
2026 Federal Low Income Housing Tax Credit Program for Virginia

Application For Reservation

Deadline for Submission

9% Competitive Credits

Applications and Fees Must Be Received

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

Tax Exempt Bonds

Applications and Fees Must Be Received

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

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





INSTRUCTIONS FOR THE VIRGINIA 2026 LIHTC APPLICATION FOR RESERVATION

This application was prepared using Excel, Microsoft Office 365. Please note that using the active Excel workbook does not eliminate the need to submit the required PDF of the signed hardcopy of the application and related documentation. A more detailed explanation of application submission requirements is provided below and in the Application Manual.

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

Applications For all credits:

Applicants should submit the application package via Procorem prior to the application deadline, which is **12:00 PM** Richmond Virginia time for each round. Failure to submit an electronic copy of the application by the deadline will cause the application to be disqualified.

Please Note:
Applicants should submit all application materials in electronic format only via your specific Procorem workcenter.
There should be distinct files which should include the following:

- 1. Application For Reservation – the active Microsoft Excel workbook**
- 2. A PDF file which includes the following:**
 - Application For Reservation – Signed version of hardcopy
 - All application attachments (i.e. tab documents, excluding market study and plans & specs)
- 3. Market Study – PDF or Microsoft Word format**
- 4. Plans - PDF or other readable electronic format**
- 5. Specifications - PDF or other readable electronic format (may be combined into the same file as the plans if necessary)**
- 6. Unit-By-Unit work write up (rehab only) - PDF or other readable electronic format**

IMPORTANT:
Virginia Housing only accepts files via our work center sites on Procorem. Contact TaxCreditApps@virginiahousing.com for access to Procorem or for the creation of a new deal workcenter. Do not submit any application materials to any email address unless specifically requested by the Virginia Housing LIHTC Allocation Department staff.

Disclaimer:

Virginia Housing assumes no responsibility for any problems incurred in using this spreadsheet or for the accuracy of calculations. Check your application for correctness and completeness before submitting the application to Virginia Housing.

Entering Data:
 Enter numbers or text as appropriate in the blank spaces highlighted in yellow. Cells have been formatted as appropriate for the data expected. All other cells are protected and will not allow changes.

Please Note:

- ▶ **VERY IMPORTANT! : Do not** use the copy/cut/paste functions within this document. Pasting fields will corrupt the application and may result in penalties. You may use links to other cells or other documents but do not paste data from one document or field to another. You may also use the drag function.
- ▶ Some fields provide a dropdown of options to select from, indicated by a down arrow that appears when the cell is selected. Click on the arrow to select a value within the dropdown for these fields.
- ▶ The spreadsheet contains multiple error checks to assist in identifying potential mistakes in the application. These may appear as data is entered but are dependent on values entered later in the application. Do not be concerned with these messages until all data within the application has been entered.
- ▶ Also note that some cells contain error messages such as “#DIV/0!” as you begin. These warnings will disappear as the numbers necessary for the calculation are entered.

Assistance:

If you have any questions, please contact the Virginia Housing LIHTC Allocation Department. Please note that we cannot release the copy protection password.

Virginia Housing LIHTC Allocation Staff Contact Information

Name	Email	Phone Number
Stephanie Flanders	stephanie.flanders@virginiahousing.com	(804) 343-5939
Phil Cunningham	phillip.cunningham@virginiahousing.com	(804) 343-5514
Lauren Dillard	lauren.dillard@virginiahousing.com	(804) 584-4729
Hadia Ali	hadia.ali@virginiahousing.com	(804) 343-5873

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2026 Low-Income Housing Tax Credit Application For Reservation

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

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

VHDA TRACKING NUMBER

2026-C-95

A. GENERAL INFORMATION ABOUT PROPOSED DEVELOPMENT

Application Date: 3/12/2026

1. Development Name: DRPI II

2. Address (line 1): 1425 Hunt St. & 537 Chambers St
 Address (line 2): _____
 City: Lynchburg State: VA Zip: 25401

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 Lynchburg 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: 7.00

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**. FALSE

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

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

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

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

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

14. Development is located on land owned by federally or Virginia recognized Tribal Nations. FALSE
Enter only Numeric Values below:

15. Congressional District: 5
 Planning District: 11
 State Senate District: 8
 State House District: 23

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

Proposed Phase II of a redevelopment of existing public housing in Lynchburg, VA. Project will consist of 60 LIHTC units for general population in Townhomes and a garden style building.

VHDA TRACKING NUMBER

2026-C-95

A. GENERAL INFORMATION ABOUT PROPOSED DEVELOPMENT

Application Date:

3/12/2026

17. Local Needs and Support

- a. Provide the name and the address of the chief executive officer (City Manager, Town Manager, or County Administrator of the political jurisdiction in which the development will be located:

Chief Executive Officer's Name: Wynter Benda
 Chief Executive Officer's Title: City Manager Phone: 434-455-3990
 Street Address: 900 Church Street
 City: Lynchburg State: VA Zip: 24504

Name and title of local official you have discussed this project with who could answer questions for the local CEO: Tom Martin, Director of Community Development

- 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:

Local Housing Authority Pool

or

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

[Redacted]

For Tax Exempt Bonds, where are bonds being issued?

[Redacted]

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

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

Carryforward Allocation

Definitions of types:

a. **Regular Allocation** means all of the buildings in the development are expected to be placed in service this calendar year, 2026.

b. **Carryforward Allocation** means all of the buildings in the development are expected to be placed in service within two years after the end of this calendar year, 2026, but the owner will have more than 10% basis in development before the end of twelve months following allocation of credits. For those buildings, the owner requests a carryforward allocation of 2026 credits pursuant to Section 42(h)(1)(E).

3. Select Building Allocation type:

New Construction

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

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

FALSE

5. Planned Combined 9% and 4% Developments

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

FALSE

If true, provide name of companion development:

[Redacted]

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

FALSE

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

Total Units within 9% allocation request? 0

Total Units within 4% Tax Exempt allocation Request? 0

Total Units: 0

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

6. Extended Use Restriction

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

Must Select One: 50

Definition of selection:

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

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

TRUE

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

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: DRPI II, LLC

Developer Name: SHAG DRPI II Developer, LLC & LRHA-Holdings, Inc.

Contact: M/M Mr. First: Timothy MI: Last: Henzy

Address: 98 SE 6th Ave

City: Delray Beach St. FL Zip: 33483

Phone: (917) 664-7320 Ext. Fax:

Email address: thenzy@smithhenzy.com

Federal I.D. No. (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.

Michael Henzy, mhenzy@smithhenzy.com, 631-357-2411

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

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

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

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

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

If True above, what property placed in service?

D. SITE CONTROL

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

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

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

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

1. Type of Site Control by Owner:

Applicant controls site by (select one):

Select Type:

▶ Option

Expiration Date:

12/31/2027

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

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

FALSE

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

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

2. Timing of Acquisition by Owner:

Only one of the following statement should be True.

a. FALSE

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

b. TRUE

Owner is to acquire property by deed (or lease for period no shorter than period property will be subject to occupancy restrictions) no later than 12/31/2027.

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: Lynchburg Redevelopment & Housing Authority

Address: 1948 Thompson Drive

City: Lynchburg St.: Virginia Zip: 24501

Contact Person: Mary Mayrose Phone: (434) 485-7220

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

Note: No developer's fee v basis in cases where there purchaser and seller unless Housing prior to applicatio Fee Calculation in the LIHTC

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

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

<u>Names</u>	<u>Phone</u>	<u>Type Ownership</u>	<u>% Ownership</u>
LRHA-DR-P2, LLC	(434) 485-7220	Non-Investor Member	0.05%
			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:	Doruk Onvural	This is a Related Entity.	FALSE
Firm Name:	Klein Hornig		
Address:	1325 G Street NW, Suite 770	Veteran Owned Small Bus?	FALSE
City, State, Zip	Washington, D.C 20005		
Email:	donvural@kleinhornig.com	Phone:	(202) 926-3467
2. Tax Accountant:	Joshua Northcutt	This is a Related Entity.	FALSE
Firm Name:	Eisner Amper		
Address:	1277 Lenox Park Blvd Suite 400	Veteran Owned Small Bus?	FALSE
City, State, Zip	Atlanta, GA 30319		
Email:	Joshua.Northcutt@eisneramper.com	Phone:	(804) 339-7205
3. Consultant:		This is a Related Entity.	FALSE
Firm Name:			
Address:		Veteran Owned Small Bus?	FALSE
City, State, Zip		Role:	
Email:		Phone:	
4. Management Entity:		This is a Related Entity.	FALSE
Firm Name:			
Address:		Veteran Owned Small Bus?	FALSE
City, State, Zip			
Email:		Phone:	
5. Contractor:	Coleman-Adams Construction Inc	This is a Related Entity.	FALSE
Firm Name:	Clif Cole III		
Address:	1031 Performance Road PO Box 368	Veteran Owned Small Bus?	FALSE
City, State, Zip	Forest, VA 24551		
Email:	ccoleman@coleman-adams.com	Phone:	(434) 525-4700
6. Architect:	Moseley Designs	This is a Related Entity.	FALSE
Firm Name:	Tom Liebel		
Address:	3200 Norfolk Street	Veteran Owned Small Bus?	FALSE
City, State, Zip	Richmond, VA 23230		
Email:	tliebel@moseleyarchitect.com	Phone:	(305) 415-9083

E. DEVELOPMENT TEAM INFORMATION

7. Real Estate Attorney:	Shutts & Bowen	This is a Related Entity.	FALSE
Firm Name:	Robert Cheng		
Address:	200 S. Biscayne Blvd, Suite 4100	Veteran Owned Small Bus?	FALSE
City, State, Zip	Miami, FL 33131		
Email:	rcheng@shutts.com	Phone:	(305) 415-9083
8. Mortgage Banker:		This is a Related Entity.	FALSE
Firm Name:			
Address:		Veteran Owned Small Bus?	FALSE
City, State, Zip			
Email:		Phone:	
9. Other 1:	Civil Engineer & Surveyor	This is a Related Entity.	FALSE
Firm Name:	Hurt & Proffitt		
Address:	2524 Langhorne Road	Veteran Owned Small Bus?	TRUE
City, State, Zip	Lynchburg, VA 24501	Role:	Engineer/Surveyor
Email:	zjohnson@handp.com	Phone:	(434) 847-7796
10. Other 2:		This is a Related Entity.	FALSE
Firm Name:			
Address:		Veteran Owned Small Bus?	FALSE
City, State, Zip		Role:	
Email:		Phone:	
11. Other 3:		This is a Related Entity.	FALSE
Firm Name:			
Address:		Veteran Owned Small Bus?	FALSE
City, State, Zip		Role:	
Email:		Phone:	
12. Other 4:		This is a Related Entity.	FALSE
Firm Name:			
Address:		Veteran Owned Small Bus?	FALSE
City, State, Zip		Role:	
Email:		Phone:	
13. Other 5:		This is a Related Entity.	FALSE
Firm Name:			
Address:		Veteran Owned Small Bus?	FALSE
City, State, Zip		Role:	
Email:		Phone:	

F. REHAB INFORMATION

1. Acquisition Credit Information

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

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

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

c. The development has been provided an acknowledgement letter from Rural Development regarding its preservation priority? **FALSE**

d. This development is an existing RD or HUD S8/236 development. **TRUE**
Action: (If True, provide required form in **TAB Q**)

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

ii. Applicant has obtained a waiver of this requirement from Virginia Housing prior to the application submission deadline. **FALSE**

2. Ten-Year Rule For Acquisition Credits

a. All buildings satisfy the 10-year look-back rule of IRC Section 42 (d)(2)(B), including the 10% basis/\$15,000 rehab costs (\$10,000 for Tax Exempt Bonds) per unit requirement. **FALSE**

b. All buildings qualify for an exception to the 10-year rule under IRC Section 42(d)(2)(D)(i), **FALSE**

i. Subsection (I) **FALSE**

ii. Subsection (II) **FALSE**

iii. Subsection (III) **FALSE**

iv. Subsection (IV) **FALSE**

v. Subsection (V) **FALSE**

c. The 10-year rule in IRC Section 42 (d)(2)(B) for all buildings does not apply pursuant to IRC Section 42(d)(6). **FALSE**

d. There are different circumstances for different buildings. **FALSE**
Action: (If True, provide an explanation for each building in Tab K)

F. REHAB INFORMATION

3. Rehabilitation Credit Information

a. Credits are being requested for rehabilitation expenditures. FALSE

b. Minimum Expenditure Requirements

i. All buildings in the development satisfy the rehab costs per unit requirement of IRS Section 42(e)(3)(A)(ii). FALSE

ii. All buildings in the development qualify for the IRC Section 42(e)(3)(B) exception to the 10% basis requirement (4% credit only) FALSE

iii. All buildings in the development qualify for the IRC Section 42(f)(5)(B)(ii)(II) exception. FALSE

iv. There are different circumstances for different buildings. FALSE

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

G. NONPROFIT INVOLVEMENT

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

All Applicants - Section 2 must be completed to obtain points for nonprofit involvement.

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

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

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

A. Nonprofit Involvement (All Applicants)

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

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

B. Type of involvement:

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

or

FALSE Nonprofit meets eligibility requirements for nonprofit pool and points.

C. Identity of Nonprofit (All nonprofit applicants):

The nonprofit organization involved in this development is: [input field]

Name: [input field]

Contact Person: [input field]

Street Address: [input field]

City: [input field] State: [input field] Zip: [input field]

Phone: [input field] Contact Email: [input field]

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 Meeting

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	60	bedrooms	159
Total number of rental units in development	60	bedrooms	159
Number of low-income rental units	60	bedrooms	159
Percentage of rental units designated low-income	<u>100.00%</u>		
b. Number of new units:	<u>60</u>	bedrooms	<u>159</u>
Number of adaptive reuse units:	<u>0</u>	bedrooms	<u>0</u>
Number of rehab units:	<u>0</u>	bedrooms	<u>0</u>
c. If any, indicate number of planned exempt units (included in total of all units in development)	<u>0</u>		
d. Total Floor Area For The Entire Development	<u>64,085.00</u> (Sq. ft.)		
e. Unheated Floor Area (i.e. Breezeways, Balconies, Storage)	<u>2,277.00</u> (Sq. ft.)		
f. Nonresidential Commercial Floor Area (Not eligible for funding)	<u>2,520.00</u>		
g. Total Usable Residential Heated Area	<u>59,288.00</u> (Sq. ft.)		
h. Percentage of Net Rentable Square Feet Deemed To Be New Rental Space	<u>100.00%</u>		
i. Exact area of site in acres	<u>2.588</u>		
j. Locality has approved a final site plan or plan of development. If True , Provide required documentation (TAB O).	<u>TRUE</u>		
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	<u>FALSE</u>		

Definition:

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

H. STRUCTURE AND UNITS INFORMATION

2. UNIT MIX

a. Specify the average size and number per unit type:

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	0	0
2BR Elderly	0.00	SF	0	0
Eff - Garden	0.00	SF	0	0
1BR Garden	814.00	SF	12	12
2BR Garden	1032.00	SF	12	12
3BR Garden	1143.00	SF	12	12
4BR Garden	0.00	SF	0	0
2+ Story 2BR Townhouse	1066.00	SF	22	22
2+ Story 3BR Townhouse	1415.00	SF	2	2
2+ Story 4BR Townhouse	0.00	SF	0	0
			60	60

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

d. The development is a scattered site development.

e. Commercial Area Intended Use:

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

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

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

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

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

H. STRUCTURE AND UNITS INFORMATION

H. STRUCTURE AND UNITS INFORMATION

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

4. Site Amenities (indicate all proposed)

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

l. Describe Community Facilities: Community space building with leasing offices and resident amenities

m. Number of Proposed Parking Spaces 83
 Parking is shared with another entity FALSE

n. Development located within 1/2 mile of an existing commuter rail, light rail or subway station or 1/4 mile from existing or proffered public bus stop. TRUE

If **True**, Provide required documentation (**TAB K2**).

5. Plans and Specifications

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

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

- b. The following are due at reservation for Tax Exempt 4% Applications and at allocation for 9% Applications.
 - i. Phase I environmental assessment.
 - ii. Physical needs assessment for any rehab only development.

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

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

J. ENHANCEMENTS

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

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

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

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

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

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

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

- | | |
|--------|--|
| TRUE | a. A community/meeting room with a minimum of 749 square feet is provided with free WIFI access restricted to residents only. |
| 50.00% | b1. Percentage of brick covering the exterior walls. |
| 50.00% | b2. Percentage of Fiber Cement Board or other similar low-maintenance material approved by the Authority covering exterior walls. Community buildings are to be included in percentage calculations. |
| TRUE | c. All kitchen light fixtures are LED and meet MDCR lighting guidelines. |
| TRUE | d. Cooking surfaces are equipped with fire suppression features as defined in the manual |
| TRUE | e. Full bath fans are wired to primary light with delayed timer or has continuous exhaust by ERV/DOAS. |
| | or |
| FALSE | f. Full bath fans are equipped with a humidistat. |
| TRUE | g. All faucets, toilets and showerheads in each bathroom are WaterSense labeled products. |
| FALSE | h. Rehab Only: Each unit is provided with the necessary infrastructure for high-speed internet/broadband service where it does not already exist. |
| TRUE | i. Each unit is provided free individual high-speed internet access.
<i>(Must have a minimum 20Mbps upload/ 100Mbps download speed per manual.)</i> |
| TRUE | j. Every kitchen, living room and bedroom contains, at minimum, one USB charging port. |
| FALSE | k. Rehab only: Each unit has dedicated space, drain and electrical hook-ups to accept a permanently installed dehumidification system. |
| | or |
| TRUE | l. All Construction types: each unit is equipped with a permanent dehumidification system. |
| TRUE | m. All interior doors within units are solid core. |
| FALSE | 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 . |

J. ENHANCEMENTS

TRUE 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.

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

FALSE a. All cooking ranges have front controls.

FALSE b. Bathrooms have an independent or supplemental heat source.

FALSE c. All entrance doors have two eye viewers, one at 42" inches and the other at standard height.

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:

FALSE Earthcraft Gold or higher certification

TRUE 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.)

TRUE Zero Energy Ready Home Requirements

FALSE Passive House Standards

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

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

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

34 b. Number of Rental Units constructed to meet Virginia Housing's Universal Design standards: 57% 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

I. UTILITIES

1. Utilities Types:

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

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

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

Utilities	Enter Allowances by Bedroom Size				
	0-BR	1-BR	2-BR	3-BR	4-BR
Heating	0	41	49	58	0
Air Conditioning	0	15	19	25	0
Cooking	0	16	19	20	0
Lighting	0	9	9	9	0
Hot Water	0	26	36	57	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	\$107	\$132	\$169	\$0

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

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

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

K. SPECIAL HOUSING NEEDS

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


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

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

TRUE

Any development in which ten percent (10%) of the total units (i) conform to HUD regulations interpreting the accessibility requirements of section 504 of the Rehabilitation Act and (ii) are actively marketed to persons with disabilities as defined in the Fair Housing Act in accordance with a plan submitted as part of the application for credits.

All common space must also conform to HUD regulations interpreting the accessibility requirements of section 504 of the Rehabilitation Act.

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

2. **Special Housing Needs/Leasing Preference:**

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

FALSE

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

FALSE

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

FALSE

Supportive Housing (as described in the Tax Credit Manual)

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

FALSE

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: Yes

Organization which holds waiting list: Lynchburg Redevelopment & Housing Authority

Contact person: Mary E. Mayrose

Title: Executive Director

Phone Number: (434) 485-7220

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

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

c. Specify the number of low-income units that will serve individuals and families with children by providing three or more bedrooms: 14
 % of total Low Income Units 23%

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

[Download Current CMA List from VirginiaHousing.com](#)

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

4. Target Population Leasing Preference

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

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

First Name: Mary

Last Name: Mayrose

Phone Number: (434) 485-7220

Email: mmaryrose@lynchburghousing.org

K. SPECIAL HOUSING NEEDS

5. Rental Assistance

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

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

TRUE 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

TRUE Section 8 Vouchers
*Administering Organization: Lynchburg Redevelopment & Housing Aut

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: **25**

How many years in rental assistance contract? **20.00**

Expiration date of contract: **1/1/2047**

There is an Option to Renew. **TRUE**

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

6. Public Housing Revitalization

Is this development replacing or revitalizing Public Housing Units? **TRUE**

If so, how many existing Public Housing units? **100**

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
8	13.33%	30% Area Median
4	6.67%	40% Area Median
22	36.67%	50% Area Median
26	43.33%	60% Area Median
0	0.00%	70% Area Median
0	0.00%	80% Area Median
0	0.00%	Market Units
60	100.00%	Total

Rent Levels		
# of Units	% of Units	
0	0.00%	20% Area Median
8	13.33%	30% Area Median
4	6.67%	40% Area Median
22	36.67%	50% Area Median
26	43.33%	60% Area Median
0	0.00%	70% Area Median
0	0.00%	80% Area Median
0	0.00%	Market Units
60	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 TRUE 40% Levels TRUE 50% levels TRUE

c. The development plans to utilize average income testing..... FALSE

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

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

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

	Unit Type (Select One)	Rent Target (Select One)	Number of Units	# of Units 504 compliant	Net Rentable Square Feet	Monthly Rent Per Unit	Total Monthly Rent
Mix 1	1 BR - 1 Bath	30% AMI	4	1	782.00	\$349.00	\$1,396
Mix 2	1 BR - 1 Bath	50% AMI	2		830.00	\$1,061.00	\$2,122
Mix 3	1 BR - 1 Bath	60% AMI	6		830.00	\$805.00	\$4,830
Mix 4	2 BR - 2 Bath	30% AMI	3	1	1008.00	\$415.00	\$1,245
Mix 5	2 BR - 2 Bath	40% AMI	1	1	1008.00	\$1,188.00	\$1,188
Mix 6	2 BR - 2 Bath	40% AMI	2		1056.00	\$1,188.00	\$2,376
Mix 7	2 BR - 2 Bath	50% AMI	6		1056.00	\$1,188.00	\$7,128
Mix 8	2 BR - 2 Bath	50% AMI	2		1078.00	\$1,188.00	\$2,376

L. UNIT DETAILS

Mix 9	2 BR - 2 Bath	50% AMI	1		1078.00	\$780.00	\$780
Mix 10	2 BR - 2 Bath	60% AMI	15		1078.00	\$963.00	\$14,445
Mix 11	2 BR - 2 Bath	60% AMI	2	2	1055.00	\$963.00	\$1,926
Mix 12	2 BR - 2 Bath	60% AMI	2		1080.00	\$963.00	\$1,926
Mix 13	3 BR - 2 Bath	30% AMI	1		1125.00	\$478.00	\$478
Mix 14	3 BR - 2 Bath	40% AMI	1		1125.00	\$1,642.00	\$1,642
Mix 15	3 BR - 2 Bath	50% AMI	2	1	1125.00	\$1,642.00	\$3,284
Mix 16	3 BR - 2 Bath	50% AMI	8		1173.00	\$1,642.00	\$13,136
Mix 17	3 BR - 2.5 Bath	50% AMI	1		1415.00	\$1,642.00	\$1,642
Mix 18	3 BR - 2.5 Bath	60% AMI	1		1415.00	\$1,096.00	\$1,096
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
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Mix 34							\$0
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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

L. UNIT DETAILS

Mix 64								\$0
Mix 65								\$0
Mix 66								\$0
Mix 67								\$0
Mix 68								\$0
Mix 69								\$0
Mix 70								\$0
Mix 71								\$0
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Mix 76								\$0
Mix 77								\$0
Mix 78								\$0
Mix 79								\$0
Mix 80								\$0
Mix 81								\$0
Mix 82								\$0
Mix 83								\$0
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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			60	6				\$63,016

Total Units	60	Net Rentable SF:	TC Units	62,636.00
			MKT Units	0.00
			Total NR SF:	62,636.00

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

M. OPERATING EXPENSES

Administrative:

Use Whole Numbers Only!

1. Advertising/Marketing			\$1,000
2. Office Salaries			\$110,000
3. Office Supplies			\$0
4. Office/Model Apartment	(type	<u> </u>)	\$0
5. Management Fee			\$36,055
	<u>5.11%</u> of EGI	<u>\$600.92</u> Per Unit	
6. Manager Salaries			\$0
7. Staff Unit (s)	(type	<u> </u>)	\$0
8. Legal			\$7,500
9. Auditing			\$7,500
10. Bookkeeping/Accounting Fees			\$0
11. Telephone & Answering Service			\$0
12. Tax Credit Monitoring Fee			\$2,100
13. Miscellaneous Administrative			\$21,000
Total Administrative			\$185,155

Utilities

14. Fuel Oil			\$0
15. Electricity			\$18,000
16. Water			\$18,000
17. Gas			\$0
18. Sewer			\$18,000
Total Utility			\$54,000

Operating:

19. Janitor/Cleaning Payroll			\$0
20. Janitor/Cleaning Supplies			\$0
21. Janitor/Cleaning Contract			\$0
22. Exterminating			\$10,000
23. Trash Removal			\$7,500
24. Security Payroll/Contract			\$0
25. Grounds Payroll			\$0
26. Grounds Supplies			\$0
27. Grounds Contract			\$15,000
28. Maintenance/Repairs Payroll			\$0
29. Repairs/Material			\$36,000
30. Repairs Contract			\$0
31. Elevator Maintenance/Contract			\$0
32. Heating/Cooling Repairs & Maintenance			\$0
33. Pool Maintenance/Contract/Staff			\$0
34. Snow Removal			\$12,000
35. Decorating/Payroll/Contract			\$0
36. Decorating Supplies			\$0
37. Miscellaneous			\$0
Totals Operating & Maintenance			\$80,500

M. OPERATING EXPENSES

Taxes & Insurance

38. Real Estate Taxes		\$12,000
39. Payroll Taxes		\$27,500
40. Miscellaneous Taxes/Licenses/Permits		\$0
41. Property & Liability Insurance	\$1,450 per unit	\$87,000
42. Fidelity Bond		\$0
43. Workman's Compensation		\$0
44. Health Insurance & Employee Benefits		\$0
45. Other Insurance		\$0
Total Taxes & Insurance		\$126,500

Total Operating Expense **\$446,155**

Total Operating Expenses Per Unit \$7,436 **C. Total Operating Expenses as % of EGI** 63.19%

Replacement Reserves (Total # Units X \$300 or \$250 New Const./Elderly Minimum) **\$18,000**

Total Expenses	\$464,155
-----------------------	------------------

N. PROJECT BUDGET - HARD COSTS

Cost/Basis/Maximum Allowable Credit

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

Complete cost column and basis column(s) as appropriate

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

Item	(A) Cost	Amount of Cost up to 100% Includable in Eligible Basis--Use Applicable Column(s):		
		"30% Present Value Credit"		(D)
		(B) Acquisition	(C) Rehab/ New Construction	"70 % Present Value Credit"
1. Contractor Cost				
a. Unit Structures (New)	12,475,354	0	0	12,475,354
b. Unit Structures (Rehab)	0	0	0	0
c. Non Residential Structures	0	0	0	0
d. Commercial Space Costs	0	0	0	0
<input type="checkbox"/> e. Structured Parking Garage	0	0	0	0
Total Structure	12,475,354	0	0	12,475,354
f. Earthwork	0	0	0	0
g. Site Utilities	0	0	0	0
<input type="checkbox"/> h. Renewable Energy	0	0	0	0
i. Roads & Walks	0	0	0	0
j. Site Improvements	0	0	0	0
k. Lawns & Planting	0	0	0	0
l. Engineering	0	0	0	0
m. Off-Site Improvements	0	0	0	0
n. Site Environmental Mitigation	0	0	0	0
o. Demolition	250,000	0	0	0
p. Site Work	250,000	0	0	0
q. Hard Cost Contingency	739,595	0	0	739,595
Total Land Improvements	1,239,595	0	0	739,595
Total Structure and Land	13,714,949	0	0	13,214,949
r. General Requirements	822,897	0	0	822,897
s. Builder's Overhead (2.0% Contract)	274,299	0	0	274,299
t. Builder's Profit (6.0% Contract)	822,897	0	0	822,897
u. Bonds	0	0	0	0
v. Building Permits	0	0	0	0
w. Special Construction	0	0	0	0
x. Special Equipment	0	0	0	0
y. Other 1: <input type="checkbox"/>	0	0	0	0
z. Other 2: <input type="checkbox"/>	0	0	0	0
aa. Other 3: <input type="checkbox"/>	0	0	0	0
Contractor Costs	\$15,635,042	\$0	\$0	\$15,135,042

Construction cost per unit: \$260,584.03

MAXIMUM COMBINED GR, OVERHEAD & PROFIT =

\$1,920,093

ACTUAL COMBINED GR, OVERHEAD & PROFIT =

\$1,920,093

O. PROJECT BUDGET - OWNER COSTS

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

MUST USE WHOLE NUMBERS ONLY! Item	(A) Cost	Amount of Cost up to 100% Includable in Eligible Basis--Use Applicable Column(s):		
		"30% Present Value Credit"		(D)
		(B) Acquisition	(C) Rehab/ New Construction	"70 % Present Value Credit"
2. Owner Costs				
a. Building Permit	120,000	0	0	120,000
b. Architecture/Engineering Design Fee \$9,167 /Unit)	550,000	0	0	550,000
c. Architecture Supervision Fee \$0 /Unit)	0	0	0	0
d. Tap Fees	250,000	0	0	250,000
e. Environmental	40,000	0	0	40,000
f. Soil Borings	0	0	0	0
g. Green Building (Earthcraft, LEED, etc.)	40,000	0	0	40,000
h. Appraisal	15,000	0	0	15,000
i. Market Study	10,000	0	0	0
j. Site Engineering / Survey	165,000	0	0	165,000
k. Construction/Development Mgt	0	0	0	0
l. Structural/Mechanical Study	0	0	0	0
m. Construction Loan Origination Fee	120,000	0	0	120,000
n. Construction Interest (7.5% for 24 months)	1,041,897	0	0	705,328
o. Taxes During Construction	0	0	0	0
p. Insurance During Construction	184,899	0	0	184,899
q. Permanent Loan Fee (0.0%)	49,530			
r. Other Permanent Loan Fees	0			
s. Letter of Credit	0	0	0	0
t. Cost Certification Fee	0	0	0	0
u. Accounting	40,000	0	0	20,000
v. Title and Recording	120,000	0	0	90,000
w. Legal Fees for Closing	435,000	0	0	227,500
x. Mortgage Banker	0	0	0	0
y. Tax Credit Fee	149,400			
z. Tenant Relocation	60,000			
aa. Fixtures, Furnitures and Equipment	250,000	0	0	250,000
ab. Organization Costs	2,500			
ac. Operating Reserve	338,872			
ad. Soft Costs Contingency	129,067			
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: PCR	10,000	0	0	10,000
(2) Other* specify: Inspection Fees	43,200	0	0	43,200
(3) Other* specify: Private Provider	50,000	0	0	50,000
(4) Other* specify: Insurance Escrow	87,000	0	0	0
(5) Other * specify: Traffic Study	15,000	0	0	15,000
(6) Other* specify: Application Fee	1,000	0	0	0
(7) Other* specify:	0	0	0	0
(8) Other* specify:	0	0	0	0
(9) Other* specify:	0	0	0	0
Owner Costs Subtotal (Sum 2A..2(10))	\$4,317,365	\$0	\$0	\$2,895,927
Subtotal 1 + 2 (Owner + Contractor Costs)	\$19,952,407	\$0	\$0	\$18,030,969
3. Developer's Fees	2,070,925	0	0	2,070,925
4. Owner's Acquisition Costs				
Land	559,151			
Existing Improvements	0	0		
Subtotal 4:	\$559,151	\$0		
5. Total Development Costs				
Subtotal 1+2+3+4:	\$22,582,483	\$0	\$0	\$20,101,894

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**)

\$559,151	Land
\$0	Building

Maximum Developer Fee:

\$2,070,925

Proposed Development's Cost per Sq Foot	\$344	Meets Limits
Applicable Cost Limit by Square Foot:	\$556	
Proposed Development's Cost per Unit	\$367,056	Meets Limits
Applicable Cost Limit per Unit:	\$589,015	

P. ELIGIBLE BASIS CALCULATION

Item	Amount of Cost up to 100% Includable in Eligible Basis--Use Applicable Column(s):			
	(A) Cost	"30 % Present Value Credit"		(D) "70 % Present Value Credit"
		(B) Acquisition	(C) Rehab/ New Construction	
1. Total Development Costs	22,582,483	0	0	20,101,894

2. Reductions in Eligible Basis

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

3. Total Eligible Basis (1 - 2 above)

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

a. For QCT or DDA (Eligible Basis x 30%) <i>State Designated Basis Boosts:</i>		0	6,030,568
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		0	26,132,462

5. Applicable Fraction

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

7. Applicable Percentage

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

(Must be same as BIN total and equal to or less than credit amount allowed)	\$0	\$0	\$2,351,922
	\$2,351,922 Combined 30% & 70% P. V. Credit		

Q. SOURCES OF FUNDS

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

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

Source of Funds	Date of Application	Date of Commitment	Amount of Funds	Name of Contact Person
1. Construction Loan			\$16,000,000	
2. PHA Loan			\$1,000,000	Mary Mayrose
3. PHA Seller Loan			\$559,151	Mary Mayrose
Total Construction Funding:			\$17,559,151	

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

Source of Funds	Date of Application	Date of Commitment	Amount of Funds <i>(Whole Numbers only)</i>	Annual Debt Service Cost	Interest Rate of Loan	Amortization Period <i>IN YEARS</i>	Term of Loan <i>(years)</i>
1. Freddie Mac			\$2,790,000	\$202,004	6.75%	40	15
2. LRHA Loan			\$1,000,000		0.00%	0	55
3. LRHA Seller Loan			\$559,151		0.00%	0	55
4.							
5.							
6.							
7.							
8.							
9.							
10.							
11.							
12.							
13.							
14.							
15.							
16.							
17.							
18.							
19.							
20.							
Total Permanent Funding:			\$4,349,151	\$202,004			

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.	Lynchburg Redevelopment & Housing A	3/12/2026	\$1,000,000
2.	Lynchburg Redevelopment & Housing A	3/12/2026	\$559,151
3.			
4.			
5.			
Total Subsidized Funding			\$1,559,151

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

a.	Tax Exempt Bonds	\$0
b.	RD 515	\$0
c.	Section 221(d)(3)	\$0
d.	Section 312	\$0
e.	Section 236	\$0
f.	Virginia Housing REACH Funds	\$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: **N/A**

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

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

--

8. Other Subsidies

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

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

25	Number of New PBV Vouchers
----	----------------------------

If True, Section 8 Proj Based Assistance should be TRUE in Special Hsg Needs tab
- c. **FALSE** Other

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

R. EQUITY

1. Equity

a. Portion of Syndication Proceeds Attributable to Historic Tax Credit					
Amount of Federal historic credits	\$0	x Equity \$	\$0.000	=	\$0
Amount of Virginia historic credits	\$0	x Equity \$	\$0.000	=	\$0

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

i. Requested Annual HOTC Credits	\$0
ii. 10 Year HOTC Credit Amount	\$0
iii. Equity Dollars Per Credit	\$0.000
iv. Percent of ownership entity (repeated from 3b)	99.99000%
v. HOTC Credit Net	\$0

c. Equity that Sponsor will Fund:

i. Cash Investment	\$0	
ii. Contributed Land/Building	\$0	
iii. Deferred Developer Fee	\$213,333	(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 \$213,333

2. Equity Gap Calculation

a. Total Development Cost	\$22,582,483
b. Total of Permanent Funding, Grants and Equity	- \$4,562,484
c. Equity Gap	\$18,019,999
d. Developer Equity	- \$1,801
e. Equity gap to be funded with low-income tax credit proceeds	\$18,018,198

3. Syndication Information (If Applicable)

a. Actual or Anticipated Name of Syndicator: Raymond James Tax Credit Funds, Inc.

Contact Person: Phone:

Street Address:

City: State: Zip:

b. Syndication Equity

i. Anticipated Annual Credits	\$2,120,000.00
ii. Equity Dollars Per Credit (e.g., \$0.85 per dollar of credit)	\$0.850
iii. Percent of ownership entity (e.g., 99% or 99.9%)	99.99000%
iv. Syndication costs not included in Total Development Costs (e.g., advisory fees)	\$0
v. Net credit amount anticipated by user of credits	\$2,119,788
vi. Total to be paid by anticipated users of credit (e.g., limited partners)	\$18,018,198

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

4. Net Syndication Amount

Which will be used to pay for Total Development Costs \$18,018,198

5. Net Equity Factor

85.0000000000%

S. DETERMINATION OF RESERVATION AMOUNT NEEDED

The following calculation of the amount of credits needed is substantially the same as the calculation which will be made by Virginia Housing to determine, as required by the IRC, the amount of credits which may be allocated for the development. However, Virginia Housing at all times retains the right to substitute such information and assumptions as are determined by Virginia Housing to be reasonable for the information and assumptions provided herein as to costs (including development fees, profits, etc.), sources for funding, expected equity, etc. Accordingly, if the development is selected by Virginia Housing for a reservation of credits, the amount of such reservation may differ significantly from the amount you compute below.

1. Total Development Costs		<u>\$22,582,483</u>
2. Less Total of Permanent Funding, Grants and Equity	-	<u>\$4,562,484</u>
3. Equals Equity Gap		<u>\$18,019,999</u>
4. Divided by Net Equity Factor (Percent of 10-year credit expected to be raised as equity investment)		<u>85.0000000000%</u>
5. Equals Ten-Year Credit Amount Needed to Fund Gap		<u>\$21,199,999</u>
Divided by ten years		<u>10</u>
6. Equals Annual Tax Credit Required to Fund the Equity Gap		<u>\$2,120,000</u>
7. Maximum Allowable Credit Amount (from Eligible Basis Calculation)		<u>\$2,351,922</u>
8. Requested Credit Amount	For 30% PV Credit:	<u>\$0</u>
	For 70% PV Credit:	<u>\$2,120,000</u>
Credit per LI Units	<u>\$35,333.3333</u>	Combined 30% & 70% PV Credit Requested
Credit per LI Bedroom	<u>\$13,333.3333</u>	

9. **Action:** Provide Attorney’s Opinion using Virginia Housing template **(Mandatory Tab H)**

T. CASH FLOW

1. Revenue

Indicate the estimated monthly income for the **Low-Income Units** (based on Unit Details tab):

Total Monthly Rental Income for LIHTC Units		\$63,016
Plus Other Income Source (list):	Laundry & Misc Fees	\$250
Equals Total Monthly Income:		\$63,266
Twelve Months		x12
Equals Annual Gross Potential Income		\$759,192
Less Vacancy Allowance	7.0%	\$53,143
Equals Annual Effective Gross Income (EGI) - Low Income Units		\$706,049

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

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

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

3. Cash Flow (First Year)

a. Annual EGI Low-Income Units	\$706,049
b. Annual EGI Market Units	\$0
c. Total Effective Gross Income	\$706,049
d. Total Expenses	\$464,155
e. Net Operating Income	\$241,894
f. Total Annual Debt Service	\$202,004
g. Cash Flow Available for Distribution	\$39,890

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	706,049	720,170	734,573	749,264	764,250
Less Oper. Expenses	464,155	478,080	492,422	507,195	522,411
Net Income	241,894	242,090	242,151	242,070	241,839
Less Debt Service	202,004	202,004	202,004	202,004	202,004
Cash Flow	39,890	40,086	40,147	40,066	39,835
Debt Coverage Ratio	1.20	1.20	1.20	1.20	1.20

	Year 6	Year 7	Year 8	Year 9	Year 10
Eff. Gross Income	779,535	795,125	811,028	827,248	843,793
Less Oper. Expenses	538,083	554,225	570,852	587,978	605,617
Net Income	241,452	240,900	240,176	239,271	238,176
Less Debt Service	202,004	202,004	202,004	202,004	202,004
Cash Flow	39,448	38,896	38,172	37,267	36,172
Debt Coverage Ratio	1.20	1.19	1.19	1.18	1.18

	Year 11	Year 12	Year 13	Year 14	Year 15
Eff. Gross Income	860,669	877,883	895,440	913,349	931,616
Less Oper. Expenses	623,786	642,499	661,774	681,627	702,076
Net Income	236,884	235,384	233,666	231,722	229,540
Less Debt Service	202,004	202,004	202,004	202,004	202,004
Cash Flow	34,880	33,380	31,662	29,718	27,536
Debt Coverage Ratio	1.17	1.17	1.16	1.15	1.14

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: 5

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

Bldg #	BIN if known	NUMBER OF		Please help us with the process: DO NOT use the CUT feature DO NOT SKIP LINES BETWEEN BUILDINGS					30% Present Value Credit for Acquisition				30% Present Value Credit for Rehab / New Construction				70% Present Value Credit								
		TAX CREDIT UNITS	MARKET RATE UNITS						Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount	Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount	Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount					
		Street Address 1	Street Address 2	City	State	Zip																			
1.		36			Bldg 1									\$0					\$0	\$15,679,477			9.00%	\$1,411,153	
2.		4			Bldg 2									\$0					\$0	\$1,742,164			9.00%	\$156,795	
3.		5			Bldg 3									\$0					\$0	\$2,177,705			9.00%	\$195,993	
4.		8			Bldg 4									\$0					\$0	\$3,484,328			9.00%	\$313,590	
5.		7			Bldg 5									\$0					\$0	\$3,048,787			9.00%	\$274,391	
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

60 0 If development has more than 35 buildings, contact Virginia Housing.

Totals from all buildings

\$0

\$0

\$0

\$0

\$26,132,462

\$2,351,922

Number of BINS: 5

V. STATEMENT OF OWNER

The undersigned hereby acknowledges the following:

1. that, to the best of its knowledge and belief, all factual information provided herein or in connection herewith is true and correct, and all estimates are reasonable.
2. that it will at all times indemnify and hold harmless Virginia Housing and its assigns against all losses, costs, damages, Virginia Housing's expenses, and liabilities of any nature directly or indirectly resulting from, arising out of, or relating to Virginia Housing's acceptance, consideration, approval, or disapproval of this reservation request and the issuance or nonissuance of an allocation of credits, grants and/or loan funds in connection herewith.
3. that points will be assigned only for representations made herein for which satisfactory documentation is submitted herewith and that no revised representations may be made in connection with this application once the deadline for applications has passed.
4. that this application form, provided by Virginia Housing to applicants for tax credits, including all sections herein relative to basis, credit calculations, and determination of the amount of the credit necessary to make the development financially feasible, is provided only for the convenience of Virginia Housing in reviewing reservation requests; that completion hereof in no way guarantees eligibility for the credits or ensures that the amount of credits applied for has been computed in accordance with IRC requirements; and that any notations herein describing IRC requirements are offered only as general guides and not as legal authority.
5. that the undersigned is responsible for ensuring that the proposed development will be comprised of qualified low-income buildings and that it will in all respects satisfy all applicable requirements of federal tax law and any other requirements imposed upon it by Virginia Housing prior to allocation, should one be issued.
6. that the undersigned commits to providing first preference to members of targeted populations having state rental assistance and will not impose any eligibility requirements or lease terms terms for such individuals that are more restrictive than its standard requirements and terms, the terms of the MOU establishing the target population, or the eligibility requirements for the state rental assistance.
7. that, for the purposes of reviewing this application, Virginia Housing is entitled to rely upon representations of the undersigned as to the inclusion of costs in eligible basis and as to all of the figures and calculations relative to the determination of qualified basis for the development as a whole and/or each building therein individually as well as the amounts and types of credit applicable thereof, but that the issuance of a reservation based on such representation in no way warrants their correctness or compliance with IRC requirements.
8. that Virginia Housing may request or require changes in the information submitted herewith, may substitute its own figures which it deems reasonable for any or all figures provided herein by the undersigned and may reserve credits, if any, in an amount significantly different from the amount requested.
9. that reservations of credits are not transferable without prior written approval by Virginia Housing at its sole discretion.

V. STATEMENT OF OWNER

- 10. that the requirements for applying for the credits and the terms of any reservation or allocation thereof are subject to change at any time by federal or state law, federal, state or Virginia Housing regulations, or other binding authority.
- 11. that reservations may be made subject to certain conditions to be satisfied prior to allocation and shall in all cases be contingent upon the receipt of a nonrefundable application fee of \$1000 and a nonrefundable reservation fee equal to 7% of the annual credit amount reserved.
- 12. that a true, exact, and complete copy of this application, including all the supporting documentation enclosed herewith, has been provided to the tax attorney who has provided the required attorney's opinion accompanying this submission.
- 13. that the undersigned has provided a complete list of all residential real estate developments in which the general partner(s) has (have) or had a controlling ownership interest and, in the case of those projects allocated credits under Section 42 of the IRC, complete information on the status of compliance with Section 42 and an explanation of any noncompliance. The undersigned hereby authorizes the Housing Credit Agencies of states in which these projects are located to share compliance information with the Authority.
- 14. that any principal of undersigned has not participated in a planned foreclosure or Qualified Contract request in Virginia after January 1, 2019.
- 15. that undersigned agrees to provide disclosure to all tenants of the availability of Renter Education provided by Virginia Housing.
- 16. that undersigned waives the right to pursue a Qualified Contract on this development.
- 17. that the information in this application may be disseminated to others for purposes of verification or other purposes consistent with the Virginia Freedom of Information Act. However, all information will be maintained, used or disseminated in accordance with the Government Data Collection and Dissemination Practices Act. The undersigned may refuse to supply the information requested, however, such refusal will result in Virginia Housing's inability to process the application. The original or copy of this application may be retained by Virginia Housing, even if tax credits are not allocated to the undersigned.

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

Legal Name of Owner: DRPI II, LLC
 By: SHAG DRPI II, LLC
 its Manager


By: *Timothy Henzy*
 Its: Managing Member
 (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:	Tom Liebel, FAIA, LEED Fellow
Virginia License#:	17551
Architecture Firm or Company:	Moseley Inc.

By:  _____

Its: Managing Principal
(Title)

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

V. Previous Participation Certification

Development Name: DRPI II

Name of Applicant (entity): DRPI II, LLC

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

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

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

1. All the statements made within this Certification are true, complete and correct to the best of my knowledge and belief and are made in good faith, including the data contained within the organizational charts and any statements attached to this Certification, and I will immediately alert Virginia Housing should I become aware of any information prior to the application deadline which may render my statements herein false or misleading.
2. During any time within the past ten (10) years that any of the Participants were Principals in any multifamily rental property, no mortgagee of any such property declared a default under its mortgage loan or assigned it to the mortgage insurer (governmental or private); no such property was foreclosed upon or dispossessed pursuant to a deed-in-lieu of foreclosure; and no such property received mortgage relief from the mortgagee. For purposes of this statement, "declared a default" refers only to final notices of default issued after the exhaustion of all applicable notice and cure rights.
3. During any time within the last ten (10) years that any of the Participants were a Principal in an owner of multifamily rental property, no such owner was determined to have breached any agreement related to the construction or rehabilitation, use, operation, management or disposition of the property, including removal from a partnership or limited liability company. For the purposes of this statement, "determined to have breached" refers only to determinations made by an independent third-party arbiter or court of law following the expiration of all applicable notice and cure periods and excludes default judgments that have been fully satisfied.
4. No Participant listed in this Certification has been required to turn control of a property over to an investor or been otherwise involuntarily removed as a general partner from the ownership of a multifamily rental property within the past ten (10) years.

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

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

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

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

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

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

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

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

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

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

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

14. No Participants are currently named as a defendant in a civil lawsuit relating to their ownership or other participation in a multi-family housing development where the amount of damages sought by the plaintiffs against the Participants relates to such ownership or participation and is for an amount greater than One Million Dollars (\$1,000,000).

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

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

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

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



Signature

Timothy Henzy
Printed Name

3/10/2026
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. Plans and Specifications

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
Y	Y, N, N/A	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
N	0 or 10	0.00
Y	0 or 15	15.00
N	0 or 15	0.00
N	0 or 5	0.00
N	0 or 15	0.00
Total:		25.00

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

Y	0 or up to 5	5.00
Y	0 or 20	20.00
6.90%	Up to 60	13.81
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
N	Up to 20	0.00
Total:		43.81

3. DEVELOPMENT CHARACTERISTICS:

a. Enhancements (See calculations below)			80.00
b. <removed for 2026>			0.00
c. HUD 504 accessibility for 10% of units	Y	0 or 20	20.00
d. Proximity to public transportation	Y10	0, 10 or 20	10.00
e. Development will be Green Certified	Y	0 or 10	10.00
f. Units constructed to meet Virginia Housing's Universal Design standards	57%	Up to 15	8.50
g. Developments with less than 100 low income units	Y	up to 20	16.00
h. Historic Structure eligible for Historic Rehab Credits	N	0 or 5	0.00
i. Meets Target Population Development Characteristics	N	0 or 10	0.00
Total:			144.50

4. TENANT POPULATION CHARACTERISTICS:

Locality AMI	State AMI
\$97,800	\$78,100

a. Less than or equal to 20% of units having 1 or less bedrooms	Y	0 or 15	15.00
b. <plus> Percent of Low Income units with 3 or more bedrooms	23.33%	Up to 15	15.00
c. Units with rent and income at or below 30% of AMI and are not subsidized (up to 10% of LI units)	13.33%	Up to 10	10.00
d. Units with rents at or below 40% of AMI (up to 10% of LI units)	20.00%	Up to 10	10.00
e. Units in Higher Income Jurisdictions with rent and income at or below 50% of AMI	56.67%	Up to 50	50.00
f. Units in Higher Income Jurisdictions with rents <= 50% rented to tenants with <= 60% of AMI	56.67%	Up to 25	0.00
or g. Units in LI Jurisdictions with rents <= 50% rented to tenants with <= 60% of AMI	56.67%	Up to 50	0.00
Total:			100.00

5. SPONSOR CHARACTERISTICS:

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

6. EFFICIENT USE OF RESOURCES:

a. Credit per unit		Up to 100	16.43
Total:			16.43

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	Y	0 or 10	10.00
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, 10 or 20	0.00
Total:			90.00

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

TOTAL SCORE: 419.74

Enhancements:

All units have:

	Max Pts	Score
a. Community Room	5	5.00
b. Exterior walls constructed with brick and other low maintenance materials	40	40.00
c. LED Kitchen Light Fixtures	2	2.00
d. Cooking surfaces equipped with fire suppression features	2	2.00
e. Bath Fan - Delayed timer or continuous exhaust	3	3.00
f. Baths equipped with humidistat	3	0.00
g. Watersense labeled faucets, toilets and showerheads (without Green Certification)	3	0.00
h. Rehab only: new infrastructure for high speed internet/broadband	5	0.00
i. Each unit provided free individual high speed internet access	15	15.00
j. USB in kitchen, living room and all bedrooms	1	1.00
k. Rehab only: dedicated space to accept permanent dehumidification system	2	0.00
l. Provides Permanently installed dehumidification system	5	5.00
m. All interior doors within units are solid core	3	3.00
n. Installation of Renewable Energy Electric system	10	0.00
o. New Construction: Balcony or patio	4	4.00

80.00

All elderly units have:

p. Front-control ranges	1	0.00
q. Independent/suppl. heat source	1	0.00
r. Two eye viewers	1	0.00
s. Shelf or Ledge at entrance within interior hallway	2	0.00

0.00

Total amenities: 80.00

X.

Development Summary

Summary Information

2026 Low-Income Housing Tax Credit Application For Reservation

Deal Name:	DRPI II
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Cycle Type: 9% Tax Credits	Requested Credit Amount: \$2,120,000	
Allocation Type: New Construction	Jurisdiction: Lynchburg City	
Total Units: 60	Population Target: General	
Total LI Units: 60		
Project Gross Sq Ft: 64,085.00	Owner Contact: Timothy Henzy	
Green Certified? TRUE		

Total Score
419.74

Source of Funds	Amount	Per Unit	Per Sq Ft	Annual Debt Service
Permanent Financing	\$4,349,151	\$72,486	\$68	\$202,004
Grants	\$0	\$0		
Subsidized Funding	\$1,559,151	\$25,986		

Uses of Funds - Actual Costs				
Type of Uses	Amount	Per Unit	Sq Ft	% of TDC
Improvements	\$13,714,949	\$228,582	\$214	60.73%
General Req/Overhead/Profit	\$1,920,093	\$32,002	\$30	8.50%
Other Contract Costs	\$0	\$0	\$0	0.00%
Owner Costs	\$4,317,365	\$71,956	\$67	19.12%
Acquisition	\$559,151	\$9,319	\$9	2.48%
Developer Fee	\$2,070,925	\$34,515	\$32	9.17%
Total Uses	\$22,582,483	\$376,375		

Total Development Costs	
Total Improvements	\$19,952,407
Land Acquisition	\$559,151
Developer Fee	\$2,070,925
Total Development Costs	\$22,582,483

Proposed Cost Limit/Sq Ft:	\$344
Applicable Cost Limit/Sq Ft:	\$556
Proposed Cost Limit/Unit:	\$367,056
Applicable Cost Limit/Unit:	\$589,015

Income	
Gross Potential Income - LI Units	\$759,192
Gross Potential Income - Mkt Units	\$0
Subtotal	\$759,192
Less Vacancy %	7.00%
	\$53,143
Effective Gross Income	\$706,049

Unit Breakdown	
# of Eff	0
# of 1BR	12
# of 2BR	34
# of 3BR	14
# of 4+ BR	0
Total Units	60

Rental Assistance? TRUE

Expenses		
Category	Total	Per Unit
Administrative	\$185,155	\$3,086
Utilities	\$54,000	\$900
Operating & Maintenance	\$80,500	\$1,342
Taxes & Insurance	\$126,500	\$2,108
Total Operating Expenses	\$446,155	\$7,436
Replacement Reserves	\$18,000	\$300
Total Expenses	\$464,155	\$7,736

	Income Levels	Rent Levels
	# of Units	# of Units
<=30% AMI	8	8
40% AMI	4	4
50% AMI	22	22
60% AMI	26	26
>60% AMI	0	0
Market	0	0

Cash Flow	
EGI	\$706,049
Total Expenses	\$464,155
Net Income	\$241,894
Debt Service	\$202,004
Debt Coverage Ratio (YR1):	1.20

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	\$2,351,922
Credit Requested	\$2,120,000
% of Savings	9.86%
Sliding Scale Points	16.43

Tab A:

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

**OPERATING AGREEMENT
OF
DRPI II, LLC**

This Operating Agreement (the “*Agreement*”) of DRPI II, LLC (the “*Company*”), a limited liability company organized pursuant to Chapter 12 of Title 13.1 of the Code of Virginia, as amended (the “*Act*”), is entered into by and between: SHAG DRPI II, LLC, a Virginia limited liability company, as the manager and member of the Company (the “*Managing Member*”); and LRHA-DR-P1 II, LLC, a Virginia limited liability company (the “*Non-Investor Member*”, and together with the Managing Member, collectively, the “*Members*”, and each, a “*Member*”).

1. **Purpose and Powers.** The purpose of the Company is to serve as the leasehold owner of the development and property commonly known as DRPI II, located in the City of Lynchburg, Virginia (the “*Project*”), and to undertake any other activity which a limited liability company may lawfully undertake under the Act.

2. **Separateness.** The Company will conduct its business and operations in its own name and will maintain books and records and bank accounts separate from those of any other person or entity.

3. **Management.** The Company will be member-managed. Each action of the Company will require the unanimous written consent of all of the Members of the Company. The Members acting together by unanimous written consent will exercise exclusive control over the Company. The Members, by unanimous written consent, may appoint officers and agents for the Company and give them such titles and powers as the Members may choose. Any action taken by an officer or agent of the Company in the name of the Company and with such proper authorization of the Members, will be an action of the Company.

4. **Members and Interests.** The Members, their title, interests in the Company (the “*Interests*”), and capital contributions to the Company (the “*Capital Contributions*”) are as follows:

<u>Name</u>	<u>Title</u>	<u>Interest</u>	<u>Capital Contribution</u>
SHAG DRPI II, LLC	Managing Member	51%	\$51.00
LRHA-DR-P1 II, LLC	Non-Investor Member	49%	\$49.00

The Members are not obligated to make additional Capital Contributions to the Company.

5. **Allocations and Distributions.** Except for any special allocations required to comply with applicable tax laws, all profits, gains, losses, and credits for tax purposes, net cash flow from normal operations, net proceeds from capital transactions, and all other distributions will be allocated to the Members, pro rata in accordance with their Interests.

6. **Dissolution.** The Company will dissolve upon the first to occur of (i) the sale or other disposition of all or substantially all of the Company’s property and the Company’s receipt of all or substantially all of the proceeds thereof, or (ii) the determination of the Members to dissolve.

7. **Fiscal Year.** The fiscal year of the Company will be the calendar year.

8. **No Liability of Member and Others.** The Members and their agents and any officers

and agents of the Company will not be liable for the Company's liabilities, debts or obligations, all of which will be the sole obligation of the Company. The failure by the Company to observe any formalities or requirements relating to the exercise of its powers or the management of its business or affairs under this Agreement will not be grounds for imposing personal liability on the Members or any officer.

9. **Indemnification.** The Company will indemnify and defend the Members and its agents and any officers and agents of the Company, from and against all costs, losses, liabilities and damages incurred by or asserted against any such person in connection with the Company's business to the fullest extent provided or allowed by law.

10. **Amendment.** This Agreement may be amended only by written instrument executed by the Members and indicating an express intention to amend this instrument.

11. **Governing Law.** This Agreement will be interpreted, construed and enforced in accordance with the laws of the Commonwealth of Virginia.


The undersigned has executed this Agreement effective as of October 5, 2023.

[signature page follows]

[signature page to Operating Agreement of DRPI II, LLC]

MANAGING MEMBER:

SHAG DRPI II, LLC
a Virginia limited liability company

By: 
Darren Smith
Managing Member

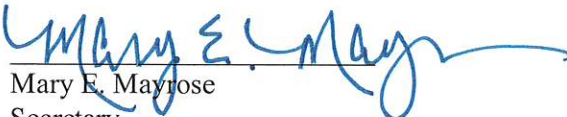
[signatures continue on next page]

[signature page to Operating Agreement of DRPI II, LLC]

NON-INVESTOR MEMBER:

LRHA-DR-PI II, LLC
a Virginia limited liability company

By: LRHA-Holdings, Inc.
a Virginia corporation
its sole member

By: 
Mary E. Mayrose
Secretary

DRPI II, LLC
ASSIGNMENT AND ASSUMPTION OF MEMBERSHIP INTEREST AND
FIRST AMENDMENT TO OPERATING AGREEMENT

This Assignment and Assumption of Membership Interest and First Amendment to Operating Agreement (this “Agreement”) is made as of March 12, 2026 (the “Effective Date”) by and among SHAG DRPI II, LLC, a Virginia limited liability company, as the manager and member of the Company (the “Managing Member”), LRHA-DR-P1 II, LLC, a Virginia limited liability company (the “Assignor”), and LRHA-DR-P2, LLC, a Virginia limited liability company (the “Assignee”).

Recitals

A. Reference is made to that certain Operating Agreement of DRPI II, LLC, a Virginia limited liability company (the “Company”), dated as of October 5, 2023 (the “Operating Agreement”).

B. Under the terms and conditions set forth in this Agreement, as evidenced by their execution of this Agreement, the undersigned consent to: (i) the withdrawal of the Assignor from the Company and the assignment of its Interests in the Company to the Assignee; (ii) the admission of the Assignee as a Member of the Company, and (iii) the amendment or modification of certain other provisions of the Operating Agreement.

C. Under the terms hereof, the Assignor assigns to the Assignee its Interests in the Company in exchange for the Purchase Price (as defined below), and the Assignee shall assume such Interests in the Company.

Now therefore, in consideration of the foregoing, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties, intending to be legally bound hereby, agree as follows:

Agreement

1. Capitalized Terms. Capitalized terms used and not defined herein have the meanings ascribed to them in the Operating Agreement. The term “Operating Agreement” as used herein shall have the same meaning as the term “Agreement” as set forth in that certain Operating Agreement of the Company dated as of October 5, 2023. The Recitals set forth herein are true and correct in all material respects and are incorporated herein by reference.

2. Assignment of Interests in the Company. From and after the Effective Date, the Assignor irrevocably and unconditionally assigns, transfers and conveys to the Assignee all of its right, title and interest in and to its Interests in the Company, including, without limitation: (a) all of its right in the profits, losses, credits and distributions of the Company; (b) its capital accounts; (c) its right to repayment of any loans or advances made by it to the Company; and (d) all of its rights and claims now existing or hereafter arising to (i) all fees and payments due under the Operating Agreement or any other agreement affecting the Company or its property (including any accrued but unpaid amounts, and except as required to be paid pursuant to this Agreement), and

(ii) all other benefits, rights and claims of any kind whatsoever under the Operating Agreement, or any other agreement affecting the Company or its property. The Assignee agrees, as of the Effective Date, to accept such assignment, to assume all of the Assignor's rights under the Operating Agreement, to assume all of the Assignor's obligations under the Operating Agreement first arising on or after the Effective Date, and to act as a Member of the Company and to be bound by all terms, conditions, obligations and rights of a Member under the Operating Agreement.

3. Withdrawal of the Assignor; Admission of the Assignee; Consent. As of the Effective Date: (a) as evidenced by its signature on the execution page hereof, the Assignee, in its capacity as a member of the Company, consents to the withdrawal of the Assignor as a Member and the transfer of its Interest in the Company to the Assignee; (b) the Assignor hereby withdraws from the Company; and (c) the Assignee is admitted to the Company as a Member holding a 49% Interest in the Company.

4. Purchase Price. As consideration for the transfer by the Assignor to the Assignee of its Interest in the Company, the Assignee shall, simultaneously with the execution of this Agreement, pay the Assignor an amount equal to \$1.00 (the "Purchase Price").

5. Amendment. This Agreement shall also constitute an amendment to the Operating Agreement. The Operating Agreement is amended as follows:

a. Section 4 is deleted in its entirety and replaced with the following:

4. **Members and Interests.** The Members, their title, interests in the Company (the "**Interests**"), and capital contributions to the Company (the "**Capital Contributions**") are as follows:

<u>Name</u>	<u>Title</u>	<u>Interest</u>	<u>Capital Contribution</u>
SHAG DRPI II, LLC	Managing Member	51%	\$51.00
LRHA-DR-P2, LLC	Non-Investor Member	49%	\$49.00

6. Governing Law. This Agreement, and the application and interpretation hereof, shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia.

7. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be an original and all of which counterparts taken together shall constitute one and the same agreement. Signatures to this Agreement transmitted by facsimile, telecopy or email in ".pdf" or other electronic file format shall be valid and effective to bind the party so signing.

8. Construction. The captions and headings of the various sections of this Agreement are for convenience only and are not to be construed as defining or as limiting in any way the scope or intent of the provisions hereof. Wherever the context requires or permits, the singular shall include the plural, the plural shall include singular, and the masculine, feminine and neuter shall be freely interchangeable.

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

10. 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 their respective heirs, personal representatives, successors and assigns.

[Remainder of page intentionally left blank; signature page follows]

[signature page to Assignment and Assumption of Membership Interest and First Amendment to Operating Agreement]

MANAGING MEMBER:

SHAG DRPI II, LLC
a Virginia limited liability company

By: Darren Smith
Darren Smith
Managing Member

ASSIGNEE:

LRHA-DR-P2, LLC
a Virginia limited liability company

By: LRHA-Holdings, Inc.
a Virginia corporation
its sole member

By: _____
Mary E. Mayrose
Secretary

ASSIGNOR:

LRHA-DR-P1 II, LLC
a Virginia limited liability company

By: LRHA-Holdings, Inc.
a Virginia corporation
its sole member

By: _____
Mary E. Mayrose
Secretary

[signature page to Assignment and Assumption of Membership Interest and First Amendment to Operating Agreement]

MANAGING MEMBER:

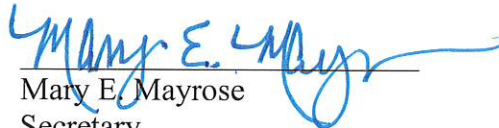
SHAG DRPI II, LLC
a Virginia limited liability company

By: _____
Darren Smith
Managing Member

ASSIGNEE:

LRHA-DR-P2, LLC
a Virginia limited liability company

By: LRHA-Holdings, Inc.
a Virginia corporation
its sole member

By: 

Mary E. Mayrose
Secretary

ASSIGNOR:

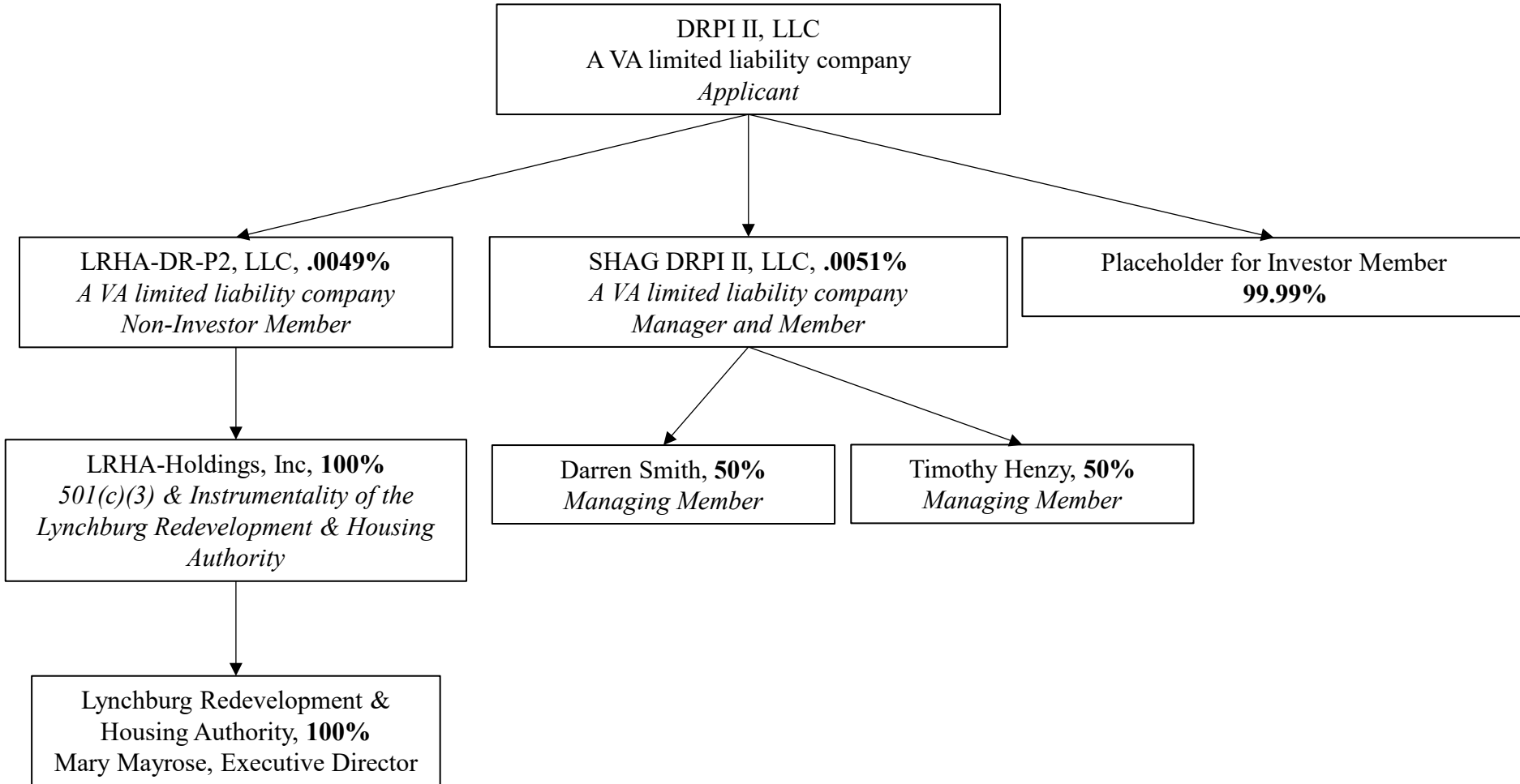
LRHA-DR-P1 II, LLC
a Virginia limited liability company

By: LRHA-Holdings, Inc.
a Virginia corporation
its sole member

By: 

Mary E. Mayrose
Secretary

**ORGANIZATIONAL CHART – APPLICANT ENTITY
DRPI II**



Tab B:

Virginia State Corporation Commission Certification
(MANDATORY)

Commonwealth of Virginia



State Corporation Commission

CERTIFICATE OF FACT

I Certify the Following from the Records of the Commission:

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

That the Limited Liability Company was formed on October 5, 2023; and

That the Limited Liability Company is in existence in the Commonwealth of Virginia as of the date set forth below.

Nothing more is hereby certified.



Signed and Sealed at Richmond on this Date:

March 5, 2026

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

Bernard J. Logan, Clerk of the Commission

Tab C:

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

RAYMOND JAMES

March 12, 2026

Mr. Timothy Henzy
DRPI II, LLC
c/o SHAG DRPI II, LLC
1100 NW 4th Avenue
Delray Beach, FL 33444

Re: Project: DRPI II
Company/Applicant: DRPI II, LLC
Fund: To be determined
Property Location: Lynchburg, Virginia

Dear Mr. Henzy,

This letter of intent for construction and permanent financing will confirm our agreement (“Agreement”) whereby Raymond James Affordable Housing Investments, Inc. (“RJAHI”) shall attempt to effect a closing (“Closing”) of an investment by a Fund sponsored by RJAHI (the “RJAHI Fund”) in the above named Company (“Company”) on the assumptions, terms, and conditions contained in this letter of intent, or such other assumptions, terms and conditions as are acceptable to you, RJAHI and the RJAHI Fund.

Based upon the Company receiving \$2,120,000 in annual low income housing tax credits, and further based on terms and conditions as set forth below, the anticipated total equity investment of the RJAHI Fund in the Project is \$18,018,198 or \$0.85 per low income housing tax credit allocated to the RJAHI Fund, subject to market conditions. The Applicant is the beneficiary of the equity proceeds. The RJAHI Fund anticipates purchasing \$21,197,880 (99.99%) of the total low income housing tax credits allocated to the Applicant. The RJAHI Fund’s net investment is anticipated to be funded based upon the following schedule:

- 20% (\$3,603,640) paid prior to or simultaneous with the closing of construction financing
- 60% (\$10,810,918) paid at construction completion
- Balance (\$3,603,640) paid at project stabilization and receipt of 8609s
- The amount of equity to be paid prior to construction completion shall be \$3,603,640

This letter of intent is subject to RJAHI’s satisfactory completion of its normal due diligence, and is also subject to the approval by the Investment Committee of RJAHI of the terms and conditions of the investment in its sole discretion based on then current market conditions, including availability of investment funds and pricing for tax credits.

Raymond James Tax Credit Funds, Inc.
A Subsidiary of Raymond James Financial, Inc.

880 Carillon Parkway • St. Petersburg, FL 33716
800-438-8088 Toll Free • 727-567-8455 Fax
Visit our Web Site at www.RJAH.com

Since 1987, Raymond James Affordable Housing Investments and our affiliates have been involved with the development of affordable housing. We have provided equity for more than 2,200 properties nationwide. We look forward to working with you.

Sincerely,

A handwritten signature in black ink, appearing to be 'SJ' with a stylized flourish.

Sean Jones
VP - Director of Acquisitions Raymond James
Affordable Housing Investments, Inc.

Tab D:

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

Tab E:

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

OPTION AGREEMENT

THIS OPTION AGREEMENT ("Option"), made this 5th day of March, 2026, between **LYNCHBURG REDEVELOPMENT AND HOUSING AUTHORITY**, a political subdivision of the Commonwealth of Virginia, hereinafter called "LRHA," and **DRPI II, LLC**, a Virginia limited liability company, hereinafter called "Optionee,"

WITNESSETH THAT:

WHEREAS, LRHA is the owner of certain parcels of land as more particularly described on Exhibit A attached hereto and incorporated herein (the "**Property**"); and

WHEREAS, LRHA competitively selected Smith & Henzy Affordable Group, Inc., a Florida corporation ("**SHAG**") to redevelop the Property, pursuant to that certain Master Development Agreement between LRHA and SHAG (the "**MDA**"); and

WHEREAS, SHAG has caused Optionee to be organized; and

WHEREAS, Optionee intends to apply to the Virginia Housing ("**VH**") for an allocation of low-income housing tax credits ("**LIHTCs**") to assist in the second phase of redevelopment of an existing public housing development located on the Property currently known as Dearington Hills Apartments, the first phase of which will be known as DRPI II (the "**Development**"); and

WHEREAS, LRHA and Optionee desire to enter into this Option describing their mutual intention for LRHA and Optionee to enter into a ground lease (the "**Ground Lease**") in connection with the Development; and

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

1. **Option**: LRHA hereby grants Optionee the option to lease the Property, in "as is, where is" condition, pursuant to the Ground Lease and subject to the terms and conditions contained herein. Optionee may exercise the option granted herein at any time prior to the expiration or termination of this Option as provided herein, by notifying LRHA in writing and by entering into the Ground Lease within ninety (90) days thereafter.

2. **Option Payment**: Optionee has paid LRHA the sum of \$100.00 in consideration for this Option. Upon execution of a Ground Lease, the \$100.00 option money will be credited against the Optionee's first payment due under the Ground Lease. The option money shall be returned to Optionee if the failure to enter into a Ground Lease is not the choice or fault of the Optionee.

3. **Ground Lease**: If the Optionee exercises the option granted herein, then LRHA and the Optionee shall enter into the Ground Lease using the LRHA customary form. The Ground Lease shall convey a leasehold interest in the Property to the Optionee for a capitalized lease payment in the amount of \$ **\$559,151**; however, such value and related payment may be increased

by an independent appraisal obtained at least six (6) months prior to the Closing date, and such increased value shall be part of the below promissory note (the "**Capitalized Lease Payment**"), payable in the form of a promissory note made by the Optionee to LRHA on or before the effective date of the Ground Lease in lieu of a cash payment. The promissory note shall be secured by a leasehold deed of trust on the Property, shall accrue interest at no less than the long-term applicable federal rate in the month of the effective date of the Ground Lease and shall be repaid in annual installments to the extent of available cash flow from the Development pursuant to the Optionee's amended and restated Operating Agreement. The Ground Lease shall be for a term of not less than 65 years and not more than 99 years, provided that the Ground Lease term shall in any event not be less than the term necessary for site control purposes as may be required by debt and equity providers for the Development and VH. The Ground Lease shall include those terms, conditions, covenants and other provisions that are usual and customary and normally required by prudent parties, including reasonable revisions of the lenders and investors to the Optionee, including consideration agreed upon by the parties. The closing on the execution of the Ground Lease and recording of the memorandum of ground lease memorializing the Ground Lease and all financing necessary to complete the Development will occur on a date mutually acceptable to the parties, but no later than by 4:00 p.m., Lynchburg, Virginia time on a date that is six (6) months after the date this Option is exercised, or this Option shall expire.

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

If to LRHA:

Lynchburg Redevelopment & Housing Authority
1948 Thomson Drive
Lynchburg, Virginia 24501
Attn: Mary E. Mayrose, Executive Director
Email: mmayrose@lynchburghousing.org
Phone: (434) 485-7220

With a copy to:

Fox Rothschild LLP
Six PPG Place, Suite 1000
Pittsburgh, Pennsylvania 15222
Attn: Michael H. Syme, Esq.
Email: msyme@foxrothschild.com
Phone: (412) 391-2450

If to Optionee:

DRPI II, LLC
c/o Smith & Henzy Affordable Group, Inc.
1100 NW 4th Avenue
Delray Beach, Florida 33444

Attn: Darren Smith, Principal
Email: dsmith@smithhenzy.com
Phone: (561) 859-8520

With a copy to:

Shutts & Bowen LLP
200 S Biscayne Boulevard, Suite 4100
Miami, Florida 33131
Attn: Robert Cheng, Esq.
Email: RCheng@shutts.com
Phone: 305-415-9083

And

Klein Hornig LLP
1325 G Street NW, Suite 770
Washington, DC 20005
Attn: Doruk Vural
Email: donvural@kleinhornig.com

5. **Assignment of Option:** Neither LRHA nor the Optionee will have the right to transfer or assign its rights under this Option, except with the consent of the other and, if applicable, of the U.S. Department of Housing and Urban Development ("**HUD**").

6. **No Recordation of Option:** This Option shall not be recorded, although the Memorandum of Ground Lease memorializing the Ground Lease is expected to be recorded in the appropriate office of public records on or about the effective date of the Ground Lease. All costs of transfer and recordation will be borne by the Optionee as a Development expense, and not by LRHA.

7. **Conditions Precedent:** The obligation of LRHA to lease the Property to the Optionee shall be conditioned upon the Optionee obtaining all requisite approvals of HUD, the Optionee successfully closing of financing sufficient to complete the Development as designed, and the Optionee shall have obtained any and all government approvals, licenses, permits and other approvals necessary for the consummation of the transaction contemplated by this Option, including the execution of a Regulatory and Operating Agreement acceptable to HUD for the development and management of the Development, all such documents shall be on customary forms of LRHA, and shall be subject to the approval of HUD (if required).

8. **Termination of Option:**

a. Upon termination of this Option pursuant to this Section 8.a., neither party shall have any further rights or obligations hereunder. The term of this Option (the "**Term**") begins on the Effective Date and will expire at 5:00 p.m. on the "**Option Expiration Date**," which is that date 365 days after an award from VH ("**Tax Credit Award Date**") of 4% or 9% low-income

housing tax credits for the Project (the "**Tax Credits**"). Optionee will have until December 31, 2027 (the "**Initial Tax Credit Date**") to receive an award of Tax Credits, as such period of time may be extended as set forth in Section 8.b. of this Option. For the purposes of this Option, the "Tax Credit Award Date" for 9% credits is the effective date of the reservation agreement to be entered into with VH in connection with the Tax Credits, and for 4% credits is the effective date of the 42(m) letter issued by VH to Optionee or its affiliate.

b. Right to Extend.

(i) If Optionee has not received an award of Tax Credits on or before the Initial Tax Credit Date, then Optionee may extend the Initial Tax Credit Date until 5:00 p.m. on December 31, 2028, under the following conditions:

- (1) Optionee has not received an award of Tax Credits on or before the Initial Tax Credit Date;
- (2) This Option is then in full force and effect and Optionee is not then in default beyond any applicable notice and cure period under this Option;
- (3) Optionee has given LRHA written notice of Optionee's election to extend the Term of this Option no less than ten (10) calendar days before the Initial Tax Credit Date; and
- (4) Optionee will re-apply for the Tax Credits during the extension period and diligently pursue the financing and equity sources necessary to fund the Development during such extension period.

c. The parties agree that if funding or other circumstances indicate that a financial closing for the Development is not possible under the term of this Option, that the parties will promptly execute a termination of this Option.

d. Right to Exercise the Option. Optionee may exercise the option granted herein only if all of the following conditions have been met or will be met prior to the Closing Date: (i) all of the conditions precedent set forth in Section 7 (except as waived, to the extent waivable, at the sole and absolute discretion of LRHA); and (ii) Optionee has otherwise performed or satisfied all of its obligations under this Option.

9. **Time of Essence:** TIME IS OF THE ESSENCE FOR ALL TERMS AND CONDITIONS OF THIS OPTION.

10. **Event of Default:** The occurrence of the following shall constitute an event of default:

- a. The failure of the other party to perform any of its duties and obligations set forth in this Option.

11. **Remedies**: Upon the occurrence and during the continuation of an event of default, the non-defaulting party may, at its option, elect to enforce the terms of this Option, including specific performance, or demand and be entitled to, full termination of this Option.
12. **Applicable Law**: The interpretation and enforcement of this Option and any similar contracts entered into between Optionee and LRHA shall be governed by the laws of the Commonwealth of Virginia. Any litigation regarding this Option shall be brought in the courts located in Lynchburg, Virginia.
13. **No Third Party Beneficiaries**: Nothing contained in this Option, nor any act of LRHA pursuant to this Option, shall be deemed or construed to create any relationship of third party beneficiary, principal and agent, limited or general partnership, joint venture, or any association or relationship involving LRHA and the Optionee.
14. **No Assignment of Funds**: The Optionee acknowledges and agrees that by execution of this Option it will not succeed to any rights or benefits of LRHA or attain any privileges, authorities, interests, or rights in or under any funding agreements between LRHA and HUD.
15. **Modifications**: No modification of this Option shall be effective unless set forth in writing and signed by both LRHA and Optionee.
16. **Further Assurances**: Each party shall execute such other and further documents as may be reasonably necessary or proper for the consummation of the transaction contemplated by this Option.
17. **Successors and Assigns**: This Option shall be binding, upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.
18. **Entire Agreement**: This Option contains the entire agreement between the parties with respect to the transactions contemplated hereby, and supersedes all prior oral and written agreements between the parties with respect to the subject matter hereof.
19. **Paragraph Heading**: Captions at the beginning of each paragraph of this Option are solely for the convenience of the parties and are not part of this Option.
20. **Exhibits**: All exhibits which are attached to this Option are incorporated herein by this reference.
21. **Counterparts**: This Option may be executed in several counterparts, each of which shall be deemed an original, but all of which, together, shall constitute one and the same instrument.
22. **Severability**: If any portion of the Option is declared by a court of competent jurisdiction to be valid or unenforceable, such portion shall be deemed severed from this Option, and the remaining parts shall remain in full force as though such invalid or unenforceable provision had not been a part of this Option.

[Signatures appear on next page.]

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

LRHA:

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

By: Mary E. Mayrose
Name: Mary E. Mayrose
Title: Executive Director

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

I, Tabitha Renee Smith, a Notary Public in and for the City aforesaid, in the Commonwealth of Virginia, whose commission expires on the 31st day of October, 2028, do hereby certify that Mary Mayrose, Executive Director of Lynchburg Redevelopment and Housing Authority, whose name is signed as such to the foregoing writing bearing date of the 5th day of March, 2026, has acknowledged the same before me in my City and State.

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

Tabitha Renee Smith
Notary Public



[Signatures continue on next page.]

OPTIONEE:

DRPI II, LLC

a Virginia limited liability company


By: SHAG DRPI II, LLC
a Virginia limited liability company
its Manager and Member

By: Darren Smith
Darren Smith
Managing Member

STATE OF FLORIDA)
)SS
COUNTY\CITY OF Palm Beach)

On this the 5 day of March, 2026, before me, the undersigned officer, personally appeared Darren Smith as Managing Member of SHAG DRPI II, LLC, a Virginia limited liability corporation, the Manager and Member of DRPI II, LLC, a Virginia limited liability company, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument and acknowledged that she executed the same for the purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.


Notary Public

My Commission Expires: 11/28/2027

[Notarial Seal]



JORDAN SCHREIDELL
Notary Public
State of Florida
Comm# HH468082
Expires 11/28/2027

EXHIBIT A

Legal Description

PHASE II – PART OF PID 00206004:

BEGINNING AT A POINT ON THE NORTHERLY RIGHT-OF-WAY OF HUNT STREET, BEING A COMMON CORNER WITH PHASE I, SHOWN ON PLAT AS POB 3; THENCE, FOLLOWING SAID RIGHT-OF-WAY, S54°29'50"W 70.00' TO AN IRON SET; THENCE WITH A CURVE TO THE LEFT WITH A RADIUS OF 10.00', A LENGTH OF 15.71', A DELTA ANGLE OF 90°00'00", A CHORD BEARING OF S09°29'50"W, AND A CHORD OF 14.14' TO AN IRON SET ON THE EASTERLY RIGHT-OF-WAY OF CHAMBERS STREET; THENCE, FOLLOWING SAID RIGHT-OF-WAY, S35°30'10"E 310.00' TO AN IRON SET; THENCE WITH A CURVE TO THE LEFT WITH A RADIUS OF 10.00', A LENGTH OF 15.71', A DELTA ANGLE OF 90°00'00", A CHORD BEARING OF S80°30'10"E, AND A CHORD OF 14.14' TO AN IRON SET ON THE SOUTHERLY RIGHT-OF-WAY OF LOVELL STREET; THENCE, FOLLOWING SAID RIGHT-OF-WAY, N54°29'50"E 70.60' TO A POINT BEING A COMMON CORNER WITH PHASE I; THENCE, LEAVING THE AFOREMENTIONED RIGHT-OF-WAY, N35°36'26"W 330.00' TO THE POINT OF BEGINNING, HAVING AN AREA OF 0.607 ACRE.

PHASE II – PID 00206005:

BEGINNING AT AN IRON SET ON THE EASTERLY RIGHT-OF-WAY OF CHAMBERS STREET, SHOWN ON PLAT AS POB 4; THENCE, FOLLOWING SAID RIGHT-OF-WAY, N35°30'10"W 148.10' TO AN IRON SET; THENCE WITH A CURVE TO THE RIGHT WITH A RADIUS OF 140.00', A LENGTH OF 103.89', A DELTA ANGLE OF 42°31'00", A CHORD BEARING OF N14°14'40"W, AND A CHORD OF 101.52' TO AN IRON SET; THENCE N07°00'50"E 192.67' TO AN IRON SET; THENCE WITH A CURVE TO THE RIGHT WITH A RADIUS OF 10.00', A LENGTH OF 15.71', A DELTA ANGLE OF 90°00'00", A CHORD BEARING OF N52°01'11"E, AND A CHORD OF 14.14' TO AN IRON SET ON THE SOUTHERLY RIGHT-OF-WAY OF PULASKI STREET; THENCE, FOLLOWING SAID RIGHT-OF-WAY, S82°59'10"E 48.63' TO AN IRON SET; THENCE WITH A CURVE TO THE RIGHT WITH A RADIUS OF 145.00', A LENGTH OF 120.17', A DELTA ANGLE OF 47°29'04", A CHORD BEARING OF S59°14'38"E, AND A CHORD OF 116.76' TO AN IRON SET; THENCE S35°30'10"E 245.59' TO AN IRON SET; THENCE WITH A CURVE TO THE RIGHT WITH A RADIUS OF 10.00', A LENGTH OF 15.71', A DELTA ANGLE OF 90°00'00", A CHORD BEARING OF S09°29'50"W, AND A CHORD OF 14.14' TO AN IRON SET ON THE NORTHERLY RIGHT-OF-WAY OF LOVELL STREET; THENCE, WITH SAID RIGHT-OF-WAY, S54°29'50"W 244.00' TO AN IRON SET; THENCE WITH A CURVE TO THE RIGHT WITH A RADIUS OF 10.00', A LENGTH OF 15.71', A DELTA ANGLE OF 90°00'00", A CHORD BEARING OF N80°30'10"W, AND A CHORD OF 14.14' TO THE POINT OF BEGINNING, HAVING AN AREA OF 1.951 ACRES.

THE TOTAL AREA OF PHASE II IS 2.558 ACRES.



Parcel ID: 00206002

City of Lynchburg Assessor's Office
900 Church Street
Lynchburg, VA 24504
Telephone: (434) 455-3830
assessor@lynchburgva.gov
8:30 a.m. – 5:00 p.m. Mon – Fri

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Assessment Information

Year	Land Value	Improve Value	Total Value	Assessment Date	Change Reason
2025	\$27,700	\$316,300	\$344,000	7/1/2025	Current Assessment Land Book
2024	\$13,100	\$125,600	\$138,700	7/1/2024	Land Book
2023	\$13,100	\$125,600	\$138,700	7/1/2023	Land Book
2022	\$13,100	\$69,600	\$82,700	7/1/2022	Land Book
2021	\$13,100	\$69,600	\$82,700	7/1/2021	Land Book
2020	\$13,100	\$69,600	\$82,700	7/1/2020	Landbook
2019	\$13,100	\$69,600	\$82,700	7/1/2019	Land Book
2018	\$13,100	\$69,600	\$82,700	7/1/2018	Land Book
2017	\$13,100	\$69,600	\$82,700	3/1/2017	Land Book
2016	\$13,100	\$69,600	\$82,700	7/1/2016	Land Book
2015	\$13,100	\$69,600	\$82,700	7/1/2015	Land Book
2014	\$13,100	\$69,600	\$82,700	7/1/2014	Land Book
2013	\$13,100	\$69,600	\$82,700	7/1/2013	Land Book
2012	\$13,100	\$69,600	\$82,700	7/1/2012	Land Book
2011	\$13,100	\$69,600	\$82,700	7/1/2011	Land Book
2010	\$13,100	\$69,600	\$82,700	7/1/2010	Land Book
2009	\$13,100	\$69,600	\$82,700	7/1/2009	Land Book
2008	\$13,100	\$68,000	\$81,100	7/1/2008	Land Book
2007	\$13,100	\$68,000	\$81,100	7/1/2007	Land Book
2006	\$13,100	\$51,300	\$64,400	7/1/2006	Land Book
2005	\$13,100	\$51,300	\$64,400	7/1/2005	Land Book
2004	\$255,000	\$1,645,000	\$1,900,000	7/1/2004	Land Book
2003	\$255,000	\$1,645,000	\$1,900,000	7/1/2003	Land Book



DISCLAIMER: This data is provided without warranty of any kind, either expressed or implied, including but not limited to, the implied warranties of merchantability and fitness for a particular purpose. Any person, firm or corporation which uses this map or any of the enclosed information assumes all risk for the inaccuracy thereof, as the City of Lynchburg expressly disclaims any liability for loss or damage arising from the use of said information by any third party.

Assessment Information

Year	Land Value	Improve Value	Total Value	Assessment Date	Change Reason
2025	\$59,000	\$949,200	\$1,008,200	7/1/2025	Current Assessment Land Book
2024	\$59,000	\$949,200	\$1,008,200	7/1/2024	Land Book
2023	\$59,000	\$949,200	\$1,008,200	7/1/2023	Land Book
2022	\$59,000	\$629,100	\$688,100	7/1/2022	Land Book
2021	\$59,000	\$629,100	\$688,100	7/1/2021	Land Book
2020	\$59,000	\$629,100	\$688,100	7/1/2020	Landbook
2019	\$59,000	\$629,100	\$688,100	7/1/2019	Land Book
2018	\$59,000	\$629,100	\$688,100	7/1/2018	Land Book
2017	\$59,000	\$629,100	\$688,100	3/1/2017	Land Book
2016	\$59,000	\$629,100	\$688,100	7/1/2016	Land Book
2015	\$59,000	\$629,100	\$688,100	7/1/2015	Land Book
2014	\$59,000	\$629,100	\$688,100	7/1/2014	Land Book
2013	\$59,000	\$629,100	\$688,100	7/1/2013	Land Book
2012	\$59,000	\$629,100	\$688,100	7/1/2012	Land Book
2011	\$59,000	\$629,100	\$688,100	7/1/2011	Land Book
2010	\$59,000	\$629,100	\$688,100	7/1/2010	Land Book
2009	\$59,000	\$629,100	\$688,100	7/1/2009	Land Book
2008	\$59,000	\$616,200	\$675,200	7/1/2008	Land Book
2007	\$59,000	\$616,200	\$675,200	7/1/2007	Land Book
2006	\$59,000	\$603,100	\$662,100	7/1/2006	Land Book
2005	\$59,000	\$603,100	\$662,100	7/1/2005	Land Book



DISCLAIMER: This data is provided without warranty of any kind, either expressed or implied, including but not limited to, the implied warranties of merchantability and fitness for a particular purpose. Any person, firm or corporation which uses this map or any of the enclosed information assumes all risk for the inaccuracy thereof, as the City of Lynchburg expressly disclaims any liability for loss or damage arising from the use of said information by any third party.

Assessment Information

Year	Land Value	Improve Value	Total Value	Assessment Date	Change Reason
2025	\$58,400	\$654,600	\$713,000	7/1/2025	Current Assessment Land Book
2024	\$58,400	\$654,600	\$713,000	7/1/2024	Land Book
2023	\$58,400	\$654,600	\$713,000	7/1/2023	Land Book
2022	\$58,400	\$591,100	\$649,500	7/1/2022	Land Book
2021	\$58,400	\$591,100	\$649,500	7/1/2021	Land Book
2020	\$58,400	\$591,100	\$649,500	7/1/2020	Landbook
2019	\$58,400	\$591,100	\$649,500	7/1/2019	Land Book
2018	\$58,400	\$591,100	\$649,500	7/1/2018	Land Book
2017	\$58,400	\$591,100	\$649,500	3/1/2017	Land Book
2016	\$58,400	\$591,100	\$649,500	7/1/2016	Land Book
2015	\$58,400	\$591,100	\$649,500	7/1/2015	Land Book
2014	\$58,400	\$591,100	\$649,500	7/1/2014	Land Book
2013	\$58,400	\$591,100	\$649,500	7/1/2013	Land Book
2012	\$58,400	\$591,100	\$649,500	7/1/2012	Land Book
2011	\$58,400	\$591,100	\$649,500	7/1/2011	Land Book
2010	\$58,400	\$591,100	\$649,500	7/1/2010	Land Book
2009	\$58,400	\$591,100	\$649,500	7/1/2009	Land Book
2008	\$58,400	\$578,000	\$636,400	7/1/2008	Land Book
2007	\$58,400	\$578,000	\$636,400	7/1/2007	Land Book
2006	\$58,400	\$507,800	\$566,200	7/1/2006	Land Book
2005	\$58,400	\$507,800	\$566,200	7/1/2005	Land Book



DISCLAIMER: This data is provided without warranty of any kind, either expressed or implied, including but not limited to, the implied warranties of merchantability and fitness for a particular purpose. Any person, firm or corporation which uses this map or any of the enclosed information assumes all risk for the inaccuracy thereof, as the City of Lynchburg expressly disclaims any liability for loss or damage arising from the use of said information by any third party.

Assessment Information

Year	Land Value	Improve Value	Total Value	Assessment Date	Change Reason
2025	\$27,900	\$390,000	\$417,900	7/1/2025	Current Assessment Land Book
2024	\$27,900	\$390,000	\$417,900	7/1/2024	Land Book
2023	\$27,900	\$390,000	\$417,900	7/1/2023	Land Book
2022	\$27,900	\$298,200	\$326,100	7/1/2022	Land Book
2021	\$27,900	\$298,200	\$326,100	7/1/2021	Land Book
2020	\$27,900	\$298,200	\$326,100	7/1/2020	Landbook
2019	\$27,900	\$298,200	\$326,100	7/1/2019	Land Book
2018	\$27,900	\$298,200	\$326,100	7/1/2018	Land Book
2017	\$27,900	\$298,200	\$326,100	3/1/2017	Land Book
2016	\$27,900	\$298,200	\$326,100	7/1/2016	Land Book
2015	\$27,900	\$298,200	\$326,100	7/1/2015	Land Book
2014	\$27,900	\$298,200	\$326,100	7/1/2014	Land Book
2013	\$27,900	\$298,200	\$326,100	7/1/2013	Land Book
2012	\$27,900	\$298,200	\$326,100	7/1/2012	Land Book
2011	\$27,900	\$298,200	\$326,100	7/1/2011	Land Book
2010	\$27,900	\$298,200	\$326,100	7/1/2010	Land Book
2009	\$27,900	\$298,200	\$326,100	7/1/2009	Land Book
2008	\$27,900	\$291,600	\$319,500	7/1/2008	Land Book
2007	\$27,900	\$291,600	\$319,500	7/1/2007	Land Book
2006	\$27,900	\$184,400	\$212,300	7/1/2006	Land Book
2005	\$27,900	\$184,400	\$212,300	7/1/2005	Land Book



DISCLAIMER: This data is provided without warranty of any kind, either expressed or implied, including but not limited to, the implied warranties of merchantability and fitness for a particular purpose. Any person, firm or corporation which uses this map or any of the enclosed information assumes all risk for the inaccuracy thereof, as the City of Lynchburg expressly disclaims any liability for loss or damage arising from the use of said information by any third party.

Assessment Information

Year	Land Value	Improve Value	Total Value	Assessment Date	Change Reason
2025	\$309,700	\$1,260,500	\$1,570,200	7/1/2025	Current Assessment Land Book
2024	\$309,700	\$1,260,500	\$1,570,200	7/1/2024	Land Book
2023	\$309,700	\$1,260,500	\$1,570,200	7/1/2023	Land Book
2022	\$309,700	\$961,400	\$1,271,100	7/1/2022	Land Book
2021	\$309,700	\$961,400	\$1,271,100	7/1/2021	Land Book
2020	\$309,700	\$961,400	\$1,271,100	7/1/2020	Landbook
2019	\$309,700	\$961,400	\$1,271,100	7/1/2019	Land Book
2018	\$309,700	\$961,400	\$1,271,100	7/1/2018	Land Book
2017	\$309,700	\$961,400	\$1,271,100	3/1/2017	Land Book
2016	\$309,700	\$961,400	\$1,271,100	7/1/2016	Land Book
2015	\$309,700	\$961,400	\$1,271,100	7/1/2015	Land Book
2014	\$309,700	\$961,400	\$1,271,100	7/1/2014	Land Book
2013	\$309,700	\$961,400	\$1,271,100	7/1/2013	Land Book
2012	\$309,700	\$961,400	\$1,271,100	7/1/2012	Land Book
2011	\$309,700	\$961,400	\$1,271,100	7/1/2011	Land Book
2010	\$309,700	\$961,400	\$1,271,100	7/1/2010	Land Book
2009	\$309,700	\$961,400	\$1,271,100	7/1/2009	Land Book
2008	\$309,700	\$939,500	\$1,249,200	7/1/2008	Land Book
2007	\$309,700	\$939,500	\$1,249,200	7/1/2007	Land Book
2006	\$309,700	\$877,000	\$1,186,700	7/1/2006	Land Book
2005	\$309,700	\$877,000	\$1,186,700	7/1/2005	Land Book

Tab F:

RESNET Rater Certification (MANDATORY)



Appendix F

RESNET Rater Certification of Development Plans

I certify that the development's plans and specifications incorporate all items for the required baseline energy performance as indicated in Virginia's Qualified Allocation Plan (QAP).

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

***Please note that this may make the Application ineligible for credits. The Requirements apply to any new, adaptive reuse, or rehabilitated development (including those serving elderly and/or physically disabled households).

In addition, provide HERS rating documentation as specified in the manual.

- New Construction** – EnergyStar Certification
The development's design meets the criteria for the EnergyStar Certification. Rater understands that before issuance of IRS Form 8609, the applicant will obtain and provide EnergyStar Certification to Virginia Housing.
- Rehabilitation** – 30% performance increase over existing, based on HERS index.
Or, it must provide evidence of a HERS Index of 80 or lower. The rater understands that before IRS Form 8609 is issued, the rater must provide Virginia Housing with energy performance certification.
- Adaptive Reuse** – Must provide evidence of a HERS index of 95 or lower. The rater understands that before IRS Form 8609 is issued, the rater must provide Virginia Housing with energy performance certification.

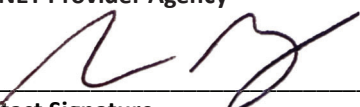
Additional Optional Certification

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

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

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

	Bill Riggs	3.11.2026
RESNET Rater Signature	Printed Name	Date

Viridiant	Sean Shanley
RESNET Provider Agency	Provider Contact Name
	sean.shanley@viridiant.org
Contact Signature	Email
	(804) 225-9843
	Phone

Dearington Hills Phase II
Development Name

Home Energy Rating Certificate

Projected Report
Based on Plans

Rating Date:
Registry ID:
Ekotrope ID: LKBaOj12

HERS® Index Score:

49

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

Annual Savings

\$1,204

*Relative to an average U.S. home

Home:

1425 Hunt Street & 537 Chambers Street
Lynchburg, VA 24501

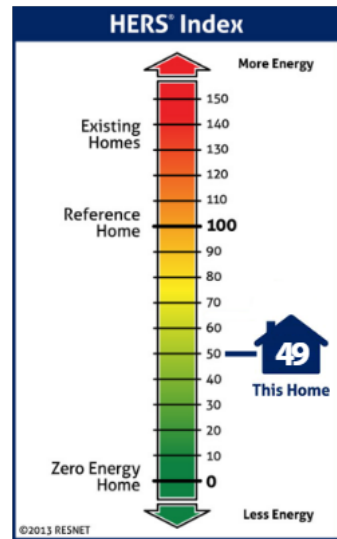
Builder:

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	1.5	\$73
Cooling	1.2	\$61
Hot Water	4.4	\$218
Lights/Appliances	11.0	\$540
Service Charges		\$96
Generation (e.g. Solar)	0.0	\$0
Total:	18.2	\$988

This home meets or exceeds the criteria of the following:

ENERGY STAR MF v1.1
ENERGY STAR MF v1.0



Home Feature Summary:

Home Type:	Apartment, inside unit
Model:	3 BR Int Top and Mid Fls
Community:	Dearington Hills Apartments
Conditioned Floor Area:	904 ft ²
Number of Bedrooms:	1
Primary Heating System:	Air Source Heat Pump • Electric • 7.8 HSPF2
Primary Cooling System:	Air Source Heat Pump • Electric • 15.2 SEER2
Primary Water Heating:	Residential Water Heater • Electric • 0.92 UEF
House Tightness:	5 ACH50 (Adjusted Infiltration: 2.03 ACH50)
Ventilation:	43 CFM • 21 Watts • ERV
Duct Leakage to Outside:	4 CFM25 / 100 ft ²
Above Grade Walls:	R-25
Ceiling:	Adiabatic, R-11
Window Type:	U-Value: 0.25, SHGC: 0.27
Foundation Walls:	N/A
Framed Floor:	N/A

Rating Completed by:

Energy Rater: Bill Riggs
RESNET ID: 3259518

Rating Company: Viridiant
1601 Rolling Hills Drive, Henrico, VA 23229

Rating Provider: Viridiant
1601 Rolling Hills Drive, Henrico, VA 23229

Bill Riggs, Certified Energy Rater
Digitally signed: 3/12/26 at 10:48 AM



Home Energy Rating Certificate

Projected Report
Based on Plans

Rating Date:
Registry ID:
Ekotrope ID: LXgoMw52

HERS® Index Score:

47

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

Annual Savings

\$1,327

*Relative to an average U.S. home

Home:

1425 Hunt Street & 537 Chambers Street
Lynchburg, VA 24501

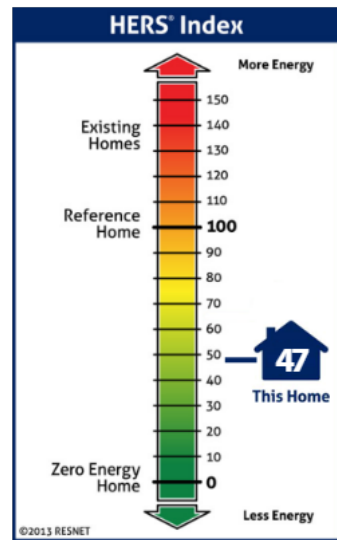
Builder:

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	1.7	\$85
Cooling	1.9	\$91
Hot Water	4.4	\$218
Lights/Appliances	10.8	\$530
Service Charges		\$96
Generation (e.g. Solar)	0.0	\$0
Total:	18.8	\$1,020

This home meets or exceeds the criteria of the following:

ENERGY STAR MF v1.2
ENERGY STAR MF v1.1
ENERGY STAR MF v1.0



Home Feature Summary:

Home Type:	Apartment, inside unit
Model:	3 BR Int Top and Mid Fls
Community:	Dearington Hills Apartments
Conditioned Floor Area:	904 ft ²
Number of Bedrooms:	1
Primary Heating System:	Air Source Heat Pump • Electric • 7.8 HSPF2
Primary Cooling System:	Air Source Heat Pump • Electric • 15.2 SEER2
Primary Water Heating:	Residential Water Heater • Electric • 0.92 UEF
House Tightness:	5 ACH50 (Adjusted Infiltration: 2.03 ACH50)
Ventilation:	43 CFM • 21 Watts • ERV
Duct Leakage to Outside:	4 CFM25 / 100 ft ²
Above Grade Walls:	R-25
Ceiling:	Vented Attic, R-60
Window Type:	U-Value: 0.25, SHGC: 0.27
Foundation Walls:	N/A
Framed Floor:	R-13

Rating Completed by:

Energy Rater: Bill Riggs
RESNET ID: 3259518

Rating Company: Viridiant
1601 Rolling Hills Drive, Henrico, VA 23229

Rating Provider: Viridiant
1601 Rolling Hills Drive, Henrico, VA 23229

Bill Riggs, Certified Energy Rater
Digitally signed: 3/12/26 at 10:48 AM



Home Energy Rating Certificate

Projected Report
Based on Plans

Rating Date:
Registry ID:
Ekotrope ID: vjgOAbZ2

HERS® Index Score:

49

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

Annual Savings

\$1,516

*Relative to an average U.S. home

Home:

1425 Hunt Street & 537 Chambers Street
Lynchburg, VA 24501

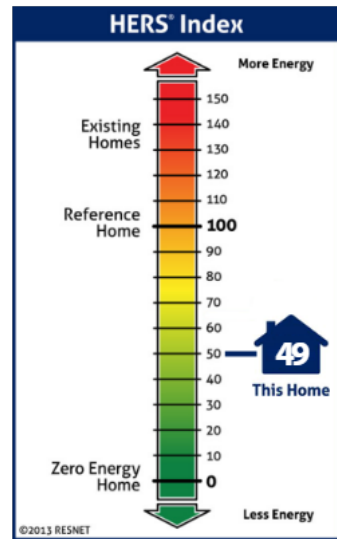
Builder:

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	2.0	\$99
Cooling	1.9	\$94
Hot Water	6.0	\$294
Lights/Appliances	12.8	\$628
Service Charges		\$96
Generation (e.g. Solar)	0.0	\$0
Total:	22.7	\$1,210

This home meets or exceeds the criteria of the following:

ENERGY STAR MF v1.2
ENERGY STAR MF v1.1
ENERGY STAR MF v1.0



Home Feature Summary:

Home Type:	Apartment, inside unit
Model:	3 BR Int Top and Mid Fls
Community:	Dearington Hills Apartments
Conditioned Floor Area:	1,143 ft ²
Number of Bedrooms:	2
Primary Heating System:	Air Source Heat Pump • Electric • 7.8 HSPF2
Primary Cooling System:	Air Source Heat Pump • Electric • 15.2 SEER2
Primary Water Heating:	Residential Water Heater • Electric • 0.92 UEF
House Tightness:	0.3 CFM50 / s.f. Shell Area (Adjusted Infiltration: 2.50 ACH50)
Ventilation:	43 CFM • 21 Watts • ERV
Duct Leakage to Outside:	4 CFM25 / 100 ft ²
Above Grade Walls:	R-25
Ceiling:	Adiabatic, R-11
Window Type:	U-Value: 0.25, SHGC: 0.27
Foundation Walls:	N/A
Framed Floor:	N/A

Rating Completed by:

Energy Rater: Bill Riggs
RESNET ID: 3259518

Rating Company: Viridiant
1601 Rolling Hills Drive, Henrico, VA 23229

Rating Provider: Viridiant
1601 Rolling Hills Drive, Henrico, VA 23229

Bill Riggs, Certified Energy Rater
Digitally signed: 3/12/26 at 10:48 AM



Home Energy Rating Certificate

Projected Report
Based on Plans

Rating Date:
Registry ID:
Ekotrope ID: LZ6ZPg5L

HERS® Index Score:

47

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

Annual Savings

\$1,671

*Relative to an average U.S. home

Home:

1425 Hunt Street & 537 Chambers Street
Lynchburg, VA 24501

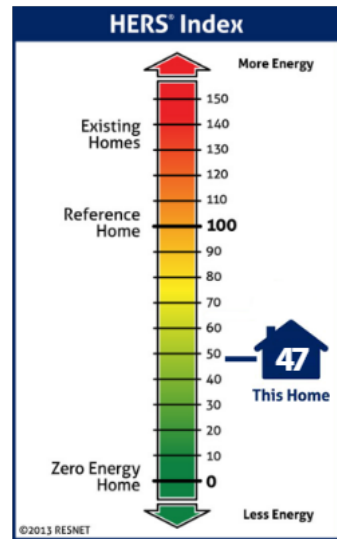
Builder:

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	2.4	\$116
Cooling	2.7	\$132
Hot Water	6.0	\$294
Lights/Appliances	12.6	\$617
Service Charges		\$96
Generation (e.g. Solar)	0.0	\$0
Total:	23.6	\$1,254

This home meets or exceeds the criteria of the following:

ENERGY STAR MF v1.2
ENERGY STAR MF v1.1
ENERGY STAR MF v1.0



Home Feature Summary:

Home Type:	Apartment, inside unit
Model:	3 BR Int Top and Mid Fls
Community:	Dearington Hills Apartments
Conditioned Floor Area:	1,143 ft ²
Number of Bedrooms:	2
Primary Heating System:	Air Source Heat Pump • Electric • 7.8 HSPF2
Primary Cooling System:	Air Source Heat Pump • Electric • 15.2 SEER2
Primary Water Heating:	Residential Water Heater • Electric • 0.92 UEF
House Tightness:	0.3 CFM50 / s.f. Shell Area (Adjusted Infiltration: 2.50 ACH50)
Ventilation:	43 CFM • 21 Watts • ERV
Duct Leakage to Outside:	4 CFM25 / 100 ft ²
Above Grade Walls:	R-25
Ceiling:	Vented Attic, R-60
Window Type:	U-Value: 0.25, SHGC: 0.27
Foundation Walls:	N/A
Framed Floor:	R-13

Rating Completed by:

Energy Rater: Bill Riggs
RESNET ID: 3259518

Rating Company: Viridiant
1601 Rolling Hills Drive, Henrico, VA 23229

Rating Provider: Viridiant
1601 Rolling Hills Drive, Henrico, VA 23229

Bill Riggs, Certified Energy Rater
Digitally signed: 3/12/26 at 10:48 AM



Home Energy Rating Certificate

Projected Report
Based on Plans

Rating Date:
Registry ID:
Ekotrope ID: L98rVkk2

HERS® Index Score:

44

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

Annual Savings

\$2,165

*Relative to an average U.S. home

Home:

1425 Hunt Street & 537 Chambers Street
Lynchburg, VA 24501

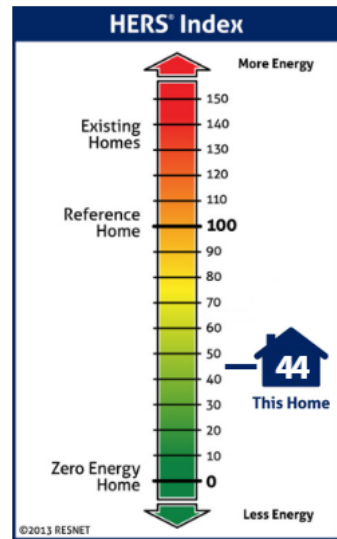
Builder:

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	6.4	\$312
Cooling	1.6	\$77
Hot Water	2.9	\$143
Lights/Appliances	13.8	\$677
Service Charges		\$96
Generation (e.g. Solar)	0.0	\$0
Total:	24.6	\$1,304

This home meets or exceeds the criteria of the following:

ENERGY STAR v3.3
ENERGY STAR v3.2
ENERGY STAR v3.1



Home Feature Summary:

Home Type:	Townhouse, end unit
Model:	3 BR Int Top and Mid Fls
Community:	Dearington Hills Apartments
Conditioned Floor Area:	1,290 ft ²
Number of Bedrooms:	2
Primary Heating System:	Air Source Heat Pump • Electric • 9 HSPF2
Primary Cooling System:	Air Source Heat Pump • Electric • 16.2 SEER2
Primary Water Heating:	Residential Water Heater • Electric • 2.2 UEF
House Tightness:	4 ACH50 (Adjusted Infiltration: 3.31 ACH50)
Ventilation:	37 CFM • 21 Watts • ERV
Duct Leakage to Outside:	4 CFM25 / 100 ft ²
Above Grade Walls:	R-25
Ceiling:	Vented Attic, R-60
Window Type:	U-Value: 0.25, SHGC: 0.27
Foundation Walls:	N/A
Framed Floor:	N/A

Rating Completed by:

Energy Rater: Bill Riggs
RESNET ID: 3259518

Rating Company: Viridiant
1601 Rolling Hills Drive, Henrico, VA 23229

Rating Provider: Viridiant
1601 Rolling Hills Drive, Henrico, VA 23229

Bill Riggs, Certified Energy Rater
Digitally signed: 3/12/26 at 10:48 AM



Home Energy Rating Certificate

Projected Report
Based on Plans

Rating Date:
Registry ID:
Ekotrope ID: 2JRABAo2

HERS® Index Score:

46

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

Annual Savings

\$1,739

*Relative to an average U.S. home

Home:

1425 Hunt Street & 537 Chambers Street
Lynchburg, VA 24501

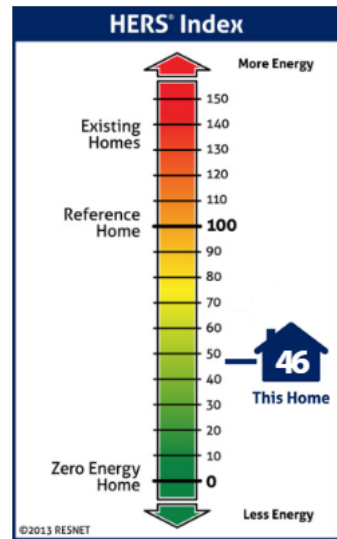
Builder:

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	3.0	\$147
Cooling	2.4	\$117
Hot Water	5.6	\$275
Lights/Appliances	13.0	\$638
Service Charges		\$96
Generation (e.g. Solar)	0.0	\$0
Total:	24.0	\$1,273

This home meets or exceeds the criteria of the following:

ENERGY STAR MF v1.2
ENERGY STAR MF v1.1
ENERGY STAR MF v1.0



Home Feature Summary:

Home Type:	Apartment, end unit
Model:	3 BR Int Top and Mid Fls
Community:	Dearington Hills Apartments
Conditioned Floor Area:	1,187 ft ²
Number of Bedrooms:	2
Primary Heating System:	Air Source Heat Pump • Electric • 9 HSPF2
Primary Cooling System:	Air Source Heat Pump • Electric • 16.2 SEER2
Primary Water Heating:	Residential Water Heater • Electric • 0.93 UEF
House Tightness:	5 ACH50 (Adjusted Infiltration: 2.91 ACH50)
Ventilation:	35 CFM • 21 Watts • ERV
Duct Leakage to Outside:	4 CFM25 / 100 ft ²
Above Grade Walls:	R-25
Ceiling:	Adiabatic, R-11
Window Type:	U-Value: 0.25, SHGC: 0.27
Foundation Walls:	N/A
Framed Floor:	N/A

Rating Completed by:

Energy Rater: Bill Riggs
RESNET ID: 3259518

Rating Company: Viridiant
1601 Rolling Hills Drive, Henrico, VA 23229

Rating Provider: Viridiant
1601 Rolling Hills Drive, Henrico, VA 23229

Bill Riggs, Certified Energy Rater
Digitally signed: 3/12/26 at 10:48 AM



Home Energy Rating Certificate

Projected Report
Based on Plans

Rating Date:
Registry ID:
Ekotrope ID: 28MwVxwL

HERS® Index Score:

46

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

Annual Savings

\$2,116

*Relative to an average U.S. home

Home:

1425 Hunt Street & 537 Chambers Street
Lynchburg, VA 24501

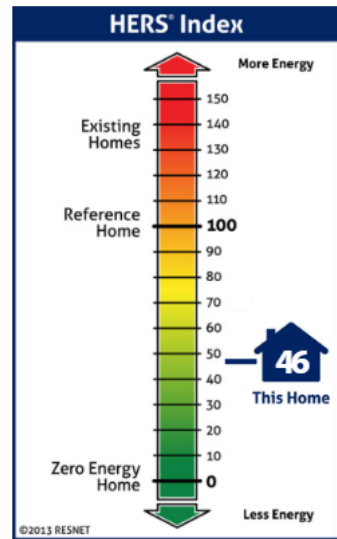
Builder:

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	4.5	\$221
Cooling	3.1	\$151
Hot Water	6.0	\$292
Lights/Appliances	13.8	\$676
Service Charges		\$96
Generation (e.g. Solar)	0.0	\$0
Total:	27.3	\$1,435

This home meets or exceeds the criteria of the following:

ENERGY STAR MF v1.2
ENERGY STAR MF v1.1
ENERGY STAR MF v1.0



Home Feature Summary:

Home Type:	Apartment, end unit
Model:	3 BR Int Top and Mid Fls
Community:	Dearington Hills Apartments
Conditioned Floor Area:	1,389 ft ²
Number of Bedrooms:	2
Primary Heating System:	Air Source Heat Pump • Electric • 9 HSPF2
Primary Cooling System:	Air Source Heat Pump • Electric • 16.2 SEER2
Primary Water Heating:	Residential Water Heater • Electric • 0.93 UEF
House Tightness:	5 ACH50 (Adjusted Infiltration: 2.76 ACH50)
Ventilation:	37 CFM • 21 Watts • ERV
Duct Leakage to Outside:	4 CFM25 / 100 ft ²
Above Grade Walls:	R-25
Ceiling:	Vented Attic, R-60
Window Type:	U-Value: 0.25, SHGC: 0.27
Foundation Walls:	N/A
Framed Floor:	R-13

Rating Completed by:

Energy Rater: Bill Riggs
RESNET ID: 3259518

Rating Company: Viridiant
1601 Rolling Hills Drive, Henrico, VA 23229

Rating Provider: Viridiant
1601 Rolling Hills Drive, Henrico, VA 23229

Bill Riggs, Certified Energy Rater
Digitally signed: 3/12/26 at 10:48 AM



Home Energy Rating Certificate

Projected Report
Based on Plans

Rating Date:
Registry ID:
Ekotrope ID: dkb0YbzL

HERS® Index Score:

48

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

Annual Savings

\$1,810

*Relative to an average U.S. home

Home:

1425 Hunt Street & 537 Chambers Street
Lynchburg, VA 24501

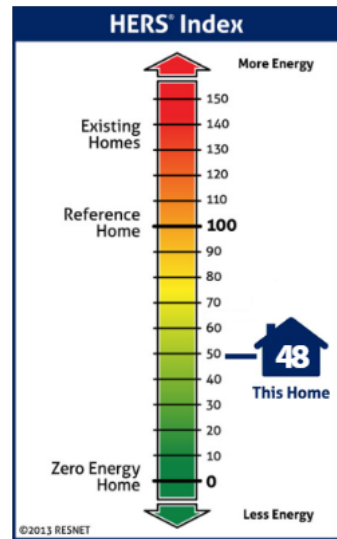
Builder:

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	3.2	\$156
Cooling	2.0	\$97
Hot Water	7.5	\$366
Lights/Appliances	14.4	\$705
Service Charges		\$96
Generation (e.g. Solar)	0.0	\$0
Total:	27.0	\$1,420

This home meets or exceeds the criteria of the following:

ENERGY STAR MF v1.2
ENERGY STAR MF v1.1
ENERGY STAR MF v1.0



Home Feature Summary:

Home Type:	Apartment, end unit
Model:	3 BR Int Top and Mid Fls
Community:	Dearington Hills Apartments
Conditioned Floor Area:	1,232 ft ²
Number of Bedrooms:	3
Primary Heating System:	Air Source Heat Pump • Electric • 7.8 HSPF2
Primary Cooling System:	Air Source Heat Pump • Electric • 15.2 SEER2
Primary Water Heating:	Residential Water Heater • Electric • 0.92 UEF
House Tightness:	5 ACH50 (Adjusted Infiltration: 2.50 ACH50)
Ventilation:	43 CFM • 21 Watts • ERV
Duct Leakage to Outside:	4 CFM25 / 100 ft ²
Above Grade Walls:	R-25
Ceiling:	Adiabatic, R-11
Window Type:	U-Value: 0.25, SHGC: 0.27
Foundation Walls:	N/A
Framed Floor:	N/A

Rating Completed by:

Energy Rater: Bill Riggs
RESNET ID: 3259518

Rating Company: Viridiant
1601 Rolling Hills Drive, Henrico, VA 23229

Rating Provider: Viridiant
1601 Rolling Hills Drive, Henrico, VA 23229

Bill Riggs, Certified Energy Rater
Digitally signed: 3/12/26 at 10:48 AM



Home Energy Rating Certificate

Projected Report
Based on Plans

Rating Date:
Registry ID:
Ekotrope ID: vp6eBRVL

HERS® Index Score:

46

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

Annual Savings

\$1,969

*Relative to an average U.S. home

Home:

1425 Hunt Street & 537 Chambers Street
Lynchburg, VA 24501

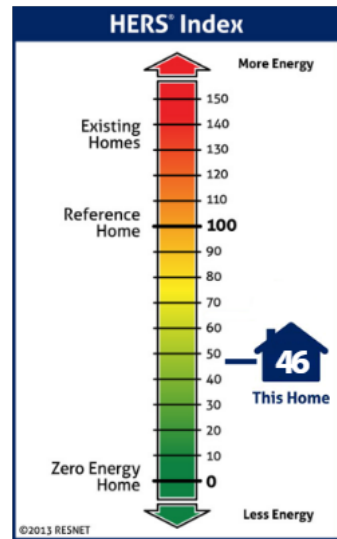
Builder:

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	3.1	\$151
Cooling	3.2	\$156
Hot Water	7.5	\$366
Lights/Appliances	13.9	\$682
Service Charges		\$96
Generation (e.g. Solar)	0.0	\$0
Total:	27.6	\$1,450

This home meets or exceeds the criteria of the following:

ENERGY STAR MF v1.2
ENERGY STAR MF v1.1
ENERGY STAR MF v1.0



Home Feature Summary:

Home Type:	Apartment, end unit
Model:	3 BR Int Top and Mid Fls
Community:	Dearington Hills Apartments
Conditioned Floor Area:	1,232 ft ²
Number of Bedrooms:	3
Primary Heating System:	Air Source Heat Pump • Electric • 7.8 HSPF2
Primary Cooling System:	Air Source Heat Pump • Electric • 15.2 SEER2
Primary Water Heating:	Residential Water Heater • Electric • 0.92 UEF
House Tightness:	5 ACH50 (Adjusted Infiltration: 2.50 ACH50)
Ventilation:	43 CFM • 21 Watts • ERV
Duct Leakage to Outside:	4 CFM25 / 100 ft ²
Above Grade Walls:	R-25
Ceiling:	Vented Attic, R-60
Window Type:	U-Value: 0.25, SHGC: 0.27
Foundation Walls:	N/A
Framed Floor:	R-13

Rating Completed by:

Energy Rater: Bill Riggs
RESNET ID: 3259518

Rating Company: Viridiant
1601 Rolling Hills Drive, Henrico, VA 23229

Rating Provider: Viridiant
1601 Rolling Hills Drive, Henrico, VA 23229

Bill Riggs, Certified Energy Rater
Digitally signed: 3/12/26 at 10:48 AM



Tab G:

Zoning Certification Letter (MANDATORY)



Zoning Certification

DATE: February 26, 2026

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

RE: ZONING CERTIFICATION

Name of Development: DRPI II
Name of Owner/Applicant: DRPI II, LLC
Name of Seller/Current Owner: Lynchburg Redevelopment & Housing Authority

The above-referenced Owner/Applicant has asked this office to complete this form letter regarding the zoning of the proposed Development (more fully described below). This certification is rendered solely 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:

1425 Hunt Street & 537 Chambers Street, Lynchburg, VA 24501

Leal Description:

See attached

Proposed Improvements:

Construction

New Construction:	# Units	<u>60</u>	# Buildings	<u>5</u>	Total Floor Area	<u>28,850 sf</u>
Adaptive Reuse	# Units	_____	# Buildings	_____	Total Floor Area	_____
Rehabilitation:	# Units	_____	# Buildings	_____	Total Floor Area	_____



Zoning Certification, cont'd

Current Zoning: R-4 (High Density Residential District) allowing a density of 21.78 units per acre, and the following other applicable conditions: See attached density calcs

Other Descriptive Information:

LOCAL CERTIFICATION:

Check one of the following a appropriate:

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

Zach Johnson
Signature

Zach Johnson
Printed Name

Civil Engineer
Title of Local Official or Civil Engineer

(434) 847-7796
Phone

February 27, 2026
Date

NOTES TO LOCALITY:

1. Return this certification to the developer for inclusion in the tax credit application package.
2. Any change in this form may result in disqualification of the application.
3. If you have any questions, please contact the Tax Credit Allocation Department at taxcred/taops@virginiahousing.com.

PHASE II – PART OF PID 00206004:

BEGINNING AT A POINT ON THE NORTHERLY RIGHT-OF-WAY OF HUNT STREET, BEING A COMMON CORNER WITH PHASE I, SHOWN ON PLAT AS POB 3; THENCE, FOLLOWING SAID RIGHT-OF-WAY, S54°29'50"W 70.00' TO AN IRON SET; THENCE WITH A CURVE TO THE LEFT WITH A RADIUS OF 10.00', A LENGTH OF 15.71', A DELTA ANGLE OF 90°00'00", A CHORD BEARING OF S09°29'50"W, AND A CHORD OF 14.14' TO AN IRON SET ON THE EASTERLY RIGHT-OF-WAY OF CHAMBERS STREET; THENCE, FOLLOWING SAID RIGHT-OF-WAY, S35°30'10"E 310.00' TO AN IRON SET; THENCE WITH A CURVE TO THE LEFT WITH A RADIUS OF 10.00', A LENGTH OF 15.71', A DELTA ANGLE OF 90°00'00", A CHORD BEARING OF S80°30'10"E, AND A CHORD OF 14.14' TO AN IRON SET ON THE SOUTHERLY RIGHT-OF-WAY OF LOVELL STREET; THENCE, FOLLOWING SAID RIGHT-OF-WAY, N54°29'50"E 70.60' TO A POINT BEING A COMMON CORNER WITH PHASE I; THENCE, LEAVING THE AFOREMENTIONED RIGHT-OF-WAY, N35°36'26"W 330.00' TO THE POINT OF BEGINNING, HAVING AN AREA OF 0.607 ACRE.

PHASE II – PID 00206005:

BEGINNING AT AN IRON SET ON THE EASTERLY RIGHT-OF-WAY OF CHAMBERS STREET, SHOWN ON PLAT AS POB 4; THENCE, FOLLOWING SAID RIGHT-OF-WAY, N35°30'10"W 148.10' TO AN IRON SET; THENCE WITH A CURVE TO THE RIGHT WITH A RADIUS OF 140.00', A LENGTH OF 103.89', A DELTA ANGLE OF 42°31'00", A CHORD BEARING OF N14°14'40"W, AND A CHORD OF 101.52' TO AN IRON SET; THENCE N07°00'50"E 192.67' TO AN IRON SET; THENCE WITH A CURVE TO THE RIGHT WITH A RADIUS OF 10.00', A LENGTH OF 15.71', A DELTA ANGLE OF 90°00'00", A CHORD BEARING OF N52°01'11"E, AND A CHORD OF 14.14' TO AN IRON SET ON THE SOUTHERLY RIGHT-OF-WAY OF PULASKI STREET; THENCE, FOLLOWING SAID RIGHT-OF-WAY, S82°59'10"E 48.63' TO AN IRON SET; THENCE WITH A CURVE TO THE RIGHT WITH A RADIUS OF 145.00', A LENGTH OF 120.17', A DELTA ANGLE OF 47°29'04", A CHORD BEARING OF S59°14'38"E, AND A CHORD OF 116.76' TO AN IRON SET; THENCE S35°30'10"E 245.59' TO AN IRON SET; THENCE WITH A CURVE TO THE RIGHT WITH A RADIUS OF 10.00', A LENGTH OF 15.71', A DELTA ANGLE OF 90°00'00", A CHORD BEARING OF S09°29'50"W, AND A CHORD OF 14.14' TO AN IRON SET ON THE NORTHERLY RIGHT-OF-WAY OF LOVELL STREET; THENCE, WITH SAID RIGHT-OF-WAY, S54°29'50"W 244.00' TO AN IRON SET; THENCE WITH A CURVE TO THE RIGHT WITH A RADIUS OF 10.00', A LENGTH OF 15.71', A DELTA ANGLE OF 90°00'00", A CHORD BEARING OF N80°30'10"W, AND A CHORD OF 14.14' TO THE POINT OF BEGINNING, HAVING AN AREA OF 1.951 ACRES.

THE TOTAL AREA OF PHASE II IS 2.558 ACRES.

Dearington Development Lot Coverage & Density Calculations

Lot Coverage Calculations*

Parcel Area (Acres)	16.24
Lot Coverage (Acres)	1.9
Lot Coverage %	11.70

Density Calculations*

Parcel Area (Acres)	16.24
Usable Parcel Area per 35.2-61.4(f) (Acres)	13.5
Allowable Units Without Bonus Per Acre	21.78
Allowable Units Without Bonus	294
Existing Units (Includes Phase 1 Development)	149
Existing Units to be Removed	34
Existing Units to Remain	115
Proposed Units	60
Total Units	175

Density Bonuses

Lot Coverage	
% less than 30	18.30
Site Acres	13.5
Density Bonus Units**	247.06
Allowable Units per Acre with Bonus**	29
Allowable Units with Bonus	392

*Calculations Include Parcels: 00206002, 00206004, 00206005, 00206006, 00206007

**Only a portion of the calculated bonus units are allowed due to the maximum allowable net density

***Maximum allowable net density including bonuses = 29 units per acres

Tab H:

Attorney's Opinion (MANDATORY)

March 12, 2026

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

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

Name of Development: DRPI II
Name of Owner: DRPI II, LLC

Dear Virginia Housing:

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

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

1. It is more likely than not that the inclusion in eligible basis of the Development of such cost items or portions thereof, as set forth in Hard Costs and Owners Costs section of the Application form, complies with all applicable requirements of the Code and Regulations.
2. The calculations (a) of the Maximum Allowable Credit available under the Code with respect to the Development and (b) of the Estimated Qualified Basis of each building in the Development comply with all applicable requirements of the Code and regulations, including the selection of credit type implicit in such calculations.
3. The appropriate type(s) of allocation(s) have been requested in the Reservation Request Information section in the Application form.
4. The information set forth in the Unit Details section of the Application form as to proposed rents exceeds the Code rent restrictions; however, the Development will satisfy all applicable requirements of the Code and Regulations due to subsidies such that no tenant will pay rents in excess of what is dictated by the Code and Regulations.
5. The site of the captioned Development is controlled by the Owner, as identified in the Site Control section of the Application, for a period of not less than four (4) months beyond the application deadline.
6. Based solely upon my review of (i) the Applicant’s operating agreement; (ii) any certifications, resolutions, or consents provided to me by the Applicant; and (iii) such operating agreements,

partnership agreements, bylaws, or other organizational documents of the Applicant's Principals which I deemed necessary to issue this Opinion (*none of which are attached to this Opinion*), the individuals identified on the list attached as Exhibit A are duly authorized to execute documents on behalf of the Applicant, to the best of my knowledge and belief.

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

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

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

Klein Hornig LLP

By:



Doruk Onvural

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 Henzy	Managing Member of the Managing Member
2	Darren Smith	Managing Member of the Managing Member
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Attorney's Opinion Letter

March 12, 2026

General Instructions

- ~~1. This Opinion **must** be included with application.~~
- ~~2. This Opinion **must** be submitted under law firm's letterhead.~~
- ~~3. The executed Opinion submitted as part of the application must be accompanied by a blackline showing that no changes have been made to this form beyond those necessary to complete it (e.g. filling in blanks, selecting bracketed language as appropriate).~~
- ~~4. If circumstances unique to a particular application require modification of this form, any such modification must be approved by Virginia Housing in writing within six months prior to the application deadline. A copy of any such approval must be included with this executed Opinion as part of the application.~~
- ~~5. **Be aware that there is a 9% version and a Tax Exempt version.** Failure to utilize the correct form or to abide by the instructions above may result in a point penalty or rejection of the application.~~

~~If you have any questions, please email the Tax Credit Allocation Department at TaxCreditApps@VirginiaHousing.com.~~

Attorney's Opinion Letter

~~(This Form Must Be Included With Application)~~

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

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

~~To~~TO: Virginia Housing
601 South Belvidere Street
Richmond, Virginia 23220

RE: ~~2025~~2026 9% Tax Credit Reservation Request (competitive 70% present value credits)

Name of Development: DRPI II

Name of ~~Development~~ _____ ~~Name of~~ Owner: DRPI II, LLC

Dear Virginia Housing:

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

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

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

~~2. [Select One]~~

2. The calculations (a) of the Maximum Allowable Credit available under the Code with respect to the Development and (b) of the Estimated Qualified Basis of each building in the Development comply with all applicable requirements of the Code and regulations, including the selection of credit type implicit in such calculations.

~~OR~~

~~Assuming that you designate the buildings in the Development as being in a difficult development area pursuant to Code Section 42(d)(5)(B)(v), the calculations (a) of the Maximum Allowable Credit available under the Code with respect to the Development and (b) of the~~

~~Estimated Qualified Basis of each building in the Development comply with all applicable requirements of the Code and regulations, including the selection of credit type implicit in such calculations.~~

3. The appropriate type(s) of allocation(s) have been requested in the Reservation Request Information section in the Application form.

~~4. [Select One]~~

4. The information set forth in the Unit Details section of the Application form as to proposed rents ~~satisfies all applicable requirements of the Code and Regulations.~~

OR

~~The information set forth in the Unit Details section of the Application form as to proposed rents~~ exceeds the Code rent restrictions; however, the Development will satisfy all applicable requirements of the Code and Regulations due to subsidies such that no tenant will pay rents in excess of what is dictated by the Code and Regulations.

5. The site of the captioned Development is controlled by the Owner, as identified in the Site Control section of the Application, for a period of not less than four (4) months beyond the application deadline.

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

~~7. [Delete if inapplicable] The type of the nonprofit organization involved in the Development is an organization described in Code Section 501(c)(3) or 501(c)(4) and exempt from taxation under Code Section 501(a), whose purposes include the fostering of low-income housing.~~

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

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

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

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

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

This opinion was not prepared in accordance with the requirements of Treasury Department Circular No. 230. Accordingly, it

may not be relied upon for the purpose of avoiding U.S. Federal tax penalties or to support the promotion or marketing of the transaction or matters addressed herein.

Klein Hornig LLP

Firm Name _____ By _____

By: _____
Doruk Onvural

Its: Partner

Title

EXHIBIT A
TO
ATTORNEY’S OPINION LETTER

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

	NAME	TITLE
1	<u>Timothy Henzy</u>	<u>Managing Member of the Managing Member</u>
2	<u>Darren Smith</u>	<u>Managing Member of the Managing Member</u>
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Attorney's Opinion Letter – TAX EXEMPT VERSION

(This Form Must Be Included with Application)

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

Date _____

To Virginia Housing
601 South Belvidere Street
Richmond, Virginia 23220

RE: 2025 4% Tax Credit Reservation Request (30% present value credits to be paired with tax-exempt bonds)
Name of Development _____ - Nar

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 _____ (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]~~

~~The calculations (a) of the Maximum Allowable Credit available under the Code with respect to the Development and (b) of the Estimated Qualified Basis of each building in the Development comply with all applicable requirements of the Code and regulations, including the selection of credit type implicit in such calculations.~~

~~OR~~

~~Assuming that you designate the buildings in the Development as being in a difficult development area pursuant to Code Section 42(d)(5)(B)(v), the calculations (a) of the Maximum Allowable Credit available under the Code with respect to the Development and (b) of the Estimated Qualified Basis of each building in the Development comply with all applicable requirements of the Code and regulations, including the selection of credit type implicit in such calculations.~~

~~3. [Select One]~~

~~The information set forth in the Unit Details section of the Application form as to proposed rents satisfies all applicable requirements of the Code and Regulations.~~

~~OR~~

~~The information set forth in the Unit Details section of the Application form as to proposed rents exceeds the Code rent restrictions; however, the Development will satisfy all applicable requirements of the Code and Regulations due to subsidies such that no tenant will pay rents in excess of what is dictated by the Code and Regulations.~~

~~4. The site of the captioned Development is controlled by the Owner, as identified in the Site Control section of the Application.~~

~~5. Based solely upon my review of (i) the Applicant's [operating agreement / partnership agreement]; (ii) any certifications, resolutions, or consents provided to me by the Applicant; and (iii) such operating agreements, partnership agreements, bylaws, or other organizational documents of the Applicant's Principals which I deemed necessary to issue this Opinion (*none of which are attached to this Opinion*), the individuals identified on the list attached as Exhibit A are duly authorized to execute documents on behalf of the Applicant, to the best of my knowledge and belief.~~

~~6. [Delete if inapplicable] The type of the nonprofit organization involved in the Development is an organization described in Code Section 501(c)(3) or 501(c)(4) and exempt from taxation under Code Section 501(a), whose purposes include the fostering of low income housing.~~

~~7. [Delete if inapplicable] The nonprofit organizations' ownership interest in the development is as described in the Nonprofit Involvement section of the Application form.~~

~~8. [Delete if inapplicable] It is more likely than not that the representations made in the Rehab Information section of the Application form as to the Development's compliance with or exception to the Code's minimum expenditure requirements for rehabilitation projects are correct.~~

~~9. [Delete if inapplicable] After reasonable investigation, the undersigned has no reason to believe that the representations made under the Rehab Information (Ten-Year Rule) section of the Application form as to the Development's compliance with or eligibility for exception to the ten-year "look-back rule" requirement of Code §42(d)(2)(B) are not correct.~~

~~Finally, the undersigned is of the opinion that, if all information and~~

[Different first page setting changed from off in original to on in modified.]

Virginia Housing

~~representations contained in the Application and all current law were to remain unchanged, upon the placement in service of each building of the Development, the Owner would be eligible under the applicable provisions of the Code and the Regulations to an allocation of Credits in the amount(s) requested in the Application.~~

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

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

~~Firm Name _____ By _____~~

~~Its _____~~

~~Title~~

~~EXHIBIT A-
TO
ATTORNEY'S OPINION LETTER~~

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

	NAME	TITLE
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Summary report:	
Litera Compare for Word 11.9.1.1 Document comparison done on 3/10/2026 3:57:38 PM	
Style name: Default Style	
Intelligent Table Comparison: Active	
Original DMS: iw://kleinhornig.cloudimanager.com/KHDOCS/1281958/1	
Modified filename: DHA2 KH OP VHDA Attorneys Opinion 9% 2026(1294721.3).docx	
Changes:	
<u>Add</u>	19
Delete	100
Move From	0
<u>Move To</u>	0
<u>Table Insert</u>	0
Table Delete	21
<u>Table moves to</u>	0
Table moves from	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
Format changes	0
Total Changes:	140

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)

Tab K:

Documentation of Development Location:

VICINITY MAP



	Source: Google Earth	Project Number: 158553.22R000-001.159
	 Project Location	Project Name: Dearington Apartments
	The north arrow indicator is an approximation of 0° North.	On-Site Date: October 21, 2022

Tab K.1

Revitalization Area Certification



Revitalization Area

General Instructions

To qualify for revitalization area points available under the QAP (13 VAC 180-60(E)(2)(c)), select one of the following and provide sufficient supporting documentation:

1. The development is located in either of the following, as defined by HUD: a Qualified Census Tract; or a Targeted Area, wherein 70% or more of the families have incomes which are \leq 80% statewide median income [NOTE: these census tracts are included in the definition of Targeted Area for single-family lending purposes but do not include ACEDS].
2. The development is located in a redevelopment area, conservation area or rehabilitation district created by a city or county, pursuant to VA Code §36-1 et seq. Documentation must (a) demonstrate that area exists at the time of application; (b) accurately depict area boundaries; and (c) clearly show that the proposed development lies or will lie within those boundaries.
3. The development is located in a revitalization area designated by resolution adopted pursuant to the terms of VA Code § 36-55.30:2 for the purpose of enabling Virginia Housing to provide financing to either a mixed-income or mixed-income/mixed-use development. Documentation must include a resolution from the locality supporting the development's location within the revitalization area. Please contact Rental Housing development to obtain the appropriate form resolution.
4. The development is located in a Housing Rehabilitation Zone established through an ordinance created by a city, county or town pursuant to VA Code §36-55.64. Documentation must include a copy of the ordinance with support that the development lies within the Rehabilitation Zone.
5. The development is located in an opportunity zone designated by the Commonwealth pursuant to the Federal Tax Cuts and Jobs Act of 2017 (PL 115-97) and has a binding commitment of funding acceptable to Virginia Housing.
6. ~~X~~ The development is located in a jurisdiction that confirms that the development, as proposed to be constructed or rehabilitated, will utilize new or existing housing as part of a community revitalization plan. Must use Virginia Housing's Community Revitalization Plan Form Letter.
7. The development is located on land owned by federally recognized or Virginia-recognized Tribal Nations located within the present-day external boundaries of the Commonwealth.

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

DATE: 3/11/2026

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

RE: Community Revitalization Plan Form

Name of Development: DRPI II

Name of Owner/Applicant: DRPI II, LLC

Name of Seller/Current Owner: Lynchburg Redevelopment & Housing Authority

DEVELOPMENT DESCRIPTION:

Development Address:

1425 Hunt Street & 537 Chambers Street, Lynchburg, VA 24501

Proposed Improvements:

New Construction:	# Units	<u>60</u>	# Buildings	<u>5</u>	Total Floor Area	<u>28,850</u>
Adaptive Reuse	# Units	<u> </u>	# Buildings	<u> </u>	Total Floor Area	<u> </u>
Rehabilitation:	# Units	<u> </u>	# Buildings	<u> </u>	Total Floor Area	<u> </u>

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

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



Signature

Rachel Frischeisen

Printed Name

City Planner

Title

434.455.3903

Phone

03/11/26

Date

NOTES TO LOCALITY:

1. Return this form letter to the Owner/Applicant for inclusion in the tax credit application package.
2. Any change in this form may result in disqualification of the application.
3. If you have any questions, please contact the Tax Credit Allocation Department at

taxcreditapps@virginiahousing.com.

Tab K.2

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



Surveyor's Certification of Proximity to Transportation

General Instructions

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

Date: February 27, 2026

TO: Virginia Housing
601 South Belvidere Street
Richmond, Virginia 23220 2025 Tax Credit Reservation Request
Name of Development DRPI II
Name of Owner DRPI II, LLC

RE: 2026 Tax Credit Reservation Request
DRPI II

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 1/4 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 or a public bus stop to be built in accordance with existing proffers. If the public bus stop is proffered, include copy of executed proffers with this form.

Firm Name Hurt & Proffitt, Inc.
By John Hodat
Project Surveyor
Title

Tab L:

PHA / Section 8 Notification Letter



PHA or Section 8 Notification Letter

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

General Instructions

1. Because of conflicting program requirements regarding waiting list procedures, this letter is not applicable to those developments that have 100% project-based Section 8 or project-based vouchers.
2. This PHA or Section 8 Notification letter (or proof of delivery to the correct PHA/Section 8 Administrator) must be included with the application.
3. 'Development Address' should correspond to the application.
4. 'Proposed Improvements' should correspond with the application.
5. 'Proposed Rents' should correspond with the application.
6. 'Other Descriptive Information' should correspond with information in the application.

NOTE: Any change to this form letter may result in a reduction of points under the scoring system.

PHA or Section 8 Notification Letter

Date: March 5, 2026
To: Lynchburg Redevelopment & Housing Authority
Attn: Mary E. Mayrose

Re: Proposed Affordable Housing Development
Name of Development: DRPI II
Name of Owner: DRPI II, LLC

I would like to take this opportunity to notify you of a proposed affordable housing development to be completed in your jurisdiction. We are in the process of applying for federal low-income housing tax credits from Virginia Housing. We expect to make a representation in that application that we will give leasing preference to households on the local PHA or Section 8 waiting list. Units are expected to be completed and available for occupancy beginning on August 1, 2028 (date).

The following is a brief description of the proposed development:

Development Address: 1425 Hunt Street & 537 Chambers Street, Lynchburg, VA 24501

Proposed improvements:

New Construction:	# Units	<u>60</u>	# Buildings	<u>5</u>
Adaptive Reuse	# Units	_____	# Buildings	_____
Rehabilitation:	# Units	_____	# Buildings	_____

Proposed Rents:

Efficiencies:	\$ _____ / month
1 Bedroom Units:	\$ <u>1,168.00</u> / month
2 Bedroom Units:	\$ <u>1,320.00</u> / month
3 Bedroom Units:	\$ <u>1,811.00</u> / month
4 Bedroom Units:	\$ _____ / month

Other Descriptive Information:

Rents displayed above are gross rents

PHA or Section 8 Notification Letter

We Appreciate your assistance with identifying qualified tenants.

If you have any questions about the proposed development, please call me at 917-664-7320.


Please acknowledge receipt of this letter by signing below and returning it to me.

Sincerely yours.

Name Timothy Henzy

Title Managing Member

To be completed by the Local Housing Authority or Sec 8 Administrator:

Seen and acknowledged by: 

Printed Name: Mary E. Mayrose

Title: Executive Director

Phone: (434) 485-7200

Date: March 5, 2026

Tab M:

Intentionally Blank

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: 03/11/26

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

RE: PLAN OF DEVELOPMENT CERTIFICATION

Name of Development: DRPI II
Name of Owner/Applicant: DRPI II, LLC
Name of Seller/Current Owner: Lynchburg Redevelopment & Housing Authority

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:

1425 Hunt Street & 537 Chambers Street, Lynchburg, VA
24501

Legal Description:

See Attached

Plan of Development Number: SPR2602-0010

Proposed Improvements:

New Construction:	# Units	<u>60</u>	# Buildings	<u>5</u>	Total Floor Area	<u>28850</u>
Adaptive Reuse	# Units	<u> </u>	# Buildings	<u> </u>	Total Floor Area	<u> </u>
Rehabilitation:	# Units	<u> </u>	# Buildings	<u> </u>	Total Floor Area	<u> </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. See Exhibit A - Site Plan Approval
- 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: December 31, 2099

 Digitally signed by Rachel Frischeisen
Date: 2026.03.11 13:50:49 -04'00'

Signed
Rachel Frischeisen

Printed Name
City Planner

Title
434.455.3903

Phone
03/11/26

Date

NOTES TO LOCALITY:

1. Return this certification to the developer for inclusion in the tax credit application package.
2. Any change in this form may result in **reduction of points** under the scoring system.
If you have any questions, please contact the Tax Credit Allocation Department at taxcreditapps@virginiahousing.com

PHASE II – PART OF PID 00206004:

BEGINNING AT A POINT ON THE NORTHERLY RIGHT-OF-WAY OF HUNT STREET, BEING A COMMON CORNER WITH PHASE I, SHOWN ON PLAT AS POB 3; THENCE, FOLLOWING SAID RIGHT-OF-WAY, S54°29'50"W 70.00' TO AN IRON SET; THENCE WITH A CURVE TO THE LEFT WITH A RADIUS OF 10.00', A LENGTH OF 15.71', A DELTA ANGLE OF 90°00'00", A CHORD BEARING OF S09°29'50"W, AND A CHORD OF 14.14' TO AN IRON SET ON THE EASTERLY RIGHT-OF-WAY OF CHAMBERS STREET; THENCE, FOLLOWING SAID RIGHT-OF-WAY, S35°30'10"E 310.00' TO AN IRON SET; THENCE WITH A CURVE TO THE LEFT WITH A RADIUS OF 10.00', A LENGTH OF 15.71', A DELTA ANGLE OF 90°00'00", A CHORD BEARING OF S80°30'10"E, AND A CHORD OF 14.14' TO AN IRON SET ON THE SOUTHERLY RIGHT-OF-WAY OF LOVELL STREET; THENCE, FOLLOWING SAID RIGHT-OF-WAY, N54°29'50"E 70.60' TO A POINT BEING A COMMON CORNER WITH PHASE I; THENCE, LEAVING THE AFOREMENTIONED RIGHT-OF-WAY, N35°36'26"W 330.00' TO THE POINT OF BEGINNING, HAVING AN AREA OF 0.607 ACRE.

PHASE II – PID 00206005:

BEGINNING AT AN IRON SET ON THE EASTERLY RIGHT-OF-WAY OF CHAMBERS STREET, SHOWN ON PLAT AS POB 4; THENCE, FOLLOWING SAID RIGHT-OF-WAY, N35°30'10"W 148.10' TO AN IRON SET; THENCE WITH A CURVE TO THE RIGHT WITH A RADIUS OF 140.00', A LENGTH OF 103.89', A DELTA ANGLE OF 42°31'00", A CHORD BEARING OF N14°14'40"W, AND A CHORD OF 101.52' TO AN IRON SET; THENCE N07°00'50"E 192.67' TO AN IRON SET; THENCE WITH A CURVE TO THE RIGHT WITH A RADIUS OF 10.00', A LENGTH OF 15.71', A DELTA ANGLE OF 90°00'00", A CHORD BEARING OF N52°01'11"E, AND A CHORD OF 14.14' TO AN IRON SET ON THE SOUTHERLY RIGHT-OF-WAY OF PULASKI STREET; THENCE, FOLLOWING SAID RIGHT-OF-WAY, S82°59'10"E 48.63' TO AN IRON SET; THENCE WITH A CURVE TO THE RIGHT WITH A RADIUS OF 145.00', A LENGTH OF 120.17', A DELTA ANGLE OF 47°29'04", A CHORD BEARING OF S59°14'38"E, AND A CHORD OF 116.76' TO AN IRON SET; THENCE S35°30'10"E 245.59' TO AN IRON SET; THENCE WITH A CURVE TO THE RIGHT WITH A RADIUS OF 10.00', A LENGTH OF 15.71', A DELTA ANGLE OF 90°00'00", A CHORD BEARING OF S09°29'50"W, AND A CHORD OF 14.14' TO AN IRON SET ON THE NORTHERLY RIGHT-OF-WAY OF LOVELL STREET; THENCE, WITH SAID RIGHT-OF-WAY, S54°29'50"W 244.00' TO AN IRON SET; THENCE WITH A CURVE TO THE RIGHT WITH A RADIUS OF 10.00', A LENGTH OF 15.71', A DELTA ANGLE OF 90°00'00", A CHORD BEARING OF N80°30'10"W, AND A CHORD OF 14.14' TO THE POINT OF BEGINNING, HAVING AN AREA OF 1.951 ACRES.

THE TOTAL AREA OF PHASE II IS 2.558 ACRES.

Exhibit A – Site Plan Approval



Planning Division, Community Development
900 Church Street Lynchburg, VA 24504
www.lynchburgva.gov or 434-455-3900

March 11, 2026

To Whom It May Concern,

The City of Lynchburg has reviewed and conditionally approved the plans submitted under SPR2602-0010 for Dearington Apartments Phase II by Lynchburg Redevelopment & Housing Authority, located at 1425 Hunt Street & 537 Chambers Street.

To receive building permits and begin construction, the applicant needs to provide the required administrative items, and engineering/stormwater sureties and bonds.

Please let me know if you have any questions regarding this matter.

Thank you,

A handwritten signature in blue ink, appearing to read "R. Frischeisen".

Rachel Frischeisen
City Planner
Department of Community Development
rachel.frischeisen@lynchburgva.gov
434.455.3903

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



March 12, 2026

Timothy Henzy
DRPI II, LLC
1100 NW 4th Ave
Delray Beach, FL 33444

Dear Mr. Henzy:

The Lynchburg Redevelopment & Housing Authority (LRHA) has reviewed the proposals received in response to the Project Based Voucher RFQ solicitations, Q22023 (RFQ). Pursuant to the RFQ, LRHA selected DRPI II, LLC to receive Project-Based Voucher (PBV) rental assistance in November 2025 and agreed to support the DRPI II development through the award of twenty-five (25) PBVs, and this letter serves to formally reaffirm and memorialize that commitment. This commitment is conditional upon:

1. Receiving an allocation of Low-Income Housing Tax Credits (LIHTC) from Virginia Housing no later than September 1, 2026.
2. The property is evaluated through the Environmental Assessment process and receive a Finding of No Significant Impact (FONSI), and;
3. LRHA receives a Release of Funds (ROF) based upon our submission of your Subsidy Layering Review (SLR).
4. That we do not have a “substantial” reduction in funding for the Department of Housing and Urban Development for our Housing Choice Voucher Program.

Upon satisfaction of the first three items, we will enter into an Agreement to Enter Into a Housing Assistance Payment (AHAP) contract at which time you may commence development of about captioned property. You must acquire all relative development and building permits from the City of Lynchburg prior to commencing and following execution of the AHAP. The term of the PBVs will be 20 years subject to the execution of the Housing Assistance Payment (HAP) contract after all assisted units pass the required Housing Quality Standards (HQS) and/or INSPIRE Inspections.



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Lynchburg Redevelopment & Housing Authority is issuing this commitment based on the following proposed rent schedule:

Unit Type: Project Based Voucher	Total Units	Monthly Gross Rent	Utility Allowance	Monthly Net Rent
One Bedroom/One Bathroom	2	\$1,168	\$107	\$1,061
Two Bedroom/Two Bathroom	11	\$1,320	\$132	\$1,188
Three Bedroom/Two Bathroom	12	\$1,811	\$169	\$1,642
Total	25			

We look forward to working with you to develop this project to provide the City of Lynchburg with additional affordable housing opportunities.

Sincerely,

Mary E. Mayrose
Executive Director



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GENTRY LOCKE
Attorneys

Herschel V. Keller
keller@gentrylocke.com
P: (434) 455-9944
F: (540) 983-9400

REC'D MARR 28 10:40:05
APPROVED BY:

March 3, 2023

Mary E. Mayrose, Executive Director
Lynchburg Redevelopment and Housing Authority
918 Commerce Street
Lynchburg, VA 24504

RE: Cooperation Agreement between the Lynchburg Redevelopment and Housing Authority and the City of Lynchburg dated February 28, 1979

Dear Ms. Mayrose:

You have asked us for our opinion as counsel to the Lynchburg Redevelopment and Housing Authority (the "**Authority**") that the Cooperation Agreement between the Authority and the City of Lynchburg dated February 28, 1979 (the "**Cooperation Agreement**") remains in full force and effect and will apply to the seventy-six (76) units of rental housing which will be revitalized with the use of Federal low-income housing tax credits awarded by Virginia Housing Development Authority pursuant to Section 42 of the U.S. Internal Revenue Code of 1986, as amended (the "**Development**").

Paragraph 3(a) of the Cooperation Agreement provides in part:

Under the Constitution and Statutes of the Commonwealth of Virginia, all Projects are exempt from all real and personal property taxes and special assessments levied or imposed by any Taxing Body [...] so long as either (i) such Project is owned by a public body or governmental agency and is used for low-rent housing purposes, or (ii) any contract between the [Authority] and the Government for loans or annual contributions or both, in connection with such project remains in force and in effect.

"Project" is defined in the Cooperation Agreement as "any low-rent housing hereafter developed or acquired by the [Authority] with financial assistance of the United States of America acting through the Secretary of Housing and Urban Development". Such Projects are instead subject to



annual Payments in Lieu of Taxes ("PILOT"), as that term is defined in the Cooperation Agreement.

Since the Project will be on property owned by the Authority and subject to one or more restrictive agreements ensuring, among other things, that (i) seventy-six (76) units will remain affordable low-rent housing for a term of no less than fifty (50) years; (ii) will receive annual Section 8 Project-Based Voucher funding from HUD; and (iii) PILOT will be made pursuant to the Cooperation Agreement, it is my opinion that the rental units within the Development will continue to be exempt from all real and personal property taxes.

Sincerely,

GENTRY LOCKE

By: _____

A handwritten signature in black ink, appearing to read 'Herschel V. Keller', is written over a horizontal line. The signature is fluid and cursive.

Herschel V. Keller, Partner

Tab R:

Documentation of Utility Allowance calculation

Utility Allowance Schedule

U.S. Department of Housing and
Urban Development
Office of Public and Indian Housing

OMB Approval No. 2577-0189
exp. 04/30/2026

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

LOCALITY		UNIT TYPE					DATE
Lynchburg Redevelopment and Housing Authority		Garden Apartment			1-4 FLOORS	11/7/2025	
UTILITY OR SERVICE	MONTHLY DOLLAR ALLOWANCE						
	0-BR	1-BR	2-BR	3-BR	4-BR	5-BR	
HEATING							
a. Natural Gas	\$22	\$26	\$29	\$33	\$38	\$42	
b. Electric	\$33	\$41	\$49	\$58	\$69	\$77	
c. Fuel Oil	\$43	\$51	\$59	\$68	\$78	\$86	
d. Propane	\$46	\$55	\$63	\$72	\$83	\$91	
AIR CONDITIONING	\$11	\$15	\$19	\$25	\$31	\$36	
COOKING							
a. Natural Gas	\$9	\$9	\$11	\$12	\$13	\$14	
b. Electric	\$15	\$16	\$19	\$20	\$22	\$22	
c. Propane	\$20	\$21	\$25	\$27	\$29	\$30	
OTHER ELECTRIC	\$36	\$40	\$45	\$53	\$59	\$71	
WATER HEATING							
a. Natural Gas	\$13	\$18	\$23	\$32	\$43	\$53	
b. Electric	\$15	\$26	\$36	\$57	\$79	\$101	
c. Fuel Oil	\$22	\$30	\$38	\$53	\$70	\$86	
d. Propane	\$30	\$40	\$50	\$71	\$93	\$116	
WATER							
a. City of Lynchburg	\$17	\$23	\$28	\$39	\$44	\$49	
SEWER							
a. City of Lynchburg	\$13	\$27	\$40	\$67	\$81	\$94	
TRASH COLLECTION	\$0	\$0	\$0	\$0	\$0	\$0	
REFRIGERATOR	\$5	\$5	\$5	\$5	\$5	\$5	
RANGE	\$4	\$4	\$4	\$4	\$4	\$4	
OTHER: Natural Gas Base Rate	\$22	\$22	\$22	\$22	\$22	\$22	

ACTUAL FAMILY ALLOWANCES: (To be used by family to complete allowance. Complete below for Actual Unit Rented)		UTILITY OR SERVICE	PER MONTH
NAME OF FAMILY		HEATING	\$
ADDRESS OF UNIT		AIR CONDITIONING	\$
		COOKING	\$
		OTHER ELECTRIC	\$
		WATER HEATING	\$
		WATER	\$
		SEWER	\$
		TRASH COLLECTION	\$
		REFRIGERATOR	\$
		RANGE	\$
		OTHER	\$
NUMBER OF BEDROOMS		TOTAL	\$



**NOTICE OF HOUSING CHOICE VOUCHER PROGRAM
UTILITY ALLOWANCE SCHEDULES UPDATE**

The Lynchburg Redevelopment & Housing Authority (LRHA) has Housing Choice Voucher Program Utility allowance Schedules.

The new utility Allowances will be effective December 1, 2025

A handwritten signature in blue ink that reads "Mary E. Mayrose". The signature is fluid and cursive, with a long horizontal flourish extending to the right.

Mary E. Mayrose
Executive Director



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Tab S:

Supportive House Mandatory
Certification and Documentation

Tab T:

Funding Documentation



March 12, 2026

Mr. Tim Henzy
DRPI II, LLC
1100 NW 4th Avenue,
Delray Beach, FL 33444

Re: Commitment for \$559,151 Loan to Finance the Development of DRPI II in Lynchburg, VA.

Mr. Smith:

The Lynchburg Redevelopment & Housing Authority (the “Lender”) offers to make a construction and permanent loan (“Loan”) to DRPI, LLC, a Virginia limited liability limited partnership (the “Borrower”). This Loan commitment is made upon the following terms and conditions:

1. Purpose: The purpose of the Loan is to finance the new construction of DRPI II, an affordable housing development (the “Project”), located in Lynchburg, VA. This Loan evidences the Borrower’s obligation to pay a capital lease payment (“Seller Note”) under its option to enter into ground lease with Lender dated March 12, 2026.
2. Loan Amount: \$559,151. The Loan shall be secured by a subordinate mortgage on the Project.
3. Interest: 3.92% simple interest rate per annum paid from available cash flow, after debt service of the 1st mortgage and interest payments of any subordinate debt throughout the term of the Loan.
4. Loan Term: The Loan is non-recourse and non-amortizing with a 50-year term. The closing date may be extended by the Lender in its sole discretion.
5. Repayment and Forgiveness: Upon maturity, the Borrower shall repay the Loan balance in full.
6. General Conditions: The Borrower must demonstrate to the satisfaction of Lender prior to closing that it has secured other sources of financing for the Project, including but not limited to the tax credit equity being contributed to the Borrower by its investor limited partner. Failure to provide these commitments before December 31, 2027 shall result in cancellation of the Loan. The Loan will close simultaneously with all other sources of debt and equity to finance the Project.
7. Special Conditions. The Borrower shall enter into a Loan agreement, mortgage and related documents with the Lender at closing.



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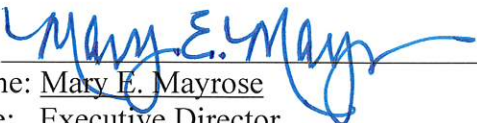
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8. Subordination: Lender will consent to the subordination of its mortgage securing the Loan and any payments on the Loan to the first mortgage construction and permanent financing, and Owner's note from The Lynchburg Redevelopment & Housing Authority.

This commitment is valid and in full force and effect through December 31, 2027. If you accept these terms, please execute a copy hereof and deliver the same to the Lender's office.

Very truly yours,

By: 
Name: Mary E. Mayrose
Title: Executive Director



We Do Business In Accordance With the Federal Fair Housing

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March 12, 2026

Mr. Tim Henzy
DRPI II, LLC
1100 NW 4th Avenue,
Delray Beach, FL 33444

Re: Commitment for \$1,000,000 Loan to Finance the Development of DRPI II in Lynchburg, VA.

Mr. Henzy:

The Lynchburg Redevelopment & Housing Authority (the “Lender”) offers to make a construction and permanent loan (“Loan”) to DRPI, LLC, a Virginia limited liability company (the “Borrower”). This Loan commitment is made upon the following terms and conditions:

1. Purpose: The purpose of the Loan is to finance the new construction of DRPI II, an affordable housing development (the “Project”), located in Lynchburg, VA.
2. Loan Amount: \$1,000,000. The Loan shall be secured by a subordinate mortgage on the Project.
3. Interest: 3.92% simple interest rate per annum paid from available cash flow, after debt service of the 1st mortgage and interest payments of any subordinate debt throughout the term of the Loan.
4. Loan Term: The Loan is non-recourse and non-amortizing with a 50-year term. The closing date may be extended by the Lender in its sole discretion.
5. Repayment and Forgiveness: Upon maturity, the Borrower shall repay the Loan balance in full.
6. General Conditions: The Borrower must demonstrate to the satisfaction of Lender prior to closing that it has secured other sources of financing for the Project, including but not limited to the tax credit equity being contributed to the Borrower by its investor limited partner. Failure to provide these commitments before December 31, 2027 shall result in cancellation of the Loan. The Loan will close simultaneously with all other sources of debt and equity to finance the Project.
7. Special Conditions. The Borrower shall enter into a Loan agreement, mortgage and related documents with the Lender at closing.



We Do Business In Accordance With the Federal Fair Housing

Fax: 434.845.9144 • TTY: 800.828.1120 VA 711

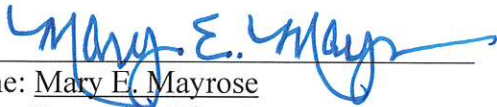
1948 THOMSON DRIVE • LYNCHBURG, VA 24501 • (434) 485-7200



8. Subordination: Lender will consent to the subordination of its mortgage securing the Loan and any payments on the Loan to the first mortgage construction and permanent financing, and Owner's note from The Lynchburg Redevelopment & Housing Authority.

This commitment is valid and in full force and effect through December 31, 2027. If you accept these terms, please execute a copy hereof and deliver the same to the Lender's office.

Very truly yours,

By: 
Name: Mary E. Mayrose
Title: Executive Director



We Do Business In Accordance With the Federal Fair Housing

Fax: 434.845.9144 • TTY: 800.828.1120 VA711

1948 THOMSON DRIVE • LYNCHBURG, VA 24501 • (434) 485-7200

Tab U:

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

Tab U:

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



SMITH & HENZY
AFFORDABLE GROUP

198 NE 6TH AVE
DELRAY BEACH, FLORIDA 33483

TELEPHONE: (561) 859-8520
DSMITH@SMITHHENZY.COM
WWW.SMITHHENZY.COM

March 11, 2026

Virginia Housing
601 South Belvidere Street
Richmond, Virginia 23220

Virginia Housing Free Housing Education Acknowledgement

I _____, have read, understand, and acknowledge, I have been presented information regarding the Virginia Housing free renter education to tenants.

I understand that it is my responsibility to review the website link provided here www.virginiahousing.com/renters.

By signing below, I acknowledge that I have read, and understand the terms of all items contained this form.

Resident Name: _____

Resident Signature: _____

Date: _____

Tab V:

Nonprofit or LHA Purchase Option or Right of First
Refusal

Tab W:

Internet Safety Plan and Resident Information Form

RESIDENT INTERNET SERVICE - Acknowledgement of Responsibilities

By signing below, I acknowledge that I have thoroughly reviewed the Internet Security Plan and understand the general rules of operation prior to use. I understand my responsibility as a user of the Internet and I agree to abide by the following Rules of Operation at all times.

Rules of Operation

- Computer usage for the purpose of illegal activity is absolutely NOT permitted and will be reported to authorities.
- Do not access pornographic or illicit sites via the internet.
- No smoking in the community room or business center.
- No profanity will be tolerated on-line or in-person.
- No rough-housing in the community room or business center.
- Surf at your own risk.

If there is any question regarding my or my child's behavior while using the community internet (including but not limited to, rough-housing, misuse of equipment, etc.), I or my child may be suspended from using the Internet service.

By: _____

Name (Print):

Date

DRPI II

INTERNET SECURITY PLAN

The internet service at DRPI II will have a rotating password that is only accessible to residents. The network router will be located in a secure area to which tenants will not have access. The router will have a secure firewall to prevent data breaches.

At move-in, we will provide Tenants with the attached security and safety information and guidelines and will ask Tenants to sign an Acknowledgement of Responsibilities statement to ensure that they are educated in the internet safety and security guidelines.



Internet Safety

Playing it safe while playing online



Hi there kids! I am Charlie Cardinal and this is Speedy the Crime Fighting Hamster. We are here to introduce you to the basics of Internet Safety and some of the villains you need to watch out for. There are some bad characters out there, so you have to protect

yourself. Your parents won't always be there to watch out for you, so stay sharp, learn all you can, and stay safe!



Privacy & Personal Information



Privacy is being able to keep things secret or hidden from others.

Personal Information is information about you or your family such as your address, a social security number, your parent's bank account, or how much money they have.

Criminals love to get people's personal information because they can pretend to be you, or use your money to buy things.

They can also make money off of your information by selling it to others. Companies or other criminals will use your info to send you junk mail or spam emails.

Criminals learning your address can be very bad. They may break in and steal from you. Protect your safety and your belongings, by keeping your information a secret.

These bad people may even use your personal information to trick someone else in your circle of friends and family. People sometimes tell criminals things that they shouldn't if they think that they are communicating with someone they know.



Think before you click



Do you know who sent that email?



Passwords

One of the most important things you need to learn is how to create strong passwords. A password is a code you type in to let the computer know it is really you.

Having an easy to guess password could allow someone to snoop around in your private information.

The way to make your password strong is to never use your name or your birthday. Use something hard to guess, but easy for you to remember. Make your password at least 8 characters long, and mixing numbers, symbols, and upper and lower case letters makes the password strong just like Speedy. Avoid using the same password over and over. That way if they do figure out your password, they only gain access to one account. And never leave your passwords written down where someone can find it.



A great tool online that creates kid friendly passwords is the website, www.dinopass.com

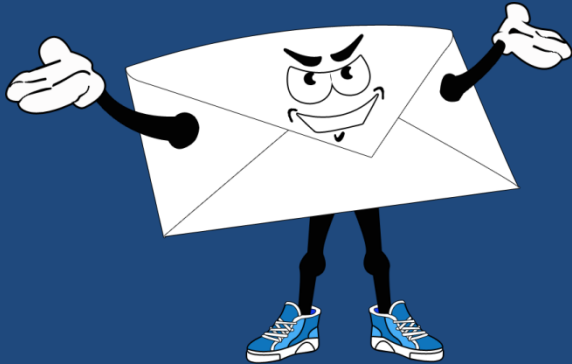
Spam



Spam is basically email that you receive from different companies or strangers that you did not sign up for. Most times it isn't from real companies and usually the sender is up to no good.

Spam emails can sometimes be a phishing scam. Phishing emails are emails that look like it is from some trusted source. A place like your bank, the IRS where taxes are collected, or some other business you shop with often. They make their email look like it is the real thing with logos, and they put links in the email baiting you to click them. Once you click the link, you could be launching a program that can damage your computer in some way or collect your personal information.

Spam emails can also use winning a sweepstakes or some other type prize to trick you into trusting the email source. After they hook you in, they inform you that to collect your prize, you must give them your credit card number.



How do you know it is spam?

Spam emails typically have a bunch of spelling and grammar errors or a mention of someone you don't know in the subject line. Don't Open It! Delete those emails right away.



Malware



Malware is a program written with the intent to harm your computer in some way.

Programs such as this, may be waiting for you to do something(a trigger), so that it can run. This could be the clicking of the link or opening an email attachment.

When searching for free downloads online, be very careful. There are a lot of sites out there trying to trick you. They will pay to make their site get returned at the top of the list of search results. Then when you access the page, they use blinking buttons to trick you to click. The result of clicking usually ends up being your computer loaded up with malware.

Once your machine is infected, it can change browser settings, create unusual popup ads on your computer and then pass the malware on to someone else.



Spyware is a program that gets onto your computer through a download or a virus and it gathers information about you and sends this back to its creator.

Some of the types of information spyware might send back to home base is email addresses of you or your contacts, passwords, account numbers, and credit card numbers.

Some spyware out there records how you use your computer and what you search for online.

Adware

Adware is software that you are allowed to use by the author because of the advertisements that pop up occasionally during the game. Many of these type games you will find in the form of apps on your phone or devices.

Through the addition of advertisements, the developer gains some income that may supplement a discount to the user, sometimes making the software free.

Often after using the product with the ads, a consumer will purchase the software to get rid of the ads.

<http://www.pctools.com/security-news/what-is-adware-and-spyware/>



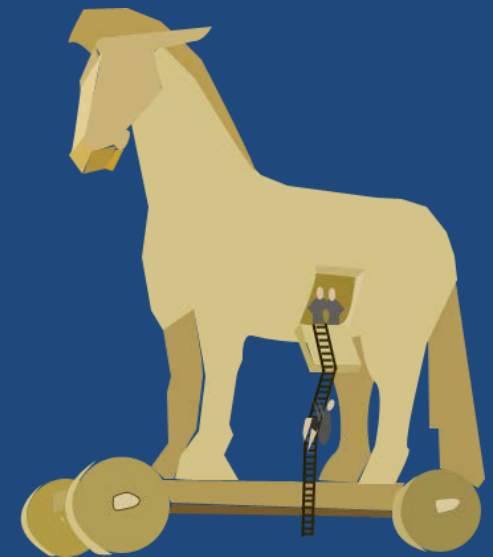
Trojan Horse

The name for the Trojan Horse virus was derived from tale of the Trojan Horse constructed by the Greeks to gain access to the city of Troy. The wooden horse was left at the gates as an offering to Athena. The horse was then wheeled into the city and out came Greek fighters hiding inside. <http://www.britannica.com/topic/Trojan-horse>

A Trojan horse virus is a form of malware that is dressed up as something interesting or software from a source we are familiar with. The purpose is to trick the person into installing it. This allows the creator of the Trojan to do damage to data or software on your computer. They also will set up a 'back door' or access point that allows them to access your system.

Trojan viruses don't spread by infecting other files and they cannot duplicate themselves.

<http://www.webopedia.com/DidYouKnow/Internet/virus.asp>



Worms

Worms are malware that can duplicate itself and spread to other computers. Worms always do something bad, even if it is just slowing things down.

Worms will frequently set up the ability for computers to be taken over by the worm's author by creating backdoors on the host computer. These computers are then called a "zombie computer". "Zombie computers" can be used to send out spam or as a shield to hide the web address of people who want to do bad things.

<http://www.webopedia.com/TERM/Z/zombie.html>





Virus

A virus is a small program that is created to spread from one computer to the next and to mess up the way your computer works.

Many times viruses hop from computer to computer via email attachments or messages. They can also hide in funny pictures(memes), e-cards, or other desirable file attachments. It can also be sent through an instant message.

A virus can corrupt your data, or worse, delete it. It can also email copies of itself to your friends.

Keeping your anti-virus software up to date is key to protecting against the latest viruses and other security threats.

<https://www.microsoft.com/security/pc-security/virus-whatis.aspx>

Social Media



Privacy settings on social media accounts are set up as public when you first get one. Unless you want everyone to be able to look at all of your photos and other private stuff, you must go into your account settings and change this.

Something to remember is whatever you post and say on your page can be shared by your friends. Think about what you post online, BEFORE you do it. What you post, could be seen by anyone at any time depending on your settings and the friends you keep. Because we can take pictures of our screens, there is really no setting that can protect you. Think twice about what you are sharing with others, so there are no regrets later.

Make sure you know the people that you accept friend requests from. Sometimes people try to friend you to hack your Facebook account or access your contacts. Once you are hacked they will send out strange messages or friend requests to your contacts. Protect your friends and yourself by being cautious with friends and creating strong passwords for your social media accounts.

Geotagging



Geotagging is the bit of data that your electronic device packages with your picture that has information about where the picture was taken. This is something that can be turned on and off in your device and typically comes turned on until you change the setting.

When your photo is geotagged, this gives people information about your location. Letting outsiders know where you are, can allow them to plan to steal your belongings or vandalize your home.

Consider if you post a photo every Wednesday in your outfit ready to walk to ball practice and geotagging is turned on. This shows you have a routine and gives a rough area you will be in. A predator could come and take you away.

Another issue with allowing the geotagging to occur is you don't have control of your own privacy. Everyone does not need to know where you are all of the time, keep this information private.

<http://www.nytimes.com/2010/08/12/technology/personaltech>



Be Careful of What You Say!



Defamation: Defamation is the blanket word used for all types of untrue statements made about others. [Definition of Defamation on Law.com](#)

Slander: When someone orally tells one or more people an untruth about someone, which will harm the reputation of the person it is about. It is not slander if the untruth is in writing of some sort or if it is broadcast through television or radio.

[Definition of Slander on Law.com](#)

Libel: This is where someone publishes to print(including pictures), written word, online posts, blogs, articles, or broadcast through radio, television, or film, an untruth about another which will do harm to the person's reputation. [Definition of Libel on Law.com](#)



Be Careful of What You Say!



Much of the things people post online may get ignored, and you may get lucky and avoid legal action. But, when someone gets angry and files a lawsuit it can cause a major headache and possibly hit you hard in the wallet.

You might think you should have a right to openly complain about a company and their bad service or lousy product. Well when it comes to this, it is not always that simple. You can get sued for this and even if the judge agrees with you, you still have to pay for a defense attorney. Think twice and make sure that whatever you have to say is worth any headache you may have pop up later.

<http://ideas.time.com/2013/01/07/yelp-reviewers-beware-you-can-get-sued/>

On social media, people get into the habit of letting their emotions get the better of them and they end up speaking their minds about others online. When that person feels that this damages their character, they may opt to sue the other person for defamation. Even if their case is not successful, the stress, money, and time that you spend defending yourself is not worth it. To read more about defamatory social media posts, [click here](#).

Stranger Danger Online



When you think of being on your computer or other electronic device in your own home, you probably think you are safe. Your mom is in the next room, what could happen?

Well there are people online that are up to no good. They go in chat rooms and pop up on your instant messenger, looking for someone to “groom”.

What is grooming you say? Well, grooming is when a stranger (can be any age) finds someone they are interested in, usually a minor. They act really nice and maybe they pretend they are much younger than they really are, like they are a kid just like you. Then they try to get you to like them and to trust them. They may ask you not to tell anyone you are talking to them. This is not okay and is a warning sign of a possible groomer.

How to Protect Yourself in Online Chats

- Choose chat sites designed for kids, such as www.kidzworld.com. Kidzworld is moderated and its aim is to protect kids from unwanted requests and online bullying.
- Beware of people you don't know. If they are asking too many questions or being too friendly they may be up to no good.
- If someone asks you to send them a picture or sends you a picture or video that is inappropriate, tell an adult or report them to the site moderators.
- Don't give out personal information to strangers online
- Don't tell strangers where you live or give them your telephone number
- Don't send strangers pictures of you or others
- If you are being bullied or threatened online, tell an adult or someone you trust





Cyberbullying

- Cyberbullying is the **willful and repeated harm** inflicted through the use of computers, cell phones, and other electronic devices.
- Using PhotoShop or other tools to create harassing images.
- Posting jokes about another person on the internet
- Using the internet to entice a group to physically harm another person.
- Making threats online using IM, email, social networking sites, or other electronic devices.



Consequences of Cyberbullying

Anything that you write, pictures that you post, or videos that you upload can be used by your school to suspend you.

College students have been removed from their athletic teams and lost college funding for writing negative comments about their coach.

When applying to colleges, they will search online to see what kind of person you are. They can deny you access if they don't like what they find.

When businesses are looking at people to hire for a job they will many times use social media to see what kind of person they are. Mean or inappropriate type posts can prevent you from getting the job you desire.

Cyberbullying can also be considered a crime and participating in this type of behavior can land you in big trouble.

Consequences of Cyberbullying

- § 18.2-152.7:1. Harassment by Computer; Penalty makes cyberbullying a crime.
- Carries a \$2500 fine and punishable by up to **12 months in prison.**

There are many websites designed to inform and decrease the number of bullying cases we see each year. The U.S. Department of Health and Human Services has created a website with lots of resources to help combat bullying of all kinds - www.stopbullying.gov

If you experience cyberbullying or witness it, tell someone such as a school counselor, teacher, or a parent.





The Effects of Cyberbullying

- Victims feel depressed, sad, angry, and frustrated.
- Victims become afraid and/or embarrassed to attend school.
- Can lead to low self-worth, family problems, academic problems, school violence, and bad behavior.
- Victims can also develop thoughts of killing themselves and possibly act on these feelings.
- There are no positive effects of cyberbullying, only pain and suffering for the victims.
- The affects of being bullied can affect the victim into adulthood and prevent them from being all they can be in the future.



Dealing with Cyberbullying

- Never do the same thing back, 2 wrongs don't make a right
- Tell them to stop
- Block their access to you
- Report it to the site you are on such as Facebook or Twitter
- NEVER pass along messages from cyberbullies, stop the spread of this behavior
- Set up privacy controls and keep the bully out of your friends list
- Don't be a cyberbully yourself
- If you witness someone getting bullied, tell someone so it can be stopped. Many times the person being bullied won't tell out of fear.
- Spread the word that bullying is not cool
- Don't laugh or encourage the bully, it is not funny and it can lead to major trouble for the person doing the bullying.



About Sexting



“Sexting” is when someone sends or receives sexually explicit or non-PG Rated pictures or video electronically, mainly via cell phones or tablets.

The numbers on how many teens say that they have sent/posted nude or semi-nude pictures or videos of themselves is upsetting.

20% of teens between 13 to 19 years of age have engaged in sexting.

22% of teen girls

18% of teen boys

11% of teen girls between 13 to 16 years of age have engaged in sexting.

Did you know that if you forward a picture of a sexual or nude photo of someone underage, you are as responsible for the image as the original sender?? You can be charged with a crime.

Many teens don't realize that if you send a picture of yourself that is inappropriate and that picture ends up online, it could be there forever. You can never fully delete things that end up on the web.



About Sexting



There is no age minimum that protects young people from getting charged with a sexual offense.

Something that you think is okay or just a joke, might land you in a ton of trouble. For example, you might take a picture of your friend naked to embarrass them, but if they are under the age of 18, this is considered production of child pornography.

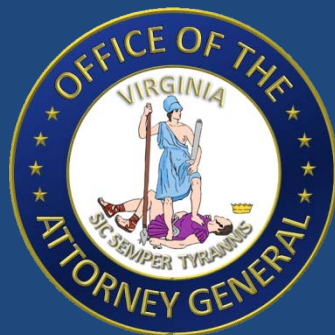
If you are sent something inappropriate, do not share it and don't delete it. Tell an adult immediately. You may feel like you are getting your friend into trouble, but you are protecting yourself and you are protecting them. They may not be thinking about the consequences or the effect this behavior can have on their future.

Anyone that gets convicted of a sex offense, will have to register as a sex offender. Sex offenders have to keep their address updated and keep a current photo with the police. The information goes on the sex offender registry where anyone can go and see your picture and where you live online.

REMEMBER: You can't control what other people do with your photos. Even if you think you are sending it to someone you can trust, they may end up surprising you. You can't trust anyone with something as private as that. Don't Do It!

Legal Consequences of Sexting

- The Virginia Department of Education has an excellent resource with real life examples of the consequences of sexting that can be found [here](#).
- The Attorney General's Virginia Rules website is designed to give Virginia Youth information on all the laws in the state. [Virginia Rules](#) has extensive information on sexting and other internet security risks.
- This article in The Virginian-Pilot tells a story of five Virginia teens getting charged with felonies for sexting and being in possession of sexually explicit photos of a minor, read more about it [here](#).



Information Provided By:
Office of the Attorney
General

202 North Ninth Street
Richmond, Virginia 23219

(804) 786-2071

www.ag.virginia.gov

Tab W:

Internet Safety Plan and Resident Information Form (if internet amenities selected)

DRPI II Internet Guidelines

Acknowledgment

I _____, have read, understand, acknowledge and agree to be bound by the recommendations, guidelines, terms, and conditions outlined in The DRPI II Internet Guidelines Manual (provided to Resident). The Internet Guideline Manual outlines and summarizes the proper use and safety guidelines when using the Internet Services provided at DRPI II common areas.

I understand that the Internet Guideline Manual and handbook contains information that will assist me and my guests in the proper use of the internet made available by The Heights at Jackson Village. I also understand that I will be held accountable for my behavior, as well as for my guests' behavior, and me be subject to legal and/or financial consequences related to any misuses as outlined in the Internet Guideline Manual.

By signing below, I acknowledge that I have read, agree to, and understand the terms of all items contained in DRPI II Internet Guideline Manual.

Resident Name: _____

Resident Signature: _____

Date: _____

DRPI II INTERNET

SECURITY PLAN

The internet service at DRPI II will have a rotating password that is only accessible to residents. The network router will be in a secure area to which tenants will not have access. The router will have a secure firewall to prevent data breaches.

At move-in, we will provide Tenants with the attached security and safety information and guidelines and will ask Tenants to sign an Acknowledgement of Responsibilities statement to ensure that they are educated in the internet safety and security guidelines.

Tab X:

Marketing Plan for units meeting accessibility
requirements of HUD section 504

Tab X:

Marketing Plan for units meeting accessibility
requirements of HUD section 504

DRPI II

Marketing Plan for Units Which Conform to Section 504 of the Rehabilitation Act

This Marketing Plan for Units Which Conform to Section 504 of the Rehabilitation Act (the “Marketing Plan”) has been designed to convey to current and potential residents with disabilities that DRPI II will be a new rental housing experience, with a commitment to excellent management and resident service, as well as an expectation of resident responsibility. Therefore, the majority of this plan will address ways in which property management will endeavor to secure qualified tenants, ensure quality tenancy, and effective management and maintenance of the property.

The Management Agent will be responsible for the management of DRPI II. The Management Agent, will be responsible for all the traditional management functions, including rent collection, maintenance, record keeping, reports, development of budgets, and monitoring resident income qualifications. Additionally, Management Agent will be responsible for the development and management of community and resident services program.

I. Affirmative Marketing

MANAGEMENT AGENT is pledged to the letter and the spirit of the U.S. policy of the achievement of equal housing opportunity throughout the Nation and will actively promote fair housing in the development and marketing of this project. MANAGEMENT AGENT, its Officers, Directors and employees will not discriminate on the basis of race, creed, color, sex, religion, familial status, elderliness, disability or sexual orientation in its programs or housing. They will also comply with all provisions of the Fair Housing Act (42 U.S.C. 3600, et. Seq.).

Any employee who has discriminated in the acceptance of a resident will be subject to immediate dismissal. All persons who contact the office will be treated impartially and equally with the only qualification necessary for application acceptance being income and credit, and conformity with the requirements of the Section 8 Program and Tax Credit programs. All interested parties will be provided a copy of the apartment brochure/flyer. Any resident who has questions not answered by the housing staff will be referred to the Associate Director or the Executive Director of MANAGEMENT AGENT.

II. Marketing and Outreach

Locating people with disabilities to occupy the units which conform to the requirements of Section 504 of the Rehabilitation Act will be accomplished as follows:

1. Networking

MANAGEMENT AGENT will contact local centers for independent living, disability services boards and other service organizations via phone and printed communication. The contacts will include the following organizations:

- Area Center for Independent Living (434-528-4971)
- Virginia Board for People with Disabilities (804-786-0016)
- Virginia Department for Aging and Rehabilitative Services (804-662-7000)
Centers for Independent Living

- Disability Resource Center (540-373-2559)**
- Access Independence, Inc. (540-662-4452)** Find you areas #**
- Horizon Behavior Health (434-847-6094)

Leasing Preference for Target Population Identified in MOU between the Authority and the Commonwealth

- Unless prohibited by and applicable federal subsidy program.
- A “first preference” will be given for person in a target population identified in a memorandum of understanding between the Authority and one or more participating agencies of the Commonwealth.
- Will obtain tenant referrals from the Virginia Department of Medical Assistance Services (DMAS) or Virginia Department of Behavioral Health and Developmental Services (DBHDS) or any other agency approved by the Authority.
- Will Retain Tenant verification letter, Acknowledgment and Settlement Agreement Target Population Status
- Target Population units will be confirmed by VHDA.

2. Internet Search

MANAGEMENT AGENT Apartments will also be listed on the following websites:

www.virginiahousingsearch.com

www.hud.gov

www.craigslist.org

accessva.org

dbhds.virginia.gov

3. Print Media

Print media sources will also be identified in the Lynchburg area that cater to people with disabilities as well as the public at large. These sources may include, but are not limited to, rental magazines such as the *Apartment Shoppers Guide*, *Apartments For Rent*, local newspapers, etc. All advertising materials related to the project will contain the Equal Housing Opportunity logo, slogan or statement, in compliance with the Fair Housing Act, as well as the fact that units for people with disabilities are available.

4. Resident Referrals

An effective Resident Referral program will be set up, in which current residents are rewarded for referring friends, coworkers, and others who may have disabilities to the property. These referrals are generally the best form of advertising as it attracts friends who will want to reside together, thus binding the community. ***Residents will be offered incentives, to be determined, for referring qualified applicants who rent at the property.*** Flyers will be distributed to residents along with the resident newsletter announcing the tenant referral program.

5. Marketing Materials

Additional marketing materials are needed in order to further support the specific marketing effort to people with disabilities. All printed marketing materials will include the EHO logo. The marketing will

also emphasize the physical and administrative compliance with Americans with Disabilities Act.

These marketing materials include:

- **Brochures or news media coverage** –A simple, two color brochure may be produced at low cost which will effectively sell the apartments and community. A brochure will include a listing of features and amenities. News media may include the local newspaper and/or the local television station coverage.
- **Flyers** - As mentioned earlier, a flyer campaign can be used effectively to market the community. Each flyer should incorporate graphics as well as a small amount of copy and should be designed to generate traffic.
- **Resident Referral** - The least expensive form of advertising is through Resident Referrals. A flyer should be created and distributed to all residents. (\$50 - \$100 per referral, paid upon move in). In addition to being distributed to all residents, the referral flyer should be left in the

Management office and should be included in the move in packet. (People are most inclined to refer their friends in the first few weeks of their tenancy.) The flyers will be changed to reflect the season or any type of special referral program.

III. Public and Community Relations

Equal Housing Opportunity promotions - all Site Signage containing the EHO logo and Fair Housing posters are displayed in English and Spanish in the Rental Office. MANAGEMENT AGENT encourages and supports an affirmative marketing program in which there are no barriers to obtaining housing because of race, color, religion, national origin, sex, elderliness, marital status, personal appearance, sexual orientation, familial status, physical or mental disability, political affiliation, source of income, or place of residence or business.

Additionally, a public relations program will be instituted to create a strong relationship between management and local disability organizations, neighborhood civic organizations, city officials, and other sources of potential qualified residents still to be identified.

IV. Tenant Selection and Orientation

The first contact with the management operations is an important one in attracting qualified residents; therefore, the management/leasing offices should convey a sense of professionalism, efficiency, and cleanliness. The management/leasing office is designed to provide a professional leasing atmosphere, with space set aside specifically for applicant interviews and application assistance. The leasing interviews will be used to emphasize the respect afforded to the applicant and the responsibilities which the applicant will be expected to assume.

Times of Operation - the Management Office will be open Monday through Friday from 8:30 A.M. to 4:30 P.M. Applicants will be processed at the Management Office Tuesday, Wednesday and Thursday, in accordance with approved criteria. Move-in process and orientation to property - applicants meet with designated staff to discuss programs available on the property and will be supplied relevant information to assist them in their move.

Management staff will perform housekeeping/home visits, check previous landlord and personal references, perform criminal/sex offender and credit background checks and verify income for each application taken. Tenant Selection will include minimum income limits assigned by the Owner/HUD. New residents will be given an orientation to the property including a review of the rules and regulations, information on the area, proper use of appliances, move-out procedures, maintenance procedures, rent payment procedures, energy conservation, grievance procedures and a review of the Lease documents.

Tenant Selection Criteria

Tenant Selection will include maximum income limits under the Low-Income Tax Credit and Section 8 programs. Selection criteria will also include student status guidelines pursuant to the Low-Income Housing Tax Credit program.

Management will commit that no annual minimum income requirement that exceeds the greater of \$3,600 or 2.5 times the portion of rent to be paid by tenants receiving rental assistance

Application Processing

Application processing will be done at the Management Office by the housing staff who are well versed in Fair Credit Law. As stated before, the processing will include a review of housekeeping/home

visit, prior landlord references, personal references, criminal/sex offender and credit reporting and income verification. The housing staff will make further review for inaccuracies in the application. The annual income and family composition are the key factors for determining eligibility. However, the Housing Committee will also use the following criteria in selecting applicants for occupancy:

- Applicants must be individuals, not agencies or groups.
- Applicants must meet the current eligibility income limits for tax credits and any other program requirements.
- We will process the Rental Applications through a credit bureau to determine the credit worthiness of each applicant. If the score is below the threshold, and it has been determined that applicant has no bad credit *and* no negative rental history *and* no criminal history then the application can be conditionally approved after contacting the prior landlord. In these cases, the application must be reviewed by the Associate Director/ housing committee before final approval.

Note- If the applicant's denial is based upon a credit report, the applicant will be advised of the source of the credit report in accordance with the Federal Fair Reporting Act. Guidelines published by the Federal Trade Commission suggest that apartment managers fall under the provisions of the Act and are obligated to advise the person refused an apartment for credit reasons, the name and address of the credit reporting firm in writing. The credit report will not be shown to the applicant, nor will specific information be revealed.

- We will process the Rental Application through a credit bureau to determine any possible criminal conduct. Convictions will be considered, regardless of whether "adjudication" was withheld. A criminal background check will be used as part of the qualifying criteria. An applicant will automatically be denied if;
 - There is a conviction for the manufacture, sale, distribution, or possession with the intent to manufacture, sell or distribute a controlled substance within the past five years.
 - There is evidence in the criminal history that reveals that the applicant has developed a pattern of criminal behavior, and such behavior presents a real or potential threat to residents and/or property.
 - The application will be suspended if an applicant or member of the applicant's family has been arrested for a crime but has not yet been tried. The application will be reconsidered, within the above guidelines, after such legal proceedings have been concluded at applicants' request.
- Applicants must provide complete and accurate verification of all income of all family members. The household's annual income may not exceed the applicable limit and the household must meet the subsidy or assisted Income Limits as established for the area in which YOUR Apartments is located. The annual income is compared to the area's Income Limits to determine eligibility.
- Family composition must be compatible for units available on the property.
- Applicants must receive satisfactory referrals from all previous Landlords.
- Applicants must provide verification of full-time student status for all individuals listed on the application as full-time student for tax credit units.
- Applicants must not receive a poor credit rating from the Credit Bureau and other credit reporting agencies and must demonstrate an ability to pay rent on time.
- Applicants must provide a doctor's statement and/or other proof of any handicap or disability.

- Applicants must provide a birth certificate or other acceptable HUD approved form of documentation for all household members.
- Applicants must complete the Application for Lease and all verification forms truthfully.
- Applicants must provide all information required by current Federal regulations and policies.
- Applicants must have the demonstrated ability to maintain acceptable housekeeping standards.
- Applicants must meet current Federal program eligibility requirements for tax credits and any other programs.
- Preference will be given to those households whose family members are handicapped or disabled for housing in the units specifically designated for the handicapped or disabled.
- Applicants who meet the above criteria will be placed on a waiting list based on the date and time of their application. If an applicant turns down a unit for any reason, the applicant will be moved to the bottom of the waiting list. If the applicant turns down a unit for any reason a second time, the applicant will be removed from the waiting list.
- Held Vacant for 60 Days**

Units must be held vacant for 60 days during which marketing efforts must be documented. However, if marketing to the Target Population is deemed to be conducted satisfactorily on an ongoing basis throughout the year and management can provide sufficient documentation to VHDA's Compliance Officer, management may request the ability to lease 50-point Units to a household not in the Target Population without the unit remaining vacant for the 60-day timeframe. "Ongoing basis" means contact to at least two (2) resources at least monthly in the manner noted below at any time the required number of units is not actually occupied by the Target Population. Each time a vacancy occurs in a 50-point Unit, if a qualified household including a person in the Target Population is not located in the 60-day timeframe, the owner or manager may submit the evidence of marketing to VHDA's Compliance Officer and request approval to rent the unit to an income-qualified household not a part of the Target Population. If the request is approved, the lease must contain a provision that the household must move to a vacant unit of comparable size in the development if a household in the Target Population applies for the unit. The move will be paid for by the owner. If no vacant unit of comparable size is available at that time, the Target Population prospective tenant should be placed on the development's waiting list and placed in the 50-point Unit when the first available vacant comparably sized unit becomes available to move the non-Targeted Population tenant.

NOTE: The move of the temporary/non-disabled tenant will be paid for by the owner.

Tab Y:

Inducement Resolution for Tax Exempt Bonds

Tab Z:

Documentation of team member's Diversity, Equity and Inclusion Designation or Veteran Owned Small Business certification

SWAM CONTRACT CERTIFICATION
(TO BE PROVIDED AT TIME OF APPLICATION)

LIHTC Applicant Name DRPI II, LLC

Name of SWaM Service Provider HURT & PROFFITT, INC.

Part II, 13VAC10-180-60(E)(5)(a) of the Qualified Allocation Plan (the "QAP") 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 points toward its application for Credits for entering into at least one contract for services provided by a business certified as women-owned or minority-owned through the Commonwealth of Virginia's Small, Women-owned, and Minority-owned Business (SWaM) Certification Program. Any applicant seeking points from Part II, 13VAC10-180-60(E)(5)(a) of the QAP must provide in its application this certification together with a copy of the service provider's certification from the Commonwealth of Virginia's SWaM Program. The certification and information requested below will be used by the Authority in its evaluation of whether an applicant meets such requirements.

Complete a separate form for each SWaM Service Provider.

INSTRUCTIONS:

Please complete all parts below. 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)(a) of the QAP.

1. The SWaM Service Provider will provide the following services and roles eligible for points under the QAP:
 consulting services to complete the LIHTC application;
 ongoing development services through the placed in service date;
 general contractor;
 architect;
 property manager;
 accounting services; or
 legal services.

2. Please describe in the space below the nature of the services contracted for with the SWaM certified service provider listed above. Include in your answer the scope of services to be provided, when said services are anticipated to be rendered, and the length of the contract term.

Hurt & Proffitt's Scope of Services for the Dearington Development in Lynchburg, Virginia:

- Civil Engineering Services for Site Plan and Submittal to TRC
- Attending Review and Permitting Meetings
- Performing Site Visits
- Final Construction Documents
- Construction Administration

3. Attach to this certification a copy of the service provider's current certification from the Commonwealth of Virginia's SWAM Program.
4. The undersigned acknowledge by their signatures below that prior to the Authority's issuance of an 8609 to the applicant, the undersigned will be required to certify that the SWaM service provider successfully rendered the services described above, that said services fall within the scope of services outlined within Part II, 13VAC10-180-60(E)(5)(a) of the QAP, and that the undersigned service provider is still a business certified as Women-Owned or Minority-Owned through the Commonwealth of Virginia's SWaM) Program.
5. The undersigned further acknowledge that no spousal relationship exists between any principal of the applicant and any principal of the undersigned service provider.

[Contract Certification and signatures appear on following page]

CONTRACT CERTIFICATION

The undersigned do hereby certify and acknowledge that they have entered into with each another at least one contract for services as described herein; that said services fall within the scope of services outlined within Part II, 13VAC10-180-60(E)(5)(a) of the QAP; that the undersigned service provider is a business certified as Women-Owned or Minority-Owned through the Commonwealth of Virginia's SWaM Program; that no spousal relationship exists between any principal of the applicant and any principal of the undersigned service provider; and that it is the current intention of the undersigned that the services be performed (i.e., the contract is *bona fide* and not entered into solely for the purpose of obtaining points under the QAP). The undersigned do hereby further certify that all information in this certification is true and complete to the best of their 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 applicant and the undersigned service provider to disqualification from current and future awards of Credits in Virginia.

APPLICANT:

DRPI II, LLC
Name of Applicant



Signature of Applicant

Timothy Henzy, Managing Member
Printed Name and Title of Authorized Signer

SWAM CERTIFIED SERVICE PROVIDER:

HURT & PROFFITT, INC.
Name of SWaM Certified Service Provider



Signature of SWaM Certified Service Provider

Wiley "Bif" Johnson, PE, President/CEO
Printed Name and Title of Authorized Signer

COMMONWEALTH OF VIRGINIA



DEPARTMENT OF SMALL BUSINESS & SUPPLIER DIVERSITY

101 N. 14th Street, 11th Floor
Richmond, VA 23219

HURT & PROFFITT, INC.

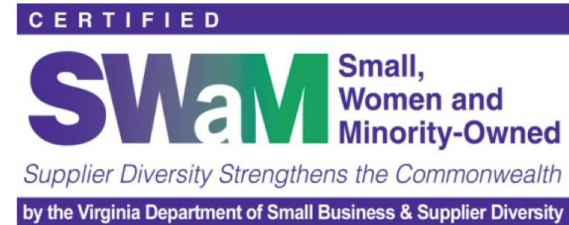
is a certified Small Business meeting all the eligibility requirements set forth under the Code of Virginia Section 2.2-16.1 et seq. and Administrative Code 7VAC 13-20 et seq.

Certification Number: **9824**
Valid Through: **Feb 20, 2030**

Accordingly Certified

Willis A. Morris

Willis A. Morris, Director



Tab AA:

Priority Letter from Rural Development

TAB AB:

Social Disadvantage Certification or Veteran
Owned Small Business Certification