
2026 Federal Low Income Housing Tax Credit Program for Virginia

Application For Reservation

MIXED CONSTRUCTION

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 Mixed Construction 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.

☒	\$1,000 Application Fee (MANDATORY) - Invoice information will be provided in your Procorem Workcenter
☒	Electronic Copy of the Microsoft Excel Based Application (MANDATORY)
☒	PDF Copy of the <u>Signed</u> Tax Credit Application with Attachments (Tabs A-AB) (MANDATORY)
☒	Electronic Copy of the Market Study (MANDATORY - Application will be disqualified if study is not submitted with application)
☒	Electronic Copy of the Plans (MANDATORY)
☒	Electronic Copy of the Specifications (MANDATORY)
☒	Electronic Copy of the 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)
☒	Electronic Copy of Environmental Site Assessment (Phase I) (MANDATORY if 4% credits requested)
☒	Electronic Copy of Signed Previous Participation Agreement
☐	
☒	Tab A: Chart of ownership structure with percentage of interests (see manual for details) (MANDATORY)
☒	Tab B: Virginia State Corporation Commission Certification (MANDATORY)
☒	Tab C: Syndicator's or Investor's Letter of Intent (MANDATORY)
☒	Tab D: <i>Any supporting documentation related to List of LIHTC Developments or Previous Participation Agreement</i>
☒	Tab E: Site Control Documentation & Most Recent Real Estate Tax Assessment (MANDATORY)
☒	Tab F: Third Party RESNET Rater Certification and Sample HERS certificates (MANDATORY)
☒	Tab G: Zoning Certification Letter (MANDATORY)
☒	Tab H: Attorney's Opinion using Virginia Housing template (MANDATORY)
☐	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:
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☐	Tab L: PHA / Section 8 Notification Letter
☐	Tab M: <i>(left intentionally blank)</i>
☐	Tab N: Homeownership Plan
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☐	Tab P: Zero Energy or Passive House documentation for prior allocation by this developer
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☐	Tab X: Marketing Plan for units meeting accessibility requirements of HUD section 504
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☐	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-FEB-181

A. GENERAL INFORMATION ABOUT PROPOSED DEVELOPMENT

Application Date: 7/1/2026

1. Development Name: Bacon Senior Community
 2. Address (line 1): 815 N 35th Street (existing building)
 Address (line 2): 823 N 36th Street (development parcel)
 City: Richmond State: VA Zip: 23223
 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 Richmond City
 5. The site overlaps one or more jurisdictional boundaries. FALSE
 If true, what other City/County is the site located in besides response to #4?
 6. Development is located in the census tract of: 209.00
 7. Development is located in a **Qualified Census Tract**. TRUE *Note regarding DDA and QCT*
 8. Development is located in a **Difficult Development Area**. FALSE
 9. Development is located in a **Revitalization Area based on QCT**. TRUE
 10. Development is located in a **Revitalization Area designated by resolution or by the locality**. FALSE
 11. Development is located in an **Opportunity Zone** (with a binding commitment for funding). FALSE
 (If 9, 10 or 11 are True, **Action:** Provide required form in **TAB K1**)
 12. Development is located in a census tract with a household poverty rate of:

3%	10%	12%
<u>FALSE</u>	<u>FALSE</u>	<u>FALSE</u>
 13. Development is located in a medium or high-level economic development jurisdiction based on table. FALSE
 14. Development is located on land owned by federally or Virginia recognized Tribal Nations. FALSE
- Enter only Numeric Values below:**
15. Congressional District: 4
 Planning District: 15
 State Senate District: 14
 State House District: 79

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

Acquisition and renovation of existing 56 unit seniors deal no longer in LIHTC use period. Construction of 70 new units, also seniors LIHTC.

VHDA TRACKING NUMBER		2026-FEB-181
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:	Odie Donald II		
Chief Executive Officer's Title:	Chief of Administration	Phone:	(804) 646-7000
Street Address:	900 E. Broad Street		
City:	Richmond	State:	VA Zip: 23219

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

Richmond City Council Chair Cynthia Newbille

- 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 2

For Tax Exempt Bonds, where are bonds being issued?

RRHA

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:**

Mixed 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:** 50**Definition of selection:**

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

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

TRUE

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

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: Bacon Senior 126 LLC

Developer Name: Chapman Development

Contact: M/M ▶ Mr. First: Timothy MI: Last: Chapman

Address: 400 Maple Ave E., Suite 203

City: Vienna St. ▶ VA Zip: 22180

Phone: (202) 207-7702 Ext. Fax:

Email address: tim@chapmandevelopment.com

Federal I.D. No. 394770978 (If not available, obtain prior to Carryover Allocation.)

Select type of entity: ▶ limited liability company Formation State: ▶ Virginia

Additional Contact: Please Provide Name, Email and Phone number.
Kristen Suchy, ksuchy@chapmandevelopment.com, 703-862-9085

- 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. TRUE 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, received an IRS Form 8609 for placing a separate 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: ☒ Purchase Contract

Expiration Date: 10/1/2026

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 10/1/2026.

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:

Bacon Housing L.P.

Address:

1553 E. Main Street

City:

Richmond

St.:

Virginia

Zip:

23219

Contact Person:

David White

Phone:

(804) 833-5963

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:	Mark P. Keener, Esq. and Engin Nural	This is a Related Entity.	FALSE
Firm Name:	Gallagher Evelius & Jones LLP		
Address:	218 N. Charles Street, Suite 400	Veteran Owned Small Bus?	FALSE
City, State, Zip	Baltimore, MD 21201		
Email:	info@gallagherllp.com	Phone:	(410) 727-7702
2. Tax Accountant:		This is a Related Entity.	FALSE
Firm Name:			
Address:		Veteran Owned Small Bus?	FALSE
City, State, Zip			
Email:		Phone:	
3. Consultant:	Dale Wittie	This is a Related Entity.	FALSE
Firm Name:	John B. Levy & Co.		
Address:	4510 Cox Road, Suite 105	Veteran Owned Small Bus?	FALSE
City, State, Zip	Glen Allen, VA 23060	Role:	
Email:	dwittie&jblevyco.com	Phone:	
4. Management Entity:	Reavey Milton	This is a Related Entity.	TRUE
Firm Name:	Chapman Management Group		
Address:	440 Maple Ave, Suite 203	Veteran Owned Small Bus?	TRUE
City, State, Zip	Vienna, VA 22180		
Email:	reavey@chapmanmgmt.com	Phone:	(703) 404-9635
5. Contractor:	Emerge	This is a Related Entity.	FALSE
Firm Name:	Emerge Construction Group		
Address:	2501 Hermitage Road	Veteran Owned Small Bus?	FALSE
City, State, Zip	Richmond, VA 23220		
Email:	admin@emerge-cg.com	Phone:	
6. Architect:	Beau Woodrum	This is a Related Entity.	FALSE
Firm Name:	SWA Architects		
Address:	1553 Main Street	Veteran Owned Small Bus?	FALSE
City, State, Zip	Richmond, VA 23219		
Email:	bwoodrum@swa-co.com	Phone:	

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:	Dale Wittie	This is a Related Entity.	FALSE
Firm Name:	John B. Levy & Co.		
Address:	4510 Cox Road, Suite 105	Veteran Owned Small Bus?	FALSE
City, State, Zip	Glen Allen, VA 23060		
Email:	dwittie@jblevyco.com	Phone:	(804) 500-9034
9. Other 1:		This is a Related Entity.	FALSE
Firm Name:			
Address:		Veteran Owned Small Bus?	FALSE
City, State, Zip		Role:	
Email:		Phone:	
10. Other 2:		This is a Related Entity.	FALSE
Firm Name:			
Address:		Veteran Owned Small Bus?	FALSE
City, State, Zip		Role:	
Email:		Phone:	
11. Other 3:		This is a Related Entity.	FALSE
Firm Name:			
Address:		Veteran Owned Small Bus?	FALSE
City, State, Zip		Role:	
Email:		Phone:	
12. Other 4:		This is a Related Entity.	FALSE
Firm Name:			
Address:		Veteran Owned Small Bus?	FALSE
City, State, Zip		Role:	
Email:		Phone:	
13. Other 5:		This is a Related Entity.	FALSE
Firm Name:			
Address:		Veteran Owned Small Bus?	FALSE
City, State, Zip		Role:	
Email:		Phone:	

F. REHAB INFORMATION**1. Acquisition Credit Information**

- a. Credits are being requested for existing buildings being acquired for development. **TRUE**

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 **TRUE**
 If so, when was the most recent year that this development received credits? **1992**
 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. **TRUE**
- 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. TRUE
 - b. Minimum Expenditure Requirements
 - i. All buildings in the development satisfy the rehab costs per unit requirement of IRS Section 42(e)(3)(A)(ii). TRUE
 - ii. All buildings in the development qualify for the IRC Section 42(e)(3)(B) exception to the 10% basis requirement (4% credit only) FALSE
 - iii. All buildings in the development qualify for the IRC Section 42(f)(5)(B)(ii)(II) exception. FALSE
 - iv. There are different circumstances for different buildings. FALSE
- Action: (If True, provide an explanation for each building in Tab K)

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:

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

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

A. Nonprofit Involvement (All Applicants)

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

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

B. Type of involvement:

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

or

FALSE Nonprofit meets eligibility requirements for nonprofit pool and points.

C. Identity of Nonprofit (All nonprofit applicants):

The nonprofit organization involved in this development is: ▶

Name:

Contact Person:

Street Address:

City:

State: ▶

Zip:

Phone:

Contact Email:

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

Specify the nonprofit entity's percentage ownership of the general partnership interest: 0.0%

G. NONPROFIT INVOLVEMENT

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

- A.

FALSE

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

Action:

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

Name of qualified nonprofit:

or indicate true if Local Housing Authority

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.

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

Provide Homeownership Plan (TAB N) and contact Virginia Housing for a Pre-Application 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	126	bedrooms	127
Total number of rental units in development	126	bedrooms	127
Number of low-income rental units	126	bedrooms	127
Percentage of rental units designated low-income	100.00%		

If deal has both New/Adaptive Reuse units AND Rehab units, you must request a Mixed Construction Application. Contact ' [redacted]

b. Number of new units:	70	bedrooms	70
Number of adaptive reuse units:	0	bedrooms	0
Number of rehab units:	56	bedrooms	57

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	86,242.00 (Sq. ft.)
--	---------------------

e. Unheated Floor Area (i.e. Breezeways, Balconies, Storage)	22,558.00 (Sq. ft.)
--	---------------------

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

g. Total Usable Residential Heated Area	63,684.00 (Sq. ft.)
---	---------------------

New Construction	36,400.00
Adaptive Reuse	-
Rehab	27,284.00

h. Percentage of Net Rentable Square Feet Deemed To Be New Rental Space	55.00%
--	--------

i. Exact area of site in acres	5.080
--------------------------------	-------

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

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

NC	Adaptive Reuse	Rehab
TRUE	FALSE	TRUE

Definition:

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

H. STRUCTURE AND UNITS INFORMATION**2. UNIT MIX**a. Specify the **average size and number per unit type**:*LIHTC Units can not be greater than Total Rental Units*

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

Unit Type	Average Sq Foot		# of LIHTC Units	Total Rental Units
1 Story Eff - Elderly	0.00	SF	0	0
1 Story 1BR - Elderly	0.00	SF	0	0
1 Story 2BR - Elderly	0.00	SF	0	0
Eff - Elderly	0.00	SF	0	0
1BR Elderly	0.00	SF	125	125
2BR Elderly	0.00	SF	1	1
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
			126	126

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) 2
- b. Age of Structure: 109 years
- c. Maximum Number of stories: 3

d. The development is a scattered site development. FALSE

e. Commercial Area Intended Use:

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

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

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

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

h. Development contains an elevator(s). TRUE

If true, # of Elevators. 2

Elevator Type (if known)

H. STRUCTURE AND UNITS INFORMATION

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

4. Site Amenities (indicate all proposed)

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

l. Describe Community Facilities:

m. Number of Proposed Parking Spaces	97
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.

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

Certification and HERS Index score must be verified by a third-party, independent, non-affiliated, certified RESNET home energy rater. The HERS report should be completed for the whole development and not an individual unit.

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

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

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

REQUIRED: All Applicants must commit to provide free Wi-Fi access in the community room and restrict usage to residents only.

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

New Constr.	Adaptive Reuse	Rehab	
TRUE			a. A community/meeting room with a minimum of 749 square feet is provided with free WIFI access restricted to residents only.
85.00%			b1. Percentage of brick covering the exterior walls.
0.00%			b2. Percentage of Fiber Cement Board or other similar low-maintenance material approved by the Authority covering exterior walls. Community buildings are to be included in percentage calculations.
TRUE	FALSE	TRUE	c. All kitchen light fixtures are LED and meet MDCR lighting guidelines.
TRUE			d. Cooking surfaces are equipped with fire suppression features as defined in the manual
TRUE	Choose for all units		e. Full bath fans are wired to primary light with delayed timer or has continuous exhaust by ERV/DOAS.
or FALSE			f. Full bath fans are equipped with a humidistat.
TRUE	FALSE	TRUE	g. All faucets, toilets and showerheads in each bathroom are WaterSense labeled products.
FALSE	Select if True for REHAB portion		h. Rehab Only: Each unit is provided with the necessary infrastructure for high-speed internet/broadband service where it does not already exist.
FALSE	Choose for all units		i. Each unit is provided free individual high-speed internet access. (Must have a minimum 20Mbps upload/ 100Mbps download speed per manual.)
TRUE	FALSE	TRUE	j. Every kitchen, living room and bedroom contains, at minimum, one USB charging port.
FALSE	Select if True for REHAB portion		k. Rehab only: Each unit has dedicated space, drain and electrical hook-ups to accept a permanently installed dehumidification system.
or FALSE	FALSE	FALSE	l. All Construction types: each unit is equipped with a permanent dehumidification system.
TRUE	FALSE	TRUE	m. All interior doors within units are solid core.
FALSE	Choose for all units		n. Installation of a renewable energy electric system in accordance with manufacturer'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

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

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

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

No Market Units listed on Structure 1a.

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

If not, please explain:



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

J. ENHANCEMENTS

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

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

Certification and HERS Index score must be verified by a third-party, independent, non-affiliated, certified RESNET home energy rater. The HERS report should be completed for the whole development and not an individual unit.

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

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

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

REQUIRED: All Applicants must commit to provide free Wi-Fi access in the community room and restrict usage to residents only.

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

New Constr.	Adaptive Reuse	Rehab	
TRUE			a. A community/meeting room with a minimum of 749 square feet is provided with free WIFI access restricted to residents only.
85.00%			b1. Percentage of brick covering the exterior walls.
0.00%			b2. Percentage of Fiber Cement Board or other similar low-maintenance material approved by the Authority covering exterior walls. Community buildings are to be included in percentage calculations.
TRUE	FALSE	TRUE	c. All kitchen light fixtures are LED and meet MDCR lighting guidelines.
TRUE			d. Cooking surfaces are equipped with fire suppression features as defined in the manual
TRUE	Choose for all units		e. Full bath fans are wired to primary light with delayed timer or has continuous exhaust by ERV/DOAS.
or FALSE			f. Full bath fans are equipped with a humidistat.
TRUE	FALSE	TRUE	g. All faucets, toilets and showerheads in each bathroom are WaterSense labeled products.
FALSE	Select if True for REHAB portion		h. Rehab Only: Each unit is provided with the necessary infrastructure for high-speed internet/broadband service where it does not already exist.
FALSE	Choose for all units		i. Each unit is provided free individual high-speed internet access. (Must have a minimum 20Mbps upload/ 100Mbps download speed per manual.)
TRUE	FALSE	TRUE	j. Every kitchen, living room and bedroom contains, at minimum, one USB charging port.
FALSE	Select if True for REHAB portion		k. Rehab only: Each unit has dedicated space, drain and electrical hook-ups to accept a permanently installed dehumidification system.
or FALSE	FALSE	FALSE	l. All Construction types: each unit is equipped with a permanent dehumidification system.
TRUE	FALSE	TRUE	m. All interior doors within units are solid core.
FALSE	Choose for all units		n. Installation of a renewable energy electric system in accordance with manufacturer'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.

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?	TRUE	Heat?	FALSE
Hot Water?	FALSE	AC?	FALSE
Lighting/ Electric?	FALSE	Sewer?	TRUE
Cooking?	FALSE	Trash Removal?	TRUE

Utilities	Enter Allowances by Bedroom Size				
	0-BR	1-BR	2-BR	3-BR	4-BR
Heating	0	17	21	0	0
Air Conditioning	0	8	10	0	0
Cooking	0	8	8	0	0
Lighting	0	28	33	0	0
Hot Water	0	0	0	0	0
Water	0	0	0	0	0
Sewer	0	0	0	0	0
Trash	0	0	0	0	0
Total utility allowance for costs paid by tenant	\$0	\$61	\$72	\$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)

FALSE

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

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

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

TRUE

(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: No

Organization which holds waiting list: _____

Contact person: _____

Title: _____

Phone Number: _____

Action: Provide required notification documentation (TAB L)

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

FALSE

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

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

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

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

4. Target Population Leasing Preference

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

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

First Name: _____

Last Name: _____

Phone Number: _____

Email: _____

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:

Income Levels		
# of Units	% of Units	
0	0.00%	20% Area Median
0	0.00%	30% Area Median
0	0.00%	40% Area Median
0	0.00%	50% Area Median
126	100.00%	60% Area Median
0	0.00%	70% Area Median
0	0.00%	80% Area Median
0	0.00%	Market Units
126	100.00%	Total

Rent Levels		
# of Units	% of Units	
0	0.00%	20% Area Median
0	0.00%	30% Area Median
0	0.00%	40% Area Median
0	0.00%	50% Area Median
126	100.00%	60% Area Median
0	0.00%	70% Area Median
0	0.00%	80% Area Median
0	0.00%	Market Units
126	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	60% AMI	70	0	520.00	\$1,216.00	\$85,120
Mix 2	2 BR - 1 Bath	60% AMI	1	0	719.00	\$1,461.00	\$1,461
Mix 3	1 BR - 1 Bath	60% AMI	55	0	483.00	\$1,216.00	\$66,880
Mix 4							\$0
Mix 5							\$0
Mix 6							\$0
Mix 7							\$0
Mix 8							\$0
Mix 9							\$0
Mix 10							\$0

L. UNIT DETAILS

Mix 11							\$0
Mix 12							\$0
Mix 13							\$0
Mix 14							\$0
Mix 15							\$0
Mix 16							\$0
Mix 17							\$0
Mix 18							\$0
Mix 19							\$0
Mix 20							\$0
Mix 21							\$0
Mix 22							\$0
Mix 23							\$0
Mix 24							\$0
Mix 25							\$0
Mix 26							\$0
Mix 27							\$0
Mix 28							\$0
Mix 29							\$0
Mix 30							\$0
Mix 31							\$0
Mix 32							\$0
Mix 33							\$0
Mix 34							\$0
Mix 35							\$0
Mix 36							\$0
Mix 37							\$0
Mix 38							\$0
Mix 39							\$0
Mix 40							\$0
Mix 41							\$0
Mix 42							\$0
Mix 43							\$0
Mix 44							\$0
Mix 45							\$0
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Mix 49							\$0
Mix 50							\$0
Mix 51							\$0
Mix 52							\$0
Mix 53							\$0
Mix 54							\$0
Mix 55							\$0
Mix 56							\$0
Mix 57							\$0
Mix 58							\$0
Mix 59							\$0
Mix 60							\$0
Mix 61							\$0
Mix 62							\$0
Mix 63							\$0
Mix 64							\$0
Mix 65							\$0
Mix 66							\$0
Mix 67							\$0

L. UNIT DETAILS

Mix 68							\$0
Mix 69							\$0
Mix 70							\$0
Mix 71							\$0
Mix 72							\$0
Mix 73							\$0
Mix 74							\$0
Mix 75							\$0
Mix 76							\$0
Mix 77							\$0
Mix 78							\$0
Mix 79							\$0
Mix 80							\$0
Mix 81							\$0
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Mix 83							\$0
Mix 84							\$0
Mix 85							\$0
Mix 86							\$0
Mix 87							\$0
Mix 88							\$0
Mix 89							\$0
Mix 90							\$0
Mix 91							\$0
Mix 92							\$0
Mix 93							\$0
Mix 94							\$0
Mix 95							\$0
Mix 96							\$0
Mix 97							\$0
Mix 98							\$0
Mix 99							\$0
Mix 100							\$0
TOTALS			126	0			\$153,461

Total Units	126	Net Rentable SF:	TC Units	63,684.00
			MKT Units	0.00
			Total NR SF:	63,684.00

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

M. OPERATING EXPENSES**Administrative:**

Use Whole Numbers Only!

1. Advertising/Marketing			\$10,800
2. Office Salaries			\$52,560
3. Office Supplies			\$120
4. Office/Model Apartment	(type	)	\$756
5. Management Fee			\$70,582
4.07% of EGI	\$560.17	Per Unit	
6. Manager Salaries			\$90,000
7. Staff Unit (s)	(type	)	
8. Legal			\$0
9. Auditing			\$24,330
10. Bookkeeping/Accounting Fees			\$12,000
11. Telephone & Answering Service			\$4,200
12. Tax Credit Monitoring Fee			\$5,670
13. Miscellaneous Administrative			\$1,320
Total Administrative			\$272,338

Utilities

14. Fuel Oil		\$0
15. Electricity		\$49,800
16. Water		\$39,000
17. Gas		\$0
18. Sewer		\$39,000
Total Utility		\$127,800

Operating:

19. Janitor/Cleaning Payroll		\$0
20. Janitor/Cleaning Supplies		\$9,300
21. Janitor/Cleaning Contract		\$30,000
22. Exterminating		\$5,400
23. Trash Removal		\$22,080
24. Security Payroll/Contract		\$14,400
25. Grounds Payroll		
26. Grounds Supplies		
27. Grounds Contract		\$24,000
28. Maintenance/Repairs Payroll		\$60,000
29. Repairs/Material		\$15,600
30. Repairs Contract		\$31,200
31. Elevator Maintenance/Contract		\$9,000
32. Heating/Cooling Repairs & Maintenance		\$12,000
33. Pool Maintenance/Contract/Staff		\$0
34. Snow Removal		\$3,000
35. Decorating/Payroll/Contract		\$0
36. Decorating Supplies		\$8,442
37. Miscellaneous		\$2,400
Totals Operating & Maintenance		\$246,822

M. OPERATING EXPENSES**Taxes & Insurance**

38. Real Estate Taxes			\$30,000
39. Payroll Taxes			\$21,000
40. Miscellaneous Taxes/Licenses/Permits			\$1,200
41. Property & Liability Insurance	\$754	per unit	\$95,004
42. Fidelity Bond			
43. Workman's Compensation			\$2,636
44. Health Insurance & Employee Benefits			\$18,000
45. Other Insurance			\$0
Total Taxes & Insurance			\$167,840

Total Operating Expense**\$814,800**

Total Operating Expenses Per Unit	\$6,467	C. Total Operating Expenses as % of EGI	46.96%
--	----------------	--	---------------

Replacement Reserves (Total # Units X \$300 or \$250 New Const./Elderly Minimum)	\$31,500
---	-----------------

Total Expenses	\$846,300
-----------------------	------------------

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!		Amount of Cost up to 100% Includable in Eligible Basis--Use Applicable Column(s):		
Item	(A) Cost	"30% Present Value Credit"		(D)
		(B) Acquisition	(C) Rehab/ New Construction	"70 % Present Value Credit"
1. Contractor Cost				
a. Unit Structures (New)	11,476,560	0	11,476,560	0
b. Unit Structures (Rehab)	4,853,006	0	4,853,006	0
c. Non Residential Structures	0	0	0	0
d. Commercial Space Costs	0	0	0	0
☐ e. Structured Parking Garage	0	0	0	0
Total Structure	16,329,566	0	16,329,566	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	380,000	0	380,000	0
m. Off-Site Improvements	0	0	0	0
n. Site Environmental Mitigation	0	0	0	0
o. Demolition	0	0	0	0
p. Site Work	0	0	0	0
q. Hard Cost Contingency	1,453,290	0	1,453,290	0
Total Land Improvements	1,833,290	0	1,833,290	0
Total Structure and Land	18,162,856	0	18,162,856	0
r. General Requirements	1,167,561	0	1,167,561	0
s. Builder's Overhead	68,256	0	68,256	0
(0.4% Contract)				
t. Builder's Profit	989,828	0	989,828	0
(5.4% Contract)				
u. Bonds	0	0	0	0
v. Building Permits	7,800	0	7,800	0
w. Special Construction	0	0	0	0
x. Special Equipment	0	0	0	0
y. Other 1:	0	0	0	0
z. Other 2:	0	0	0	0
aa. Other 3:	0	0	0	0
Contractor Costs	\$20,396,301	\$0	\$20,396,301	\$0

Construction cost per unit: \$161,875.40

MAXIMUM COMBINED GR, OVERHEAD & PROFIT =

\$2,542,800

ACTUAL COMBINED GR, OVERHEAD & PROFIT =

\$2,225,645

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!	(A) Cost	Amount of Cost up to 100% Includable in Eligible Basis--Use Applicable Column(s):		
		"30% Present Value Credit"		(D)
		(B) Acquisition	(C) Rehab/ New Construction	"70 % Present Value Credit"
2. Owner Costs				
a. Building Permit	0	0	0	0
b. Architecture/Engineering Design Fee \$4,762 /Unit)	600,000	0	600,000	0
c. Architecture Supervision Fee \$0 /Unit)	0	0	0	0
d. Tap Fees	0	0	0	0
e. Environmental	20,000	0	20,000	0
f. Soil Borings	50,000	0	50,000	0
g. Green Building (Earthcraft, LEED, etc.)	0	0	0	0
h. Appraisal	10,000	0	10,000	0
i. Market Study	10,000	0	10,000	0
j. Site Engineering / Survey	0	0	0	0
k. Construction/Development Mgt	0	0	0	0
l. Structural/Mechanical Study	0	0	0	0
m. Construction Loan Origination Fee	132,024	0	132,024	0
n. Construction Interest (0.0% for 0 months)	1,254,548	0	823,078	0
o. Taxes During Construction	100,000	0	100,000	0
p. Insurance During Construction	100,000	0	100,000	0
q. Permanent Loan Fee (0.0%)	0			
r. Other Permanent Loan Fees	132,024			
s. Letter of Credit	0	0	0	0
t. Cost Certification Fee	0	0	0	0
u. Accounting	40,000	0	40,000	0
v. Title and Recording	100,000	0	50,000	0
w. Legal Fees for Closing	234,000	0	184,000	0
x. Mortgage Banker	132,024	0	15,000	0
y. Tax Credit Fee	101,876			
z. Tenant Relocation	154,000		154,000	
aa. Fixtures, Furnitures and Equipment	150,000	0	150,000	0
ab. Organization Costs	0			
ac. Operating Reserve	407,190			
ad. Soft Costs Contingency	0			
ae. Security	0	0	0	0
af. Utilities	0	0	0	0
ag. Supportive Service Reserves	0			

O. PROJECT BUDGET - OWNER COSTS

(1) Other* specify:	Consultants	205,000	0	155,000	0
(2) Other* specify:	Debt Service Reserve	408,563	0	0	0
(3) Other* specify:	Marketing & Lease Up	150,000	0	0	0
(4) Other* specify:	Interest Rate Cap	200,000	0	200,000	0
(5) Other* specify:	Construction Monitoring	75,000	0	75,000	0
(6) Other* specify:	Const Lender Appl Fee	10,000	0	10,000	0
(7) Other* specify:	Pre-dev Interest	50,000	0	50,000	0
(8) Other* specify:	Equity Syndication Fee	150,000	0	0	0
(9) Other* specify:	Compliance - Other	5,670	0	0	0
Owner Costs Subtotal (Sum 2A..2(10))		\$4,981,919	\$0	\$2,928,102	\$0
Subtotal 1 + 2 (Owner + Contractor Costs)		\$25,378,220	\$0	\$23,324,403	\$0
3. Developer's Fees		2,900,177	0	2,900,177	0
4. Owner's Acquisition Costs					
Land		360,000			
Existing Improvements		5,140,000	4,822,360		
Subtotal 4:		\$5,500,000	\$4,822,360		
5. Total Development Costs					
Subtotal 1+2+3+4:		\$33,778,397	\$4,822,360	\$26,224,580	\$0

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

(Provide documentation at **Tab E**)

\$0	Land
\$0	Building

Maximum Developer Fee: \$2,900,258

O.1 Distribution of Costs by Construction Type

1. Provide details of costs broken out by construction type:

Cost Type	Actual Costs	New Construction	Adaptive Reuse	Rehab
a. Contractor Costs (less requested exclusions)	\$20,396,301	\$13,385,673	\$0	\$7,010,628
Separate Commercial Space Costs	\$0	\$0	\$0	\$0
% of Contractor Costs		\$1	\$0	\$0
b. Owner Costs				
Tap Fees	\$0	\$0	\$0	\$0
Operating Reserves	\$407,190	\$226,217	\$0	\$180,973
All Other Owner Costs (exclude Developer Fee)	\$4,574,729	\$2,541,516	\$0	\$2,033,213
c. Land Cost	\$360,000	\$200,000	\$0	\$160,000
d. Building Acquisition Costs (see note for previously owned buildings)	\$5,140,000		\$0	\$5,140,000
f. Developer's Fee	\$0	\$1,611,208	\$0	\$1,288,969
Total	\$30,878,220	\$17,964,614	\$0	\$15,813,783
Less: Tap Fees, Operating Reserves, Commercial Space and Land		\$426,217	\$0	\$5,480,973
Net		\$17,538,397	\$0	\$10,332,810
Number of Units from Structure:	126	70	0	56
% of Overall Units:		56%	0%	44%
Proposed Development's Cost per Sq Ft		\$482	\$0	\$379
Applicable Cost Limits per Sq Ft		\$556	\$556	\$417

P. ELIGIBLE BASIS CALCULATION

Item	Amount of Cost up to 100% Includable in Eligible Basis--Use Applicable Column(s):			
	(A) Cost	"30 % Present Value Credit"		(D) "70 % Present Value Credit"
		(B) Acquisition	(C) Rehab/ New Construction	
1. Total Development Costs	33,778,397	4,822,360	26,224,580	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	2,220,882	0

3. Total Eligible Basis (1 - 2 above) 4,822,360 24,003,698 0

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

a. For QCT or DDA (Eligible Basis x 30%) <i>State Designated Basis Boosts:</i>	7,201,109	0
b. For Revitalization or Supportive Housing (Eligible Basis x 30%)	0	0
c. For Green Certification (Eligible Basis x 10%)		0

Total Adjusted Eligible basis 31,204,807 0

5. Applicable Fraction 100.00000% 100.00000% 100.00000%

6. Total Qualified Basis 4,822,360 31,204,807 0
(Eligible Basis x Applicable Fraction)

7. Applicable Percentage 4.00% 4.00% 9.00%

8. Maximum Allowable Credit under IRC §42 \$192,894 \$1,248,192 \$0
(Qualified Basis x Applicable Percentage)

(Must be same as BIN total and equal to or less than credit amount allowed) \$1,441,086
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. Tax Exempt			\$13,100,000	
2. Taxable			\$0	
3. Richmond Family Trust			\$1,800,000	
Total Construction Funding:			\$14,900,000	

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

Source of Funds	Date of Application	Date of Commitment	(Whole Numbers only)		Interest Rate of Loan	Amortization Period IN YEARS	Term of Loan (years)
			Amount of Funds	Annual Debt Service Cost			
1.							
2. Tax Exempt			\$13,100,000	\$470,520	5.50%	40	40
3. Taxable			\$0	\$277,043	6.50%	40	40
4. Richmond Family Trust			\$1,800,000	\$0			
5.							
6.							
7.							
8.							
9.							
10.							
11.							
12.							
13.							
14.							
15.							
16.							
17.							
18.							
19.							
20.							
Total Permanent Funding:			\$14,900,000	\$747,563			

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.			\$0
2.			
3.			
4.			
5.			
Total Subsidized Funding			\$0

5. Recap of Federal, State, and Local Funds

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

FALSE

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	\$13,100,000
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	\$0
h.	Choice Neighborhood	\$0
i.	National Housing Trust Fund	\$0
j.	Virginia Housing Trust Fund	\$0
k.	Other:	\$0
l.	Other:	\$0

Market-Rate Loans

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

Q. SOURCES OF FUNDS

Grants*

a. CDBG

\$0

b. UDAG

\$0

Grants

c. State

d. Local

e. Other:

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

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

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

41.29%

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

FALSE

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

8. Other Subsidies

Action: Provide documentation (Tab Q)

a. TRUE

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

b. FALSE

New project based subsidy from HUD or Rural Development or 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	\$2,220,882	x Equity \$	\$0.850	=	\$1,887,750
Amount of Virginia historic credits	\$2,776,283	x Equity \$	\$0.880	=	\$2,443,129

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	\$1,865,963 (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 \$1,865,963

2. Equity Gap Calculation

a. Total Development Cost		\$33,778,397
b. Total of Permanent Funding, Grants and Equity	-	\$21,096,841
c. Equity Gap		\$12,681,556
d. Developer Equity	-	\$1,266
e. Equity gap to be funded with low-income tax credit proceeds		\$12,680,290

3. Syndication Information (If Applicable)

a. Actual or Anticipated Name of Syndicator:	R4 Capital		
Contact Person:	Jay Segel, Managing Director	Phone:	
Street Address:	155 Federal Street Suite 1400		
City:	Boston	State:	Massachusetts
		Zip:	2110

b. Syndication Equity

i. Anticipated Annual Credits	\$1,441,086.00
Breakdown of Credits by Type	
New Construction	\$807,008.16
Adaptive Reuse	\$634,077.84
Rehab	\$0.00
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	\$1,440,942
vi. Total to be paid by anticipated users of credit (e.g., limited partners)	\$12,680,290

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

4. Net Syndication Amount	\$12,680,290
Which will be used to pay for Total Development Costs	

5. Net Equity Factor	88.0000094083%
-----------------------------	----------------

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			\$33,778,397
2. Less Total of Permanent Funding, Grants and Equity	-		\$21,096,841
3. Equals Equity Gap			\$12,681,556
4. Divided by Net Equity Factor (Percent of 10-year credit expected to be raised as equity investment)			88.0000094083%
5. Equals Ten-Year Credit Amount Needed to Fund Gap			\$14,410,857
Divided by ten years			10
6. Equals Annual Tax Credit Required to Fund the Equity Gap			\$1,441,086
7. Maximum Allowable Credit Amount (from Eligible Basis Calculation)			\$1,441,086
8. Requested Credit Amount		For 30% PV Credit:	\$192,894
		For 70% PV Credit:	\$1,248,192
Credit per LI Units	\$11,437.1905	Combined 30% & 70% PV Credit Requested	
Credit per LI Bedroom	\$11,347.1339		
			\$1,441,086

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	\$153,461
Plus Other Income Source (list):	\$2,017
Equals Total Monthly Income:	\$155,478
Twelve Months	x12
Equals Annual Gross Potential Income	\$1,865,736
Less Vacancy Allowance	7.0%
Equals Annual Effective Gross Income (EGI) - Low Income Units	\$1,735,134

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%
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	\$1,735,134
b. Annual EGI Market Units	\$0
c. Total Effective Gross Income	\$1,735,134
d. Total Expenses	\$846,300
e. Net Operating Income	\$888,834
f. Total Annual Debt Service	\$747,563
g. Cash Flow Available for Distribution	\$141,271

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	1,735,134	1,769,837	1,805,234	1,841,339	1,878,165
Less Oper. Expenses	846,300	871,689	897,840	924,775	952,518
Net Income	888,834	898,148	907,394	916,564	925,647
Less Debt Service	747,563	747,563	747,563	747,563	747,563
Cash Flow	141,271	150,585	159,831	169,001	178,084
Debt Coverage Ratio	1.19	1.20	1.21	1.23	1.24

	Year 6	Year 7	Year 8	Year 9	Year 10
Eff. Gross Income	1,915,729	1,954,043	1,993,124	2,032,987	2,073,646
Less Oper. Expenses	981,094	1,010,526	1,040,842	1,072,068	1,104,230
Net Income	934,635	943,517	952,282	960,919	969,417
Less Debt Service	747,563	747,563	747,563	747,563	747,563
Cash Flow	187,072	195,954	204,719	213,356	221,854
Debt Coverage Ratio	1.25	1.26	1.27	1.29	1.30

	Year 11	Year 12	Year 13	Year 14	Year 15
Eff. Gross Income	2,115,119	2,157,422	2,200,570	2,244,581	2,289,473
Less Oper. Expenses	1,137,356	1,171,477	1,206,621	1,242,820	1,280,105
Net Income	977,763	985,945	993,949	1,001,761	1,009,368
Less Debt Service	747,563	747,563	747,563	747,563	747,563
Cash Flow	230,200	238,382	246,386	254,198	261,805
Debt Coverage Ratio	1.31	1.32	1.33	1.34	1.35

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

Estimated Annual Percentage Increase in Expenses 3.00% (Must be $\geq$ 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:2

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Bldg #	BIN if known	NUMBER OF		Street Address 1	Street Address 2	City	State	Zip	30% Present Value Credit for Acquisition				30% Present Value Credit for Rehab / New Construction				70% Present Value Credit			
		TAX CREDIT UNITS	MARKET RATE UNITS						Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount	Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount	Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount
1.		56	0	815 N 35th Street		Richmond	VA	23223	\$4,822,360	10/19/27	4.00%	\$192,894	\$13,310,521	10/19/27	4.00%	\$532,421				\$0
2.		70	0	823 N 36th Street		Richmond	VA	23223				\$0	\$17,894,286	10/19/27	4.00%	\$715,771				\$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
36.												\$0				\$0				\$0
37.												\$0				\$0				\$0
38.												\$0				\$0				\$0
39.												\$0				\$0				\$0
40.												\$0				\$0				\$0
41.												\$0				\$0				\$0
42.												\$0				\$0				\$0
43.												\$0				\$0				\$0
44.												\$0				\$0				\$0
45.												\$0				\$0				\$0
46.												\$0				\$0				\$0
47.												\$0				\$0				\$0
48.												\$0				\$0				\$0
49.												\$0				\$0				\$0
50.												\$0				\$0				\$0
51.												\$0				\$0				\$0
52.												\$0				\$0				\$0

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:2

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

Bldg #	BIN if known	NUMBER OF		Street Address 1	Street Address 2	City	State	Zip	30% Present Value Credit for Acquisition				30% Present Value Credit for Rehab / New Construction				70% Present Value Credit			
		TAX CREDIT UNITS	MARKET RATE UNITS						Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount	Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount	Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount
53.												\$0				\$0				\$0
54.												\$0				\$0				\$0
55.												\$0				\$0				\$0
56.												\$0				\$0				\$0
57.												\$0				\$0				\$0
58.												\$0				\$0				\$0
59.												\$0				\$0				\$0
60.												\$0				\$0				\$0
61.												\$0				\$0				\$0
62.												\$0				\$0				\$0
63.												\$0				\$0				\$0
64.												\$0				\$0				\$0
65.												\$0				\$0				\$0
66.												\$0				\$0				\$0
67.												\$0				\$0				\$0
68.												\$0				\$0				\$0
69.												\$0				\$0				\$0
70.												\$0				\$0				\$0
71.												\$0				\$0				\$0
72.												\$0				\$0				\$0
73.												\$0				\$0				\$0
74.												\$0				\$0				\$0
75.												\$0				\$0				\$0
76.												\$0				\$0				\$0
77.												\$0				\$0				\$0
78.												\$0				\$0				\$0
79.												\$0				\$0				\$0
80.												\$0				\$0				\$0
81.												\$0				\$0				\$0
82.												\$0				\$0				\$0
83.												\$0				\$0				\$0
84.												\$0				\$0				\$0
85.												\$0				\$0				\$0
86.												\$0				\$0				\$0
87.												\$0				\$0				\$0
88.												\$0				\$0				\$0
89.												\$0				\$0				\$0
90.												\$0				\$0				\$0
91.												\$0				\$0				\$0
92.												\$0				\$0				\$0
93.												\$0				\$0				\$0
94.												\$0				\$0				\$0
95.												\$0				\$0				\$0
96.												\$0				\$0				\$0
97.												\$0				\$0				\$0
98.												\$0				\$0				\$0
99.												\$0				\$0				\$0
100.												\$0				\$0				\$0
101.												\$0				\$0				\$0
102.												\$0				\$0				\$0
103.												\$0				\$0				\$0
104.												\$0				\$0				\$0

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:2

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

Bldg #	BIN if known	NUMBER OF		Please help us with the process: DO NOT use the CUT feature DO NOT SKIP LINES BETWEEN BUILDINGS	Street Address 1	Street Address 2	City	State	Zip	30% Present Value Credit for Acquisition				30% Present Value Credit for Rehab / New Construction				70% Present Value Credit			
		TAX CREDIT UNITS	MARKET RATE UNITS							Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount	Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount	Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount
105.													\$0				\$0				\$0
106.													\$0				\$0				\$0
107.													\$0				\$0				\$0
108.													\$0				\$0				\$0
109.													\$0				\$0				\$0
110.													\$0				\$0				\$0
111.													\$0				\$0				\$0
112.													\$0				\$0				\$0
113.													\$0				\$0				\$0
114.													\$0				\$0				\$0
115.													\$0				\$0				\$0
116.													\$0				\$0				\$0
117.													\$0				\$0				\$0
118.													\$0				\$0				\$0
119.													\$0				\$0				\$0
120.													\$0				\$0				\$0
121.													\$0				\$0				\$0
122.													\$0				\$0				\$0
123.													\$0				\$0				\$0
124.													\$0				\$0				\$0
125.													\$0				\$0				\$0
		126	0																		
Totals from all buildings										\$4,822,360			\$192,894	\$31,204,807			\$0				\$0
																	\$1,248,192				\$0

Number of BINS:2

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 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: Bacon Senior 126 LLC

By:

Its:

Authorized Signator

(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:	Milton Woodrum Jr.
Virginia License#:	0401017467
Architecture Firm or Company:	SWA Architects-VA Inc.

By: _____



Its: _____

Project Architect

(Title)

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

V. Previous Participation Certification

Development Name: Bacon Senior Community

Name of Applicant (entity): Timothy Chapman

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

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

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

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

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

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

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

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

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

7. None of the Participants have been convicted of a felony and none are presently the subject of a complaint of indictment charging a felony. A felony is defined as any offense punishable by imprisonment for a term exceeding one year, but does not include any offense classified as a misdemeanor under the laws of a state and punishable by imprisonment of two years or less.

8. No Participant has been suspended, debarred, or otherwise restricted by any federal or state entity from participating in housing programs administered by such entity due to programmatic noncompliance on the part of either the Participant or an entity in which the Participant was a Principal.

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

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

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

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

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

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

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

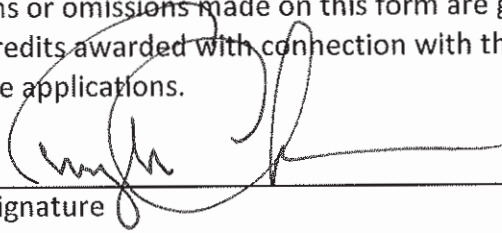
14. No Participants are currently named as a defendant in a civil lawsuit arising out of their ownership or other participation in a multi-family housing development where the amount of damages sought by plaintiffs (i.e., the ad damnum clause) exceeds One Million Dollars (\$1,000,000).

15. No Participant has pursued a Qualified Contract or planned foreclosure in Virginia after January 1, 2019.

Statements above (if any) to which I cannot certify have been deleted by striking through the words. In the case of any such deletion and failure to certify, I have attached the following, which if not provided will automatically disqualify this Application from consideration:

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

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


Signature

Tim Chapman

Printed Name

6/4/2026

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

V. Previous Participation Certification

Development Name: Bacon Senior CommunityName of Applicant (entity): Jason Iannotti

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*:

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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.

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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
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- 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

Jason Iannotti

Printed Name

6/4/2026

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:

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

Included		Score
Y	Y or N	0
Y	Y or N	0
Y	Y or N	0
Y	Y or N	0
Y	Y or N	0
Y	Y or N	0
Y	Y or N	0
Y	Y or N	0
N/A	Y, N, N/A	0
Y	Y or N	0
Y	Y or N	0
Y	Y or N	0
Y	Y or N	0
Total:		0.00

1. READINESS:

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

Y	0 or -50	0.00
N	0 or -25	0.00
Y	0 to 10	10.00
Y	0 or 10	10.00
N	0 or 15	0.00
N	0 or 15	0.00
N	0 or 5	0.00
N	0 or 15	0.00
Total:		20.00

2. HOUSING NEEDS CHARACTERISTICS:

- a. Sec 8 or PHA waiting list preference
- b. Existing RD, HUD Section 8 or 236 program
- c. Subsidized funding commitments
- d. Tax abatement on increase of property's value
- e. New project based rental subsidy in Northern Virginia or New Construction pool
- f. Census tract with <12% poverty rate
- g. Development provided priority letter from Rural Development
- h. Dev. located in area with increasing rent burdened population

N	0 or up to 5	0.00
N	0 or 20	0.00
0.00%	Up to 60	0.00
Y	0 or 5	5.00
N	up to 40	0.00
0%	0, 20, 25 or 30	0.00
N	0 or 15	0.00
Y	Up to 20	11.00
Total:		16.00

3. DEVELOPMENT CHARACTERISTICS:

a. Enhancements (See calculations below)			42.00
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	0%	Up to 15	0.00
g. Developments with less than 100 low income units	N	up to 20	0.00
h. Historic Structure eligible for Historic Rehab Credits	Y	0 or 5	5.00
i. Meets Target Population Development Characteristics	N	0 or 10	0.00
Total:			67.00

4. TENANT POPULATION CHARACTERISTICS:

Locality AMI	State AMI
\$113,500	\$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

Must opt to received points for deeper targets on Unit Details Tab.

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	30.00
c. Developer experience - uncorrected life threatening hazard	N	0 or -50	0.00
d. Developer experience - noncompliance	N	0 or -15	0.00
e. Developer experience - did not build as represented (per occurrence)	0	0 or -2x	0.00
f. Developer experience - failure to provide minimum building requirements (per occurrence)	0	0 or -50 per item	0.00
g. Developer experience - termination of credits by Virginia Housing	N	0 or -10	0.00
h. Developer experience - exceeds cost limits at certification	N	0 or -50	0.00
i. Developer experience - more than 2 requests for Final Inspection	0	0 or -5 per item	0.00
j. Management company rated unsatisfactory	N	0 or -25	0.00
Total:			30.00

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	35	Years	40 or 70	70.00
or b. Nonprofit or LHA purchase option/ ROFR	N		0 or 60	0.00
or c. Nonprofit or LHA Home Ownership option	N		0 or 5	0.00
d. Combined 9% and 4% Tax Exempt Bond Site Plan	N		10 or 15	0.00
e. RAD or PHA Conversion participation and competing in Local Housing Authority pool	N		0 or 10	0.00
f. Team member with Veteran Owned Small Business Certification	Y		up to 10	5.00
g. Commitment to electronic payment of fees	Y		0 or 5	5.00
h. Zero Ready or Passive House certification from prior allocation	N		0 or 20	0.00
Total:				80.00

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

TOTAL SCORE: 257.50

	TYPE	% of Units	New Constr.	Adaptive Reuse	Acq. Rehab	Total Pts Awarded
			56%	0%	44%	
Enhancements:	Max Points					
a. Community Room	5		One selection per deal			5.00
b. Exterior walls constructed with brick and other low maintenance materials	40		One selection per deal			20.00
c. LED Kitchen Light Fixtures	2		1.11	0.00	0.89	2.00
d. Cooking surfaces equipped with fire suppression features	2		One selection per deal			2.00
e. Bath Fan - Delayed timer or continuous exhaust	3		One selection per deal			3.00
f. Baths equipped with humidistat	3					
g. Watersense labeled faucets, toilets and showerheads (without Green Certification)	3		1.67	0.00	1.33	3.00
h. Rehab only: New infrastructure for high speed internet/broadband	5		Only REHAB units			0.00
i. Each unit provided free individual high speed internet access	15		One selection per deal			0.00
j. USB in kitchen, living room and all bedrooms	1		0.56	0.00	0.44	1.00
k. Rehab only: dedicated space to accept permanent dehumidification system	2		Only REHAB units			0.00
l. Provides Permanently installed dehumidification system	5		0.00	0.00	0.00	0.00
m. All interior doors within units are solid core	3		1.67	0.00	1.33	3.00
n. Installation of Renewable Energy Electric system	10		One selection per deal			0.00
o. New Construction: Balcony or patio	4		Only New Construction units			0.00
All elderly units have:						
p. Front-control ranges	1		0.56	0.00	0.44	1.00
q. Independent/suppl. heat source	1		0.56	0.00	0.44	1.00
r. Two eye viewers	1		0.56	0.00	0.44	1.00
s. Shelf or Ledge at entrance within interior hallway	2		0.00	0.00	0.00	0.00
Total Enhancements Pts.						42.00

X.

Development Summary

Summary Information

2026 Low-Income Housing Tax Credit Mixed Construction Application For Reservation

Deal Name:

Bacon Senior Community

Cycle Type:4% Tax Exempt Bonds Credits

Requested Credit Amount:\$1,441,086

Allocation Type:Mixed Construction

Jurisdiction:Richmond City

Total Units126

Population Target:Elderly

Total LI Units126

Total Score257.50

Project Gross Sq Ft:86,242.00

Owner Contact:Timothy Chapman

Green Certified?TRUE

Source of Funds	Amount	Per Unit	Per Sq Ft	Annual Debt Service
Permanent Financing	\$14,900,000	\$118,254	\$173	\$747,563
Grants	\$0	\$0		
Subsidized Funding	\$0	\$0		

Uses of Funds - Actual Costs				
Type of Uses	Amount	Per Unit	Sq Ft	% of TDC
Improvements	\$18,162,856	\$144,150	\$211	53.77%
General Req/Overhead/Profit	\$2,225,645	\$17,664	\$26	6.59%
Other Contract Costs	\$7,800	\$62	\$0	0.02%
Owner Costs	\$4,981,919	\$39,539	\$58	14.75%
Acquisition	\$5,500,000	\$43,651	\$64	16.28%
Developer Fee	\$2,900,177	\$23,017	\$34	8.59%
Total Uses	\$33,778,397	\$268,083		

Income		
Gross Potential Income - LI Units		
		\$1,865,736
Gross Potential Income - Mkt Units		
		\$0
Subtotal		\$1,865,736
Less Vacancy %	7.00%	\$130,602
Effective Gross Income		\$1,735,134

Rental Assistance?

FALSE

Expenses		
Category	Total	Per Unit
Administrative	\$272,338	\$2,161
Utilities	\$127,800	\$1,014
Operating & Maintenance	\$246,822	\$1,959
Taxes & Insurance	\$167,840	\$1,332
Total Operating Expenses	\$814,800	\$6,467
Replacement Reserves	\$31,500	\$250
Total Expenses	\$846,300	\$6,717

Cash Flow	
EGI	\$1,735,134
Total Expenses	\$846,300
Net Income	\$888,834
Debt Service	\$747,563
Debt Coverage Ratio (YR1):	1.19

Total Development Costs	
Total Improvements	\$25,378,220
Land Acquisition	\$5,500,000
Developer Fee	\$2,900,177
Total Development Costs	\$33,778,397

Unit Breakdown	
# of Eff	0
# of 1BR	125
# of 2BR	1
# of 3BR	0
# of 4+ BR	0
Total Units	126

	Income Levels	Rent Levels
	# of Units	# of Units
<=30% AMI	0	0
40% AMI	0	0
50% AMI	0	0
60% AMI	126	126
>60% AMI	0	0
Market	0	0

Income Averaging?

FALSE

Extended Use Restriction?

50

Y. Efficient Use of Resources

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

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

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

Combined Max	\$1,441,086
Credit Requested	\$1,441,086
% of Savings	0.00%
Sliding Scale Points	44.5

Tab A:

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

OPERATING AGREEMENT OF
BACON SENIOR 126 LLC
A VIRGINIA LIMITED LIABILITY COMPANY

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EXHIBIT A - ARTICLES OF ORGANIZATION

EXHIBIT B - MEMBERS

OPERATING AGREEMENT OF BACON SENIOR 126 LLC

THIS OPERATING AGREEMENT is entered into this 28th day of August 2025.

PRELIMINARY STATEMENT

Bacon Senior 126 LLC (the "Company") was formed as a limited liability company under the laws of the Commonwealth of Virginia by Bacon Senior GP LLC.

Accordingly, in consideration of the foregoing premises and the mutual covenants and agreements contained herein, it is agreed that the Operating Agreement of the Company shall be as follows:

ARTICLE I

DEFINITIONS

The following terms used in this Operating Agreement shall have the following meanings (unless otherwise expressly provided herein):

"Articles of Organization" shall mean the Articles of Organization of Bacon Senior 126 LLC, as filed with the State Corporation Commission of the Commonwealth of Virginia, as the same may be amended from time to time. A copy of the Articles of Organization is attached hereto as Exhibit A.

"Capital Account" as of any given date shall mean the Capital Contribution to the Company by a Member as adjusted up to the date in question pursuant to Article VII.

"Capital Contribution" shall mean any agreed contribution to the capital of the Company in cash, property or services by a Member, whenever made, provided it is requested or accepted by the Company.

"Code" shall mean the Internal Revenue Code of 1986 or corresponding provisions of subsequent superseding federal revenue laws.

"Company" shall refer to Bacon Senior 126 LLC.

"Company Interest" shall mean with respect to each Member, such Member's interest in the profits and losses of the Company as set forth on Exhibit B attached hereto.

"Deceased Member" shall mean any deceased Member or Economic Interest Owner.

"Deemed Liquidation Event" has the meaning set forth in Section 10.5.

"Deficit Capital Account" shall mean with respect to any Member, the deficit balance, if any, in such Member's Capital Account as of the end of the taxable year.

"Distributable Cash" means all cash, revenues and funds received by the Company from Company operations, less the sum of the following to the extent paid or set aside by the Company: (i) all principal and interest payments on indebtedness of the Company and all other sums paid to lenders; (ii) all cash expenditures incurred incident to the normal operation of the Company's business; (iii) such Reserves as the Managing Member deems reasonably necessary to the proper operation of the Company's business.

"Economic Interest" shall mean an interest in the Company's Net Profits, Net Losses and distributions of the Company's assets pursuant to this Operating Agreement and the Virginia Act, but shall not include any right to participate in the management or affairs of the Company, including the right to vote on, consent to or otherwise participate in any decision of the Members or Managing Member.

"Economic Interest Owner" shall mean the owner of an Economic Interest who is not a Member.

"Entity" shall mean a general partnership, a limited partnership, a limited liability company, a trust, an estate, an association, a corporation or any other legal or commercial entity.

"Excess Deficit Balance" is defined in Section 8.1(c).

"Fair Market Value" shall be determined by the Managing Member, (a) with respect to the Company or any Interest in the Company in accordance with Section 10.4(a), as applicable, and (b) with respect to the value of property or services contributed to the Company, by such measures as the Managing Member deems appropriate.

"Fiscal Year" shall mean the Company's fiscal year, which shall be the calendar year.

"Gifting Member" shall mean any Member or Economic Interest Owner who gifts, bequeaths, or otherwise transfers for no consideration (by operation of law or otherwise, except with respect to bankruptcy) all or any part of its Membership Interest or Economic Interest.

"Independent Valuation Firm" means an independent, nationally recognized, third party valuation firm, accounting firm or investment banker which has substantial experience in making valuations similar to that being made, which is not directly or indirectly affiliated with the Company or any other Person who is a party to or otherwise interested in the event resulting in the need for such valuation and which has no interest in such event other than the receipt of customary fees for rendering such valuation.

"Initial Capital Contribution" shall mean the initial contribution to the capital of the Company pursuant to this Operating Agreement as set forth on Exhibit B attached hereto.

"Majority Interest" shall mean one or more Interests of Members which taken together is greater than 50% of the aggregate of all Company Interests.

"Managing Member" shall mean the entity designated as the Managing Member in the first paragraph of the Agreement.

"Member" shall mean each of the parties who executes a counterpart of this Operating Agreement as a Member and each person who may hereafter become a Member as permitted herein. If a Person is a Member immediately prior to the purchase or other acquisition by such Person of an Economic Interest, such Person shall have all the rights of a Member with respect to such purchased or otherwise acquired Membership Interest or Economic Interest, as the case may be.

"Membership Interest" shall mean a Member's entire interest in the Company including such Member's Economic Interest and the right to participate in the management of the business and affairs of the Company, including the right to vote on, consent to, or otherwise participate in any decision or action of or by the Members granted pursuant to this Operating Agreement or the Virginia Act.

"Net Profits" and "Net Losses" shall mean the income, gain, loss, deductions and credits of the Company in the aggregate or separately stated, as appropriate, determined in accordance with the method of accounting selected by the Managing Member at the close of each fiscal year on the Company's information tax return filed for federal income tax purposes.

"Notice" means any writing containing the information required or permitted by this Agreement to be communicated to a Person and personally delivered to such Person, sent by a nationally recognized overnight courier, or sent by registered or certified mail, postage prepaid, return receipt requested, to such Person at the address listed on Exhibit B attached hereto. The date of personal delivery, delivery by such overnight courier or of the certification receipt, as the case may be, shall be deemed the date of such Notice provided, that any written communication containing such information actually received by a Person shall constitute Notice for all purposes of this Agreement. Facsimile or electronic transmission promptly confirmed by original communication delivered as herein provided shall be an acceptable means of Notice, with the date of receipt of the facsimile or electronic transmission being deemed the date of Notice.

"Operating Agreement" shall mean this Operating Agreement as originally executed and as amended from time to time.

"Person" shall mean an individual or Entity, and the heirs, executors, administrators, legal representatives, successors, and assigns of such "Person" where the context so permits.

"Reduction Items" is defined in Section 8.1(c).

"Reserves" shall mean, with respect to any fiscal period, funds set aside, or amounts allocated during such period to reserves which shall be maintained in amounts deemed sufficient by the Managing Member for capital expenditures, working capital and to pay taxes, insurance, debt service or other costs or expenses incident to the ownership or operation of the Company's business.

"Selling Member" shall mean any Member or Economic Interest Owner which sells, assigns, or otherwise transfers for consideration all or any portion of its Membership Interest or Economic Interest.

"Transferring Member" shall collectively mean a Selling Member and a Gifting Member.

"Treasury Regulations" shall include proposed, temporary, and final regulations promulgated under the Code in effect as of the date of filing the Articles of Organization and the corresponding sections of any regulations subsequently issued that amend or supersede such regulations.

"Virginia Act" shall mean the Virginia Limited Liability Company Act, as amended.

ARTICLE II

FORMATION OF COMPANY

The Company was formed as a limited liability company under the Virginia Act by the filing of its Articles of Organization with the State Corporation Commission of the Commonwealth of Virginia on December 18, 2023.

ARTICLE III

BUSINESS OF COMPANY

The business of the Company shall be as set forth in its Articles of Organization.

ARTICLE IV

NAMES AND ADDRESSES OF MEMBERS

The names and residence addresses of the Members are as set forth on Exhibit B attached hereto and incorporated herein by reference.

ARTICLE V

RIGHTS AND DUTIES OF MANAGING MEMBER

Section 5.1 Management. The business and affairs of the Company shall be managed by the Managing Member. The Managing Member shall direct, manage and control the business of the Company to the best of its ability. Except for situations in which the approval of the Members is expressly required by this Operating Agreement or by nonwaivable provisions of applicable law, the Managing Member shall have full and complete authority, power and discretion to manage and control the business, affairs and properties of the Company, to make all decisions regarding those matters and to perform any and all other acts or activities customary or incident to the management of the Company's business. At any time when there is more than one

Managing Member, any one Managing Member may exercise all of the powers delegated to the Managing Members herein and may take any action permitted to be taken by the Managing Members, unless the approval of more than one of the Managing Members is expressly required pursuant to this Operating Agreement.

Section 5.2 Number, Identity, Tenure and Qualifications. The Company shall have one Managing Member. The Managing Member shall be Timothy M. Chapman. The address of the Managing Member is 440 Maple Ave E Ste 203, Vienna, Virginia 22180.

Section 5.3 Certain Powers of Managing Member. Without limiting the generality of Section 5.1, the Managing Member shall have power and authority on behalf of the Company or on behalf of any entity controlled by the Company or in which the Company is a general partner or managing member:

- (a) To acquire property from any Person as the Managing Member may determine.
- (b) To borrow money for the Company from banks, other lending institutions, Members (including the Managing Member), or affiliates of the Members (including affiliates of the Managing Member) on such terms as the Managing Member deems appropriate, and in connection therewith, to mortgage, hypothecate, encumber and grant security interests in the assets of the Company to secure repayment of the borrowed sums.
- (c) To purchase liability and other insurance to protect the Company's property and business;
- (d) To hold and own any Company real and/or personal properties in the name of the Company;
- (e) To invest any company funds temporarily (by way of example but not limitation) in time deposits, short-term governmental obligations, commercial paper or other investments;
- (f) To sell or otherwise dispose of all or substantially all of the assets of the Company as part of a single transaction or plan;
- (g) To execute on behalf of the Company all instruments and documents, including, without limitation, checks; drafts; notes and other negotiable instruments; mortgages or deeds of trust; security agreements; financing statements; documents providing for the acquisition, mortgage or disposition of the Company's property; assignments; bills of sale; leases; partnership agreements, operating agreements of other limited liability companies; and any other instruments or documents necessary or appropriate, in the opinion of the Managing Member, to the business of the Company;
- (h) To employ accountants, legal counsel, managing agents or other experts to perform services for the Company and to compensate them from Company funds;

(i) To enter into any and all other agreements on behalf of the Company, with any other Person for any purpose, in such forms as the Managing Member may approve;

(j) To act as Managing Member of Bacon Senior 126 LLC; and

(k) To do and perform all other acts as may be necessary or appropriate to the conduct of the Company's business.

Unless authorized to so do by this Operating Agreement or by written authorization of the Managing Member, no attorney-in-fact, employee or other agent of the Company shall have any power or authority to bind the Company in any way, to pledge its credit or to render it liable for any purpose. No Member (other than a Member who is also a Managing Member) shall have any power or authority to bind the Company unless the Member has been authorized by the Managing Member to act as an agent of the Company in accordance with the previous sentence.

Section 5.4 Managing Member Has No Exclusive Duty to Company. The Managing Member shall not be required to manage the Company as its sole and exclusive function and the Managing Member may have other business interests and may engage in other activities in addition to those relating to the Company, including interests and activities that compete with the Company or that involve taking advantage of an opportunity that could be regarded as a business opportunity of the Company.

Section 5.5 Bank Accounts. The Managing Member may from time to time open bank accounts in the name of the Company, and the Managing Member shall be the sole signatory thereon, unless the Managing Member determines otherwise.

Section 5.6 Company Books. In accordance with Section 9.2 herein, the Managing Member shall maintain and preserve, during the term of the Company, and for five (5) years thereafter, all accounts, books, and other relevant Company documents. Upon reasonable request, each Member and Economic Interest Owner shall have the right, during ordinary business hours, to inspect and copy such Company documents at the requesting Member's and Economic Interest Owner's expense.

Section 5.7 Indemnity of Managing Member. The Company shall indemnify the Managing Member from and against any claim by any third party seeking monetary damages against such Managing Member arising out of such Managing Member's performance of its duties in good faith.

Section 5.8 Managing Member Conduct. The Managing Member may only be removed or held responsible for its gross negligence or willful misconduct. The Managing Member shall have a reasonable time period to cure any violation of this section or of the Virginia Act.

Section 5.9 Compensation of Managing Member. The Managing Member shall receive no compensation for its services, as such, unless otherwise agreed to by Members holding a

Majority Interest; however, the Managing Member shall be entitled to reimbursement of all out-of-pocket expenses incurred on behalf of the Company.

ARTICLE VI

RIGHTS AND OBLIGATIONS OF MEMBERS

Section 6.1 Limitation of Liability. Each Member's liability shall be limited as set forth in this Operating Agreement, the Virginia Act and other applicable law.

Section 6.2 List of Members. Upon written request of any Member, the Managing Member shall provide a list showing the names, addressees and Company Interests of all Members and Economic Interest Owners.

Section 6.3 Priority and Return of Capital. Except as may be expressly provided in Article VIII, no Member or Economic Interest Owner shall have priority over any other Member or Economic Interest Owner, either as to the return of Capital Contributions or as to Net Profits, Net Losses or distributions; provided, however, that this section shall not apply to repayment of loans (as distinguished from Capital Contributions) which a Member has made to the Company.

ARTICLE VII

CONTRIBUTIONS TO THE COMPANY AND CAPITAL ACCOUNTS

Section 7.1 Members' Initial Capital Contributions. Each Member shall contribute such cash, property, or services as is set forth in Exhibit B hereto as its share of the Initial Capital Contribution.

Section 7.2 Additional Contributions. The Managing Member is empowered to require additional Capital Contributions from Members and to set fixed deadlines for Members to make such additional Capital Contributions with time being of the essence. In the event that the Managing Member or any entity affiliated with the Managing Member (as designated by the Managing Member) makes a payment on any guaranty, indemnity or other obligation or cost with regard to the Maple Flats project, such payment shall be treated as a Capital Contribution to the Company unless or until such time as such payment is reimbursed from another source. The failure of a Member to make a required Capital Contribution shall result in an automatic reapportionment of Membership Interest to accurately reflect the ratio of the non-complying Member's cumulative Capital Contribution to the cumulative Capital Contributions of all other Members.

Section 7.3 Capital Accounts.

A separate Capital Account will be maintained for each Member. In general, each Member's Capital Account will be increased by (i) the amount of money contributed by such Member to the Company, (ii) the agreed fair market value of property or services contributed by such Member to the Company (net of liabilities secured by such contributed property that the

Company is considered to assume or take subject to under Section 752 of the Code), and (iii) allocations to such Member of Net Profits; and decreased by (i) the amount of money distributed to such Member by the Company, (ii) the fair market value of property distributed to such Member by the Company (net of liabilities secured by such distributed property that such Member is considered to assume or take subject to under Section 752 of the Code), and (iii) allocations of Net Losses to such Member. Capital Accounts will be maintained in accordance with the requirements of 704(b) of the Code and the Treasury Regulations promulgated thereunder.

(a) In the event of a permitted sale or exchange of a Membership Interest or an Economic Interest in the Company, the Capital Account of the transferor shall become the Capital Account of the transferee to the extent it relates to the transferred Membership Interest or Economic Interest in accordance with Section 1.704-1(b)(2)(iv) of the Treasury Regulations.

(b) Upon liquidation of the Company, liquidating distributions will be made in accordance with the positive Capital Account balances of the Members and Economic Interest Owners, as determined after taking into account all Capital Account adjustments for the Company's taxable year during which the liquidation occurs. Liquidation proceeds will be paid within 60 days of the end of the taxable year (or, if later, within 120 days after the date of the liquidation). The Company may offset damages for breach of this Operating Agreement by a Member or Economic Interest Owner whose interest is liquidated (either upon the withdrawal of the Member or the liquidation of the Company) against the amount otherwise distributable to such Member.

(c) Except as otherwise required in the Virginia Act (and subject to Sections 7.1 and 7.2), no Member or Economic Interest Owner shall have any liability to restore all or any portion of a deficit balance in such Member's or Economic Interest Owner's Capital Account.

ARTICLE VIII

ALLOCATIONS, INCOME TAX AND DISTRIBUTIONS

Section 8.1 Allocations of Profits and Losses.

(a) Except as provided in this Article VIII, the Net Profits and Net Losses of the Company for each Fiscal Year will be allocated to the Members in accordance with their respective Membership Interests *provided, however*, that no Net Loss or deduction shall be allocated to any Member to the extent such allocation would cause or increase an Excess Deficit Balance in such Member's Capital Account. Any such Net Loss or deduction prohibited from being allocated to a Member pursuant to the immediately preceding proviso shall be reallocated to the other Members in accordance with this Agreement, but only to the extent such reallocation would not cause or increase Excess Deficit Balances in the Capital Accounts of such other Members.

(b) Notwithstanding paragraph (a) above, nonrecourse deductions (within the meaning of section 1.704-2(b)(1) and 1.704-2(c) of the Treasury Regulations) shall be allocated

among the Members in proportion to their respective percentage interests. If there is a net decrease in partnership minimum gain (within the meaning of Treasury Regulation §1.704-2(d)) for any taxable year of the Company, then before any other allocations are made for such taxable year, the Members shall be allocated items of income and gain for such year (and, if necessary, for subsequent years) to the extent required by Treasury Regulation § 1.704-2(f). Notwithstanding any other provisions of this Operating Agreement, all partner nonrecourse deductions (within the meaning of Treasury Regulation § 1.704-2(i)(1) and (2)) for each taxable year of the Company shall be allocated to the Members who bear the economic risk of loss with respect to the debt giving rise to such deductions, in accordance with Treasury Regulation §1.704-2(i). If there is a net decrease in partner nonrecourse debt minimum gain (within the meaning of Treasury Regulation §1.704-2(i)(3)) for any taxable year of the Company, then after taking into account allocations pursuant to the second sentence of paragraph 8(b)) above but before any other allocations are made for such taxable year, the Members shall be allocated items of income and gain for such year (and, if necessary, for subsequent years) to the extent required by Treasury Regulation §1.704-2(i)(4).

(c) In the event that any Member unexpectedly receives any adjustment, allocation, or distribution described in Treasury Regulation § 1.704-1(b)(2)(ii)(d)(4)-(6) ("Reduction Items") that, after taking into account all other allocations and adjustments under this Operating Agreement, results in a deficit balance in such Member's Capital Account as of the end of the taxable year in excess of that amount, if any, that such Member is treated as obligated to restore to the Company pursuant to Treasury Regulation § 1.704-1(b)(2)(ii)(c) or (h), 1.704-2(g)(1), or 1.704-2(i)(5) (an "Excess Deficit Balance"), then items of income, and gain for such year (and, if necessary, subsequent years) will be reallocated to each such Member in the amount and in the proportions needed to eliminate such Excess Deficit Balance as quickly as possible. Solely for purposes of computing such Excess Deficit Balance, the Member's Capital Account shall be reduced by the amount of any Reduction Items that are reasonably expected as of the end of such taxable year.

(d) Where he considers it necessary or appropriate, the Managing Member is authorized to modify the allocations of tax items provided in this Article VIII so as to assure that the allocations will be respected for tax purposes, provided that the Managing Member may not make any change which would materially reduce the amount to be distributed to any Member without the consent of that Member.

Section 8.2 Distributions. Except as provided in Section 7.3(c), all distributions of cash or other property shall be made to the Members pro-rata in proportion to the respective Company Interests of the Members on the record date of such distribution. All distributions of Distributable Cash and property shall be made at such time as determined by the Managing Member. No Member shall have the right to demand and receive property other than cash, irrespective of the nature of its Capital Contribution. All amounts withheld pursuant to the Code or any provisions of state or local tax law with respect to any payment or distribution to the Members from the Company shall be treated as amounts distributed to the relevant Member or Members pursuant to this Section 8.2.

Section 8.3 Limitation Upon Distributions. No distribution shall be declared and paid unless, after the distribution is made, the assets of the Company are in excess of all liabilities of the Company.

Section 8.4 Interest on and Return of Capital Contributions. No Member shall be entitled to interest on its Capital Contribution or to return of its Capital Contribution, except as otherwise specifically provided for herein.

Section 8.5 Loans to Company. Nothing in this Operating Agreement shall prevent any Member from making secured or unsecured loans to the Company by agreement with the Company.

Section 8.6 No Right to Distribution. Anything in this Agreement or in the Virginia Act to the contrary notwithstanding, no Member shall be entitled to receive any distribution of money or other property in excess of \$1.00 by reason of such person's ceasing to be a Member, except (i) upon dissolution of the Company, or (ii) upon affirmative vote or written consent of Members holding a Majority Interest.

ARTICLE IX

ACCOUNTING, REPORTS

Section 9.1 Accounting Period. The Company's accounting period shall be the calendar year.

Section 9.2 Records, Audits and Reports. The Managing Member shall maintain records and accounts of all operations and expenditures of the Company. At a minimum the Company shall keep at its principal place of business the following records:

A current and a past list setting forth in alphabetical order the full name and last known business, residence, or mailing address of each Member, Economic Interest Owner and Managing Member, both past and present;

A copy of the Articles of Organization of the Company and all amendments thereto, together with executed copies of any powers of attorney pursuant to which any articles of amendment have been executed;

(a) Copies of the Company's federal, state, and local income tax returns and financial statements for the three most recent years, or, if such returns or statements were not prepared for any reason, copies of the information and statements provided to, or which should have been provided to, the members to enable them to prepare their federal, state and local tax returns for such period.

(b) Copies of the Company's current effective written Operating Agreement and all amendments thereto and copies of any written operating agreements no longer in effect.

(c) A writing setting forth the amount of cash, if any, and a statement of the agreed value of other property or services contributed by each Member and the times at which or the events upon the happening of which any additional contributions are to be made by each Member.

(d) A writing stating events, if any, upon the happening of which the Company is to be dissolved and its affairs wound up.

(e) Other writings, if any, prepared pursuant to a requirement in this Operating Agreement.

Section 9.3 Returns and Other Elections. The Managing Member shall cause the preparation and timely filing of all returns required to be filed by the Company pursuant to the Code and all other tax returns deemed necessary and required in each jurisdiction in which the Company does business. Copies of such returns, or pertinent information therefrom, shall be furnished to the Members as soon as practical after the end of the Company's fiscal year but in any event prior to the date upon which federal, Virginia and District of Columbia, if required, tax returns are required to be filed by Members.

All elections permitted to be made by the Company under federal or state laws shall be made by the Managing Member in its sole discretion, provided that the Managing Member shall make any tax election requested by Members owning a Majority Interest.

ARTICLE X

TRANSFERABILITY

Section 10.1 General.

(a) No member shall have the right to sell, assign, transfer, pledge, hypothecate, exchange or otherwise transfer for consideration (collectively, "sell"), or gift, bequeath or otherwise transfer for no consideration (whether or not by operation of law), all or any part of its Membership Interest or Economic Interest, except upon the written consent of Members owning a Majority Interest, or as otherwise set forth herein.

(b) In the event of either the sale of the Selling Member's interest in the Company to a third party purchaser or the gift of an interest in the Company, and as a condition to recognizing one or more of the effectiveness and binding nature of any such sale or gift as against the Company or otherwise, and (subject to Section 10.2, below) substitution of a new Member, the remaining Members may require the Selling Member or Gifting Member and the proposed purchaser, donee, or successor in interest, as the case may be, to execute, acknowledge and deliver to the remaining Members such instruments of transfer, assignment and assumption and such other certificates, representations and documents, and to perform all such other acts which the remaining Members may deem necessary or desirable to:

(i) constitute such purchaser, donee, or successor-in-interest as a Member;

(ii) confirm that the person desiring to acquire an interest or interests in the Company, or to be admitted as a Member, has accepted, assumed and agreed to be subject and bound by all of the terms, obligations and conditions of the Operating Agreement, as the same may have been further amended (whether such Person is to be admitted as a new Member or will merely be an Economic Interest Owner);

(iii) preserve the Company after the completion of such sale, transfer, assignment, or substitution under the laws of each jurisdiction in which the Company is qualified, organized or does business;

(iv) maintain the status of the Company as a partnership for federal tax purposes; and

(v) assure compliance with any applicable state and federal laws including securities laws and regulations.

(c) Any sale or gift of a Membership Interest or Economic Interest or admission of a Member in compliance with this Article X shall be deemed effective as of the last day of the calendar month in which the sale or gift closes.

(d) The Selling Member hereby indemnifies the Company and the remaining Members against any and all loss, damage, or expense (including, without limitation, tax liabilities or loss of tax benefits and reasonable accounting and legal expense) arising directly or indirectly as a result of any transfer or purported transfer in violation of this Article X.

(e) The Managing Member must approve, in its sole and absolute discretion, any sale or other transfer that would cause a Notice requirement under the District of Columbia TOPA law or any successor law. No transfer of any kind, with or without substitution of a Member, shall occur without Notice to the Managing Member, which shall determine in its sole and absolute discretion whether such transfer will not cause such TOPA notice.

Section 10.2 Transferee Not Member in Absence of Consent of Other Members.

(a) Notwithstanding anything contained herein to the contrary, no transfer of a Member's interest in the Company (including any transfer of the Economic Interest or any other transfer which has not been approved by written consent of the Members holding a Majority Interest) shall be effective unless and until written Notice (including the name and address of the proposed transferee or donee and the date of such transfer) has been provided to the Company and the non-transferring Members.

(b) Upon and contemporaneously with any sale or gift of a Transferring Member's Economic Interest in the Company which does not at the same time transfer the balance of the rights associated with the Economic Interest transferred by the Transferring

Member (including, without limitation, the rights of the Transferring Member to participate in the management of the business and affairs of the Company), the Company shall purchase from the Transferring Member, and the Transferring Member shall sell to the Company for a purchase price of \$100.00, all remaining rights and interests retained by the Transferring Member which immediately prior to such sale or gift were associated with the transferred Economic Interest.

Section 10.3 Notice of Transfer. In addition to, and without limitation of any other provision contained in this Agreement, prior to any transfer of any Membership Interest or portion thereof, to any person, the Member desiring to so transfer shall give to the Managing Member thirty (30) days prior written Notice of such Member's intent to so transfer.

Section 10.4 Managing Member Call Option.

(a) At any time (the "Call Option Period"), the Managing Member may give written Notice at the address in Exhibit B to Iannotti that the Managing Member is exercising its option (the "Call Option") to purchase the membership interest of Iannotti ("Iannotti Membership Interest"). Upon Notice of exercise of the Call Option, the Managing Member and Iannotti shall meet as soon as practicable to negotiate the purchase price for Iannotti Membership Interest. If the Managing Member and Iannotti are unable to agree to a purchase price within thirty (30) days of the date the Call Option is exercised, the Managing Member shall obtain a determination of the Fair Market Value of Iannotti Membership Interest from an Independent Valuation Firm. The determination of the Fair Market Value as set forth above shall be final and binding upon the Managing Member and Iannotti.

(b) The closing of the purchase and sale of Iannotti Membership Interest pursuant to this Section 10.4 (the "Call Option Closing") shall occur on the date which is not later than sixty (60) days following the determination of the purchase price or at such other time as designated by the Managing Member with consultation with Iannotti (such date, the "Closing Date"). The Call Option Closing shall occur at the office of the Company's counsel, unless otherwise agreed by the parties. In connection with the Call Option Closing, Iannotti shall execute an instrument of assignment of Iannotti Membership Interest (the "Assignment Agreement"), which shall (i) transfer and assign the entirety of Iannotti Membership Interest to the Managing Member, free and clear of all liens and encumbrances thereon, with the intent that the Managing Member succeeds to all of Iannotti's right, title and interest in the Company on and as of the Closing Date; (ii) contain (1) the resignation of Iannotti as a Member in the Company, if applicable, (2) a full release of the Company and the Managing Member by Iannotti of any and all claims, known and unknown, that Iannotti has or may have against the Company and the Managing Member with respect to Iannotti Membership Interest then being sold, other than rights to indemnification and claims arising as part of the Call Option Closing, and (3) a full release of Iannotti by the Company and the Managing Member of any and all claims, known and unknown, that the Company or the Managing Member has or may have against Iannotti with respect to Iannotti Membership Interest being sold, other than rights to indemnification and claims arising or negotiated as part of the Call Option Closing; and (iii) include representations and warranties by Iannotti that (1) Iannotti is the sole legal and equitable owner of the entirety of Iannotti's Membership Interest then being sold, (2) except for the Managing Member, Iannotti is not aware of any Person which has any right, title or interest in or to any of Iannotti Membership

Interest then being sold, (3) there are no liens, encumbrances or other restrictions on the transfer of, or potential claims to or against, Iannotti Membership Interest then being sold except as set forth in this Agreement, and (4) Iannotti has the full legal power, authority and right to execute and deliver, and to perform its legal obligations under, the Assignment Agreement, and Iannotti's performance thereunder and the transactions contemplated thereby have been duly authorized by all requisite action on the part of Iannotti.

(c) On the Closing Date, (i) each party shall deliver to the other an executed counterpart of the Assignment Agreement and (ii) the Managing Member shall deliver to Iannotti the purchase price by check or wire transfer of immediately available funds to an account which is designated by Iannotti. Closing costs and all other charges involved in the Call Option Closing (except for attorneys' fees (each party paying their own)) shall be shared equally by the parties. Stamp, recording, transfer or similar taxes and title insurance costs arising in connection with the sale of Iannotti's Membership Interest, if any, shall be paid fifty percent (50%) by Iannotti and fifty percent (50%) by the Managing Member.

(d) Iannotti hereby irrevocably constitutes and appoints the Managing Member as Iannotti's true and lawful attorney-in-fact, with full power of substitution, in its name, place and instead, to make, execute, sign, acknowledge, verify, deliver, record and file, on its behalf, any instruments, documents, or certificates, including without limitation, the Assignment Agreement, necessary to effectuate the purchase and sale of Iannotti Membership Interest pursuant to this Section 10.4. Iannotti is fully aware that the Managing Member will rely on the effectiveness of this special power-of-attorney to effectuate the Call Option Closing in the event of the non-performance of Iannotti. This power-of-attorney is a special power-of-attorney and is coupled with an interest.

(e) The Members (including Iannotti) shall be entitled to any Distributable Cash in accordance with Section 8.2 until the Call Option Closing. The Managing Member shall receive all distributions attributable to Iannotti Membership Interest after the Closing Date.

Section 10.5 Drag-Along Rights. In the event that the Managing Member desires to consummate a Deemed Liquidation Event or a sale of the Company whereby the purchaser acquires a majority of the outstanding Membership Interests, in any such case, in a bona fide negotiated transaction to a non-affiliate, Iannotti shall be obligated to and shall promptly upon Notice from the Managing Member: (1) transfer, or cause to be transferred, to the non-affiliate, all of its Membership Interests; and (2) execute and deliver such instruments of conveyance and transfer and take such other action, including voting in favor of the transaction proposed by the Managing Member (the "Transaction") and executing any purchase agreements, merger agreements, indemnity agreements, escrow agreements or related documents, as the Managing Member or the non-affiliate may reasonably require in order to carry out the terms and provisions of this Section 10.5. Notwithstanding the foregoing, Iannotti shall not be required to make representations or warranties in connection with any such agreements or related documents, other than that Iannotti (X) is duly organized, validly existing and has the necessary capacity, power and authority to consummate the Transaction and requires no consents which have not been obtained (as applicable to Iannotti), and (Y) its Membership Interest is free and clear of all liens, claims and encumbrances (other than liens and encumbrances approved by the

applicable non-affiliate) and that the transfer is being made free and clear of all such liens, claims and encumbrances. Not less than thirty (30) days prior to the date proposed for the closing of any such Transaction, the Managing Member shall give Notice to Iannotti, setting forth in reasonable detail (i) the terms and conditions of the Transaction, including the purchase price, which terms and conditions and purchase price shall be proportionately no less favorable to Iannotti than to the Managing Member, and (iii) the proposed closing date. For the avoidance of doubt, in connection with a Transaction under this Section 10.5, the Managing Member and Iannotti shall receive the same proportionate amount and type of consideration, allocated pro rata among Iannotti and the Managing Member in accordance with each of their respective Percentage Interests. Iannotti hereby irrevocably constitutes and appoints the Managing Member as its true and lawful attorney-in-fact, with full power of substitution, in its name, place and stead, to make, execute, sign, acknowledge, verify, deliver, record and file, on its behalf, any instruments, documents or certificates necessary to effectuate the sale of Iannotti's Membership Interest pursuant to this Section 10.5. Iannotti is fully aware that the Managing Member will rely on the effectiveness of this special power-of-attorney to effectuate the drag- along rights described herein in the event of the non-performance of Iannotti. This power-of- attorney is a special power-of-attorney and is coupled with an interest.

Section 10.6 Right of First Refusal for Sale of Iannotti's Membership Interest to Third Party.

(a) Regardless of whether the Managing Member gives its consent to a transfer by sale or gift by Iannotti, if Iannotti shall receive from a third party (the "Offeror") a bona fide, arm's-length offer (the "Offer"), in writing, signed by the Offeror setting forth all the material terms of the Offer, for the purchase, without financing contingency, on a date set forth in such Offer (which shall be no less than ninety (90) nor more than one hundred twenty (150) days after Iannotti's receipt of the Offer), of Iannotti's entire Membership Interest, and should Iannotti desire to sell its entire Membership Interest, then Iannotti shall within thirty (30) days after receipt thereof, if it wishes to accept the Offer, forward a true copy thereof to the Managing Member, together with reasonable information as to the identity of the Offeror, its partners or directors, officers and controlling shareholders.

(b) If Iannotti has timely forwarded a copy of the Offer to the Managing Member, the Managing Member may, within ninety (90) days after receiving a copy of the Offer, notify Iannotti of the Managing Member's election to purchase Iannotti's entire Membership Interest upon the same terms and conditions contained in the Offer except as to hour and place of closing. Such notification shall be accompanied by an earnest money deposit in an amount equal to 1% of the price payable pursuant to this Section 10.6(b) (said amount, together with any interest earned thereon, being hereinafter called the "Managing Member's Deposit"). Notice of election to purchase shall be addressed to Iannotti and shall set forth the hour and place of closing which, unless the Members shall otherwise agree, shall be at the office of the Managing Member's counsel, during usual business hours on a date not more than ninety (90) days from the date of the giving of the notice of election to Iannotti. The Managing Member's Deposit shall be credited against the total purchase price for the entire Membership Interest being purchased pursuant to this Section 10.6; provided, however, that if the closing shall fail to occur because of a default by the Managing Member, Iannotti shall have the right,

as its exclusive remedy, to retain the Managing Member's Deposit as liquidated damages (it being agreed that in such instance Iannotti's actual damages would be difficult, if not impossible, to ascertain) and, for a period of up to three hundred sixty-five (365) days after such default, sell its entire Membership Interest to the Offeror without further consent or approval from any other Member and without any obligation to re-offer its Interest to the Managing Member pursuant to this Article 10.

If the Managing Member shall not have given written notice to Iannotti, as described above, within such ninety (90) day period, the Managing Member shall be deemed to have not consented to the sale of Iannotti's Membership Interest.

Whether or not any transaction contemplated by the foregoing provisions of this Section 10.6 is consummated pursuant to the provisions of the Offer, all the provisions of this Section 10.6 shall apply to any subsequent offer or offers.

ARTICLE XI

ADDITIONAL MEMBERS

From the date of the formation of the Company, any Person acceptable to Members holding a Majority Interest by their written consent may become a Member in the Company either (i) by the issuance by the Company of Membership Interests for such consideration as Members holding a Majority Interest by their written consent shall determine in good faith to be the fair value of the interest so issued, or (ii) as a transferee of a Member's Membership Interest or any portion thereof, subject to the terms and conditions of this Operating Agreement. No new Member shall be entitled to any retroactive allocation of losses, income or expense deductions incurred by the Company. The Managing Member may, at his option, at the time a Member is admitted, close the Company books (as though the Company's tax year had ended) or make pro rata allocations of loss, income and expense deductions to a new Member for that portion of the Company's tax year in which a Member was admitted in accordance with the provisions of Section 706(d) of the Code and the Treasury Regulations promulgated thereunder.

ARTICLE XII

DISSOLUTION AND TERMINATION

Section 12.1 Dissolution.

(a) The Company shall be dissolved, and its affairs shall be wound up upon the happening of any of the first to occur of the following:

- (i) at the time specified in its Articles of Organization;
- (ii) upon written consent of Members holding a Majority Interest;

(iii) upon the entry of a decree of final dissolution under Section 13.1-1047 of the Virginia Act; or

(iv) any event requiring dissolution under the Virginia Act.

(b) As soon as possible following the occurrence of any of the events specified in this Section 12.1 affecting the dissolution of the Company, the Managing Member shall proceed to wind up the Company's business in accordance with Section 13.1-1048 of the Virginia Act.

(c) Except as expressly permitted in this Operating Agreement, a Member shall not voluntarily resign or take any other voluntary action which directly causes a dissolution. Unless otherwise approved in writing by Members owning a Majority Interest, a Member who resigns (a "Resigning Member") or whose Membership Interest is otherwise terminated by virtue of the Virginia Act, regardless of whether such termination or dissolution was the result of a voluntary act by such Member, shall not be entitled to receive any distributions to which such Member would have been entitled had such Member remained a Member. Except as otherwise expressly provided herein, a Resigning Member shall become an Economic Interest Owner. Damages for breach of this Section 12.1(c) shall be monetary damages only (and not specific performance), and such damages may be offset against distributions by the Company to which the Resigning Member would otherwise be entitled.

ARTICLE XIII

MISCELLANEOUS PROVISIONS

Section 13.1 Notice. Any Notice, demand, or communication required or permitted to be given by any provision of this Operating Agreement shall be deemed to have been sufficiently given or served for all purposes if delivered personally to the party or to an executive officer of the party to whom the same is directed or, if sent by registered or certified mail, postage and charges prepaid, addressed to the Member's and/or Company's address, as appropriate, which is set forth in this Operating Agreement. Except as otherwise provided herein, any such Notice shall be deemed to be given three business days after the date on which the same was deposited in a regularly maintained receptacle for the deposit of United States mail, addressed and sent as aforesaid.

Section 13.2 Application of Virginia Law and Forum.

(a) This Operating Agreement, any disputed matter arising hereunder regarding any the construction, interpretation, or validity of any provision hereof or of the Articles of Organization or any performance hereof or thereof, or any other matter relating hereto or arising in connection herewith (whether in tort, contract, equity, or otherwise) (any such matter, a "Disputed Matter") is and shall be governed by and enforced in accordance with the laws of the Commonwealth of Virginia, excluding its choice of law rules.

(b) Subject to Section 13.2(c), no party shall bring or maintain any action or proceeding with respect to any Disputed Matter ("Dispute Proceeding"), except in a Virginia state court. Each party irrevocably submits and consents to the jurisdiction of such courts, and no party shall object to the laying of venue in any such court or claim that any such court is an inconvenient forum.

(c) Nothing herein shall affect the right of any party to enforce any judgment in any jurisdiction.

(d) Each party irrevocably consents to service of process, by any means authorized in the definition of Notice, in respect of any Dispute Proceeding.

(e) Each party waives jury trial in respect of any Dispute Proceeding.

Section 13.3 Waiver of Action for Partition. Each Member and Economic Interest Owner irrevocably waives during the term of the Company any right that it may have to maintain any action for partition with respect to the property of the Company.

Section 13.4 Amendments. This Operating Agreement may not be amended except by the consent of Members constituting a Majority Interest.

Section 13.5 Execution of Additional Installments. Each Member hereby agrees to execute such other and further statements of interest and holdings, designations, powers of attorney and other instruments necessary to comply with any laws, rules or regulations.

Section 13.6 Construction. Whenever the singular number is used in this Operating Agreement and when required by the context, the same shall include the plural and vice versa, and the masculine gender shall include the feminine and neuter genders and vice versa.

Section 13.7 Headings. The headings in this Operating Agreement are inserted for convenience only and are in no way intended to describe, interpret, define, or limit the scope, extent or intent of this Operating Agreement or any provision hereof.

Section 13.8 Waivers. The failure of any party to seek redress for violation of or to insist upon the strict performance of any covenant or condition of this Operating Agreement shall not prevent a subsequent act, which would have originally constituted a violation, from having the effect of an original violation.

Section 13.9 Rights and Remedies Cumulative. The rights and remedies provided by this Operating Agreement are cumulative and the use of any one right or remedy by any party shall not preclude or waive the right to use any or all other remedies. Said rights and remedies are given in addition to any other rights the parties may have by law, statute, ordinance or otherwise.

Section 13.10 Severability. If any provision of this Operating Agreement or the application thereof to any person or circumstance shall be invalid, illegal or unenforceable to any

extent, the remainder of this Operating Agreement and the application thereof shall not be affected and shall be enforceable to the fullest extent permitted by law.

Section 13.11 Heirs, Successors and Assigns. Each and all of the covenants, terms, provisions and agreements herein contained shall be binding upon and inure to the benefit of the parties hereto and, to the extent permitted by this Operating Agreement, their respective heirs, legal representatives, successors and assigns.

Section 13.12 Creditors. None of the provisions of this Operating Agreement shall be for the benefit of or enforceable by any creditor of the Company or of any creditor (except a Member who is a creditor of a Member) of any Member.

Section 13.13 Counterparts. This Operating Agreement may be executed in counterparts, each of which shall be deemed an original but all of which shall constitute one and the same instrument.

Section 13.14 Ratification, Waiver and Release. By signing this Agreement, the undersigned intend to and do (a) ratify all previous acts of the Company and of the Managing Member related to the Company, and (b) intentionally waive and release any and all claims of any kind whatsoever, known or unknown, against the Managing Member and/or the Company related to any such acts.

Section 13.15 Guarantee Conditions/Derivative Actions. Timothy Chapman ("Chapman") or an entity other than the Company in which Chapman has any ownership interest may be called upon and/or may agree to undertake, directly or indirectly, a guarantee, obligation or responsibility related to the Company that is substantially more burdensome than that undertaken by some or all of the other Members. This Section is a requirement by the Managing Member and Chapman (or an entity other than the Company in which Chapman has any ownership interest) as a condition for making or continuing any such guarantee, obligation or responsibility. So long as there is any such outstanding direct or indirect guarantee, obligation or responsibility of Chapman (or of any entity in which Chapman has any ownership interest) related to the Company, no Member shall be entitled to bring a derivative action against the Managing Member or Chapman or any entity in which Chapman has an ownership interest. As a condition precedent to bringing any derivative action related to the Company, a Member must give the Managing Member 90-days' advance notice of the intention to bring such action and receipt of such notice shall trigger a 90-day period for the Managing Member to initiate the Call Option procedure of Section 10.4 above. If the Managing Member initiates the Call Option procedure within such 90-day period, no derivative action shall be filed while the Call Option procedure is taking place. If the Managing Member does not initiate the Call Option procedure during the 90-day period, then as a further condition precedent of filing any derivative action the notifying Member must first arrange for and accomplish that such debt, obligation or responsibility of Chapman related to the Company (or of any entity other than the Company in which Chapman has an ownership interest) be fully satisfied, released or paid. The foregoing condition regarding "guarantee, obligation or responsibility" does not apply to any obligation or responsibility that arises solely from, and exists only because of, being the Managing Member.

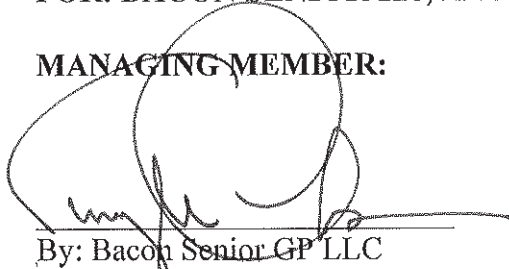
No Member shall initiate a derivative action related to the Company without the written support of at least 30% (thirty percent) of the total Membership Interest of the Company

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the undersigned have hereunto set their hands or caused this instrument to be executed as of the day and year above written.

FOR: BACON SENIOR 126, LLC

MANAGING MEMBER:

A handwritten signature in black ink, appearing to read 'Timothy Chapman', is written over a horizontal line. The signature is stylized with a large loop at the beginning and a long horizontal stroke at the end.

By: Bacon Senior GP LLC

By: Timothy Chapman

Authorized Signatory

EXHIBIT A

ARTICLES OF ORGANIZATION

[See Attached]

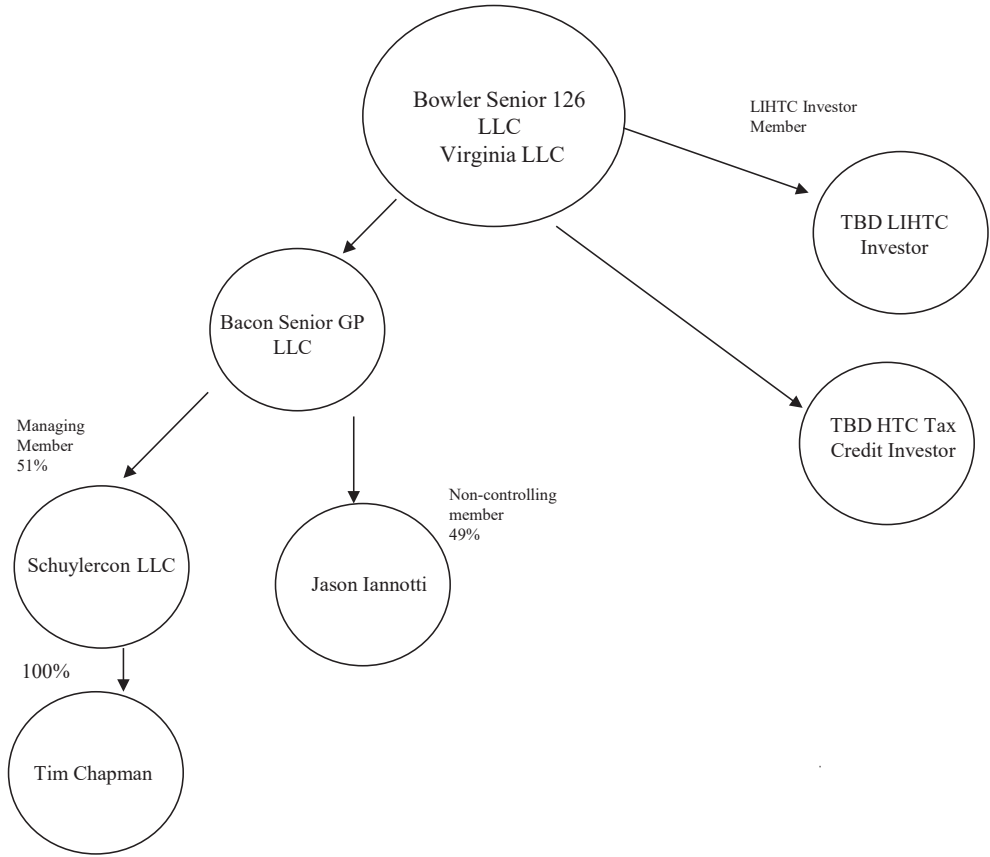
EXHIBIT B

Members
of
Bacon Senior 126 LLC

<u>Name and Residence Address</u>	Agreed Initial Cash <u>Contribution</u>	Percentage Interest in Profits, Losses and <u>Distributions</u>
Bacon Senior GP LLC 440 Maple Ave E Ste 203 Vienna, Virginia 22180	\$100	100%

Bacon Senior 126 LLC

Organizational Structure



Tab B:

Virginia State Corporation Commission Certification
(MANDATORY)

Commonwealth of Virginia



STATE CORPORATION COMMISSION

Richmond, August 28, 2025

This is to certify that the certificate of organization of

Bacon Senior 126 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: August 28, 2025



STATE CORPORATION COMMISSION

Attest:

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

Clerk of the Commission

Tab C:

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



June 18, 2026

Chapman Development, LLC
Attn: Tim Chapman
11701 Bowman Green Drive
Reston, VA 20190

RE: BACON SENIOR, RICHMOND, VA (the "Project")

Dear Tim:

Thank you for sending the information on Bacon Senior. We have reviewed the development proposal, find it feasible and would be very interested in pursuing an investment in this community. Based on the information set forth herein and the materials you previously submitted, R4 Capital LLC as the Investor will make aggregate capital contributions to the Company of \$17,011,000 based on a contribution amount of \$0.88 per dollar of annual Federal Low-Income Housing Tax Credits, \$0.85 per dollar of annual Federal Historic Tax Credits, and \$0.88 per dollar of annual State Low-Income Housing Tax Credits.

We are always seeking to acquire equity interests in quality tax credit projects. R4 Capital is a nationwide, full-service Section 42 Housing Credit investment and asset management firm whose senior executives have been responsible for the origination, underwriting and management of more than \$12 billion of Housing Credit investments for more than 100 corporate investors. We are a consistent long-term equity source with flexible, competitive transaction terms.

R4 Capital has never sought to achieve early termination of a LIHTC extended use agreement through the qualified contract process, nor have they sought to undermine the exercise of a right of first refusal or a non-profit's option to purchase in prior transactions.

We look forward to working with you on this and other projects.

Very truly yours,

R4 CAPITAL LLC

A handwritten signature in black ink, appearing to read "Jay Segel", written over a horizontal line.

By:

Name: Jay R. Segel
Title: Managing Director

Tab D:

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

V. Previous Participation Certification

Development Name: Bacon Senior Community

Name of Applicant (entity): Timothy Chapman

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

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

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

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

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

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

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

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

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

7. None of the Participants have been convicted of a felony and none are presently the subject of a complaint of indictment charging a felony. A felony is defined as any offense punishable by imprisonment for a term exceeding one year, but does not include any offense classified as a misdemeanor under the laws of a state and punishable by imprisonment of two years or less.

8. No Participant has been suspended, debarred, or otherwise restricted by any federal or state entity from participating in housing programs administered by such entity due to programmatic noncompliance on the part of either the Participant or an entity in which the Participant was a Principal.

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

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

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

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

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

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

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

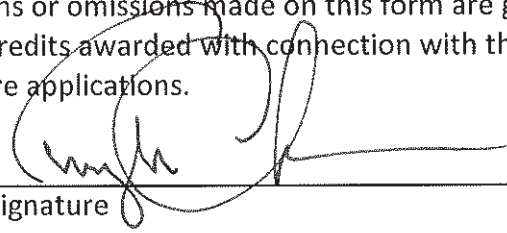
14. No Participants are currently named as a defendant in a civil lawsuit arising out of their ownership or other participation in a multi-family housing development where the amount of damages sought by plaintiffs (i.e., the ad damnum clause) exceeds One Million Dollars (\$1,000,000).

15. No Participant has pursued a Qualified Contract or planned foreclosure in Virginia after January 1, 2019.

Statements above (if any) to which I cannot certify have been deleted by striking through the words. In the case of any such deletion and failure to certify, I have attached the following, which if not provided will automatically disqualify this Application from consideration:

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

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



Signature

Tim Chapman

Printed Name

6/4/2026

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

V. Previous Participation Certification

Development Name: Bacon Senior CommunityName of Applicant (entity): Jason Iannotti

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.
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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.

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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:

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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

Jason Iannotti

Printed Name

6/4/2026

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

Tab E:

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

PURCHASE AGREEMENT

This Purchase Agreement (the “**Agreement**”) is made and entered into as of September 1, 2025 (the “**Commencement Date**”), by and between **BACON HOUSING L.P.**, a Virginia limited partnership, (the “**Seller**”) and **BACON SENIOR 126 LLC**, a Virginia limited liability company (the “**Purchaser**”), and recites and provides as follows:

RECITALS

A. The Seller owns those certain parcels of real property located in the City of Richmond, Virginia containing 3.1405 acres, more or less, and designated as Parcel IDs E0001112001 and E0001112001B (the “**Real Property**”). The Real Property contains a senior housing facility commonly known as the Bacon Housing Facility (the “**Retirement Community**”).

B. Purchaser desires to purchase the Property and Seller agrees to sell the Property (as defined below) subject to the terms and provisions of this Agreement.

NOW, THEREFORE, for and in consideration of the mutual promises, covenants and conditions set forth herein, the parties hereto agree as follows:

1. Sale and Purchase of the Property. Subject to the terms and conditions hereof, Seller shall sell and Purchaser shall purchase the Property. The “**Property**” shall include all of the following:

- (a) The Real Property;
- (b) The Retirement Community and other improvements located on the Real Property (the “**Improvements**”);
- (c) All personal property used in the ownership or operation of the Retirement Community, which is located at the property and is owned by Seller (collectively, the “**Personal Property**”);
- (d) All easements, hereditaments, and appurtenances belonging to or inuring to the benefit of Seller and pertaining to the Real Property, if any;
- (e) The leases or occupancy agreements, including those in effect on the date of this Agreement and any new leases entered into after the Commencement Date which, as of the Closing (as hereinafter defined) affect all or any portion of the Retirement Community (collectively, the “**Leases**”), and any security deposits and prepaid rents held by Seller with respect to any such Leases shall be credited to Purchaser at Closing; and
- (f) All the service, maintenance, supply or other contracts (collectively, the “**Service Contracts**”) relating to the operation of the Property which Purchaser elects to assume.

2. Purchase Price and Deposit. The purchase price for the Property shall be Five Million Five Hundred Thousand and No/100 Dollars (\$5,500,000) (the “**Purchase Price**”).

At least ten (10) days prior to the Closing, Seller and Purchaser shall agree on an allocation of the Purchase Price, for federal income tax purposes, as between the multiple parcels of land comprising the Real Property. An earnest money deposit in the amount of Ten Thousand Dollars (\$10,000) (the “**Deposit**”) shall be deposited by Purchaser with an escrow agent appointed by Purchaser (the “**Escrow Agent**”) within three (3) business days after the Commencement Date. At Closing, Purchaser shall pay Seller the balance of the Purchase Price, subject to adjustment for the prorations as provided for in herein, to the Escrow Agent for disbursement in accordance with the final settlement statement prepared by Escrow Agent and approved by all interested parties via wire transfer in immediately available funds.

3. Inspections. Except as otherwise set forth in this Agreement, the Property is being sold as is, where is, with all faults, and without representation or warranty of any kind. Purchaser acknowledges that Purchaser has had the full opportunity to inspect and review the Property. Seller agrees to allow Purchaser and its agents and contractors to reasonably access the Property upon not less than seventy-two (72) hours prior notice. In no event may any access result in any material change in the present character or condition of the Property without Seller’s prior written consent, which consent is within Seller’s sole discretion.

(a) No inspection, testing, etc. which involves the removal or disturbance of any physical aspect of the Property (including, without limitation, environmental testing and sampling) or any other invasive testing (including without limitation, any core sampling and any environmental testing other than a Phase I environmental site assessment and standard asbestos and radon testing) shall be conducted unless approved in advance by Seller, which approval may be withheld in Seller’s sole discretion. Seller shall have the right to have a representative accompany all such inspections of the Property. Purchaser agrees that it will deliver to Seller (and will cause each party accessing the Property pursuant to this Section), prior to (their respective) entry onto the Property, a certificate of commercial general liability insurance showing Seller as an additional insured party thereunder and complying with Seller’s requirements for coverages and policy provisions.

(b) Within thirty (30) days after the Commencement Date, Seller shall deliver to Purchaser, or otherwise make available to Purchaser at the Property or through an online file sharing program all of the following: (i) the bills issued for the three (3) most recent years for the Property for all real estate taxes and assessments relating to the Property, together with any notices regarding change in the assessed value of the Property received by Seller, (ii) a list of and complete copies of the Leases and a current rent roll with respect to the Property and the Leases, (iii) a list of and complete copies of any and all Service Contracts, (iv) Seller’s existing owner’s title insurance policy and a copy of Seller’s most recent survey of the Property, (v) all existing engineering, environmental, geotechnical, architectural and property condition reports, studies, drawings and plans with respect to the Property, (vi) written notices received in last twelve (12) months from governmental entities regarding building/code, zoning or any other manner of violations.

(c) Purchaser shall indemnify and hold Seller harmless from and against any and all claims of every kind and nature (including, without limitation, reasonable attorneys' fees) arising from or otherwise related to the access rights granted in this Section. The indemnification provisions of this Section shall survive Closing or the earlier termination of this Agreement for any reason.

4. Closing.

(a) The closing of the transaction contemplated by this Agreement (the "**Closing**") shall take place on the date which is ten (10) business days after all Conditions to Closing, as hereafter defined, are satisfied. At the Closing, Seller shall convey to Purchaser, by special warranty deed (the "**Deed**"), good and marketable title to the Property in fee simple that is insurable at regular rates subject to all restrictions, covenants, and other matters of record. Purchaser specifically acknowledges and agrees that the Property is, and will remain, subject to one or more matters of record related to certain low income housing tax credit programs applicable to the Property. Seller shall deliver possession of the Property to the Purchaser subject to all Leases as well as the rights of all tenants thereunder (collectively, the "**Tenants**") and Service Contracts. Seller shall be responsible for paying the real estate/brokerage commissions (if any), applicable grantor's tax, Seller's counsel's fees, and the costs associated with the preparation of the deed and other Seller's documents required hereunder. All other closing costs not specified in this Agreement will be allocated between the parties as is customary in the locality of the Property.

(b) At Closing, Seller shall convey to Purchaser title to the Property, and Seller will execute and deliver the following documents at Closing: (a) the Deed, (b) a bill of sale and assignment conveying the Personal Property and the Service Contracts, (c) an assignment of Leases, (d) such agreements, affidavits, certificates or other documents as may be required by Purchaser's title company to issue an owner's title policy to Purchaser, including but not limited to an owner's affidavit and a gap indemnity, (e) an affidavit, in form and substance satisfactory to the Purchaser and its title company stating that Seller is not a foreign person/entity under the Foreign Investment in Real Property Tax Act, (f) a settlement statement reflecting adjustments pursuant hereto, and (g) any other document or instrument reasonably requested by Purchaser or its title company or required hereby.

5. Conditions to Closing. Seller's and Purchaser's obligations to proceed to Closing under this Agreement is explicitly made subject to all of the conditions set forth below in this Section. Purchaser shall use commercially reasonable efforts to satisfy all such conditions by October 1, 2026 (the "**Closing Deadline**"). In the event any of the following conditions are not satisfied by the Closing Deadline, then either party may terminate this Agreement upon notice to the other Party and, in the event of such a termination, the Deposit, together with all interest accrued thereon, shall be returned to Purchaser.

(a) Purchaser obtaining financing from Virginia Housing for Purchaser's planned renovation of the Property.

(b) Purchaser obtaining one or more investors and such investor or investors becoming a member of Purchaser.

(c) No part of the Property shall have been acquired, or shall be about to be acquired, by authority of any governmental agency in the exercise of its power of eminent domain or by private purchase in lieu thereof and the improvements that are part of the Property shall then be in substantially the same condition as it was on the Effective Date, ordinary wear and tear excepted.

(d) All written notices of violations of governmental orders or requirements noted or issued by any public authority having jurisdiction, and any action in any court against or affecting the Property, shall have been complied with by Seller and the Property shall be free and clear thereof unless waived by Buyer.

(e) There will be no litigation or material adverse claims affecting the Seller or the Property.

6. Taxes and Assessments and Pro-Rations. Real property taxes, utilities, water rates, and sewer charges, insurance costs, charges due under the Service Contracts and rent due under the Leases shall be prorated between Seller and Purchaser at the time of Closing on the basis of a 365-day year. Any roll back taxes due on the Property shall be paid by Purchaser. All security deposits, if any, shall be turned over, in full, to Purchaser at Closing.

7. Seller Covenants For Period Prior To Closing. Until Closing, Seller shall:

(a) Insurance. Keep the Property insured under its current or comparable policies against fire and other hazards covered by extended coverage endorsement and commercial general liability insurance against claims for bodily injury, death and property damage occurring in, on or about the Property.

(b) Operation. Operate and maintain the Property in accordance with Seller's standards for past practices with respect to the Property.

(c) New Contracts. Seller shall provide Purchaser with a copy of any new written Service Contract after the Commencement Date, and Seller shall not enter into any new written Service Contract after the Commencement Date that will not be cancelable by Purchaser without penalty upon no greater than thirty (30) days' notice, without the prior written consent of Purchaser.

(d) Leases. Seller shall keep, observe, and perform its material obligations as landlord under the Leases, and not enter into, or alter, amend or otherwise modify or supplement any existing Lease to provide for a term in excess of one (1) year, without the prior written consent of Purchaser.

(e) Liens. This Agreement is an encumbrance on Seller's interest and property. Seller shall not knowingly create or allow to be created any new lien or encumbrance on the Property or Seller's interest therein after the Commencement Date.

(f) Notices. Seller shall deliver to Purchaser promptly upon receipt, any written notices received after the Effective Date from any governmental or quasi-governmental authority or any adjoining property owner.

(g) Rent Roll; Financial Statements. Purchaser may request once before Closing for Seller to provide Purchaser with copies of updated rent rolls and financial statements relative to the Property.

8. Default by Purchaser. If Purchaser fails or refuses to comply fully with the terms of this Agreement, or any part hereof, and such failure or refusal continues for more than ten (10) business days after delivery of written notice thereof, the Seller may, as its sole and exclusive remedy, terminate this Agreement upon notice to Purchaser, in which event this Agreement shall then be deemed null and void, none of the parties hereto shall then have any further obligation to any other party hereto or to any third party, except as otherwise provided in this Agreement, and the Escrow Agent shall pay the Deposit to Seller on demand as liquidated damages, and Seller shall, by receiving such payment of the Deposit, be deemed to have waived any other rights or remedies it may have in connection with this Agreement except those that specifically survive termination of this Agreement (including, without limitation, Buyer's indemnification obligations set forth in Section 3 above).

9. Default by Seller. If Seller fails or refuses to comply fully with the terms of this Agreement or any part hereof, and such failure or refusal continues for more than ten (10) business days after delivery of written notice thereof, the Purchaser may (1) waive such breach and proceed to Closing, (2) pursue a claim for specific performance; provided, however, that any such claim for specific performance must be filed within forty-five (45) days after Seller's breach and must thereafter be diligently pursued by Purchaser, or (3) terminate this Agreement, in which event this Agreement shall then be deemed null and void, none of the parties hereto shall then have any further obligation to any other party hereto or to any third party, except those that specifically survive termination of this Agreement (including, without limitation, Buyer's indemnification obligations set forth in Section 3 above), and the Escrow Agent shall return the Deposit in full to the Purchaser.

10. Seller's Representations and Warranties. Seller represents and warrants, as of the Commencement Date and as of the date of Closing, as follows:

(a) The rent roll delivered by Seller to Purchaser with respect to the Property and the Leases is true, correct and complete in all material respects as of the date such rent roll is delivered to Purchaser.

(b) To Seller's Knowledge, as hereafter defined, Seller has not received written notice of any claim, action, suit, investigation or proceeding, at law, in equity or otherwise, now pending or threatened against Seller relating to the Property or against the Property.

(c) Seller has not received written notice of any pending or threatened condemnation or eminent domain proceedings which affect the Property.

(d) Seller has not received written notice of any violations of any Federal, state, county or other governmental order or requirement of any governmental body of, by, concerning, or caused by a condition existing upon the Property.

(e) To Seller's Knowledge, neither the execution nor the delivery of this Agreement or the documents contemplated hereby, nor the consummation of the conveyance of the Property to Purchaser, will conflict with or cause a breach of any of the terms and conditions of, or constitute a default under, any agreement, license, permit or other instrument or obligation by which Seller or the Property is bound.

(f) Seller has full power, authorization and approval to enter into this Agreement and to carry out Seller's obligations hereunder. The party executing this Agreement on behalf of Seller is fully authorized to do so.

(g) Seller is not a "foreign person" within the meaning of Sections 1445 and 7701 the Internal Revenue Code of 1986, as amended.

(h) Seller has not (i) made a general assignment for the benefit of creditors; (ii) filed any voluntary petition in bankruptcy or suffered the filing of an involuntary petition by Seller's creditors; (iii) suffered the appointment of a receiver to take possession of all or substantially all of Seller's assets; (iv) suffered the attachment or other judicial seizure of all or substantially all of Seller's assets; (v) admitted in writing its inability to pay its debts as they come due; or (vi) made an offer of settlement, extension or composition to its creditors generally.

The word "Knowledge" as used in this Section and in Section 10 below means to the current, actual knowledge of Seller or Purchaser, as applicable, as of the date of this Agreement and as of Closing, without a duty to investigate.

The representations, covenants, and obligations set forth in this Section shall survive Closing for a period of six (6) months.

11. Purchaser's Representations and Warranties. Purchaser represents and warrants to as follows:

(a) To Purchaser's Knowledge, there is no claim, action, suit, investigation or proceeding, at law, in equity or otherwise, now pending or threatened in writing against Purchaser, nor is Purchaser subject to the terms of any decree, judgment or order of any court, administrative agency or arbitrator, that would affect Purchaser's ability and capacity to enter into this Agreement and the transaction contemplated hereby.

(b) Purchaser has full power, authorization and approval to enter into this Agreement and to carry out Purchaser's obligations hereunder. The party executing this Agreement on behalf of Purchaser is fully authorized to do so, and no other signatures are required.

The representations, covenants, and obligations set forth in this Section shall survive Closing for a period of six (6) months.

12. Indemnification.

(a) Purchaser shall indemnify and hold harmless Seller from all claims, actions, suits, damages, judgments, losses, costs, and expenses (including without limitation reasonable attorneys' fees) arising out of or relating to the Property from and after the date of Closing.

(b) Seller shall indemnify and hold harmless Purchaser and Purchaser's officers, affiliates, members, and agents from all claims, actions, suits, damages, judgments, losses, costs, and expenses (including without limitation reasonable attorneys' fees) arising out of or relating to the Property before the date of Closing.

13. Brokerage Fees. Purchaser and Seller warrant and represent, each to the other, that neither of them has engaged the services of a licensed real estate broker or other individual or entity to whom a commission would be owed as a result of the transaction contemplated by this Agreement in procuring this Agreement of purchase and sale. If any person brings a claim for a commission or finder's fee based upon any contact, dealings or communication with Purchaser or Seller, then the party through whom such person makes its claim shall defend the other party from such claim, and shall indemnify such other party and hold such other party harmless from any and all costs, damages, claims, liabilities or expenses (including without limitation, reasonable attorneys' fees and disbursements) incurred by it in defending against the claim. The provisions of this Section shall survive the Closing or, if the Closing does not occur, any termination of this Agreement.

14. Escrow Agent. Escrow Agent shall hold the Deposit in accordance with the terms and provisions of this Agreement. In the event of doubt as to Escrow Agent's duties or liabilities under the provisions of this Agreement, the Escrow Agent may, in Escrow Agent's sole discretion, continue to hold the monies which are the subject of this escrow until Purchaser and Seller mutually agree to the disbursement thereof, or until a judgment of a court of competent jurisdiction shall determine the rights of the parties thereto, or Escrow Agent may deposit all the monies then held pursuant to this Agreement with the Clerk of the Circuit Court of the City of Richmond, Virginia, and upon notifying all parties concerned of such action, all liability on the part of Escrow Agent shall fully terminate, except to the extent of accounting for any monies theretofore delivered out of escrow. In the event of any suit wherein Escrow Agent interpleads the subject matter of this escrow, the Escrow Agent shall be entitled to recover a reasonable attorney's fee and costs incurred, said fees and costs to be charged and assessed as court costs in favor of the prevailing party. All parties agree that the Escrow Agent shall not be liable to Purchaser for misapplication or misdelivery of monies subject to this escrow, unless such misdelivery shall be due to willful breach of this Agreement or gross negligence on the part of the Escrow Agent. Neither Seller nor Escrow Agent shall be liable or responsible for loss of the Deposit (or any part thereof) or delay in disbursement of the Deposit (or any part thereof) occasioned by the insolvency of any financial institution unto which the Deposit is placed by the Escrow Agent or the assumption of management, control or operation of such financial institution by any government entity. Further, Escrow Agent shall not be disqualified as counsel for Purchaser in such proceeding, or in any other dispute between the parties, because of Escrow Agent's service as an escrow agent.

15. Risk of Loss. All risk of loss or damage to the Property by fire, windstorm, casualty, or other cause is assumed by Seller until Closing. In the event of a loss or damage to the Property or

any portion thereof before Closing, Purchaser shall have the option of either (a) terminating this Agreement, in which event this Agreement shall then be deemed null and void and none of the parties hereto shall then have any further obligation to any other party hereto or to any third party, or (b) affirming this Agreement, in which event Seller shall assign to Purchaser all of Seller's rights under any applicable policy or policies of insurance and pay over to Purchaser any sums received as a result of such loss or damage. Seller agrees to exercise reasonable and ordinary care in the maintenance and upkeep of the Property between the Commencement Date and Closing. Purchaser and Purchaser's representatives shall have the right to make an inspection at any reasonable time prior to or at Closing.

16. Condemnation. If, prior to the Closing, all or any part of the Property shall be condemned by governmental or other lawful authority, Purchaser shall have the option of: (a) completing the purchase without a reduction in the Purchase Price, in which event all condemnation proceeds or claims thereof shall be assigned to Purchaser, or (b) terminating this Agreement, in which event this Agreement shall be terminated, and this Agreement shall then be deemed null and void and none of the parties hereto shall then have any further obligation to any other party hereto or to any third party, except as otherwise provided in this Agreement.

17. Notices. All notices, requests, and other communications under this Agreement shall be in writing and shall be deemed given when made by personal delivery, sent next business day for delivery by a nationally recognized overnight courier, addressed as follows, or by e-mail. Notice shall be deemed given on the date on which the notice is received by a party in the case of personal delivery or e-mail (provided that such transmission is electronically confirmed by way of an email "read receipt" or a receipt acknowledgement by the recipient), or on the next business day immediately following receipt by the courier, in the case of an overnight courier:

PURCHASER:

Bacon Senior LLC
c/o Chapman Development
440 Maple Avenue East, Ste 203
Vienna, VA 22180

With a copy to:

Mark P. Keener, Esq.
Gallagher Evelius & Jones, LLP
218 N. Charles Street, Suite 400
Baltimore, MD 21201

SELLER:

Bacon Housing L.P.
Attn: David S. White
1553 E. Main St.
Richmond, VA 23219
804-833-5963

With a copy to:

H. Daniel Salomonsky
1553 E. Main Street
Richmond, VA 23219
804-920-3839

And copy to:

Richard C. Lawrence, Esq.
MeyerGoergen PC
1802 Bayberry Court, Suite 200
Richmond, VA 23226
804-288-3600

18. Attorneys' Fees and Costs. If either party to this Agreement brings suit or other legal proceedings to enforce the provisions of this Agreement against the other, then the party substantially prevailing in such suit shall be reimbursed by the other for all reasonable attorney's fees and litigation costs incurred by the substantially prevailing party in connection with such suit or proceeding.
19. Modification. The terms of this Agreement may not be amended, waived or terminated orally, but only by an instrument in writing signed by the Seller and Purchaser.
20. Assignment; Successors. This Agreement may not be transferred or assigned without the prior written consent of both parties; provided, however, that such consent shall not be unreasonably withheld, delayed, or conditioned. In the event such transfer or assignment is consented to this Agreement shall inure to the benefit of and bind the parties hereto and their respective successors and assigns.
21. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one of the same instrument.
22. Survival. All of the representations, warranties, covenants and agreements made in, or pursuant to this Agreement made by Seller shall survive the Closing and shall not merge into the Deed or any other document or instrument executed and delivered in connection herewith.
23. Captions and Counterparts. The captions and paragraph headings contained herein are for convenience only and shall not be used in construing or enforcing any of the provisions of this Agreement.
24. Governing Law. This Agreement and all documents and instruments referred to herein shall be governed by, and shall be construed according to, the laws of the Commonwealth of Virginia.
25. Entire Agreement. This Agreement contains the entire agreement between Seller and Purchaser, and there are no other terms, conditions, promises, undertakings, statements or representations, expressed or implied, concerning the sale contemplated by this Agreement.

26. Facsimile or Electronic Delivery. Purchaser and Seller agree that a facsimile or e-mail transmission of any original document shall have the same effect as an original. When a facsimile copy has been signed, any signature and/or initials required on an original shall be completed prior to Closing.

27. Time of the Essence. The parties acknowledge and agree that, regarding all obligations arising hereunder, time is of the essence.

28. Non-Business Days. If the date of Closing or the date for delivery of a notice or performance of some other obligation of a party falls on a Saturday, Sunday or legal holiday in the Commonwealth of Virginia, then the date for Closing or such notice or performance shall be postponed until the next business day.

29. 1031 Exchange. The parties agree that, in the event any party desires to participate in a 1031 or similar tax advantaged exchange in connection with the transaction contemplated by this Agreement, that all parties will cooperate with each other in connection with such exchange provided it is at no cost to the cooperating party or parties.

[SIGNATURES FOLLOW]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

PURCHASER:

Bacon Senior LLC

By: 

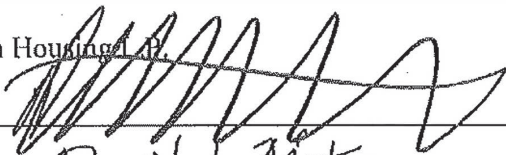
Name: JASON LAUNHARDT

Title: AUTHORIZED SIGNATORY

Date: 9/1/25

SELLER:

Bacon Housing LP

By: 

Name: David White

Title: Manager of manager

Date: 09/01/25

City of Richmond
City Assessor's Office
900 East Broad Street, Room 802
Richmond, Virginia 23219

2026 NOTICE OF GENERAL REASSESSMENT

RETURN SERVICE REQUESTED



Notice Date: August 29, 2025



THIS IS NOT A TAX BILL

BACON HOUSING LP
ATTN TONEY A WEBB
P.O. BOX 5127
RICHMOND, VA 23220

Code of Virginia § 58.1-3330 requires that a notice of reassessment be mailed to the property owner's last known address.

The City of Richmond reassesses all real estate each January 1 in compliance with VA Code § 58.1-3330 and City of Richmond Code Sec. 26-104 and 26-122. Unless revised, the following proposed assessment will be certified on the 2026 land book.

Property Description			
Map Reference	E0001112001B	Council District	7
Property Reference	815 N 35th St	Assessment Area	510
Legal Description	0316.12X0593.94 IRG0003.140 AC		

	2026 Proposed Assessment	2025 Certified Assessment	2024 Certified Assessment
Land	\$600,000	\$600,000	\$600,000
Building	\$636,000	\$636,000	\$636,000
Total	\$1,236,000	\$1,236,000	\$1,236,000
Tax Rate	\$1.20/\$100 ¹	\$1.20/\$100	\$1.20/\$100
Gross Annual Tax	\$14,832 ¹	\$14,832	\$14,832
% Change	0.00% ¹	0.00%	

Note: The tax above does not reflect Area Tax, Special District Tax, Tax Exemption, Tax Relief or Rehabilitation Credits

The 2026 proposed assessment is subject to revision if an error is discovered, or property characteristics change by December 31, 2025.

The 2026 proposed assessment will be certified to the Department of Finance for real estate billing after the owner has had an opportunity to file an Application for Office Review. If the owner does not wish to appeal the proposed assessment, then no additional action is required. If the owner chooses to file, the application must be properly completed and filed with the City Assessor no later than **October 1, 2025**. The application form and filing instructions can be obtained at the City Assessor's Office during normal business hours from 8:00 AM - 5:00 PM Monday through Friday, or at <https://www.rva.gov/assessor-real-estate>.

Sales data and comparable property assessment information are available at the office or on the department's website. Property owners have the right to review and obtain copies of records maintained by the City Assessor's Office. The procedures for accessing these records are set out in § 58.1-3331 and § 58.1-3332.

SPECIAL NOTICE: As per City of Richmond Code Sec. 26-105, all new buildings or value changes greater than \$500 are subject to assessment upon being substantially complete or fit for use and occupancy. A separate supplement assessment notice will be prepared for this purpose.

If the above mailing address is incorrect, please notify the Office of the City Assessor promptly.

¹ The tax rate for 2026 has not yet been proposed. In accordance with Va. Code § 58.1-3330(B), these values have been calculated using the current tax rate for 2025. Pursuant to Va. Code Section 58.1-3330(B) the tax rate that would levy the same amount of tax as in 2025 is \$1.146. The City Council will, at a meeting to be held on September 8, 2025 or September 22, 2025 or October 14, 2025, set a hearing to be held at a later date to accept public testimony and set the tax rate for 2026. When the date is set, a notice of the meeting will be publicized in the Richmond Times-Dispatch and the Richmond Free Press.

City of Richmond, VA Report

Property Owner	
Name:	BACON HOUSING LP ATTN TONEY A WEBB
Mailing Address:	P.O. BOX 5127 RICHMOND, VA 23220
Parcel Use:	R Apartment 25-99 Units
Neighborhood:	510

Property Information	
Property Address:	815 N 35th St 3601 O St 803 N 35th St 812 N 36th St 819 N 35th St 800 N 37th St 802 N 37th 1 St Unit 823 N 36th St
PIN	E0001112001B
Size:	3.141 Acres, 0.000 Square Feet
Property Description:	0316.12X0593.94 IRG0003.140 AC

Current Assessment			
Year	Land	Improvements	Total
2026	\$600,000	\$636,000	\$1,236,000

Deed Transfers					
Recordation Date	Book	Page	Deed Type	Consideration	Grantee
1/1/1776	0	0	N/A	\$0	BACON HOUSING LP

Details for Commercial Building 1

Year Built:	Finished Area:
1915	41,878

Tab F:

RESNET Rater Certification (MANDATORY)

2026 Pre-Review Comments

Bacon Senior Housing



viridian

Project Address

815 N. 35th Street & 823 N. 36th Street
Richmond, VA 23223

Project Summary

Bacon Senior Housing is a 3 story, New Construction and Renovation multifamily development, comprised of 126 units, across 1 buildings, and located in Richmond, VA. Harrisonburg Redevelopment & Housing Authority plans to construct the project using 4% LIHTC funding. As part of their funding application the project is seeking the following certification(s): ENERGY STAR Multifamily New Construction v1.1, EarthCraft v7 Gold. Beau Woodrum of SWA Architects is the primary architect contact for the project.

Unit Level Summary

Unit-level models were generated using Ekotrope v5.2.2 based on the proposed scope and plans provided by the project team dated: **January 22, 2025**

Modeling Summary - New Construction

Enclosure:

- R-10 slab edge insulation, 2' depth & 2' under slab
- R-19 fiberglass batt insulation grade II, with R-10 Continuous Insulation, 2x6 16 O.C. wood studs in exterior above grade walls
- R-13 Grade II cavity insulation in party walls and adiabatic ceilings/floors
- R-30 Continuous Insulation in Roof Assembly
- .17 U-Factor opaque doors
- U-factor ≤ 0.25 or ENERGY STAR labeled / 0.23 SHGC windows

Mechanicals:

- SEER 16, HSPF 9, 12k air source heat pump, programmable thermostat
- Centralized Gas Water Heater System - Thermal Efficiency 80%, recirculation pump, 44 watts, manual demand controls
- 3 ACH50 & .25 ELR for infiltration threshold/blower door test
- 3% duct leakage to the outside, 6% total duct leakage
- Ducts within conditioned space and insulated to R-6
- Panasonic FV-06VE1 ERV for ventilation ventilation, 39 watts, 30 cfm, operational 24hrs/day, runs intermittently (assumption)

Lights, Appliances, and Plumbing:

- ENERGY STAR certified appliances
 - 616 kWh/yr refrigerator - Must be Energy Star
 - 240 kWh/yr dishwasher - Must be Energy Star
- Advanced lighting 90% LED
- Low-flow Plumbing Fixtures

Program Notes/Assumptions:

Energy Star 2015 IECC

EarthCraft Gold BE 4.14

Drawings

Drawings

Drawings

EarthCraft Gold BE 5.5

EarthCraft Gold ES 1.10

Drawings

EarthCraft Gold BE 3.1

EarthCraft Gold ES 3.0

Energy Star

Energy Star / ASHRAE 62.2

Assumption / EarthCraft ES 6.2

Assumption / EarthCraft ES 6.1

EarthCraft ES 6.0 / Energy Star

EarthCraft WE 1.3

Ekotrope Models HERS Scores:

Unit Type	Quantity	HERS	ES Target	Difference +/-
Bacon Senior NEW - 1BR (1st Floor)	46	50	53	3
Bacon Senior NEW - 1BR (3rd Floor)	24	50	53	3
Projected Project HERS - Weighted Average		50		

ENERGY STAR Multifamily New Construction v1.1 requires the project to have a maximum HERS index in compliance with the ENERGY STAR floating target HERS index and completion of all required ENERGY STAR checklists. EarthCraft v7 Gold requires the project to have a maximum HERS index of Energy Star.

The program version for Energy Star are dependent on the building permit issued date. Applicable programs are subject to change depending on the building permit issue date.

If any information used to generate the energy models does not accurately reflect the project scope, please reach out.

Sincerely,

Lauren Thomson
Project Manager, Viridian

Project Team Acceptance: _____ / _____ (Initial)

2026 Pre-Review Comments

Bacon Senior Housing



viridian

Project Address

815 N. 35th Street & 823 N. 36th Street
Richmond, VA 23223

Project Summary

Bacon Senior Housing is a 3 story, New Construction and Renovation multifamily development, comprised of 126 units, across 1 buildings, and located in Richmond, VA. Harrisonburg Redevelopment & Housing Authority plans to construct the project using 4% LIHTC funding. As part of their funding application the project is seeking the following certification(s): ENERGY STAR Multifamily New Construction v1.1, EarthCraft v7 Gold. Beau Woodrum of SWA Architects is the primary architect contact for the project.

Unit Level Summary

Unit-level models were generated using Ekotrope v5.2.2 based on the proposed scope and plans provided by the project team dated: **January 22, 2025**

Modeling Summary - Renovation

Enclosure:

- Existing Slab - uninsulated- 1st Floor Units 101-110
- R-11 Framed Floor over crawlspace - 1st Floor Units 111-134
- Uninsulated 8" block wall with brick veneer 1" xps between 24OC Furring Strips
- Uninsulated party walls & adiabatic ceilings/floors
- R-30 continuous roof deck Insulation
- Existing Double Pane Wood Windows

Program Notes/Assumptions:

Architectural Drawings
Assumption
Assumption
Assumption
Per architect / EarthCraft Gold BE 4.8
Assumption

Mechanicals:

- SEER 18, HSPF2 10, 12k air source heat pump programmable thermostats
- Centralized Gas Water Heater System - Thermal Efficiency 80%, recirculation pump, 44 watts, manual demand controls
- 5 ACH50 or .30 ELR for infiltration threshold/blower door test
- 6% duct leakage to the outside, 6% total duct leakage
- Ducts within conditioned space and insulated to R-6
- Panasonic FV-06VE1 ERV for ventilation ventilation, 13 watts, 30 cfm, operational 24hrs/day, runs intermittently (assumption)

Mechanical Drawings

Plumbing Drawings

EarthCraft Gold BE 3.1

EarthCraft ES 3.0

EarthCraft ES 2.3

EarthCraft ES 4.0

Lights & Appliances:

- ENERGY STAR certified appliances:
 - 616 kWh/yr refrigerator
 - 240 kWh/yr dishwasher
- High efficiency lighting in 90% of all permanent fixtures
- ENERGY STAR certified bathroom exhaust fans

EarthCraft ES 6.2

EarthCraft ES 6.1

EarthCraft ES 6.0

EarthCraft ES 4.10

Ekotrope Models HERS Scores:

Unit Type	Quantity	Baseline MBtu	Projected MBtu	% Improvement
Bacon Senior RENO - 1BR B2 (1st Floor) - Unit 111 (POST)	1	35.1	21.8	37.9%
Bacon Senior RENO - 1BR C2 (1st Floor) - Unit 126 (POST)	1	34.7	21.5	38.0%
Bacon Senior RENO - 1BR A3 (Top Floor) - Unit 311 (POST)	2	34.1	21.6	36.7%
Bacon Senior RENO - 1BR A (1st Floor) - Unit 110 (POST)	6	36.5	21.5	41.1%
Bacon Senior RENO - 1BR A2 (1st Floor) - Unit 103 (POST)	2	36.2	22	39.2%
Bacon Senior RENO - 1BR A3 (1st Floor) - Unit 109 (POST)	2	27.5	19.4	29.5%
Bacon Senior RENO - 1BR B,C&D2 (1st Floor) - Unit 112 (POST)	19	36.5	21.7	40.5%
Bacon Senior RENO - 1BR A (Top Floor) - Unit 312 (POST)	18	46.5	26.4	43.2%
Bacon Senior RENO - 1BR A2 (Top Floor) - Unit 305 (POST)	4	47.1	26.3	44.2%
Bacon Senior RENO - 1BR D (1st Floor) - Unit 127 (POST)	1	45.2	25	44.7%
Projected Project MBtu - Weighted Average		40	24	41.47%

ENERGY STAR Multifamily New Construction v1.1 requires the new construction project to have a maximum HERS index in compliance with the ENERGY STAR floating target HERS index and completion of all required ENERGY STAR checklists. The renovation portion requires the project to have a 20% reduction in annual energy consumption for EarthCraft certification and HERS 80 or lower.

If any information used to generate the energy models does not accurately reflect the project scope, please reach out.

Sincerely,

Lauren Thomson
Project Manager, Viridian

Project Team Acceptance: _____ / _____ (Initial)

RESNET HOME ENERGY RATING

Standard Disclosure

For home(s) located at: **815 N. 35th Street, Richmond, VA**

Check the applicable disclosure(s):

- ☒ The Rater or the Rater's employer is receiving a fee for providing the rating on this home.
- ☐ In addition to the rating, the Rater or the Rater's employer has also provided the following consulting services for this home:
- ☐ A. Mechanical system design
 - ☐ B. Moisture control or indoor air quality consulting
 - ☐ C. Performance testing and/or commissioning other than required for the rating itself
 - ☐ D. Training for sales or construction personnel
 - ☐ E. Other(specify)
- ☐ The Rater or the Rater's employer is:
- ☐ A. The seller of this home or their agent
 - ☐ B. The mortgagor for some portion of the financed payments on this home
 - ☐ C. An employee, contractor, or consultant of the electric and/or natural gas utility serving this home
- ☐ The Rater or Rater's employer is a supplier or installer of products, which may include:

Products

HVAC systems

Thermal insulation systems

Air sealing of envelope or duct systems

Energy efficient appliances

Construction (builder, developer, construction contractor, etc)

Other (specify):

Installed in this home by

☐ Rater

☐ Employer

☐ Rater

☐ Employer

☐ Rater

☐ Employer

☐ Rater

☐ Employer

☐ Rater

☐ Employer

☐ Rater

☐ Employer

OR is in the business of

☐ Rater

☐ Employer

☐ Rater

☐ Employer

☐ Rater

☐ Employer

☐ Rater

☐ Employer

☐ Rater

☐ Employer

☐ Rater

☐ Employer

☐ This home has been verified under the provisions of Chapter 6, Section 603 "Technical Requirements for Sampling" of the Mortgage Industry National Home Energy Rating Standard as set forth by the Residential Energy Services Network (RESNET). Rater Certification #: 3259518

Name: Bill Riggs

Signature: 

Organization: Viridiant

Digitally signed: 5/27/26 at 2:17 PM

I attest that the above information is true and correct to the best of my knowledge. As a Rater or Rating Provider I abide by the rating quality control provisions of the Mortgage Industry National Home Energy Rating Standard as set forth by the Residential Energy Services Network(RESNET). The national rating quality control provisions of the rating standard are contained in Chapter One 102.1.4.6 of the standard and are posted at

<https://standards.resnet.us>

The Home Energy Rating Standard Disclosure for this home is available from the rating provider.

RESNET Form 03001-2 - Amended March 20, 2017



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.

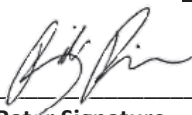
☒ **Earthcraft Certification** - The development's design meets the criteria to obtain Earthcraft Multifamily program gold certification or higher.

☐ **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

Bill Riggs
Printed Name

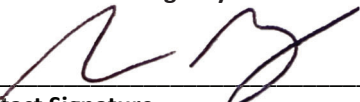
5.27.2026
Date

Viridiant

RESNET Provider Agency

Sean Shanley

Provider Contact Name


Contact Signature

sean.shanley@viridiant.org
Email

(804) 225-9843
Phone

Bacon Senior Housing (Renovation)

Development Name



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.

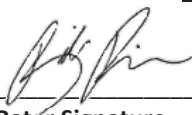
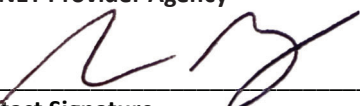
- ☐ **New Construction** – EnergyStar Certification
The development's design meets the criteria for the EnergyStar Certification. Rater understands that before issuance of IRS Form 8609, the applicant will obtain and provide EnergyStar Certification to Virginia Housing.
- ☒ **Rehabilitation** – 30% performance 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	Bill Riggs _____ Printed Name	5.27.2026 _____ Date
Viridiant _____ RESNET Provider Agency	Sean Shanley _____ Provider Contact Name	
 _____ Contact Signature	sean.shanley@viridiant.org _____ Email	(804) 225-9843 _____ Phone

Bacon Senior Housing (Renovation)

Development Name

Tab G:

Zoning Certification Letter (MANDATORY)



DEPARTMENT OF
**PLANNING AND
DEVELOPMENT
REVIEW**

**ZONING
ADMINISTRATION**

Zoning Certification

DATE: December 2, 2025

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

RE: ZONING CERTIFICATION

Name of Development:	<u>Bacon Senior Housing Expansion</u>
Name of Owner/Applicant:	<u>Bacon Senior 126 LLC</u>
Name of Seller/Current Owner:	<u>Bacon Housing LP</u>

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

DEVELOPMENT DESCRIPTION:

Development Address:

815 N 35th Street including proposed consolidation and subdivision as shown on
SUP drawing attached including 823 N 36th Street.

Legal Description:

Property known as 815 North 35th Street (Nathaniel Bacon School) located at the southeast
corner of 35th Street and "O" Street, containing 3.05 acres, more or less, identified as
Tax Parcel E000-1112/001 as well as the property known as 823 North 36th Street
identified as Tax Parcel E000-1260/044.

Proposed Improvements:

Construction

New Construction:	# Units	<u>70</u>	# Buildings	<u>1</u>	Total Floor Area	<u>44,100</u>
Adaptive Reuse	# Units	<u></u>	# Buildings	<u></u>	Total Floor Area	<u></u>
Rehabilitation:	# Units	<u>56</u>	# Buildings	<u>1</u>	Total Floor Area	<u>42,142</u>

Zoning Certification, cont'd

Current Zoning: R-5 allowing a density of (Regulated by SU) units per
acre, and the following other applicable conditions: Special Use Permit Ordinance #2022-262

Other Descriptive Information:

LOCAL CERTIFICATION:

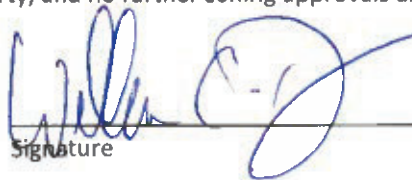
Check one of the following appropriate:



The zoning for the proposed development described above is proper for the proposed residential development. To the best of my knowledge, there are presently no zoning violations outstanding on this property. No further zoning approvals and/or special use permits are required.



The development described above is approved for non-conforming use. To the best of my knowledge, there are no zoning violations outstanding on this property, and no further zoning approvals and/or special use permits are required.



Signature

William C. Davidson

Printed Name

Zoning Administrator

Title of Local Official or Civil Engineer

804-646-6353

Phone

December 2, 2025

Date

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: Bacon Senior Community
Name of Owner: Bacon Senior 126 LLC

Dear Virginia Housing:

This undersigned firm represents the above-referenced Owner as its counsel. It has received a copy of and has reviewed the completed application package dated 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

999564
013330-0014

Virginia Housing

July 1, 2026

Page 2

☐

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 operating agreement; (ii) any certifications, resolutions, or consents provided to me by the Applicant; and (iii) such operating agreements, partnership agreements, bylaws, or other organizational documents of the Applicant's Principals which I deemed necessary to issue this Opinion (*none of which are attached to this Opinion*), the individuals identified on the list attached as Exhibit A are duly authorized to execute documents on behalf of the Applicant, to the best of my knowledge and belief.
6. 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.
7. 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

Gallagher_{LLP}

Virginia Housing

July 1, 2026

Page 3

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.

GALLAGHER LLP

Engin Nural

By: Engin Nural, Esquire

Its: Partner

**EXHIBIT A
TO
ATTORNEY'S OPINION LETTER**

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

	NAME	TITLE
1	Timothy Chapman	Member and Manager of Managing Member
2		
3		
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N/A

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)

Tab J:

Relocation Plan and Unit Delivery Schedule
(MANDATORY-Rehab)

**Bacon Senior Housing
Relocation Plan
May 2026**

Prepared for Bacon Senior 126 LLC

Prepared by Bruno Clay Management (BRUNO CLAY MANAGEMENT)

Bruno Clay Management | www.BrunoClayManagement.com | 440 Maple Avenue East, Suite 203, Vienna,
VA 22180 | 703-887-1170

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- II. INTRODUCTION**
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 - i. ADA
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- IV. RESIDENT RELOCATION & PLAN**
 - i. Resident Demographics
 - ii. Relocation Plan for Affected Households
 - iii. Relocation Assistance and Benefits
 - iv. Advisory Services and Resident Relocation Assessment
 - v. Ongoing Communication and Notices
 - vi. Record Keeping and Resident Log
- V. Estimated Budget**

ATTACHMENTS

- A. General Information Notice (GIN)
- B. Notice of Nondisplacement
- C. 30 Day Notice of Temporary Relocation- for residents and would consent in writing to less than 120 days' notice
- D. 120 Day Notice of Temporary Relocation- Typical
- E. Relocation Schedule
- F. Relocation Cost Break Down

I. DEFINITIONS

1. **ADA Unit** - Units compliant under the Americans with Disabilities Act (ADA). There will be (0) units as a part of this renovation project that will be upgraded to these standards.
2. **Affected Residents** - All households living at Bacon Senior Housing as of the date that the General Information Notice is sent.
3. **Agency** - Owner of Bacon Senior Housing, Bacon Senior 126 LLC, undertaking the project.
4. **Development Team** - Bacon Senior 126 LLC owner undertaking the Bacon Senior Housing renovation project.
5. **Virginia Housing** - Oversees funding and resources to help people in Richmond, VA live safely and affordably.
6. **Bruno Clay Management** - provides services for affordable and mixed-income owners undertaking a renovation or redevelopment project. BRUNO CLAY MANAGEMENT wrote Bacon Senior Housing Relocation Plan.
7. **Low-Income Housing Tax Credit (LIHTC)** - Created by the Tax Reform Act of 1986, the LIHTC program gives State and local LIHTC-allocating agencies the equivalent of approximately \$8 billion in annual budget authority to issue tax credits for the acquisition, rehabilitation, or new construction of rental housing targeted to lower-income households.
8. **Permanent Relocation** - When residents are required to relocate for a period of more than 12 months as a result of demolition, acquisition, redevelopment or rehabilitation.
9. **Rehabilitation** - The act or process of expanding, remodeling, altering or renovating apartments and common areas within a housing development.
10. **Relocation Manager** - Designated staff of ownership whose specific task is to relocate each resident as a result of the rehabilitation of Bacon Senior Housing as well as monitor and coordinate all day and temporary relocation activity and implement the relocation plan to ensure compliance with applicable relocation regulations, guidelines and laws.
11. **Relocation Unit** - An off-site decent, safe and sanitary apartment that will house residents who must relocate temporarily or an on-site renovated vacant apartment that will house residents who transfer there permanently.
12. **Temporary Move** - When residents must relocate for less than one year or transfer permanently to a comparable unit on-site or off-site.
13. **The United States Department of Housing and Urban Development (HUD)** - The Federal agency responsible for national policy and programs that address America's housing needs, that improve and develop the Nation's communities and enforce fair housing laws. HUD's business is helping create a decent home and suitable living environment for all Americans, and it has given America's communities a strong national voice at the Cabinet level.
14. **Uniform Relocation Act (URA)** - A federal law that establishes minimum standards for federally funded programs and projects that require the acquisition of real property (real estate) or displaced persons from their homes, businesses, or farms. The URA's protections and assistance apply to the acquisition, rehabilitation, or demolition of real property for federal or federally funded projects.

II. INTRODUCTION

Bacon Senior Housing is located at 815 N 35th St, Richmond, VA. There are 58 units in one building. The units will be reduced to 56 units post rehabilitation. The property is under site control by Bacon Senior 126 LLC. The members of Bacon Senior 126 LLC combined have approximately 50 years of development experience in the affordable housing area. Each custom development incorporates unique features that attract residents and businesses vital to the larger community.

Bacon Senior Housing is in need of substantial rehabilitation in order to preserve the physical structure of the buildings and ensure healthy operations at the property. The planned rehabilitation is significant, including interior and exterior repairs, and will provide a much-needed investment in the community. The owners of Bacon Senior 126 LLC have completed a number of similar projects for this type of rehabilitation and have a plan and schedule to complete this rehabilitation successfully and safely.

The renovation project will require resident relocation. The planned approach involves constructing a new 70-unit building. Subsequently, residents will be relocated to this new building while their current apartments are renovated.

This Plan, written by Bruno Clay Management, ensures that residents of Bacon Senior Housing are treated fairly and in accordance with the Uniform Relocation Assistance and Real Property Act of 1970 (URA), implementing regulations at 49CFR Part 24, the guidelines set forth in HUD Handbook 1378 on Tenant Assistance Relocation and Real Property Acquisition.

People of contact for this relocation plan are as follows:

Ownership

Timothy Chapman
Bacon Senior 126 LLC
440 Maple Ave East, Suite 203
Vienna, VA 22180
202-207-7702
tim@chapmandevelopment.com

A copy of this Relocation Plan will be available to all residents of Bacon Senior Housing. Copies of the plan will be posted in the lobbies of each building. Bacon Senior Housing is located at 815 N 35th St, Richmond, VA.

III. PROJECT DESCRIPTION

Bacon Senior Housing is located at 815 N 35th St, Richmond, VA, and is owned by Bacon Senior 126 LLC. Bacon Senior 126 LLC intends to undertake a substantial rehabilitation of Bacon Senior Housing beginning of October 2027, and through April 2028. The rehabilitation includes interior

and exterior repairs. There are currently 58 units comprising of fifty-eight one bedroom units. Post rehab will consist of 56 units comprising 55 one-bedroom units and 1 two-bedroom unit.

The scope of work for Bacon Senior Housing includes:

- New mechanical, electrical and plumbing systems including individually controlled mechanical systems.
- New bathrooms.
- New kitchens.
- New finishes including flooring and painting.
- Exterior work to include masonry repair, window replacement and roofing.

i. ADA Units

The property currently has zero accessible units.

ii. Funding for this project includes:

- Federal and State Low-Income Housing Tax Credit (LIHTC)
- Federal and State Historic Tax Credits

IV. RESIDENT RELOCATION & PLAN

i. Resident Demographics

As of May 2026, there are Two vacant units at Bacon Senior Housing.

ii. Relocation Plan for Affected Households

The rehabilitation of Bacon Senior Housing will necessitate the permanent relocation of residents. The project is divided into two phases. Phase 1 involves constructing a new 70-unit building, scheduled to begin in October 2026 and be completed in October 2027. Phase 2 involves renovating the existing building; during this phase all units will be vacated and renovated. We will provide the required 120-day and 30-day notices. While the renovation is in progress, residents will be temporarily relocated to the new building. Upon completion of the renovation, each tenant will have the option to stay in the new unit or return to their original unit. The renovation is expected to take approximately six months, concluding in April 2028.

The project team is committed to a resident-focused approach, aiming to minimize disruption. On-site staff will provide comprehensive guidance and support to residents and their families throughout the permanent relocation process, which will require residents to vacate their current units and relocate all belongings.

Residents will not incur any additional expenses or increased housing costs associated with this temporary relocation. The residents will move with their belongings and furniture from their

home to the relocation unit and then back again. Residents will be provided with all necessary packing materials, packing/unpacking assistance as needed, and moving assistance at no cost to them and paid by the development team. The relocation unit, that residents move into while renovations occur in their home, will be decent, safe and sanitary as well as meet any identified reasonable accommodation needs by the affected residents. Upon completion of their unit, the resident may return to a newly renovated apartment.

Residents will be offered a stipend to temporarily relocate off-site if they have a family member or friend they can stay with during this time. The stipend will be a voluntary option instead of going to a temporary relocation unit provided by Bacon Senior 126 LLC. The stipend amount is based on the number of bedrooms they live in at Bacon Senior Housing and the duration of their temporary relocation. Their furniture and belongings will be moved to a paid for secure storage facility if they choose this option.

Bacon Senior 126 LLC will incur any moving expenses and reasonable out-of-pocket expenses associated with this option and will use loan proceeds to do so. There is no permanent relocation anticipated at Bacon Senior Housing.

iii. Relocation Assistance and Benefits

Bacon Senior 126 LLC will provide all affected households with temporary relocation rights and benefits in accordance with the Uniform Relocation Assistance and Real Property Act of 1970 (URA), implementing regulations at 49CFR Part 24, the guidelines set forth in HUD Handbook 1378 on Tenant Assistance Relocation and Real Property Acquisition.

Residents will have the full support and assistance of Bacon Senior 126 LLC during this process. The Owner will have designated Staff assigned to implement the relocation tasks outlined in this relocation plan. Staff will be accessible and work a flexible schedule generally between 9am and 5pm, Monday through Friday. Staff will also be available evenings and weekends, as needed, to be accessible to all residents and their support networks. Residents and their family will have the opportunity to meet virtually with Staff focusing on relocation, at their request, throughout the rehabilitation and relocation process.

The Owner will provide the following relocation assistance and benefits to residents and act as the main contact for residents regarding any questions, concerns or needs around their relocation:

- Meet with each household one-on-one (in whatever format makes residents feel most comfortable including by phone, in-person, virtually, etc.) to explain their relocation rights, benefits and complete a relocation assessment to best understand and assist residents through the renovation and relocation process, ***see Section iv: Advisory Services and Resident Relocation Assessment.***
- Provide required notices and all verbal and written correspondence, in accordance with any translation/interpretation needs or other reasonable accommodation requests,

regarding relocation updates, progress and other important information, ***see Section v: Ongoing Resident Communication and Notices.***

- Be accessible to residents and their families for their questions or concerns and have business hours communicated to residents with contact information and an on-site office location.
- Notify residents of the option to meet outside of office hours.
- Provide appropriate counseling for residents who may be unable to read and understand notices.
- Ensure that residents have appropriate temporary relocation units based on reasonable accommodation, schools attended by school-aged children in household, and other local commitments and transportation needs.
- Understand and anticipate the needs of the residents and their families and be able to meet the special advisory services they may need.
- Inspect and arrange for treatment of any pest issues in residents' units prior to their relocation.
- Arrange, schedule, and supervise the moving of residents' belongings to and from their temporary relocation unit. This includes packing and unpacking assistance, distribution of packing materials as needed, and monitoring the move(s).

Temporary Move(s) in connection to the project will be arranged and paid for at no cost to the resident. This will include utility connection and transfer fees. Each move will be conducted by a licensed, bonded and insured moving company. Requested packing and unpacking services will be provided by a licensed, bonded and insured moving company. Residents will not incur any additional housing costs during their temporary relocation. Designated site Staff will also facilitate the transfer of any cable/phone/internet services, any other utilities, in-home services, deliveries, and USPS change of address, as needed to and from the temporary relocation units.

iv. Advisory Services and Resident Relocation Assessment

Relocation counseling and advisory services shall include community meetings at the site and virtual and personal interviews with each household and any designated friends, family and caregivers. Site Staff will be responsible for conducting resident meetings; providing required resident notices and additional notices about renovations and relocation process; conducting mobility counseling; scheduling and coordinating moves; coordinating transfer of services; conducting follow-up visits; communicating on an ongoing basis with residents as needed; and documenting all relocation activities. Further, site staff will provide; referrals for tenants to replacement properties, and contact said properties to request priority of persons being displaced; provide tenants with written information and/or translation services in their native languages if necessary; provide appropriate counseling for the tenants who are unable to read and understand notices; provide contact information for questions and access to phone or a computer if needed to make contact; provide transportation for tenants needing to look at other housing, especially those who are elderly and disabled; understand and anticipate the needs of families and the elderly and able to meet the special advisory services they may need; allow and

make tenants aware that appointments can be scheduled outside of normal business hours if needed.

Site Staff will begin providing relocation advisory services and mobility counseling by conducting a comprehensive relocation needs assessment survey with each of the households (in whatever format makes residents feel most comfortable, including by phone, in-person, virtually, etc.). The residents' family and caregivers are more than welcome to be a part of completing these surveys with the resident. During the assessment, Site Staff will explain the renovation plan, review the resident's relocation benefits, and develop a relocation plan that works for the household. Site Staff will document the concerns and issues facing each resident with the aim of minimizing the adverse impact of relocation.

The Resident Assessment process includes the following:

- Meet one-on-one with each household to establish their relocation plan based on their household's situation and needs. Identify any and all obstacles and/or issues that may impact relocation. Among the information collected in the assessment will include household composition, approved reasonable accommodations, pets, current in-home services, planned vacations/hospitalizations, etc.
- If the Head of Household does not speak English, then the relocation staff will arrange for appropriate translation services.
- Discuss and evaluate the renovations planned for the apartment and identify furniture and belongings that may need to be packed and/or moved for renovations to occur. Relocation staff makes note of large furnishings, housekeeping issues, clutter, required day space accommodations, and pest issues.
- Relocation staff determines with the residents if they do not wish for certain items to be packed or unpacked by the movers. It is assumed that all residents at Bacon Senior Housing, who have to temporarily relocate, will require full packing and unpacking assistance and this will be provided for them.

Assessment Questions will include:

1. Family size and bedroom size needs.
2. Reasonable accommodation needs in identifying affected residents' temporary relocation units (need for accessibility features or other reasonable accommodation).
3. Identification of any planned vacations or hospitalizations during the timeframe for relocation.
4. Other issues of importance to the household.

Site Staff will also take this one-on-one opportunity to begin providing comprehensive advisory services to residents including:

- Explanation and details on the renovation and relocation process and timeline.
- Counseling and orientation in the mitigation of problems associated with relocation.
- Explanation of relocation benefits, assistance, and procedures.

- Follow up with residents post their move(s) to address any concerns, questions, or grievances.
- Explanation of relocation schedule.
- Close coordination of activities through individual on-going contact.

v. Ongoing Resident Communication and Notices

Residents will receive ongoing and frequent communication regarding the rehabilitation of Bacon Senior Housing timeline from Site Staff. Along with phone calls and letter updates that will provide residents with information regarding relocation, the required notices will be promptly sent to each affected household. Any requested translation and/or interpretation of these notices will be completed and delivered. Any identified friends/family/caregivers will also be given copies of these letters in order to help advise residents and be included in the relocation process.

Required notices will include:

- General Information Notice (GIN) - The GIN explains that ownership plans to renovate Bacon Senior Housing using local, state and federal funds soon and contact information for questions or concerns. ***See Attachment A.***
- Notice of Nondisplacement - This will be delivered to each resident, and a signed copy will be kept on file to confirm receipt for each household. It confirms that project funding has been secured, and relocation will begin soon but no residents will be permanently displaced as a part of this project. Some residents may be required to move temporarily or transfer permanently to another unit at the property. The notice also details how residents will not incur any additional costs due to the project. ***See Attachment B.***
- 30 Day Notice of Temporary Relocation - This notice will be issued and delivered no less than 30 days before a resident has renovations starting in their unit and they will be required to relocate. Specifically for the residents whose lease is expired and/or on month to month basis with the residents' written consent to less than 120 days notice. The notice will state the specific start date and anticipated duration of renovations; provide contact information for the Relocation Manager who will supervise the move; and state the unit address to which the residents will temporarily relocate during relocation. ***See Attachment C.***
- 120 Day Notice of Temporary Relocation- This notice will be issued and delivered no less than 120 days before a resident has renovations starting in their unit and they will be required to relocate. The notice will state the specific start date and anticipated duration of renovations; provide contact information for the Relocation Manager who will supervise the move; and state the unit address to which the residents will temporarily relocate during relocation. ***See Attachment D.***

These notices will be hand-delivered and signed for by each resident or sent by certified first-class mail with a return receipt requested in order to confirm receipt. All relocation notices,

communications, relocation reimbursements, and receipts will be documented in files for each affected household.

vi. Record Keeping and Resident Log

Along with files for each resident holding all copies of the received relocation notices, site Staff will maintain and update a Resident Log containing the information of all affected residents. Information tracked for all affected households since the GIN was sent will include, as applicable for each household:

- Date(s) of all required notices
- Date of relocation away from the Converting Project or Covered Project
- Dates of any intermediate relocation moves
- Date of return
- The type of move and form of temporary housing
- Address and unit size of any temporary relocation housing
- The type and amount of any payments for moving expenses
- Rent differential payments or other payments for temporary rental assistance
- Any other relocation-related compensation or assistance

V: The Budget:

The estimated budget covering the temporary relocation is \$99,800. This budget covers all costs associated with moving offsite and back onsite, packing and unpacking, temporary interim housing costs and stipends. Any miscellaneous incidentals not listed will be considered upon review.

ATTACHMENT A: GENERAL INFORMATION NOTICE (GIN)
GENERAL INFORMATION NOTICE (GIN) RESIDENTIAL TENANT NOT DISPLACED
Bacon Senior Housing

(Grantee or Agency Letterhead)

Date: _____

Dear _____:

Bacon Senior 126 LLC is interested in rehabilitating the property **Bacon Senior Housing**. This proposed project may receive funding assistance from the Department of Housing and Community Development (DHCD) program.

The purpose of this notice is to inform you that you will **not** be displaced in connection with the proposed project.

If the project application is approved and federal financial assistance is provided, you may be required to move temporarily so that the rehabilitation can be completed. If you must move temporarily, suitable housing will be made available to you and you will be reimbursed for all reasonable out-of-pocket expenses, including moving costs and any increase in housing costs. You will need to continue to pay your rent and comply with all other lease terms and conditions.

Upon completion of the rehabilitation, you will be able to lease and occupy your present apartment or another suitable, decent, safe, and sanitary apartment in the same building/complex under reasonable terms and conditions.

If federal financial assistance is provided for the proposed project, you will be protected by a federal law known as the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended. One of the URA protections for persons temporarily relocated is that such relocations shall not extend beyond one year. If the temporary relocation lasts more than one year, you will be contacted and offered all permanent relocation assistance as a displaced person under the URA guidelines and requirements. This assistance would be in addition to any assistance you may receive in connection with temporary relocation and will not be reduced by the amount of any temporary relocation assistance previously provided. You will also have the right to appeal the agency's determination if you feel that your application for assistance was not properly considered.

(NOTE: Pursuant to Public Law 105-117, aliens not lawfully present in the United States are not eligible for relocation assistance, unless such ineligibility would result in exceptional hardship to a qualifying spouse, parent, or child. All persons seeking relocation assistance will be required to certify that they are a United States citizen or national, or an alien lawfully present

in the United States.) We urge you not to move at this time. If you choose to move, you will not be provided with relocation assistance.

Please remember:

- **This is not a notice to vacate the premises.**
- **This is not a notice of relocation eligibility.**

You will be contacted soon so that we can provide you with more information about the proposed project. If the project is approved, we will make every effort to accommodate your needs. In the meantime, if you have any questions about this notice or the proposed project, please contact the site Staff at (PHONE/EMAIL) _____.

Sincerely,

Name, Title
Agency

I acknowledge receipt of this notice: _____ Date: _____
(Resident Signature)

ATTACHMENT B: NOTICE OF NONDISPLACEMENT
NOTICE OF NONDISPLACEMENT FOR RESIDENTIAL TENANT
Bacon Senior Housing

Date:

Dear (Resident name and address):

On (date of GIN), Bacon Senior 126 LLC notified you of proposed plans to rehabilitate **Bacon Senior Housing** and the apartment you currently occupy for a project which could receive funding under the (Insert Program) program. On (date of GIN) the project was approved and will receive federal funding. Repairs will begin soon.

- **This is a notice of nondisplacement.**
- You will be required to move temporarily/permanently in approximately 120 Days.

This notice guarantees you the following:

1. Upon completion of the rehabilitation, you will be able to lease and occupy your present apartment or another suitable, decent, safe and sanitary apartment in the same building/complex under reasonable terms and conditions.
2. If you must move temporarily so that the rehabilitation can be completed, Bacon Senior 126 LLC will handle coordination of all moving, moving expenses and any increase in the new housing costs. The temporary unit will be decent, safe and sanitary, and all other conditions of the temporary move will be reasonable.

Since you will have the opportunity to occupy a newly rehabilitated apartment, I urge you not to move. (If you do elect to move for your own reasons, you will not receive any relocation assistance.) We will make every effort to accommodate your needs.

Because federal funding is involved in this project, you are protected by the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970. Of course, you must continue to comply with the terms and conditions of your lease.

This letter is important to you and should be retained.

Sincerely,
Name, Title, Agency

I acknowledge receipt of this notice: _____ Date: _____
(Resident Signature)

ATTACHMENT C: 30-DAY NOTICE OF RENOVATIONS
30-Day Notice of Renovations
Bacon Senior Housing

Date:

Dear _____,

This notice is to inform you that in approximately 30 days, you will be required to move to your temporary unit due to renovations scheduled for your current apartment.

You will be temporarily relocated to (temporary unit address) for approximately (relocation time frame)

Your move details are as follows:

Move Date: _____

Move Start Time Frame: _____

Moving Company: _____

Please note that any changes to your move date, time, and temporary unit address will be communicated to you as soon as possible. Your relocation will be completed consistent with fair housing and civil rights requirements, please let us know if you have any concerns for reasonable accommodations connected to your relocation.

Please do not purchase any boxes or packing materials for your move, we will provide those to you at no additional cost in the upcoming days.

If you have any questions or concerns about this notice or your move please contact (name, title), at (phone/email) or at (address).

We truly appreciate your patience and understanding as we move forward to making the necessary repairs and renovations at Bacon Senior Housing.

As always please contact the site Staff at (PHONE/EMAIL) if you have any questions or concerns.

Sincerely,

Site Staff

I acknowledge receipt of this notice: _____ Date: _____
(Resident Signature)

ATTACHMENT D: 120-DAY NOTICE OF RENOVATIONS
120-Day Notice of Renovations
Bacon Senior Housing

Date:

Dear _____,

Unit address: _____,

This notice is to inform you that in approximately 120 days, you will be required to move to your temporary unit due to renovations scheduled for your current apartment.

You will be temporarily relocated to (temporary unit address) for approximately (relocation time frame)

Your move details are as follows:

Move Date: _____

Move Start Time Frame: _____

Moving Company: _____

Please note that any changes to your move date, time, and temporary unit address will be communicated to you as soon as possible. Your relocation will be completed consistent with fair housing and civil rights requirements, please let us know if you have any concerns for reasonable accommodations connected to your relocation.

The following advisory services is offered to tenants/residents in need of assistance:

- Referrals for tenants to replacement properties, and contact said properties to request priority of persons being displaced;
- Tenants with written information and/or translation services in their native languages if necessary;
- Appropriate counseling for the tenants who are unable to read and understand notices;
- Contact information for questions and access to phone or a computer if needed to make contact;
- Transportation for tenants needing to look at other housing, especially those who are elderly and disabled;
- Understand and anticipate the needs of families and the elderly and able to meet the special advisory services they may need; allow and make tenants aware that appointments can be scheduled outside of normal business hours if needed.
 - *If you are a tenant/resident who is in need of these services, please contact the site staff, contact information provide below*

Please do not purchase any boxes or packing materials for your move, we will provide those to you at no additional cost in the upcoming days.

If you have any questions or concerns about this notice or your move please contact (name, title), at (phone/email) or at (address).

We truly appreciate your patience and understanding as we move forward to making the necessary repairs and renovations at Bacon Senior Housing.

As always please contact the site Staff at (PHONE/EMAIL) if you have any questions or concerns.

Sincerely,

Site Staff

I acknowledge receipt of this notice: _____ Date: _____
(Resident Signature)

ATTACHMENT E: Relocation Schedule
Below is approximate schedule by each unit

Unit Numbers	Lease Expiration	Proposed Start Construction	Corresponding 120 days' notice must be served by
101	12/31/2026	10/19/2027	6/21/2027
102	3/31/2027	10/19/2027	6/21/2027
103	7/31/2026	10/19/2027	6/21/2027
105	4/30/2027	10/19/2027	6/21/2027
106	2/28/2027	10/19/2027	6/21/2027
107	11/30/2026	10/19/2027	6/21/2027
108	9/30/2026	10/19/2027	6/21/2027
109	2/28/2027	10/19/2027	6/21/2027
110	11/30/2026	10/19/2027	6/21/2027
111	10/31/2026	10/19/2027	6/21/2027
112	4/30/2027	10/19/2027	6/21/2027
113	3/31/2027	10/19/2027	6/21/2027
114	11/30/2025	10/19/2027	6/21/2027
115	12/31/2027	10/19/2027	6/21/2027
116	11/30/2026	10/19/2027	6/21/2027
117	3/31/2027	10/19/2027	6/21/2027
118	12/31/2027	10/19/2027	6/21/2027
119	8/31/2026	10/19/2027	6/21/2027
120	2/28/2027	10/19/2027	6/21/2027
121	11/30/2026	10/19/2027	6/21/2027
122	6/30/2027	10/19/2027	6/21/2027
123	11/30/2026	10/19/2027	6/21/2027
124	9/30/2026	10/19/2027	6/21/2027
125	3/31/2027	10/19/2027	6/21/2027
126	3/31/2026	10/19/2027	6/21/2027
127	10/31/2026	10/19/2027	6/21/2027
128	6/30/2026	10/19/2027	6/21/2027
129	6/30/2026	10/19/2027	6/21/2027
130	5/31/2027	10/19/2027	6/21/2027
131	5/31/2027	10/19/2027	6/21/2027
132	6/30/2026	10/19/2027	6/21/2027
133	9/30/2026	10/19/2027	6/21/2027
134	1/31/2027	10/19/2027	6/21/2027
201	9/30/2026	10/19/2027	6/21/2027
202	7/31/2026	10/19/2027	6/21/2027
203	11/30/2026	10/19/2027	6/21/2027
204	1/31/2027	10/19/2027	6/21/2027
205	4/30/2027	10/19/2027	6/21/2027
206	3/31/2027	10/19/2027	6/21/2027
207	9/30/2026	10/19/2027	6/21/2027

208	7/31/2026	10/19/2027	6/21/2027
209	10/31/2026	10/19/2027	6/21/2027
210	9/30/2026	10/19/2027	6/21/2027
211	1/31/2027	10/19/2027	6/21/2027
212	12/31/2027	10/19/2027	6/21/2027
301	3/31/2027	10/19/2027	6/21/2027
302	9/30/2026	10/19/2027	6/21/2027
303	7/31/2026	10/19/2027	6/21/2027
304	10/31/2026	10/19/2027	6/21/2027
305	4/30/2027	10/19/2027	6/21/2027
306	10/31/2026	10/19/2027	6/21/2027
307	8/30/2027	10/19/2027	6/21/2027
308	5/31/2027	10/19/2027	6/21/2027
309	3/31/2027	10/19/2027	6/21/2027
310	12/31/2026	10/19/2027	6/21/2027
311	6/30/2026	10/19/2027	6/21/2027
312	3/31/2027	10/19/2027	6/21/2027

Attachment F: Relocation Cost Breakdown

Relocation Budget

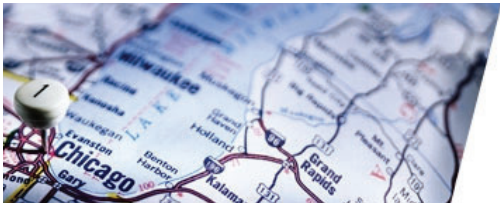
Items	Quantity	Unit Price	Total
Move to Off site units	10	\$ 2,000.00	\$ 20,000.00
Move to On site units	48	\$ 1,000.00	\$ 48,000.00
Packing Assistance	58	\$ 280.00	\$ 16,240.00
packing Supply	58	\$ 100.00	\$ 5,800.00
Utility Transfer fees/resident reimbursements, if any	1	\$ 2,900.00	\$ 2,900.00
Storage, if any	1	\$ 2,900.00	\$ 2,900.00
Postage/Certified Mails	116	\$ 10.00	\$ 1,160.00
Virtual Resident meetings, events, supplies	1	\$ 900.00	\$ 900.00
Contingency	1	\$ 1,900.00	\$ 1,900.00
Total			\$ 99,800.00

Tab K:

Documentation of Development Location:

Tab K.1

Revitalization Area Certification



2025 and 2026 Small DDAs and QCTs

Overview of 2025 and 2026 Small DDAs and QCTs

The 2026 Qualified Census Tracts (QCTs) and Difficult Development Areas (DDAs) are effective January 1, 2026. The 2026 QCT designations use tract boundaries from the 2020 decennial census. The 2026 metro DDAs use ZIP Code Tabulation Area (ZCTA) boundaries from the 2020 decennial census. The designation methodology is explained in the [Federal Register notice](#) published September 30, 2025.

Current zoom: 16

Select Year:

☒ 2026 ☐ 2025

Select Layer(s):

- ☒ LIHTC Projects (Zoom 11+)
- ☒ FMR Outlines (Zoom 4+)
- ☒ Difficult Development Areas (Zoom 7+)
- Non-Metro Difficult Development Areas

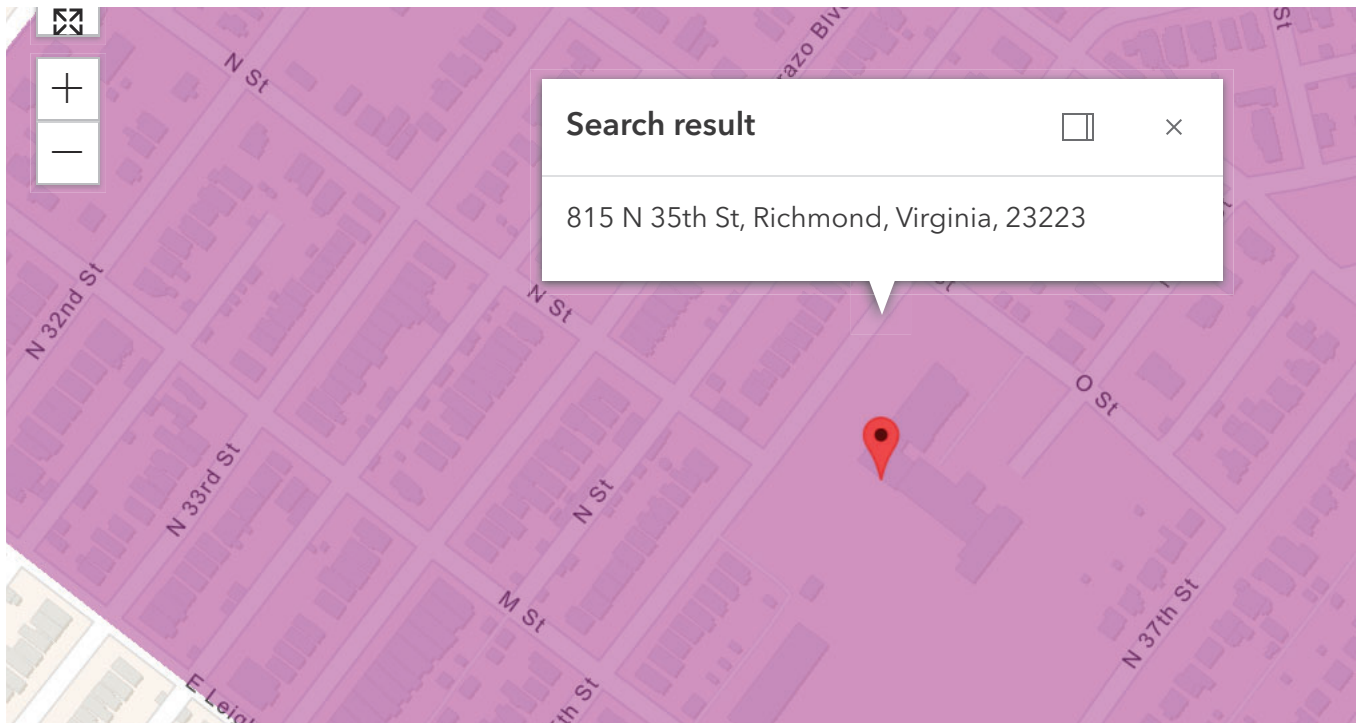
Small Difficult Development Areas
- ☒ QCT Qualified Tracts (Zoom 7+)
- ☒ Tracts Outline (Zoom 11+)

815 N 35th St, Richmond,

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P.O. Box 23268, Washington, DC 20026-3268

Toll Free: 1-800-245-2691

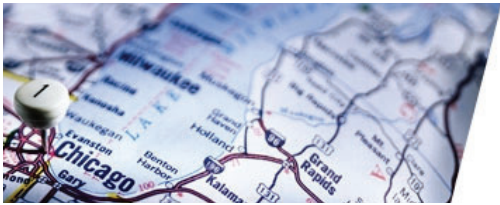
TDD: 1-800-927-7589

Local: 1-703-964-0670 **Fax:** 1-202-708-9981





MENU



2025 and 2026 Small DDAs and QCTs

Overview of 2025 and 2026 Small DDAs and QCTs

The 2026 Qualified Census Tracts (QCTs) and Difficult Development Areas (DDAs) are effective January 1, 2026. The 2026 QCT designations use tract boundaries from the 2020 decennial census. The 2026 metro DDAs use ZIP Code Tabulation Area (ZCTA) boundaries from the 2020 decennial census. The designation methodology is explained in the [Federal Register notice](#) published September 30, 2025.

Current zoom: 15

Select Year:

☒ 2026 ☐ 2025

Select Layer(s):

- ☒ LIHTC Projects (Zoom 11+)
- ☒ FMR Outlines (Zoom 4+)
- ☒ Difficult Development Areas (Zoom 7+)
- Non-Metro Difficult Development Areas

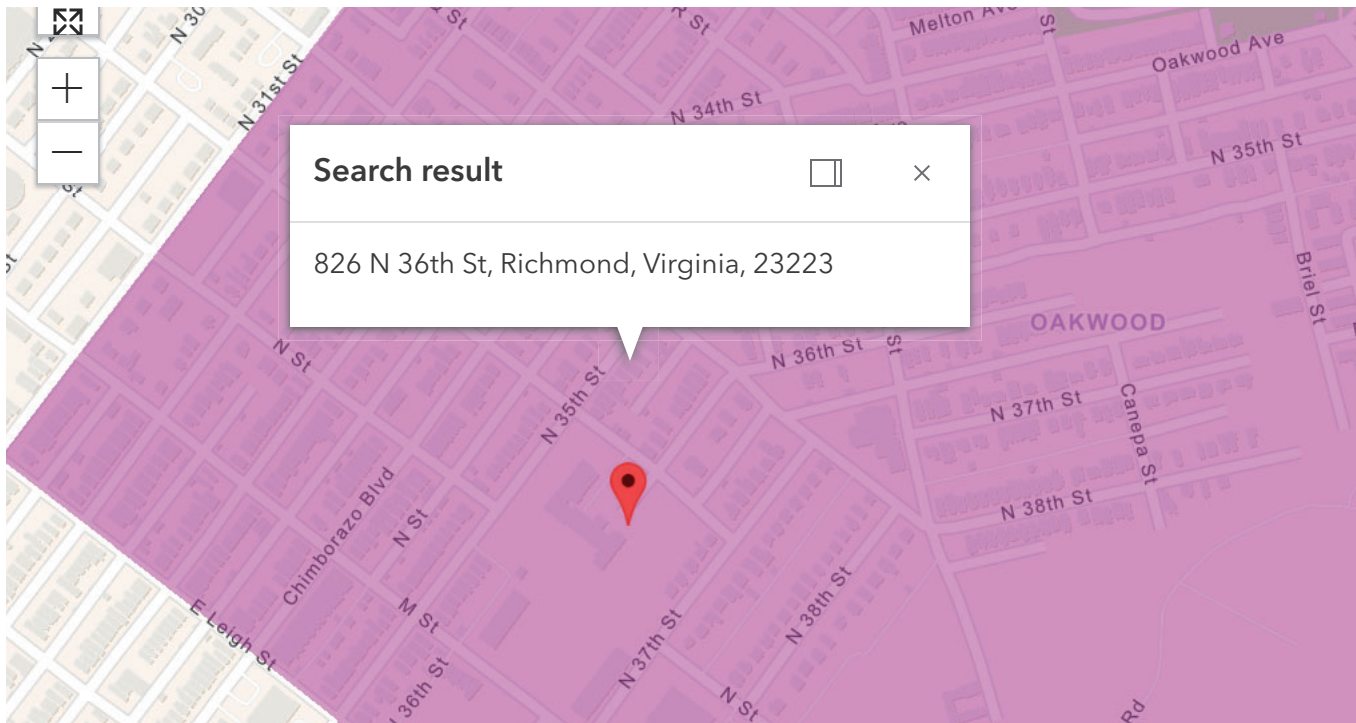
Small Difficult Development Areas
- ☒ QCT Qualified Tracts (Zoom 7+)
- ☒ Tracts Outline (Zoom 11+)

826 N 36th St, Richmond,

×

Q





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Tab K.2

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



GRADIENT

www.GradientEnvironment.com
1406 Laburnum Park Boulevard
Richmond, VA 23227
804.399.0500

Date June 2, 2026

To Virginia Housing
601 South Belvidere Street
Richmond, Virginia 23220

RE: 2026 Tax Credit Reservation Request
Bacon Senior Housing
Bacon Housing, LP

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 1/2 mile of the nearest access point to an existing commuter rail, light rail or subway station; **OR**
- ☒ 1,320 feet or 1/4 mile of the nearest access point to an existing public bus stop.

Sincerely,
Gradient, PC

Claire Smith Shirley, PE
LEED AP

N/A

Tab L:

PHA / Section 8 Notification Letter

Tab M:

Intentionally Blank

N/A

Tab N:

Homeownership Plan

Tab O:

Plan of Development Certification Letter



Plan of Development Certification

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

General Instructions

1. 'Local Certification' section must be completed by the appropriate local official.
2. 'Development Description' must be provided by the Owner.
3. 'Legal Description' should correspond to the site control document in the application.
4. 'Other Descriptive Information' should correspond with information in the application.

Any change in this form may result in a **reduction of points** under the scoring system.

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

Plan of Development Certification

DATE: 24 March 2025

TO: Virginia Housing
601 South Belvidere Street
Richmond, Virginia 23220
Attention: Phillip Cunningham

RE: PLAN OF DEVELOPMENT CERTIFICATION

Name of Development: Bacon Retirement Community
Name of Owner/Applicant: Bacon Senior LLC
Name of Seller/Current Owner: Bacon Housing L.P.

The above-referenced Owner/Applicant has asked this office to complete this form letter regarding the site plan of the proposed Development (more fully described below). This certification is rendered solely for the purpose of confirming the status of plan of development or site plan approval 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 Virginia Housing's Qualified Allocation Plan for housing tax credits.

DEVELOPMENT DESCRIPTION:

Development Address:

815 N. 35th St & 823 N. 36th St
Richmond, VA 23223

Legal Description:

See Attached

Plan of Development Number: See attached SUP

Proposed Improvements:

New Construction:	# Units	<u>70</u>	# Buildings	<u>1</u>	Total Floor Area	<u>36,400</u>
Adaptive Reuse	# Units	<u> </u>	# Buildings	<u> </u>	Total Floor Area	<u> </u>
Rehabilitation:	# Units	<u>56</u>	# Buildings	<u>1</u>	Total Floor Area	<u>22,558</u>

Other Descriptive Information:

LOCAL CERTIFICATION:

The proposed development described above has an approved final plan of development or site plan (as applicable to the site). No further plan of development or site plan approval is required before issuance of a building permit.

The proposed development is an existing development with proposed renovations and no additional plan of development approval is needed.

The above plan of development approval is in effect until: _____

Kevin J. Vonck

Digitally signed by Kevin J. Vonck
Date: 2025.03.24 21:15:13 -04'00'

Signed

Kevin J. Vonck

Printed Name

Director, Planning and Development Review

Title

804-646-3741

Phone

24 March 2025

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 **reduction of points** under the scoring system.

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

N/A

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

ATTACHMENT A

GRANT AGREEMENT

This **GRANT AGREEMENT** (the “Agreement”) is made and entered this 28 day of APRIL, 2025 (the “Effective Date”), by and among the **CITY OF RICHMOND, VIRGINIA**, a municipal corporation of the Commonwealth of Virginia (the “City”), **BACON SENIOR LLC**, a Virginia Limited Liability Company, or its assigns or successors (the “Recipient”), and the **ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF RICHMOND**, a political subdivision of the Commonwealth of Virginia (the “Authority”).

RECITALS

- A. The Recipient plans to develop and operate on the Site, as defined below, the Project, as defined below.
- B. The City and the Authority have determined that the Project will result in significant investment and economic development on the Site, will promote safe and affordable housing in the City of Richmond, will result in substantial benefits to the welfare of the City and its inhabitants, is in the public interest, and serves governmental interests.
- C. The City plans to fund an economic development monetary grant (the “Grant”) by the Authority to the Recipient for the purpose of inducing the Recipient to construct and operate the Project in the City of Richmond.
- D. Payment of the Grant will be conditioned upon the Recipient’s completion of Project construction and continued maintenance of the Project, as defined herein, and the funds comprising payments of the Grant will be solely limited to a portion of the incremental real estate tax revenues for the Site generated by the Project (i.e., including both the fee interest (and leasehold interest, if applicable) in the land and all improvements), all as set forth herein.
- E. The City is authorized by Section 15.2-953 of the Code of Virginia and other laws, and the Authority is authorized by the Industrial Development and Revenue Bond Act, contained in Chapter 49, Title 15.2 of the Code of Virginia and other laws to perform the activities contemplated in this Agreement. The Authority is authorized by the Code of Virginia to make grants to non-public organizations such as Recipient in furtherance of the purpose of promoting economic development and affordable housing.
- F. This Agreement sets forth the understanding of the parties concerning the Recipient’s obligations, the Authority’s obligations, and the incentives offered by the City, subject to the approval of the Authority’s Board and the Richmond City Council and subject to appropriations.

NOW, THEREFORE, in consideration of the foregoing, the mutual benefits, promises, and undertakings of the parties to this Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties covenant and agree as follows.

Section 1. Preliminary Provisions

1.1 Incorporation of Recitals. The foregoing recitals are incorporated herein by reference.

1.2 Definitions. For the purposes of this Agreement, the following terms shall have the following definitions:

“AMI” means area median gross income for the Richmond-Petersburg Metropolitan Statistical Area for each applicable year of the Grant Period.

“Base Real Estate Tax Revenue” means \$41,760.00 per year, being the amount equal to the real estate taxes levied on the Site for the current tax year as of the Effective Date.

“Grant” means a grant to be paid to the Recipient, or its successors or assigns, by the Authority pursuant to this Agreement.

“Grant Payment” means, for each real estate tax year during the Grant Period, an amount equal to 55.55% of the Incremental Real Estate Tax Revenue for such corresponding tax year. The Parties acknowledge that the annual real estate tax levy is and may in the future be billed and due in installments (currently twice a year); therefore, as used herein “Grant Payment” shall include payments of Incremental Real Estate Tax Revenue for each installment payment corresponding to the applicable Real Estate Tax Levy as prorated for the applicable installment period.

“Grant Payment Request” means a written request for a Grant Payment, which shall include (1) documentation showing its full payment of the Real Estate Tax Levy to the City in full and on time (except as provided in Section 3.3 below), and (2) the amount of the requested Grant Payment and explanation of the calculation thereof (i.e., Real Estate Tax Levy *minus* Base Real Estate Tax Revenue *equals* Incremental Real Estate Tax Revenue, as pro-rated for the applicable installment period).

“Grant Period” means that certain period commencing upon January 1st of the first real estate tax year following Recipient’s completion of Project construction, as shall be evidenced by receipt of a temporary Certificate of Occupancy (“Grant Commencement Date”) and ending on last day of the thirtieth (30th) real estate tax year following the Grant Commencement Date (“Grant Expiration Date”), subject to the provisions of Section 2.6 below. The parties acknowledge that the “Real Estate Tax Levy” for the last year of the Grant Period may not be received by the City until after the Grant Expiration Date and that a Grant Payment shall be paid to the Recipient corresponding to such Real Estate Tax Levy.

“Grant Management Fee” means one-time non-refundable fee and an annual payment equal to 1% of the Grant Payment to cover the administrative expenses of the Authority for managing the Grant during the Grant Period.

“Incremental Real Estate Tax Revenue” means, for each applicable real estate tax year during the Grant Period, the amount by which the Real Estate Tax Levy exceeds the Base Real

Estate Tax Revenue provided the Recipient pays the Real Estate Tax Levy to the City in full and on time (except as provided in Section 3.3 below). In no event shall the Incremental Real Estate Tax Revenue (or the Grant Payment) include penalties, interest, or any other charges resulting from any delinquent payment. The Parties acknowledge that the Real Estate Tax Levy is and may in the future be billed and due in installments (currently twice a year); therefore, as used herein “Incremental Real Estate Tax Revenue” shall be determined based on the applicable payment (or installment) of the Real Estate Tax Levy for each applicable real estate tax year.

“Maintain” means the Recipient’s continued maintenance and operation of the Project following completion of Project construction, as set forth by Section 2.3.2 of this Agreement.

“Project” means a development on the Site containing not less than 70 residential units, subject to income and rent restrictions as set forth in Section 2.5 and as shown on Exhibit A and monitored by the State Housing Finance Agency.

“Real Estate Tax Levy” means the amount of real estate taxes levied by the City on the Site (including both the fee interest (and leasehold interest, if applicable)) and Project (i.e., including land and all improvements) for a given real estate tax year, pursuant to Chapter 26 of the Code for the City of Richmond (“City Code”).

“Recipient” means Bacon Housing LLC, and its successors and assigns, to the extent permitted by this Agreement.

“Site” means, collectively, 3.465 acres currently owned by BACON HOUSING L.P., located at 815 N. 35th Street and 823 N. 36th Street and currently referred to in the records of the City Assessor as Parcel Nos. E0001112001 and E0001280044. With E0001280044 having been vacated and consolidated with E0001112001 as evidenced by Exhibit B.

“State Housing Finance Agency” means Virginia Housing (Virginia Housing Development Authority), a political subdivision of the Commonwealth of Virginia, or its successor.

Section 2. Recipient’s Obligations

2.1 Grant Management Fee.

The Recipient shall pay annually to the Authority 1% of the Grant Payment for the duration of the Grant Period. The Authority will invoice the Recipient on or before October 1 of each year and the Recipient shall remit payment within 30 days of issuance of the invoice.

2.2 Completion of Project Construction: Timeline.

2.2.1 Plan of Development. Recipient shall submit a Plan of Development or similar submission for the Project to the City’s Director of Planning and Development Review no later than nine (9) months after the Effective Date, which Plan of Development or similar

submission shall comply with the relevant provisions of the Richmond City Code and shall contain all elements of the Project as defined herein.

2.2.2 Commencement of the Project Construction. Recipient shall commence construction of the Project within eighteen (18) months of the Effective Date, (the “Construction Commencement Date”), which shall be evidenced by the issuance of all permits necessary for the commencement of construction of the Project.

2.2.3 Completion of Project Construction. The Recipient shall complete the Project within three years of the Construction Commencement Date, which shall be evidenced by the issuance of a temporary certificate of occupancy for the Project.

2.2.4 Failure to Comply. If the Recipient fails to timely comply with any of the provisions of this Section 2.2 then the City’s Chief Administrative Officer (“CAO”), in his sole discretion, may either extend the time by which the Recipient must comply with the corresponding requirement or provide written notice of the City’s intent to terminate this Agreement. If Recipient fails to cure its failure to comply within 30 days of such written notice, then this Agreement, including all rights and obligations herein, shall, upon the City’s election, terminate and neither the City nor the Authority shall have any further obligation to the Recipient and Recipient shall no longer be eligible for any Grant Payments hereunder.

2.3 Continued Maintenance and Operation of Project.

2.3.1 Continued Control of the Project by Recipient. Recipient shall continue to own, lease, or otherwise control the Site until completion of Project construction pursuant to Section 2.2.3 of this Agreement and thereafter shall continue to own, lease, or otherwise control the Project until expiration of the Grant Period. Notwithstanding the foregoing, Recipient may transfer the ownership or control interest in the Project to third parties (“Transferee”), and Recipient may (1) assign this Agreement, including the rights and obligations herein to such party or parties at the time it transfers ownership of the Project (including any leasehold interests), and (2) if the Agreement is assigned, Recipient shall provide the City and Authority 30 days prior written notice of its intent to transfer ownership or control of the Project, which notice shall include the contemplated date of transfer, the name of the party or parties to which it intends to transfer, and a written statement from such party that it is aware that this Agreement, including the rights and obligations herein, will be assigned to such party. Following the transfer of ownership in the Project to the Transferee as provided above, the term “Recipient” as used herein shall mean the Transferee.

2.3.2 Continued Maintenance and Operation of the Project. Following the Recipient’s completion of Project construction as set forth in Section 2.1.3 of this Agreement, the Recipient, or its successors or assigns, shall continue to Maintain the Project until the expiration of the Grant Period. For the avoidance of doubt, the Recipient’s obligation to Maintain the Project includes the Recipient’s ongoing compliance with the provisions set forth in Section 2.5 (Affordable Housing) of this Agreement.

2.4 MBE Participation.

2.4.1 Goal. The Recipient agrees to diligently work towards the following goal: Where capacity, capability, and competitive pricing among minority business enterprises and emerging small businesses exist, 30% of all expenditures for construction costs of the Project that will be paid to third-party subcontractors unaffiliated with the Recipient will be spent with minority business enterprises and emerging small businesses that perform commercially useful functions with regard to the prosecution and completion of the Project. The terms "minority business enterprise" and "emerging small business" have the meaning ascribed to them in Chapter 21 of the City Code. The Recipient shall include this goal in its contracts with all assignees, contractors, and subcontractors who will be providing any portion of the Project.

2.4.2 Reporting. To enable the City to measure the achievements of the Recipient and its assignees, contractors, and subcontractors with regard to the participation goals set forth above, during the period prior to completion of Project construction, the Recipient shall submit a report upon request detailing all expenditures with minority business enterprises and emerging small businesses, showing, at a minimum, (i) the name of the business, (ii) an itemization of what the business provided, (iii) the amount paid for each item, (iv) the total amount of spending to date with minority business enterprises and emerging small businesses and (v) the percentage of total expenditures for the quarter spent with minority business enterprises and emerging small businesses. If the City chooses, the Recipient shall submit these reports on forms prescribed by the City. The City will use these reports in evaluating the good faith minority business enterprise and emerging small business participation efforts, as defined in Section 21-4 of the City Code, of the Recipient and its assignees, contractors, and subcontractors that compete for City contracts.

2.5 Affordable Housing.

The Recipient shall restrict occupancy and rents of the Project according to the schedule shown on Exhibit A, according to standards promulgated by the State Housing Finance Agency. Ongoing compliance monitoring and approvals by the State Housing Finance Agency, as provided to the City upon the City's request, shall serve as evidence of the Recipient's compliance with this section.

2.6 Continued Investment and Capital Improvements

For purposes of continued investment and upkeep of the Project to the benefit of its tenants, payment of Grant Payments after the initial fifteen (15) years of the Grant Period shall be contingent upon receipt of proof that the Recipient has at a minimum made capital improvements to the Project in an aggregate amount of seven hundred thousand and No/100 Dollars (\$700,000.00) since the Grant Commencement Date. On each fifth anniversary of the Grant Commencement Date, the Recipient shall upon request submit a report of capital improvements made to the Project since the Grant Commencement Date.

Section 3. Disbursement of Grant.

3.1. Grant. During the Grant Period, the City shall pay to Recipient (or such party to which Recipient has assigned Grant Payments pursuant to Section 9.1 of this Agreement), through the Authority, the Grant Payments for such real estate tax year subject to the provisions of this Section 3.

3.2. Grant Payment Requests. The Recipient shall submit each Grant Payment Request to the CAO, with copies to the Department of Economic Development, the Authority, and the Office of the City Attorney at the respective addresses set forth in Section 8.

3.3. Disbursement of Grant Payment. Upon receipt of a Grant Payment Request, the City shall review the accuracy of the request. The City shall not make a Grant Payment if the Recipient did not make full and timely payment of the Real Estate Tax Levy for the applicable installment (except when Recipient (i) makes full payment within 60 days after the date such payment was due to the City and (ii) pays all penalties and interest for such late payment in accordance with any applicable provisions of the Richmond City Code) and shall not make a Grant Payment if Recipient is delinquent in payment of any other taxes levied by the City for the Project (except when all penalties and interest for such late payment have been paid in accordance with any applicable provision of the Richmond City Code). Within fifteen (15) business days of receipt of a Grant Payment Request, the City shall notify Recipient either that (1) the City denies the request and will not make a Grant Payment for the foregoing reasons, (2) the City approves the request and intends to make a Grant Payment in the amount requested, or (3) the City approves making a payment to Recipient but in a different amount than the amount requested because the amount requested is inconsistent with this Agreement, in which case the City shall indicate the correct Grant Payment amount it intends to make. Notwithstanding the foregoing, the City's failure to respond within fifteen (15) business days shall not constitute approval of a requested Grant Payment and the Recipient shall not be entitled to any such payment due solely to the City's failure to timely respond. Subject to any necessary City Council action, including any necessary budget amendment or appropriation of funds, the City agrees to, within fifteen (15) business days of the City's approval of any Grant Payment, transfer the funds for the Grant Payment to the Authority. The Authority agrees to pay the Grant Payment to the Recipient (or such party to which the Recipient has assigned Grant Payments pursuant to Section 9.1 of this Agreement), within fifteen (15) business days of receipt of the funds from the City.

3.4 Recipient's Relief. Should the Recipient believe the City failed to comply with Section 3.3 of this Agreement, the Recipient may seek relief in accordance with Section 9.2 of this Agreement. Provided, however, Recipient's sole remedy shall be to receive payment for a Grant Payment to which it was entitled (subject to the restrictions set forth in this Agreement, including, but not limited to, Sections 3.3 and 9.5) and for which it did not receive payment.

Section 4. General Administration of Grant

4.1 The City agrees to transfer to the Authority, as and when appropriated by

the City Council, the funds necessary for the Authority to meet its obligations under this Agreement relating to the Grant. No administrative fees or expenses shall be paid by the City.

4.2 The Authority's obligation to undertake the activities herein is specially conditioned upon the City providing funding on a timely basis; provided, however, the City's obligation is subject to appropriation by the City Council and availability of funds.

4.3 The Authority agrees to provide the City's Chief Administrative Officer, or the designee thereof, with copies of all documents related to this Agreement, and will keep the CAO fully and timely informed of all matters related to this Agreement.

4.4 The Authority agrees that all funds transferred by the City to the Authority for the Grant shall be deposited by the Authority within a Project Fund, to be used only to satisfy the obligations contained in this Agreement related to the Grant.

4.5 It is the intent of the parties not to impose upon the Authority any responsibility, duty, or obligation other than what may be required to implement the Grant. Accordingly, the Authority does not assume any responsibility or liability whatsoever except as specifically stated herein. If litigation involving the Grant is initiated or expected to be filed against the Authority, the Authority shall immediately notify the City Attorney and CAO.

4.6 The Authority shall keep records of its financial transactions, if any, related to the Agreement in accordance with generally accepted accounting principles. The City Auditor or his designee may at any time audit the financial transactions undertaken under this Agreement. The Authority shall cooperate to ensure that the City Auditor is granted reasonable access on a timely basis to all books and records of the Authority necessary to complete such audits.

4.7 The Authority shall not be required to furnish the City with a blanket corporate fidelity bond with surety.

Section 5. Representations of the Recipient

5.1 The Recipient is empowered to enter into this Agreement, to be bound hereby, and to perform according to the terms hereof.

5.2 Any and all actions necessary to enable the Recipient to enter this Agreement, and to be bound hereby, have been duly taken.

5.3 The person or persons executing or attesting the execution of this Agreement on behalf of the Recipient has or have been duly authorized and empowered to so execute or attest.

5.4 The execution of this Agreement on behalf of the Recipient will bind and obligate the Recipient to the extent provided by the terms hereof.

5.5 There exists no litigation pending against the Recipient or to the Recipient's knowledge threatened, which if determined adversely, would materially and adversely affect the ability of the Recipient to carry out its obligations under this Agreement or the transactions contemplated hereunder.

Section 6. Default.

6.1 Events of Default. Each of the following events (hereinafter called an "Event of Default") shall be a default hereunder by the Recipient as described:

6.1.1 Failure by the Recipient to maintain its corporate existence or the declaration of bankruptcy by the Recipient.

6.1.2 The failure of Recipient to comply with Section 2 of this Agreement; and

6.1.3 The failure of Recipient to pay annual Real Estate Tax Levy.

6.2 Effect of Event of Default. In the case of an occurrence of an Event of Default, the Grant provisions of Section 3 of this Agreement shall, at the City's option, terminate ninety (90) days after the City's notice to Recipient and Recipient's designated lender, unless Recipient cures the Event of Default to the City's satisfaction within such ninety (90) days, and neither the City nor the Authority shall have any further obligation relating thereto and the Recipient shall no longer be eligible for any Grant Payments hereunder. Notwithstanding the foregoing, Recipient's obligations hereunder will remain in force and effect throughout the Grant Period and the City shall be entitled to any remedies available at law and equity, including, but not limited to, specific performance.

Section 7. Recipient Reporting.

The Recipient shall provide, at the Recipient's expense, detailed updates and verification reasonably satisfactory to the City of the Recipient's progress regarding the completion of Project construction and, following Project construction, of Recipient's continued compliance with Section 2.3 of this Agreement.

Section 8. Notices.

Any notices required or permitted under this Agreement shall be given in writing and shall be deemed to be received upon receipt or refusal after the mailing of the same in the United States Mail by certified mail, postage fully pre-paid or by overnight courier (refusal shall mean return of certified mail or overnight courier package not accepted by the addressee):

if to the Recipient, to

with a copy to:

(Applicant's Information)

(Applicant's Legal Counsel As Applicable)

Bacon Senior LLC
815 N 35th St
Richmond, VA 23223
Attention: Valentina Perez

Roth Jackson Gibbons Condlin, PLC
1519 Summit Ave, suite 102
Richmond, VA 23230
Attention: Jennifer D. Mullen

if to the City, to

Chief Administrative Officer
City of Richmond, Virginia
900 East Broad Street, 14th Floor
Richmond, VA 23219

with a copy to:

Department of Economic Development
City of Richmond, Virginia
1500 East Main Street
Richmond, VA 23219

if to the Authority, to

Economic Development Authority
of Richmond VA – Attn: Chairman
1500 East Main Street
Richmond, VA 23219

with a copy to:

City Attorney
City of Richmond, Virginia
900 East Broad Street Suite 400
Richmond, VA 23219

Section 9. General Terms and Conditions.

9.1 Entire Agreement; Amendments; Assignments. This Agreement constitutes the entire agreement among the parties hereto and may not be amended or modified, except in writing, signed by each of the parties hereto, and subject to the prior written consent of each Mortgage and Investor. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, including, without limitation, a Mortgagee or its designee upon a foreclosure or deed-in-lieu of foreclosure of the Site or the Project; provided, however, that in no event may this Agreement or any of the rights, benefits, duties, or obligations of the parties hereto be assigned, transferred or otherwise disposed of without the prior written consent of the other, which consent neither party shall be obligated to give, except that Recipient may assign its right to receive payment to another entity authorized to transact business in Virginia by furnishing the City and the Authority with notice identifying the entity and providing both contact and payment information in a form acceptable to the City and the Authority. Notwithstanding anything to the contrary herein, (a) Recipient shall have the right to assign its interest in the Site and Project to any future owner provided the Recipient first shall have complied with the requirements set forth in Section 2.3.1 of this Agreement and shall have submitted to the City the form of all instruments by which it purports to make such assignment and shall have obtained the City's prior written approval thereof, which approval shall not be unreasonably withheld, in which event the assignor shall be released from all obligations and liabilities under this Agreement; and (b) Recipient shall have the right to grant to a Mortgagee a security interest in, and assignment of, Recipient's rights hereunder as collateral for the loan to be provided by such Mortgagee for the development of the Project, and any action taken by such Mortgagee to realize on such security interest or assignment and performance thereafter shall be deemed permitted under this Agreement, provided the Recipient first shall have submitted to the City the form of all instruments by which it purports to grant such security interest and assignment and shall have obtained the City's prior written approval thereof, which approval shall not be unreasonably withheld. Neither the City's nor Authority's consent shall be required to the exercise by Mortgagee or any assignee of Mortgagee of its right to perform Recipient's obligations hereunder after a default by Recipient under the applicable loan documents. The City agrees that Mortgagee shall not have any liability for any act or omission of Recipient hereunder and shall only be liable hereunder for obligations arising during such time as it is the owner of Recipient's interests in the Site and Project pursuant to foreclosure, deed in lieu of foreclosure or otherwise. For the avoidance of doubt, no transfer by foreclosure or deed-in-lieu of foreclosure pursuant to a Mortgage and no

transfer of interests in Recipient or the exercise by Investor of its rights to remove the general partner or managing member of Recipient shall require notice to or the approval of the City or Authority.

92 Governing Law; Venue. All issues and questions concerning the construction, enforcement, interpretation, and validity of this Agreement, or the rights and obligations of the parties shall be governed by, and construed and interpreted in accordance with, the laws of the Commonwealth of Virginia, without giving effect to any choice of law or conflict of laws rules or provisions, whether of the Commonwealth of Virginia or any other jurisdiction, that would cause the application of the laws of any jurisdiction other than those of the Commonwealth of Virginia. All disputes, claims, and causes of action arising out of or in connection with this Agreement, or any performances made hereunder, shall be brought, and any judicial proceeding shall take place, only in the Circuit Court of the City of Richmond, Virginia. Each party shall be responsible for its own attorneys' fees in the event of any litigation or other proceeding arising from this Development Agreement.

93 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be an original, and all of which together shall be one and the same instrument.

94 Severability. If any provision of this Agreement is determined to be unenforceable, invalid, or illegal, then the enforceability, validity, and legality of the remaining provisions will not in any way be affected or impaired, and such provision will be deemed to be restated to reflect the original intentions of the parties as nearly as possible in accordance with applicable law.

95 Subject-to-Appropriations. All payments and other performances by the City and the Authority under this Agreement are subject to City Council approval, Authority Board approval, and annual appropriations by the City Council. It is understood and agreed among the parties that the City and the Authority shall be bound hereunder only to the extent of the funds available, or which may hereafter become available for the purpose of this Agreement. Under no circumstances shall the City's or the Authority's total liability under this Agreement exceed the total amount of funds appropriated by the City Council for the payments hereunder for the performance of this Agreement.

96 Public Disclosure.

96.1 Applicable Law. The parties to this Agreement acknowledge that records maintained by or in the custody of the City and the Authority are subject to the provisions of the Virginia Public Records Act, Va. Code §§ 42.1-76 through 42.1-90.1, and the Virginia Freedom of Information Act, Va. Code §§ 2.2-3700 through 2.2-37 14 and thus are subject to the records retention and public disclosure requirements set forth in those statutes.

96.2 Challenges to Nondisclosure. If a party submitting records to the City or the Authority requests that those records not be disclosed under applicable law and the City or the Authority consequently denies a request for disclosure of such records based on the submitting party's request, and the City's or the Authority's denial of a request for disclosure of records is challenged in court, the submitting party shall indemnify, hold harmless and defend the City or the Authority, their respective officers and employees from any and all costs, damages, fees and penalties (including attorney's fees and other costs related to litigation) relating thereto.

97 No Waiver. Neither failure on the part of the City or the Authority to enforce any covenant or provision contained in this Agreement nor any waiver of any right under this Agreement shall discharge or invalidate such covenant or provision or affect the right of the City or the Authority to enforce the same right in the event of any subsequent default.

98 Effective Date of the Agreement. The effective date of this Agreement shall be the date upon which it has been fully executed by the parties following approval by the City Council and by the Authority's Board of Directors.

99 No Partnership or Joint Venture. It is mutually understood and agreed that nothing contained in this Agreement is intended or shall be construed in any manner or under any circumstance whatsoever as creating and establishing the relationship of copartners or creating or establishing a joint venture between or among any of the parties or as designating any party to the Agreement as the agent or representative of any other party to the Agreement for any purpose.

9.10 No Third-Party Beneficiaries. The parties agree that (i) no individual or entity shall be considered, deemed, or otherwise recognized to be a third-party beneficiary of this Agreement; (ii) the provisions of this Agreement are not intended to be for the benefit of any individual or entity other than the City, the Authority, or the Recipient; (iii) no other individual or entity shall obtain any right to make any claim against the City, the Authority, or the Recipient under the provisions of this Agreement; and (iv) no provision of this Agreement shall be construed or interpreted to confer third-party beneficiary status on any individual or entity.

9.11 Signature Authority. Except as specifically otherwise set forth in this Agreement, the CAO or the designee thereof may provide any authorization, approvals, and notices contemplated herein on behalf of the City.

SIGNATURE PAGE TO FOLLOW

IN WITNESS WHEREOF, the parties hereto have executed this Performance Agreement as of the date first written above.

CITY OF RICHMOND, VIRGINIA
a municipal corporation of the
Commonwealth of Virginia

By: _____ Date _____
Sabrina Joy-Hogg
Interim Chief Administrative Officer

Authorized by Ordinance No. _____

Approved as to Form:

By: _____
City Attorney's Office

Bacon Senior LLC, a Virginia limited liability company

By: _____ 4/30/25
Date

Name: Tim Chapman
Title: Authorized signatory

**ECONOMIC DEVELOPMENT
AUTHORITY OF THE CITY OF
RICHMOND, VIRGINIA,**
a political subdivision of the
Commonwealth of Virginia

By: _____
Chairman Date

Approved as to Form:

By: _____
General Counsel to the Authority

EXHIBIT A

Affordable Housing Schedule

The Project shall restrict occupancy and rents to an average income designation of 60% of AMI, according to standards promulgated by the State Housing Finance Agency, Virginia Housing Development Authority, for a minimum of thirty (30) years.

Dale Wittie

From: Hightman, Rachel A. - HCD <Rachel.Hightman2@rva.gov>
Sent: Wednesday, April 23, 2025 11:08 AM
To: Valentina Perez; Kristen Suchy; Dale Wittie; Tim Chapman
Subject: RE: Affordable Housing Performance Grant for Bacon Senior
Attachments: Bacon Senior LLC - AHPG Agreement.docx

Hello Chapman Development team,

The Department of Housing and Community Development has deemed this project eligible for a 55.55% performance grant proportional to the number of new affordable units being developed. Please see attached for the draft grant agreement. Please have your counsel review, complete Section 8 "Notices", and return to me. Once returned the agreement and associated ordinance will go to the City Attorney's office for review, upon approval by the City Attorney's office the Performance Grant will go to City Counsel for introduction and approval.

Please let me know if you have any questions or concerns.

Thank you,

Rachel Hightman, MPP (she/her) | [LinkedIn](#)

Project Development Manager | Department of Housing & Community Development
 City of Richmond
 Main Street Station
 1500 East Main Street, Suite 300
 Office: 804.646.6711
 Cell: 804.845.6690
Rachel.Hightman2@rva.gov

From: Valentina Perez <vperez@chapmandevelopment.com>
Sent: Tuesday, April 22, 2025 8:34 AM
To: Hightman, Rachel A. - HCD <Rachel.Hightman2@rva.gov>; Kristen Suchy <ksuchy@chapmandevelopment.com>; Dale Wittie <dwittie@jblevyco.com>; Tim Chapman <Tim@chapmandevelopment.com>
Subject: Re: Affordable Housing Performance Grant for Bacon Senior

CAUTION: This message is from an external sender - Do not open attachments or click links unless you recognize the sender's address and know the content is safe.

Good morning Rachel,

Please see the attached revised Civil plans (subdivision plat is on sheet C0.2) and Lot Consolidation deed for clarification.

Regarding the planned start date, July 1st is an estimate date. We would start near January 15, 2026.

Thank you.

Best wishes,

Valentina Perez

Executive Assistant

440 Maple Ave E, suite 203, Vienna, VA 22180

Email: vperez@ChapmanDevelopment.com

Phone: 206-745-5529



From: Valentina Perez <vperez@chapmandevelopment.com>

Sent: Thursday, April 17, 2025 15:12

To: Hightman, Rachel A. - HCD <Rachel.Hightman2@rva.gov>; Kristen Suchy <ksuchy@chapmandevelopment.com>;

Dale Wittie <dwittie@jblevyco.com>; Tim Chapman <Tim@chapmandevelopment.com>

Subject: Re: Affordable Housing Performance Grant for Bacon Senior

Hi Rachel,

Thanks for your email, looping in @Kristen Suchy, @Dale Wittie and @Tim Chapman

Best wishes,

Valentina Perez

Executive Assistant

440 Maple Ave E, suite 203, Vienna, VA 22180

Email: vperez@ChapmanDevelopment.com

Phone: 206-745-5529



From: Hightman, Rachel A. - HCD <Rachel.Hightman2@rva.gov>

Sent: Thursday, April 17, 2025 14:58

To: Valentina Perez <vperez@chapmandevelopment.com>

Subject: RE: Affordable Housing Performance Grant for Bacon Senior

Hi Valentina,

HCD has completed its review and believes this project may be a good candidate for an Affordable Housing Performance Grant. However, we have a few additional questions regarding your application.

Based on the application and plans submitted it appears that this project will include parcels E0001112001, E0001112001B, and E0001280044 and that the boundaries for E0001280044 will be vacated and consolidated with E0001112001. Is this correct? If this is not the case, can you please further detail the scope of the project, the parcel(s) that are a part of the proposed project, the existing structure(s) on the property, and the structure(s) planning to be newly constructed.

The anticipated construction start date is listed as July 1, 2025, is this still the planned start date? The program is for new construction of multifamily buildings which have not yet begun construction.

I look forward to your response and would be happy to meet virtually or call to discuss further with you and your team if you would like.

Thank you,

Rachel Hightman, MPP (she/her) | [LinkedIn](#)

Project Development Manager | Department of Housing & Community Development
City of Richmond
Main Street Station
1500 East Main Street, Suite 300
Office: 804.646.6711
Cell: 804.845.6690
Rachel.Hightman2@rva.gov

From: Hightman, Rachel A. - HCD

Sent: Wednesday, April 9, 2025 4:50 PM

To: vperez@chapmandevelopment.com

Subject: Affordable Housing Performance Grant for Bacon Senior

Hello Valentina,

The Department of Housing and Community Development is currently reviewing your application for an Affordable Housing Performance Grant for Bacon Senior and we will likely be in touch early next week regarding the outcome and next steps. We apologize for the delay, however this project is somewhat unique in comparison to other projects that have come to us and therefore has required additional review time. As a reminder the process from submission to final approval for all Affordable Housing Performance Grants is a minimum of 70 business days.

I have outlined below the steps for review, approval, and executing an agreement.

1. Developer submits the application to the Economic Development Authority.
2. The EDA forwards the application to the City's Dept of Housing and Community Development (HCD) and HCD staff review it. (Within 5 days)
3. If the HCD staff approve the AHPG, an Ordinance and supporting materials are prepared by HCD. (10 day minimum)
4. Grant agreement is circulated and reviewed by the City Attorney's Office and Developer's Council (10 day minimum)
5. The Ordinance is then introduced to City Council on the consent agenda, after introduction it is heard by the Finance and Economic Development Committee, if approved by the committee, it goes back to City Council for approval. (1 month minimum)
6. Once approved by City Council, the AHPG goes to the EDA Board, if approved by the EDA Board the agreement begins the signature process. (Timing is dependent on EDA Board meeting schedule, up to 1 month)
7. The Agreement is signed by the EDA, the Developer, General Counsel to the EDA, and the CAO (up to 1 month)

8. A fully executed agreement is returned to the Developer.

Please let me know if you have any questions.

Rachel Hightman, MPP (she/her) | [LinkedIn](#)

Project Development Manager | Department of Housing & Community Development
City of Richmond
Main Street Station
1500 East Main Street, Suite 300
Office: 804.646.6711
Cell: 804.845.6690
Rachel.Hightman2@rva.gov

Tab R:

Documentation of Utility Allowance calculation



May 29, 2026

Kristen Suchy
Chapman Development Group
440 Maple Avenue East, 2nd Floor
Vienna, VA 22180
ksuchy@chapmandevelopment.com

RE: Preliminary Utility Allowance for Bacon Senior Housing

Dear Kristen Suchy,

Please see the following Preliminary Utility Allowance (UA) for Bacon Senior Housing located in Richmond, Virginia. Projections were generated with the applicable rates, fees, and taxes of following providers:

Electricity:	Dominion Energy	Gas:	N/A
Water:	N/A	Trash:	N/A
Sewer:	N/A		

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	\$ 17.41	\$ 20.74	N/A	N/A
Air Conditioning	Electric	Tenant	N/A	\$ 8.12	\$ 9.68	N/A	N/A
Cooking	Electric	Tenant	N/A	\$ 6.96	\$ 8.30	N/A	N/A
Lighting	Electric	Tenant	N/A	\$ 27.85	\$ 33.18	N/A	N/A
Hot Water	Gas	Owner	N/A	\$ -	\$ -	N/A	N/A
Water	-	Owner	N/A	\$ -	\$ -	N/A	N/A
Sewer	-	Owner	N/A	\$ -	\$ -	N/A	N/A
Trash	-	Owner	N/A	\$ -	\$ -	N/A	N/A
Total UA costs (Unrounded)			\$ -	\$ 60.34	\$ 71.90	\$ -	\$ -
Total Rounded UA for costs paid by tenant			N/A	\$ 61	\$ 72	N/A	N/A

**Allowances only for Bacon Senior Housing 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

N/A

Tab S:

Supportive House Mandatory
Certification and Documentation

Tab T:

Funding Documentation



Non-Binding Term Sheet

June 29, 2026

TBD SPE Borrowing Entity

Re: Term Sheet – LIHTC and HTC Bridge Loan

Dear Mr. Chapman

I am pleased to express our interest in the Tax Credit Bridge loan for the Bacon Senior apartments projects. This proposal is being offered as an indication of our interest in working with you. The following terms are preliminary and should not be construed as a commitment for financing. **A commitment of financing will come after acceptance of this proposal and a formal underwriting process with loan approval by the relevant committee in our organization.**

Borrower:	TBD SPE entity
Guarantor:	Personal unlimited guarantee from the developer.
Loan Amount:	Estimated at \$13,775,000. The loan amount cannot exceed 90% of the net tax credit equity and grant proceeds available.
Purpose:	For construction and substantive rehab at 815 N. 35 th Street and 823 N 36 th Street Richmond, VA 23223.
Interest Rate:	The interest rate will be calculated 5 business days prior to the established loan closing date and will be equal to the Locus Bank 2 year borrowing index + 3.50%, and this rate shall be fixed for duration of this phase. If the loan closed today, the interest rate would be 6.84%. The final interest rate may be higher than the rate stated if closed today and that could reduce your loan amount.
Interest Reserve:	A TBD interest reserve amount funded from loan proceeds shall be used to pay monthly interest payments during the construction period.
Terms:	2-year term- - Locus will allow for a 24-month interest only period. With repayment to come from Tax Equity pay ins.
Commitment Fee:	1.00% of the loan amount.

LTV:	Loan amount not to exceed 90% of the available tax credit equity and grant proceeds.
Construction Funding:	Construction advances will be predicated on an executed fixed-price construction contract on an AIA form with your general contractor. The loan will be funded under a construction draw process. Construction draws will be submitted on AIA G702-703 certified and signed by the general contractor and project architect. The Bank will require, before each disbursement, that an independent architectural or engineering firm approved by the Bank complete AIA Application and Certificate of Payment forms for each draw. The Bank will collect a 10% retainage on all construction draws through 50% completion. Copies of invoices for work completed by third party contractors may be requested by the Bank. The Bank requires that Borrower's equity in the project be injected prior to any draw disbursements and that the loan continually remain in balance subject to the Bank's LTV limitations. The general contractor must obtain a Payment and Performance Bond or 10% Letter of credit if the project costs are over \$2 million.
Third Party Reports:	N/A
Prepayment Penalties:	N/A
Collateral:	The loan will be secured by a first priority assignment of all equity from the syndication of Federal Low Income Housing Tax Credits as well as the Federal and State Historic Tax Credits associated with the Project. The loan will also be secured by a second priority deed of trust and assignment of plans, specifications, permits, contracts, leases, rents and profits on the Collateral Property.
Closing Condition:	Building permits, approved construction budget, signed GC contract, tax credit investors admitted to the partnership, all grant contracts full executed and loan officer to visit the property
Closing Costs:	Borrower shall pay all out-of-pocket costs and expenses, if any, incurred by Lender in connection with the Loan (pre- and post-closing), including, but not limited to, all costs associated with documenting, recording, closing; and all fees and expenses of Locus's outside legal counsel and borrower's legal counsel and the cost of any other reports deemed necessary by Lender, whether or

By: _____
Name Date

Tab U:

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

Bacon Seniors Community

Sample

Virginia Housing Free Housing Education Acknowledgment Disclosure

I, _____ (Resident), have read, understand, and acknowledge I have been given information regarding the Virginia Housing free renters education program for residents.

I understand that it is my responsibility to review the website link provided here

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

By signing below, I acknowledge that I have read and understand the information provided in this disclosure.

Resident Name: _____

Resident Signature: _____

Date: _____

N/A

Tab V:

Nonprofit or LHA Purchase Option or Right of First
Refusal

Tab W:

Internet Safety Plan and Resident Information Form

Bacon Seniors Community

INTERNET SAFETY PLAN & GUIDELINES ACKNOWLEDGMENT AND AGREEMENT FORM

Applicant/Resident Name: _____

Unit Number (if applicable): _____

I, the undersigned Applicant/Resident, acknowledge that I have received a copy of the **Bacon Seniors Internet Guidelines (the “Guidelines”)** and have had the opportunity to review its contents.

By signing this form, I certify that:

1. I have read and understand the recommendations, guidelines, terms, and conditions outlined in the Guidelines.
2. I understand that the Guidelines provide important information regarding the proper, safe, and responsible use of the internet services made available in the common areas of Bacon Seniors Community.
3. I agree to comply with all policies, rules, and guidelines contained in the Guidelines and any future updates that may be provided by Bacon Seniors Community.
4. I understand that I am responsible for my own conduct while using the internet services provided by Bacon Seniors Community and for the conduct of any guests or individuals to whom I provide access.
5. I acknowledge that misuse of the internet services may result in legal, financial, or other consequences as permitted by applicable law and the policies outlined in the Guidelines.

By signing below, I acknowledge that I have read, understand, and agree to abide by the terms and conditions contained in the Bacon Seniors Community Guidelines.

Applicant/Resident Name (Printed):

Applicant/Resident Signature:

Date:

Summary: Internet Safety and Cybercrime

Modern technology has made communication and online activities easier, but it has also increased the risk of cybercrime. Criminals use the internet to commit fraud, steal personal information, exploit children, and spread spam and phishing scams.

1. Online Fraud

Cybercriminals target consumers through fake or insecure websites and scams designed to steal personal and financial information.

- **Credit Card Fraud:** Criminals use stolen credit card information to make purchases or open accounts. To stay safe:
 - Shop only on secure websites ("https://").
 - Look for trusted security seals.
 - Review privacy policies.
 - Monitor credit card statements and credit reports.
 - Report suspicious activity immediately and place fraud alerts if necessary.
- **Internet Auction Fraud:** Buyers or sellers may fail to deliver payment or merchandise.
 - Read auction site policies.
 - Avoid paying with cash.
 - Save transaction records and emails.
 - Never share your Social Security number.
- **International ("Nigerian") Scams:** Fraudsters promise large sums of money in exchange for personal or banking information.
 - Ignore unsolicited offers.
 - Never provide financial information.
 - Be skeptical of requests from unknown foreign individuals.

2. Child Internet Safety

Children can be vulnerable to online predators. Warning signs include:

- Excessive internet use, especially at night.
- Secretive online behavior.
- Receiving gifts or calls from strangers.

- Viewing inappropriate content.
- Becoming withdrawn from family.

Parents should use internet filters and monitor their children's online activities.

3. Phishing

Phishing emails impersonate legitimate companies to steal sensitive information.

- Keep antivirus, anti-spyware, and firewall software updated.
- Never click suspicious links.
- Visit the company's official website or call them to verify requests.

4. Tabnabbing

Tabnabbing changes an inactive browser tab into a fake login page to steal information.

- Avoid leaving many tabs open.
- Close and reopen websites that have been open for a long time.
- Verify a page before entering login credentials.

5. Spam (Unsolicited Bulk Email)

Spam is unwanted commercial email often linked to scams and fraudulent schemes.

- Do not respond to suspicious emails.
- Use a separate email account for online registrations.
- Avoid posting your main email address publicly.
- Use spam filters and report spam to authorities.

Main Takeaway

The internet offers many benefits but also exposes users to cyber threats. Practicing safe online habits—such as protecting personal information, recognizing scams, monitoring children's internet use, and using security software—can significantly reduce the risk of becoming a victim of cybercrime.

Source: Office of the Attorney General, State of Virginia

N/A

Tab X:

Marketing Plan for units meeting accessibility
requirements of HUD section 504

Tab Y:

Inducement Resolution for Tax Exempt Bonds

June 17, 2026

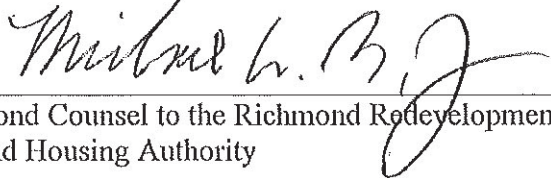
City Council
City of Richmond
Richmond, Virginia

**Richmond Redevelopment and Housing Authority
Proposed Financing for Bacon Senior Community**

Bacon Senior 126 LLC (the "Borrower") has requested that the Richmond Redevelopment and Housing Authority (the "Authority") issue up to \$20,000,000 of its revenue bonds (the "Bonds") to finance or refinance a portion of (a) the cost of acquiring, constructing, renovating and equipping a multifamily residential rental housing project consisting of approximately 126 affordable units (the "Project") expected to be owned and used by the Borrower or a party related to the Borrower, (b) the funding of reserve funds as permitted by applicable law and (c) the costs incurred in connection with the issuance of the Bonds (collectively, the "Plan of Finance"), as permitted under the Virginia Housing Authorities Act (the "Act").

As set forth in the resolution of the Authority attached hereto (the "Resolution"), the Authority has agreed to issue the Bonds as requested. The Authority has conducted a public hearing (the "Public Hearing") on the proposed financing of the Plan of Finance and has recommended that you approve the issuance of the Bonds as required by Section 147(f) of the Internal Revenue Code of 1986, as amended, Section 15.2-4906, as applicable to housing authorities, of the Code of Virginia of 1950, as amended (the "Virginia Code"), and Section 36-19(10) of the Virginia Code.

Attached hereto are: (1) a certificate evidencing the conduct of the Public Hearing, including (a) a copy of the Resolution and (b) a summary of the comments expressed at the Public Hearing; and (2) the form of resolution suggested by bond counsel to evidence your approval.


Bond Counsel to the Richmond Redevelopment
and Housing Authority

CERTIFICATE

The undersigned bond counsel to the Richmond Redevelopment and Housing Authority (the "Authority") certifies as follows:

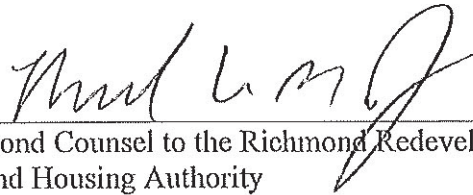
1. A public hearing of the Authority was duly called and held at 5:30 p.m. on June 2, 2026 in accordance with applicable federal and Virginia law. The hearing was open to the public. The time and place of the hearing and the means by which the hearing was held provided a reasonable opportunity for persons of differing views to appear and be heard.

2. Representatives of the Authority announced the commencement of the public hearing on the application of Bacon Senior 126 LLC (the "Borrower") and that notice of the hearing was published on May __, 2026 in the Richmond Times-Dispatch, a newspaper having a general circulation in the City of Richmond, Virginia (the "Notice"). A copy of the Notice has been filed with the records of the Authority and are attached as Exhibit A.

3. A summary of the statements made at the public hearing is attached as Exhibit B.

4. Attached as Exhibit C is a true, correct and complete copy of a resolution adopted at a meeting of the Authority held on June 17, 2026 by a majority of the Commissioners present at such meeting. The Resolution constitutes all formal action taken by the Authority at such meeting relating to the matters referred to in the Resolution. The Resolution has not been repealed, revoked, rescinded or amended and is in full force and effect on this date.

WITNESS my hand on behalf of the Authority, this 17th day of June, 2026.


Bond Counsel to the Richmond Redevelopment
and Housing Authority

Exhibits:

- A – Copy of Certified Notice
- B – Summary of Statements
- C – Resolution

EXHIBIT A

NOTICE OF PUBLIC HEARING

[See Attached]

AFFIDAVIT OF PUBLICATION

See Proof on Next Page

State of Florida, County of Orange, ss:

Anjana Bhadoriya, being first duly sworn, deposes and says: That (s)he is a duly authorized signatory of Column Software, PBC, duly authorized agent of Richmond Times Dispatch, a newspaper printed and published in the City of Richmond, State of Virginia, and that this affidavit is Page 1 of 2 with the full text of the sworn-to notice set forth on the pages that follow, and the hereto attached:

PUBLICATION DATES: May. 23, 2026

NOTICE ID: rdrjLXSAwd2Cl3WqGGr8

PUBLISHER ID: COL-7006822

NOTICE NAME: Bacon Senior 126 LLC Notice of Public Hearin

Publication Fee: \$513.75

Ad Size: 2 X 50 L

Category: General Legal Notice

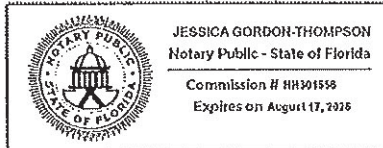
Under penalty of perjury, I, the undersigned affiant swear or affirm that the statements above are true and accurate to the best of my knowledge and belief.

Anjana Bhadoriya

(Signed) _____

VERIFICATION

State of Florida
County of Orange



Subscribed in my presence and sworn to before me on this: 05/25/2026

J. Thompson

Notary Public
Notarized remotely online using communication technology via Proof.

**NOTICE OF PUBLIC HEARING
BEFORE THE RICHMOND
REDEVELOPMENT AND
HOUSING AUTHORITY
ON PROPOSED PRIVATE
ACTIVITY BOND FINANCING
FOR BACON SENIOR
COMMUNITY MULTIFAMILY
HOUSING FACILITY**

Notice is hereby given that the Richmond Redevelopment and Housing Authority (the "Authority") will hold a public hearing on the request of Bacon Senior 126 LLC (the "Borrower"), whose address is 440 Maple Avenue East, 2nd Floor, Vienna, Virginia 22180, for the Issuance by the Authority of a maximum stated principal amount of \$20,000,000 of its revenue bonds (the "Bonds"), in one or more series, at one time or from time to time, in order to finance or refinance a portion of (a) the cost of acquiring, constructing, renovating and equipping a multifamily housing facility to consist of approximately 126 affordable units (approximately 56 rehabilitated existing units and approximately 70 newly constructed units), to be known as the Bacon Senior Community (the "Project"), to be located on approximately 3.47 acres of land at 815 North 35th Street and 823 North 36th Street in the City of Richmond, Virginia, (b) the funding of reserve funds as permitted by applicable law and (c) certain of the costs incurred in connection with the Issuance of the Bonds (collectively, the "Plan of Finance"). The Project will meet the requirements of a qualified residential rental project within the meaning of Section 142(d) of the Internal Revenue Code of 1986, as amended. The Project is expected to be owned and operated by the Borrower or a party related to the Borrower. The public hearing on the Plan of Finance, which may be continued or adjourned, will be held at 5:30 p.m. on June 2, 2026 before representatives of the Authority at 600 E. Broad Street, Suite 400, Richmond, Virginia 23219.

The Bonds will not pledge the credit or the taxing power of the Authority or the City of Richmond, Virginia but will be payable solely from the revenues derived from the Borrower and the Project and pledged therefor.

RICHMOND REDEVELOPMENT AND HOUSING
AUTHORITY
COL-7006822

EXHIBIT B

SUMMARY OF STATEMENTS

Representatives of Bacon Senior 126 LLC, the applicant, and McGuireWoods LLP, bond counsel to the Authority, appeared at the public hearing to present the proposed plan of financing. No members of the public appeared at the public hearing.

EXHIBIT C

RESOLUTION

[See Attached]

RICHMOND REDEVELOPMENT AND HOUSING AUTHORITY

PROPOSED RESOLUTION

Meeting Date: June 17, 2026

Resolution No. 2026-20

TITLE: RESOLUTION REGARDING THE ISSUANCE OF MULTIFAMILY HOUSING REVENUE BONDS FOR THE ACQUISITION, CONSTRUCTION, RENOVATION AND EQUIPPING OF THE APPROXIMATELY 126-UNIT BACON SENIOR COMMUNITY MULTIFAMILY HOUSING FACILITY TO BE LOCATED IN THE CITY OF RICHMOND, VIRGINIA

RESOLUTION:

WHEREAS, the Richmond Redevelopment and Housing Authority (the "Authority") is empowered, pursuant to the Virginia Housing Authorities Law, Chapter 1, Title 36 (the "Act") of the Code of Virginia of 1950, as amended (the "Virginia Code"), to issue its bonds for the purpose, among others, of financing housing projects located within the territorial boundaries of the City of Richmond, Virginia (the "City"); and

WHEREAS, Bacon Senior 126 LLC (the "Borrower") has requested the Authority to agree to issue its multifamily residential rental housing revenue bonds under the Act in an expected maximum principal amount of \$20,000,000 (the "Bonds"), the proceeds of which will be used to finance or refinance a portion of (a) the costs of acquiring, constructing, renovating and equipping a multifamily residential rental housing project consisting of approximately 126 affordable units (the "Project") expected to be owned and used by the Borrower or a party related to the Borrower, (b) the funding of reserve funds as permitted by applicable law and (c) the costs incurred in connection with the issuance of the Bonds (collectively, the "Plan of Finance"), as permitted under the Act; and

WHEREAS, the Project shall be located at 815 North 35th Street and 823 North 36th Street in the City of Richmond and established and maintained as a "qualified residential rental project" within the meaning of Section 142(d) of the Internal Revenue Code of 1986, as amended (the "Code"); and

WHEREAS, the Borrower has indicated that it will work in good faith with the Authority to endeavor to provide certain employment and/or contracting opportunities to the residents and businesses of the neighborhoods surrounding the Project and others (the "Borrower's Special Commitments"); and

WHEREAS, preliminary plans for the Plan of Finance have been described to the Authority and a public hearing (the "Public Hearing") has been held with respect to the Plan of Finance and the Bonds in accordance with Section 147(f) of the Code and Section 15.2-4906, as applicable to housing authorities, of the Virginia Code; and

WHEREAS, the Authority has determined that it is in the best interests of the Authority to issue its tax-exempt revenue bonds pursuant to the Act, in such amounts as may be necessary to finance or refinance the Plan of Finance.

NOW, THEREFORE, BE IT RESOLVED BY THE RICHMOND REDEVELOPMENT AND HOUSING AUTHORITY THAT:

1. The foregoing recitals are approved by the Authority and are incorporated in, and deemed a part of, this resolution.
2. It is hereby found and determined that the Plan of Finance will further the public purposes of the Act by assisting in providing housing to low and moderate income persons in the City.
3. It is hereby found and determined that the Project will constitute "residential buildings" as that term is defined in the Act.
4. To induce the Borrower to undertake the Plan of Finance and maintain the Project as a "qualified residential rental project" within the meaning of Section 142(d) of the Code, the Authority hereby agrees, subject to approvals required by applicable law, to assist the Borrower in financing or refinancing the Plan of Finance by undertaking the issuance of (and hereby declares its official intent to issue) its multifamily housing revenue bonds therefor in an expected maximum principal stated amount of \$20,000,000 for the Project upon the terms and conditions to be mutually agreed upon between the Authority and the Borrower. The Bonds shall be issued in forms and pursuant to terms to be set by the Authority. The Bonds may be issued in one or more series at one time or from time to time, and the Bonds of any such series may be either taxable or tax-exempt for purposes of federal income taxation.
5. All other acts of the officers of the Authority that are in conformity with the purposes and intent of this resolution and in furtherance of the issuance and sale of the Bonds and the undertaking of the Plan of Finance are hereby ratified, approved and confirmed.
6. The Authority hereby designates McGuireWoods LLP, Richmond, Virginia, to serve as bond counsel ("Bond Counsel") and hereby appoints such firm to supervise the proceedings and approve the issuance of the Bonds.
7. The Borrower agrees to indemnify and save harmless the Authority, its officers, commissioners, employees and agents from and against all liabilities, obligations, claims, damages, penalties, losses, costs and expenses in any way connected with the issuance and sale of the Bonds.
8. All costs and expenses in connection with the financing and the Plan of Finance, including the fees and expenses of the Authority (including, without limitation, the Authority's application fee, origination fee and ongoing administrative fees), Bond Counsel, counsel for the Authority and any placement agent or underwriter for the sale of the Bonds shall be paid from the proceeds of the Bonds (but only to the extent permitted by applicable law) or by the Borrower. If

for any reason such Bonds are not issued, it is understood that all such expenses shall be paid by the Borrower and that the Authority shall have no responsibility therefor.

9. The Bonds shall be limited obligations of the Authority and shall be payable solely out of revenues, receipts and payments specifically pledged therefor. Neither the commissioners, officers, agents or employees of the Authority, past, present and future, nor any person executing the Bonds, shall be liable personally on the Bonds by reason of the issuance thereof. The Bonds shall not be deemed to constitute a general obligation debt or a pledge of the faith and credit of the Commonwealth of Virginia or any political subdivision thereof, including the Authority or the City (and the Bonds shall so state on their face), and neither the Commonwealth of Virginia nor any such political subdivision thereof shall be personally liable thereon, nor in any event shall the Bonds be payable out of any funds or properties other than the special funds and sources provided therefor. Neither the faith and credit nor the taxing power of the Commonwealth of Virginia, or any political subdivision thereof, shall be pledged to the payment of the principal of the Bonds or the interest thereon or other costs incident thereto. The Bonds shall not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

10. The Authority (including its officers, commissioners, employees and agents) shall not be liable and hereby disclaims all liability to the Borrower and all other persons or entities for any damages, direct or consequential, resulting from the issuance of the Bonds or failure of the Authority to issue the Bonds for any reason. Any obligation of the Authority to exercise its powers in the City to issue the Bonds as requested by the Borrower is contingent upon the satisfaction of all legal requirements and the Authority shall not be liable and hereby disclaims all liability to the Borrower for any damages, direct or consequential, resulting from the Authority's failure to issue the Bonds for the Plan of Finance for any reason, including but not limited to, the failure of the City Council of the City (the "City Council") to approve the issuance of the Bonds.

11. The Authority recommends that the City Council approve the issuance of the Bonds, in one or more series, at one time or from time to time, in an expected maximum stated principal amount of \$20,000,000 for the purposes of undertaking the Plan of Finance, as required by Section 147(f) of the Code.

12. Each of the Chair, Vice Chair, Chief Executive Officer, Secretary and any Assistant Secretary of the Authority is authorized and directed to deliver to the City Council (1) a reasonably detailed summary of the comments, if any, expressed at the Public Hearing and (2) a copy of this resolution.

13. Each of the Chair, Vice Chair, Chief Executive Officer, Secretary or any Assistant Secretary of the Authority, or the designee of any of them, is hereby authorized to request one or more allocations of the State Ceiling (as defined in Section 15.2-5000 of the Virginia Code) in accordance with the applicable provisions of the Virginia Code and any regulations or executive orders issued thereunder. All costs incurred by the Authority, if any, in connection with such proceedings shall be paid for by the Borrower.

14. No Bonds may be issued pursuant to this resolution until such time as (a) the issuance of the Bonds has been approved by the City Council, and (b) the Bonds have received

one or more allocations of the State Ceiling in accordance with the applicable provisions of the Virginia Code and any regulations or executive orders issued thereunder.

15. The approval of the issuance of the Bonds does not constitute an endorsement to any prospective purchaser of the Bonds of the creditworthiness of the Plan of Finance or of the Borrower.

16. This resolution is a Declaration of Official Intent under U.S. Treasury Regulations for purposes of Sections 103 and 141 to 150 of the Code. Based upon the representations of the Borrower, the Authority reasonably expects that certain costs of the Project may be reimbursed with the proceeds of the Bonds.

17. The issuance of the Bonds in the principal amount of up to \$20,000,000 for the Project pursuant to definitive bond documents to be prepared or reviewed by Bond Counsel (the "Bond Documents") is hereby authorized and approved. The Chair, Vice Chair, Secretary, Chief Executive Officer and any other officer of the Authority, any of whom may act alone (the "Authorized Officials"), are each hereby authorized and directed to execute the Bonds, which shall bear interest at the rates (which may be variable or fixed), shall mature on such dates and shall be subject to redemption at such times as are set forth in the Bond Documents. The Authorized Officials are hereby authorized to approve the final terms of the Bonds; provided, however, that the interest rates borne by the Bonds shall not exceed 15% per annum, the final maturity of the Bonds shall not be later than forty (40) years after the date of the initial issuances of the Bonds, and the principal amount of the Bonds shall not exceed \$20,000,000. Such approvals shall be evidenced conclusively by the execution and delivery of the Bonds.

18. The Bond Documents shall be in substantially the same forms as prepared or reviewed by Bond Counsel and submitted to the Authority, with such completions, omissions, insertions and changes (including, without limitation, changes of the dates thereof and the captions of the Bonds) as may be approved by the Authorized Officials executing them, such executions to constitute conclusive evidence of the approvals of any such completions, omissions, insertions and changes. The Bond Documents shall contain upon their execution and delivery provisions obligating the Borrower to comply with the Borrower's Special Commitments with respect to the Project. The execution, delivery and performance by the Authority of the Bond Documents are hereby authorized and directed.

19. The Authorized Officials are hereby authorized and directed to execute on behalf of the Authority and to deliver the Bonds, the Bond Documents, the related documents to which the Authority is a party and such other agreements, certificates, documents and instruments (collectively, the "Documents"), and to do and perform such things and acts, as are authorized hereby or contemplated by the Documents, and, if required, the Secretary or any other officer of the Authority is authorized and directed to affix the seal of the Authority to the Bonds and the other Documents and to attest such seal. The signatures of the Authorized Officials and the seal of the Authority on the Bonds may be by facsimile.

20. This resolution shall take effect immediately upon its adoption.

Recommended by: Sherrill Hampton
Senior Vice President of RECD

Date: June 2, 2026

Approved by: Steven B. Nesmith
Chief Executive Officer

Date: June 2, 2026

COMMISSIONERS' ACTION

RESOLUTION #: 2026-20

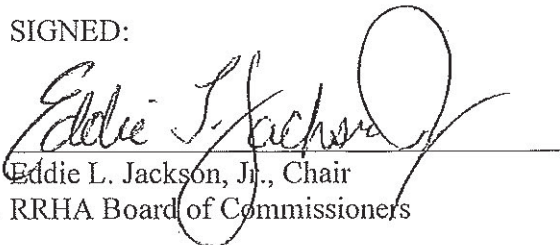
☒ Approved JUN 17 2026
Date

☐ Disapproved _____
Date

☐ Tabled _____
Date

☐ Withdrawn _____
Date

SIGNED:


Eddie L. Jackson, Jr., Chair
RRHA Board of Commissioners

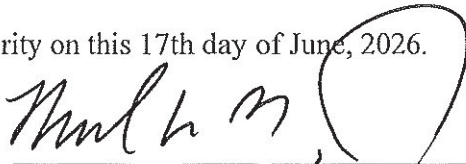
Votes Recorded				
Commissioner	Aye	Nay	Abstain	Absent
Eddie L. Jackson, Jr.	X			
Charlene Pitchford	X			
Dyanne Broidy	X			
Kyle R. Elliott	X			
Barrett Hardiman	X			
W.R. "Bill" Johnson, Jr.	X			
Gregory Lewis				X
Marika McCray				X
Harold Parker, Jr.	X			

READ AND ADOPTED: June 17, 2026

The undersigned Bond Counsel to the Richmond Redevelopment and Housing Authority hereby certifies that the foregoing is a true, correct, and complete copy of a resolution adopted by the Authority's commissioners present and voting at a meeting duly called and held on June 17, 2026, in accordance with law, and that such resolution has not been repealed, revoked, rescinded, or amended, but is in full force and effect as of the date hereof.

WITNESS my hand on behalf of the Authority on this 17th day of June, 2026.

By:


Bond Counsel to the Richmond
Redevelopment and Housing Authority

**RESOLUTION APPROVING THE ISSUANCE BY THE
RICHMOND REDEVELOPMENT AND HOUSING AUTHORITY
OF ITS MULTIFAMILY HOUSING REVENUE BONDS FOR THE ACQUISITION,
CONSTRUCTION, RENOVATION AND EQUIPPING OF THE APPROXIMATELY
126-UNIT BACON SENIOR COMMUNITY MULTIFAMILY HOUSING
FACILITY TO BE LOCATED IN THE CITY OF RICHMOND, VIRGINIA**

WHEREAS, the Richmond Redevelopment and Housing Authority (the "Authority") is authorized to advertise and hold public hearings relative to the issuance of private activity bonds; and

WHEREAS, the Authority has considered the application of Bacon Senior 126 LLC (the "Borrower") requesting that the Authority issue its revenue bonds (the "Bonds") in a maximum stated principal amount of \$20,000,000 to finance or refinance a portion of (a) the costs of acquiring, constructing, renovating and equipping a multifamily residential rental housing project consisting of approximately 126 affordable units (the "Project"), (b) the funding of reserve funds as permitted by applicable law and (c) the costs incurred in connection with the issuance of the Bonds (collectively, the "Plan of Finance") and has held a public hearing in connection therewith (the "Public Hearing"); and

WHEREAS, the Project shall be established and maintained as a "qualified residential rental project" within the meaning of Section 142(d) of the Internal Revenue Code of 1986, as amended (the "Code"); and

WHEREAS, Section 147(f) of the Code provides that the applicable elected representatives of the governmental unit having jurisdiction over the issuer of private activity bonds and over the area in which any facility financed with the proceeds of private activity bonds is located must approve the issuance of such bonds; and

WHEREAS, the Authority issues its bonds on behalf of the City of Richmond, Virginia (the "City") and the Project is located in the City; and

WHEREAS, the Authority, as the issuing governmental unit with respect to the Bonds, has no applicable elected representative, the City constitutes the next highest governmental unit with such a representative, and the members of the City Council of the City (the "Council") constitute the applicable elected representatives of the City; and

WHEREAS, the Authority has recommended that the Council approve the issuance of the Bonds; and

WHEREAS, a copy of the Authority's resolution approving the issuance of the Bonds, a certificate of the Public Hearing and a summary of the statements expressed at the Public Hearing have been filed with the Council.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF RICHMOND, VIRGINIA:

1. The Council approves the issuances of the Bonds by the Authority, in one or more series at one time or from time to time, in an aggregate maximum stated principal amount of \$20,000,000 for the benefit of the Borrower or a party related to the Borrower, as required by Section 147(f) of the Code, Section 15.2-4906, as applicable to housing authorities, of the Code of Virginia of 1950, as amended (the "Virginia Code") and Section 36-19(9) of the Virginia Code to permit the Authority to assist in the financing of the Plan of Finance.

2. The approval of the issuance of the Bonds does not constitute an endorsement to a prospective purchaser of the Bonds of the creditworthiness of the Plan of Finance or the Borrower.

3. The Bonds shall provide that neither the City nor the Authority shall be obligated to pay the Bonds or the interest thereon or other costs incident thereto except from the revenues and monies pledged thereto and that neither the faith and credit nor the taxing power of the City or the Authority is pledged to the payment of the principal of the Bonds or the interest thereon or other costs incident thereto.

4. In adopting this resolution, the City, including its elected representatives, officers, employees and agents, shall not be liable for, and hereby disclaim all liability for, any damages to any person, direct or consequential, resulting from the Authority's failure to issue the Bonds for any reason.

5. This resolution shall take effect immediately upon its adoption.

Adopted by the City Council of the City of Richmond, Virginia this ____ day of _____, 2026.

CERTIFICATE

Record of the roll-call vote by the City Council of the City of Richmond, Virginia, upon reading of a resolution titled **“RESOLUTION APPROVING THE ISSUANCE BY THE RICHMOND REDEVELOPMENT AND HOUSING AUTHORITY OF ITS MULTIFAMILY HOUSING REVENUE BONDS FOR THE ACQUISITION, CONSTRUCTION, RENOVATION AND EQUIPPING OF THE APPROXIMATELY 126-UNIT BACON SENIOR COMMUNITY MULTIFAMILY HOUSING FACILITY TO BE LOCATED IN THE CITY OF RICHMOND, VIRGINIA,”** taken at a meeting of the City Council held on _____, 2026:

	AYE	NAY	ABSTAIN	ABSENT
Hon. Cynthia I. Newbill, President				
Hon. Andrew S. Breton				
Hon. Katherine Jordan, Vice President				
Hon. Kenya J. Gibson				
Hon. Sarah Abubaker				
Hon. Stephanie A. Lynch				
Hon. Ellen F. Robertson				
Hon. Reva M. Trammell				
Hon. Nicole Jones				

CITY COUNCIL OF THE CITY OF RICHMOND, VIRGINIA

The undersigned Clerk of the City Council of the City of Richmond, Virginia, hereby certifies that the foregoing is a true, correct, and complete copy of a resolution adopted by the City Council at its meeting duly called and held on _____, 2026, in accordance with law, and that such resolution has not been repealed, revoked, rescinded, or amended, but is in full force and effect as of the date hereof.

WITNESS my hand and on behalf of the City Council of the City of Richmond, Virginia this ____ day of _____, 2026.

Clerk, City Council of the City of
Richmond, Virginia

Tab Z:

Documentation of team member's Diversity, Equity
and Inclusion Designation or Veteran Owned Small
Business certification

N/A

Tab AA:

Priority Letter from Rural Development

TAB AB:

Social Disadvantage Certification or Veteran
Owned Small Business Certification

VOSB PRINCIPAL CERTIFICATION

Individual's Name Timothy Chapman

LIHTC Applicant Name Bacon Senior 126 LLC

Part II, 13VAC10-180-60(E)(5)(f), 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, provides that an applicant may receive thirty (30) points toward its application for Credits for demonstrating that at least one of its principals (i) is an individual or entity that is either a veteran-owned small business (VOSB) (as certified by the U.S. Department of Veterans Affairs, Office of Small and Disadvantaged Business Utilization, or the U.S. Small Business Administration) or a business certified as service-disabled veteran-owned through the Commonwealth of Virginia's SWaM Certification Program; (ii) that said principal also has an ownership interest of at least 25% in the controlling general partner or managing member for the proposed development; and (iii) that no spousal relationship exists between said principal and any other principal having an ownership interest in the development who does not also possess a VOSB certification or service-disabled veteran-owned Virginia SWaM certification.

INSTRUCTIONS:

Please describe the ownership interest of the VOSB or service-disabled veteran-owned business in the general partner or managing member of the applicant for Credits (provide any supporting documentation necessary to verify said ownership interest, such as the organizational chart provided elsewhere in the application for Credits). Note that the ownership interest described in this section may not be the same interest used to obtain points for participation by a socially disadvantaged individual under 13VAC10-180-60(E)(5)(b) of the QAP (i.e., to claim points under both 13VAC10-180-60(E)(5)(b) and 13VAC10-180-60(E)(5)(f), the principal must have at least 50% ownership interest in the controlling general partner or managing member).

Omission of any information or failure to certify any of the information provided below may result in failure to receive points under Part II, 13VAC10-180-60(E)(5)(f) of the Plan. Though the information requested below is of a personal nature, please note that all information provided on this form shall be subject to the Virginia Freedom of Information Act, § 2.2-3700, et seq.

Description of Ownership Interest: [continued]

Timothy Chapman is a veteran and the sole owner (100%) of SchuylerCon LLC, a certified Veteran-Owned Small Business as recognized by the U.S. Small Business Administration (SBA). SchuylerCon LLC holds a 51% ownership interest in Bacon Senior GP LLC, the managing member of Bacon Senior 126 LLC, the applicant for Low-Income Housing Tax Credits.

As the majority owner of Bacon Senior GP LLC, SchuylerCon LLC possesses and exercises a controlling ownership interest in the managing member of the applicant entity. Through this ownership structure, the veteran-owned business maintains a direct and substantial ownership interest in the management and control of the proposed development.

Supporting documentation, including the SBA certification and organizational ownership chart, is included elsewhere in this application and demonstrates that SchuylerCon LLC's ownership interest exceeds the minimum twenty-five percent (25%) ownership threshold required under Part II, 13VAC10-180-60(E)(5)(f) of the Virginia Housing Development Authority Qualified Allocation Plan.

[Application continues on following page]

CERTIFICATION OF ELIGIBILITY

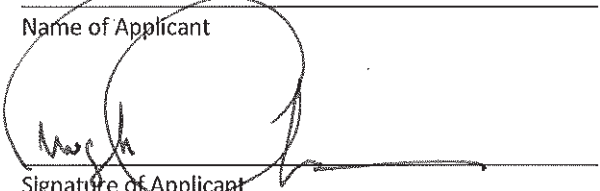
I hereby certify the following:

- that the undersigned principal has an ownership interest of at least 25% in the controlling general partner or managing member for the proposed development, as required by the Plan;
- no spousal relationship exists between the undersigned principal and any other principal having an ownership interest in the development who is not also a veteran-owned small business (as certified by the U.S. Department of Veterans Affairs, Office of Small and Disadvantaged Business Utilization, or the U.S. Small Business Administration) or a business certified as service-disabled veteran-owned through the Commonwealth of Virginia's SWaM Certification Program; and
- I hereby further certify that all information in this certification is true and complete to the best of my knowledge, that the Authority is relying upon this information for the purpose of allocating Credits, and that any false statements made herein may subject both the undersigned principal and the undersigned applicant to disqualification from current and future awards of Credits in Virginia.

APPLICANT:

Bacon Senior 126 LLC

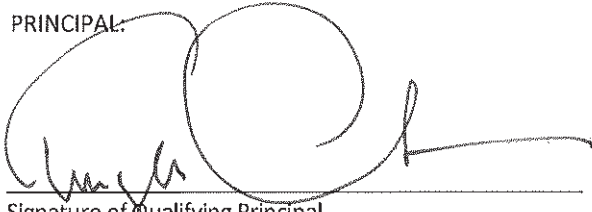
Name of Applicant


Signature of Applicant

Timothy Chapman, Authorized Signator

Printed Name and Title of Authorized Signer

PRINCIPAL:


Signature of Qualifying Principal

Timothy Chapman, Managing Member of Managing Member

Printed Name and Title of Qualifying Principal



U.S Small Business
Administration

866-722-4357 | www.sba.gov
409 3rd St, SW. | Washington DC 20416

06/02/2026

SCHUYLERCON LLC
2228 MARTIN LUTHER KING JR AVE SE OFC , WASHINGTON, DC, 20020

Dear Timothy Chapman,

I am pleased to advise you that your business has successfully completed the certification renewal process and continues to be included in the list of certified businesses found at SAM.gov and Small Business Search for the following program(s):

- Veteran-Owned Small Business (VOSB)

What's Next:

Your next certification renewal date is 2029-06-09. You may submit your certification renewal up to 90 days prior to that date in MySBA Certifications.

SBA may conduct an eligibility review during your certification period to verify the accuracy of any certification made, or information provided.

Ongoing Obligations:

The information below sets forth requirements related to your business' continued eligibility and its responsibilities as a certified program participant:

- **Reporting Material Changes:** You are required to notify SBA through MySBA Certifications of material changes to your business that could affect its eligibility within 30 calendar days of any such change. Material change includes, but is not limited to, a change in the ownership, business structure, or management. Failure to notify SBA of such a material change may result in decertification and removal from SAM and Small Business Search as a certified business. In addition, SBA may seek the imposition of penalties under § 127.700.
- **System for Award Management (SAM.gov):** You must keep the business' SAM entity registration current in order to be identified by

contracting officers as eligible to be awarded small business set-aside contracts and to be paid under any such contracts. You must validate your business' SAM entity registration at least annually or it will become inactive. If you need assistance, please visit the SAM Help Desk at <https://fsd.gov/fsd-gov/home.do>

- **Notices from SBA:** You are responsible for responding to notices from SBA, including but not limited to notices regarding certification renewals, eligibility reviews, protests, and proposed decertification/termination (8(a) only) actions. All SBA Programs send such notices to the business' email address listed in its MySBA Certifications registration. If the business fails to respond to these notices, SBA will propose the business for decertification/termination (8(a) only) and may subsequently decertify/terminate (8(a) only) it from participation in SBA Programs. Therefore, it is critical that you keep the business' SAM and MySBA Certifications registrations current, including listing an active email address for contacting the business, and check your email's SPAM folder to make sure that you are receiving emails from SBA.
- **Contracting Requirements:** You are required to comply with limitations on subcontracting requirements and nonmanufacturer rule when performing any small business set-aside contracts (see 13 CFR 125.6).

Sincerely,

MySBA Certifications Compliance Division



All SBA programs and services are extended to the public on a nondiscriminatory basis.