best foot forward at all times!

18

Turning Off your Computer



Tab X:

Marketing Plan for units meeting accessibility requirements of HUD section 504

Crystal House Six

Crystal House Six Limited Partnership

Arlington, Arlington County, Virginia

Marketing Plan for Units Which Conform to Section 504 of the Rehabilitation Act

This Marketing Plan for Units Which Conform to Section 504 of the Rehabilitation Act (the "Marketing Plan") has been designed to convey to current and potential residents with disabilities that **Crystal House Six** will be a new rental housing experience, with a commitment to excellent management and resident service, as well as an expectation of resident responsibility. Therefore, the majority of this plan will address ways in which property management will endeavor to secure qualified tenants, ensure quality tenancy, and provide effective management and maintenance of the property.

Crystal House Six Development LLC, the General Partner of Crystal House Six Limited Partnership ("Applicant"), will engage a VHDA-approved and qualified property management firm (the "Property Manager") to manage the operations of Crystal House Six. The Property Manager will be responsible for all of the traditional management functions, including rent collection, maintenance, record keeping, reports, development of budgets, and monitoring resident income qualifications. Additionally, the Property will be home to a variety of community and resident services programs.

I. Affirmative Marketing

The **Property Manager** is pledged to the letter and the spirit of the U.S. policy of the achievement of equal housing opportunity throughout the United States of America and will actively promote fair housing in the development and marketing of this project. The **Property Manager,** its Officers, Directors and employees will not discriminate on the basis of race, creed, color, sex, religion, familial status, elderliness, disability or sexual orientation in its programs or housing. They will also comply with all provisions of the Fair Housing Act (42 U.S.C. 3601, et. Seq.).

When a Section 504 unit becomes vacant, the Property Manager will work to fill the unit with a qualified household. Marketing will include outreach to partner organizations and advertisement in standard marketing vehicles (e.g. Craigslist). Any unit which is designated as a unit for people with disabilities and that conforms to Section 504 of the Rehabilitation Act will be held vacant for sixty days (60). The Property Manager will document its marketing efforts to find households with qualified disabilities during this time period. If a qualified tenant is not found, the marketing evidence will be submitted to VHDA's Program Compliance Office and the manager will request approval to rent the unit to any income-qualified household. If the request is approved, the lease will contain a provision stating that the household must agree to move to a vacant unit at the same property if a household including a person with a disability applies for the unit, and that the move will be paid for by the Property Owner.

However, if marketing to the Target Population is deemed to be conducted satisfactorily on an ongoing basis throughout the year and the Property Manager can provide sufficient documentation to VHDA's Compliance Officer, the Property Manager may request the ability to lease 60-point Units, to a household not in the Target Population without the unit remaining vacant for the 60-day timeframe. "Ongoing basis" means contact to at least two (2) resources at least monthly in the manner noted below at any time the required number of units is not actually occupied by the Target Population. If the request is approved, the lease must contain a provision that the household must move to a vacant unit of comparable size in the development if a household in the Target Population applies for the unit. The move will be paid for by the Property Owner.

If no vacant unit of comparable size is available at that time, the Target Population prospective tenant should be placed on the development's waiting list and placed in the 60-point Unit, when the first available vacant comparably sized unit becomes available to move the non-Targeted Population tenant.

NOTE: The move of the temporary/non-disabled tenant will be paid for by the owner.

Leasing Preference for Target Population Identified in MOU between the Authority and the Commonwealth

Unless prohibited by an applicable federal subsidy program, a "first preference" will be given for person in a target population identified in a memorandum of understanding between the Authority and one or more participating agencies of the Commonwealth. The Property Manager will obtain tenant referrals from the Virginia Department of Medical Assistance Services (DMAS), Virginia Department of Behavioral Health and Developmental Services (DBHDS), or any other agency approved by the Authority. The Property Manager will retain a tenant verification letter and Acknowledgement and Settlement Agreement of Target Population Status.

Target population units will be confirmed by VHDA.

II. Marketing and Outreach

Locating people with disabilities to occupy the units which conform to the requirements of Section 504 of the Rehabilitation Act will be accomplished as follows:

1. Networking

The Property Manager will contact local centers for independent living, disability services boards and other service organizations via phone and printed communication. The contacts will include the following organizations:

Aging and Disability Services
Arlington County Department of Human Services
2100 Washington Blvd., 4th Floor
Arlington, VA 22204
(703) 228-1700

Arlington County Behavioral Health Care Division
703-228-5150
https://health.arlingtonva.us/behavioral-healthcare/

Office of County Manager, Office of Human Rights
2100 Clarendon Blvd., Suite 318
Arlington County, VA 22201
(703) 228-3929

Community Residences
14160 Newbrook Dr.
Chantilly, VA 20151
(703) 842-2300

ENDependence Center of Northern Virginia
2300 Clarendon Blvd., Suite 250
Courthouse Plaza II

Arlington, VA 22201
www.ecnv.org
(703) 525-3268

Pathway Homes
10201 Fairfax Blvd. #200
Fairfax, VA 22030-2209
(703) 876-0390

PRS, Inc.
10455 White Granite Drive, Suite 400
Oakton, VA 22124
(703) 536-9000

Available Committed Affordable Apartments monthly list:
Arlington County CPHD
https://housing.arlingtonva.us/get-help/rental-services/affordable-units/

Go Section 8: Free Listing Service www.gosection8.com

www.accessva.org
Online housing registry for accessible affordable apartments

Virginia Department of Medical Assistance Services
600 East Broad Street
Richmond, VA 23219
(804) 786-7933

Virginia Department of Behavioral Health and Developmental Services
1220 Bank Street
Richmond, VA 23219
(804) 786-3921

Disability Resource Center
(703) 228-1700

Virginia Board for People with Disabilities
www.vaboard.org
804-786-0016

Virginia Department for Aging and Rehabilitative Services
5904 Old Richmond Highway Suite 410
Alexandria, VA 22303
(703) 960-3411

2. Internet Search

Crystal House Six will also be listed on the following websites:

www.virginiahousingsearch.com
accessva.org
dbhds.virginia.gov
www.craigslist.org
www.AffordableHousing.com

3. Print Media

Print media sources that cater to persons with disabilities in Arlington County will also be identified to add to those published on a regular basis by Arlington County Department of Human Services. Some of the major publications include the Arlington Sun-Gazette, Arlington Connection, and other local newspapers published in English, Spanish, and other languages. Other sources may include, but are not limited to, rental magazines such as Apartment Shoppers Guide and Apartments for Rent.

The Property Manager will also maintain a current listing on VirginiaHousingSearch.com, including information on amenities available for the Target Population. All advertising materials will prominently feature the Equal Housing Opportunity logo type, slogan or statement, in compliance with the Fair Housing Act, as well as the fact that units for people with disabilities are available.

4. Resident Referrals

An effective Resident Referral program will be set up, in which current residents are rewarded for referring friends, coworkers, and others who may have disabilities to the property. These referrals are generally the best form of advertising as it attracts friends who will want to reside together, thus binding the community. Residents will be offered incentives, to be determined, for referring qualified applicants who rent at the property. Flyers will be distributed to residents along with the resident newsletter announcing the tenant referral program.

5. Marketing Materials

Additional marketing materials are needed in order to further support the specific marketing effort to people with disabilities. All advertising materials related to the project will contain the Equal Housing Opportunity logo, slogan or statement, in compliance with the Fair Housing Act, as well as the fact that units for people with disabilities are available. The marketing will also emphasize the physical and administrative compliance with Americans with Disabilities Act.

These marketing materials may include:

- **Brochures –** A simple brochure can be produced at low cost which will effectively sell the apartments and community. This brochure will include a listing of features and amenities.

- **Flyers** – A flyer campaign can be used effectively to market the community. Each flyer should incorporate graphics and a property description to generate traffic. From time to time as necessary, flyers should include a special offer with a deadline (e.g. "Bring this flyer with you when you visit this weekend and pay no application fee!").

III. Public and Community Relations

The Property Manager will promote Equal Housing Opportunity by ensuring that all Site Signage containing the EHO logo and Fair Housing posters are displayed in English and Spanish in the Rental Office.

The General Partner participates in a public and community relations program that boosts the relationship between the Property Owner and the Property Manager, and local disability organizations, neighborhood civic organizations, social service programs, and other sources of potential qualified residents still to be identified.

IV. Tenant Selection and Orientation

The first contact with the management operations is an important one in attracting qualified residents; therefore, the management/leasing offices should convey a sense of professionalism, efficiency, and cleanliness. The management/leasing office is designed to provide a professional leasing atmosphere, with space set aside for resident interviews and application assistance.

Times of Operation - the Management Office will be open Monday through Friday from 8:30 A.M. to 5:30 P.M. subject to change based on the needs of the property and residents. Applicants will meet with the Property Manager or designated staff to discuss programs available on the property and will be supplied relevant information to assist them in their move.

Tenant Selection Criteria

Tenant Selection will include maximum income limits under the Low-Income Tax Credit and Section 8 programs. Selection criteria will also include student status guidelines pursuant to the Low-Income Housing Tax Credit program.

Management will commit that no annual minimum income requirement that exceeds the greater of $3,600 or 2.5 times the portion of rent to be paid by tenants receiving rental assistance.

Tenant Selection and Qualification Criteria

A third-party credit scoring provider is used to review applicants by means of a credit scoring model to determine an applicant's ability to meet his/her rental obligations. Credit scoring utilizes a statistical model for comparing information on bill paying history, the number and type of credit accounts, late payments, outstanding debt, rental history and the age of accounts, to the performance of consumers with similar profiles. The scoring system awards points for each factor that helps predict applicant creditworthiness and the likelihood of the applicant to make payments when due. The scoring provider makes a recommendation of accept or decline based on the results.

As part of the credit approval process, each applicant is required to provide income information on the Rental Application. This information is verified via direct written contact by the leasing staff with the employer/source of income and/or written verification such as paystubs, tax returns, etc. If there is more than one applicant, the same credit approval process is performed.

Residents will also have additional qualification criteria as specifically addressed in the Affordable Housing Program.

Criminal Background Check

The Property Manager performs criminal background checks as part of the approval process for prospective residents. The criminal background check is subject to state and local landlord-tenant laws. The requirement is that a criminal background check be done on all adult occupants, as a condition of the application and as a condition of the lease agreement. Felony convictions for violent crimes against people or property, drug-related activities, weapons related activities, larceny or sex-related crimes render an individual ineligible for occupancy.

A third-party contractor is utilized to perform these background checks, which includes a review of all available criminal records, local sex offender lists, the FBI Most Wanted List and

the Office of Foreign Asset Control (OFAC) list.

As a condition of their lease agreement, residents are required to acknowledge that the landlord has the right to terminate a lease or evict a resident in the event that, after the lease has commenced, there is any subsequent discovery of a crime that would have rendered the resident ineligible for occupancy at move-in. The criminal background check policy that is implemented is subject to modification based on the Property Manager's experience with this requirement at the property.

Occupancy Standards

Both maximum and minimum per-unit occupancy standards will be established and maintained.

V. Turnover of Section 504 units

Any unit which is designated as a unit for people with disabilities and that conforms to Section 504 of the Rehabilitation Act will be held vacant for 60 days, during which marketing efforts must be documented. However, if marketing to the Target Population is deemed to be conducted satisfactorily on an ongoing basis throughout the year and the Property Manager can provide sufficient documentation to VHDA's Compliance Officer, the Property Manager may request the ability to lease 60-point Units, to a household not in the Target Population without the unit remaining vacant for the 60-day timeframe. "Ongoing basis" means contact to at least two (2) resources at least monthly in the manner noted below at any time the required number of units is not actually occupied by the Target Population.

Each time a vacancy occurs in a 60-point Unit, if a qualified household including a person in the Target Population is not located in the 60-day timeframe, the Property Owner or Manager may submit the evidence of marketing to VHDA's Compliance Officer and request approval to rent the unit to an income-qualified household not a part of the Target Population. If the request is approved, the lease must contain a provision that the household must move to a vacant unit of comparable size in the development if a household in the Target Population applies for the unit. The move will be paid for by the Property Owner.

If no vacant unit of comparable size is available at that time, the Target Population prospective tenant should be placed on the development's waiting list and placed in the 60-point Unit, when the first available vacant comparably sized unit becomes available to move the non-Targeted Population tenant.

NOTE: The move of the temporary/non-disabled tenant will be paid for by the owner.

Tab Y:

Inducement Resolution for Tax Exempt Bonds

This deal does not require information behind this tab.

Tab Z:

Documentation of team member's Diversity, Equity and Inclusion Designation or Veteran Owned Small Business certification

This deal does not require information behind this tab.

Tab AA:

Priority Letter from Rural Development

This deal does not require information behind this tab.

TAB AB:

Social Disadvantage Certification

This deal does not require information behind this tab.