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

VHDA TRACKING NUMBER

2026-C-112

A. GENERAL INFORMATION ABOUT PROPOSED DEVELOPMENT

Application Date: 3/12/2026

1. Development Name: Tranquility at the Lakes II

2. Address (line 1): 5841 Burton Station Road
 Address (line 2): 5837 Burton Station Road
 City: Virginia Beach State: VA Zip: 23455

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 Virginia Beach 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: 402.00

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

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

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

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

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

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

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

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

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

- Enter only Numeric Values below:**
15. Congressional District: 2
 Planning District: 23
 State Senate District: 7
 State House District: 83

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

New Construction of a 38 unit senior housing development available to households at 40%, 50%, and 60% of the area median income.

VHDA TRACKING NUMBER

2026-C-112

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: Patrick A Dunahey
 Chief Executive Officer's Title: City Manager Phone: (757) 385-4242
 Street Address: 2401 Courthouse Drive
 City: Virginia Beach State: VA Zip: 23456

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

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

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

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

B. RESERVATION REQUEST INFORMATION

1. Requesting Credits From:

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

Non Profit 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?

TRUE

If True, additional Credit Request cannot exceed 10% of the prior credit award.

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: SUL Tranquility Lakes II, LLC

Developer Name: Virginia Beach Community Development Corporation & Seniors Unlimited Lifestyles Inc.

Contact: M/M Mr. First: Quincy MI: Last: White

Address: 2400 Potters Road

City: Virginia Beach St. VA Zip: 23454

Phone: (757) 500-2740 Ext. Fax: (757) 463-1382

Email address: qwhite@vbcdc.org

Federal I.D. No. 920293150 (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. Angela Whitehead, angelaskb4@gmail.com, 757-737-3713

- 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: Deed

Expiration Date:

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

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

FALSE

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

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

2. Timing of Acquisition by Owner:

Only one of the following statement should be True.

a. TRUE

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

b. FALSE

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

c. FALSE

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

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

D. SITE CONTROL

3. Seller Information:

Name: City of Virginia Beach

Address: 2401 Courthouse Drive

City: Virginia Beach St.: VA Zip: 23456

Contact Person: Ruth Hill Phone: (757) 385-5803

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

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

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

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

E. DEVELOPMENT TEAM INFORMATION

Complete the following as applicable to your development team.

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

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

1. Tax Attorney:	Lauren Nowlin	This is a Related Entity.	FALSE
Firm Name:	Williams Mullen		
Address:	200 South 10th Street	Veteran Owned Small Bus?	FALSE
City, State, Zip	Richmond, VA 23219		
Email:	lnowlin@williamsmullen.com	Phone:	(804) 420-6586
2. Tax Accountant:		This is a Related Entity.	FALSE
Firm Name:			
Address:		Veteran Owned Small Bus?	FALSE
City, State, Zip			
Email:		Phone:	
3. Consultant:		This is a Related Entity.	FALSE
Firm Name:			
Address:		Veteran Owned Small Bus?	FALSE
City, State, Zip		Role:	
Email:		Phone:	
4. Management Entity:	Ashley Jarvis	This is a Related Entity.	TRUE
Firm Name:	Virginia Beach Community Development Co		
Address:	2400 Potters Road	Veteran Owned Small Bus?	FALSE
City, State, Zip	Virginia Beach, VA 23454		
Email:	ashleyjarvis@vbcdc.org	Phone:	(757) 500-2740
5. Contractor:	Will Crocker	This is a Related Entity.	FALSE
Firm Name:	Hoy Construction		
Address:	3495 Progress Rd	Veteran Owned Small Bus?	FALSE
City, State, Zip	Norfolk, VA 23502		
Email:	wcrocker@hoyconstruction.com	Phone:	(757) 853-5557
6. Architect:	Colin Arnold	This is a Related Entity.	FALSE
Firm Name:	Arnold Design Studio		
Address:	930 Cambria Street, NE	Veteran Owned Small Bus?	FALSE
City, State, Zip	Christiansburg, Virginia 24073		
Email:	carnold@arnolddesignstudio.com	Phone:	(540) 239-2671

E. DEVELOPMENT TEAM INFORMATION

7. Real Estate Attorney:	Lauren Nowlin	This is a Related Entity.	FALSE
Firm Name:	Williams Mullen		
Address:	200 South 10th Street	Veteran Owned Small Bus?	FALSE
City, State, Zip	Richmond, VA 23219		
Email:	lnowlin@williamsmullen.com	Phone:	(804) 420-6586
8. Mortgage Banker:		This is a Related Entity.	FALSE
Firm Name:			
Address:		Veteran Owned Small Bus?	FALSE
City, State, Zip			
Email:		Phone:	
9. Other 1:		This is a Related Entity.	FALSE
Firm Name:			
Address:		Veteran Owned Small Bus?	FALSE
City, State, Zip		Role:	
Email:		Phone:	
10. Other 2:		This is a Related Entity.	FALSE
Firm Name:			
Address:		Veteran Owned Small Bus?	FALSE
City, State, Zip		Role:	
Email:		Phone:	
11. Other 3:		This is a Related Entity.	FALSE
Firm Name:			
Address:		Veteran Owned Small Bus?	FALSE
City, State, Zip		Role:	
Email:		Phone:	
12. Other 4:		This is a Related Entity.	FALSE
Firm Name:			
Address:		Veteran Owned Small Bus?	FALSE
City, State, Zip		Role:	
Email:		Phone:	
13. Other 5:	Franklin Bowser	This is a Related Entity.	FALSE
Firm Name:	Mark Turner Construction		
Address:	10474 Cobbs Road	Veteran Owned Small Bus?	FALSE
City, State, Zip	Glen Allen, VA 23509	Role:	Owners Rep
Email:	fbowser@markturnerconstruction.com	Phone:	

F. REHAB INFORMATION

1. Acquisition Credit Information

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

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

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

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

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

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

i. Applicant agrees to waive all rights to any developer's fee or other fees associated with acquisition. **FALSE**

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

2. Ten-Year Rule For Acquisition Credits

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

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

i. Subsection (I) **FALSE**

ii. Subsection (II) **FALSE**

iii. Subsection (III) **FALSE**

iv. Subsection (IV) **FALSE**

v. Subsection (V) **FALSE**

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

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

F. REHAB INFORMATION

3. Rehabilitation Credit Information

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

G. NONPROFIT INVOLVEMENT

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

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

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

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

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

A. Nonprofit Involvement (All Applicants)

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

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

B. Type of involvement:

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

or

TRUE Nonprofit meets eligibility requirements for nonprofit pool and points.

C. Identity of Nonprofit (All nonprofit applicants):

The nonprofit organization involved in this development is: ▶ Applicant

Name: Virginia Beach Community Development Corporation

Contact Person: Quincy White

Street Address: 2400 Potters Rd

City: Virginia Beach State: ▶ VA Zip: 23454

Phone: (757) 500-2745 Contact Email: qwhite@vbcdc.org

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

Specify the nonprofit entity's percentage ownership of the general partnership interest: 65.0%

Warning: Eligibility for Pool and Points requires 100% participation.

G. NONPROFIT INVOLVEMENT

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

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

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

Name of qualified nonprofit: Seniors Unlimited Lifestyles, Inc.

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

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

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

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

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	38	bedrooms	44
	Total number of rental units in development	38	bedrooms	44
	Number of low-income rental units	38	bedrooms	44
	Percentage of rental units designated low-income	100.00%		
b.	Number of new units:	38	bedrooms	44
	Number of adaptive reuse units:	0	bedrooms	0
	Number of rehab units:	0	bedrooms	0
c.	If any, indicate number of planned exempt units (included in total of all units in development)			0
d.	Total Floor Area For The Entire Development			36,216.44 (Sq. ft.)
e.	Unheated Floor Area (i.e. Breezeways, Balconies, Storage)			3,002.17 (Sq. ft.)
f.	Nonresidential Commercial Floor Area (Not eligible for funding)			0.00
g.	Total Usable Residential Heated Area			33,214.27 (Sq. ft.)
h.	Percentage of Net Rentable Square Feet Deemed To Be New Rental Space			100.00%
i.	Exact area of site in acres	1.740		
j.	Locality has approved a final site plan or plan of development. If True , Provide required documentation (TAB O).		TRUE	
k.	Requirement as of 2016: Site must be properly zoned for proposed development. ACTION: Provide required zoning documentation (MANDATORY TAB G)			
l.	Development is eligible for Historic Rehab credits		FALSE	

Definition:

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

H. STRUCTURE AND UNITS INFORMATION

2. UNIT MIX

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

LIHTC Units can not be greater than Total Rental Units

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

Unit Type	Average Sq Foot		# of LIHTC Units	Total Rental Units
1 Story Eff - Elderly	0.00	SF	0	0
1 Story 1BR - Elderly	0.00	SF	0	0
1 Story 2BR - Elderly	0.00	SF	0	0
Eff - Elderly	0.00	SF	0	0
1BR Elderly	824.53	SF	32	32
2BR Elderly	1138.21	SF	6	6
Eff - Garden	0.00	SF	0	0
1BR Garden	0.00	SF	0	0
2BR Garden	0.00	SF	0	0
3BR Garden	0.00	SF	0	0
4BR Garden	0.00	SF	0	0
2+ Story 2BR Townhouse	0.00	SF	0	0
2+ Story 3BR Townhouse	0.00	SF	0	0
2+ Story 4BR Townhouse	0.00	SF	0	0
			38	38

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

3. Structures

- a. Number of Buildings (containing rental units) 1
- b. Age of Structure: 0 years
- c. Maximum Number of stories: 3

- d. The development is a scattered site development. FALSE

- e. Commercial Area Intended Use: N/A

- f. Development consists primarily of : (Only One Option Below Can Be True)
 - i. Low Rise Building(s) - (1-5 stories with any structural elements made of wood) TRUE
 - ii. Mid Rise Building(s) - (5-7 stories with no structural elements made of wood) FALSE
 - iii. High Rise Building(s) - (8 or more stories with no structural elements made of wood) FALSE

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

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

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

H. STRUCTURE AND UNITS INFORMATION

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

4. Site Amenities (indicate all proposed)

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

l. Describe Community Facilities: Community Room and Lounge

m. Number of Proposed Parking Spaces 43
 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.
(Must have a minimum 20Mbps upload/ 100Mbps download speed per manual.)
- TRUE j. Every kitchen, living room and bedroom contains, at minimum, one USB charging port.
- FALSE k. Rehab only: Each unit has dedicated space, drain and electrical hook-ups to accept a permanently installed dehumidification system.
- or
- 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**.
- 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.

J. ENHANCEMENTS

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

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

2. Green Certification

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

The applicant will also obtain one of the following:

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

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

- | | |
|--|--|
| <input checked="" type="checkbox"/> TRUE | a. Architect of record certifies that units will be constructed to meet Virginia Housing's Universal Design Standards. |
| <input type="checkbox"/> 38 | b. Number of Rental Units constructed to meet Virginia Housing's Universal Design standards:
100% of Total Rental Units |

No Market Units listed on Structure 1a.

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



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

I. UTILITIES

1. Utilities Types:

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

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

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

Utilities	Enter Allowances by Bedroom Size				
	0-BR	1-BR	2-BR	3-BR	4-BR
Heating	0	11	13	0	0
Air Conditioning	0	7	9	0	0
Cooking	0	4	7	0	0
Lighting	0	19	27	0	0
Hot Water	0	11	14	0	0
Water	0	32	42	0	0
Sewer	0	89	105	0	0
Trash	0	0	0	0	0
Total utility allowance for costs paid by tenant	\$0	\$173	\$217	\$0	\$0

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

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

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

K. SPECIAL HOUSING NEEDS

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


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:

TRUE

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

FALSE

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

FALSE

Supportive Housing (as described in the Tax Credit Manual)

FALSE

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

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

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

FALSE

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

Action: Provide Relocation Plan, Budget and Unit Delivery Schedule (**Mandatory if tenants are displaced - Tab J**)

K. SPECIAL HOUSING NEEDS

3. Leasing Preferences

a. Will leasing preference be given to applicants on a public housing waiting list and/or Section 8 waiting list? select: Yes

Organization which holds waiting list: City of Virginia Beach

Contact person: Ruth Hill

Title: Director of Housing and Neighborhood Preservation

Phone Number: (757) 385-5752

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

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

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

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

[Download Current CMA List from VirginiaHousing.com](http://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: Quincy

Last Name: White

Phone Number: (757) 500-2745 Email: qwhite@vbcdc.org

K. SPECIAL HOUSING NEEDS

5. Rental Assistance

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

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

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

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

FALSE

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

d. Number of units receiving assistance: **20**
 How many years in rental assistance contract? **15.00**
 Expiration date of contract: **12/31/2038**
 There is an Option to Renew. **TRUE**

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

6. Public Housing Revitalization

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

If so, how many existing Public Housing units? **0**

L. UNIT DETAILS

1. Set-Aside Election:

UNITS SELECTED IN INCOME AND RENT DETERMINE POINTS FOR THE BONUS POINT CATEGORY

Note: In order to qualify for any tax credits, a development must meet one of three minimum threshold occupancy tests. Either (i) at least 20% of the units must be rent-restricted and occupied by persons whose incomes are 50% or less of the area median income adjusted for family size (this is called the 20/50 test), (ii) at least 40% of the units must be rent-restricted and occupied by persons whose incomes are 60% or less of the area median income adjusted for family size (this is called the 40/60 test), or (iii) 40% or more of the units are both rent-restricted and occupied by persons whose income does not exceed the imputed income limitation designated in 10% increments between 20% to 80% of the AMI, and the average of the imputed income limitations collectively does not exceed 60% of the AMI (this is called the Average Income Test (AIT)). All occupancy tests are described in Section 42 of the IRC. Rent-and income-restricted units are known as low-income units. If you have more low-income units than required, you qualify for more credits. If you serve lower incomes than required, you receive more points under the ranking system.

a. Units Provided Per Household Type:

Income Levels		
# of Units	% of Units	
0	0.00%	20% Area Median
0	0.00%	30% Area Median
0	0.00%	40% Area Median
19	50.00%	50% Area Median
19	50.00%	60% Area Median
0	0.00%	70% Area Median
0	0.00%	80% Area Median
0	0.00%	Market Units
38	100.00%	Total

Rent Levels		
# of Units	% of Units	
0	0.00%	20% Area Median
0	0.00%	30% Area Median
4	10.53%	40% Area Median
15	39.47%	50% Area Median
19	50.00%	60% Area Median
0	0.00%	70% Area Median
0	0.00%	80% Area Median
0	0.00%	Market Units
38	100.00%	Total

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


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

c. The development plans to utilize average income 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	40% AMI	3	3	510.47	\$1,374.00	\$4,122
Mix 2	1 BR - 1 Bath	40% AMI	1	1	639.01	\$1,374.00	\$1,374
Mix 3	1 BR - 1 Bath	50% AMI	13		510.47	\$1,374.00	\$17,862
Mix 4	1 BR - 1 Bath	60% AMI	12		510.47	\$909.00	\$10,908
Mix 5	1 BR - 1 Bath	60% AMI	3		639.01	\$1,374.00	\$4,122
Mix 6	2 BR - 1.5 Bath	50% AMI	2	1	831.13	\$870.00	\$1,740
Mix 7	2 BR - 1.5 Bath	60% AMI	4		831.13	\$1,085.00	\$4,340
Mix 8							\$0
Mix 9							\$0
Mix 10							\$0

L. UNIT DETAILS

Mix 11									\$0
Mix 12									\$0
Mix 13									\$0
Mix 14									\$0
Mix 15									\$0
Mix 16									\$0
Mix 17									\$0
Mix 18									\$0
Mix 19									\$0
Mix 20									\$0
Mix 21									\$0
Mix 22									\$0
Mix 23									\$0
Mix 24									\$0
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Mix 59									\$0
Mix 60									\$0
Mix 61									\$0
Mix 62									\$0
Mix 63									\$0
Mix 64									\$0
Mix 65									\$0
Mix 66									\$0
Mix 67									\$0

L. UNIT DETAILS

Mix 68								\$0
Mix 69								\$0
Mix 70								\$0
Mix 71								\$0
Mix 72								\$0
Mix 73								\$0
Mix 74								\$0
Mix 75								\$0
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Mix 83								\$0
Mix 84								\$0
Mix 85								\$0
Mix 86								\$0
Mix 87								\$0
Mix 88								\$0
Mix 89								\$0
Mix 90								\$0
Mix 91								\$0
Mix 92								\$0
Mix 93								\$0
Mix 94								\$0
Mix 95								\$0
Mix 96								\$0
Mix 97								\$0
Mix 98								\$0
Mix 99								\$0
Mix 100								\$0
TOTALS			38	5				\$44,468

Total Units	38	Net Rentable SF:	TC Units	21,835.98
			MKT Units	0.00
			Total NR SF:	21,835.98

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

M. OPERATING EXPENSES

Administrative:

Use Whole Numbers Only!

1. Advertising/Marketing			\$100
2. Office Salaries			\$0
3. Office Supplies			\$1,200
4. Office/Model Apartment	(type _____)		\$0
5. Management Fee			\$42,806
<u>8.63%</u> of EGI	<u>\$1,126.47</u>	Per Unit	
6. Manager Salaries			\$27,000
7. Staff Unit (s)	(type _____)		\$0
8. Legal			\$0
9. Auditing			\$5,000
10. Bookkeeping/Accounting Fees			\$7,000
11. Telephone & Answering Service			\$13,000
12. Tax Credit Monitoring Fee			\$1,330
13. Miscellaneous Administrative			\$33,090
Total Administrative			\$130,526

Utilities

14. Fuel Oil			\$0
15. Electricity			\$10,100
16. Water			\$12,500
17. Gas			\$0
18. Sewer			\$12,500
Total Utility			\$35,100

Operating:

19. Janitor/Cleaning Payroll			\$0
20. Janitor/Cleaning Supplies			\$0
21. Janitor/Cleaning Contract			\$11,400
22. Exterminating			\$3,700
23. Trash Removal			\$3,400
24. Security Payroll/Contract			\$0
25. Grounds Payroll			\$0
26. Grounds Supplies			\$0
27. Grounds Contract			\$4,200
28. Maintenance/Repairs Payroll			\$27,000
29. Repairs/Material			\$3,000
30. Repairs Contract			\$22,800
31. Elevator Maintenance/Contract			\$5,000
32. Heating/Cooling Repairs & Maintenance			\$3,000
33. Pool Maintenance/Contract/Staff			\$0
34. Snow Removal			\$500
35. Decorating/Payroll/Contract			\$0
36. Decorating Supplies			\$0
37. Miscellaneous			\$6,500
Totals Operating & Maintenance			\$90,500

M. OPERATING EXPENSES

Taxes & Insurance

38. Real Estate Taxes		\$21,250
39. Payroll Taxes		\$3,735
40. Miscellaneous Taxes/Licenses/Permits		\$0
41. Property & Liability Insurance	\$271 per unit	\$10,300
42. Fidelity Bond		\$0
43. Workman's Compensation		\$1,000
44. Health Insurance & Employee Benefits		\$9,600
45. Other Insurance		\$0
Total Taxes & Insurance		\$45,885

Total Operating Expense

\$302,011

Total Operating Expenses Per Unit

\$7,948

C. Total Operating

60.86%

Expenses as % of EGI

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

\$11,400

Total Expenses

\$313,411

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.

	Must Use Whole Numbers Only!	Amount of Cost up to 100% Includable in Eligible Basis--Use Applicable Column(s):				
		Item	(A) Cost	"30% Present Value Credit"		(D)
				(B) Acquisition	(C) Rehab/ New Construction	"70 % Present Value Credit"
1. Contractor Cost						
a.	Unit Structures (New)	6,180,402	0	0	6,180,402	
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"/>	Structured Parking Garage	0	0	0	0	
	Total Structure	6,180,402	0	0	6,180,402	
f.	Earthwork	0	0	0	0	
g.	Site Utilities	0	0	0	0	
<input type="checkbox"/>	Renewable Energy	0	0	0	0	
i.	Roads & Walks	0	0	0	0	
j.	Site Improvements	1,732,278	0	0	1,732,278	
k.	Lawns & Planting	0	0	0	0	
l.	Engineering	0	0	0	0	
m.	Off-Site Improvements	0	0	0	0	
n.	Site Environmental Mitigation	0	0	0	0	
o.	Demolition	0	0	0	0	
p.	Site Work	0	0	0	0	
q.	Hard Cost Contingency	0	0	0	0	
	Total Land Improvements	1,732,278	0	0	1,732,278	
	Total Structure and Land	7,912,680	0	0	7,912,680	
r.	General Requirements	341,532	0	0	341,532	
s.	Builder's Overhead	150,000	0	0	150,000	
	(1.9% Contract)					
t.	Builder's Profit	150,000	0	0	150,000	
	(1.9% Contract)					
u.	Bonds	53,500	0	0	53,500	
v.	Building Permits	0	0	0	0	
w.	Special Construction	0	0	0	0	
x.	Special Equipment	0	0	0	0	
y.	Other 1: BO, PR, GR	0	0	0	0	
z.	Other 2:	0	0	0	0	
aa.	Other 3:	0	0	0	0	
	Contractor Costs	\$8,607,712	\$0	\$0	\$8,607,712	

Construction cost per unit: \$226,518.74

MAXIMUM COMBINED GR, OVERHEAD & PROFIT =

\$1,107,775

ACTUAL COMBINED GR, OVERHEAD & PROFIT =

\$641,532

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	16,500	0	0	16,500
b. Architecture/Engineering Design Fee \$4,605 /Unit)	175,000	0	0	175,000
c. Architecture Supervision Fee \$1,974 /Unit)	75,000	0	0	75,000
d. Tap Fees	213,000	0	0	213,000
e. Environmental	4,000	0	0	4,000
f. Soil Borings	8,000	0	0	8,000
g. Green Building (Earthcraft, LEED, etc.)	38,850	0	0	38,850
h. Appraisal	7,500	0	0	7,500
i. Market Study	13,750	0	0	13,750
j. Site Engineering / Survey	84,050	0	0	84,050
k. Construction/Development Mgt	114,000	0	0	114,000
l. Structural/Mechanical Study	0	0	0	0
m. Construction Loan Origination Fee	86,600	0	0	86,600
n. Construction Interest (0.0% for 0 months)	600,000	0	0	480,000
o. Taxes During Construction	20,000	0	0	20,000
p. Insurance During Construction	132,000	0	0	132,000
q. Permanent Loan Fee (0.0%)	31,146			
r. Other Permanent Loan Fees	0			
s. Letter of Credit	0	0	0	0
t. Cost Certification Fee	12,000	0	0	0
u. Accounting	0	0	0	0
v. Title and Recording	30,000	0	0	20,000
w. Legal Fees for Closing	120,000	0	0	40,000
x. Mortgage Banker	0	0	0	0
y. Tax Credit Fee	43,774			
z. Tenant Relocation	0			
aa. Fixtures, Furnitures and Equipment	50,000	0	0	50,000
ab. Organization Costs	25,000			
ac. Operating Reserve	240,000			
ad. Soft Costs Contingency	0			
ae. Security	125,000	0	0	125,000
af. Utilities	18,000	0	0	18,000
ag. Supportive Service Reserves	0			

O. PROJECT BUDGET - OWNER COSTS

(1) Other* specify:	Soft Cost Contingency	38,000	0	0	38,000
(2) Other* specify:	Hard Cost Contingency	450,000	0	0	450,000
(3) Other* specify:	Lease Up/Marketing	30,000	0	0	0
(4) Other* specify:	GC Cost Cert	12,000	0	0	0
(5) Other * specify:	SLR Approval	15,000	0	0	0
(6) Other* specify:		0	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))		\$2,828,170	\$0	\$0	\$2,209,250
Subtotal 1 + 2 (Owner + Contractor Costs)		\$11,435,882	\$0	\$0	\$10,816,962
3. Developer's Fees		900,000	0	0	900,000
4. Owner's Acquisition Costs					
Land		715,000			
Existing Improvements		0	0		
Subtotal 4:		\$715,000	\$0		
5. Total Development Costs					
Subtotal 1+2+3+4:		\$13,050,882	\$0	\$0	\$11,716,962

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

(Provide documentation at **Tab E**)

\$0	Land
\$0	Building

Maximum Developer Fee:

\$1,402,071

Proposed Development's Cost per Sq Foot
Applicable Cost Limit by Square Foot:

\$341 **Meets Limits**
\$556

Proposed Development's Cost per Unit
Applicable Cost Limit per Unit:

\$324,628 **Meets Limits**
\$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	13,050,882	0	0	11,716,962

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%)		0	0
<i>State Designated Basis Boosts:</i>			
b. For Revitalization or Supportive Housing (Eligible Basis x 30%)		0	3,515,089
c. For Green Certification (Eligible Basis x 10%)			0
Total Adjusted Eligible basis		0	15,232,051

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	\$1,370,885
	\$1,370,885 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.	C&F	03/01/25	04/18/25	\$8,660,000	Brad Bonney
2.					
3.					
Total Construction Funding:				\$8,660,000	

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

	Source of Funds	Date of Application	Date of Commitment	Amount of Funds <i>(Whole Numbers only)</i>	Annual Debt Service Cost	Interest Rate of Loan	Amortization Period <i>IN YEARS</i>	Term of Loan (years)
1.	VH REACH	6/1/2024	10/25/2024	\$2,400,000	\$119,472	3.95%	40	40
2.	VHTF		10/24/2024	\$900,000	\$4,500	0.50%	10000	40
3.	NHTF		10/24/2024	\$442,317	\$2,212	0.50%	10000	40
4.	City VB HOME		2/2/2024	\$2,241,000		0.00%	40	40
5.	Hampton Roads PDC		9/10/2024	\$300,000		0.00%	40	40
6.	HIEE		10/24/2024	\$1,067,378		0.00%	40	40
7.	FHLBA AHP			\$250,000		0.00%	40	40
8.								
9.								
10.								
11.								
12.								
13.								
14.								
15.								
16.								
17.								
18.								
19.								
20.								
Total Permanent Funding:				\$7,600,695	\$126,184			

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.	VHTF	10/24/2024	\$900,000
2.	NHTF	10/24/2024	\$442,317
3.	City VB HOME	2/2/2024	\$2,241,000
4.	HIEE	10/24/2024	\$1,067,378
5.	Hampton Roads PDC	9/10/2024	\$300,000
Total Subsidized Funding			\$4,950,695

5. Recap of Federal, State, and Local Funds

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

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

Below-Market Loans

a.	Tax Exempt Bonds	\$0
b.	RD 515	\$0
c.	Section 221(d)(3)	\$0
d.	Section 312	\$0
e.	Section 236	\$0
f.	Virginia Housing REACH Funds	\$2,400,000
g.	HOME Funds	\$2,241,000
h.	Choice Neighborhood	\$0
i.	National Housing Trust Fund	\$442,317
j.	Virginia Housing Trust Fund	\$900,000
k.	Other:	\$0
l.	Other:	\$0

Market-Rate Loans

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

Q. SOURCES OF FUNDS

Grants*

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

Grants

c.	State	
d.	Local	
e.	Other:	

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

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

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

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

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

--

8. Other Subsidies

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

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

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

--

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

R. EQUITY

1. Equity

a. Portion of Syndication Proceeds Attributable to Historic Tax Credit

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

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

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

c. Equity that Sponsor will Fund:

i. Cash Investment	\$0	
ii. Contributed Land/Building	\$0	
iii. Deferred Developer Fee	\$316,264	(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 \$316,264

2. Equity Gap Calculation

a. Total Development Cost	\$13,050,882
b. Total of Permanent Funding, Grants and Equity	- <u>\$7,916,959</u>
c. Equity Gap	\$5,133,923
d. Developer Equity	- <u>(\$59,484)</u>
e. Equity gap to be funded with low-income tax credit proceeds	\$5,193,407

3. Syndication Information (If Applicable)

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

b. Syndication Equity

i. Anticipated Annual Credits	\$611,050.00
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)	\$60,000
v. Net credit amount anticipated by user of credits	\$610,989
vi. Total to be paid by anticipated users of credit (e.g., limited partners)	\$5,193,407

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 \$5,133,407

5. Net Equity Factor

84.0180082160%

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>\$13,050,882</u>
2. Less Total of Permanent Funding, Grants and Equity	-	<u>\$7,916,959</u>
3. Equals Equity Gap		<u>\$5,133,923</u>
4. Divided by Net Equity Factor (Percent of 10-year credit expected to be raised as equity investment)		<u>84.0180082160%</u>
5. Equals Ten-Year Credit Amount Needed to Fund Gap		<u>\$6,110,503</u>
Divided by ten years		<u>10</u>
6. Equals Annual Tax Credit Required to Fund the Equity Gap		<u>\$611,050</u>
7. Maximum Allowable Credit Amount (from Eligible Basis Calculation)		<u>\$1,370,885</u>
8. Requested Credit Amount	For 30% PV Credit:	<u>\$0</u>
	For 70% PV Credit:	<u>\$611,050</u>
Credit per LI Units	<u>\$16,080.2632</u>	Combined 30% & 70% PV Credit Requested
Credit per LI Bedroom	<u>\$13,887.5000</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	\$44,468
Plus Other Income Source (list): 	\$0
Equals Total Monthly Income:	\$44,468
Twelve Months	x12
Equals Annual Gross Potential Income	\$533,616
Less Vacancy Allowance 7.0%	\$37,353
Equals Annual Effective Gross Income (EGI) - Low Income Units	\$496,263

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	\$496,263
b. Annual EGI Market Units	\$0
c. Total Effective Gross Income	\$496,263
d. Total Expenses	\$313,411
e. Net Operating Income	\$182,852
f. Total Annual Debt Service	\$126,184
g. Cash Flow Available for Distribution	\$56,668

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	496,263	506,188	516,312	526,638	537,171
Less Oper. Expenses	313,411	322,813	332,498	342,473	352,747
Net Income	182,852	183,375	183,814	184,165	184,424
Less Debt Service	126,184	126,184	126,184	126,184	126,184
Cash Flow	56,668	57,191	57,630	57,981	58,240
Debt Coverage Ratio	1.45	1.45	1.46	1.46	1.46

	Year 6	Year 7	Year 8	Year 9	Year 10
Eff. Gross Income	547,914	558,873	570,050	581,451	593,080
Less Oper. Expenses	363,329	374,229	385,456	397,020	408,930
Net Income	184,585	184,643	184,594	184,431	184,150
Less Debt Service	126,184	126,184	126,184	126,184	126,184
Cash Flow	58,401	58,459	58,410	58,247	57,966
Debt Coverage Ratio	1.46	1.46	1.46	1.46	1.46

	Year 11	Year 12	Year 13	Year 14	Year 15
Eff. Gross Income	604,942	617,041	629,381	641,969	654,808
Less Oper. Expenses	421,198	433,834	446,849	460,255	474,062
Net Income	183,744	183,206	182,532	181,714	180,746
Less Debt Service	126,184	126,184	126,184	126,184	126,184
Cash Flow	57,560	57,022	56,348	55,530	54,562
Debt Coverage Ratio	1.46	1.45	1.45	1.44	1.43

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

U. Building-by-Building Information

Must Complete

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

Number of BINS: 1

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

Bldg #	BIN if known	NUMBER OF		Please help us with the process: DO NOT use the CUT feature DO NOT SKIP LINES BETWEEN BUILDINGS					30% Present Value Credit for Acquisition				30% Present Value Credit for Rehab / New Construction				70% Present Value Credit					
		TAX CREDIT UNITS	MARKET RATE UNITS						Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount	Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount	Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount		
				Street Address 1	Street Address 2	City	State	Zip														
1.	VA2437001	38	0	5841 Burton Station Road	5837 Burton	Virginia Beach	VA	23455					\$0					\$0	\$15,232,051	06/30/26	0.00%	\$0
2.													\$0					\$0				\$0
3.													\$0					\$0				\$0
4.													\$0					\$0				\$0
5.													\$0					\$0				\$0
6.													\$0					\$0				\$0
7.													\$0					\$0				\$0
8.													\$0					\$0				\$0
9.													\$0					\$0				\$0
10.													\$0					\$0				\$0
11.													\$0					\$0				\$0
12.													\$0					\$0				\$0
13.													\$0					\$0				\$0
14.													\$0					\$0				\$0
15.													\$0					\$0				\$0
16.													\$0					\$0				\$0
17.													\$0					\$0				\$0
18.													\$0					\$0				\$0
19.													\$0					\$0				\$0
20.													\$0					\$0				\$0
21.													\$0					\$0				\$0
22.													\$0					\$0				\$0
23.													\$0					\$0				\$0
24.													\$0					\$0				\$0
25.													\$0					\$0				\$0
26.													\$0					\$0				\$0
27.													\$0					\$0				\$0
28.													\$0					\$0				\$0
29.													\$0					\$0				\$0
30.													\$0					\$0				\$0
31.													\$0					\$0				\$0
32.													\$0					\$0				\$0
33.													\$0					\$0				\$0
34.													\$0					\$0				\$0
35.													\$0					\$0				\$0

38 0 If development has more than 35 buildings, contact Virginia Housing.

Totals from all buildings

\$0

\$0

\$15,232,051

\$0

\$0

\$0

Number of BINS: 1

V. STATEMENT OF OWNER

The undersigned hereby acknowledges the following:

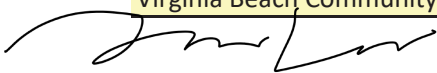
1. that, to the best of its knowledge and belief, all factual information provided herein or in connection herewith is true and correct, and all estimates are reasonable.
2. that it will at all times indemnify and hold harmless Virginia Housing and its assigns against all losses, costs, damages, Virginia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

V. STATEMENT OF OWNER

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

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

Legal Name of Owner: SUL Tranquility Lakes II, LLC
SUL Tranquility Lakes II Manager, LLC, Managing Mem
Virginia Beach Community Development Corporation,


By: 
Its: Quincy White, President and CEO
(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:	Colin Arnold
Virginia License#:	11337
Architecture Firm or Company:	Arnold Design Studio, LLC

By:  _____

Its: Colin Arnold, 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: Tranquility at the Lakes II

Name of Applicant (entity): SUL Tranquility Lakes 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

Quincy White

Printed Name

3/12/2026

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

W.

LIHTC SELF SCORE SHEET

Self Scoring Process

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

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

MANDATORY ITEMS:

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

1. READINESS:

a. Virginia Housing notification letter to CEO (via Locality Notification Information App)	Y	0 or -50	0.00
b. Local CEO Opposition Letter	N	0 or -25	0.00
c. Plan of development	Y	0 to 10	10.00
d. Location in a revitalization area based on Qualified Census Tract	N	0 or 10	0.00
or e. Location in a revitalization area with resolution or by locality	Y	0 or 15	15.00
or f. Location in a Opportunity Zone	N	0 or 15	0.00
g. Location in a Medium to High level Economic Development Jurisdiction	Y	0 or 5	5.00
h. Location on land owned by Tribal Nation	N	0 or 15	0.00
Total:			30.00

2. HOUSING NEEDS CHARACTERISTICS:

a. Sec 8 or PHA waiting list preference	Y	0 or up to 5	2.37
b. Existing RD, HUD Section 8 or 236 program	N	0 or 20	0.00
c. Subsidized funding commitments	37.93%	Up to 60	60.00
d. Tax abatement on increase of property's value	Y	0 or 5	5.00
e. New project based rental subsidy) in Northern Virginia or New Construction pool	N	up to 40	0.00
f. Census tract with <12% poverty rate	0%	0, 20, 25 or 30	0.00
g. Development provided priority letter from Rural Development	N	0 or 15	0.00
h. Dev. located in area with increasing rent burdened population	Y	Up to 20	20.00
Total:			87.37

3. DEVELOPMENT CHARACTERISTICS:

a. Enhancements (See calculations below)			85.00
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	100%	Up to 15	15.00
g. Developments with less than 100 low income units	Y	up to 20	20.00
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:			<u>160.00</u>

4. TENANT POPULATION CHARACTERISTICS:

Locality AMI	State AMI
\$106,500	\$78,100

a. Less than or equal to 20% of units having 1 or less bedrooms	N	0 or 15	0.00
b. <plus> Percent of Low Income units with 3 or more bedrooms	0.00%	Up to 15	0.00
c. Units with rent and income at or below 30% of AMI and are not subsidized (up to 10% of LI units)	0.00%	Up to 10	0.00
d. Units with rents at or below 40% of AMI (up to 10% of LI units)	10.53%	Up to 10	10.00
e. Units in Higher Income Jurisdictions with rent and income at or below 50% of AMI	50.00%	Up to 50	50.00
f. Units in Higher Income Jurisdictions with rents <= 50% rented to tenants with <= 60% of AMI	50.00%	Up to 25	0.00
or g. Units in LI Jurisdictions with rents <= 50% rented to tenants with <= 60% of AMI	50.00%	Up to 50	0.00
Total:			<u>60.00</u>

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:			<u>0.00</u>

6. EFFICIENT USE OF RESOURCES:

a. Credit per unit		Up to 100	92.38
Total:			<u>92.38</u>

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	Y	0 or 60	0.00
or c. Nonprofit or LHA Home Ownership option	N	0 or 5	0.00
d. Combined 9% and 4% Tax Exempt Bond Site Plan	N	10 or 15	0.00
e. RAD or PHA Conversion participation and competing in Local Housing Authority pool	N	0 or 10	0.00
f. Team member with Veteran Owned Small Business Certification	N	up to 10	0.00
g. Commitment to electronic payment of fees	Y	0 or 5	5.00
h. Zero Ready or Passive House certification from prior allocation	N	0, 10 or 20	0.00
Total:			<u>75.00</u>

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

TOTAL SCORE: **504.75**

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	1.00
q. Independent/suppl. heat source	1	1.00
r. Two eye viewers	1	1.00
s. Shelf or Ledge at entrance within interior hallway	2	2.00

5.00

Total amenities: 85.00

X.

Development Summary

Summary Information

2026 Low-Income Housing Tax Credit Application For Reservation

Deal Name: Tranquility at the Lakes II

Cycle Type: 9% Tax Credits
Allocation Type: New Construction
Total Units: 38
Total LI Units: 38
Project Gross Sq Ft: 36,216.44
Green Certified? TRUE

Requested Credit Amount: \$611,050
Jurisdiction: Virginia Beach City
Population Target: Elderly

Owner Contact: Quincy White

Total Score 504.75

Source of Funds	Amount	Per Unit	Per Sq Ft	Annual Debt Service
Permanent Financing	\$7,600,695	\$200,018	\$210	\$126,184
Grants	\$0	\$0		
Subsidized Funding	\$4,950,695	\$130,281		

Uses of Funds - Actual Costs				
Type of Uses	Amount	Per Unit	Sq Ft	% of TDC
Improvements	\$7,912,680	\$208,228	\$218	60.63%
General Req/Overhead/Profit	\$641,532	\$16,882	\$18	4.92%
Other Contract Costs	\$53,500	\$1,408	\$1	0.41%
Owner Costs	\$2,828,170	\$74,426	\$78	21.67%
Acquisition	\$715,000	\$18,816	\$20	5.48%
Developer Fee	\$900,000	\$23,684	\$25	6.90%
Total Uses	\$13,050,882	\$343,444		

Total Development Costs	
Total Improvements	\$11,435,882
Land Acquisition	\$715,000
Developer Fee	\$900,000
Total Development Costs	\$13,050,882

Proposed Cost Limit/Sq Ft: \$341
Applicable Cost Limit/Sq Ft: \$556
Proposed Cost Limit/Unit: \$324,628
Applicable Cost Limit/Unit: \$589,015

Income	
Gross Potential Income - LI Units	\$533,616
Gross Potential Income - Mkt Units	\$0
Subtotal	\$533,616
Less Vacancy %	7.00%
	\$37,353
Effective Gross Income	\$496,263

Unit Breakdown	
# of Eff	0
# of 1BR	32
# of 2BR	6
# of 3BR	0
# of 4+ BR	0
Total Units	38

Rental Assistance? TRUE

Expenses		
Category	Total	Per Unit
Administrative	\$130,526	\$3,435
Utilities	\$35,100	\$924
Operating & Maintenance	\$90,500	\$2,382
Taxes & Insurance	\$45,885	\$1,208
Total Operating Expenses	\$302,011	\$7,948
Replacement Reserves	\$11,400	\$300
Total Expenses	\$313,411	\$8,248

	Income Levels	Rent Levels
	# of Units	# of Units
<=30% AMI	0	0
40% AMI	0	4
50% AMI	19	15
60% AMI	19	19
>60% AMI	0	0
Market	0	0

Cash Flow	
EGI	\$496,263
Total Expenses	\$313,411
Net Income	\$182,852
Debt Service	\$126,184
Debt Coverage Ratio (YR1):	1.45

Income Averaging? FALSE

Extended Use Restriction? 50

Y. Efficient Use of Resources

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

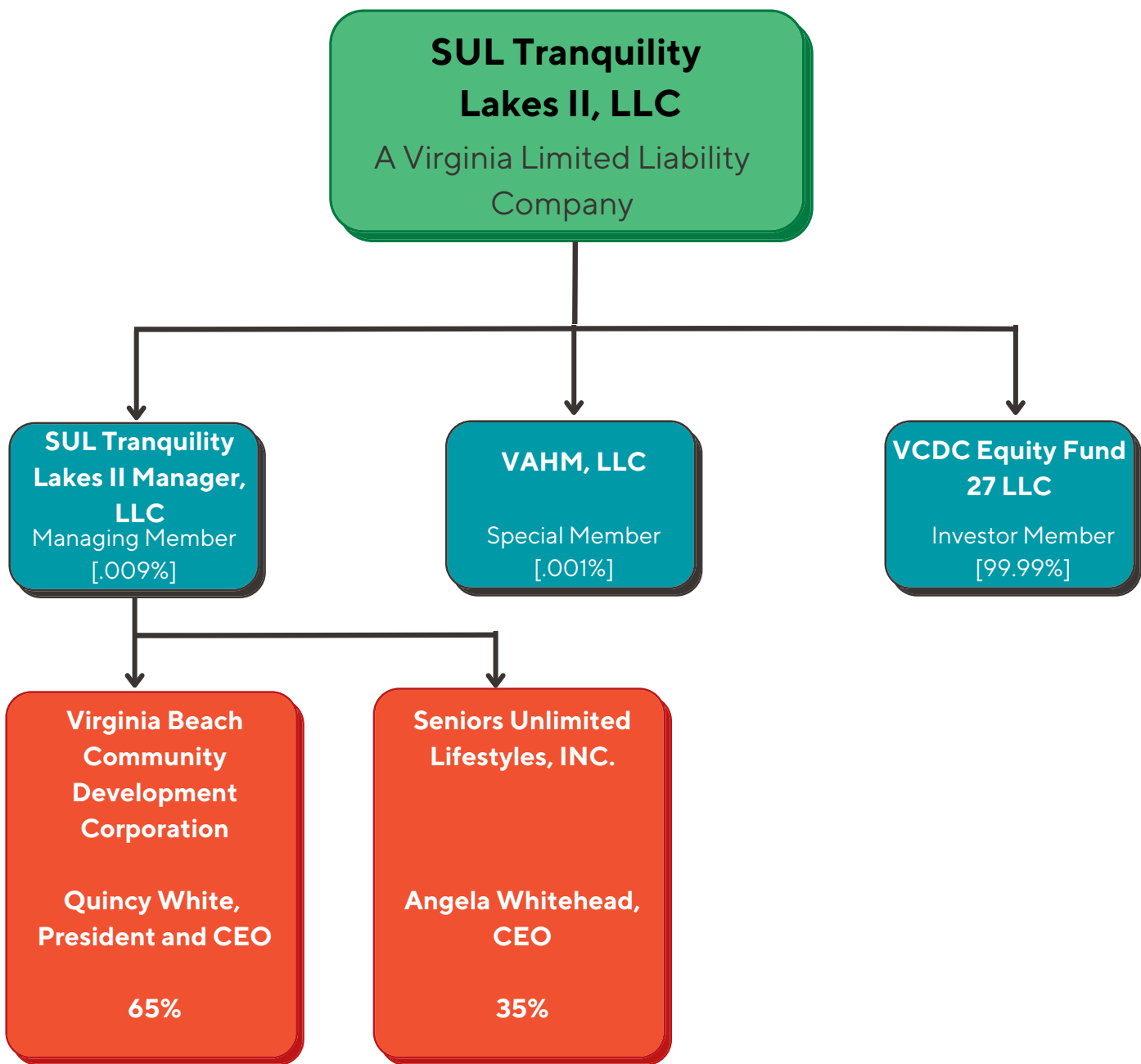
For another example, the annual credit requested is \$300,000 or a 40% savings for the program. Using a sliding scale, the credit points would be calculated by the difference between your savings and the desired 60% savings. Your savings divided by the goal of 60% times the max points of 100. In this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

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

Combined Max	\$1,370,885
Credit Requested	\$611,050
% of Savings	55.43%
Sliding Scale Points	92.38

Tab A:

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



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 SUL Tranquility Lakes 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 January 26, 2021; 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:

February 27, 2026

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

Bernard J. Logan, Clerk of the Commission

Commonwealth of Virginia



State Corporation Commission

CERTIFICATE OF GOOD STANDING

I Certify the Following from the Records of the Commission:

That SENIORS UNLIMITED LIFESTYLES, INC. is duly incorporated under the law of the Commonwealth of Virginia;

That the corporation was incorporated on October 14, 2004;

That the corporation's period of duration is perpetual; and

That the corporation is in existence and in good standing in the Commonwealth of Virginia as of the date set forth below.

Nothing more is hereby certified.



Signed and Sealed at Richmond on this Date:

March 9, 2026

A handwritten signature in black ink, appearing to read "Bernard J. Logan".

Bernard J. Logan, Clerk of the Commission

Commonwealth of Virginia



State Corporation Commission

CERTIFICATE OF FACT

I Certify the Following from the Records of the Commission:

That SUL Tranquility Lakes II Manager, 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 March 3, 2021; 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 9, 2026

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

Bernard J. Logan, Clerk of the Commission

Commonwealth of Virginia



State Corporation Commission

CERTIFICATE OF GOOD STANDING

I Certify the Following from the Records of the Commission:

That VIRGINIA BEACH COMMUNITY DEVELOPMENT CORPORATION is duly incorporated under the law of the Commonwealth of Virginia;

That the corporation was incorporated on September 13, 1985;

That the corporation's period of duration is perpetual; and

That the corporation is in existence and in good standing in the Commonwealth of Virginia as of the date set forth below.

Nothing more is hereby certified.



Signed and Sealed at Richmond on this Date:

March 9, 2026

A handwritten signature in black ink, appearing to read "Bernard J. Logan".

Bernard J. Logan, Clerk of the Commission

Tab C:

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



Vibrant Communities Drive Change

SUL Tranquility Lakes II, LLC
c/o Virginia Beach CDC and Seniors Unlimited Lifestyles, Inc.
2400 Potters Road
Virginia Beach, VA 23454

RE: Tranquility at the Lakes II
Investor Letter of Intent

Dear Ms. Jarvis and Ms. Whitehead,

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

Based on our analysis of the information provided to date, the Investor Member is interested in making a total equity investment of \$5,193,407 to SUL Tranquility Lakes II, LLC. This investment is based on the Investor Member's 99.99% share of the projected annual Low Income Housing Tax Credit of \$611,050 at \$.85 per credit dollar, and other tax benefits.

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

Sincerely,

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

Steve Bleile
Vice President of Community Investments

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



Tab D:

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

V. Previous Participation Certification

Development Name: Tranquility at the Lakes II

Name of Applicant (entity): Seniors Unlimited Lifestyles, Inc.

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

Angela Whitehead

Printed Name

12-Mar-26

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

Tab E:

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

THIS INSTRUMENT PREPARED BY
VIRGINIA BEACH CITY ATTORNEY'S OFFICE
Elizabeth S. Chupik, VSB #34737
TITLE INSURANCE UNDERWRITER: Stewart Title Guaranty Company
EXEMPT FROM RECORDATION
TAXES UNDER SECTIONS 58.1-811(C)(4)

Consideration: \$715,000.00
Assessed value: \$186,600.00

THIS DEED is made this 22nd day of July, 2024, by and between CITY OF VIRGINIA BEACH, a municipal corporation of the Commonwealth of Virginia (the "Grantor") and SUL TRANQUILITY LAKES II, LLC, a Virginia limited liability company, (the "Grantee"), whose address is 2400 Potters Road, Virginia Beach, VA 23454..

WITNESSETH:

That for and in consideration of the sum of TEN DOLLARS (\$10.00) cash in hand paid, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Grantor does hereby grant and convey, with SPECIAL WARRANTY, unto the Grantee, the following described properties (collectively, the "Property"), subject to the reservations and restrictions stated herein, to wit:

1012 Finney Circle, GPIN: 1458-88-2715:

ALL THAT certain lot, tract or parcel of land together with improvements thereon belonging, lying, situated and being in the City of Virginia Beach, Virginia and designated and described as: "NOW OR FORMERLY CITY OF VIRGINIA BEACH INST. #20130102000003920 INST. #20121221001461910 1458-88-2715-0000" and further designated as "RESIDUAL AREA OF GPIN 1458-88-2715-0000 28,544 SQUARE FEET / 0.6553 ACRES," as shown on that certain plat entitled: "PLAT SHOWING RIGHT OF WAY HEREBY ESTABLISHED BY CITY OF VIRGINIA BEACH FOR BURTON STATION ROAD IMPROVEMENTS VIRGINIA BEACH, VIRGINIA," Scale: 1" = 40', dated April 19, 2018 and revised through April 22, 2021, which plat is recorded in the Clerk's Office of the Circuit Court of the City of Virginia Beach, Virginia as Instrument Number 2021107000063, to which reference is made for a more particular description.

GPINS: 1458-88-2715, 1458-88-2897, 1458-89-3052, and 1458-89-2090

RESERVING UNTO THE CITY all right, title and interest of the City in and to any and all easements, rights of way, private roads and other rights of access, ingress and/or egress adjacent to, appurtenant to or in any way benefiting the City and/or public.

IT BEING a portion of the same property conveyed to the City of Virginia Beach from Kay Z. Kesser by Deed dated December 18, 2012 and recorded in the aforesaid Clerk's Office as Instrument Number 20130102000003920.

1020 Finney Circle, GPIN: 1458-88-2897:

ALL THAT certain lot, tract or parcel of land together with improvements thereon belonging, lying, situated and being in the City of Virginia Beach, Virginia and designated and described as: "RESIDUAL AREA TO BE ACQUIRED BY THE CITY OF VIRGINIA BEACH AREA = 8,198 S.F. OR 0.1882 AC." and further designated as "RESIDUAL AREA TO BE ACQUIRED BY THE CITY OF VIRGINIA BEACH 8,198 SQUARE FEET 0.1882 ACRES," as shown on that certain plat entitled: "PLAT SHOWING RIGHT-OF-WAY AND PROPERTY TO BE ACQUIRED FROM ROBERT L. ELLIOTT & HELEN TYLER BY CITY OF VIRGINIA BEACH FOR BURTON STATION ROAD IMPROVEMENTS CIP #9-081.003 VIRGINIA BEACH, VIRGINIA," Scale: 1" = 40', dated January 11, 2011 and revised through September 26, 2013, which plat is recorded in the Clerk's Office of the Circuit Court of the City of Virginia Beach, Virginia as Instrument Number 20130927001160920, to which reference is made for a more particular description.

RESERVING UNTO THE CITY all right, title and interest of the City in and to any and all easements, rights of way, private roads and other rights of access, ingress and/or egress adjacent to, appurtenant to or in any way benefiting the City and/or public.

IT BEING a portion of the same property conveyed to the City of Virginia Beach by deed from Robert L. Elliott and Helen Tyler dated September 18, 2013 and recorded in the aforesaid Clerk's Office as Instrument Number 20130930001163420.

IT FURTHER BEING a portion of the same property conveyed to the City of Virginia Beach by Deeds of Confirmation dated September 18, 2013 from Earl Littleton Elliott, Jr. recorded in the aforesaid Clerk's Office as Instrument Number 20160815000718630; from

Romona S. Corprew as Instrument Number 20160809000693760; and from Adrian T. Elliott as Instrument Number 20160727000644160.

5837 Burton Station Road, GPIN: 1458-89-3052:

ALL THAT certain lot, tract or parcel of land together with improvements thereon belonging, lying, situated and being in the City of Virginia Beach, Virginia and designated and described as: "NOW OR FORMERLY CITY OF VIRGINIA BEACH INSTRUMENT #20131017001240220 INSTR# 20131016001232250(PLAT) 1458-89-3052" and further designated as "RESIDUAL AREA OF GPIN 1458-89-3052 11,062 SQUARE FEET / 0.2539 ACRES," as shown on that certain plat entitled: "PLAT SHOWING EASEMENTS TO BE ESTABLISHED BY CITY OF VIRGINIA BEACH FOR BURTON STATION ROAD IMPROVEMENTS CIP #9-081.003 VIRGINIA BEACH, VIRGINIA," Scale: 1" = 40', dated August 29, 2016, which plat is recorded in the Clerk's Office of the Circuit Court of the City of Virginia Beach, Virginia as Instrument Number 20180226000152270, to which reference is made for a more particular description.

SUBJECT TO those certain Dominion Virginia Power, Verizon Virginia Inc., Cox Communications Hampton Roads, LLC easements as shown on the aforesaid plat and recorded respectively as Instrument Numbers 20161026000968630, 20160726000641970, and 20160805000683460.

RESERVING UNTO THE CITY the public drainage easement as shown on the aforesaid plat as "PROPOSED PUBLIC DRAINAGE EASEMENT AREA = 930 S.F. OR 0.0213 AC." and further described as "PROPOSED PUBLIC DRAINAGE EASEMENT 930 SQUARE FEET 0.0213 ACRES," as shown on the aforesaid plat.

RESERVING UNTO THE CITY all right, title and interest of the City in and to any and all easements, rights of way, private roads and other rights of access, ingress and/or egress adjacent to, appurtenant to or in any way benefiting the City and/or public.

IT BEING a portion of the same property conveyed to the City of Virginia Beach from Alphonso Elliott, Executor of the Estate of Martha Virginia Elliott by Deed dated October 9, 2013 and recorded in the aforesaid Clerk's Office as Instrument Number 20131017001240220.

5841 Burton Station Road, GPIN: 1458-89-2090:

ALL THAT certain lot, tract or parcel of land together with improvements thereon belonging, lying, situated and being in the City of Virginia Beach, Virginia and designated and described as: "NOW OR FORMERLY CITY OF VIRGINIA BEACH D.B. 3617, PG. 652 D.B. 429, PG. 271 (PLAT) 1458-89-2090" and further designated as "RESIDUAL AREA OF GPIN 1458-89-2090 9,430 SQUARE FEET 0.2165 ACRES," as shown on that certain plat entitled: "PLAT SHOWING RIGHT-OF-WAY HEREBY ESTABLISHED AND EASEMENTS TO BE CONVEYED BY CITY OF VIRGINIA BEACH FOR BURTON STATION ROAD IMPROVEMENTS CIP #9-081.003 VIRGINIA BEACH, VIRGINIA," Scale: 1" = 40', dated January 11, 2011, and revised through February 25, 2014, which plat is recorded in the Clerk's Office of the Circuit Court of the City of Virginia Beach, Virginia as Instrument Number 20150204000104180, to which reference is made for a more particular description.

SUBJECT TO those certain Dominion Virginia Power, Verizon Virginia Inc., Cox Communications Hampton Roads, LLC easements as shown on the aforesaid plat and recorded respectively as Instrument Numbers 20160630000559760, 20160726000642000, and 20160627000547020.

RESERVING UNTO THE CITY the public drainage easement as shown on the aforesaid plat as "PROPOSED PUBLIC DRAINAGE EASEMENT HEREBY ESTABLISHED AREA = 750 S.F. OR 0.0172 AC." and further described as "PROPOSED PUBLIC DRAINAGE EASEMENT HEREBY ESTABLISHED 750 SQUARE FEET 0.0172 ACRES," as shown on the aforesaid plat.

RESERVING UNTO THE CITY all right, title and interest of the City in and to any and all easements, rights of way, private roads and other rights of access, ingress and/or egress adjacent to, appurtenant to or in any way benefiting the City and/or public.

IT BEING a portion of the same property conveyed to the City of Virginia Beach from George W. Elliott and Jennie A. Elliott, husband and wife, by Deed dated January 10, 1996 and recorded in the aforesaid Clerk's Office in Deed Book 3617, at page 652.

This conveyance is made SUBJECT TO the conditions, restrictions, easements, and reservations contained in the duly recorded deeds, plats, or other instruments in the chain of title, if any, constituting constructive notice hereof.

This conveyance is further specifically made SUBJECT TO the following use restrictions (the "Use Restrictions"):

TERMS OF USE RESTRICTIONS

1. By acceptance and recordation of this deed, the Grantee confirms and agrees that the Property is restricted to an affordable senior housing and/or disabled persons housing facility for a period of thirty (30) years from the date of recordation. Upon the expiration of the thirty years, this restriction will terminate automatically without the need for further documentation.
2. The Use Restrictions shall run with the land and shall be binding on the Grantee, its successors, and assigns, and a breach of any one of the terms of the Use Restrictions, at the option of the City, may be enjoined, abated, or remedied by such remedies as are provided for by law. It is understood, however, that the breach of any of the terms of the Use Restrictions shall not defeat or render invalid the lien of any mortgage on the Property made in good faith and for value and shall not prevent the foreclosure sale of the Property or any part thereof, provided, however, that each and all of the Use Restrictions shall at all times remain in full force and effect against the Property, or any part thereof, title to which is obtained by foreclosure of any mortgage or other lien.
3. The Use Restrictions are for the sole benefit of only the City and the Grantee, its successors, and assigns. No liability shall attach to the City for failure to enforce these Use Restrictions.

IN WITNESS WHEREOF, on the date hereinabove mentioned, the City of Virginia Beach, Grantor, has caused its name to be hereunto signed by its City Manager or his authorized designee and its seal to be affixed and attested by its Clerk, all duly authorized.

WITNESS the following signature and seal:

CITY OF VIRGINIA BEACH

By: [Signature]
City Manager/Authorized Designee
of City Manager

(SEAL)
ATTEST: [Signature]
Amanda Barnes, City Clerk

STATE OF VIRGINIA
CITY OF VIRGINIA BEACH, to-wit:

The foregoing instrument was acknowledged before me this 22nd day of July, 2024, by Kenneth L. Chandler, City Manager/Authorized Designee of the City Manager of the City of Virginia Beach, on its behalf.

Commonwealth Of Virginia
Jennifer Anne Grundler - Notary Public
Commission No. 7037167
My Commission Expires _____

[Signature]
Notary Public

My Commission Expires: 5/31/2025
Registration Number 7037167

STATE OF VIRGINIA
CITY OF VIRGINIA BEACH, to-wit:

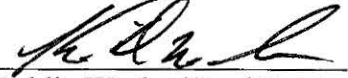
The foregoing instrument was acknowledged before me this 22nd day of July, 2024, by Amanda Barnes, City Clerk of the City of Virginia Beach.

Commonwealth Of Virginia
Jennifer Anne Grundler - Notary Public
Commission No. 7037167
My Commission Expires 5/31/2025

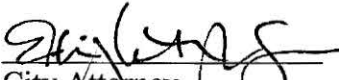
[Signature]
Notary Public

My Commission Expires: 5/31/2025
Registration Number 7037167

Approved As To Content:


Public Works / Real Estate

Approved As To Form:


City Attorney

INSTRUMENT # 202403037956
E-RECORDED IN THE CLERK'S OFFICE OF
VIRGINIA BEACH ON
SEPTEMBER 10, 2024 AT 02:31PM
GRANTOR TAX: \$0.00
STATE TAX: \$1,787.50
HRRT: \$0.00
TINA E. SINNEN, CLERK
RECORDED BY: PW

THIS INSTRUMENT PREPARED BY
VIRGINIA BEACH CITY ATTORNEY'S OFFICE
Elizabeth S. Chupik, VSB #34737
TITLE INSURANCE UNDERWRITER: Stewart Title Guaranty Company
EXEMPT FROM RECORDATION
TAXES UNDER SECTIONS 58.1-811(C)(4)

Assessed Value: \$1,000.00
Consideration: None

THIS DEED OF VACATION AND QUITCLAIM is made this this 2nd day of July, 2024, by and between CITY OF VIRGINIA BEACH, a municipal corporation of the Commonwealth of Virginia (the "Grantor") and SUL TRANQUILITY LAKES II, LLC, a Virginia limited liability company, (the "Grantee"), whose address is 2400 Potters Road, Virginia Beach, VA 23454.

WITNESSETH:

That for and in consideration of the sum of TEN DOLLARS (\$10.00) and other good and valuable consideration, the receipt of which is hereby acknowledged, the Grantor hereby releases, vacates, and forever QUITCLAIMS unto the Grantee all its right and interest, if any, in the following described property:

Private Right of Way GPIN: 1458-89-2065:

ALL THAT certain lot, tract or parcel of land together with improvements thereon belonging, lying, situated and being in the City of Virginia Beach, Virginia and designated and described as: "RESIDUAL AREA TO BE ACQUIRED AREA = 7,913 S.F. OR 0.1817 AC." and further designated as "RESIDUAL AREA TO BE ACQUIRED 7,913 SQUARE FEET 0.1817 ACRES," as shown on that certain plat entitled: "PLAT SHOWING PROPERTY TO BE ACQUIRED FROM GEORGE W. ELLIOTT BY CITY OF VIRGINIA BEACH FOR BURTON STATION ROAD IMPROVEMENTS CIP #9-081.003 VIRGINIA BEACH, VIRGINIA," Scale: 1" = 40', dated March 18, 2013 and revised through March 26, 2013, which plat is recorded in the Clerk's Office of the Circuit Court of the City of Virginia Beach, Virginia as Instrument Number 20130328000360010, to which reference is made for a more particular description.

GPIN: 1458-89-2065

SUBJECT TO those certain Dominion Virginia Power, Verizon Virginia Inc., Cox Communications Hampton Roads, LLC easements as shown on the aforesaid plat and recorded respectively as Instrument Numbers 20160412000297120, 20160804000675130, and 20160602000468670.

RESERVING UNTO THE CITY the public drainage easement as shown on the aforesaid plat as "PROPOSED PUBLIC DRAINAGE EASEMENT AREA = 450 S.F. OR 0.0103 AC." and further described as "PROPOSED PUBLIC DRAINAGE EASEMENT 450 SQUARE FEET 0.0103 ACRES," as shown on the aforesaid plat.

RESERVING UNTO THE CITY all right, title and interest of the City in and to any and all easements, rights of way, private roads and other rights of access, ingress and/or egress adjacent to, appurtenant to or in any way benefiting the City and/or public.

IT BEING a portion of the same property conveyed to the City of Virginia Beach from George W. Elliott by Deed dated April 4, 2013 and recorded in the aforesaid Clerk's Office as Instrument Number 20130423000463620.

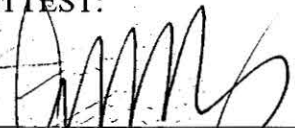
This conveyance is made subject to conditions, restrictions, easements, and reservations of record in the chain of title, if any, constituting constructive notice thereof. designee and its seal to be affixed and attested by its Clerk, all duly authorized.

WITNESS the following signature and seal:

CITY OF VIRGINIA BEACH

By: 
City Manager/Authorized Designee
of City Manager

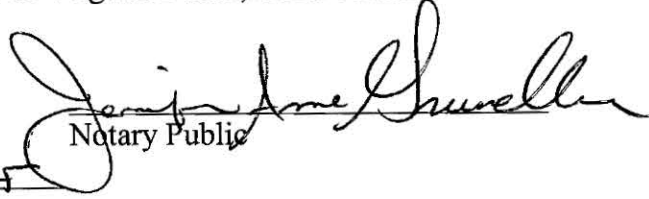
(SEAL)
ATTEST:


Amanda Barnes, City Clerk

STATE OF VIRGINIA
CITY OF VIRGINIA BEACH, to-wit:

The foregoing instrument was acknowledged before me this 22nd day of July, 2024, by Kenneth L. Chandler, City Manager ~~Authorized~~
~~Designee of the City Manager~~ of the City of Virginia Beach, on its behalf.

Commonwealth Of Virginia
Jennifer Anne Grundler - Notary Public
Commission No. 7037167
My Commission Expires 5/31/2025


Notary Public

My Commission Expires: 5/31/2025
Registration Number 7037167

STATE OF VIRGINIA
CITY OF VIRGINIA BEACH, to-wit:

The foregoing instrument was acknowledged before me this 22nd day of July, 2024, by Amanda Barnes, City Clerk of the City of Virginia Beach.

Commonwealth Of Virginia
Jennifer Anne Grundler - Notary Public
Commission No. 7037167
My Commission Expires 5/31/2025

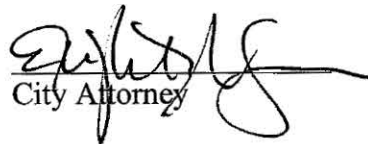

Notary Public

My Commission Expires: 5/31/2025
Registration Number 7037167

APPROVED AS TO CONTENT:

APPROVED AS TO FORM:


Public Works / Real Estate


City Attorney

INSTRUMENT # 202403037957
E-RECORDED IN THE CLERK'S OFFICE OF
VIRGINIA BEACH ON
SEPTEMBER 10, 2024 AT 02:31PM
GRANTOR TAX: \$0.00
STATE TAX: \$2.50
HRRT: \$0.00
TINA E. SINNEN, CLERK
RECORDED BY: PW

This instrument was prepared by:
Lauren Nowlin, Esquire
VSB# 74827
Williams Mullen
PO Box 1320
Richmond, VA 23218-1320

TAX ID # 1458-89-2065-0000

NOTICE TO CLERK: THIS CONVEYANCE IS EXEMPT FROM TAXATION PURSUANT TO SECTION 58.1-811(A)(9) OF THE CODE OF VIRGINIA (1950), AS AMENDED.

QUITCLAIM DEED

THIS QUITCLAIM DEED, made this 29th day of July, 2024, by and between **SENIORS UNLIMITED LIFESTYLES, INC.**, having an address of 453 Longdale Crescent, Chesapeake, Virginia 23325, to be indexed as grantor ("Grantor") and **SUL TRANQUILITY LAKES II, LLC**, a Virginia limited liability company, having an address of 2400 Potters Road, Virginia Beach, Virginia 23454, to be indexed as grantee ("Grantee"), recites and provides as follows:

WITNESSETH:

That for and in consideration of the sum of TEN DOLLARS (\$10.00) cash in hand paid and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor hereby quitclaims, grants and conveys, without warranty, unto Grantee any and all right, title, and interest Grantor may have in and to the real property described in **SCHEDULE A** attached hereto and incorporated herein, as a result of a street closure of said property.

This conveyance is made expressly subject to such recorded restrictions, conditions and easements as may lawfully apply to the real estate and to such state of facts as would be shown by a current survey and inspection thereof.

[SIGNATURE PAGES FOLLOW]

WITNESS the following signature and seal:

GRANTOR:

SENIORS UNLIMITED LIFESTYLES, INC.,
a Virginia nonstock corporation

By: *Angela Whitehead* (SEAL)
Name: Angela Whitehead
Title: Chief Executive Officer

COMMONWEALTH OF VIRGINIA

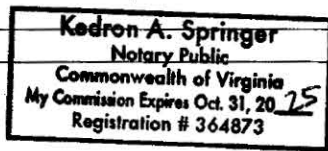
CITY/COUNTY OF Chesapeake, to-wit:

The foregoing instrument was acknowledged before me this 29 day of July, 2024, by Angela Whitehead, who is known to me (or is satisfactorily proven) and who voluntarily acknowledged this deed as Chief Executive Officer of Seniors Unlimited Lifestyles, Inc., a Virginia nonstock corporation, on behalf of the corporation.

(SEAL)

Kedron A. Springer
Notary Public

My commission expires: _____
My registration No.: _____



SCHEDULE A

Legal Description

ALL THAT certain lot, tract or parcel of land together with improvements thereon belonging, lying, situated and being in the City of Virginia Beach, Virginia and designated and described as: "RESIDUAL AREA TO BE ACQUIRED AREA= 7,913 S.F. OR 0.1817 AC." and further designated as "RESIDUAL AREA TO BE ACQUIRED 7,913 SQUARE FEET 0.1817 ACRES," as shown on that certain plat entitled: "PLAT SHOWING PROPERTY TO BE ACQUIRED FROM GEORGE W. ELLIOTT BY CITY OF VIRGINIA BEACH FOR BURTON STATION ROAD IMPROVEMENTS CIP #9-081.003 VIRGINIA BEACH, VIRGINIA," Scale: 1" = 40', dated March 18, 2013 and revised through March 26, 2013, which plat is recorded in the Clerk's Office of the Circuit Court of the City of Virginia Beach, Virginia as Instrument Number 20130328000360010, to which reference is made for a more particular description.

LESS AND EXCEPT those certain Dominion Virginia Power, Verizon Virginia Inc., Cox Communications Hampton Roads, LLC easements as shown on the aforesaid plat and recorded respectively as Instrument Numbers 20160412000297120, 20160804000675130, and 20160602000468670.

RESERVING UNTO THE CITY the public drainage easement as shown on the aforesaid plat as "PROPOSED PUBLIC DRAINAGE EASEMENT AREA= 450 S.F. OR 0.0103 AC." and further described as "PROPOSED PUBLIC DRAINAGE EASEMENT 450 SQUARE FEET 0.0103 ACRES," as shown on the aforesaid plat.

RESERVING UNTO THE CITY all right, title and interest of the City in and to any and all easements, rights of way, private roads and other rights of access, ingress and/or egress adjacent to, appurtenant to or in any way benefiting the City and/or public.

INSTRUMENT # 202403037955
E-RECORDED IN THE CLERK'S OFFICE OF
VIRGINIA BEACH ON
SEPTEMBER 10, 2024 AT 02:31PM

TINA E. SINNEN, CLERK
RECORDED BY: PW

Prepared by and Return to:
Kedron A. Springer, VSB #67995
Springer Law Group
508 Baylor Court, Suite B
Chesapeake, VA 23320

TAX ID #: 1458-89-2065-0000

Exempt from Recording Taxes:
VA Code Sec. 58.1-811(D)

No Title Insurance is being issued with this Deed.

PREPARED WITHOUT THE BENEFIT OF A TITLE EXAMINATION

THIS DEED OF GIFT is made this 4th day of June, 2020, by and between **WILLIE DONALD MARTIN, SR.**, party of the first part, and **SENIORS UNLIMITED LIFESTYLES, INC.**, Grantee, party of the second part, whose mailing address is 453 Longdale Crescent, Chesapeake, VA 23325

WITNESSETH:

THAT FOR AND IN CONSIDERATION of the sum of One Dollar (\$1.00), cash in hand paid, and for other good and valuable consideration hereby acknowledged by the parties, the said party of the first part does hereby quitclaim, grant and convey, unto the Grantee, in fee simple, any and all interest the party of the first may have in and to the following described property as a result of a street closure of said parcel, to-wit:

ALL THAT certain lot, tract or parcel of land together with improvements thereon belonging, lying, situated and being in the City of Virginia Beach, Virginia and designated and described as: "RESIDUAL AREA TO BE ACQUIRED AREA = 7,913 S.F. OR 0.1817 AC." and further designated as "RESIDUAL AREA TO BE ACQUIRED 7,913 SQUARE FEET 0.1817 ACRES," as shown on that certain plat entitled: "PLAT SHOWING PROPERTY TO BE ACQUIRED FROM GEORGE W. ELLIOTT BY CITY OF VIRGINIA BEACH FOR BURTON STATION ROAD IMPROVEMENTS CIP #9-081.003 VIRGINIA BEACH, VIRGINIA," Scale: 1" = 40', dated March 18, 2013 and revised through March 26, 2013, which plat is recorded in the Clerk's Office of the Circuit Court of the City of Virginia Beach, Virginia as Instrument Number 20130328000360010, to which reference is made for a more particular description.

LESS AND EXCEPT those certain Dominion Virginia Power, Verizon Virginia Inc., Cox Communications Hampton Roads, LLC easements as shown on the aforesaid plat and recorded respectively as Instrument Numbers 20160412000297120, 20160804000675130, and 20160602000468670.

RESERVING UNTO THE CITY the public drainage easement as shown on the aforesaid plat as "PROPOSED PUBLIC DRAINAGE EASEMENT AREA = 450 S.F. OR 0.0103 AC." and further described as "PROPOSED PUBLIC DRAINAGE EASEMENT 450 SQUARE FEET 0.0103 ACRES," as shown on the aforesaid plat.

RESERVING UNTO THE CITY all right, title and interest of the City in and to any and all easements, rights of way, private roads and other rights of access, ingress and/or egress adjacent to, appurtenant to or in any way benefiting the City and/or public.

This conveyance is exempt from recording taxes pursuant to Section 58.1-811(D) of the Code of Virginia, 1950, as amended and is expressly made subject to all unexpired conditions, restrictions, reservations and easements, of record, if any, constituting constructive notice. This conveyance is further subject to any leases with respect to this property, recorded or unrecorded.

The attorney who prepared this deed has not performed a title examination of the subject property and therefore makes no opinion or warranty as to the title of the property.

Furthermore, the attorney who prepared this deed does not represent the Grantor(s) nor Grantee(s) in this transaction and has not provided legal advice to either party. This deed is not intended to create an attorney client relationship of any form.

WITNESS the following signature and seal:

BY: Willie Donald Martin (SEAL)
WILLIE DONALD MARTIN, SR.

STATE OF Virginia

COUNTY/CITY OF Norfolk, to wit:

The foregoing instrument was duly acknowledged before me, a Notary Public, this 4th
day of June, 2020, by **WILLIE DONALD MARTIN, SR.**, the Grantor herein,
who is personally known to me or who presented a valid form of identification.

Jacqueline E. Thomas
Notary Public

My Commission Expires: 9/30/2020
Notary Registration No: 213430



AFFIDAVIT OF WILLIE DONALD MARTIN, SR.

STATE OF VIRGINIA

CITY OF Norfolk, to-wit:

The undersigned, WILLIE DONALD MARTIN, SR. who after first being duly sworn, deposes and says as follows:

- 1) I am the owner of 1027 Finney Circle, Virginia Beach, Virginia identified by Tax Parcel Number 1458-88-0998-0000; and
- 2) I am aware that Seniors Unlimited Lifestyles, Inc. and the City of Virginia Beach are filing a petition to close the street known as "Finney Circle"; and
- 3) I agree and consent to the petition for street closure; and
- 4) I understand that I have the option to purchase a portion of the street with a price as determined by the Policy Regarding Purchase of the City's Interest in Streets Pursuant to Street Closure; and
- 5) I will comply with any conditions that City Council may attach to the closing of the street, including resubdivision and purchase of the closed street from the City in accordance with the Policy Regarding Purchase of the City's Interest in Street Pursuant to Street Closure, at no expense to me.

Further, the Affiant sayeth naught.

Willie Donald Martin Sr.
 (SEAL)
 WILLIE DONALD MARTIN, SR.

The foregoing instrument was duly acknowledged before me, a Notary Public, this 4th day of June, 2020, by Willie Donald Martin, Sr., who is personally known to me or who presented a valid form of identification.

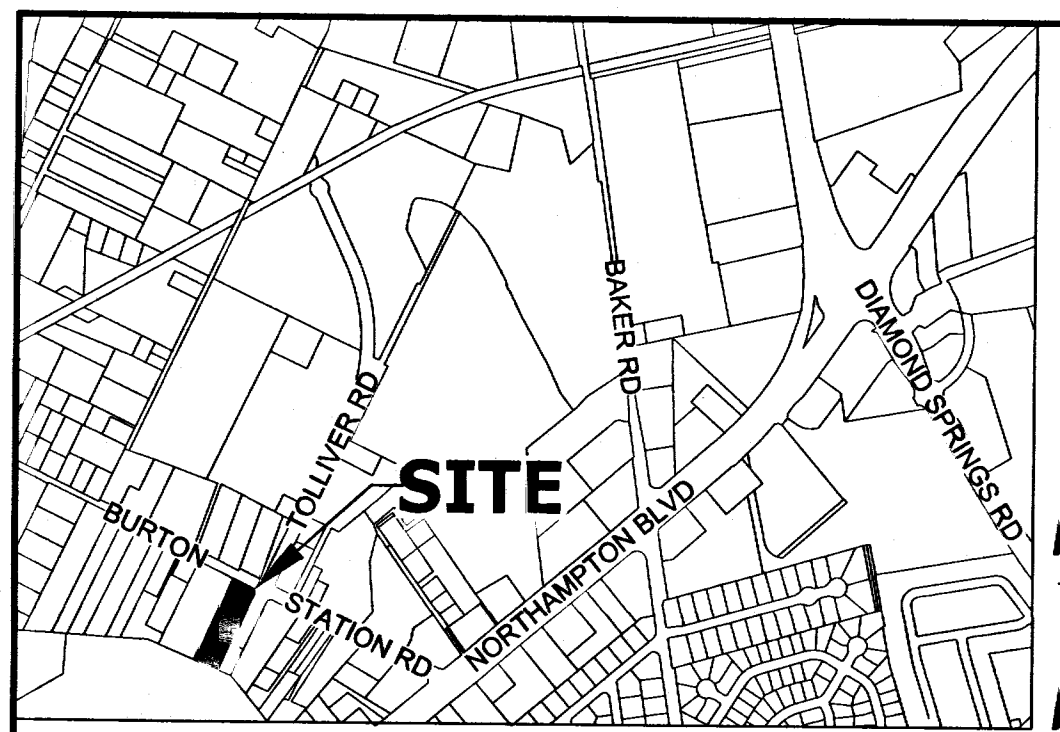
Jacqueline E. Thomas
 Notary Public

My commission expires: 9/30/2020
 Notary Registration No: 213430



INSTRUMENT # 202403037954
E-RECORDED IN THE CLERK'S OFFICE OF
VIRGINIA BEACH ON
SEPTEMBER 10, 2024 AT 02:31PM

TINA E. SINNEN, CLERK
RECORDED BY: PW



VICINITY MAP SCALE: 1" = 1000'

SOURCE OF TITLE

THE PROPERTY EMBRACED WITHIN THE LIMITS OF THIS RESUBDIVISION WAS CONVEYED AS FOLLOWS:

GPIN 14588827150000, GPIN 14588828970000, GPIN 14588920900000, AND GPIN 14588930520000 WERE CONVEYED TO SUL TRANQUILITY LAKES II, LLC FROM THE CITY OF VIRGINIA BEACH BY DEED DATED JULY 22, 2024 AND RECORDED AS INSTRUMENT #202403037956 IN THE CLERK'S OFFICE OF THE CIRCUIT COURT OF THE CITY OF VIRGINIA BEACH, VIRGINIA.

GPIN 14588920650000 WAS CONVEYED TO SUL TRANQUILITY LAKES II, LLC FROM THE CITY OF VIRGINIA BEACH BY DEED DATED JULY 22, 2024 AND RECORDED AS INSTRUMENT #202403037957 IN THE CLERK'S OFFICE OF THE CIRCUIT COURT OF THE CITY OF VIRGINIA BEACH, VIRGINIA; AND FROM SENIORS UNLIMITED LIFESTYLES, INC. BY DEED DATED JULY 29, 2024 AND RECORDED AS INSTRUMENT #202403037955 IN THE CLERK'S OFFICE OF THE CIRCUIT COURT OF THE CITY OF VIRGINIA BEACH, VIRGINIA.

SURVEY NOTES

1. THE BOUNDARY LINES SHOWN HEREON ARE BASED ON DEEDS AND PLATS OF RECORD AND FOUND MONUMENTATION.
2. THIS SURVEY WAS CONDUCTED IN ACCORDANCE WITH TITLE COMMITMENT NUMBER 00109-10013 ISSUED BY STEWART TITLE GUARANTY COMPANY, DATED FEBRUARY 08, 2021 AT 8:00 A.M.
3. ALL EXISTING INTERIOR PROPERTY/PARCEL/LOT LINES ARE HEREBY VACATED PURSUANT TO VA CODE 15.2-2275.
4. TOTAL AREA ENCOMPASSED WITHIN THIS RESUBDIVISION = 65,147 SQ. FT. OR 1.496 ACRES.
5. THE MERIDIAN SOURCE OF THIS PLAT IS BASED ON THE VIRGINIA STATE PLANE COORDINATE SYSTEM, SOUTH ZONE, NORTH AMERICAN DATUM 1983/1993 (HARN). COORDINATE VALUES SHOWN ARE EXPRESSED IN U.S. SURVEY FEET. THE CITY OF VIRGINIA BEACH CONTROL REFERENCE POINTS USED TO ESTABLISH THE COORDINATE VALUES SHOWN HEREON ARE M-379(1959), 4871-1624 AND PS 313.
6. THE PROPERTY SHOWN HEREON APPEARS TO FALL INSIDE ZONE X (AREAS DETERMINED TO BE OUTSIDE THE 0.2% ANNUAL CHANCE FLOODPLAIN) AS SHOWN ON THE FEDERAL EMERGENCY MANAGEMENT AGENCY (F.E.M.A.) FLOOD INSURANCE RATE MAPS (F.I.R.M.) FOR THE CITY OF VIRGINIA BEACH, VIRGINIA, COMMUNITY PANEL NO 515531 0014 F, MAP EFFECTIVE: MAY 4, 2009. FLOOD ZONE DETERMINATION IS BASED ON F.I.R.M. AND DOES NOT IMPLY THAT THIS PROPERTY WILL OR WILL NOT BE FREE FROM FLOODING OR DAMAGE. CONTACT THE LOCAL COMMUNITY FLOOD OFFICIAL TO CONFIRM THE ABOVE INFORMATION. FLOOD ZONE INFORMATION WAS SCALED FROM F.E.M.A. F.I.R.M. TIMMONS GROUP IS NOT A PARTY IN DETERMINING THE REQUIREMENTS FOR FLOOD INSURANCE ON THE PROPERTY SHOWN HEREON.
7. THIS SITE LIES WITHIN AIRCRAFT ACCIDENT POTENTIAL ZONE N/A AND/OR NOISE ZONE(S) <65 dB AND MAY BE SUBJECT TO AIRCRAFT ACCIDENTS AND/OR ABOVE AVERAGE NOISE LEVELS DUE TO ITS PROXIMITY TO AIRPORT OPERATIONS. NOISE ATTENUATION MEASURES FOR NEW CONSTRUCTION MAY BE REQUIRED IN ACCORDANCE WITH THE AIRPORT NOISE ATTENUATION AND SAFETY ORDINANCE AND HEIGHT RESTRICTIONS HAVE BEEN IMPOSED IN ACCORDANCE WITH SECTION 202(b) OF THE CITY ZONING ORDINANCE.
8. ALL OR A PORTION OF THIS RESUBDIVISION IS LOCATED IN THE CHESAPEAKE BAY PRESERVATION AREA (CBPA) AND IS SUBJECT TO THE PROVISIONS OF THE CHESAPEAKE BAY PRESERVATION AREA ORDINANCE.
9. FURTHER DEVELOPMENT OF THESE LOTS INCLUDING FILLING OR PHYSICAL ALTERATIONS OF THE LOTS MAY REQUIRE ADDITIONAL PERMITS FROM THE CITY OF VIRGINIA BEACH OR OTHER GOVERNMENTAL AGENCIES.
10. THIS PLAT DOES NOT ADDRESS THE EXISTENCE OR NONEXISTENCE OF WETLANDS, ENVIRONMENTAL HAZARDS OR ANY UNDERGROUND STRUCTURES NOT OBSERVED DURING THE COURSE OF THE SURVEY.
11. "PROPOSED PUBLIC DRAINAGE EASEMENT(S)" AS SHOWN ON THE ACQUISITION PLATS RECORDED IN THE CLERK'S OFFICE OF THE CIRCUIT COURT OF THE CITY OF VIRGINIA BEACH, VIRGINIA AS INSTRUMENT #20130328000360010, INSTRUMENT #20131016001232250, INSTRUMENT #20150204000104180 AND INSTRUMENT #20180226000152270 WILL BE RESERVED BY THE CITY OF VIRGINIA BEACH BY DEED.
12. ALL PUBLIC EASEMENTS SHOWN AND CREATED BY THIS PLAT ARE DEDICATED TO THE CITY OF VIRGINIA BEACH.
13. NO ENCROACHMENTS (I.E., PERMANENT OR TEMPORARY ABOVE OR BELOW GRADE STRUCTURES) WILL BE ALLOWED WITHIN THE PUBLIC DRAINAGE, PEDESTRIAN, AND/OR UTILITY EASEMENTS UNLESS APPROVED BY THE DEPARTMENT OF PUBLIC WORKS AND/OR PUBLIC UTILITIES.
14. THE CITY OF VIRGINIA BEACH IS NOT REQUIRED BY LAW TO MAINTAIN THE PUBLIC EASEMENTS DEDICATED HEREIN EXCEPT TO THE EXTENT SAID EASEMENTS ARE CURRENTLY BEING UTILIZED FOR PUBLIC PURPOSES.

OWNER'S NOTE

THE PLATTING OR DEDICATION OF THE FOLLOWING DESCRIBED LAND "RESUBDIVISION PLAT OF PROPERTY OF SUL TRANQUILITY LAKES II, LLC INST #20121221001461910 (PLAT) INST #20130328000360010 (PLAT) INST #20130927001160920 (PLAT) INST #20131016001232250 (PLAT) INST #20150204000104180 (PLAT) INST #202107000063 (PLAT) VIRGINIA BEACH, VIRGINIA" IS WITH THE FREE CONSENT AND IN ACCORDANCE WITH THE DESIRE(S) OF THE UNDERSIGNED, WHO CERTIFY THAT THEY ARE THE FEE SIMPLE OWNER(S) OF SAID LAND AND THAT THERE ARE NO ENCUMBRANCES ON THE PROPERTY. THE DEDICATION OF THE STREETS AND EASEMENTS ARE SUBJECT TO THE RIGHTS OF THE CITY OF VIRGINIA BEACH, VIRGINIA AND ARE FOR THE PURPOSE REFERENCED ON THIS PLAT AS WELL AS FOR SURFACE AND UNDERGROUND DRAINAGE AND UTILITIES.

OWNER: SUL TRANQUILITY LAKES II, LLC,
 A VIRGINIA LIMITED LIABILITY COMPANY

BY: SUL TRANQUILITY LAKES II MANAGER, LLC,
 A VIRGINIA LIMITED LIABILITY COMPANY,
 ITS MANAGING MEMBER

BY: VIRGINIA BEACH COMMUNITY DEVELOPMENT CORPORATION,
 A VIRGINIA NONSTOCK CORPORATION,
 ITS CO-MANAGING MEMBER

SIGNED BY: Jessica Guglielmo DATE: 10/17/2024
 JESSICA GUGLIELMO, PRESIDENT AND CEO

NOTARY'S NOTE

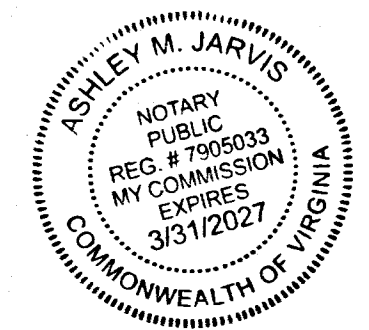
STATE OF Virginia
 CITY/COUNTY OF Virginia Beach, TO WIT:

I, Ashley Jarvis A NOTARY PUBLIC IN AND FOR THE
 City of Virginia Beach STATE OF Virginia

DO HEREBY CERTIFY THAT Jessica Guglielmo
 WHOSE NAME IS SIGNED TO THE SUBDIVISION CERTIFICATE HAS
 ACKNOWLEDGED THE SAME BEFORE ME IN MY presence AND
 STATE AFORESAID.

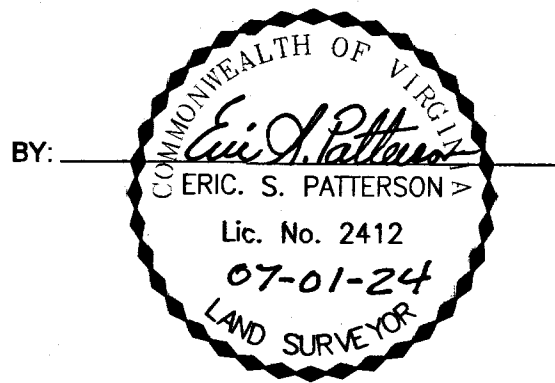
GIVEN UNDER MY HAND AND SEAL THIS 17 DAY OF October 2024
Ashley Jarvis 3/31/2027
 NOTARY PUBLIC MY COMMISSION EXPIRES

REGISTRATION NUMBER: 7905033



SURVEYOR'S CERTIFICATION

I, ERIC S. PATTERSON, A LICENSED LAND SURVEYOR, DO HEREBY CERTIFY THAT THIS PLAT WAS MADE BY ME, THE UNDERSIGNED, AT THE DIRECTION OF THE OWNERS, THAT THIS SUBDIVISION IS ENTIRELY WITHIN BOUNDARIES OF LAND COVERED BY DEED(S) DESCRIBED HEREON AND THAT CONCRETED STEEL PINS, AS SPECIFIED BY THE SUBDIVISION REGULATIONS OF THE CITY OF VIRGINIA BEACH, VIRGINIA, ARE ACTUALLY IN PLACE AT POINTS MARKED THUS "●" AND THAT THEIR LOCATIONS ARE CORRECTLY SHOWN.



**RESUBDIVISION PLAT
 OF PROPERTY OF
 SUL TRANQUILITY LAKES II, LLC
 INST #20121221001461910 (PLAT)
 INST #20130328000360010 (PLAT)
 INST #20130927001160920 (PLAT)
 INST #20131016001232250 (PLAT)
 INST #20150204000104180 (PLAT)
 INST #202107000063 (PLAT)
 VIRGINIA BEACH, VIRGINIA**

DATE: 06-10-24	SCALE: AS SHOWN
SHEET 1 of 2	J.N.: 46997
DRAWN BY: K. Tellefsen	CHECK BY: T. French

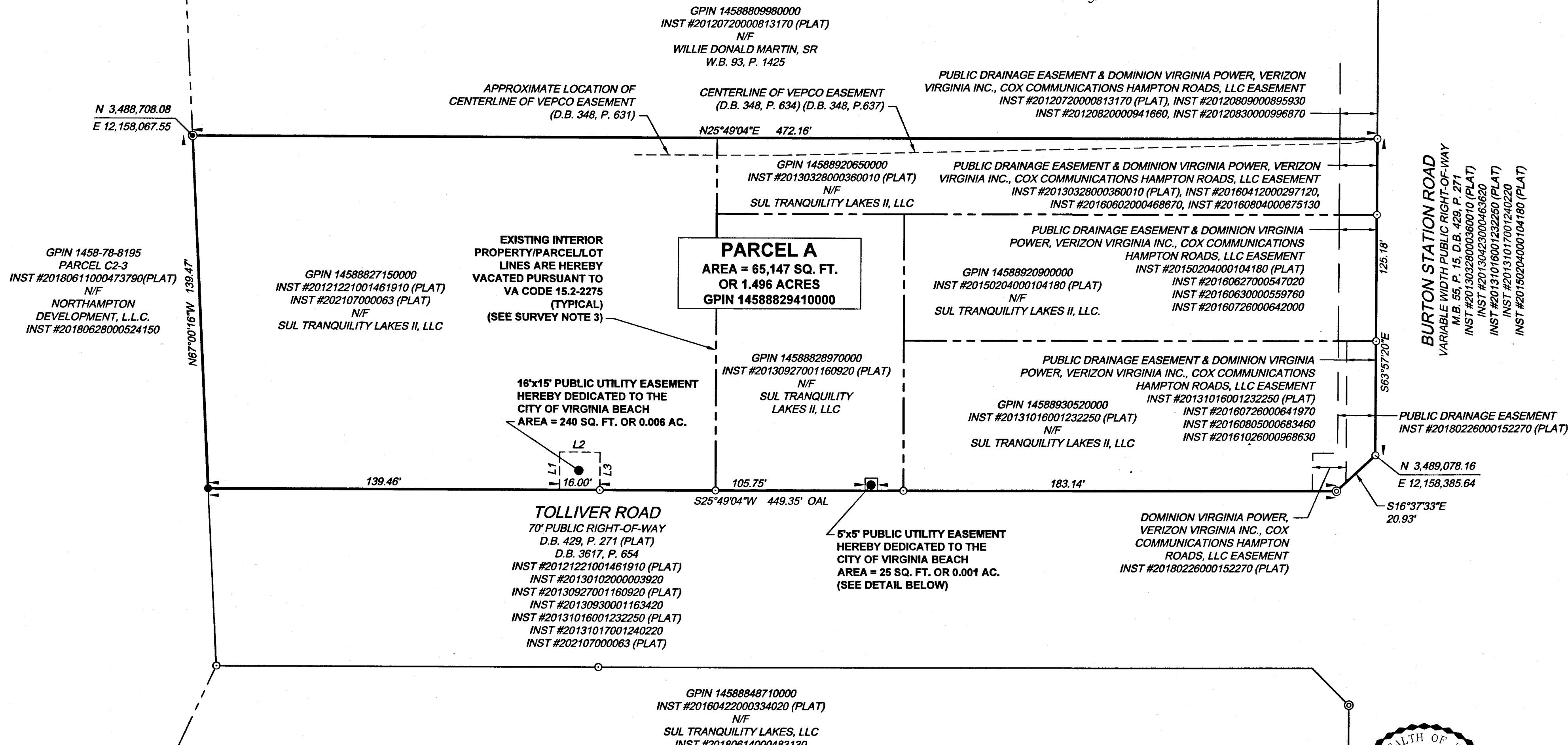
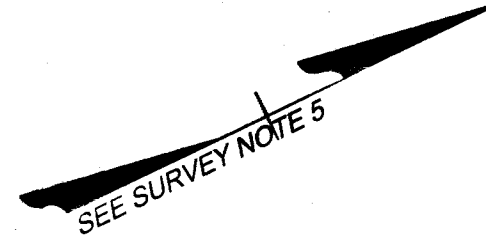
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THIS DRAWING PREPARED AT THE VIRGINIA BEACH OFFICE
 2901 South Lynnhaven Road, Suite 200 | Virginia Beach, VA 23452
 TEL 757.213.6679 FAX 757.340.1415 www.timmons.com

TIMMONS GROUP
 Site Development Residential Infrastructure Technology

LEGEND

- CONCRETED STEEL PIN SET
- ⊙ PIN SET
- PIN FOUND
- ⊙ NAIL FOUND



PARCEL A
AREA = 65,147 SQ. FT.
OR 1.496 ACRES
GPIN 14588829410000

EXISTING INTERIOR
 PROPERTY/PARCEL/LOT
 LINES ARE HEREBY
 VACATED PURSUANT TO
 VA CODE 15.2-2275
 (TYPICAL)
 (SEE SURVEY NOTE 3)

16'x15' PUBLIC UTILITY EASEMENT
 HEREBY DEDICATED TO THE
 CITY OF VIRGINIA BEACH
 AREA = 240 SQ. FT. OR 0.006 AC.

5'x5' PUBLIC UTILITY EASEMENT
 HEREBY DEDICATED TO THE
 CITY OF VIRGINIA BEACH
 AREA = 25 SQ. FT. OR 0.001 AC.
 (SEE DETAIL BELOW)

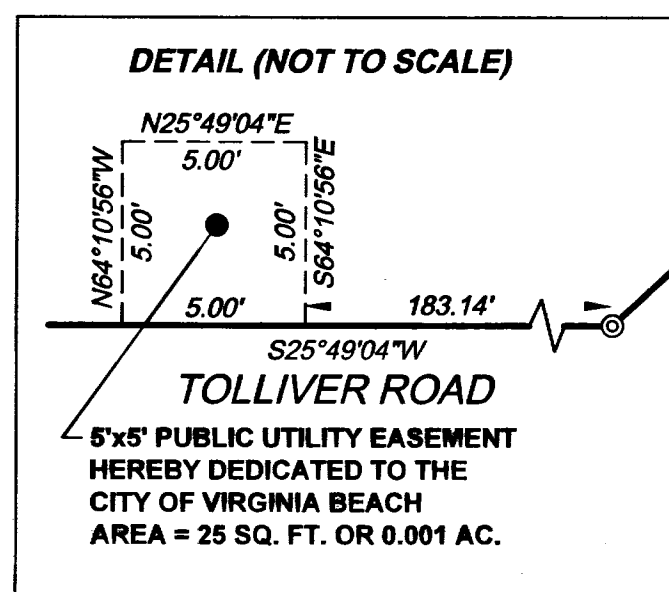
AREA TABLE

GPIN	SQUARE FEET	ACRES
14588827150000	28,544	0.655
14588828970000	8,198	0.188
14588920650000	7,913	0.182
14588920900000	9,430	0.217
14588930520000	11,062	0.254
14588829410000	65,147	1.496

DIRECTOR'S NOTE
 THE UNDERSIGNED CERTIFY THAT THE SUBDIVISION AS IT APPEARS ON THIS PLAT CONFORMS TO ALL THE APPLICABLE REGULATIONS RELATING TO THE SUBDIVISION OF LAND AND IS ACCORDINGLY APPROVED. BY SUCH APPROVAL, THE UNDERSIGNED DO NOT CERTIFY AS TO THE CORRECTNESS OF THE BOUNDARY, STREET OR OTHER LINES SHOWN ON THIS PLAT. EXISTING PUBLIC RIGHTS-OF-WAY, EASEMENTS, OR OTHER PUBLIC INTERESTS NOT SHOWN ON THIS PLAT REMAIN IN EFFECT AND ARE NOT TERMINATED OR EXTINGUISHED BY OMISSION FROM THIS PLAT

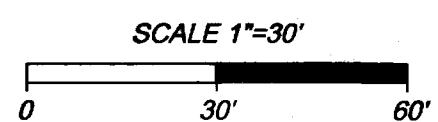
APPROVED: *[Signature]* 10/23/24
 PLANNING DIRECTOR, CITY OF VIRGINIA BEACH, VIRGINIA DATE

APPROVED: *[Signature]* 10-21-24
 DIRECTOR OF PUBLIC WORKS, CITY OF VIRGINIA BEACH, VIRGINIA DATE

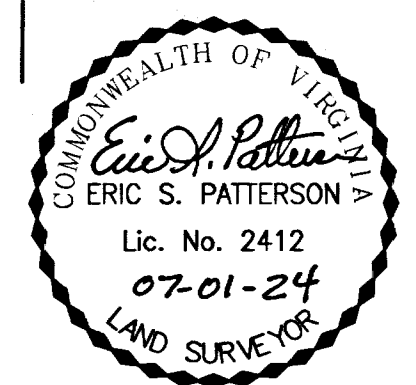


LINE TABLE

LINE	BEARING	LENGTH
L1	N64°10'56"W	15.00'
L2	N25°49'04"E	16.00'
L3	S64°10'56"E	15.00'



SEE SHEET 1 FOR NOTES
 AND CERTIFICATIONS



**RESUBDIVISION PLAT
 OF PROPERTY OF
 SUL TRANQUILITY LAKES II, LLC**
 INST #20121221001461910 (PLAT)
 INST #20130328000360010 (PLAT)
 INST #20130927001160920 (PLAT)
 INST #20131016001232250 (PLAT)
 INST #20150204000104180 (PLAT)
 INST #202107000063 (PLAT)
VIRGINIA BEACH, VIRGINIA

DATE: 06-10-24	SCALE: 1" = 30'
SHEET 2 of 2	J.N.: 46997
DRAWN BY: K. Tellefsen	CHECK BY: T. French

Y:190546997-Tranquility\DWG\46997-905V-PLAT.dwg | Plotted on 7/1/2024 12:23 PM | by Kelly Tellefsen

THIS DRAWING PREPARED AT THE VIRGINIA BEACH OFFICE
 2901 South Lynnhaven Road, Suite 200 | Virginia Beach, VA 23452
 TEL 757.213.6679 FAX 757.340.1415 www.timmons.com
 Site Development Residential Infrastructure Technology

TIMMONS GROUP



City of Virginia Beach - VB Property Search

14588829410000

SUL TRANQUILITY LAKES II LLC

Total Value

5841 Burton Station Rd, Virginia Beach, VA, 23455

\$665,000

OVERVIEW

KEY INFORMATION

GPIN (Parcel ID)	14588829410000
Situs Address	5841 Burton Station Rd, Virginia Beach, VA, 23455
Mailing Address	2400 POTTERS RD, VIRGINIA BEACH, VA, 23454-4377
Owner 1	SUL TRANQUILITY LAKES II LLC
Owner 2	-
Legal Description	RESUB PROP OF SUL TRANQUILITY LAKES II LLC PAR A 1.496 AC
Council District	D04
Neighborhood	Apartments
Property Class	Residential
Class Description	305 - Apartments TC

FY25/26 ASSESSMENT

Land Value	\$665,000
Improvement Value	\$0
Total Value	\$665,000

LAND INFORMATION

CLASS DESCRIPTION	MAP BOOK	MAP PAGE	LAND USE	ZONING	LAND SIZE
305 - Apartments TC	-	-	No	R5D	65,148.45 SF

BUILDING INFORMATION

No data to display

SALES INFORMATION

No data to display

ASSESSMENT HISTORY

* "This assessment history consists of Land Book (July 1) values only and does not display any mid-cycle adjustments to value"

FISCAL YEAR	LAND VALUE	IMPROVEMENT VALUE	TOTAL VALUE	TAX PER \$100	ANNUAL TAXES
2026	\$665,000	\$0	\$665,000	\$0.97	\$6,450.50

Exemption programs such as Seniors, Disabled Persons, Veterans, Energy Efficient Buildings, etc. are not reflected in the Annual Taxes

ANNUAL TAXES

ANNUAL ASSESSMENT

CITY SERVICES

Voting Precinct

Precinct: Precinct 69 - 069
Location: Unity Church of Tidewater
Address: 5580 Shell Rd 23455
Telephone: 464-0772

Voting Districts

Local Election: District 4
State Senate: District 7
House of Delegates: District 90

Voters may check registration status & voter information online at <https://vote.elections.virginia.gov/VoterInformation>

Police Precinct

Police Precinct: 3

Trash Pickup Services

Trash Collection: WEDNESDAY
Recycling Week: Wednesday, March 11, 2026

SCHOOLS

Elementary School

BAYSIDE ELEMENTARY SCHOOL

Address: 5649 Bayside Road
Phone: 757-648-2080

School Website

Middle School

BAYSIDE 6TH GRADE CAMPUS

Address: 4722 Jericho Road
Phone: 757-648-4400

School Website

High School

BAYSIDE HIGH SCHOOL

Address: 4960 Haygood Road
Phone: 757-648-5200

School Website

DISCLAIMER: Results on this site are not an official confirmation of school assignments. Official confirmation of school assignments will be made upon registration at the school.

If you are unable to find your assigned school or discover an error, please call the VB Schools Office of Demographics and Planning at 757-263-1055 (Monday through Friday 8:00 a.m. - 5:00 p.m.) or email us at vbschzone@vbschools.com.



No Photo Available



Tab F:

RESNET Rater Certification (MANDATORY)



Appendix F

RESNET Rater Certification of Development Plans

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

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

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

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

New Construction – EnergyStar Certification

The development's design meets the criteria for the EnergyStar Certification. Rater understands that before issuance of IRS Form 8609, the applicant will obtain and provide EnergyStar Certification to Virginia Housing.

Rehabilitation – 30% performance increase over existing, based on HERS index.

Or, it must provide evidence of a HERS Index of 80 or lower. The rater understands that before IRS Form 8609 is issued, the rater must provide Virginia Housing with energy performance certification.

Adaptive Reuse – Must provide evidence of a HERS index of 95 or lower. The rater understands that before IRS Form 8609 is issued, the rater must provide Virginia Housing with energy performance certification.

Additional Optional Certification

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


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

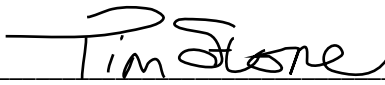
LEED Certification - The development's design meets the criteria for the U.S. Green Building Council LEED green building certification.

National Green Building Standard (NGBS) - The development's design meets the criteria for meeting the NGBS Silver or higher standards to obtain certification

Enterprise Green Communities—The development's design meets the requirements stated in the Enterprise Green Communities Criteria for this development's construction type to obtain certification.

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

		
RESNET Rater Signature	Printed Name	Date

RESNET Provider Agency	Provider Contact Name
	
Contact Signature	Phone
	Email

Development Name

Home Energy Rating Certificate

Projected Report
Based on Plans

Rating Date:
Registry ID:
Ekotrope ID: da75mbj2



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

\$1,057

*Relative to an average U.S. home

Home:

5841 Burton Station Rd. - BMG #5, 1BR HC Ext Top Fl
Virginia Beach, VA 23455

Builder:

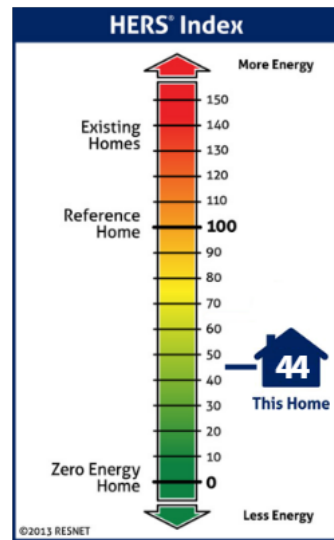
VBCDC

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	2.1	\$81
Cooling	1.8	\$73
Hot Water	1.2	\$47
Lights/Appliances	12.2	\$486
Service Charges		\$91
Generation (e.g. Solar)	0.0	\$0
Total:	17.3	\$778

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:	N/A
Community:	N/A
Conditioned Floor Area:	707 ft ²
Number of Bedrooms:	1
Primary Heating System:	Air Source Heat Pump • Electric • 9.5 HSPF2
Primary Cooling System:	Air Source Heat Pump • Electric • 20 SEER2
Primary Water Heating:	Residential Water Heater • Electric • 3.4 Energy Factor
House Tightness:	5 ACH50 (Adjusted Infiltration: 2.50 ACH50)
Ventilation:	40 CFM • 46 Watts • ERV
Duct Leakage to Outside:	4 CFM25 / 100 ft ²
Above Grade Walls:	R-25
Ceiling:	Vented Attic, R-50
Window Type:	U-Value: 0.3, SHGC: 0.2
Foundation Walls:	N/A
Framed Floor:	R-13

Rating Completed by:

Energy Rater: Zachary Barkan
RESNET ID: 5424506

Rating Company: Ecovative Energy Inc.
1102 Buckingham Avenue, Norfolk VA 23508
757-655-3261

Rating Provider: Building Efficiency Resources
PO Box 1769 Brevard, NC 28712
800-399-9620



Zachary Barkan

Zachary Barkan, Certified Energy Rater
Digitally signed: 3/11/26 at 2:47 PM



Energy savings calculated without modifications to the energy model. (As Modeled)

Ekotrope RATER - Version:5.2.2.3819

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

Home Energy Rating Certificate

Projected Report
Based on Plans

Rating Date:
Registry ID:
Ekotrope ID: 2rb7zzG2



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

\$834

*Relative to an average U.S. home

Home:

5841 Burton Station Rd. - BMG #1, 1BR HC Int 1st Fl
Virginia Beach, VA 23455

Builder:

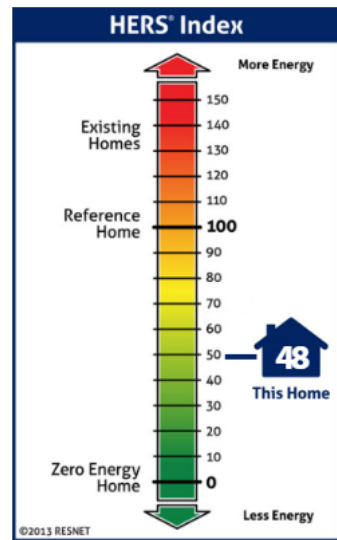
VBCDC

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	1.6	\$62
Cooling	1.5	\$59
Hot Water	1.2	\$49
Lights/Appliances	11.8	\$469
Service Charges		\$91
Generation (e.g. Solar)	0.0	\$0
Total:	16.0	\$730

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:	N/A
Community:	N/A
Conditioned Floor Area:	556 ft ²
Number of Bedrooms:	1
Primary Heating System:	Air Source Heat Pump • Electric • 9.5 HSPF2
Primary Cooling System:	Air Source Heat Pump • Electric • 20 SEER2
Primary Water Heating:	Residential Water Heater • Electric • 3.4 Energy Factor
House Tightness:	5 ACH50 (Adjusted Infiltration: 2.01 ACH50)
Ventilation:	40 CFM • 46 Watts • ERV
Duct Leakage to Outside:	4 CFM25 / 100 ft ²
Above Grade Walls:	R-25
Ceiling:	Adiabatic, R-13
Window Type:	U-Value: 0.26, SHGC: 0.27
Foundation Walls:	N/A
Framed Floor:	N/A

Rating Completed by:

Energy Rater: Zachary Barkan
RESNET ID: 5424506

Rating Company: Ecovative Energy Inc.
1102 Buckingham Avenue, Norfolk VA 23508
757-655-3261

Rating Provider: Building Efficiency Resources
PO Box 1769 Brevard, NC 28712
800-399-9620



Zachary Barkan

Zachary Barkan, Certified Energy Rater
Digitally signed: 3/11/26 at 2:47 PM



Energy savings calculated without modifications to the energy model. (As Modeled)

Ekotrope RATER - Version:5.2.2.3819

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

Home Energy Rating Certificate

Projected Report
Based on Plans

Rating Date:
Registry ID:
Ekotrope ID: 2RJZnpa2



HERS® Index Score:

43

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

\$1,302

*Relative to an average U.S. home

Home:

5841 Burton Station Rd. - BMG #8, 2BR HC Int Top Fl
Virginia Beach, VA 23455

Builder:

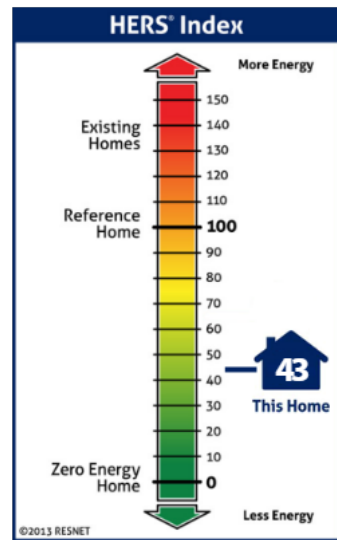
VBCDC

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	2.3	\$92
Cooling	2.5	\$101
Hot Water	1.7	\$67
Lights/Appliances	14.0	\$558
Service Charges		\$91
Generation (e.g. Solar)	0.0	\$0
Total:	20.5	\$908

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:	N/A
Community:	N/A
Conditioned Floor Area:	897 ft ²
Number of Bedrooms:	2
Primary Heating System:	Air Source Heat Pump • Electric • 9.5 HSPF2
Primary Cooling System:	Air Source Heat Pump • Electric • 20 SEER2
Primary Water Heating:	Residential Water Heater • Electric • 3.4 Energy Factor
House Tightness:	5 ACH50 (Adjusted Infiltration: 2.23 ACH50)
Ventilation:	50 CFM • 46 Watts • ERV
Duct Leakage to Outside:	4 CFM25 / 100 ft ²
Above Grade Walls:	R-25
Ceiling:	Vented Attic, R-50
Window Type:	U-Value: 0.3, SHGC: 0.2
Foundation Walls:	N/A
Framed Floor:	R-13

Rating Completed by:

Energy Rater: Zachary Barkan
RESNET ID: 5424506

Rating Company: Ecovative Energy Inc.
1102 Buckingham Avenue, Norfolk VA 23508
757-655-3261

Rating Provider: Building Efficiency Resources
PO Box 1769 Brevard, NC 28712
800-399-9620



Zachary Barkan

Zachary Barkan, Certified Energy Rater
Digitally signed: 3/11/26 at 2:47 PM



Energy savings calculated without modifications to the energy model. (As Modeled)

Ekotrope RATER - Version:5.2.2.3819

The Energy Rating Disclosure for this home is available from the Approved Rating Provider.

This report does not constitute any warranty or guarantee.

Tab G:

Zoning Certification Letter (MANDATORY)



Zoning Certification

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

General Instructions:

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

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

taxcreditapps@virginiahousing.com

Zoning Certification

DATE: March 2, 2026

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

RE: ZONING CERTIFICATION

Name of Development: Tranquility at the Lakes II
Name of Owner/Applicant: SUL Traquility Lakes II, LLC
Name of Seller/Current Owner: City of Virginia Beach

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:

5841 Burton Station Road, Virginia Beach, VA

Leal Description:

See attached legal description

Proposed Improvements:

Construction

New Construction:	# Units	<u>38</u>	# Buildings	<u>1</u>	Total Floor Area	<u>36,216</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>

Zoning Certification, cont'd

Current Zoning: R-5D Residential allowing a density of _____ units per acre, and the following other applicable conditions: _____
Zoning density is determined by the approved Conditional Use Permit (CUP) for Housing for Seniors and Disabled.

Other Descriptive Information:

New construction of 38-unit senior housing development available to households at 40%, 50% and 60% of the area median income.

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.

Luke Wynne PE

Signature

Luke Wynne

Digitally signed by Luke Wynne
DN: E=Luke.Wynne@timmons.com, CN=Luke Wynne
Date: 2026.03.02 10:41:04-05'00'

Printed Name

Project Engineer

Title of Local Official or Civil Engineer

(757) 905-5482

Phone

March 2, 2026

Date

NOTES TO LOCALITY:

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

taxcreditapps@virginiahousing.com.

LEGAL DESCRIPTION – 5841 Burton Station Road, Virginia Beach, VA 23455

ALL that certain lot, tract or parcel of land together with improvements thereon and appurtenances thereunto belonging, lying, situated and being in the City of Virginia Beach, Virginia and designated and described as 'Parcel A AREA 65,147 SQ. FT. OR 1.496 ACRES GPIN14588829410000' on the resubdivision plat made by Timmons Group dated June 10, 2024, entitled "RESUBDIVISION PLAT OF PROPERTY OF SUL TRANQUILITY LAKES II, LLC INST #20121221001461910 (PLAT) INST # 20130328000360010 (PLAT) INST #2013030927001160920 (PLAT) INST #20131016001232250 (PLAT) INST #20150204000104180 (PLAT) INST #202107000063 (PLAT) VIRGINIA BEACH, VIRGINIA", recorded October 24, 2024 in the Clerk's Office, Circuit Court, City of Virginia Beach, Virginia as Instrument No. 202407000157.

BEING the same real estate conveyed to SUL Tranquility Lakes II, LLC, a Virginia limited liability company, by quitclaim deed from Seniors Unlimited Lifestyles, Inc. dated July 29, 2024, recorded September 10, 2024 in the Clerk's Office, Circuit Court, City of Virginia Beach, Virginia as Instrument No. 202403037955. ALSO BEING the same real estate conveyed to SUL Tranquility Lakes II, LLC, a Virginia limited liability company, by deed from the City of Virginia Beach, a municipal corporation of the Commonwealth of Virginia dated July 22, 2024, recorded September 10, 2024 in the Clerk's Office, Circuit Court, City of Virginia Beach, Virginia as Instrument No. 202403037956. ALSO BEING the same real estate conveyed to SUL Tranquility Lakes II, LLC, a Virginia limited liability company, by deed of vacation and quitclaim from the City of Virginia Beach, a municipal corporation of the Commonwealth of Virginia, dated July 22, 2024, recorded September 10, 2024, in the Clerk's Office, Circuit Court, City of Virginia Beach, Virginia as Instrument No. 202403037957

Tab H:

Attorney's Opinion (MANDATORY)

WILLIAMS MULLEN

Direct Dial: 804.420.6585
Inowlin@williamsmullen.com

March 12, 2026

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

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

Name of Development: Tranquility at the Lakes II
Name of Owner: SUL Tranquility Lakes 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.

7. 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. The nonprofit organizations' ownership interest in the development is as described in the Nonprofit Involvement section of the Application form.

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

This opinion is rendered solely for the purpose of inducing the Virginia Housing Development Authority ("**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.

Williams Mullen


By: 
Name: Lauren D. Nowlin, Esq.
Its: Shareholder

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	Quincy A. White	President and CEO, Virginia Beach Development Corporation, a Virginia nonstock corporation, Co-Managing Member of SUL Tranquility Lakes II Manager, LLC, a Virginia limited liability company, Managing Member of the Applicant
2	Ashley Jarvis	Authorized Signatory, SUL Tranquility Lakes II Manager, LLC, a Virginia limited liability company, Managing Member of the Applicant
3	J. David Crain, Jr.	President of the Board of Directors, Virginia Beach Development Corporation, a Virginia nonstock corporation, Co-Managing Member of SUL Tranquility Lakes II Manager, LLC, a Virginia limited liability company, Managing Member of the Applicant

WILLIAMS MULLEN

Direct Dial: 804.420.6585
lnowlin@williamsmullen.com

~~{Insert Date}~~
March 12, 2026

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

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

Name of Development: Tranquility at the Lakes II
Name of Owner: SUL Tranquility Lakes 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.

Williams Mullen

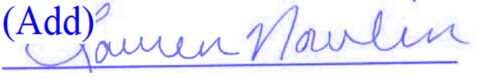
By: (Add) 
Name: Lauren D. Nowlin, Esq.
Its: Shareholder

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>Quincy A. White</u>	<u>President and CEO, Virginia Beach Development Corporation, a Virginia nonstock corporation, Co-Managing Member of SUL Tranquility Lakes II Manager, LLC, a Virginia limited liability company, Managing Member of the Applicant</u>
2	<u>Ashley Jarvis</u>	<u>Authorized Signatory, SUL Tranquility Lakes II Manager, LLC, a Virginia limited liability company, Managing Member of the Applicant</u>
3	<u>J. David Crain, Jr.</u>	<u>President of the Board of Directors, Virginia Beach Development Corporation, a Virginia nonstock corporation, Co-Managing Member of SUL Tranquility Lakes II Manager, LLC, a Virginia limited liability company, Managing Member of the Applicant</u>
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Summary report:	
Litera Compare for Word 11.13.0.54 Document comparison done on 3/11/2026 7:22:30 PM	
Style name: Default Style	
Intelligent Table Comparison: Active	
Original DMS: iw://williamsmullen.cloudimanager.com/iwovric/151267792/1 - 2026 VHDA 9% Opinion Form - LDN.docx	
Modified DMS: iw://williamsmullen.cloudimanager.com/iwovric/151259522/2 - Tranquility - 2026 VHDA 9% Opinion.docx	
Changes:	
<u>Add</u>	15
Delete	19
Move From	0
<u>Move To</u>	0
<u>Table Insert</u>	0
Table Delete	17
<u>Table moves to</u>	0
Table moves from	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	1
Embedded Excel	0
Format changes	0
Total Changes:	52

Tab I:

Nonprofit Questionnaire (MANDATORY for points or pool)

NOTE: The following documents need not be submitted unless requested by Virginia Housing:

- Nonprofit Articles of Incorporation
- IRS Documentation of Nonprofit Status
- Joint Venture Agreement (if applicable)
- For-profit Consulting Agreement (if applicable)

Nonprofit Questionnaire

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

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

1. General Information

- a. Name of development Tranquility at the Lakes II
- b. Name of owner/applicant SUL Tranquility Lakes II, LLC
- c. Name of nonprofit entity Virginia Beach Community Development Corporation
- d. Address of principal place of business of nonprofit entity
2400 Potters Road, Virginia Beach, VA 23454

Indicate funding sources and amount used to pay for office space

VBCDC rental and other income is used to pay for office space. VBCDC's mortgage is through TowneBank and

VBCDC's office occupancy expenses are budgeted at \$104,456 for current fiscal year.

- e. Tax exempt status 501(c)(3) 501(c)(4) 501(a)
- f. Date of legal formation of nonprofit (must be prior to application deadline) September 1985
Evidenced by the following documentation The date is supported by the Articles of Incorporation and the State Corporation Commission Certificate of Incorporation along with the Bylaws adopted by the VBCDC Board of Directors and approved by City Council.
- g. Date of IRS 501(c)(3) or 501(c)(4) determination letter (must be prior to application deadline and copy must be attached) August 1987 - please see attached determination letter.
- h. Describe exempt purposes (must include the fostering of low-income housing in its articles of incorporation) To provide affordable housing opportunities for low and moderate income individuals and families.
- i. Expected life (in years) of nonprofit in perpetuity- greater than 100 years.

j. Explain the anticipated future activities of the nonprofit over the next five years:
VBCDC's 5 year strategic plan focuses on expanding affordable housing and services for low and moderate income individuals and families and special populations.

k. How many full time, paid staff members does the nonprofit and, if applicable, any other nonprofit organization(s) ("related nonprofit(s)") of which the nonprofit is a subsidiary or to which the nonprofit is otherwise related have (i.e. by shared directors, staff, etc.)? 39

How many part time, paid staff members? 1

Describe the duties of all staff members:
Please see attached list of duties for staff members.

l. Does the nonprofit share staff with any other entity besides a related nonprofit described above?
 YES NO If yes, explain in detail:

m. How many volunteers does the nonprofit and, if applicable, any related nonprofit have?
VBCDC has approximately 13 volunteers during any given fiscal year.

n. What are the sources and manner of funding of the nonprofit? (You must disclose all financial and/ or the arrangements with any individual(s) or for profit entity, including anyone or any entity related, directly, indirectly, to the Owner of the Development.
VBCDC receives funding for capital projects and operations from rental income, grant sources and private donations. Funders include the City of Virginia Beach, US Department of HUD, Virginia Housing, Virginia Department of Housing and Community Development, US Department of Veterans Affairs, the United Way of South Hampton Roads, foundation grants and private donations.

o. List all directors of the nonprofit, their occupations, their length of service on the board, and their residential addresses Please find attached the Board of Directors list for VBCDC.

2. Nonprofit Formation

a. Explain in detail the genesis of the formation of the nonprofit: _____

The City of Virginia Beach identified a need for an organization to provide affordable housing in the City. The City of Virginia Beach created VBCDC to provide housing opportunities for low and moderate income households and assist the City with neighborhood revitalization.

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

YES NO If yes, explain in detail: All Board Members are appointed by the Virginia Beach City Council.

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

YES NO If yes, explain in detail: _____

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

YES NO If yes, explain in detail: _____

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

YES NO If yes, explain in detail: _____

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

YES NO

g. Explain in detail the past experience of the nonprofit including, if applicable, the past experience of any other related nonprofit of which the nonprofit is a subsidiary or to which the nonprofit is otherwise related (by shared directors, staff, etc.) VBCDC has a 40 year history of developing affordable housing for low and moderate income individuals and families. VBCDC's portfolio includes a development of 3 LIHTC projects on of which was developed by Second Act Communities, VBCDC's affiliate nonprofit, who fully merged into VBCDC in March 2021.

h. If you included in your answer to the previous question information concerning any related nonprofit, describe the date of legal formation thereof, the date of IRS 501(c)(3) or 501(c)(4) status, its expected life, its charitable purposes and its relationship to the non-profit. Please see attached explanation for related non-profit. SAC fully merged into VBCDC in March 2021.

3. Nonprofit Involvement

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

YES NO

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

YES NO

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

YES NO

If no to either 3a.i or 3a.ii above, specifically describe the nonprofit's ownership interest VBCDC owns a 65% ownership interest in the managing member/general partner entity, SUL Tranquility Lakes II Manager LI C and a 65% ownership interest in the owner entity, SUL Tranquility Lakes II, LLC.

b. (i) Will the nonprofit be the managing member or managing general partner?

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

See TAB A for the Schedule A - Membership Interest Section of the Operating Agreement for SUL Tranquility Lakes II, LLC.

(ii) Will the nonprofit be the managing member or own more than 50% of the general partnership interest? YES NO

c. Will the nonprofit have the option or right of first refusal to purchase the proposed development at the end of the compliance period for a price not to exceed the outstanding debt and exit taxes of the for-profit entity? YES NO

If yes, where in the partnership/operating agreement is this provision specifically referenced?
VBCDC's Non-profit Co-development partner, Seniors Unlimited Lifestyles Inc. will have the right of first refusal to purchase the development at the end of the compliance period. the ROFR is under Article XI. N in the Operating Agreement.

Recordable agreement attached to the Tax Credit Application as TAB V?

If no at the end of the compliance period explain how the disposition of the assets will be structured:
VBCDC's Non-Profit Co-Development Partner, Seniors Unlimited Lifestyles Inc., will have the Right of First Refusal at the end of the compliance period. The ROFR is referenced under Article XI.N in the Operating Agreement.

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

YES NO If yes,

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

VBCDC will oversee construction activities and will provide property management and maintenance of the development.

(ii) Describe the nature and extent of the nonprofit's involvement in the operation or management of the Development throughout the Extended Use Period (the entire time period of occupancy restrictions of the low-income units in the Development):

VBCDC will have controlling interest in the managing general member entity throughout the credit period.

VBCDC will provide oversight, management, and maintenance of the properties.

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

CFO 150 hours - review financials/facilitate audit; Finance Mgr 150 hours - reports/reconciliation; Sr. Prop. Mgr 150 hours - ongoing compliance, Property Mgr 150 hours - lease administration; Director Asset Mgt 200 hrs - maintenance activities, replacements, unit turnovers, 90hours - CEO oversight.

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

This project was conceived by the Founder of Seniors Unlimited Lifestyles Inc. (SULI) in response to growing demand for housing for low-income seniors. This concept received support from the locality and the Burton Station Neighborhood. Tranquility at the Lakes II is developed and modeled after Tranquility at the Lakes I which opened its doors 7 years ago and maintains a consistent wait list of seniors in need of affordable rental housing.

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

The project is a co-development project between two non-profits. VBCDC has a 65% interest and SULI has 35% interest in SUL Tranquility Lakes II Manager (managing general member) and VBCDC has 65% interest and SUSLI has 35% interest in SUL Tranquility Lakes II (owner entity).

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

The project is a co-development project between two non-profits. VBCDC is the majority partner with decision making authority. VBCDC will provide construction oversight, property management and maintenance. VBCDC will oversee voluntary supportive services provided by Seniors Unlimited Lifestyles Inc (SULI).

h. Is a for profit entity providing development services (excluding architectural, engineering, legal, and accounting services) to the proposed development? YES NO If yes,

(i) Explain the nature and extent of the consultant's involvement in the construction or rehabilitation and operation or management of the proposed development.

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

i. Will the nonprofit or the Owner (as identified in the application) pay a joint venture partner or consultant fee for providing development services? YES NO If yes, explain the amount and source of the funds for such payments.

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

The co-development agreement calls for the developer fee to be split between both non-profit organizations.
Upon receipt of any developer fee, the fee will be split between VBCDC and SULI as called for in the agreement.

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

The co-development agreement calls for excess cash flow to be split between both non-profit organizations, if excess cash flow exists, the cash flow will be split between Virginia Beach Community Development Corporation and Seniors Unlimited Lifestyles Inc. as called for in the agreement.

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

m. Disclose any business or personal (including family) relationships that any of the staff members, directors or other principals involved in the formation or operation of the non-profit have, either directly or indirectly, with any persons or entities involved or to be involved in the Development on a for-profit basis including, but not limited to the Owner of the Development, any of its for-profit general partners, employees, limited partners or any other parties directly or indirectly related to such Owner:

None.

n. Is the nonprofit involving any local, community based nonprofit organizations in the development, role and operation, or provision of services for the development? YES NO If yes, explain in detail, including the compensation for the other nonprofits amount and timing of such payments.

VBCDC and SULI are co-developers of this project. VBCDC intends to contract with SULI to provide voluntary support services for residents. A fee of up to \$25,000. is included in development's annual operating budget for provision of services. VBCDC will be entitled to a portion of the fee for supervision of services and SULI will be entitled to a portion to provide direct voluntary services through a contractual arrangement or MOU which is to be developed.

4. Virginia and Community Activity

a. Has the Virginia State Corporation Commission authorized the nonprofit to do business in Virginia?
 YES NO

b. Define the nonprofit's geographic target area or population to be served:

VBCDC provides housing and supportive services in the Hampton Roads region. Most of VBCDC's housing is located within the City of Virginia Beach; however VBCDC provides services in the Hampton Roads Region on the southside along with the peninsula. Target population is low and moderate income individuals and families.

c. Does the nonprofit or, if applicable, related nonprofit have experience serving the community where the proposed development is located (including advocacy, organizing, development, management, or facilitation, but not limited to housing initiatives)? YES NO

If yes, or no, explain nature, extent and duration of any service:

VBCDC has over 35 years of experience developing, managing, and maintaining housing, and providing service for low income individuals and families including low income seniors, persons with disabilities, homeless and high acuity, vulnerable veterans.

- d. Does the nonprofit's by laws or board resolutions provide a formal process for low income, program beneficiaries to advise the nonprofit on design, location of sites, development and management of affordable housing? YES NO If yes, explain
VBCDC incorporates feedback from surveys from its residents and program participants and includes tenant and program participant input into its strategic plans. Depending upon the development, VBCDC may include program beneficiaries as part of the design team and may incorporate feedback from surrounding neighborhoods and low income beneficiaries in the design of housing projects and/or programs.
- e. Has the Virginia Department of Agriculture and Consumer Services (Division of Consumer Affairs) authorized the nonprofit to solicit contributions/donations in the target community?
 YES NO
- f. Does the nonprofit have demonstrated support (preferably financial) from established organizations, institutions, businesses and individuals in the target community?
 YES NO If yes, explain:
VBCDC receives funding from HUD, Veteran Affairs, City of Virginia Beach, United Way of South Hampton Roads, private donors and financial institutions such as Wells Fargo. Funds are used to support housing and program operations serving low income beneficiaries.
- g. Has the nonprofit conducted any meetings with neighborhood, civic, or community groups and/or tenant associations to discuss the proposed development and solicit input? YES NO
If yes, describe the meeting dates, meeting locations, number of attendees and general discussion points:
VBCDC's co-development partner, Senior Unlimited Lifestyles Inc. conducted outreach and obtained signatures of 30 Burton Station Civic League members on January 29, 2020 showing support for Tranquility at the Lakes II development.
- h. Are at least 33% of the members of the board of directors representatives of the community being served? YES NO If yes,
(i) Low-income residents of the community? YES NO
(ii) Elected representatives of low-income neighborhood organizations? YES NO
- i. Are no more than 33% of the members of the board of directors representatives of the public sector (i.e. public officials or employees or those appointed to the board by public officials)?
 YES NO

j. Does the board of directors hold regular meetings which are well attended and accessible to the target community? YES NO If yes, explain the meeting schedule:

VBCDC's Board of Directors meets on the fourth Wednesday of every month and its schedule is posted on its website as well as on the City of Virginia Beach's website for public meetings.

k. Has the nonprofit received a Community Housing Development Organization (CHDO) designation, as defined by the U.S. Department of Housing and Urban Development's HOME regulations, from the state or a local participating jurisdiction? YES NO

l. Has the nonprofit been awarded state or local funds for the purpose of supporting overhead and operating expenses? YES NO If yes, explain in detail:

VBCDC receives funding from the City of Virginia Beach in the form of HOME and CDBG Funding. VBCDC also receives funding through the City of Virginia Beach Department of Human Services to support housing program for consumers of the Human Services Department.

m. Has the nonprofit been formally designated by the local government as the principal community-based nonprofit housing development organization for the selected target area?

YES NO If yes, explain:

n. Has the nonprofit ever applied for Low Income Housing Tax Credits for a development in which it acted as a joint venture partner with a for-profit entity? YES NO

If yes, note each such application including: the development name and location, the date of application, the nonprofit's role and ownership status in the development, the name and principals of the joint venture partners, the name and principals of the general contractor, the name and principals of the management entity, the result of the application, and the current status of the development(s).

o. Has the nonprofit ever applied for Low Income Housing Tax Credits for a development in which it acted as the sole general partner/managing member? YES NO

If yes, note each such development including the name and location, the date of the application, the result of the application, and the current status of the development(s).

Citywide Homes 2001 Limited Partnership, Virginia Beach, VA/March 2001 LIHTC application/still in operation.

Cedar Grove 2011, LP. Virginia Beach, VA/ July 2011 LIHTC application/still in operation.

Cypress Landing, LLC, Chesapeake, VA/ March 2015/ still in operation.

p. To the best of your knowledge, has this development, or a similar development on the same site, ever received tax credits before? YES NO If yes, explain:

This project received an allocation of KIGEC Credits in the March 2022 round.

q. Has the nonprofit been an owner or applicant for a development that has received a reservation in a previous application round from the Virginia Housing Partnership or the Virginia Housing Funds?

YES NO If yes, explain:

This project received an allocation of KIGEC Credits in the March 2022 round.

r. Has the nonprofit completed a community needs assessment that is no more than three years old and that, at a minimum identifies all of the defined target area's housing needs and resources?

YES NO If yes, explain the need identified:

s. Has the nonprofit completed a community plan that (1) outlines a comprehensive strategy for addressing identified community housing needs, (2) offers a detailed work plan and timeline for implementing the strategy, and (3) documents that the needs assessment and comprehensive strategy were developed with the maximum possible input from the target community?

YES NO If yes, explain the plan:

5. Attachments

Documentation of any of the above need not be submitted unless requested by Virginia Housing.

The undersigned Owner and nonprofit hereby each certify that, to the best of its knowledge, all of the foregoing information is complete and accurate. Furthermore, each certifies that no attempt has been or will be made to circumvent the requirements for nonprofit participation contained in the Plan or Section 42 of the Internal Revenue Code.

Date 3/10/26

Owner/Applicant SUL Tranquility Lake II, LLC, A Virginia limited liability company


By See attached Signature Page

Its See attached signature Page

Title

Date 3/10/26

Virginia Beach Community Development Corporation (VBCDC)

By 
Nonprofit
Board Chairman

By 
Executive Director

Commonwealth of Virginia



State Corporation Commission

I Certify the Following from the Records of the Commission:

The foregoing is a true copy of all documents constituting the charter of VIRGINIA BEACH COMMUNITY DEVELOPMENT CORPORATION on file in the Clerk's Office of the Commission.

Nothing more is hereby certified.



*Signed and Sealed at Richmond on this Date:
August 27, 2015*

Joel H. Peck

Joel H. Peck, Clerk of the Commission

ARTICLES OF INCORPORATION

OF

VIRGINIA BEACH COMMUNITY DEVELOPMENT CORPORATION

We, the undersigned, hereby associate ourselves for the purpose of forming a nonstock corporation pursuant to provisions of Chapter 2 of Title 13.1 of the Code of Virginia 1950 as amended, and to that end, set forth the following:

ARTICLE I

The name of the Corporation shall be VIRGINIA BEACH COMMUNITY DEVELOPMENT CORPORATION.

ARTICLE II

The purposes for which the Corporation is formed are as follows:

(a) To expand and improve housing opportunities for low and moderate income households in Virginia Beach, both by preserving and renovating existing structures; and by providing financial services, which shall include making grants, granting loans, whether or not secured, obtaining financing from others, and acting as guarantor on loans from others. The charges for such housing and services shall be on a non-profit basis.

(b) To cooperate with federal, state and local agencies, private organizations, and community groups in developing programs designed to meet the needs of low and moderate income housing and to assist the residents of Virginia Beach in the utilization of all available resources to meet their needs.

(c) The Corporation is irrevocably dedicated to, and operated for, non-profit, charitable purposes within the meaning of Section 501 (c) (3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law).

ARTICLE III

The Corporation shall have one class of members. The members of this Corporation shall consist of the persons hereinafter named as directors and such other persons or organizations as may from time to time hereafter be selected by the Board of Directors.

The voting powers, rights and interests of all members shall be equal. Each member shall be entitled to one vote on any and all questions coming before the members. Every member of the Corporation entitled to vote at any meeting of the members, may be represented and vote by proxy. A certificate of membership shall be issued to each member. No membership shall be transferable.

Any member who shall fail to comply with the requirements of the Bylaws, or the rules and regulations made pursuant thereto, shall forfeit his membership and any and all rights and interests in this Corporation.

ARTICLE IV

The number of directors constituting the initial Board of Directors shall be seven, and they shall be designated in the following manner: the Virginia Beach Community Development Citizens Advisory Committee shall appoint one member incorporator; the City Council of Virginia Beach shall appoint one member incorporator; the two members thus appointed shall appoint a third member incorporator. The initial incorporators shall appoint seven directors as the initial Board of Directors

who shall serve until the first annual meeting. The Directors to be elected at the first annual meeting shall be divided into three categories; two directors shall be appointed for a term of one year; two directors shall be appointed for a term of two years; and three directors shall be appointed for a term of three years. Thereafter, all Directors shall be elected for three-year terms. The officers of the Corporation, as provided by the Bylaws of the Corporation, shall be elected by the Directors in the manner therein set out, and shall serve until their successors have been elected and qualified. The Board of Directors shall adopt the Bylaws of the Corporation at any regular or special meeting called for that purpose.

ARTICLE V

The address of the initial registered office of the Corporation is Suite 1612, First Virginia Bank Tower, 101 St. Paul's Blvd., Norfolk, Virginia 23510. The name of the initial registered agent is William P. Robinson, Jr. who is a resident of Virginia and a member of the Virginia State Bar and whose business address is Suite 1612, First Virginia Bank Tower, 101 St. Paul's Blvd., Norfolk, Virginia 23510. The registered office is located in the City of Norfolk.

ARTICLE VI

The duration of the Corporation shall be perpetual.

ARTICLE VII

No part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to, its members, directors, and other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article II hereof. No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate in or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office. Notwithstanding any other provision of these articles, this Corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from Federal Income Tax under Section 501 (c) (3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law) or (b) by a corporation, contributions to which are deductible under Section 170 (c) (2) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law). Notwithstanding any other provision of these Articles, this corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the purposes of this corporation.

ARTICLE VIII

The initial Board of Directors of the Corporation shall consist of seven members. The names and addresses of the initial Board of Directors are:

Sam Houston
946 Oriole Drive
Virginia Beach, VA. 23462

Charles M. Reynolds
4504 Kelley Court
Virginia Beach, VA. 23462

Mrs. Elizabeth F. McClane
4344 N. Witchduck Road
Virginia Beach, VA. 23455

Wylie R. Cooke, Jr.
547 Susan Constant Drive
Virginia Beach, VA. 23451

H.L. Robinson
1070 Clear Spring Lane
Virginia Beach, VA. 23462

James E. Lindsey, Sr.
865 Newtown Road
Virginia Beach, VA. 23462

Curtis G. Maddox
3948 W. Colonial Parkway
Virginia Beach, VA. 23452

ARTICLE IX

The members of the Board of Directors of the Corporation shall not be subject to the payment of Corporate debts to any extent whatsoever.

ARTICLE X

The Board of Directors of said Corporation shall have power from time to time to make such by-laws as they shall deem proper for the management of the affairs of said Corporation, to be binding on all Directors of the Corporation. The by-laws may be amended from time to time in accordance with the provisions contained therein.

ARTICLE XI

Upon the dissolution of the Corporation, the Board of Directors shall, after paying or making provision for the payment of all of the liabilities of the Corporation, dispose of all of the assets of the Corporation exclusively for the purposes of the Corporation in such manner, or to such organization or organizations organized and operated exclusively for charitable, educational, or scientific purposes as shall at the time qualify as an exempt organization under Section 501 (c) (3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law) in such manner as the Board shall decide; provided that any such assets that have been received by the Corporation from the City of Virginia Beach shall be returned to the City for final disposition in a manner

as determined by law. Any of such assets not so disposed of shall be disposed of by the Circuit Court of the district in which the principal office of the corporation is located, exclusively for such purposes or to such organization or to such organizations, as said court shall determine, which are organized and operated exclusively for such purposes.

ARTICLE XI

The Corporation shall have and exercise all powers which are consistent with the Code of Virginia and with its purpose as a charitable corporation, to do everything and anything reasonably and lawfully necessary, proper, and suitable, or convenient for the achievement of the purposes above stated.

GIVEN under our hands this 31 day of July, 1985.



Carl M. Reynolds

275822

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION

RICHMOND, September 13, 1985

The accompanying articles having been delivered to the State Corporation Commission on behalf of

VIRGINIA BEACH COMMUNITY DEVELOPMENT CORPORATION

and the Commission having found that the articles comply with the requirements of law and that all required fees have been paid, it is

ORDERED that this CERTIFICATE OF INCORPORATION

be issued, and that this order, together with the articles, be admitted to record in this office of the Commission; and that the corporation have the authority conferred on it by law in accordance with the articles, subject to the conditions and restrictions imposed by law.

Upon the completion of such recordation, this order and the articles shall be forwarded for recordation in the office of the Clerk of the Circuit Court, City of Norfolk .

STATE CORPORATION COMMISSION

By Thomas P. Harwood, Jr.
Commissioner

930188

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BYLAWS
OF
VIRGINIA BEACH COMMUNITY DEVELOPMENT CORPORATION

ARTICLE I
NAME, OFFICE AND SEAL

Section 1. The name of the corporation shall be Virginia Beach Community Development Corporation.

Section 2. The principal office of the corporation shall be located in the City of Virginia Beach, Virginia. The corporation may also have offices at such other places within the State as the Board of Directors may from time to time determine or as the business of the corporation shall have inscribed.

Section 3. The corporate seal of the corporation shall have inscribed thereon the name of the corporation, the year of its incorporation and the words "Corporate Seal" and Virginia Beach Community Development Corporation.

Approved by City Council November 18, 1985
Approved by VBCDC Board of Directors
October 1, 1986
Approved by City Council October 20, 1986
Amended Pursuant to City Council Resolution
May 21, 1990

ARTICLE II
PURPOSES

- (a) To expand and improve opportunities for low and moderate income households in Virginia Beach, both by preserving and renovating existing structures, and by providing financial services, which shall include making grants, granting loans, whether or not secured, obtaining financing from others, and acting as guarantor on loans from others. The charges for such housing and services shall be on a non-profit basis.
- (b) To cooperate with federal, state and local agencies, private organizations, and community groups in developing programs designed to meet the needs of low and moderate income housing and to assist the residents of Virginia Beach in the utilization of all available resources to meet their needs.
- (c) The Corporation is irrevocably dedicated to, and operated for, non-profit, charitable purposes within the meaning of Section 501 (c) (3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law).

ARTICLE III
DIRECTORS

Section 1. Management. The business and affairs of the corporation shall be managed by a Board of eleven (11) directors.

Section 2. Composition. The Board shall be composed of eleven (11) directors who shall be appointed by the City Council of the City of Virginia Beach. The Board shall serve until their appointed terms expire.

Section 3. Term. The seven (7) directors serving on the Board as of June 1, 1990 shall serve until the expiration of the terms for which they were appointed. Two of the directors appointed on May 29, 1990 shall serve until December 31, 1992; the third director appointed on May 29, 1990 shall serve until December 31, 1993 and the one ex-officio director appointed to the Board as a voting member on May 29, 1990 shall serve until December 31, 1991. Thereafter, all directors shall be appointed for a term of four (4) years. No director may serve more than ten (10) successive years.

Section 4. Vacancies and Removals. A vacancy on the Board caused by the death, resignation, removal or incapacitation of a director shall be filled only for the unexpired term of the position vacant or until the following June 30, whichever shall first occur. Vacancies shall be filled upon appointment by the City Council. Absence by any director at three consecutive regular Board meetings, unless otherwise excused, shall constitute cause for removal from the Board. Directors shall serve at the pleasure of City Council.

Section 5. Resignation. A director may resign at any time, giving written or oral notice to the Board, the President, or the Secretary/Treasurer of the corporation. Unless otherwise specified

in the notice, the resignation shall take effect upon receipt thereof and the acceptance of the resignation shall not be necessary to make it effective.

ARTICLE IV
MEETINGS, NOTICE, QUORUM AND POWERS

Section 1. Meetings, Notice. Meetings of the Board of Directors shall be called by the President and may be held at the office of the corporation or at such other place as may be designated in the notice calling the meeting. At least six (6) regular meetings must be held each year.

Special meetings of the Board of Directors may be called by any two (2) officers or on the written request of a majority of the directors. No other business but that specified in the notice may be transacted at such special meeting without the unanimous consent of all present at such meeting. Notice shall be given to each director at least forty-eight hours before the meeting at his/her residence or business address by delivering, telephoning or telegraphing notice to him/her.

The annual meeting of the corporation shall be held in June of every year.

The Secretary/Treasurer shall cause to be mailed to every director in good standing at his/her address as it appears on the membership roll book of the corporation a notice stating the time and place of all regular meetings at least seven (7) days prior thereto.

Section 2. Waiver of Notice. Either before or after any meeting of the Board of Directors, any director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a director at any meeting of the Board shall be a waiver by him/her of notice of the time and place thereof. If all the directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 3. Quorum. At all meetings of the Board of Directors, six (6) members of the Board of Directors shall be present to constitute a quorum for the transaction of business, and the affirmative vote of six (6) of the directors present at a meeting at which a quorum is present shall be the acts of the Board except as otherwise provided by law or within these bylaws. If at any meeting of the Board of Directors there be less than a quorum present, the majority of those present may adjourn the meeting to a fixed time and place, and notice of the rescheduled meeting shall be required.

Section 4. General Powers. The Board of Directors shall elect a President, Vice-President, a Secretary/Treasurer, and all officers of the corporation. In addition to the powers and authorities expressly conferred upon them by these bylaws, the Board may exercise all powers of the corporation and may do all such acts and things as are not by statute or by these bylaws prohibited.

Section 5. Action of the Board. Unless otherwise required by law, an affirmative vote of six (6) of the directors present at the time of the vote, if a quorum is present at such time shall be the act of the Board. Each director shall have one vote.

Section 6. Consent. If a majority of the directors shall severally or collectively consent in writing to any action to be taken by the corporation, such action shall be a valid corporate action upon ratification of the Board of Directors.

Section 7. Freedom of Information. The corporation shall comply with the Virginia Freedom of Information Act as referenced in Sec. 2.1-340 et seq. of the Code of Virginia.

ARTICLE V OFFICERS

Section 1. Number. The executive officers of the corporation shall be a President, a Vice-President, a Secretary/Treasurer, all of whom shall be elected by the Board of Directors. Any two of these officers, except those of President and Secretary/Treasurer may be filled by the same person. It shall be necessary for all officers to be directors of the corporation.

Section 2. Nomination. The President, at least thirty days prior to the annual meeting, shall appoint a Nominating Committee composed of three (3) directors to prepare a slate of candidates of directors and officers. Directors may make other nominations from the floor at the annual meeting provided the Board is furnished with a written statement of the nominee as to his/her willingness to serve.

Section 3. Election. The election of officers shall take place at the annual meeting of the Board of Directors.

Section 4. Term and Removal. The officers of the corporation shall hold office until their respective successors are chosen and have qualified. Any officer elected by the Board of Directors may be removed by the Board of Directors whenever, in its judgement, the best interests of the corporation will be served thereby. If the office of any officer shall become vacant for any reason, the vacancy shall be filled by the Board of Directors for the balance of the unexpired term.

All agents and employees, other than officers elected by the Board of directors, shall hold office or employment at the discretion of the Board of Directors.

ARTICLE VI
DUTIES OF OFFICERS

Section 1. President. The President of the corporation shall preside at all meetings of the Board and such meetings as may be designated by the Board of Directors and shall further discharge such functions as are ordinarily discharged by the President of the corporation. He/she shall have such other duties as may be directed by the Board of Directors.

Section 2. Vice President. The Vice President shall assume the duties of the President of the corporation in the absence of the President.

Section 3. Secretary/Treasurer. The Secretary/Treasurer shall keep the minutes of all meetings. He/she shall have custody

of the seal of the corporation and affix to such documents as require attestation; he/she shall have charge of such of the books and papers as the Board of Directors may direct, all of which shall, at all reasonable times, be open to the examination of any director, upon reasonable notice to the Secretary/Treasurer; and he/she shall, in general, perform all the duties incident to the office of Secretary/Treasurer. He/she shall give notice as required by law or the bylaws of this corporation, of all meetings of the Board of Directors.

The Secretary/Treasurer shall have custody of the corporation's funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the corporation. He/she shall deposit all monies and other valuable effects in the name and to the credit of the corporation in such depositories as may be designated.

ARTICLE VII COMMITTEES

Section 1. Appointment of Committees. The Board of Directors shall establish and appoint such standing and other committees as may be required from time to time. The duties and scope of committees shall be defined by the Board. Such committees shall be composed of one member of the Corporation to be an advisory person; however, this shall not preclude service on committees by nonmembers of the Corporation.

ARTICLE VII
MISCELLANEOUS PROVISIONS

Section 1. Execution of Papers. Except as the Board of Directors may generally or in particular cases authorize, all deeds, leases, transfers, contracts, bonds, notes, checks, drafts, and other obligations made, accepted and endorsed by the corporation shall be signed by the Executive Director, and by either the President, Vice President, or Secretary/Treasurer, unless otherwise authorized or designated by the vote of the Board of Directors.

Section 2. Fiscal Year. The fiscal year of the corporation shall end each June 30th.

Section 3. Deposits. All funds of the corporation not otherwise employed shall be deposited from time to time to the credit of the corporation in such federally insured institutions as banks, savings and loan associations, trust companies or other depositories as the Board may from time to time select or as may be selected by any officer or employee of the corporation to whom

such power may from time to time be delegated by the Board; and for the purpose of such deposit, any officer, or any employee to whom such power may be delegated by the Board, may endorse, assign and deliver checks, drafts and other orders for the payment of money which are payable to the order of the corporation.

Section 4. Acceptance of Gifts, Donations, etc. No gift, donation, bequest or subscription to the corporation shall be

deemed to have been accepted until acted upon affirmatively by the Board of Directors.

Section 5. Administrator (Executive Director). An Administrator shall be selected by the Board of Directors and shall perform the duties designated by the Board of Directors. He/she shall be responsible for the everyday and timely direction of the affairs of the corporation and with measures for the accomplishment of its purposes; recommend to the Board of Directors such proposals and matters as he/she may deem necessary or desirable; advise, cooperate with, and furnish information and assistance to all committees for the organization. The Administrator shall be an ex-officio member for all committees, with all rights and privileges except voting.

Section 6. Robert's Rules of Order. When questions arise about the meeting order, the latest edition of "A Handbook of Parliamentary Procedure", which is attached, will govern the procedure to be followed.

Section 7. Conflict of Interest. In the procurement of supplies, equipment, construction and services, the provisions of Section 570.611 of Title 24 Code of Federal Regulations and the State and Local Government Conflict of Interests Act contained in Chapter 40.1 of Title 2.1 of the Code of Virginia shall apply. Such cases include the acquisition and disposition of real property and the provision of assistance by the recipient, by its subrecipients, or to individuals, businesses and other private entities under eligible activities which authorize such assistance. The members

of the Virginia Beach Community Development Corporation and the Executive Director shall comply with the "ORDINANCE DESIGNATING CERTAIN APPOINTEES AND EMPLOYEES TO FILE A DISCLOSURE STATEMENT OF THEIR PERSONAL INTERESTS AND OTHER INFORMATION SPECIFIED ON THE FORM SET FORTH IN SECTION 2.1-639.15 OF THE CODE OF VIRGINIA" if City Council adopts said ordinance pursuant to Section 2.1-639.14A of the Code of Virginia.

Section 8. Compensation. No Director or Officer of the corporation shall be compensated for services rendered to the corporation. This in no way prohibits said directors or officers from being reimbursed for bonafide expenses in accordance with the Virginia Beach City Code.

ARTICLE IX INDEMNIFICATION

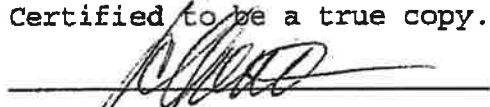
Every person now or hereafter a Director or officer of the corporation (and his/her heirs, executors, and administrators) shall be indemnified by the corporation against all costs and expenses, including all attorney's fees, imposed upon or reasonable incurred by him/her in connection with or resulting from any action, suit, proceeding or claim to which he/she is or may be made a party by reason of his/her being or having been a Director or officer of the corporation (whether or not a Director or officer at the time such costs or expenses are incurred by or imposed upon him/her) except in relation to matters as of which he/she shall have finally been adjudged in such action, suit or proceeding to be liable for gross negligence or willful misconduct in the

performance of his/her duties as such Director or officer. Such right of indemnification shall not be deemed exclusive or any right to which he may be entitled under any other bylaw, agreement, or otherwise.

ARTICLE X
AMENDMENTS

These bylaws may be altered, amended or replaced at any regular or special meeting of the Board of Directors by the vote of a majority of the directors in office at such meeting; but no alteration, amendment or repeal shall be made at a special meeting unless the notice of such meeting shall specify the proposed alteration, amendment or repeal as the purpose or one of the purposes of such meeting. Such amendments to these bylaws shall be subject to approval by the City Council.

Certified to be a true copy.

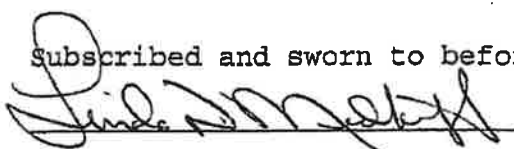


Jack Helfant, President

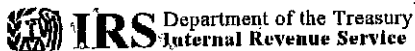
Date 2/19/03

Virginia Beach Community Development Corporation

Subscribed and sworn to before me this 19th day of Feb., 2003.


_____, Notary Public

My Commission Expires: 8-31-06



Department of the Treasury
Internal Revenue Service

P.O. Box 2508
Cincinnati OH 45201

In reply refer to: 0248364843
Nov. 26, 2010 LTR 4168C E0
54-1378797 000000 00

00016395

BODC: TE

RECEIVED

NOV 30 2010

VBCDC

VIRGINIA BEACH COMMUNITY
DEVELOPMENT CORPORATION
2400 POTTERS ROAD
VIRGINIA BEACH VA 23454-4377



020356

Employer Identification Number: 54-1378797
Person to Contact: Ms. Osborne
Toll Free Telephone Number: 1-877-829-5500

Dear Taxpayer:

This is in response to your Nov. 16, 2010, request for information regarding your tax-exempt status.

Our records indicate that you were recognized as exempt under section 501(c)(3) of the Internal Revenue Code in a determination letter issued in August 1987.

Our records also indicate that you are not a private foundation within the meaning of section 509(a) of the Code because you are described in section(s) 509(a)(1) and 170(b)(1)(A)(vi).

Donors may deduct contributions to you as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to you or for your use are deductible for Federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

Please refer to our website www.irs.gov/eo for information regarding filing requirements. Specifically, section 6033(j) of the Code provides that failure to file an annual information return for three consecutive years results in revocation of tax-exempt status as of the filing due date of the third return for organizations required to file. We will publish a list of organizations whose tax-exempt status was revoked under section 6033(j) of the Code on our website beginning in early 2011.

0248364843
Nov. 26, 2010 LTR 4168C E0
54-1378797 000000 00
00016396

VIRGINIA BEACH COMMUNITY
DEVELOPMENT CORPORATION
2400 POTTERS ROAD
VIRGINIA BEACH VA 23454-4377

If you have any questions, please call us at the telephone number
shown in the heading of this letter.

Sincerely yours,

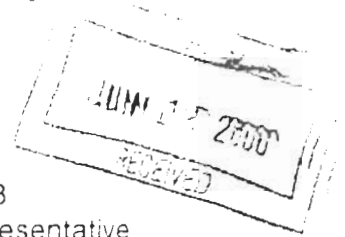
Michele M. Sullivan

Michele M. Sullivan, Oper. Mgr.
Accounts Management Operations I

Internal Revenue Service

Department of the Treasury

P. O. Box 2508
Cincinnati, OH 45201



Date: June 7, 2000

Virginia Beach Community Development Corporation
629 Wesley Drive, Suite 101
Virginia Beach, VA 23452-7403

Person to Contact:
Robert Molloy 31-04023
Customer Service Representative

Toll Free Telephone Number:
8:00 a.m. to 9:30 p.m. EST
877-829-5500

Fax Number:
513-263-3756

Federal Identification Number:
54-1378797

Dear Madam:

This letter is in response to your request for a copy of your organization's determination letter. This letter will take the place of the copy you requested.

Our records indicate that a determination letter issued in August 1987 granted your organization exemption from federal income tax under section 501(c)(3) of the Internal Revenue Code. That letter is still in effect.

Based on information subsequently submitted, we classified your organization as one that is not a private foundation within the meaning of section 509(a) of the Code because it is an organization described in sections 509(a)(1) and 170(b)(1)(A)(vi).

This classification was based on the assumption that your organization's operations would continue as stated in the application. If your organization's sources of support, or its character, method of operations, or purposes have changed, please let us know so we can consider the effect of the change on the exempt status and foundation status of your organization.

Your organization is required to file Form 990, Return of Organization Exempt from Income Tax, only if its gross receipts each year are normally more than \$25,000. If a return is required, it must be filed by the 15th day of the fifth month after the end of the organization's annual accounting period. The law imposes a penalty of \$20 a day, up to a maximum of \$10,000, when a return is filed late, unless there is reasonable cause for the delay.

All exempt organizations (unless specifically excluded) are liable for taxes under the Federal Insurance Contributions Act (social security taxes) on remuneration of \$100 or more paid to each employee during a calendar year. Your organization is not liable for the tax imposed under the Federal Unemployment Tax Act (FUTA).

Organizations that are not private foundations are not subject to the excise taxes under Chapter 42 of the Code. However, these organizations are not automatically exempt from other federal excise taxes.

Donors may deduct contributions to your organization as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to your organization or for its use are deductible for federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

Virginia Beach Community Development Corporation
54-1378797

Your organization is not required to file federal income tax returns unless it is subject to the tax on unrelated business income under section 511 of the Code. If your organization is subject to this tax, it must file an income tax return on the Form 990-T, Exempt Organization Business Income Tax Return. In this letter, we are not determining whether any of your organization's present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

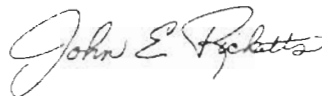
The law requires you to make your organization's annual return available for public inspection without charge for three years after the due date of the return. You are also required to make available for public inspection a copy of your organization's exemption application, any supporting documents and the exemption letter to any individual who requests such documents in person or in writing. You can charge only a reasonable fee for reproduction and actual postage costs for the copied materials. The law does not require you to provide copies of public inspection documents that are widely available, such as by posting them on the Internet (World Wide Web). You may be liable for a penalty of \$20 a day for each day you do not make these documents available for public inspection (up to a maximum of \$10,000 in the case of an annual return).

Because this letter could help resolve any questions about your organization's exempt status and foundation status, you should keep it with the organization's permanent records.

If you have any questions, please call us at the telephone number shown in the heading of this letter.

This letter affirms your organization's exempt status.

Sincerely,

A handwritten signature in cursive script that reads "John E. Ricketts".

John E. Ricketts
Director, TE/GE CAS

VBCDC Positions

Job Title	Classification	# of Positions	Description
President and CEO	Executive II	1	This position conducts the business of the corporation as described in the Articles of Incorporation and By-Laws. This position provides complete oversight to each business function.
Chief Strategic Officer	Executive I	1	This position provides oversight to the Administrative Services Department and oversees new construction development projects. Additionally, this role oversees grant management and the HR Department.
Chief Programs Officer	Executive I	1	This position is responsible for monitoring and evaluating the Case Management program, coordinating Case Management services, and assisting neighbors with housing issues by coordinating services that are needed.
Chief Housing Officer	Executive I	1	The Chief Housing Officer is responsible for the overall operation of the Asset Management workgroup. This position oversees property management and the facilities department ensuring VBCDC units are maintained in accordance with Fair Housing best practices.

Senior Property Manager	Manager II	1	This position is responsible for managing a portfolio of rental housing properties in accordance with VBCDC Policies and Procedures and all regulatory agreements, ensuring that homes are occupied by qualified neighbors, and ensuring that neighbors are in compliance with the lease agreement.
Controller (Director of Finance)	Director I	1	This position works effectively with leaders and partners across the organization to help VBCDC become more effective in delivering its mission, by providing insightful analysis and counsel, playing a key role in budgeting, forecasting and long range planning, managing payroll, and performing other essential accounting and finance functions.
Maintenance Operations Supervisor	Manager II	1	This position supervises, supervises, coordinates, and manages the work of the Maintenance Technician assistant under the direct supervision of the Chief Housing Officer. They oversee vendor management and inventory of VBCDC's in house stockpile of tools and appliances for units.

Facilities Director	Director I	1	This position is responsible for all procurement activity and vendor and contract management and oversight in support of all facilities owned, managed, or leased by VBCDC. This position also organizes and directs
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			all maintenance activities of VBCDC units and facilities. This position also works closely with the Maintenance Supervisor to ensure that all units adhere to or exceed City code and Section 8 requirements.
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Administrative Services Manager	Manager I	1	This position serves as the CEO's administrative liaison to the board of directors; organizes and coordinates executive outreach and external relations efforts; and oversees special projects. This position is also responsible for office operations and procedures to include direct supervision of office coordinator.
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Human Resources Manager	Manager II	1	This position is responsible for the day to day management of all HR functions at VBCDC. This position is also responsible for recruiting, supporting and developing talent of all partners through the development of policies and management of procedures. This position oversees benefits enrollment, employee relations, performance management, and training programs for staff.
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Property Manager	Manager I	2	This position is responsible for managing a portfolio of rental housing properties in accordance with VBCDC Policies and
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			Procedures and all regulatory agreements, ensuring that homes are occupied by qualified neighbors, and ensuring that neighbors are in compliance with the lease agreement.
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Neighbor Advocate	Associate I	5	This position is responsible for providing comprehensive case management services to communities supported by VBCDC.
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Senior Neighbor Advocate	Associate II	1	This position is responsible for providing various services, such as community outreach, determining program eligibility, individual and family case management, and collaboration with community agencies.
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Intake Coordinator	Associate I	1	This position is responsible for conducting initial phone, internet, and walk-in standardized pre-screenings to determine initial program eligibility.
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Office Coordinator	Associate I	1	This position is responsible for administrative tasks assigned by the Administrative Services Manager, and coordinates the ordering of office supplies, managing the front desk, and distributing mail.
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Community Resource Specialist	Associate I	1	The primary duties include assisting veterans with connecting or re-connecting VA
			benefits and community resources. This position plans and organizes activities, special classes, and events for tenants.
Payroll & Grants Administrator	Associate I	1	This position oversees the payroll and grant administration process. Performs complex financial and clerical work involving preparation and maintenance of fiscal and related reports for Virginia Beach Community Development Corporation.
Payables Operations Analyst	Associate I	1	This position is responsible for processing invoices for payment and ensuring proper coding, and approvals in accordance to VBCDC's purchasing policy.
Assistant Controller	Manager I	1	This position is responsible for assisting the Director of Finance and CFO with various account and budget activities. Provide oversight and training to Payroll Grant Administrator and Payables Operations Analyst.

Program Manager	Manager II	2	This position is responsible for overseeing the administration of support services directly supervising Neighbor Advocates.
Senior Maintenance Technician	Manager I	3	This position is responsible for supervising a team of Maintenance Technicians and complete preventive maintenance and assigned work orders for tenants in VBCDC's portfolio.
Maintenance Technician	Associate I	3	Maintenance Technicians are responsible for performing semi-skilled and unskilled maintenance and repair tasks on buildings, grounds, and equipment. Under the direct supervision of the Sr. Maintenance Techs, the employee is responsible for maintenance and repair tasks and installations on VBCDC owned and managed buildings, grounds, apartments and equipment as assigned. Responds to maintenance emergencies as needed.
Program Administrator	Manager I	1	The Program Administrator oversees case file audits, HMIS data compliance, and trainings for support staff.

Chief Financial Officer	Executive I	1	The CFO is responsible for the oversight of the Finance Department. This role actively manages the budget, forecasting, and debt management and provides recommendations to CEO, Executive Team, and Board of Directors on recommendations and strategies to ensure VBCDC is in the most ideal financial standing.
Healthcare Navigator	Associate I	1	SSVF health care navigators provide case management and care coordination, health education, interdisciplinary collaboration, coordination, and consultation, and administrative duties. The health care navigator will act as a liaison between the SSVF grantee and the VA or community medical clinic and works with a population of Veterans with complex needs who require assistance accessing health care services or adhering to health care plans.

Team Lead	Manager I	1	<p>This position is responsible for providing various services, such as community outreach, determining program eligibility, individual and family case management, and collaboration with community agencies. The team lead also directly supervises the Senior Neighbor Advocate.</p>
Community Development Manager	Associate I	1	<p>The Community Development Manager oversees community planning, neighborhood revitalization, and development initiatives. This role guides housing development strategies, manages land use planning, and leads all planning activities—including zoning research, community engagement, redevelopment planning, and grant alignment. This role also researches and applies for grants to support funding and organizational operation expenses.</p>

HMIS Data Associate	Associate I	1	<p>The HMIS Data Associate conducts data entry, data tracking and reporting, monthly/quarterly/annual reporting for client-specific, program-related, and grant-required information. The HMIS Data Associate is responsible for the primary input and accuracy verification of HMIS data. Additionally, this position is responsible for developing, monitoring, analyzing, and reporting data so that VBCDC can track client/program outcomes. The HMIS Data Associate is responsible for inputting all SSVF service transactions.</p>
SSVF Enrollment and Housing Specialist	Associate I	1	<p>This position is responsible for enrolling eligible veterans and their families into the program, conducting comprehensive housing assessments, and identifying suitable housing opportunities. The Specialist builds and maintains partnerships with landlords, housing providers, and community stakeholders to expand housing options, while ensuring timely and accurate enrollment and documentation in compliance with VA and VBCDC requirements.</p>

Maintenance Technician Assistant	Associate I	1	The position is responsible for overseeing vendor management and inventory of VBCDC's in house stockpile of tools and appliances for units. They also follow up with tenants regarding work orders to ensure VBCDC maintains exceptional customer service.
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Meetings: 4th Wt

Term: 4 Years, with no more than 10 consecutive years

Name				Term	Beginning Date	Expiration	Eligible	Notes
Ashby, Kay	Virginia Beach,	2	285-8362 c.	sandbridgekay@gmail.com	4	1/16/2024	12/31/2027	Yes
Baumgarten, Matthew J.	Virginia Beach,	9		matu@gartenps.com	expired	2/17/2026	12/31/2028	Yes
Brown, Christopher L.	4721 Valley Forge Lane Virginia	4		christopher732rentalhomes.com	4	9/4/2018	8/31/2026	Yes - 2 yr term
Cran Jr., Jerome "David" Chair	1216 Glen Lochen Drive Virginia	1	675-3612 c.	david.cran@gmail.com	4	12/8/2020	8/31/2026	Yes
Douglas-Cooke, Audrey B. Vice Chair	Virginia		575-4350 c. 496-2176 h.	abcooke@gmail.com	4	3/2/2021	12/31/2027	Yes
Ewell, Robert	1105 Oldfield Circle Virginia Beach, VA 23455	10	541-2087	robby6@gmail.com	4	9/4/2018	8/31/2026	Yes - 2 yr term
Hamaker, Matthew J.	Virginia	3		matthew.hamaker@gmail.com	Unexpired	9/17/2024	12/31/2027	Yes
Johnson, Jeremy	Virginia Beach, VA 23454	8	486-0153	jercmy@hul.com	ired →4	3/5/2024	12/31/2028	Yes
Lia, Jessica J.	Virginia	6		jessica.lia@gmail.com	expired	2/17/2026	12/31/2027	Yes
McKinney, Frank A.	Virginia Beach,	1		famini@verizon.net	4	2/18/2020	12/31/2028	Yes - 2 yr term
Shupe, Thomas G.	Virginia Beach, VA 23451		544-0885	gary.shupe4@gmail.com	expired	10/17/2023	12/31/2027	Yes
Jarvis, Ashley				ashleyjarvis@vbcdc.org	Staff Liaisons			
Chapman, Heather				hchapman@vbcdc.org				
Remick, Robert "Worth"	2401 Courthouse Drive #2111 Virginia Beach, VA 23456			WRemick@vb.gov	City Council Liaisons			
Ross-Hammond, Amelia	Virginia	4	540-0735	ARossHammond@vb.gov				

Nonprofit Questionnaire

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

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

1. General Information

- a. Name of development _____
- b. Name of owner/applicant _____
- c. Name of nonprofit entity _____
- d. Address of principal place of business of nonprofit entity

Indicate funding sources and amount used to pay for office space

- e. Tax exempt status 501(c)(3) 501(c)(4) 501(a)
- f. Date of legal formation of nonprofit (must be prior to application deadline) _____
Evidenced by the following documentation _____

- g. Date of IRS 501(c)(3) or 501(c)(4) determination letter (must be prior to application deadline and copy must be attached) _____
- h. Describe exempt purposes (must include the fostering of low-income housing in its articles of incorporation) _____

- i. Expected life (in years) of nonprofit _____

j. Explain the anticipated future activities of the nonprofit over the next five years:

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

How many part time, paid staff members? _____

Describe the duties of all staff members:

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

YES NO If yes, explain in detail: _____

m. How many volunteers does the nonprofit and, if applicable, any related nonprofit have?

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

o. List all directors of the nonprofit, their occupations, their length of service on the board, and their residential addresses _____

2. Nonprofit Formation

a. Explain in detail the genesis of the formation of the nonprofit: _____

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

YES NO If yes, explain in detail: _____

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

YES NO If yes, explain in detail: _____

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

YES NO If yes, explain in detail: _____

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

YES NO If yes, explain in detail: _____

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

YES NO

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

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

3. Nonprofit Involvement

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

YES NO

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

YES NO

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

YES NO

If no to either 3a.i or 3a.ii above, specifically describe the nonprofit's ownership interest

b. (i) Will the nonprofit be the managing member or managing general partner?

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

(ii) Will the nonprofit be the managing member or own more than 50% of the general partnership interest? YES NO

c. Will the nonprofit have the option or right of first refusal to purchase the proposed development at the end of the compliance period for a price not to exceed the outstanding debt and exit taxes of the for-profit entity? YES NO

If yes, where in the partnership/operating agreement is this provision specifically referenced?

Recordable agreement attached to the Tax Credit Application as TAB V?

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

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

YES NO If yes,

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

(ii) Describe the nature and extent of the nonprofit's involvement in the operation or management of the Development throughout the Extended Use Period (the entire time period of occupancy restrictions of the low-income units in the Development):

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

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

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

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

h. Is a for profit entity providing development services (excluding architectural, engineering, legal, and accounting services) to the proposed development? YES NO If yes,

(i) Explain the nature and extent of the consultant's involvement in the construction or rehabilitation and operation or management of the proposed development.

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

i. Will the nonprofit or the Owner (as identified in the application) pay a joint venture partner or consultant fee for providing development services? YES NO If yes, explain the amount and source of the funds for such payments.

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

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

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

m. Disclose any business or personal (including family) relationships that any of the staff members, directors or other principals involved in the formation or operation of the non-profit have, either directly or indirectly, with any persons or entities involved or to be involved in the Development on a for-profit basis including, but not limited to the Owner of the Development, any of its for-profit general partners, employees, limited partners or any other parties directly or indirectly related to such Owner:

n. Is the nonprofit involving any local, community based nonprofit organizations in the development, role and operation, or provision of services for the development? YES NO If yes, explain in detail, including the compensation for the other nonprofits amount and timing of such payments.

4. Virginia and Community Activity

a. Has the Virginia State Corporation Commission authorized the nonprofit to do business in Virginia?
 YES NO

b. Define the nonprofit's geographic target area or population to be served:

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

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

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

YES NO

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

YES NO If yes, explain:

g. Has the nonprofit conducted any meetings with neighborhood, civic, or community groups and/or tenant associations to discuss the proposed development and solicit input? YES NO

If yes, describe the meeting dates, meeting locations, number of attendees and general discussion points:

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

(i) Low-income residents of the community? YES NO

(ii) Elected representatives of low-income neighborhood organizations? YES NO

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

YES NO

j. Does the board of directors hold regular meetings which are well attended and accessible to the target community? YES NO If yes, explain the meeting schedule:

k. Has the nonprofit received a Community Housing Development Organization (CHDO) designation, as defined by the U.S. Department of Housing and Urban Development's HOME regulations, from the state or a local participating jurisdiction? YES NO

l. Has the nonprofit been awarded state or local funds for the purpose of supporting overhead and operating expenses? YES NO If yes, explain in detail:

m. Has the nonprofit been formally designated by the local government as the principal community-based nonprofit housing development organization for the selected target area?

YES NO If yes, explain:

n. Has the nonprofit ever applied for Low Income Housing Tax Credits for a development in which it acted as a joint venture partner with a for-profit entity? YES NO

If yes, note each such application including: the development name and location, the date of application, the nonprofit's role and ownership status in the development, the name and principals of the joint venture partners, the name and principals of the general contractor, the name and principals of the management entity, the result of the application, and the current status of the development(s).

o. Has the nonprofit ever applied for Low Income Housing Tax Credits for a development in which it acted as the sole general partner/managing member? YES NO

If yes, note each such development including the name and location, the date of the application, the result of the application, and the current status of the development(s).

p. To the best of your knowledge, has this development, or a similar development on the same site, ever received tax credits before? YES NO If yes, explain:

q. Has the nonprofit been an owner or applicant for a development that has received a reservation in a previous application round from the Virginia Housing Partnership or the Virginia Housing Funds?

YES NO If yes, explain:

r. Has the nonprofit completed a community needs assessment that is no more than three years old and that, at a minimum identifies all of the defined target area's housing needs and resources?

YES NO If yes, explain the need identified:

s. Has the nonprofit completed a community plan that (1) outlines a comprehensive strategy for addressing identified community housing needs, (2) offers a detailed work plan and timeline for implementing the strategy, and (3) documents that the needs assessment and comprehensive strategy were developed with the maximum possible input from the target community?

YES NO If yes, explain the plan:

5. Attachments

Documentation of any of the above need not be submitted unless requested by Virginia Housing.

The undersigned Owner and nonprofit hereby each certify that, to the best of its knowledge, all of the foregoing information is complete and accurate. Furthermore, each certifies that no attempt has been or will be made to circumvent the requirements for nonprofit participation contained in the Plan or Section 42 of the Internal Revenue Code.

Date 3/2/2026

Owner/Applicant Seniors Unlimited Lifestyles, Inc.

By Angela Whitehead

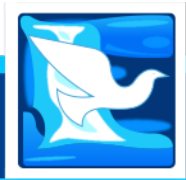
Executive Director
Title

Date 3/2/2026

Seniors Unlimited Lifestyles, Inc.
Nonprofit

By 
Board Chairman

By 
Executive Director



Seniors Unlimited Lifestyles, Inc.

SULI STAFF POSITIONS

Danielle Whitehead – Residential Services Coordinator

Raymond Whitehead – Transportation/ Food Program Coordinator

Arin Shatto – Community Engagement Assistant

Essie Bennett - Community Room Assistant

Gail Darby – Activity/Event Planner Assistant

SULI OFFICERS/BOARD MEMBERS

Chief Executive Officer -22

Angela Whitehead
453 Longdale Crescent
Chesapeake, VA 23325
Tel: 757-737-3713

President: - 14

Kedron Springer, Esq. Atty. At Law
2408 Amie Drive
Chesapeake, VA 23322
Tel: 757-297-6311

Vice President: - 8

Monique Hitchcock – Director of Growth and Business Development
3129 Bloomfield Court
Virginia Beach, VA 23453
Tel: 757-288-0702

Treasurer: -19

Gerald Porter – Insurance Agent
1815 Cullen Ave.
Chesapeake, VA 23324
Tel: 757-395-9829

Board Member: -19

Evelyn Cooper – Ret. Clerk Transcriber/Social Services
1001 Rosemead Court
Virginia Beach, VA 23464
Tel: 757-375-5559

ARTICLES OF INCORPORATION
OF
SENIORS UNLIMITED LIFESTYLES, INC.

The undersigned, desiring to form a non-stock corporation, under the provisions of Chapter 10 of Title 13.1 of the Code of Virginia, 1950, hereby certify as follows:

ARTICLE I

The name of the Corporation is **SENIORS UNLIMITED LIFESTYLES, INC.**

ARTICLE II

SENIORS UNLIMITED LIFESTYLES, INC. shall be an organization exempt from taxation under Internal Revenue Code Section 501(c)(3), 1986, as amended. The organization is organized exclusively for charitable, religious, educational, and/or scientific purposes under section 501(c)(3) of the Internal Revenue Code, including the following:

1. To provide housing for low income elderly members of the community and to facilitate a dignified and healthy lifestyle for seniors, sixty-two (62) years of age and older;
2. To perform such activities as are consistent with and necessary for the Corporation to carry out the purpose specified above, including fund-raising, public education and awareness activities, encouraging and reinforcing the establishment and exchange of Biblical business principles, administering programs to support the

Corporation's focus on glorifying God in business, and coordination with other non-profit organizations;

3. To perform all other non-profit activities permitted by law which do not jeopardize the Corporation's tax exempt status under Section 501(c)(3) of the Internal Revenue Code.

ARTICLE III

The Corporation shall be an organization exempt from taxation under Internal Revenue Code Section 501(c)(3), 1986, as amended. The Corporation shall have any power to finance its operations, to carry on activities, or take any action of any character whatsoever, that is not prohibited by law or required to be stated in these articles, provided, however, that no part of the net income of the Corporation shall inure to the benefit of, or be distributed to its directors, officers or other private shareholders or individuals, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services actually rendered and to make payments and distributions in furtherance of its corporate purposes. Notwithstanding any other provision of these articles, no substantial part of the activities of the Corporation shall consist of carrying on propaganda or otherwise attempting to influence legislation (except as otherwise provided in Internal Revenue Code Section 501(h)); nor shall the Corporation in any manner or to any extent participate in or intervene in (including the publishing or distributing of statements) any political campaign on behalf of (or in opposition to) any candidate for public office and the Corporation shall not carry on any other activities not permitted to be carried on by a corporation exempt from federal income tax under Internal Revenue Code Section 501(c)(3), 1986, as now in force or afterwards amended. In

addition, the Corporation shall possess all of the powers specifically granted to it by the Commonwealth of Virginia under the provisions of Virginia Code Section 13.1-826 and 13.1-827. Any reference herein to specific provisions of the laws of the Commonwealth of Virginia or to specific provisions of the Internal Revenue Code shall be construed to include subsequent amendments to such specific provisions and to include corresponding provisions of subsequent legislation which may restate, supersede, or otherwise alter such specific provisions.

ARTICLE IV

The period of duration of the Corporation is perpetual.

ARTICLE V

In the event of the dissolution of the Corporation, all of the assets remaining after the full discharge of any indebtedness shall be distributed, at the discretion of the directors, to such charitable, educational, or other organizations as would then qualify under the provisions of Internal Revenue Code Section 501(c)(3), as amended. Any assets not so disposed of shall be disposed of by the Circuit Court of the City or County in which the principal office of the Corporation is then located, exclusively for such purposes or to such organizations, as the court shall determine, which are organized and operated exclusively for such purposes.

ARTICLE VI

The Corporation shall have no voting members.

ARTICLE VII

The business and affairs of the Corporation shall be conducted by a Board of Directors. The entire voting power shall be vested in the Board of Directors, which shall act for the Corporation according to a simple majority vote of the directors present at a meeting of the Board of Directors where a quorum is present, except these Articles of Incorporation may be amended only by a two-thirds majority vote of the Board of Directors. A quorum shall be as set forth in the Bylaws.

The directors shall have the power to adopt bylaws for the Corporation and to alter and amend those bylaws.

The initial number of directors shall be five (5). The directors may increase or decrease their number as provided in the Bylaws, except in no event shall the Board of Directors be fewer than three (3), nor greater than fifteen (15) in number.

The initial directors shall be appointed by the incorporator as provided in the Virginia Code Section 13.1-822(A)(2), as amended and they shall serve until their successors are elected in accordance with the bylaws. Vacancies, including a vacancy resulting from an increase in the number of directors in accordance with the above provision, shall be filled by the affirmative vote of a majority of the directors remaining in office as provided in the Virginia Code Section 13.1-862(A).

Directors may be removed from office by a two-thirds vote of the Board of Directors, with or without cause.

The private property of the incorporators, directors and officers shall not be subject to the payment of corporate debts to any extent whatsoever.

ARTICLE VIII

The officers of the Corporation shall consist of a President and a Secretary and such other officers as described in the Bylaws or appointed by the Board of Directors in accordance with the Bylaws. Each officer shall be elected by the Board of Directors at such times and in such manner and for such term not exceeding three (3) years as may be prescribed in the Corporation's Bylaws. In the absence of such provisions, all officers shall be elected annually. Any two (2) or more offices may be held by the same person, except that the offices of President and Secretary shall not be held by the same person.

ARTICLE IX

The Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he or she is or was a director or officer of the Corporation, against expenses (including attorney's fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding if the officer or director did not engage in willful misconduct or a knowing violation of the criminal law in the performance of his or her duty to the Corporation.

In accordance with the provisions of Section 13.1-870.1 of the Code of Virginia, in any proceeding brought by or on behalf of the Corporation, the damages assessed against an officer or director shall not exceed One Dollar (\$1.00), if the officer or director did not engage in willful misconduct or a knowing violation of the criminal law in the performance of his duty to the Corporation.

ARTICLE X

The post office address of the initial registered office of the Corporation is 308 Cedar Lakes Drive, Second Floor, Chesapeake, Virginia 23322-8343, located in the City of Chesapeake, Commonwealth of Virginia, and the name of the registered agent of the Corporation is Basnight, Kinser, Telfeyan, Leftwich & Nuckolls, P.C., a domestic stock corporation authorized to transact business in the Commonwealth of Virginia, whose business address is the same as that of the registered office.

Dated this 8th day of October, 2004.

SENIORS UNLIMITED LIFESTYLES, INC.

A VIRGINIA Non-profit Corporation

BYLAWS

ARTICLE I NAME

1.01 Name

The name of this corporation shall be SENIORS UNLIMITED LIFESTYLES, INC. The business of the corporation may be conducted as SENIORS UNLIMITED LIFESTYLES, INC. or SULI.

ARTICLE II PURPOSES AND POWERS

2.01 Purpose

SENIORS UNLIMITED LIFESTYLES, INC. is a non-profit corporation and shall be operated exclusively for educational and charitable purposes within the meaning of Section 501 (c)(3) of the Internal Revenue Code of 1986, or the corresponding section of any future Federal tax code.

To provide decent housing for low income elderly 62 years of age and/or disable 55 years of age.

2.02 Powers

The corporation shall have the power, directly or indirectly, alone or in conjunction or cooperation with others, to do any and all lawful acts which may be necessary or convenient to affect the charitable purposes, for which the corporation is organized, and to aid or assist other organizations or persons whose activities further accomplish, foster, or attain such purposes. The powers of the corporation may include, but not be limited to, the acceptance of contributions from the public and private sectors, whether financial or in-kind contributions.

2.03 Nonprofit Status and Exempt Activities Limitation.

(a) Nonprofit Legal Status. SENIORS UNLIMITED LIFESTYLES, INC. is a VIRGINIA non-profit public benefit corporation, recognized as tax exempt under Section 501(c)(3) of the United States Internal Revenue Code.

(b) Exempt Activities Limitation. Notwithstanding any other provision of these Bylaws, no director, officer, employee, member, or representative of this corporation shall take any action or carry on any activity by or on behalf of the corporation not permitted to be taken or carried on by an organization exempt under Section 501(c)(3) of the Internal Revenue Code as it now exists or

may be amended, or by any organization contributions to which are deductible under Section 170(c)(2) of such Code and Regulations as it now exists or may be amended. No part of the net earnings of the corporation shall inure to the benefit or be distributable to any director, officer, member, or other private person, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in the Articles of Incorporation and these Bylaws.

(c) Distribution Upon Dissolution. Upon termination or dissolution of the SENIORS UNLIMITED LIFESTYLES, INC, any assets lawfully available for distribution shall be distributed to one (1) or more qualifying organizations described in Section 501(c)(3) of the 1986 Internal Revenue Code (or described in any corresponding provision of any successor statute) which organization or organizations have a charitable purpose which, at least generally, includes a purpose similar to the terminating or dissolving corporation.

The organization to receive the assets of the SENIORS UNLIMITED LIFESTYLES, INC hereunder shall be selected in the discretion of a majority of the managing body of the corporation, and if its members cannot so agree, then the recipient organization shall be selected pursuant to a verified petition in equity filed in a court of proper jurisdiction against the SENIORS UNLIMITED LIFESTYLES, INC, by one (1) or more of its managing body which verified petition shall contain such statements as reasonably indicate the applicability of this section. The court upon a finding that this section is applicable shall select the qualifying organization or organizations to receive the assets to be distributed, giving preference if practicable to organizations located within the State of VIRGINIA.

In the event that the court shall find that this section is applicable but that there is no qualifying organization known to it which has a charitable purpose, which, at least generally, includes a purpose similar to the SENIORS UNLIMITED LIFESTYLES, INC, then the court shall direct the distribution of its assets lawfully available for distribution to the Treasurer of the State of VIRGINIA to be added to the general fund.

ARTICLE III **MEMBERSHIP**

3.01 No Membership Classes

The member's corporation shall have a right to vote or title or interest in or to the corporation, its properties and franchises.

3.02 Non-Voting Affiliates

The board of directors may approve classes of non-voting affiliates with rights, privileges, and obligations established by the board. Affiliates may be individuals, businesses, and other organizations that seek to support the mission of the corporation. The board, a designated committee of the board, or any duly elected officer in accordance with board policy, shall have authority to admit any individual or organization as an affiliate, to recognize representatives of affiliates, and to make determinations as to affiliates' rights, privileges, and obligations. At no

time shall affiliate information be shared with or sold to other organizations or groups without the affiliate's consent. At the discretion of the board of directors, affiliates may be given endorsement, recognition and media coverage at fundraising activities, clinics, other events or at the corporation website. Affiliates have no voting rights, and are not members of the corporation.

3.03 Dues

Any dues for affiliates shall be determined by the board of directors.

ARTICLE IV BOARD OF DIRECTORS

4.01 Number of Directors

SENIORS UNLIMITED LIFESTYLES, INC shall have a board of directors consisting of at least 4 and no more than 15 directors. Within these limits, the board may increase or decrease the number of directors serving on the board, including for the purpose of staggering the terms of directors.

4.02 Powers

All corporate powers shall be exercised by or under the authority of the board and the affairs of the SENIORS UNLIMITED LIFESTYLES, INC. Shall be managed under the direction of the board, except as otherwise provided by law.

4.03 Terms

- (a) All directors shall be elected to serve a one-year term, however the term may be extended until a successor has been elected.
- (b) Director terms shall be staggered so that approximately half the number of directors will end their terms in any given year.
- (c) Directors may serve terms in succession.
- (d) The term of office shall be considered to begin January 1 and end December 31 of the second year in office, unless the term is extended until such time as a successor has been elected.

4.04 Qualifications and Election of Directors

In order to be eligible to serve as a director on the board of directors, the individual must be 18 years of age and an affiliate within affiliate classifications created by the board of directors. Directors may be elected at any board meeting by the majority vote of the existing board of directors. The election of directors to replace those who have fulfilled their term of office shall take place in January of each year.

4.05 Vacancies

The board of directors may fill vacancies due to the expiration of a director's term of office, resignation, death, or removal of a director or may appoint new directors to fill a previously unfilled board position, subject to the maximum number of directors under these Bylaws.

(a) Unexpected Vacancies. Vacancies in the board of directors due to resignation, death, or removal shall be filled by the board for the balance of the term of the director being replaced.

4.06 Removal of Directors

A director may be removed by two-thirds ($\frac{2}{3}$) vote of the board of directors then in office, if:

(a) the director is absent and unexcused from two or more meetings of the board of directors in a twelve month period. The board president is empowered to excuse directors from attendance for a reason deemed adequate by the board president. The president shall not have the power to excuse him/herself from the board meeting attendance and in that case, the board vice president shall excuse the president. Or:

(b) for cause or no cause, if before any meeting of the board at which a vote on removal will be made the director in question is given electronic or written notification of the board's intention to discuss her/his case and is given the opportunity to be heard at a meeting of the board.

4.07 Board of Directors Meetings.

(a) Regular Meetings. The board of directors shall have a minimum of four (4) regular meetings each calendar year at times and places fixed by the board. Board meetings shall be held upon four (4) days notice by first-class mail, electronic mail, or facsimile transmission or forty-eight (48) hours notice delivered personally or by telephone. If sent by mail, facsimile transmission, or electronic mail, the notice shall be deemed to be delivered upon its deposit in the mail or transmission system. Notice of meetings shall specify the place, day, and hour of meeting. The purpose of the meeting need not be specified.

(b) Special Meetings. Special meetings of the board may be called by the president, vice president, secretary, treasurer, or any two (2) other directors of the board of directors. A special meeting must be preceded by at least 2 days notice to each director of the date, time, and place, but not the purpose, of the meeting.

(c) Waiver of Notice. Any director may waive notice of any meeting, in accordance with [YOUR STATE] law.

4.08 Manner of Acting.

(a) **Quorum.** A majority of the directors in office immediately before a meeting shall constitute a quorum for the transaction of business at that meeting of the board. No business shall be considered by the board at any meeting at which a quorum is not present.

(b) **Majority Vote.** Except as otherwise required by law or by the articles of incorporation, the act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the board.

(c) **Hung Board Decisions.** On the occasion that directors of the board are unable to make a decision based on a tied number of votes, the president or treasurer in the order of presence shall have the power to swing the vote based on his/her discretion.

(d) **Participation.** Except as required otherwise by law, the Articles of Incorporation, or these Bylaws, directors may participate in a regular or special meeting through the use of any means of communication by which all directors participating may simultaneously hear each other during the meeting, including in person, internet video meeting or by telephonic conference call.

4.09 Compensation for Board Service

Directors shall receive no compensation for carrying out their duties as directors. The board may adopt policies providing for reasonable reimbursement of directors for expenses incurred in conjunction with carrying out board responsibilities, such as travel expenses to attend board meetings.

4.10 Compensation for Professional Services by Directors

Directors are not restricted from being remunerated for professional services provided to the corporation. Such remuneration shall be reasonable and fair to the corporation and must be reviewed and approved in accordance with the board Conflict of Interest policy and state law.

ARTICLE V **COMMITTEES**

5.01 Committees

The board of directors may, by the resolution adopted by a majority of the directors then in office, designate one or more committees, each consisting of two or more directors, to serve at the pleasure of the board. Any committee, to the extent provided in the resolution of the board, shall have all the authority of the board, except that no committee, regardless of board resolution, may:

- (a) take any final action on matters which also requires board members' approval or approval of a majority of all members;
- (b) fill vacancies on the board of directors of in any committee which has the authority of the board;

- (c) amend or repeal Bylaws or adopt new Bylaws;
- (d) amend or repeal any resolution of the board of directors which by its express terms is not so amendable or repealable;
- (e) appoint any other committees of the board of directors or the members of these committees;
- (f) expend corporate funds to support a nominee for director; or
- (g) approve any transaction;
- (i) to which the corporation is a party and one or more directors have a material financial interest; or
- (ii) between the corporation and one or more of its directors or between the corporation or any person in which one or more of its directors have a material financial interest.

5.2 Meetings and Action of Committees

Meetings and action of the committees shall be governed by and held and taken in accordance with, the provisions of Article IV of these Bylaws concerning meetings of the directors, with such changes in the context of those Bylaws as are necessary to substitute the committee and its members for the board of directors and its members, except that the time for regular meetings of committees may be determined either by resolution of the board of directors or by resolution of the committee. Special meetings of the committee may also be called by resolution of the board of directors. Notice of special meetings of committees shall also be given to any and all alternate members, who shall have the right to attend all meetings of the committee. Minutes shall be kept of each meeting of any committee and shall be filed with the corporate records. The board of directors may adopt rules for the governing of the committee not inconsistent with the provision of these Bylaws.

5.3 Informal Action By The Board of Directors

Any action required or permitted to be taken by the board of directors at a meeting may be taken without a meeting if consent in writing, setting forth the action so taken, shall be agreed by the consensus of a quorum. For purposes of this section an e-mail transmission from an e-mail address on record constitutes a valid writing. The intent of this provision is to allow the board of directors to use email to approve actions, as long as a quorum of board members gives consent.

normally accede to the office of board president upon the completion of the board president's term of office.

6.06 Secretary

The secretary shall keep or cause to be kept a book of minutes of all meetings and actions of directors and committees of directors. The minutes of each meeting shall state the time and place that it was held and such other information as shall be necessary to determine the actions taken and whether the meeting was held in accordance with the law and these Bylaws. The secretary shall cause notice to be given of all meetings of directors and committees as required by the Bylaws. The secretary shall have such other powers and perform such other duties as may be prescribed by the board of directors or the board president. The secretary may appoint, with approval of the board, a director to assist in performance of all or part of the duties of the secretary.

6.07 Treasurer

The treasurer shall be the lead director for oversight of the financial condition and affairs of the corporation. The treasurer shall oversee and keep the board informed of the financial condition of the corporation and of audit or financial review results. In conjunction with other directors or officers, the treasurer shall oversee budget preparation and shall ensure that appropriate financial reports, including an account of major transactions and the financial condition of the corporation, are made available to the board of directors on a timely basis or as may be required by the board of directors. The treasurer shall perform all duties properly required by the board of directors or the board president. The treasurer may appoint, with approval of the board a qualified fiscal agent or member of the staff to assist in performance of all or part of the duties of the treasurer.

6.08 Non-Director Officers

The board of directors may designate additional officer positions of the corporation and may appoint and assign duties to other non-director officers of the corporation.

ARTICLE VII **CONTRACTS, CHECKS, LOANS,** **INDEMNIFICATION AND RELATED MATTERS**

7.01 Contracts and other Writings

Except as otherwise provided by resolution of the board or board policy, all contracts, deeds, leases, mortgages, grants, and other agreements of the corporation shall be executed on its behalf by the persons to whom the corporation has delegated authority to execute such documents in accordance with policies approved by the board. Members shall vote on contracts appoint two people to carry it out, two signatures be required the board will vote on matters

7.02 Checks, Drafts

All checks, drafts, or other orders for payment of money, notes, or other evidence of indebtedness issued in the name of the corporation, shall be signed by such officer or officers, agent or agents, of the corporation and in such manner as shall from time to time be determined by resolution of the board. Two signatures required (all checks)

7.03 Deposits

All funds of the corporation not otherwise employed shall be deposited from time to time to the credit of the corporation in such banks, trust companies, or other depository as the board or a designated committee of the board may select.

7.04 Loans

No loans shall be contracted on behalf of the corporation and no evidence of indebtedness shall be issued in its name unless authorized by resolution of the board. Such authority may be general or confined to specific instances.

7.05 Indemnification

(a) Mandatory Indemnification. The corporation shall indemnify a director or former director, who was wholly successful, on the merits or otherwise, in the defense of any proceeding to which he or she was a party solely because he or she is or was a director of the corporation, and was acting in the capacity of a director and under the authority given by the corporation, against reasonable expenses incurred by him or her in connection with the proceedings.

(b) Permissible Indemnification. The corporation shall indemnify a director or former director made a party to a proceeding because he or she is or was a director of the corporation, against liability incurred in the proceeding, if the determination to indemnify him or her has been made in the manner prescribed by the law and payment has been authorized in the manner prescribed by law.

(c) Advance for Expenses. Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the corporation in advance of the final disposition of such action, suit or proceeding, as authorized by the board of directors in the specific case, upon receipt of (I) a written affirmation from the director, officer, employee or agent of his or her good faith belief that he or she is entitled to indemnification as authorized in this article, and (II) an undertaking by or on behalf of the director, officer, employee or agent to repay such amount, unless it shall ultimately be determined that he or she is entitled to be indemnified by the corporation in these Bylaws.

(d) Indemnification of Officers, Agents and Employees. An officer of the corporation who is not a director is entitled to mandatory indemnification under this article to the same extent as a director. The corporation may also indemnify and advance expenses to an employee or agent of the corporation who is not a director, consistent with Virginia Law and public policy, provided that such indemnification, and the scope of such indemnification, is set forth by the general or specific,

action of the board or by contract acting solely in that capacity and was acting in the capacity of a director and under the authority given by the corporation,

E. The corporation is required to carry indemnification insurance the amount of coverage to be determined by the board of directors

ARTICLE VIII **MISCELLANEOUS**

8.01 Books and Records

The corporation shall keep correct and complete books and records of account and shall keep minutes of the proceedings of all meetings of its board of directors, a record of all actions taken by board of directors without a meeting, and a record of all actions taken by committees of the board. In addition, the corporation shall keep a copy of the corporation's Articles of Incorporation and Bylaws as amended to date.

8.02 Fiscal Year

The fiscal year of the corporation shall be from January 1 to December 31 of each year.

8.03 Conflict of Interest

The board shall adopt and periodically review a conflict of interest policy to protect the corporation's interest when it is contemplating any transaction or arrangement which may benefit any director, officer, employee, affiliate, or member of a committee with board-delegated powers.

8.04 Nondiscrimination Policy

The officers, directors, committee members, employees, and persons served by this corporation shall be selected entirely on a nondiscriminatory basis with respect to age, sex, race, religion, national origin, and sexual orientation. It is the policy of SENIORS UNLIMITED LIFESTYLES, INC. not to discriminate on the basis of race, creed, ancestry, marital status, gender, sexual orientation, age, physical disability, veteran's status, political service or affiliation, color, religion, or national origin.

8.05 Bylaw Amendment

These Bylaws may be amended, altered, repealed, or restated by a vote of the majority of the board of directors then in office at a meeting of the Board, provided, however,

(a) that no amendment shall be made to these Bylaws which would cause the corporation to cease to qualify as an exempt corporation under Section 501 (c)(3) of the Internal Revenue Code of 1986, or the corresponding section of any future Federal tax code; and,

(b) that an amendment does not affect the voting rights of directors. An amendment that does

affect the voting rights of directors further requires ratification by a two-thirds (2/3) vote of a quorum of directors at a Board meeting.

(c) that all amendments be consistent with the Articles of Incorporation.

ARTICLE IX COUNTERTERRORISM AND DUE DILIGENCE POLICY

In furtherance of its exemption by contributions to other organizations, domestic or foreign, SENIORS UNLIMITED LIFESTYLES, INC. shall stipulate how the funds will be used and shall require the recipient to provide the corporation with detailed records and financial proof of how the funds were utilized.

Although adherence and compliance with the US Department of the Treasury's publication the "Voluntary Best Practice for US. Based Charities" is not mandatory, SENIORS UNLIMITED LIFESTYLES, INC. willfully and voluntarily recognizes and puts to practice these guidelines and suggestions to reduce, develop, re-evaluate and strengthen a risk-based approach to guard against the threat of diversion of charitable funds or exploitation of charitable activity by terrorist organizations and their support networks.

SENIORS UNLIMITED LIFESTYLES, INC. shall also comply and put into practice the federal guidelines, suggestion, laws and limitation set forth by pre-existing U.S. legal requirements related to combating terrorist financing, which include, but are not limited to, various sanctions programs administered by the Office of Foreign Assets Control (OFAC) in regard to its foreign activities.

ARTICLE X DOCUMENT RETENTION POLICY

10.01 Purpose

The purpose of this document retention policy is establishing standards for document integrity, retention, and destruction and to promote the proper treatment of SENIORS UNLIMITED LIFESTYLES, INC. records.

10.02 Policy

Section 1. General Guidelines. Records should not be kept if they are no longer needed for the operation of the business or required by law. Unnecessary records should be eliminated from the files. The cost of maintaining records is an expense which can grow unreasonably if good housekeeping is not performed. A mass of records also makes it more difficult to find pertinent records.

From time to time, SENIORS UNLIMITED LIFESTYLES, INC. may establish retention or destruction policies or schedules for specific categories of records in order to ensure legal compliance, and also to accomplish other objectives, such as preserving intellectual property and cost management. Several categories of documents that warrant special consideration are identified below. While minimum retention periods are established, the retention of the documents identified below and of documents not included in the identified categories should be determined primarily by the application of the general guidelines affecting document retention, as well as the exception for litigation relevant documents and any other pertinent factors.

Section 2. Exception for Litigation Relevant Documents. SENIORS UNLIMITED LIFESTYLES, INC. expects all officers, directors, and employees to comply fully with any published records retention or destruction policies and schedules, provided that all officers, directors, and employees should note the following general exception to any stated destruction schedule: If you believe, or the informs you, that corporate records are relevant to litigation, or potential litigation (i.e. a dispute that could result in litigation), then you must preserve those records until it is determined that the records are no longer needed. That exception supersedes any previously or subsequently established destruction schedule for those records.

Section 3. Minimum Retention Periods for Specific Categories

(a) **Corporate Documents.** Corporate records include the corporation's Articles of Incorporation, By-Laws and IRS Form 1023 and Application for Exemption. Corporate records should be retained permanently. IRS regulations require that the Form 1023 be available for public inspection upon request.

(b) **Tax Records.** Tax records include, but may not be limited to, documents concerning payroll, expenses, proof of contributions made by donors, accounting procedures, and other documents concerning the corporation's revenues. Tax records should be retained for at least seven years from the date of filing the applicable return.

(c) **Employment Records/Personnel Records.** State and federal statutes require the corporation to keep certain recruitment, employment and personnel information. The corporation should also keep personnel files that reflect performance reviews and any complaints brought against the corporation or individual employees under applicable state and federal statutes. The corporation should also keep in the employee's personnel file all final memoranda and correspondence reflecting performance reviews and actions taken by or against personnel. Employment applications should be retained for three years. Retirement and pension records should be kept permanently. Other employment and personnel records should be retained for seven years.

(d) **Board and Board Committee Materials.** Meeting minutes should be retained in perpetuity in the corporation's minute book. A clean copy of all other Board and Board Committee materials should be kept for no less than three years by the corporation.

(e) **Press Releases/Public Filings.** The corporation should retain permanent copies of all press releases and publicly filed documents under the theory that the corporation should have its own copy to test the accuracy of any document a member of the public can theoretically produce against the corporation.

(f) Legal Files. Legal counsel should be consulted to determine the retention period of particular documents, but legal documents should generally be maintained for a period of ten years.

(g) Marketing and Sales Documents. The corporation should keep final copies of marketing and sales documents for the same period of time it keeps other corporate files, generally three years. An exception to the three-year policy may be sales invoices, contracts, leases, licenses, and other legal documentation. These documents should be kept for at least three years beyond the life of the agreement.

(h) Development/Intellectual Property and Trade Secrets. Development documents are often subject to intellectual property protection in their final form (e.g., patents and copyrights). The documents detailing the development process are often also of value to the corporation and are protected as a trade secret where the corporation:

(i) derives independent economic value from the secrecy of the information; and

(ii) has taken affirmative steps to keep the information confidential.

The corporation should keep all documents designated as containing trade secret information for at least the life of the trade secret.

(i) Contracts. Final, execution copies of all contracts entered into by the corporation should be retained. The corporation should retain copies of the final contracts for at least three years beyond the life of the agreement, and longer in the case of publicly filed contracts.

(j) Correspondence. Unless correspondence falls under another category listed elsewhere in this policy, correspondence should generally be saved for two years.

(k) Banking and Accounting. Accounts payable ledgers and schedules should be kept for seven years. Bank reconciliations, bank statements, deposit slips and checks (unless for important payments and purchases) should be kept for three years. Any inventories of products, materials, and supplies and any invoices should be kept for seven years.

(l) Insurance. Expired insurance policies, insurance records, accident reports, claims, etc. Should be kept at the determination of the board of directors

(m) Audit Records. External audit reports should be kept permanently. Internal audit reports should be kept for three years.

Section 4. Electronic Mail. E-mail that needs to be saved should be either:

(i) printed in hard copy and kept in the appropriate file; or

(ii) downloaded to a computer file and kept electronically or on disk as a separate file. The retention period depends upon the subject matter of the e-mail, as covered elsewhere in this policy.

ARTICLE XI

Transparency and Accountability
Disclosure of Financial Information With The General Public

11.01 Purpose

By making full and accurate information about its mission, activities, finances, and governance publicly available, SENIORS UNLIMITED LIFESTYLES, INC. practices and encourages transparency and accountability to the general public. This policy will:

- (a) indicate which documents and materials produced by the corporation are presumptively open to staff and/or the public
- (b) indicate which documents and materials produced by the corporation are presumptively closed to staff and/or the public
- (c) specify the procedures whereby the open/closed status of documents and materials can be altered.

The details of this policy are as follow:

11.02 Financial and IRS documents (The form 1023 and the form 990)

SENIORS UNLIMITED LIFESTYLES, INC. shall provide its Internal Revenue forms 990, 990-T, 1023 and 5227, bylaws, conflict of interest policy, and financial statements to the general public for inspection free of charge.

11.03 Means and Conditions of Disclosure

SENIORS UNLIMITED LIFESTYLES, INC. shall make "Widely Available" the aforementioned documents on its internet website: SENIORS UNLIMITED LIFESTYLES, INC. to be viewed and inspected by the general public.

- (a) The documents shall be posted in a format that allows an individual using the Internet to access, download, view and print them in a manner that exactly reproduces the image of the original document filed with the IRS (except information exempt from public disclosure requirements, such as contributor lists).
- (b) The website shall clearly inform readers that the document is available and provide instructions for downloading it.
- (c) SENIORS UNLIMITED LIFESTYLES, INC. shall not charge a fee for downloading the information. Documents shall not be posted in a format that would require special computer hardware or software (other than software readily available to the public free of charge).
- (d) SENIORS UNLIMITED LIFESTYLES, INC. shall inform anyone requesting the information where this information can be found, including the web address. This

information must be provided immediately for in-person requests and within 7 days for mailed requests.

11.04 IRS Annual Information Returns (Form 990)

SENIORS UNLIMITED LIFESTYLES, INC. shall submit the Form 990 to its board of directors prior to the filing of the Form 990. While neither the approval of the Form 990 or a review of the 990 is required under Federal law, the corporation's Form 990 shall be submitted to each member of the board of director's via (hard copy or email) at least 10 days before the Form 990 is filed with the IRS.

11.05 Board

- (a) All board deliberations shall be open to the public except where the board passes a motion to make any specific portion confidential.
- (b) All board minutes shall be open to the public once accepted by the board, except where the board passes a motion to make any specific portion confidential.
- (c) All papers and materials considered by the board shall be open to the public following the meeting at which they are considered, except where the board passes a motion to make any specific paper or material confidential.

11.06 Staff Records

- (a) All staff records shall be available for consultation by the staff member concerned or by their legal representatives.
- (b) No staff records shall be made available to any person outside the corporation except the authorized governmental agencies.
- (c) Within the corporation, staff records shall be made available only to those persons with managerial or personnel responsibilities for that staff member, except that
- (d) Staff records shall be made available to the board when requested.

11.07 Donor Records

- (a) All donor records shall be available for consultation by the members and donors concerned or by their legal representatives.
- (b) No donor records shall be made available to any other person outside the corporation except the authorized governmental agencies.
- (c) Within the corporation, donor records shall be made available only to those persons with managerial or personnel responsibilities for dealing with those donors, except that ;
- (d) donor records shall be made available to the board when requested.

ARTICLE XII
CODES OF ETHICS AND WHISTLEBLOWER POLICY

12.01 Purpose

SENIORS UNLIMITED LIFESTYLES, INC. requires and encourages directors, officers and employees to observe and practice high standards of business and personal ethics in the conduct of their duties and responsibilities. The employees and representatives of the corporation must practice honesty and integrity in fulfilling their responsibilities and comply with all applicable laws and regulations. It is the intent of SENIORS UNLIMITED LIFESTYLES, INC. to adhere to all laws and regulations that apply to the corporation and the underlying purpose of this policy is to support the corporation's goal of legal compliance. The support of all corporate staff is necessary to achieving compliance with various laws and regulations.

12.02 Reporting Violations

If any director, officer, staff or employee reasonably believes that some policy, practice, or activity of SENIORS UNLIMITED LIFESTYLES, INC. is in violation of law, a written complaint must be filed by that person with the vice president or the board president.

12.03 Acting in Good Faith

Anyone filing a complaint concerning a violation or suspected violation must be acting in good faith and have reasonable grounds for believing the information disclosed indicates a violation. Any allegations that prove not to be substantiated and which prove to have been made maliciously or knowingly to be false shall be subject to civil and criminal review.

12.04 Retaliation

Said person is protected from retaliation only if she/he brings the alleged unlawful activity, policy, or practice to the attention of SENIORS UNLIMITED LIFESTYLES, INC. and provides the SENIORS UNLIMITED LIFESTYLES, INC. with a reasonable opportunity to investigate and correct the alleged unlawful activity. The protection described below is only available to individuals that comply with this requirement.

SENIORS UNLIMITED LIFESTYLES, INC. shall not retaliate against any director, officer, staff or employee who in good faith, has made a protest or raised a complaint against some practice of SENIORS UNLIMITED LIFESTYLES, INC. or of another individual or entity with whom SENIORS UNLIMITED LIFESTYLES, INC. has a business relationship, on the basis of a reasonable belief that the practice is in violation of law, or a clear mandate of public policy.

SENIORS UNLIMITED LIFESTYLES, INC. shall not retaliate against any director, officer, staff or employee who disclose or threaten to disclose to a supervisor or a public body, any activity, policy, or practice of SENIORS UNLIMITED LIFESTYLES, INC. that the individual reasonably believes is in violation of a law, or a rule, or regulation mandated pursuant to law or is in violation of a clear mandate of public policy concerning the health, safety, welfare, or protection of the environment.

12.05 Confidentiality

Violations or suspected violations may be submitted on a confidential basis by the complainant or may be submitted anonymously. Reports of violations or suspected violations shall be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation.

12.06 Handling of Reported Violations

The board president or vice president shall notify the sender and acknowledge receipt of the reported violation or suspected violation within five business days. All reports shall be promptly investigated by the board and its appointed committee and appropriate corrective action shall be taken if warranted by the investigation.

This policy shall be made available to all directors, officers, staffs or employees and they shall have the opportunity to ask questions about the policy.

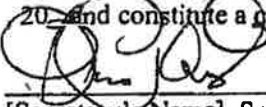
ARTICLE XIII
AMENDMENT OF ARTICLES OF INCORPORATION

13.01 Amendment

Any amendment to the Articles of Incorporation may be adopted by approval of two-thirds (2/3) of the board of directors.

CERTIFICATE OF ADOPTION OF BYLAWS

I do hereby certify that the above stated Bylaws of SENIORS UNLIMITED LIFESTYLES, INC. were approved by the SENIORS UNLIMITED LIFESTYLES, INC. board of directors on July 20, 2017 and constitute a complete copy of the Bylaws of the corporation.



[Secretary's Name], Secretary

Date: 9/9/2017

INTERNAL REVENUE SERVICE

DEPARTMENT OF THE TREASURY

P. O. BOX 2508
CINCINNATI, OH 45201

Date:

JUL 07 2006

SENIORS UNLIMITED LIFESTYLES INC
C/O ANGELA D WHITEHEAD
453 LOWDALE CRESSCENT
CHESAPEAKE, VA 23325-1531

Employer Identification Number:

56-2493920

DGN:

17053256005035

Contact Person:

KAREN T HOOD

ID# 75069

Contact Telephone Number:

(877) 829-5500

Accounting Period Ending:

December 31

Public Charity Status:

170(b)(1)(A)(vi)

Form 990 Required:

Yes

Effective Date of Exemption:

October 14, 2004

Contribution Deductibility:

Yes

Advance Ruling Ending Date:

December 31, 2008

Dear Applicant:

We are pleased to inform you that upon review of your application for tax exempt status we have determined that you are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code. Contributions to you are deductible under section 170 of the Code. You are also qualified to receive tax deductible bequests, devises, transfers or gifts under section 2055, 2106 or 2522 of the Code. Because this letter could help resolve any questions regarding your exempt status, you should keep it in your permanent records.

Organizations exempt under section 501(c)(3) of the Code are further classified as either public charities or private foundations. During your advance ruling period, you will be treated as a public charity. Your advance ruling period begins with the effective date of your exemption and ends with advance ruling ending date shown in the heading of the letter.

Shortly before the end of your advance ruling period, we will send you Form 8734, Support Schedule for Advance Ruling Period. You will have 90 days after the end of your advance ruling period to return the completed form. We will then notify you, in writing, about your public charity status.

Please see enclosed Information for Exempt Organizations Under Section 501(c)(3) for some helpful information about your responsibilities as an exempt organization.

Letter 1045 (DO/CG)

SENIORS UNLIMITED LIFESTYLES INC

Sincerely,

A handwritten signature in cursive script, appearing to read "Lois G. Lerner".

Lois G. Lerner
Director, Exempt Organizations
Rulings and Agreements

Enclosures: Information for Organizations Exempt Under Section 501(c)(3)
Statute Extension

Letter 1045 (DO/CG)

**COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION**

AT RICHMOND, OCTOBER 14, 2004

The State Corporation Commission has found the accompanying articles submitted on behalf of
SENIORS UNLIMITED LIFESTYLES, INC.

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

CERTIFICATE OF INCORPORATION

be issued and admitted to record with the articles of incorporation in the Office of the Clerk of
the Commission, effective October 14, 2004.

The corporation is granted the authority conferred on it by law in accordance with the articles,
subject to the conditions and restrictions imposed by law.

STATE CORPORATION COMMISSION

By *Mark L. Christie*

Commissioner

CORPACPT
CIS0313
04-10-14-0049

TRANQUILITY AT THE LAKES 1 WAITLIST

NAME	DATE	PHONE NUMBER	CALL BACK DATE	NOTES
Patricia Morrow	05/01/19	757-318-8893		1 Bedroom
Marilyn Lloyd	05/16/19	757-632-8983		1 Bedroom
Wilhelmina McPherson	05/21/19			1 Bedroom
Raonda Pearson	05/21/19	757-785-6714		1 Bedroom
Katheryn Georgiades	05/21/19	757-434-6768		1 Bedroom
Donna Pittman	05/28/19	757-419-9537		1 Bedroom
SeneFreeman/Nikita Freeman	06/04/19	757-718-6403		2 Bedroom
Angela Bariner	06/06/19	757-698-8670		1 Bedroom
Cassandra Williams	07/11/19	757-460-3772		1 Bedroom
Lloyd Green	07/16/19	757-578-2545		1 Bedroom
Videe Burfort	07/16/19	757-236-7892		1 Bedroom
Brenda Lambert	07/30/19	757-202-0582		1 Bedroom
Diane Washington	08/08/19	757-285-5045		2 Bedroom
Lolita Kline	08/08/19	757-977-2835		2 Bedroom
Brenda Davis	08/08/19	757-232-9436	757-962-0034 Home	1 Bedroom
Peggy Turner	08/08/19	757-339-3144		1 Bedroom
Gloria Jones	08/22/19	757-264-0045		1 Bedroom
Kenneth Diggs	08/29/19			1 Bedroom
Myrita Copeland	09/03/19	757-805-9491		1 Bedroom
Ms. Grinus	09/03/19	757-853-3606		1 Bedroom

TRANQUILITY AT THE LAKES 1 WAITLIST

NAME	DATE	PHONE NUMBER	CALL BACK DATE	NOTES
Sophia Reid	09/12/19	757-305-2242		1 Bedroom
Catherine Bell	09/12/19	757-532-9603	Moved in 2022	1 Bedroom
Thelma Carr	10/08/19	757-770-4479		2 Bedroom
Donita Daye	01/06/20	757-235-2689		1 Bedroom
JoAnn Shannon	01/09/20	870-421-2533		1 Bedroom
Jacque Jernigan	01/09/20	757-264-0283		1 Bedroom
Helen Barriteau	01/14/20	757-915-3262		1 Bedroom
Martha Forbes	01/14/20	240-506-6698		1 Bedroom
Lawanda Childs	01/17/20	757-620-0937		1 Bedroom
Willis Taylor	01/31/20	757-506-5293		1 Bedroom
Carol Robinson	01/31/20	757-857-0929		1 Bedroom
Ronnie Carmichael	02/12/20	757-412-7551		1 Bedroom
Angie Boswell	02/15/20	757-770-2585	Moved in 2023	1 Bedroom
Ethell Mumford	02/15/20	757-998-3579		1 Bedroom/ Has Voucher from Lynnhaven Landing VB
Sharon Chadwick	03/12/20	757-386-5718		1 Bedroom
Patricia Burton	03/21/20	757-738-6232		1 Bedroom
Linda Semaria	03/21/20	757-334-1632		1 Bedroom
Pete Smith	03/26/20	757-288-0297		1 Bedroom
Camarron Rich/Dorothy Owens	04/02/20	757-330-2020		1 Bedroom
Angela Parker	04/04/20	757-749-5037		1 Bedroom

TRANQUILITY AT THE LAKES 1 WAITLIST

NAME	DATE	PHONE NUMBER	CALL BACK DATE	NOTES
Jennifer McDonna	04/15/20	757-515-9667		1 Bedroom
Carlton Lewis	04/30/20	757-735-4680		1 Bedroom
Pam	06/06/20	757-324-1422		1 Bedroom
Tenusha Sherrod	06/06/20	757-323-8091		1 Bedroom
Patricia Morrow	06/10/20	757-318-8893		1 Bedroom
Sylvia Spearman	06/10/20	757-893-2629		1 Bedroom
Ms. Powell - For Dad	06/18/20	757-708-2020		1 Bedroom
Jeannette Dixon	06/20/20	757-502-3161		1 Bedroom
Regina Fernandes	07/14/20	757-575-3351		1 Bedroom
Sheree Smith	07/28/20	757-963-2877		1 Bedroom
Cheryl Stewart	10/08/20	757-951-8979		1 Bedroom
Phelma Chatmon	10/13/20	757-598-2520		1 Bedroom
Corey Cooley	10/17/20	240-506-6698		1 bedroom/ For Mom
Joe Simonetta Jr.	10/20/20	757-618-1276		1 Bedroom
Wilma McDaniel	10/21/20	757-705-5560		1 Bedroom
Rutnic Hamlin	10/27/20	757-770-1501		1 Bedroom

TRANQUILITY AT THE LAKES 1 WAITLIST

NAME	DATE	PHONE NUMBER	CALL BACK DATE	NOTES
Vivian Ganere -Rented	10/29/20	908-720-5426		1 Bedroom
Lavern Strayhorn	10/29/20	757-434-4035		2 Bedroom
Dorothy Smith	10/29/20	912-318-2882		1 Bedroom
Victor Edwards	10/29/20	757-318-8910		1 Bedroom
Angela Ingram	10/29/20	757-450-2329		1 Bedroom
Jefferson Smith	11/12/20	757-386-1315		1 Bedroom
Vincent Lofton	11/14/20	757-201-2327		1 Bedroom
Colista McCoy	11/19/20	405-493-1958		1 Bedroom
Vella Norman	12/01/20	757-451-9965		1 Bedroom
Iris Diaz	12/02/20	757-748-4216		1 Bedroom
Ronnie Booker	12/04/20	434-760-3489		1 Bedroom
Ervin Carter	12/13/20	757-386-1839		1 Bedroom
Sharon Mayo	01/02/21	757-343-6071		1 Bedroom
Robert Mayo	01/02/21	757-434-6071		1 Bedroom
Sheilia Perez	01/14/21	757-383-5978		1 Bedroom
Barbara McKenzie	01/19/21	757-337-7427		1 Bedroom
Rene McDuffy-Harris	02/01/21	919-785-8518		1 Bedroom
Anna Oliver	02/15/21	646-510-1428		1 Bedroom
Carol English		757-961-7304		1 Bedroom
Jeffrey Joyner		757-447-8739	Moved in 2023	1 Bedroom

TRANQUILITY AT THE LAKES 1 WAITLIST

NAME	DATE	PHONE NUMBER	CALL BACK DATE	NOTES
Blanch Hollman		757-687-6610		1 Bedroom
Evelyn Jordan		757-965-7540		1 Bedroom
Jimmy Freeman	02/15/21	757-805-7438		1 Bedroom
Dorothy Gaines		757-645-1957		1 Bedroom
Doris Harrell		757-671-2318		1 Bedroom
Jacqueline Keaton	02/15/21	757-701-8883		1 Bedroom
Erica Chapman		757-588-7756		1 Bedroom
Golithia Wright		757-918-5909		1 Bedroom
Jeanette Sumner -Rented		252-228-4101		1 Bedroom
Ronnie Smith/Sandra Willie	03/01/21	757-439-8789		1 Bedroom
JoAnn Harris	03/01/21	757-469-2507		1 Bedroom
Sharon Barber	06/07/22	757-727-0072		1 Bedroom
Robert Hodge	08/08/22	757-404-9087		1 Bedroom
Jamel Brown	08/26/22	jamelbrown53@yahoo.com		1 Bedroom
Richard Yates	09/22/22	757-998-1433	Moved in 2023	1 Bedroom
Dennis Whitehurst	09/28/22	757-468-0457		1 Bedroom
Lisa Yvang	09/30/22	757-339-2828		1 Bedroom
Karen May	10/04/22	757-286-8144		1 Bedroom
Pat Williams	10/07/22	757-503-0328		1 Bedroom
Darlene Sweet	10/08/22	757-553-1487		1 Bedroom

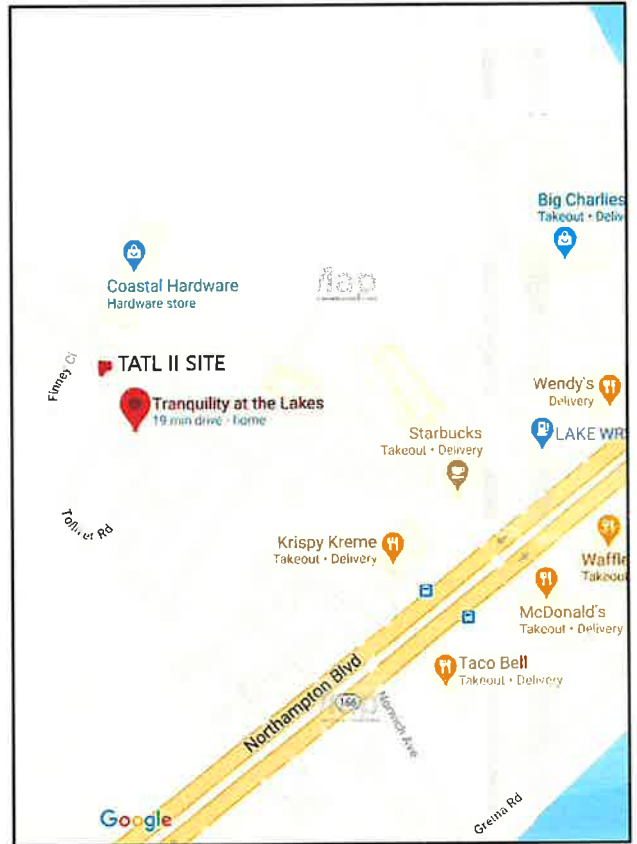
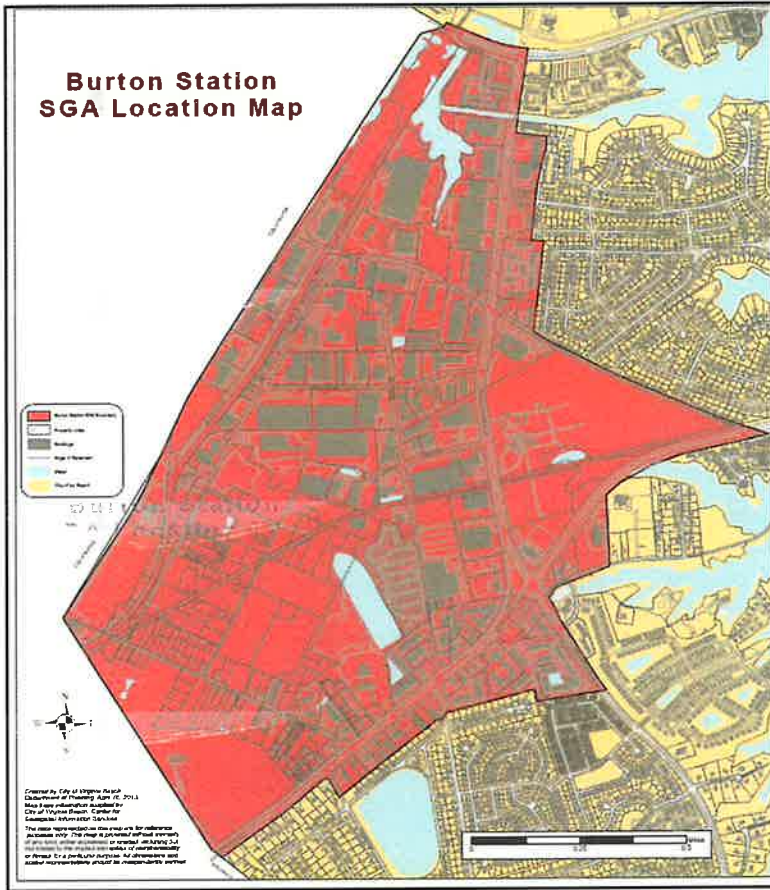
TRANQUILITY AT THE LAKES 1 WAITLIST

NAME	DATE	PHONE NUMBER	CALL BACK DATE	NOTES
Janice Williams	10/12/22	jandwillmd@live.com		1 Bedroom

Tab K:

Documentation of Development Location:

TAB K. 2: Tranquility At The Lakes II Location Map



TAB K.2 : Location Map

Tranquility at the Lakes II

TATL II Location Map



TATL II Site Location



5837 Burton Station Road



5841 Burton Station Road



1012 Finney Circle



1020 Finney Circle



Tab K.1

Revitalization Area Certification

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

DATE: March 6, 2026

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

RE: Community Revitalization Plan Form

Name of Development: Tranquility at the Lakes II

Name of Owner/Applicant: SUL Tranquility Lakes II, LLC

Name of Seller/Current Owner: City of Virginia Beach

DEVELOPMENT DESCRIPTION:

Development Address:

5841 Burton Station Road, Virginia Beach, VA

Proposed Improvements:

New Construction:	# Units	<u>38</u>	# Buildings	<u>1</u>	Total Floor Area	<u>36,216</u>
Adaptive Reuse	# Units	___	# Buildings	___	Total Floor Area	_____
Rehabilitation:	# Units	___	# Buildings	___	Total Floor Area	_____

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.

Ruth P. Hill
Signature

Ruth P. Hill
Printed Name

Director, Virginia Beach Dept. of Housing and
Neighborhood Preservation
Title

757-385-5752
Phone

March 6, 2026
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.

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**A RESOLUTION DECLARING THE PROPOSED
LOCATION OF TRANQUILITY AT THE LAKES II
TO BE A REVITALIZATION AREA IN ORDER TO
QUALIFY FOR VIRGINIA HOUSING FINANCING**

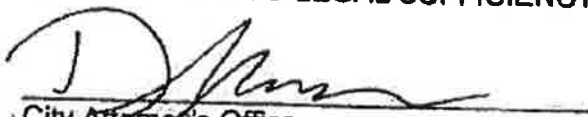
WHEREAS, pursuant to Section 36-55.30:2(A) of the Code of Virginia, the City Council of the City of Virginia Beach, Virginia, desires to designate an area as shown on Exhibit A attached hereto (the "Area") as a revitalization area;

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF VIRGINIA BEACH, VIRGINIA, THAT:

1. The Council makes the following determinations:
 - a. The industrial, commercial or other economic development of the Area will benefit the City but the Area lacks the housing needed to induce manufacturing, industrial, commercial, governmental, educational, entertainment, community development, healthcare or nonprofit enterprises or undertakings to locate or remain in the Area; and
 - b. Private enterprises and investment are not reasonably expected, without assistance, to produce the construction or rehabilitation of decent, safe and sanitary housing and supporting facilities that will meet the needs to low and moderate income persons and families in the Area and will induce other persons and families to live within the Area and thereby create a desirable economic mix of residents in the Area.
2. Pursuant to § 36-55.30:2(A) of the Code of Virginia, the Area is hereby designated as a revitalization area.

Adopted by the Council of the City of Virginia Beach, Virginia on the 16th day of March, 2021.

APPROVED AS TO CONTENT:

Housing and Neighborhood
Preservation

APPROVED AS TO LEGAL SUFFICIENCY:

City Attorney's Office

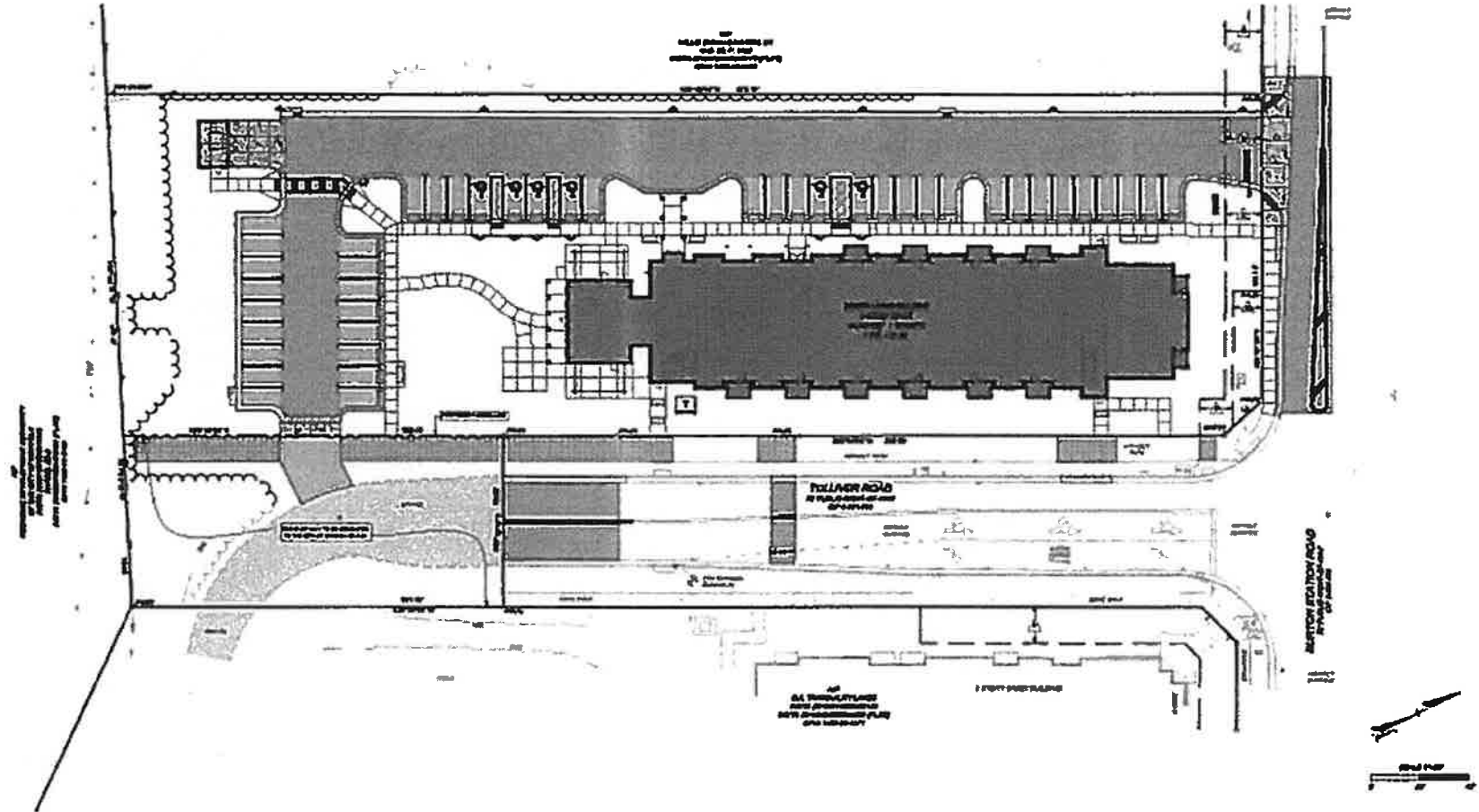
CA15334
R-1
March 4, 2021

Exhibit A – Tranquility at the Lakes II



Location and Site Layouts – GPIN 1458-88-2715, 1458-88-2897, 1458-89-2090, 1458-89-3052, 1458-89-2065

Exhibit A – Tranquility at the Lakes II



Location and Site Layouts – GPIN 1458-88-2715, 1458-88-2897, 1458-89-2090, 1458-89-3052, 1458-89-2065

Tab K.2

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



Surveyor's Certification of Proximity to Transportation

General Instructions

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

Date: March 2, 2026

TO: Virginia Housing
 601 South Belvidere Street
 Richmond, Virginia 23220 2025 Tax Credit Reservation Request
 Name of Development Tranquility at the Lakes II
 Name of Owner SUL Tranquility Lakes II, LLC

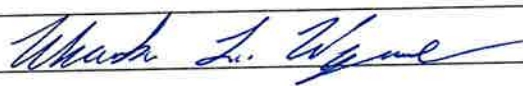
RE: **Tranquility at the Lakes II**
SUL Tranquility Lakes II, LLC

Ladies and Gentlemen:

This letter is submitted to you in support of the Owner's Application for Reservation of Low Income Housing Tax Credits under Section 42 of the Internal Revenue Code of 1986, as amended.

Based upon due investigation of the site and any other matters as it deemed necessary this firm certifies that: the main street boundary entrance to the property is within:

- 2,640 feet or 1/2 mile of the nearest access point to an existing commuter rail, light rail or subway station; OR
- 1,320 feet or 1/4 mile of the nearest access point to an existing public bus stop 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 Timmons Group
 By Luke Wynne P.E. 
 Its Project Engineer

Title

Tab L:

PHA / Section 8 Notification Letter

PHA or Section 8 Notification Letter

Date: March 6, 2026

To: Ruth Hill, Director, DHNP City of Virginia Beach
2424 Courthouse Drive Building #18A
Virginia Beach, VA 23456

Re: Proposed Affordable Housing Development
Name of Development: Tranquility at the Lakes II
Name of Owner: SUL Tranquility Lakes, 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 July 1, 2026 (date).

The following is a brief description of the proposed development:

Development Address: 5841 Burton Station Road, Virginia Beach, VA 23455

Proposed improvements:

New Construction:	# Units	<u>38</u>	# Buildings	<u>1</u>
Adaptive Reuse	# Units	_____	# Buildings	_____
Rehabilitation:	# Units	_____	# Buildings	_____

Proposed Rents:

Efficiencies:	\$ _____ / month
1 Bedroom Units:	\$ <u>909.00</u> / month
2 Bedroom Units:	\$ <u>870.00</u> / month
3 Bedroom Units:	\$ _____ / month
4 Bedroom Units:	\$ _____ / month

Other Descriptive Information:

New construction of a 38 unit senior housing development available to households at 40%, 50% and 60% AMI levels.

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 757-500-2740.

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

Sincerely yours.

Name Ashley Jarvis

Title Chief Strategic Officer

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

Seen and acknowledged by: Ruth D Hill

Printed Name: Ruth D. Hill

Title: Director, Virginia Beach Dept. of Housing and Neighborhood Preservation

Phone: 757-385-5752

Date: March 6, 2026

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: _____

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

RE: PLAN OF DEVELOPMENT CERTIFICATION

Name of Development: _____

Name of Owner/Applicant: _____

Name of Seller/Current Owner: _____

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:

Legal Description:

Plan of Development Number: _____

Proposed Improvements:

New Construction:	# Units	_____	# Buildings	_____	Total Floor Area	_____
Adaptive Reuse	# Units	_____	# Buildings	_____	Total Floor Area	_____
Rehabilitation:	# Units	_____	# Buildings	_____	Total Floor Area	_____

Other Descriptive Information:

LOCAL CERTIFICATION:

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

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

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

Signed

Printed Name

Title

Phone

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

LEGAL DESCRIPTION – 5841 Burton Station Road, Virginia Beach, VA 23455

ALL that certain lot, tract or parcel of land together with improvements thereon and appurtenances thereunto belonging, lying, situated and being in the City of Virginia Beach, Virginia and designated and described as 'Parcel A AREA 65,147 SQ. FT. OR 1.496 ACRES GPIN14588829410000' on the resubdivision plat made by Timmons Group dated June 10, 2024, entitled "RESUBDIVISION PLAT OF PROPERTY OF SUL TRANQUILITY LAKES II, LLC INST #20121221001461910 (PLAT) INST # 20130328000360010 (PLAT) INST #2013030927001160920 (PLAT) INST #20131016001232250 (PLAT) INST #20150204000104180 (PLAT) INST #202107000063 (PLAT) VIRGINIA BEACH, VIRGINIA", recorded October 24, 2024 in the Clerk's Office, Circuit Court, City of Virginia Beach, Virginia as Instrument No. 202407000157.

BEING the same real estate conveyed to SUL Tranquility Lakes II, LLC, a Virginia limited liability company, by quitclaim deed from Seniors Unlimited Lifestyles, Inc. dated July 29, 2024, recorded September 10, 2024 in the Clerk's Office, Circuit Court, City of Virginia Beach, Virginia as Instrument No. 202403037955. ALSO BEING the same real estate conveyed to SUL Tranquility Lakes II, LLC, a Virginia limited liability company, by deed from the City of Virginia Beach, a municipal corporation of the Commonwealth of Virginia dated July 22, 2024, recorded September 10, 2024 in the Clerk's Office, Circuit Court, City of Virginia Beach, Virginia as Instrument No. 202403037956. ALSO BEING the same real estate conveyed to SUL Tranquility Lakes II, LLC, a Virginia limited liability company, by deed of vacation and quitclaim from the City of Virginia Beach, a municipal corporation of the Commonwealth of Virginia, dated July 22, 2024, recorded September 10, 2024, in the Clerk's Office, Circuit Court, City of Virginia Beach, Virginia as Instrument No. 202403037957



Scott Steen
Building Official

NOTICE: I understand this Permit is granted ONLY for the work shown on the plans and described in the application filed for this construction. Any falsification, misrepresentation, or misleading information VOIDS this permit. I hereby certify that I am the owner or that I have authority on behalf of the owner to make the foregoing application, that the information contained in the application is correct, and that the construction will conform to the regulations in the Building Code, Zoning Ordinance, and other City Ordinances including all City specifications and standards pertaining to work in any public right-of-way and erosion and sediment control requirements. I hereby acknowledge and agree that in the event the City must take conservation measures as a result of my failure to abate violations of erosion and sediment control requirements, after proper notice, I shall pay for all costs and expenses of such measures. Furthermore, I hereby agree to indemnify and hold the City, its agents, employees, and officer harmless from and against any and all claims, losses or expenses, of whatever nature, that may arise from any work conducted in any public right-of-way.

CERTIFICATE OF USE AND OCCUPANCY is required prior to use of this structure.

Permits and Inspections Division
2875 Sabre Street - Suite 500 - Virginia Beach, VA 23452
Phone (757) 385-4211 - FAX (757) 385-5777

Tab Q:

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



City of Virginia Beach

VBgov.com

DEPARTMENT OF HOUSING AND
NEIGHBORHOOD PRESERVATION
MAIN: (757) 385-5750
FAX: (757) 385-1874
TTY: 711
TDD: (757) 385-5784

MUNICIPAL CENTER
BUILDING 21, ROOM 144
2408 COURTHOUSE DRIVE
VIRGINIA BEACH, VA 23456-6083
WWW.VBGOV.COM/DEPT/HOUSING

March 14, 2023

Seniors Unlimited Lifestyles, Inc.
Attn: Angela Whitehead, CEO
453 Longdale Crescent
Chesapeake, VA 23325

Via – E-mail

PURPOSE: *Recension of Commitment Letter of November 3, 2022 (superseded) – to be replaced by the following to add additional funding. Only Change is additional funding.*

RE: Proposal Submission in Response to FY 19-20 HOF RFP for HOME Funding and Project Based Vouchers (PBVs) for "Tranquility at the Lakes, II" a new affordable Seniors Residential Apartment Community

Dear Ms. Whitehead:

You submitted an application for FY 2019-2020 funding for the above referenced project in *encl* response to an RFP we issued. In your proposal you proposed to build a new ~~46~~³⁸ unit affordable apartment building for seniors in Virginia Beach. You originally requested \$750,000.00 in HOME funds, setting aside ten (10) HOME units and you requested twenty (20) PBVs. This is to be a second project of same scope and size as your successful Tranquility at the Lakes I. In November of 2022 you submitted a letter of request for an additional amount of HOME funds of \$500,000.00. In January 2023, you submitted a revised proposal and request for an additional \$300,000.00 in funding.

I am pleased to inform you that the Department of Housing and Neighborhood Preservation (DHNP) is making a **conditional commitment** of **\$1,550,000.00 in HOME** funding and **twenty (20) PBVs** towards this project. The funding may only be used for the cost of acquisition or construction and not for pre-development costs.

This is a conditional commitment subject to the following actions and approvals.

Condition	Approving Agency(s)
Project Proposal as submitted has no material changes	DHNP
Completion of Environmental Assessment with no significant impact	DHNP & HUD
Availability of funds	City Council & HUD
A Request for Release of Funds and Release of Funds	DHNP & HUD

Condition

Approving Agency(s)

HOME Subsidy Layering Submission & Approval	DHNP
PBV Subsidy Layering Submission & Approval	HUD
All Contract Pre-Requisites are met	DHNP
A HOME contract with the CoVB - fully executed	DHNP
A PBV – AHAP and HAP contracts with the CoVB-fully executed	DHNP

This award is also conditional upon HUD's approval of DHNP's annual plan, your provision of all required pre-requisites in coordination with DHNP, and a mutually agreed upon and fully executed contract, meeting all City of Virginia Beach terms and conditions and applicable Federal requirements. Re-verification and monitoring of your project and compliance with all applicable laws and regulations will also be required prior to award of a contract.

No physical activity, including rehabilitation, construction, or demolition; can take place on the site or buildings thereon until the entire Environmental Review Process is completed and the contract with the City is fully executed. If any physical activity does take place, no federal funds will be awarded.

This project will be subject to the Federal Davis Bacon Act and Section 3 federal requirements regarding hiring of labor and contractors. Please ensure that in your project planning you consider any additional costs that may be associated in meeting these requirements.

Please note that this conditional commitment expires on December 31st, 2023, unless renewed. Renewal must be requested by you in writing, will be at our sole discretion, and will be subject to a review of the project's progress or potential progress, and SUL's compliance with requirements to date.

Cindy Walters will be your main point of contact for the work needed to meet the required conditions for the Environmental Assessment, as well as the HOME contract. David Grigsby, DHNP Rental Housing Administrator, will be your point of contact regarding PBV contracts.

We look forward to working with you on this project that will benefit the citizens of Virginia Beach!

Sincerely,

Ruth D. Hill
Director

Cc: Cindy M. Walters, Compliance & Development Officer
David Grigsby, Rental Housing Administrator
Karen Prochilo, Housing Development Administrator



City of Virginia Beach

DEPARTMENT OF HOUSING AND
NEIGHBORHOOD PRESERVATION
MAIN: (757)-385-5750
FAX: (757) 385-5766
TD: (757) 385-5794

VBgov.com
MUNICIPAL CENTER
2424 COURTHOUSE DRIVE
BUILDING 18A
VIRGINIA BEACH, VA 23456-8083
VBGOV.COM/DEPT/HOUSING

March 10, 2023

Seniors Unlimited Lifestyles, Inc.
Attn: Angela Whitehead, CEO
453 Longdale Crescent
Chesapeake, VA 23325

RE: Commitment of Project-Based Assistance to Tranquility at the Lakes II

Dear Ms. Whitehead:

The Virginia Beach Department of Housing and Neighborhood Preservation is committed to providing the Tranquility at the Lakes II project with project-based rental assistance vouchers (PBVs) for twenty (20) units. This commitment is in effect from January 12, 2022 - December 31, 2023. This award is conditional upon an execution of AHAP, HAP, and other HUD and DHNP requirements, as applicable. The initial term of the PBVs will be 15 years subject to the execution of a HAP contract and shall be eligible for renewal.

This commitment is contingent on the project's reservation of Low-Income Housing Tax Credits (LIHTC) from Virginia Housing no later than December 31, 2023. This award is also conditional upon HUD's approval of DHNP's annual plan, your provision of all required pre-requisites in coordination with DHNP and approved HUD subsidy layering review. Re-verification and monitoring of your project and compliance with all applicable laws and regulations will also be required prior to finalizing the HAP.

No physical activity, including rehabilitation, construction, or demolition; can take place on the site or buildings thereon until the entire Environmental Review Process is completed. If any physical activity does take place, no federal assistance will be awarded. This project will be subject to Davis Bacon and Section 3 federal requirements regarding hiring of labor and contractors.

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

Sincerely,

Ruth D. Hill

Ruth D. Hill (Mar 14, 2023 09:28 EDT)

Ruth D. Hill

Director, Department of Housing and Neighborhood Preservation, City of Virginia Beach

Cc: Jessica Guglielmo, President and CEO, Virginia Beach CDC
Cindy M. Walters, Compliance & Development Officer
David Grigsby, Home Rental Administrator



CITY OF VIRGINIA BEACH

Building Commercial New Permit

Permit Number: [2024-BDCN-22024](#)

Status: Active

Permits/Building/Commercial/New

Description: NEW CONSTRUCTION - TRANQUILITY AT THE LAKES II - USE GROUP R-2, A-3 , B / CONSTRUCTION 5A / SPINKLERED ***OCCUPANT LOAD 244 ***38 UNITS

Address: 5841 BURTON STATION RD, VIRGINIA BEACH, VA 23455

GPIN: 14588920900000

Subdivision: NORTHAMPTON

Map Number: B4

Legal Description:

Licensed Professional: HOY CONSTRUCTION INC **License Number:** 2701006108

Phone: 7578535557

Cell Phone:

Owner: CITY OF VIRGINIA BEACH **Phone:**

Type	Business Name	Street Address	City	State	Zip Code	Email Address	Phone
Applicant	HOY CONSTRUCTION INC	3495 PROGRESS ROAD	NORFOLK	VA	23502	DARRENC@HOYCONSTRUCTION.COM	7578535557

Contract Value: 453,679.00 **Building(s):** 1 **Unit(s):** 1 **USBC:** 2021

Construction Type: 5A COMBUSTIBLE PROTECTED **Floors:** 1

CO Required: Yes **Upon Completion Building Will Be Used For:** RENT

Water Receipt: 146323 **Sewer Receipt:** 146323 **HRSD Receipt:** 36340822 **DFU Credits:** 9999

Well: No **Septic Tank Land Management:** No **Zoning:** undefined **Front Yard:** 15

Watershed: CHESAPEAKE **RMA:** CHECKED **Soil Description:** DRAGSTON

Description	Sq Ft, Value, or Qty
COMMON AREA HEATED (SQ FT)	1303
OFFICE/PROFESSIONAL BLDG (SQ FT)	570
5 OR MORE FAMILY (SQ FT)	30467

Fee Description	Invoice Paid	Amount Due	Amount Paid
PLAN REVIEW	Y	0.00	200.00
COMMON AREA HEATED	Y	0.00	162.00
5 OR MORE FAMILY	Y	0.00	2,185.00
OFFICE/PROFESSIONAL BLDG	Y	0.00	98.00
CERTIFICATE OF OCCUPANCY	Y	0.00	75.00
WATER	Y	0.00	50.00
SEWER	Y	0.00	50.00
LEVY	Y	0.00	52.40
TECHNOLOGY FEE	Y	0.00	10.00



Application Overview and Guidelines

Overview

The Virginia Beach Development Authority offers Attainable Workforce Housing Performance Grants in collaboration with the City of Virginia Beach to provide an incentive for the development of affordable rental housing on a continuous basis throughout the year. Applications will be accepted, reviewed, and evaluated by the VBDA and the City's Department of Housing and Neighborhood Preservation staff. Based on the evaluation, staff recommendations are provided to the VBDA board members and Virginia Beach City Council for consideration and formal approval through their legislative processes. **The outcome of the evaluation and approval process is not guaranteed.**

Purpose of Program

The purpose of the City of Virginia Beach Attainable Workforce Housing Performance (AWHP) Grant is to provide an incentive for applicants to construct, own, and operate new affordable multi-family rental housing units in the City of Virginia Beach.

Affordable housing units are those units that will be rented and affordable to households with an annual income at or below 80% of the Area Median Income (AMI), adjusted for household size, as established by the United States Department of Housing and Urban Development (HUD) for the Virginia Beach-Norfolk-Newport News, VA-NC HUD Metro FMR Area for the applicable year of the grant period.

Background

To combat the affordable housing shortage, to further economic development, and specifically to incentivize the development of affordable housing across the Commonwealth, the General Assembly passed HB 1194 during the 2022 Session, and it became effective on July 1, 2022. HB1194 amended Ch. 49, Title 15.2 of the Code of Virginia, known as the "Industrial Development and Revenue Bond Act," to allow local Development Authorities, in conjunction with their local governing bodies, the power to make grants associated with the construction of affordable housing.

On May 21, 2024, Virginia Beach City Council passed a resolution directing the City Manager to proceed with certain recommendations of the 2024 Housing Study that was released in January 2024. The resolution directed City staff to advance discussions with the Virginia Beach Development Authority to fund new large-scaled mixed use development projects, which was a strategy contained in the study. These discussions lead to a City Council ordinance, passed in

April 2025, and a VBDA resolution passed in May 2025, to create the Attainable Workforce Housing Performance Grant program. The Policy is attached as Attachment 1.

Submission Guidelines

Please read and carefully review all information contained in this application packet, including the associated attachments, before completing the application. Applications must be submitted at least 90 days before an anticipated response is required. Incomplete applications will not be evaluated or considered for decisions until all required information has been provided. Completed applications are defined as applications for which all required documentation has been submitted, along with the completed application form and required attachments.

Application materials (Attachment 2 and 3, map, and proformas) must be remitted to the Virginia Beach Development Authority through one of the following methods:

- In-person or by Mail
 - Virginia Beach Development Authority
 - Attention: Sharon Shoff
 - 4525 Main Street
 - Suite 700
 - Virginia Beach, VA 23462
- Email submission
 - Applications can be submitted via email to Sharon Shoff at sshoff@vbgov.com

Only applications that have been deemed complete will be considered. Please allow ninety (90) days for completed applications to be processed.

If an Attainable Workforce Housing Performance Grant is approved, awardees are responsible for an annual grant administrative fee equal to 1% of the annual grant value during the life of the grant.

The Virginia Beach Economic Development Authority and the City of Virginia Beach reserve the right to update this application packet, including the program guidelines, and any other information related to the Affordable Housing Performance Grant Program without notice.

Attachments included in this Application Packet:

- Attainable Housing Policy (Attachment 1)
- Affordable Housing Performance Grant Application Form (Attachment 2)
- Affordable Housing Performance Grant Program Calculation Form (Attachment 3)
 - Applicants must submit form in excel format. Please e-mail sshoff@vbgov.com for a copy of the excel spreadsheet.
- Sample Affordable Housing Performance Grant Agreement (Attachment 4)
Please e-mail sshoff@vbgov.com for a copy of the Sample Grant Agreement.

Attachment 1: Attainable Workforce Housing Performance Grant Program Policy

Purpose of Program

The purpose of the City of Virginia Beach Attainable Workforce Housing Performance (AWHP) Grant is to provide an incentive for applicants to construct, own, and operate new affordable rental housing units in the City of Virginia Beach.

Affordable housing units are those units that will be rented and affordable to households with an annual income at or below 80% of the Area Median Income (AMI), adjusted for household size, as established by the United States Department of Housing and Urban Development (HUD) for the Virginia Beach-Norfolk-Newport News, VA-NC HUD Metro FMR Area for the applicable year of the grant period.

Background

To combat the affordable housing shortage, to further economic development, and specifically to incentivize the development of affordable housing across the Commonwealth, the General Assembly passed HB 1194 during the 2022 Session, and it became effective on July 1, 2022. HB1194 amended Ch. 49, Title 15.2 of the Code of Virginia, known as the “Industrial Development and Revenue Bond Act,” to allow local Development Authorities, in conjunction with their local governing bodies, the power to make grants associated with the construction of affordable housing.

Eligible Projects

- Projects must be new construction.
- Projects must be developed by a for-profit entity.
- Only new multi-family affordable rental housing units that have not started construction as of a to-be-determined date are eligible for the AWHP Grant.
- Attainable Workforce Housing Performance Grant applicants must have a demonstrable gap in project financing, as evidenced by their development and operating pro forma.
- Eligible projects may be fully affordable or mixed-income, and may also be mixed-use (i.e., with commercial and residential components).
- Projects that involve the demolition of existing rental housing units only to build a minimum 20% additional affordable housing units.

Ineligible Projects

- The following projects are not eligible:
- Projects that involve only the purchase and/or rehabilitation of existing housing units.
- Projects that have already started construction as of a to-be-determined date.

- Projects that do not have a demonstrable gap in project financing as evidenced by their development and operating pro forma.
- Developments that are produced by a non-profit entity that is already exempt from paying real estate taxes.

Grant Award

Duration and Timing:

The Attainable Workforce Housing Performance Grant is for 15 years. The grant period may be extended another 15- year period for a total grant period of 30 years if the recipient complies with the capital reinvestment terms set forth below.

The Attainable Workforce Housing Performance Grant period commences on July 1st of the first real estate tax year following the applicant’s completion of the project’s construction, as evidenced by receipt of a temporary or permanent Certificate of Occupancy and ends on the last day of the 15th real estate tax year following the grant commencement date, or the 30th tax year, if the grant period is extended.

Amount and Payment:

The amount of the performance grant is capped at 100% of the amount of incremental new real estate taxes to be levied and collected for improvements on the Project Site. This amount may be adjusted to reflect the percentage of residential square footage to the total gross square footage of the structure(s) and the percentage of the number of affordable rental housing units to the number of total residential rental units.

A Grant amount of two (2) times the Performance Grant Percentage, up to 100% of the incremental value, is available to a qualified property when twenty percent (20%) or more of the residential units are affordable at or below 50% of the Area Median Income. The amounts subject to this increase are not subject to the amount of incremental new real estate taxes.

The Attainable Workforce Housing Performance Grant is payable by the City of Virginia Beach Development Authority (“VBDA”) upon proof of full and timely payment of the property’s real estate tax levy for the applicable payment period and proof of compliance with all requirements of the grant agreement. The VBDA’s obligations would be funded via and subject to a corresponding appropriation by the Virginia Beach City Council.

Terms/Conditions for Award

The recipient of an Attainable Workforce Housing Performance Grant will be required to sign a grant agreement outlining the terms and condition of the award.

Recipients of an award must:

1. Adhere to the project construction timeline based on the effective date of the grant agreement by submitting a plan of development within 9 months, commencing project construction within 18 months, and completing construction within 3 years.

2. Strive for a goal of 50% small, woman, and minority (SWaM) business participation during the construction phase of development. The recipient is required to submit to the City's SWaM Office a report detailing all expenditures with minority business enterprises and emerging small businesses.
3. Provide detailed updates and verifications to the City of the applicant's progress regarding the completion of the project construction and, following Project construction, of recipient's continued control, maintenance, and operation of the Project throughout the 15-30 year grant period.
4. Restrict occupancy and rents of the Project throughout the 15-30 year grant period according to the schedule that will be outlined in the Grant Agreement. Ongoing compliance monitoring and approvals by Virginia Housing provided to the City will serve as evidence of the recipient's compliance with the occupancy and rent restrictions
5. Notify the VBDA and City of any material change in the project's financing structure occurring after an award is made.

For projects with a 30-year performance period, the Project Owner will be required to make an agreed upon reinvestment in capital improvements to the Project to ensure the ongoing upkeep and livability of all the rental units prior to the 15th year of service.

Any restructure in the project's financing or change in the Attainable Workforce Housing Performance Grant Agreement after an award is approved may constitute a material change in the approved application. The VBDA and the City of Virginia Beach understand the fluidity in the current housing market and intend for this program to be as flexible as possible. However, a material or substantial change in the project's financing structure may negate the approved grant award and the submission of a new application may be needed. If a new application is required, it must follow the same approval process as all performance grant applications. There is no guarantee that an Attainable Workforce Housing Performance Grant will be approved.

Award Process

1. The Project Owner completes an application to include its project in the Attainable Workforce Housing Performance Grant Program. After receipt of the application, [Housing/ED/special group designated for this purpose] reviews internally to determine if project could qualify and to assess if additional information is needed from Project Owner. Staff could meet with Project Owner to discuss project to determine if project is eligible as a participant in the program.
2. If the project is eligible for inclusion in the program, the City Manager will brief City Council in closed session and, if directed to proceed, request the appointment of grant liaisons. Subsequently, the VBDA will be briefed in closed session on the project.
3. If not previously completed, the City will complete a study of the economic, fiscal and social impacts of the project.

4. A term sheet may be developed, in concert with the City Attorney, and presented to the City Council and VBDA for concurrence.
5. The project manager will undertake stakeholder and community input appropriate for the size and scope of the proposed project.
6. A grant agreement, setting forth all the terms and conditions of the proposed Attainable Workforce Housing Performance Grant is developed between the VBDA and the Project Owner.
7. On completion, the grant agreement will be presented to City Council and the VBDA for approval. Along with the grant agreement, a support agreement wherein the City agrees, subject to appropriation, to provide sufficient funds to the VBDA to meet its obligations under the grant agreement.

TAB Q.2

TAX ABATEMENT

As noted in the application, TATL II is seeking certification under the ENERGY STAR Multifamily New Construction Program V1 (ESMFNC) and EarthCraft Gold certification. Viridiant conducted a Pre-Review of the TATL II building specifications and determined the development will achieve ENERGY STAR and EarthCraft Gold certifications once constructed.

By delivering an EarthCraft Gold and ENERGY STAR certified building, TATL II will qualify for a reduced tax rate of \$.84 per \$100 of the properties assessed value. The regular real estate tax rate for the City of Virginia Beach is \$1.01 per \$100 assessed value. A copy of the City of Virginia Beach's Energy Efficient Buildings Tax Incentive Program application and a copy of the Viridiant Pre-Review Report are attached to this tab.

Application # _____



The City of Virginia Beach

Application for City Code 535-41 Energy Efficient Buildings Tax Reduction

Date of Application: _____ If Paying by Check, Check Number: _____

Building/Property Owner Name: SUL Tranquility Lakes II, LLC

Contact Person: Ashley Jarvis Virginia Beach Community Development Corporation

Phone No.: 757-500-2740

Email Address: ashleyjarvis@vbcdc.org

Mailing Address: 2400 Potters Road

City: VA Beach State: VA Zip Code: 23455

Property Address (for the building you are filing): Please see attached list of Parcel Addresses

GPIN of Property: Please see attached list of five parcel GPINS for the development. Zip Code: 23455

(The GPIN of the Property can be found by typing in the property address on the following webpage: <https://www.vbgov.com/property-search>)

In accordance with Code of Virginia §58.1-3221.2, Energy-efficient buildings are a separate classification of property from other types of real property. The classification for energy-efficient buildings does not include the underlying real property.

In addition to this application, the following information is to be submitted to Permits and Inspections for review and inspection in order to certify a building as energy efficient:

- 1) Documentation indicating the building exceeds the energy efficiency standards prescribed in the Virginia Uniform Statewide Building Code by 30 percent.
 - a. Energy-efficient building certification for purposes of this subsection shall be determined by any qualified architect, professional engineer, or licensed contractor who

10/29/2019

is not related to the taxpayer and who shall certify to the taxpayer that he or she has qualifications to provide the certification.

b. Buildings shall be deemed in compliance if it meets or exceeds performance standards of the Green Globes Green Building Rating System of the Green Building Initiative, the Leadership in Energy and Environmental Design (LEED) Green Building Rating System of the U.S. Green Building Council, the guidelines under the EarthCraft House Program, or is an Energy Star qualified home under the Energy Star program developed by the United States Environmental Protection Agency

- 2) Documentation of the previous fiscal year real assessment for the building.
(This can be found by typing in the property address on the following webpage:
<https://www.vbgov.com/property-search>)

Upon review of the city building official, the application and a Certificate of Occupancy, through the issuance of a permit, review of submitted documentation, and inspection verification, indicates the building is in compliance with Code of Virginia §58.1-3221.2 shall be forwarded to the Commissioner of the Revenue and the Real Estate Assessor for purposes of the City land book and assessment. The applicant is required to NOT be in arrears with the City.

The building owner will be notified within 30 days of the decision of the city building official. If qualified, the Commissioner of the Revenue and the Real Estate Assessor will adjust the tax levy on all real estate improvements classified as energy efficient, not exempt from taxation, to the lower tax rate. The real property tax rate imposed in this section shall be applied on the basis of one hundred per centum of fair market value of such real property except for public service property, which shall be on the basis as provided in Section 58.1-2604 of the Code of Virginia.

Certification:

I hereby certify that the information above is correct.

Signature of Building Owner: _____ Date: _____

Return Completed Applications to:

Office of Permits and Inspections/ Department of Planning
2875 Sabre Street
Suite 500, Room 109
Virginia Beach, VA 23452
Main: (757) 385-4211 Option 3
Fax: (757) 385-5777

10/29/2019

Tranquility at the Lakes II (TATL II) –Site/Parcel Summary

TATL II will be developed on the current site of the following five (5) parcels/property addresses in the City of Virginia Beach.

1. Parcel Address: 5837 Burton Station Road VA Beach, VA 23455
GPIN/Parcel ID#: 1458-89-3052-0000
Legal Description: Simon Elliotts Est Replat Lot D 0.2539

2. Parcel Address: 5841 Burton Station Road VA Beach, VA 23455
GPIN/Parcel ID#: 1458-89-2090-0000
Legal Description: Simon Elliotts Est Lot E 0.2165 Ac

3. Parcel Address: 1020 Finney Circle VA Beach, VA 23455
GPIN/Parcel ID#: 1458-88-2897-0000
Legal Description: Simon Elliotts Est Pt of Lot 12 0.1882 Ac

4. Parcel Address: 1012 Finney Circle VA Beach, VA 23455
GPIN/Parcel ID#: 1458-88-2715-0000
Legal Description: Simon Elliotts Est Part of Lot 12

5. Parcel Address: Private Right Away, City of VA Beach, VA 23455
GPIN/Parcel ID#: 1458-89-2065-0000
Legal Description: Finney Circle 30ft Private Right of Way



📍 Coronavirus Information

For information about Coronavirus, visit our emergency site (<https://emergency.vbgov.com>) at <https://emergency.vbgov.com/coronavirus>.

Energy Efficient Buildings

A special tax rate is available to qualified residential and commercial energy-efficient buildings, not including the land on which they are located. Qualified buildings must be determined to be an energy-efficient building by a qualified licensed engineer or contractor who is not related to the applicant, as required by Section 58.1-3221.2 of the Code of Virginia.

- Applications are available on-line, at the Real Estate Assessor's Office, and at the Planning Department's Office of Permits and Inspections located at 2875 Sabre Street, Suite 500, Virginia Beach, VA 23452. The phone number is (757) 385-4211, option 3.
- Once completed, the application is to be submitted to the Planning Department's Office of Permits and Inspections, 2875 Sabre Street, Suite 500, Virginia Beach, VA 23452. The phone number is (757) 385-4211, option 3.
- The approved application, plus the additional required information, will be submitted to the Planning Department's Office of Permits and Inspections for review.
- If the application is approved, the owner will then bring a copy to the Real Estate Assessor's office for their processing. The Real Estate Assessor is located at the Municipal Complex - 2424 Courthouse Drive, Building #18, Virginia Beach, VA 23456. The phone number is (757) 385-4601.

[Energy Efficient Building FAQ.pdf](#) (<https://government/departments/real-estate-assessor/tax-relief-programs/SiteAssets/Pages/energy-efficient/20190221-REA-FIN-EnergyOrdinanceFAQ%27s.pdf>)

[Energy Efficient Tax Application.pdf](#) (<https://government/departments/planning/permits-inspections/Documents/form.pdf/Energy%20Efficient%20Building%20Form.pdf>)

CONTACT INFORMATION

Permits & Inspections

☎ (757) 385-4211 (<tel:7573854211>)

✉ perminsp@vbgov.com (<mailto:perminsp@vbgov.com>)

📠 (757) 385-5777

[About the City](#) ([/about](#))

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Real Estate Rate for Energy-Efficient Buildings**\$0.84 per \$100 assessed value**

Personal Property

\$4.00 per \$100 assessed value

Machinery and Tools

\$0.00

Business Property

\$4.00 per \$100 assessed value 40% of the original cost (tangible property) 33% of the original cost for manufacturers

Data Center Business Property

\$0.40 per \$100 assessed value

depreciation schedule: 40% of the original cost (computers and peripherals) for year 1-3; 30% for year four; 15% for year five and beyond

Business License (per \$100 of gross receipts)

Retailer: \$0.20

Capped at flat fee of \$50 for the first two years of operation for a business new to the City.

Contracting: \$0.16

Business license fee applies to businesses with gross receipts exceeding \$100,000.

Professional: \$0.58

Service: \$0.36

Wholesalers: \$0.12 per \$100 of gross purchases

Source: City of Virginia Beach

Real estate is assessed at 100% of its fair market value. Re-assessment notices are mailed in the first part of March, and assessment reviews are held from mid-March to the end of April. Annual real estate taxes are collected in two installments. Payment for the first half is due by December 5th of the same year, and the second half is due by June 5th of the following year.

STATE OF VIRGINIA TAX RATES

	VIRGINIA TAX RATES	NATIONAL AVERAGE*
Corporate Income Tax	6%	6.75%
State and Local Sales/Use Tax	6%	7%

*Source: *Calculated by Virginia Economic Development Partnership 2021***FEDERAL INCOME TAX RATES**

The United States imposes a tax on the profits of US resident corporations at a rate of 21 percent (reduced from 35 percent by the 2017 Tax Cuts and Jobs Act).

Workers' Compensation and Unemployment Costs

Workers' compensation insurance is required for most employers performing work in Virginia. It provides injured workers specific benefits while protecting employers from civil suits.

Unemployment insurance is part of an employer-paid program that provides temporary, partial income replacement to qualified individuals who are unemployed through no fault of their own.

Workers' Compensation and Unemployment Rate Comparison

STATE

WORKERS' COMPENSATION RATE**UNEMPLOYMENT INSURANCE RATE****PER \$100 OF PAYROLL****PER EMPLOYEE**

**City of Virginia Beach
Energy Efficient Building Tax Classification
Frequently Asked Questions**

What kind of buildings could qualify for the City of Virginia Beach's Energy Efficient Building Tax Classification?

Both residential and commercial buildings could qualify.

What is a "Qualified" architect, professional engineer or contractor?

This means licensed to practice in the Commonwealth of Virginia.

The documentation indicates the building must exceed the energy efficiency standards prescribed in the Virginia Uniform Statewide Building Code by 30 percent. What year of the code do we have to meet?

It is referring to the current state code.

How much does the application cost?

The permit and certificate of occupancy will be \$117.20. The cost of required certification (options below) is the responsibility of the owner.

Does rental property qualify for the reduction?

*Yes, landlords can pursue this tax classification for rental property. The applicant must be the **property owner**.*

How much will I save in taxes while in this program?

This amount varies for each qualifying building and depends on the assessment each tax year. Remember, this exemption only applies to the building, not the land. So there will still be taxes due on the land and other improvements.

What type of supporting documentation will I need to submit with my application?

You have several options:

Residential Options

1. *Certified Architect/Engineer energy calculations and certification and sealed on letterhead;*
2. *Certified under the EarthCraft House Program; details about this program can be found at <http://www.earthcrafthouse.com>.*
3. *Certified as an Energy Star qualified home under the Energy Star program developed by the United States Department of Energy and the Environmental Protection Agency. Details about the program can be found at <http://www.energystar.gov/>.*
4. *HOME ENERGY RATERS (HERS) – RESNET – Residential Energy Services Review System. Home Energy Raters (HERS) conducts an analysis of a home and performs on-site inspections. Results of these tests, along with inputs derived from the plan review, are used to generate the home's efficiency rating on the HERS Index.*
 - *Must use a RESNET-certified HERS auditor*
 - *Must obtain a score below 70*

A list of local home energy raters can be accessed at <http://www.resnet.us/trade/home-energy-raters-hers-raters>

More info:

<http://www.resnet.us/home-energy-ratings>

<http://natresnet.org/directory/raters.aspx>

Commercial Options

1. *Certified Architect/Engineer energy calculations, certification and seal on letterhead;*
2. *Certification under the Green Globes Green Building Rating System of the Green Building Initiative. Details about this program can be found at <http://www.greenglobes.com/about.asp>*

3. *Certification under the Leadership in Energy and Environmental Design (LEED) Green Building Rating System of the U.S. Green Building Council. Details about this program can be found at <http://www.usgbc.org>.*
4. *An Energy Star certified building under the Energy Star program developed by the United States Environmental Protection Agency and Department of Energy.*
 - *Commercial buildings with types in the Energy Star Portfolio*
 - *Statement of Energy Performance – for a minimum of a 12 month period*
 - *Score of 75 or above on a scale of 1 – 100*
 - *Structure must match building type used*
 - *Must be stamped and certified by a professional engineer*

What if I don't get the needed rating, can I make a quick modification or energy improvement to building achieve a acceptable score - without having to go through the whole process again?

- *Raters should be able to provide their client with a list of recommended improvements in order to achieve the needed score.*
- *Once those improvements are made, the rater should make another site visit to ensure the work was completed, and to conduct new diagnostic air leakage testing ("blower door" and "duct blaster" test), if necessary. This additional work by the rater will likely be for an additional fee.*

How long will take to review my application?

Please allow 30 days for review.

How often will the reduced tax rate be reviewed?

City Council will review for adoption annually as part of the budget process and tax rate shall be applicable to the classification of the property.



Appendix F

RESNET Rater Certification of Development Plans

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

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

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

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

New Construction – EnergyStar Certification

The development's design meets the criteria for the EnergyStar Certification. Rater understands that before issuance of IRS Form 8609, the applicant will obtain and provide EnergyStar Certification to Virginia Housing.

Rehabilitation – 30% performance increase over existing, based on HERS index.

Or, it must provide evidence of a HERS Index of 80 or lower. The rater understands that before IRS Form 8609 is issued, the rater must provide Virginia Housing with energy performance certification.

Adaptive Reuse – Must provide evidence of a HERS index of 95 or lower. The rater understands that before IRS Form 8609 is issued, the rater must provide Virginia Housing with energy performance certification.

Additional Optional Certification

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


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

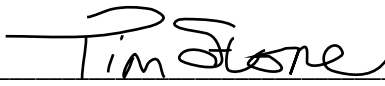
LEED Certification - The development's design meets the criteria for the U.S. Green Building Council LEED green building certification.

National Green Building Standard (NGBS) - The development's design meets the criteria for meeting the NGBS Silver or higher standards to obtain certification

Enterprise Green Communities—The development's design meets the requirements stated in the Enterprise Green Communities Criteria for this development's construction type to obtain certification.

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

		
RESNET Rater Signature	Printed Name	Date

RESNET Provider Agency	Provider Contact Name
	
Contact Signature	Phone
Email	

Development Name

Home Energy Rating Certificate

Projected Report
Based on Plans

Rating Date:
Registry ID:
Ekotrope ID: da75mbj2



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

\$1,057

*Relative to an average U.S. home

Home:

5841 Burton Station Rd. - BMG #5, 1BR HC Ext Top Fl
Virginia Beach, VA 23455

Builder:

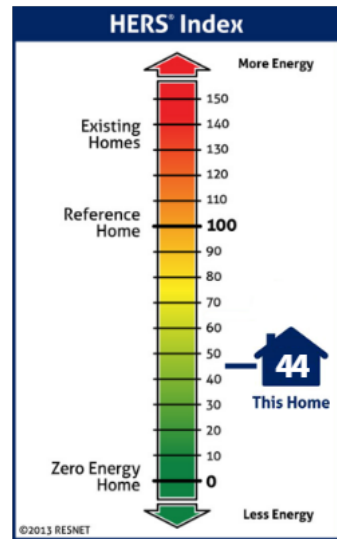
VBCDC

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	2.1	\$81
Cooling	1.8	\$73
Hot Water	1.2	\$47
Lights/Appliances	12.2	\$486
Service Charges		\$91
Generation (e.g. Solar)	0.0	\$0
Total:	17.3	\$778

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:	N/A
Community:	N/A
Conditioned Floor Area:	707 ft ²
Number of Bedrooms:	1
Primary Heating System:	Air Source Heat Pump • Electric • 9.5 HSPF2
Primary Cooling System:	Air Source Heat Pump • Electric • 20 SEER2
Primary Water Heating:	Residential Water Heater • Electric • 3.4 Energy Factor
House Tightness:	5 ACH50 (Adjusted Infiltration: 2.50 ACH50)
Ventilation:	40 CFM • 46 Watts • ERV
Duct Leakage to Outside:	4 CFM25 / 100 ft ²
Above Grade Walls:	R-25
Ceiling:	Vented Attic, R-50
Window Type:	U-Value: 0.3, SHGC: 0.2
Foundation Walls:	N/A
Framed Floor:	R-13

Rating Completed by:

Energy Rater: Zachary Barkan
RESNET ID: 5424506

Rating Company: Ecovative Energy Inc.
1102 Buckingham Avenue, Norfolk VA 23508
757-655-3261

Rating Provider: Building Efficiency Resources
PO Box 1769 Brevard, NC 28712
800-399-9620



Zachary Barkan

Zachary Barkan, Certified Energy Rater
Digitally signed: 3/11/26 at 2:47 PM



Energy savings calculated without modifications to the energy model. (As Modeled)

Ekotrope RATER - Version:5.2.2.3819

The Energy Rating Disclosure for this home is available from the Approved Rating Provider.

This report does not constitute any warranty or guarantee.

Home Energy Rating Certificate

Projected Report
Based on Plans

Rating Date:
Registry ID:
Ekotrope ID: 2rb7zzG2



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

\$834

*Relative to an average U.S. home

Home:

5841 Burton Station Rd. - BMG #1, 1BR HC Int 1st Fl
Virginia Beach, VA 23455

Builder:

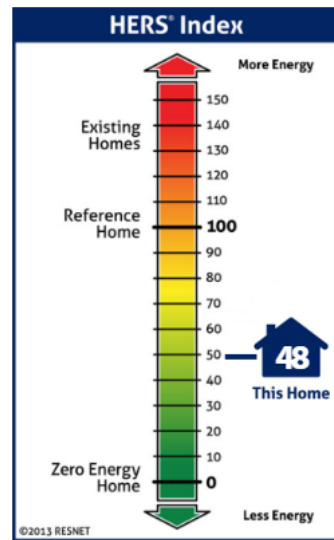
VBCDC

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	1.6	\$62
Cooling	1.5	\$59
Hot Water	1.2	\$49
Lights/Appliances	11.8	\$469
Service Charges		\$91
Generation (e.g. Solar)	0.0	\$0
Total:	16.0	\$730

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:	N/A
Community:	N/A
Conditioned Floor Area:	556 ft ²
Number of Bedrooms:	1
Primary Heating System:	Air Source Heat Pump • Electric • 9.5 HSPF2
Primary Cooling System:	Air Source Heat Pump • Electric • 20 SEER2
Primary Water Heating:	Residential Water Heater • Electric • 3.4 Energy Factor
House Tightness:	5 ACH50 (Adjusted Infiltration: 2.01 ACH50)
Ventilation:	40 CFM • 46 Watts • ERV
Duct Leakage to Outside:	4 CFM25 / 100 ft ²
Above Grade Walls:	R-25
Ceiling:	Adiabatic, R-13
Window Type:	U-Value: 0.26, SHGC: 0.27
Foundation Walls:	N/A
Framed Floor:	N/A

Rating Completed by:

Energy Rater: Zachary Barkan
RESNET ID: 5424506

Rating Company: Ecovative Energy Inc.
1102 Buckingham Avenue, Norfolk VA 23508
757-655-3261

Rating Provider: Building Efficiency Resources
PO Box 1769 Brevard, NC 28712
800-399-9620



Zachary Barkan

Zachary Barkan, Certified Energy Rater
Digitally signed: 3/11/26 at 2:47 PM



Energy savings calculated without modifications to the energy model. (As Modeled)

Ekotrope RATER - Version:5.2.2.3819

The Energy Rating Disclosure for this home is available from the Approved Rating Provider.

This report does not constitute any warranty or guarantee.

Home Energy Rating Certificate

Projected Report
Based on Plans

Rating Date:
Registry ID:
Ekotrope ID: 2RJZnpa2



HERS® Index Score:

43

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

\$1,302

*Relative to an average U.S. home

Home:

5841 Burton Station Rd. - BMG #8, 2BR HC Int Top Fl
Virginia Beach, VA 23455

Builder:

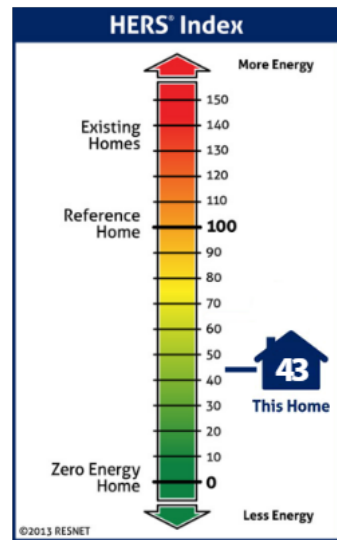
VBCDC

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	2.3	\$92
Cooling	2.5	\$101
Hot Water	1.7	\$67
Lights/Appliances	14.0	\$558
Service Charges		\$91
Generation (e.g. Solar)	0.0	\$0
Total:	20.5	\$908

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:	N/A
Community:	N/A
Conditioned Floor Area:	897 ft ²
Number of Bedrooms:	2
Primary Heating System:	Air Source Heat Pump • Electric • 9.5 HSPF2
Primary Cooling System:	Air Source Heat Pump • Electric • 20 SEER2
Primary Water Heating:	Residential Water Heater • Electric • 3.4 Energy Factor
House Tightness:	5 ACH50 (Adjusted Infiltration: 2.23 ACH50)
Ventilation:	50 CFM • 46 Watts • ERV
Duct Leakage to Outside:	4 CFM25 / 100 ft ²
Above Grade Walls:	R-25
Ceiling:	Vented Attic, R-50
Window Type:	U-Value: 0.3, SHGC: 0.2
Foundation Walls:	N/A
Framed Floor:	R-13

Rating Completed by:

Energy Rater: Zachary Barkan
RESNET ID: 5424506

Rating Company: Ecovative Energy Inc.
1102 Buckingham Avenue, Norfolk VA 23508
757-655-3261

Rating Provider: Building Efficiency Resources
PO Box 1769 Brevard, NC 28712
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Zachary Barkan

Zachary Barkan, Certified Energy Rater
Digitally signed: 3/11/26 at 2:47 PM



Energy savings calculated without modifications to the energy model. (As Modeled)

Ekotrope RATER - Version:5.2.2.3819

The Energy Rating Disclosure for this home is available from the Approved Rating Provider.

This report does not constitute any warranty or guarantee.



Application Overview and Guidelines

Overview

The Virginia Beach Development Authority offers Attainable Workforce Housing Performance Grants in collaboration with the City of Virginia Beach to provide an incentive for the development of affordable rental housing on a continuous basis throughout the year. Applications will be accepted, reviewed, and evaluated by the VBDA and the City's Department of Housing and Neighborhood Preservation staff. Based on the evaluation, staff recommendations are provided to the VBDA board members and Virginia Beach City Council for consideration and formal approval through their legislative processes. **The outcome of the evaluation and approval process is not guaranteed.**

Purpose of Program

The purpose of the City of Virginia Beach Attainable Workforce Housing Performance (AWHP) Grant is to provide an incentive for applicants to construct, own, and operate new affordable multi-family rental housing units in the City of Virginia Beach.

Affordable housing units are those units that will be rented and affordable to households with an annual income at or below 80% of the Area Median Income (AMI), adjusted for household size, as established by the United States Department of Housing and Urban Development (HUD) for the Virginia Beach-Norfolk-Newport News, VA-NC HUD Metro FMR Area for the applicable year of the grant period.

Background

To combat the affordable housing shortage, to further economic development, and specifically to incentivize the development of affordable housing across the Commonwealth, the General Assembly passed HB 1194 during the 2022 Session, and it became effective on July 1, 2022. HB1194 amended Ch. 49, Title 15.2 of the Code of Virginia, known as the "Industrial Development and Revenue Bond Act," to allow local Development Authorities, in conjunction with their local governing bodies, the power to make grants associated with the construction of affordable housing.

On May 21, 2024, Virginia Beach City Council passed a resolution directing the City Manager to proceed with certain recommendations of the 2024 Housing Study that was released in January 2024. The resolution directed City staff to advance discussions with the Virginia Beach Development Authority to fund new large-scaled mixed use development projects, which was a strategy contained in the study. These discussions lead to a City Council ordinance, passed in

April 2025, and a VBDA resolution passed in May 2025, to create the Attainable Workforce Housing Performance Grant program. The Policy is attached as Attachment 1.

Submission Guidelines

Please read and carefully review all information contained in this application packet, including the associated attachments, before completing the application. Applications must be submitted at least 90 days before an anticipated response is required. Incomplete applications will not be evaluated or considered for decisions until all required information has been provided. Completed applications are defined as applications for which all required documentation has been submitted, along with the completed application form and required attachments.

Application materials (Attachment 2 and 3, map, and proformas) must be remitted to the Virginia Beach Development Authority through one of the following methods:

- In-person or by Mail
 - Virginia Beach Development Authority
 - Attention: Sharon Shoff
 - 4525 Main Street
 - Suite 700
 - Virginia Beach, VA 23462
- Email submission
 - Applications can be submitted via email to Sharon Shoff at sshoff@vbgov.com

Only applications that have been deemed complete will be considered. Please allow ninety (90) days for completed applications to be processed.

If an Attainable Workforce Housing Performance Grant is approved, awardees are responsible for an annual grant administrative fee equal to 1% of the annual grant value during the life of the grant.

The Virginia Beach Economic Development Authority and the City of Virginia Beach reserve the right to update this application packet, including the program guidelines, and any other information related to the Affordable Housing Performance Grant Program without notice.

Attachments included in this Application Packet:

- Attainable Housing Policy (Attachment 1)
- Affordable Housing Performance Grant Application Form (Attachment 2)
- Affordable Housing Performance Grant Program Calculation Form (Attachment 3)
 - Applicants must submit form in excel format. Please e-mail sshoff@vbgov.com for a copy of the excel spreadsheet.
- Sample Affordable Housing Performance Grant Agreement (Attachment 4)
Please e-mail sshoff@vbgov.com for a copy of the Sample Grant Agreement.

Attachment 1: Attainable Workforce Housing Performance Grant Program Policy

Purpose of Program

The purpose of the City of Virginia Beach Attainable Workforce Housing Performance (AWHP) Grant is to provide an incentive for applicants to construct, own, and operate new affordable rental housing units in the City of Virginia Beach.

Affordable housing units are those units that will be rented and affordable to households with an annual income at or below 80% of the Area Median Income (AMI), adjusted for household size, as established by the United States Department of Housing and Urban Development (HUD) for the Virginia Beach-Norfolk-Newport News, VA-NC HUD Metro FMR Area for the applicable year of the grant period.

Background

To combat the affordable housing shortage, to further economic development, and specifically to incentivize the development of affordable housing across the Commonwealth, the General Assembly passed HB 1194 during the 2022 Session, and it became effective on July 1, 2022. HB1194 amended Ch. 49, Title 15.2 of the Code of Virginia, known as the “Industrial Development and Revenue Bond Act,” to allow local Development Authorities, in conjunction with their local governing bodies, the power to make grants associated with the construction of affordable housing.

Eligible Projects

- Projects must be new construction.
- Projects must be developed by a for-profit entity.
- Only new multi-family affordable rental housing units that have not started construction as of a to-be-determined date are eligible for the AWHP Grant.
- Attainable Workforce Housing Performance Grant applicants must have a demonstrable gap in project financing, as evidenced by their development and operating pro forma.
- Eligible projects may be fully affordable or mixed-income, and may also be mixed-use (i.e., with commercial and residential components).
- Projects that involve the demolition of existing rental housing units only to build a minimum 20% additional affordable housing units.

Ineligible Projects

- The following projects are not eligible:
- Projects that involve only the purchase and/or rehabilitation of existing housing units.
- Projects that have already started construction as of a to-be-determined date.

- Projects that do not have a demonstrable gap in project financing as evidenced by their development and operating pro forma.
- Developments that are produced by a non-profit entity that is already exempt from paying real estate taxes.

Grant Award

Duration and Timing:

The Attainable Workforce Housing Performance Grant is for 15 years. The grant period may be extended another 15- year period for a total grant period of 30 years if the recipient complies with the capital reinvestment terms set forth below.

The Attainable Workforce Housing Performance Grant period commences on July 1st of the first real estate tax year following the applicant’s completion of the project’s construction, as evidenced by receipt of a temporary or permanent Certificate of Occupancy and ends on the last day of the 15th real estate tax year following the grant commencement date, or the 30th tax year, if the grant period is extended.

Amount and Payment:

The amount of the performance grant is capped at 100% of the amount of incremental new real estate taxes to be levied and collected for improvements on the Project Site. This amount may be adjusted to reflect the percentage of residential square footage to the total gross square footage of the structure(s) and the percentage of the number of affordable rental housing units to the number of total residential rental units.

A Grant amount of two (2) times the Performance Grant Percentage, up to 100% of the incremental value, is available to a qualified property when twenty percent (20%) or more of the residential units are affordable at or below 50% of the Area Median Income. The amounts subject to this increase are not subject to the amount of incremental new real estate taxes.

The Attainable Workforce Housing Performance Grant is payable by the City of Virginia Beach Development Authority (“VBDA”) upon proof of full and timely payment of the property’s real estate tax levy for the applicable payment period and proof of compliance with all requirements of the grant agreement. The VBDA’s obligations would be funded via and subject to a corresponding appropriation by the Virginia Beach City Council.

Terms/Conditions for Award

The recipient of an Attainable Workforce Housing Performance Grant will be required to sign a grant agreement outlining the terms and condition of the award.

Recipients of an award must:

1. Adhere to the project construction timeline based on the effective date of the grant agreement by submitting a plan of development within 9 months, commencing project construction within 18 months, and completing construction within 3 years.

2. Strive for a goal of 50% small, woman, and minority (SWaM) business participation during the construction phase of development. The recipient is required to submit to the City's SWaM Office a report detailing all expenditures with minority business enterprises and emerging small businesses.
3. Provide detailed updates and verifications to the City of the applicant's progress regarding the completion of the project construction and, following Project construction, of recipient's continued control, maintenance, and operation of the Project throughout the 15-30 year grant period.
4. Restrict occupancy and rents of the Project throughout the 15-30 year grant period according to the schedule that will be outlined in the Grant Agreement. Ongoing compliance monitoring and approvals by Virginia Housing provided to the City will serve as evidence of the recipient's compliance with the occupancy and rent restrictions
5. Notify the VBDA and City of any material change in the project's financing structure occurring after an award is made.

For projects with a 30-year performance period, the Project Owner will be required to make an agreed upon reinvestment in capital improvements to the Project to ensure the ongoing upkeep and livability of all the rental units prior to the 15th year of service.

Any restructure in the project's financing or change in the Attainable Workforce Housing Performance Grant Agreement after an award is approved may constitute a material change in the approved application. The VBDA and the City of Virginia Beach understand the fluidity in the current housing market and intend for this program to be as flexible as possible. However, a material or substantial change in the project's financing structure may negate the approved grant award and the submission of a new application may be needed. If a new application is required, it must follow the same approval process as all performance grant applications. There is no guarantee that an Attainable Workforce Housing Performance Grant will be approved.

Award Process

1. The Project Owner completes an application to include its project in the Attainable Workforce Housing Performance Grant Program. After receipt of the application, [Housing/ED/special group designated for this purpose] reviews internally to determine if project could qualify and to assess if additional information is needed from Project Owner. Staff could meet with Project Owner to discuss project to determine if project is eligible as a participant in the program.
2. If the project is eligible for inclusion in the program, the City Manager will brief City Council in closed session and, if directed to proceed, request the appointment of grant liaisons. Subsequently, the VBDA will be briefed in closed session on the project.
3. If not previously completed, the City will complete a study of the economic, fiscal and social impacts of the project.

4. A term sheet may be developed, in concert with the City Attorney, and presented to the City Council and VBDA for concurrence.
5. The project manager will undertake stakeholder and community input appropriate for the size and scope of the proposed project.
6. A grant agreement, setting forth all the terms and conditions of the proposed Attainable Workforce Housing Performance Grant is developed between the VBDA and the Project Owner.
7. On completion, the grant agreement will be presented to City Council and the VBDA for approval. Along with the grant agreement, a support agreement wherein the City agrees, subject to appropriation, to provide sufficient funds to the VBDA to meet its obligations under the grant agreement.

Tab R:

Documentation of Utility Allowance calculation

Unit Type: Multi-Family (1-2 Exposed Walls, Energy Efficient)

Utility of Service- Heating

Fuel Type	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
Natural Gas	\$21.00	\$24.00	\$28.00	\$32.00	\$34.00	\$37.00
Electric	\$11.00	\$12.00	\$16.00	\$20.00	\$24.00	\$27.00
Electric Heat Pump	\$9.00	\$11.00	\$13.00	\$14.00	\$16.00	\$18.00

Utility of Service- Cooking

Fuel Type	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
Natural Gas	\$3.00	\$5.00	\$6.00	\$8.00	\$9.00	\$12.00
Electric	\$4.00	\$4.00	\$7.00	\$9.00	\$11.00	\$13.00

Utility of Service- Water Heating

Fuel Type	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
Natural Gas	\$8.00	\$9.00	\$14.00	\$17.00	\$21.00	\$26.00
Electric	\$9.00	\$11.00	\$14.00	\$17.00	\$20.00	\$23.00

Services With no Fuel Type

Utility of Service	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
Other Electric	\$16.00	\$19.00	\$27.00	\$33.00	\$40.00	\$47.00
Air Conditioning	\$6.00	\$7.00	\$9.00	\$12.00	\$15.00	\$17.00
Water	\$27.00	\$32.00	\$42.00	\$52.00	\$62.00	\$72.00
Sewer	\$81.00	\$89.00	\$105.00	\$121.00	\$137.00	\$152.00
Trash Collection	N/A	N/A	N/A	N/A	N/A	N/A
Electric Charge \$7.58	\$8.00	\$8.00	\$8.00	\$8.00	\$8.00	\$8.00
Natural Gas Charge \$15.46	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00
Range/Microwave	\$11.00	\$11.00	\$11.00	\$11.00	\$11.00	\$11.00
Refrigerator	\$12.00	\$12.00	\$12.00	\$12.00	\$12.00	\$12.00

Tab T:

Funding Documentation



City of Virginia Beach

VBgov.com

DEPARTMENT OF HOUSING AND
NEIGHBORHOOD PRESERVATION
MAIN: (757)-385-5750
FAX: (757) 385-1874
TTY: 711
TDD: (757) 385-5794

MUNICIPAL CENTER
BUILDING 21, ROOM 144
2408 COURTHOUSE DRIVE
VIRGINIA BEACH, VA 23456-9083
WWW.VBGOV.COM/DEPT/HOUSING

February 2, 2024

Seniors Unlimited Lifestyles, Inc.
Attn: Angela Whitehead, CEO
453 Longdale Crescent
Chesapeake, VA 23325
[Via-E-Mail](mailto:angela.whitehead@seniorsunlimited.com)

Purpose: *Recension of Commitment Letter only concerning HOME funds of January 2022 (superseded) – to be replaced by the following to add additional HOME funds. Only change is to increase funds.*

Re: Proposal submission in Response to FY 23-24 HOF RFP for HOME and PBVs for “tranquility at the Lakes, II” a new affordable Seniors Residential Apartment community.

Dear Ms. Whitehead:

You submitted a proposal request for FY 23-24 funding for the above referenced project in response to an RFP that we issued. Your project was already contingently funded for \$1, 550,000.00 in HOME funds for ten (10) HOME units and for twenty (20) PBVs. You have requested an additional amount of \$691,000.00 in HOME funds to complete your funding for your project. All HOME funds are to be used for Property Acquisition and Construction.

I am pleased to inform you the Department of Housing and Neighborhood Preservation is making a **conditional commitment of \$2,241,000.00 in HOME funds.**

No other changes are made to the PBV units, project conditional actions and approvals, or number of HOME units required.

We look forward to continuing this project with you for the benefit of VB citizens!

Sincerely,

Ruth D. Hill
Director

Cc: Cindy M. Walters, Compliance & Development Officer
Karen Prochilo, Housing Development Administrator

**VIRGINIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
HOUSING INNOVATIONS IN ENERGY EFFICIENCY PROGRAM AGREEMENT**

THIS PROGRAM AGREEMENT made and entered into this date 10/24/2024 by and between **VIRGINIA BEACH COMMUNITY DEVELOPMENT CORPORATION** (hereinafter referred to as “the Developer”) and **SUL TRANQUILITY LAKES II, LLC.**, (hereinafter referred to as “the Owner”) and the **VIRGINIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT** (hereinafter referred to as "DHCD").

The **Housing Innovations In Energy Efficiency** (hereinafter referred to as “HIEE”) funds provided for and which are the subject of this program agreement (hereinafter referred to as “the Agreement”), have been appropriated by the Virginia General Assembly to support the preservation and production of affordable housing, and are allocated for this project, however, the Department reserves the right to modify, amend or terminate this Agreement due to the reduction or rescission of state funds by the Virginia General Assembly. The funds are subject to, and this Agreement incorporates by reference, the terms, rules, and conditions set forth in the HIEE Application, plan and guidelines and related laws of the Commonwealth of Virginia.

Upon execution of this Agreement, the Department has approved the Developer’s request for a loan and the Department authorizes the Developer to initiate activities and incur expenses associated with the **Tranquility at the Lakes II** project to provide affordable housing. The Developer agrees to comply with all the terms and conditions of this Agreement, and all applicable State laws and requirements in its implementation of activities. The Developer agrees to furnish in such a form as the Department may require, reports concerning the status of project activities and/or disposition of loan funds.

The Developer shall hold the Commonwealth of Virginia, the Department, its agents and employees harmless from any and all claims and demands based upon or arising out of any actions by the Developer, its employees, agents or contractors.

The Department reserves the right to modify, amend, or terminate this Agreement at any time during the term of this Agreement due to failure of the Developer to comply with the terms and conditions of this Agreement and other documents set forth herein, or due to the loss, reduction, or rescission of state funds from the Department.

- I. **Loan Amount** – The Department hereby awards a loan of **\$1,067,378** of HIEE resources (the “Loan”) to be used in a manner consistent with the proposed budget in the Affordable and Special Needs Housing application and the Scope of Eligible Activities, IV. The loan is intended to be for long-term permanent financing.

- II. **Term of Agreement** – This Agreement goes into effect upon execution/signing of this Agreement. The funding reservation will expire on August 15, 2026 (8/15/2026) after the execution/signing of this Agreement. DHCD reserves the right to de-obligate the fund reservation at any time in the case of the project not making sufficient progress toward completion. This funding reservation may be extended at DHCD’s discretion if the Developer

can demonstrate just cause. This HIEE Program Agreement will remain in effect until the expiration of the Affordability Period (as defined in Section V).

- III. **Budget** – The attached budget, including other funding sources and projected expenses to be paid with HIEE loan, are herein incorporated as a part of this Agreement.
- IV. **Scope of Eligible Activities** – Tranquility at the Lakes II (the “Project”) is the new construction of thirty-eight (38) units of affordable rental housing across one (1) building located at 5841 Burton Station Road, Virginia Beach, Virginia 23455. All units will be made available to households at or below 80% Area Median Income. The Project will meet or exceed Zero Energy Ready Homes (ZERH) standards including but not limited to improved energy efficiency performance, dehumidification, fresh air ventilation, and green building certification standards to comply with guidelines for receiving Housing Innovations in Energy Efficiency (HIEE) funding.
- V. **Affordability Period** – The Developer must assure that the developed/preserved units will be used for affordable housing in accordance with program requirements and those specified with this Agreement for at least 30 years from the completion of the project. The completion date is the date that DHCD receives a complete and accurate rent lease up report, or a complete and accurate completion report including beneficiary data for the project if HOME funds are included in the project. At the end of the Affordability Period, at DHCD’s sole discretion, the initial principal and any accrued interest may be either repaid or forgiven, provided the Developer has been in compliance for 30 years. This affordability period shall be secured through a Deed of Trust. Deeds of Trust placed on the project under the HIEE Loan may only be subordinated to other project financing with the approval of the Department. Should the Loan be subordinate to financing issued by Virginia Housing Development Authority (“Virginia Housing”), the Affordability Period shall be the greater of 30 years or the remaining term of the mortgage issued by Virginia Housing.
- VI. **Fund Disbursement** – The loan of \$1,067,378 will be for a term of 30 years at zero percent (0%) interest, structured as an interest-only, must pay loan consisting of equal monthly interest payments. The Loan is not intended to be a grant. Payments shall be made in accordance with Virginia Housing loan servicing guidance. Funds will be disbursed to Virginia Housing for distribution at the project loan closing and must be used in accordance with the approved budget. Funds not disbursed by the expiration of this Agreement will be forfeited. Disbursements will be made by the Department on the basis of notification of the project loan closing date. The closing date must be confirmed by Virginia Housing. The total disbursement of HIEE funds shall not exceed the loan dollar amount awarded in section I. of this Agreement. Should the anticipated closing not take place, funds will be held at Virginia Housing. Funds are intended to be used as long-term permanent financing. Notwithstanding anything to the contrary above, should the Loan be subordinate to financing issued by Virginia Housing Development Authority (“Virginia Housing”), the term of the Loan shall be the greater of 30 years or the remaining term of the mortgage issued by Virginia Housing.

Other terms and conditions of the Loan will be as set forth in the loan commitment issued pursuant to this Agreement.

- VII. **Federal HOME Requirements** – If applicable, use of these funds results in a project that uses federal HOME Investment Partnerships Program funds, this Agreement shall be governed by all federal requirements pertaining to affordable housing projects developed under the HOME program. The Developer’s failure to contact the Department in no way releases it from its responsibility to ensure compliance with federal HOME requirements in project construction, maintenance, and management.

This project does OR does not include an allocation of HOME Funds.

- VIII. **Repayment Provision** – The Loan is to be repaid in accordance with the rate and terms outlined in Section VI. Virginia Housing will serve as the loan servicing entity. Failure to make payments in accordance with the prescribed payment schedule may result in foreclosure on the property.
- IX. **Access to Property** – The Developer shall give DHCD unrestricted access to the property for inspections and site review.
- X. **Records and Reports** – The Developer shall maintain records as prescribed by the Department. The Developer shall give DHCD unrestricted access to records, files, books, papers, and documents related to the administration of the HIEE Fund project. Records pertaining to activities funded pursuant to this Agreement shall remain intact and accessible for at least five years beyond the end of the affordability period. In the event a litigation claim or audit is initiated prior to expiration of the record retention period, records shall be retained until such action is resolved to DHCD’s satisfaction. DHCD reserves the right to change reporting requirements for the HIEE Fund as needed to ensure compliance.
- XI. **Accounting Records** – The Developer shall record in its accounting system all funds received by it pursuant to this Agreement. All costs to be supported by the Loan shall be documented by properly executed invoices, contracts, or vouchers. All checks, invoices, contracts vouchers, orders, or other accounting documents pertaining in whole or in part to any project activity funded with the Loan shall be clearly identified, readily accessible, and separate and distinct from all other such documents. Such documents shall be retained by the Developer for a period of five years beyond the end of the affordability period and shall be readily accessible to the Department during the course of the project. Should any litigation claim or audit be started before the expiration of the affordability period, the records shall be retained until such action is resolved.
- XII. **Audit** – The Developer must submit an annual audit to DHCD within thirty days after receipt of the auditor’s report and nine months after the end of the audited period.

- XIII. **Termination, Suspension, Conditions** – If through any cause, the Developer fails to comply with the terms, conditions or requirements of this Agreement, the Department may terminate or suspend this Agreement by giving written notice of the same and specifying the effective date of termination or suspension at least five days prior to such action. In the case of Agreement violations by the Developer and/or termination of the project before completion, the Department may make a written request that all or some of the Loan be returned even if the Developer has expended the Loan. The Developer agrees to return the Loan as requested by the Department within 15 days of receipt of the written request.
- XIV. **Subsequent Contracts** – The Developer shall remain fully obligated under the provisions of the Agreement notwithstanding its designation of any subsequent or third parties for the undertaking of all or part of the activities for which the Loan is being provided to the Developer. Any contractor or subcontractor, which is not the Developer, shall comply with all the lawful requirements of the Developer necessary to ensure that the project for which this assistance is being provided under this Agreement is carried out in accordance with the Developer’s assurance and certifications.
- XV. **Federal Match** –HIEE expenditures associated with this funding commitment will be used to meet the State’s federal HOME program match requirement and may not be utilized for any subsequent match requirement without permission from the Department.
- XVI. **Miscellaneous** – This Agreement constitutes the entire and final Agreement between the parties with respect to the reserved funds and supersedes all prior negotiations and agreements. This Agreement is contingent upon the availability of HIEE funds. This Agreement may be amended only in writing signed by DHCD and the Developer. This Agreement may be terminated for convenience upon 30 days written notice by any party hereto. This Agreement shall be construed in accordance with the laws of the Commonwealth of Virginia. All provisions contained herein are severable and should any provision be held invalid by a court of competent jurisdiction the remaining provisions shall remain in full force and effect.
- XVII. **ADDITIONAL ASSURANCES AND CONDITIONS:**

The Developer hereby assures and certifies that:

It possesses legal authority to execute this Agreement;

It will ensure that resources are available to provide the housing units developed/preserved through this Agreement at affordable rents to the targeted population for at least a period of 30 years.

That any additional funds needed to complete the Scope of Eligible Activities (IV) are committed and available for uses.

XVIII. DEED OF TRUST

The owner/developer agrees to place a Deed of Trust on the developed/preserved units to ensure that they are used for affordable housing for the targeted population for a period of 30 years. Should the property use be changed during the Affordability Period, the loan funds must be immediately re-paid in full to the HIEE Fund in accordance with the terms of this Agreement.

The parties named below on the date set forth below their respective signatures as follows hereby execute this Agreement:

Virginia Department of Housing and Community Development
By Its Authorized Officer:

Signed by:
Sandra Powell
Sandra Powell CC56465...
Senior Deputy Director
Community Development & Housing
10/25/2024
Date

Virginia Beach Community Development Corporation

By: Jessica Guglielmo
DocuSigned by:
Jessica Guglielmo
Title: President & CEO
10/24/2024
Date

SUL TRANQUILITY LAKES II, LLC,
a Virginia limited liability company

By: SUL Tranquility Lakes II Manager, LLC,
a Virginia limited liability company,
its Managing Member

By: Virginia Beach Community Development Corporation,
a Virginia nonstock corporation,
its Co-Managing Member

DocuSigned by:
By: Jessica Guglielmo
Name: Jessica Guglielmo
Title: President and CEO
Date: 10/24/2024



**AFFORDABLE AND SPECIAL NEEDS HOUSING PROGRAM
NATIONAL HOUSING TRUST FUND PROGRAM AGREEMENT**

THIS PROGRAM AGREEMENT made and entered into this 24th day of October 2024 by and between **VIRGINIA BEACH COMMUNITY DEVELOPMENT CORPORATION** (hereinafter referred to as "the Developer") and **SUL TRANQUILITY LAKES II, LLC.**, (hereinafter referred to as "the Owner") and the **VIRGINIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT** (hereinafter referred to as "DHCD").

I. DEFINITIONS

- a. **The DEVELOPER** – is hereby identified as **VIRGINIA BEACH COMMUNITY DEVELOPMENT CORPORATION**, who will develop the project and is hereinafter referred to as "Developer".
- b. **The PROJECT OWNER** – is hereby identified as **SUL TRANQUILITY LAKES II, LLC.** and is hereinafter referred to as "Owner".
- c. **The PROJECT NAME** - is hereby identified as **Tranquility at the Lakes II**, a DHCD-assisted Affordable and Special Needs Housing project, and is hereinafter referred to as the "Project".
- d. **PARTICIPATING JURISDICTION** – is hereby defined as the **Virginia Department of Housing and Community Development**, the funding entity for Affordable and Special Needs Housing funds, including National Housing Trust Fund and HOME Investment Partnerships Program funds, and is hereinafter referred to as "DHCD".

WITNESSETH:

WHEREAS, the Project Developer and Project Owner has applied to DHCD for permanent finance funding for the Project located in city/county of **Virginia Beach, Virginia**; and

WHEREAS, based upon the representations, statements and warranties contained in the Application, exhibits, underwriting and subsidy analysis, and any amendments thereto filed with, and accepted by DHCD, DHCD has approved funding for the Project; and

WHEREAS, the Developer, Owner, and DHCD desire to work together to provide such funding assistance in the amount and subject to the terms and conditions set forth below in the area to be served as set forth by this agreement.

NOW, THEREFORE, for and in consideration of the mutual covenants herein contained and other good and valuable consideration, the parties agree as follows:

II. Reservation of Funds

The Developer and Project Owner hereby accepts the reservation of **\$442,317** in National Housing Trust Funds (hereinafter referred to as "NHTF funds") for a permanent financing gap for the development of this rehabilitation or new construction project. The NHTF is funded by the U.S. Department of Housing and Urban Development (HUD) and was established under Title I of the Housing and Economic Recovery Act of 2008, Section 1131 (Public Law 110-289). Section 1131 of HERA amended the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4501 et seq.) (Act) to add a new section 1337, entitled "Affordable Housing Allocation" and a new section 1338, entitled "Housing Trust Fund."

III. Project Description and Requirements

"Project Owner": SUL Tranquility Lakes II, LLC.

"Project Name": Tranquility at the Lakes II

Project Type: New Construction

Project Address and Locality: 5841 Burton Station Road, Virginia Beach, Virginia 23455

Property Management Entity: Virginia Beach Community Development Corporation

Total Development Cost: \$12,632,944

Purpose of the Award: To develop an affordable housing project that provides a total of **38** units of affordable housing. Under this NHTF Program Agreement the Project shall have no less than **(6) floating** NHTF assisted units. The NHTF-Assisted units will be subject to NHTF rent limits identified in this Agreement. **100% of the NHTF units will target incomes at or below 30 percent AMI.**

The project must maintain accessible units for residents with mobility impairments and accessible units for residents with sensory impairments as identified in its Affordable and Special Needs Housing application as approved by DHCD. Based on representations made to DHCD in the Affordable and Special Needs Housing Program application approved by DHCD, a total of **6 units** will be accessible and meeting at least minimum Section 504 requirements.

DHCD's underwriting has been performed using supporting data provided by the Developer in the Affordable and Special Needs Housing Program application, to include the approved development budget, operating pro-forma, and detailed construction timeline.

AN UPDATED DEVELOPMENT BUDGET, OPERATING PROFORMA AND DETAILED TIMELINE MUST BE ATTACHED SUBMITTED WITH THIS EXECUTED

AGREEMENT.

IV. Required Affordability Period

The Project Owner must assure that the property will meet all NHTF Program requirements and those specified within this Agreement for **at least 30** years from the completion of the NHTF-assisted project (the “**Affordability Period**”). The Affordability Period will begin on the date that DHCD receives a complete and accurate HUD completion report including beneficiary data for the project and that information is entered into HUD’s Integrated Disbursement & Information System. Should the Loan Documents be subordinate to financing issued by Virginia Housing Development Authority (“Virginia Housing”), the Affordability Period may extend beyond 30 years and shall not terminate prior to the remaining term of the mortgage issued by Virginia Housing.

NHTF-assisted units must provide affordable housing for extremely low-income households for the duration of the Affordability Period. The Affordability Period cannot begin prior to completion of construction. If there are any vacant NHTF-assisted units six (6) months following the commencement of the Affordability Period, the Project Owner must submit documentation to DHCD to demonstrate how it will market the unit(s). If any unit remains vacant 18 months from project completion, this will be considered a breach of contract (failure to provide affordable housing) and the Project Owner will be required to repay any NHTF funds that were invested in these units. When combined with HOME Funds, which typically require a 15-year affordability period for rehabilitation or a 20-year affordability period for new construction, the Project Owner must assure that the property will meet the most stringent Affordability Period.

V. Unit Designation

The assisted unit mix, containing **6 NHTF** rent units must be maintained throughout the applicable Affordability Period. Noncompliance is allowable on a temporary basis only if a tenant’s income increases. IRS rules regarding over income tenants in LIHTC are govern. Rents may need to be adjusted if tenant income exceeds limits. NHTF-assisted tenant households must earn less than 30 percent AMI. The assisted units are floating units within the project and consist of the following unit mix:

NHTF Unit Mix		
<i>Number of Bedrooms</i>	<i>Number of NHTF Assisted-Units</i>	<i>Type of unit</i>
Efficiency		See rents below
One-Bedroom Units	<u>4</u>	
Two-Bedroom Units	<u>2</u>	
Three-Bedroom Units		
Total NHTF-assisted units	<u>6</u>	

VI. Rent Limits

For all NHTF projects, the maximum allowable rent is the HUD calculated NHTF Rent Limit and/or the 30 percent AMI Rent Limit.

NHTF Rent limits are inclusive of all rent a client and/or tenant-based voucher pays, and utilities that must be paid by the tenant. The Project Owner may not charge any rents that are higher than the applicable HUD-issued Program rent limits with the exception of project-based subsidies. HUD-issued Program rent limits include utilities. This means that if the tenant is paying any utilities, the Project Owner must deduct the applicable utility allowance (discussed in the following section) from the applicable HUD-issued Program rent limits in order to determine the maximum amount of rent that can be charged for each unit type. **Rents are based on the Rent Schedule included in Exhibit A and are approved as follows:**

<i>NHTF Unit Rents (rent includes utilities)</i>		
<i>Number of Bedrooms</i>	<i>Approved NHTF Assisted Pro-forma Rents</i>	<i>NHTF Unit Rent Limit</i>
<i>Efficiency</i>	<i>\$XXX</i>	<i>\$XXX</i>
<i>One-Bedroom Units</i>	<i>\$1,416</i>	<i>\$680</i>
<i>Two-Bedroom Units</i>	<i>\$1,025</i>	<i>\$847</i>
<i>Three-Bedroom Units</i>	<i>\$XXX</i>	<i>\$XXX</i>
<i>Four-Bedroom Units</i>	<i>\$XXX</i>	<i>\$XXX</i>

VII. Projects/units with Project-based rental assistance

The Project will have at least **20 project-based vouchers** available for tenants. NHTF Program regulations allow the owner of the rental project to charge up to the project-based program rent limit provided:

- The unit is an extremely low-income (ELI) NHTF rent unit;
- The unit receives project-based assistance;
- The unit is occupied by a Very Low Income tenant; and
- Tenant does not pay more than 30 % of adjusted income for housing.

Section 8 Project-Based Vouchers may be made available to NHTF-assisted units. When project-based assistance from other HUD programs is provided to NHTF units, the rents are based on the rent requirements of that program.

VIII. Rents during the Affordability Period

Each year, HUD issues updated rent limits for the NHTF Program. DHCD will notify the Project Developer when these updates are issued. At no time can the rents be increased above the applicable NHTF rent limits that are in effect, throughout the Affordability Period. DHCD must approve any rent increase for these units throughout the Affordability Period.

The current NHTF Rent limits are available here:
<https://www.hudexchange.info/programs/htf/htf-rent-limits/>

IX. Utility Allowances

The Project Owner must submit to DHCD a project-specific utility allowance using HUD's Utility Schedule Model (which is available at: <https://tools.huduser.gov/husm/uam.html>) or an approved calculation provided by a local authority or designated approved entity. The property Owner is required to annually update the utility schedule and submit the updated schedule to DHCD for annual review.

X. Property Standards

All units being constructed must comply with local and applicable State Codes and Ordinances. Prior to expending the funds, and before the occupancy, the State will require a Certificate of Occupancy or AIA G704, certificate of substantial completion from the local building official. A copy of the CO or G704 will be kept in the State's NHTF project file to document that the property standards requirement under the NHTF program have been met.

Federal accessibility standards of Section 504 of the Rehabilitation Act of 1973 apply to the Project in all accessible units and common spaces. The Project must have and maintain the required number of accessible units for residents with mobility impairments and accessible units for residents with sensory impairments as identified in its Affordable and Special Needs Housing application as approved by DHCD. Individual units can be both accessible for residents with mobility impairments and accessible for residents with sensory impairments. The accessible units and the common spaces must meet the Uniform Federal Accessibility Standards (UFAS) throughout the Affordability Period. These standards are available online at <https://www.access-board.gov/aba/guides/>

The Project is NOT subject to the lead-based paint requirements of 24 CFR Part 35 Subparts A, B, J, K, M, and R for pre-1978 units. For all pre-1978 properties, the owner must disclose any known or potential lead-based paint risks to each tenant at move-in and lease renewal; the tenant must sign the notice to document receipt. In addition, visual inspections must be conducted annually or at unit turnover (whichever is sooner) to check for peeling, flaking, or deteriorating paint. For more information on the lead-based paint requirements, please see the *Lead Safe Housing Policies and Procedures* guide on DHCD's website at: <https://www.dhcd.virginia.gov/sites/default/files/Docx/housing/lead-safe-housing-rule-procedures.pdf>

DHCD reserves the right to inspect the property and any assisted units at any point throughout the Affordability Period. It expects to conduct onsite property inspections upon project completion and at a minimum of every three years and will include property common areas for all project buildings and a sample of assisted units. All assisted projects must maintain the property standards applicable (state and local codes and ordinances) at the time of project completion throughout the 30 year Affordability Period.

Project Owner must submit an annual certification to DHCD that each building and all assisted units in the project are suitable for occupancy, in consideration of these property standards requirements.

XI. Income Eligibility

NHTF Program regulations require income verification for all prospective tenants of assisted units. DHCD's Affordable and Special Needs Housing program rules specify that owners of NHTF-assisted rental properties use the Section 8/Part 5 definition of income for income verification. State officials will monitor the income verification process to ensure that the initial occupants comply with Program requirements. HUD will adjust NHTF program income limits annually. Therefore, incomes are required to be verified annually. Property owners are required to use source documentation to verify an applicant's income upon initial occupancy and every 6th year of the Affordability Period. Income recertification should occur on either:

- The anniversary date of initial verification; or
- Lease renewal date; or
- An annual date established for all tenant incomes in the project to be verified.

For years when the Project Owner is not required to use *source documentation*, it must require tenants to self-certify their income. Tenants are considered over-income if their incomes rise above the applicable income limit for the type and size of NHTF unit they lease (NHTF Program Rent).

In the event tenant incomes rise or fall at the time of annual income re-certification, the Project Owner must maintain the original NHTF-assisted unit mix and/or adjust unit rents to remain in compliance with NHTF program regulations.

It is the property owner's responsibility to ensure compliance with NHTF rent and income limits throughout the applicable Affordability Period. Temporary noncompliance is allowed in the event a tenant's income rises or falls, but any instance of temporary noncompliance must be mitigated as soon as possible by filling the next available unit with an income eligible tenant, as a NHTF-assisted unit.

XII. Maximum NHTF Income Limits

The NHTF Program publishes income limits on an annual basis. All NHTF units must be targeted to Extremely Low Income individuals. DHCD will provide the property manager with the annually updated NHTF income limits at the time they are published by HUD. The income limits and occupancy restrictions are established for the NHTF Program and will be enforced on the NHTF-assisted units. Income calculations are based on the Section 8 income definition. The following table shows the 2018 NHTF income limit(s) for the NHTF-assisted units at 30 percent of the AMI (area median income) for the Project:

Project Location: Virginia Beach-Norfolk-Newport News, VA-NC HUD Metro FMR Area
NHTF Program Income Limits for 2024

HUD NHTF Program Income Limits							
1 Person	2 Person	3 Person	4 person	5 Person	6 Person	7 Person	8 Person
\$21,150	\$24,200	\$27,200	\$30,200	\$32,650	\$35,050	\$37,450	\$39,900

These limits are the maximum amount of annual gross income a household can have and be eligible to occupy a NHTF-assisted unit. Annual income limits are published at: <https://www.hudexchange.info/programs/htf/htf-income-limits/>

XIII. Lease requirements and prohibited lease terms

The lease between a tenant and an owner of rental housing assisted with NHTF funds must be in writing and for not less than one year, unless by mutual agreement between the tenant and the owner. All tenants in DHCD-funded NHTF rental projects must sign the Virginia Department of Housing and Community Development NHTF Unit Lease Addendum, which is attached as Exhibit [B], when they sign the lease for their NHTF-assisted unit. Termination of tenancy may only be for good cause, in accordance with Termination of Tenancy- §93.303(c).

The lease must not contain any of the following prohibited lease terms:

- (1) Agreement to be sued. Agreement by the tenant to be sued, to admit guilt, or to a judgment in favor of the owner in a lawsuit brought in connection with the lease;
- (2) Treatment of property. Agreement by the tenant that the owner may take, hold, or sell personal property of household members without notice to the tenant and a court decision on the rights of the parties. This prohibition, however, does not apply to an agreement by the tenant concerning disposition of personal property remaining in the housing unit after the tenant has moved out of the unit. The owner may dispose of this personal property in accordance with State law;
- (3) Excusing owner from responsibility. Agreement by the tenant not to hold the owner or the owner’s agents legally responsible for any action or failure to act, whether intentional or negligent;
- (4) Waiver of notice. Agreement of the tenant that the owner may institute a lawsuit without notice to the tenant;
- (5) Waiver of legal proceedings. Agreement by the tenant that the owner may evict the tenant or household members without instituting a civil court proceeding in which the tenant has the opportunity to present a defense, or before a court decision on the rights of the parties;
- (6) Waiver of a jury trial. Agreement by the tenant to waive any right to a trial by jury;
- (7) Waiver of right to appeal court decision. Agreement by the tenant to waive the tenant’s right to appeal, or to otherwise challenge in court, a court decision in connection with the lease; and
- (8) Tenant chargeable with cost of legal actions regardless of outcome. Agreement by the tenant to pay attorney’s fees or other legal costs even if the tenant wins in a court proceeding by the owner against the tenant. The tenant, however, may be obligated to pay costs if the tenant loses.
- (9) Mandatory services. The tenant may not be required to participate in any services as part of tenancy in a NHTF-assisted unit unless the housing is specifically designed as

transitional housing.

XIV. Prohibition against Unreasonable Fees

The Project Owner may not impose any fees on low-income applicants or tenants of the project, other than those that are reasonable and customary for non-assisted housing in the area (such as a credit report fee).

XV. Tenant Selection

The Project Owner must adopt a DHCD-approved written tenant selection policies and criteria that:

- (1) Are consistent with the purpose of providing housing for extremely low-income, very low-income and low-income families;
- (2) Are reasonably related to program eligibility and the applicants' ability to perform the obligations of the lease;
- (3) Provide for the selection of tenants from a written waiting list in the chronological order of their application, insofar as is practicable; and
- (4) Give prompt written notification to any rejected applicant of the grounds for any rejection.

XVI. Marketing Accessible Units

The Project Owner must offer accessible units to the following potential occupants who might require or benefit from the accessibility feature(s) of the unit, in this order of priority: (1) a current occupant of the property; (2) an eligible qualified applicant on the waiting list; (3) the disabled community at-large; and (4) a nondisabled person on the waiting list. Accessible units must be listed as available on Virginia Housing Search. Note, a nondisabled tenant may rent an accessible unit *only* when the property manager has made all reasonable efforts to attract a tenant with a disability, and has followed the above steps.

XVII. Marketing of Special Needs Units

Developer has agreed to designate units for tenants with intellectual/developmental disabilities per the allocation of Low Income Housing Tax Credits.

Tenant selection plans must include a provision for selection of tenants for special needs targeted units. Vacant units must be held vacant for 60 days or until leased to targeted special needs population. All vacant special needs units must be listed on Virginia Housing Search.

XVIII. Monitoring

Requirements include compliance with annual rent and occupancy reporting, annual financial reporting, and housing quality standard/inspections depending on project size. DHCD will verify rent and occupancy reporting and NHTF program compliance through onsite file reviews and monitoring. Project owners that are unable to remedy events of noncompliance following notice

and opportunity to cure as set forth in this Agreement will not be eligible for additional funding through DHCD and may be required to return the full amount of the original NHTF investment. For projects with operating costs that significantly exceed operating revenue within the Affordability Period, DHCD reserves the right to require one or more of the following as resolutions:

- Development of improved management procedures;
- Technical assistance for specific issues provided by DHCD, HUD, or a HUD-provided consultant;
- Project financial reporting and monitoring
- Additional owner funds commitment;
- Change in property management agency;
- Utilization of project reserves;
- Modification of NHTF financing terms;
- Transfer of project ownership
- Foreclosure.

XIX. Other Federal Requirements

The Project Developer certifies that it will comply with all other applicable federal regulations.

These regulations are specified in the current DHCD Affordable and Special Needs Housing Program guidelines, found on DHCD's NHTF webpage at: <https://www.dhcd.virginia.gov/nhtf>

and by NHTF regulation at:

<https://www.hudexchange.info/resources/documents/National-Housing-Trust-Fund-Interim-Rule-Summary-24-cfr-parts-91-and-93.pdf>.

These other federal requirements include but are not limited to the following: The Project Owner certifies that it will comply with the following:

1. Performance Reporting requirements;
2. Affirmative Marketing at 24 CFR 92.351;
3. Displacement, relocation, and acquisition at 24 CFR 92.353;
4. Federal labor standards at 24 CFR 92.354 (if applicable);
5. Conflict of Interest requirements at 24 CFR 92.3569(f);
6. Nondiscrimination and Civil Rights requirements at 24 CFR 92.350;
7. Uniform Administrative requirements;
8. Equal Participation of Religious Organizations requirements;
9. Drug-Free Workplace requirements; and
10. Violence Against Women Reauthorization Act of 2013 (VAWA)

The Project Owner agrees to make available all agency and program participant records to the Commonwealth of Virginia, HUD and the HUD Inspector General upon request.

XX. Repayment Provision for Failure to Comply

If the Project Owner fails to comply with all applicable NHTF program requirements, throughout the Affordability Period, and such failure comes after any notice and cure period provided for under the Enforcement Provisions of this Agreement, DHCD may require the Project Owner to return the full amount of the NHTF assistance to DHCD.

XXI. Term of Agreement

The project must be completed by August 15, 2026 (8/15/2026). No choice-limiting activity can commence on the project prior to execution of this Agreement. Environmental Record Review requirements must be documented and all funding contingencies must be finalized prior to the execution of this agreement. DHCD reserves the right to de-obligate this fund reservation at any time in the case of a project not making sufficient progress towards project completion and meeting the terms of this agreement. DHCD will notify the Project Developer and/or Owner in writing of any potential or perceived breach of this agreement within 30 days of DHCD's knowledge of same. The Project Developer and/or Owner will be provided 30 days from the date of the notice to correct and/or respond to the breach. In the event that the Project Developer and/or Owner cannot implement a remedy for the breach that is acceptable to DHCD, DHCD may initiate any such action outlined in this Agreement, permitted by the NHTF program regulations, or at law or equity. This funding reservation will expire one year after the execution of this Agreement when construction has failed to commence. This Agreement may be extended at DHCD's discretion if the Project Developer and/or Owner can demonstrate just cause.

This NHTF program Agreement will remain in effect throughout the Affordability Period, are required by §93.302(d).

XXII. Funds Disbursement

NHTF regulations require that the Project Developer cannot request funds until they are needed for payment of NHTF eligible costs as identified in the Affordable and Special Needs Housing Guidelines; and, the amount of disbursement is limited to the amount needed.

DHCD funds are provided as must-pay permanent finance gap funding and will not be disbursed until the property's Certificate of Occupancy or AIA G704, Certificate of Substantial Completion from the local building official certifying that the property meets all local and state codes, along with a final inspection to ensure that DHCD's rehabilitation standards, as applicable, has been met.

XXIII. Records and Reports

The Project Owner is required to submit the following reports to DHCD:

- (1) Annual rent and occupancy reports, including information on any unit substitutions that were made in order to maintain unit mix (in either February or September),
- (2) Annual financial reports that are in sufficient detail that DHCD can fairly evaluate the financial condition of the property, and

(3) Annual certification that each building and all NHTF-assisted units in the project are suitable for occupancy.

The annual rent and occupancy and financial reports must be submitted electronically to DHCD through the through DHCD's CAMS website.

Throughout the construction period, the project Owner must submit quarterly progress reports to DHCD through the CAMS website to demonstrate appropriate timeline milestones are being met.

The Project Owner shall maintain records as prescribed by DHCD. The Project Owner shall give DHCD and HUD unrestricted access to records, files, books, papers, and documents related to the administration of the NHTF program. Records pertaining to activities funded pursuant to this Agreement shall remain intact and accessible for at least five years beyond the end of the Affordability Period. Records of individual tenant income verifications, project rents, and project inspections must be retained for the most recent five year period, until five years after the Affordability Period terminates. Initial lease up information must be retained and accessible for at least five years after the end of the Affordability Period. In the event any litigation claim or audit is initiated prior to expiration of the record retention period, records shall be retained until such action is resolved to DHCD's satisfaction. DHCD reserves the right to change the reporting requirements as needed to ensure regulatory compliance.

The Project Owner shall record in its accounting system all project payments received by it pursuant to the NHTF and all other funds provided for, accruing to, or otherwise received on account of the NHTF Fund. All costs, including paid services contributed by the Project Owner, charged to the project shall be supported by properly executed payrolls, time records, invoices, contracts, or vouchers evidencing the nature and propriety of the charges. All checks, payrolls, invoices, contract, vouchers, orders or other accounting documents pertaining in whole or in part to any project activity funded with the Fund shall be clearly identified, readily accessible, and separate and distinct from all other such documents. All accounting records shall reside at the project Owner's office.

XXIV. Enforcement

In accordance with 24 CFR 85.43, DHCD reserves the right to modify, amend, suspend or terminate this Agreement at any time during the term of this Agreement due to material failure of the Project Owner to comply with the terms and conditions of this Agreement and other Documents set forth by reference herein. DHCD will notify the Project Owner in writing of any potential or perceived breach of this agreement within 30 days of DHCD's knowledge of same. The Project Owner will be provided 30 days from the date of the notice to correct and/or respond to the breach. In the event that the Project Owner cannot implement a remedy for the breach that is acceptable to DHCD, DHCD may initiate any such action outlined in this Agreement, permitted by the NHTF program regulations, or at law or equity.

Project owners with unresolved findings or compliance issues will not be eligible for additional funding through DHCD and may be required to return the full amount of the original NHTF investment.

In accordance with NHTF regulation the required period of long-term affordability for this project will be at least 30 years, commencing at the completion of the project.

This Agreement will be enforced by a covenant running with the land, deed restriction and/or deed rider which describes the process for ownership transfer of the project and in the event of default that remains uncured following any applicable notice and cure period, repayment of the NHTF funds expended on the unit(s) during the Affordability Period.

Deed restrictions will be incorporated into any notes or mortgages between the Participating Jurisdiction and the Owner, as a condition of funding for this development. These provisions must be enforced through deed restrictions, covenants running with the land, or similar legal mechanisms.

The terms and conditions of this Agreement shall extend and inure to the benefit of and be binding upon the respective successors, heirs, and assigns of the parties hereto. All indemnifications contained in this Agreement shall survive the completion of activities funded with NHTF funds pursuant to this Agreement, until the expiration or termination of this Agreement.

XXV. Hold Harmless Provision

The Project Owner shall, within limitations placed on such entities by state law, hold harmless the Commonwealth of Virginia, DHCD and their respective agents, officers, and employees from all claims and actions, all expenses defending same, that are brought as a result of any injury or damage sustained by any person or property in consequence of any act or omission by the Project Owner. Any contractor hired in connection with the administration NHTF Funds shall, within limitations placed on such entities by state law, save harmless the Commonwealth of Virginia, DHCD and their respective agents, officers, and employees from any claim or amount recovered as a result of infringement of patent, trademark or copyright or from any claim or amounts arising or recovered under Workers' Compensation Law or any other law. In any agreement with any subcontractor or any agent for Contractor, Contractor will specify that such subcontractors or agents shall hold harmless the Commonwealth of Virginia, DHCD, and their respective agents, officers, and employees for all the hereinbefore described expenses, claims, actions, or amounts recovered consistent with the conditions herein.

XXVI. Audit

The Project Owner must submit an annual audit to DHCD in accordance with federal audit standards. Audit thresholds and requirements are outlined in OMB Circular A-133.

XXVII. Financial Management

The Project Owner agrees to comply with Federal financial management guidelines, as outlined in 24 CFR Part 85, for the duration of the project period.

XXVIII. Miscellaneous

This Agreement constitutes the entire and final agreement between the parties with respect to the reserved funds and supersedes all prior negotiations. This Agreement is contingent upon the availability of NHTF funds. This Agreement may be amended only in writing signed by DHCD and the Project Owner. In accordance with 24 CFR 85.44 this Agreement may be terminated for convenience upon 30 days written notice by any party hereto. This Agreement shall be construed in accordance with the laws of the Commonwealth of Virginia. All provisions contained herein are severable and should any provision be held invalid by a court of competent jurisdiction the remaining provisions shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement, by their duly authorized representatives, as of the day and year first above written.

SUL TRANQUILITY LAKES II, LLC,
a Virginia limited liability company

By: SUL Tranquility Lakes II Manager, LLC,
a Virginia limited liability company,
its Managing Member

By: Virginia Beach Community Development Corporation,
a Virginia nonstock corporation
its Co-Managing Member

By: [Signature] Date: 10/24/2024

Name: Jessica Guglielmo Its/Title: President and CEO

COMMONWEALTH OF Virginia COUNTY/CITY OF
VA Beach TO WIT:

Subscribed, sworn to and acknowledged before me by Jessira Guglielmo this
24th day of October, 2024

My Commission Expires: 3/31/2027

[Signature]
Notary Public of Virginia



Virginia Beach Community Development Corporation

By: Jessica Guglielmo Its: President & CEO

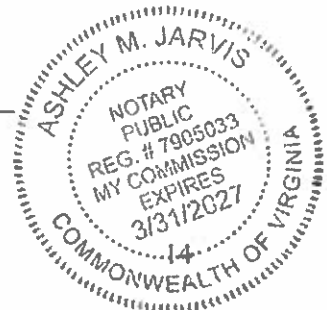
Signature: [Signature] Date: 10/24/2024

COMMONWEALTH OF Virginia COUNTY/CITY OF
VA Beach TO WIT:

Subscribed, sworn to and acknowledged before me by Jessira Guglielmo this
24th day of October, 2024

My Commission Expires: 3/31/2027

[Signature]
Notary Public of Virginia



VIRGINIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

By: Sandra Powell Its: Authorized Officer

Signature: *Sandra Powell* Date: 10/28/24

COMMONWEALTH OF Virginia COUNTY/CITY OF Richmond
TO WIT:

Subscribed, sworn to and acknowledged before me by Sandra Powell this
28th day of October, 2024.

My Commission Expires: May 31, 2027
Angela C Wilson

Notary Public of Virginia





NHTF SUBSIDY LAYERING ANALYSIS

Tranquility at the Lakes II
Virginia Beach, Virginia

2024

Purpose

The U. S. Department of Housing and Urban Development's (HUD) National Housing Trust Fund Program Interim Rule §93.300(b) require an underwriting and subsidy layering review before committing NHTF funds to a project. The state is proposing funding this from the fall half of the **AFFORDABLE AND SPECIAL NEEDS HOUSING PROGRAM SUBMISSIONS**. The project does X / does not have commitments of Low Income Housing Tax Credits. The state performed a review prior to committing the State NHTF funds and believed the project was acceptable. This is the formal Subsidy Layering Analysis for this development which clearly establishes that the NHTF Program funds are needed funds to complete the financial funding for this project.

This Subsidy Layering Analysis is being performed in compliance with §93.300(b) to evaluate the project to determine a reasonable level of profit or return on the recipient's investment in a project, and to ensure that the State's invests only what is necessary to provide quality affordable housing that is financially viable for, at a minimum, the affordability period required by the regulations; examines the sources and uses of funds (including any operating cost assistance and reserves or project-based rental assistance) for the project and determine that these costs are reasonable and will not provide a profit or return on the recipient's investment that exceeds the State's standards; and to conduct an assessment of the current market conditions, experience and capacity of recipient, and firm written financial commitments for the project.

<p>The Commonwealth of Virginia will make a <u>2024 AFFORDABLE AND SPECIAL NEEDS HOUSING PROGRAM SUBMISSIONS</u> NHTF funding commitment for the <u>Project</u>.</p> <p>DHCD anticipates providing the <u>\$442,317</u> in NHTF funds as a deferred principal loan at a half percent (0.5%) interest only loan, throughout the 30-year compliance period. The deferred principal loan will have a 30-year amortization, and may be forgiven or repaid, at DHCD’s sole discretion, at the end of the affordability compliance period. Should the Loan Documents be subordinate to financing issued by Virginia Housing Development Authority (“Virginia Housing”), the Affordability Period may extend beyond 30 years and shall not terminate prior to the remaining term of the mortgage issued by Virginia Housing.</p>	<p>Amount \$442,317</p>
<p>The total development costs are <u>\$12,632,944</u> for the project.</p> <p>The total source of funds and amounts include (do not include NHTF funds):</p> <ol style="list-style-type: none"> 1. VHDA REACH- \$2,400,000 2. DHCD VHTF- \$900,000 3. DHCD HIEE- \$1,067,378 4. Deferred Developer Fee- \$293,998 5. VA Beach HOME- \$2,241,000 6. Hampton Roads PDC- \$300,000 7. Investor Limited Partner- \$4,988,151 8. General Partner- \$100 <p>The total <u>NHTF funds</u> committed by the Participating Jurisdiction in comparison to the total development budget provided by the Owner translates to a minimum of 5 NHTF-assisted units. The state and the Project Owner have determined that they will designate <u>6</u> units as NHTF-assisted units in this development.</p> <p>Based on the documentation provided, verification of funds @ <u>\$12,190,627</u> and documented expenses the financing package results in a subsidy shortfall of \$442,317.</p>	
<p><u>Underwriting Criteria</u> <u>Maximum NHTF Per-Unit Subsidy (by HUD regulations)</u></p> <p>DHCD has adopted the Maximum HOME Per-Unit Subsidy as the National Housing Trust Fund subsidy limit, as noted in the National Housing Trust Fund Allocation Plan completed in August 2016.</p>	

HUD is required to undertake rulemaking to establish new maximum per-unit subsidy limits for the NHTF Program because it is no longer updating and publishing limits for the Section 221(d)(3) mortgage insurance program. Based on the above, the limits effective April 7, 2023 are calculated as follows:

Bedrooms	Base	HCP limit cap	Max. Subsidy
0	\$72,088	240%	\$173,011
1	\$82,638	240%	\$198,331
2	\$100,490	240%	\$241,176
3	\$130,002	240%	\$312,005
4+	\$142,701	240%	\$342,482

The project will consist of the NHTF assisted units identified below:

_____ efficiency
4 one -bedroom units
2 two-bedroom units
 _____ three-bedroom units
 _____ four+-bedroom units

The maximum allowable subsidy for the required NHTF-assisted units in the project is **\$1,338,182**. (Calculated based on the number of bedroom units x the maximum allowable subsidy)

The **\$442,317** combined NHTF investment identified here is well under the allowable maximum subsidy limit.

TOTAL AMOUNT OF NHTF FUNDS REQUIRED	\$442,317
AMOUNT NEEDED TO FILL THE GAP	\$442,317
GAP REMAINING	-0-

CERTIFICATION OF GOVERNMENTAL ASSISTANCE

Tranquility at the Lakes II
Virginia Beach, Virginia

The undersigned Project Owner hereby certifies to the Commonwealth of Virginia that the only additional forms of governmental assistance and private endowments to the project other than the State NHTF funds **(\$442,317)** are as follows:

1. VHDA REACH- \$2,400,000
2. DHCD VHTF- \$900,000
3. DHCD HIEE- \$1,067,378
4. Deferred Developer Fee- \$293,998
5. VA Beach HOME- \$2,241,000
6. Hampton Roads PDC- \$300,000
7. Investor Limited Partner- \$4,988,151
8. General Partner- \$100

This certification is made as of this 29th day of October, 2024.

SUL TRANQUILITY LAKES II, LLC,
a Virginia limited liability company

By: SUL Tranquility Lakes II Manager, LLC,
a Virginia limited liability company,
its Managing Member

By: Virginia Beach Community Development Corporation,
a Virginia nonstock corporation
its Co-Managing Member

By:  Date: 10/24/2024

Name: Jessica Guglielmo Its/Title: President and CEO

Virginia Beach Community Development Corporation


Attest

President & CEO
Title

CERTIFICATION ACCURACY

Tranquility at the Lakes II
Virginia Beach, Virginia

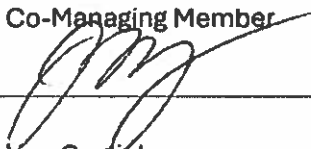
The undersigned Project Owner and Project Developer hereby certifies to the Commonwealth of Virginia that the project information contained in the NHTF Subsidy Analysis is accurate.

This certification is made as of this 24th day of October, 2024.

SUL TRANQUILITY LAKES II, LLC,
a Virginia limited liability company

By: SUL Tranquility Lakes II Manager, LLC,
a Virginia limited liability company,
its Managing Member

By: Virginia Beach Community Development Corporation,
a Virginia nonstock corporation
its Co-Managing Member

By:  Date: 10/24/2024

Name: Jessica Guglielmo Its/Title: President and CEO

Virginia Beach Community Development Corporation

Attest 

President & CEO
Title

CERTIFICATION Ownership Entity/Partnership Composition

Tranquility at the Lakes II
Virginia Beach, Virginia

The undersigned Project Owner hereby certifies to the Commonwealth of Virginia that Ownership Entity is composed of the following members:

Names	Type of Ownership	% Ownership
<p>SUL Tranquility Lakes II Manager, LLC</p> <p>Virginia Beach Community Development Corporation (VBCDC) Jessica Guglielmo, President and CEO</p> <p>Seniors Unlimited Lifestyles, Inc. Angela Whitehead, CEO</p>	<p>Managing Member</p> <p>Member of Managing Member, President and CEO Of VBCDC</p> <p>Member of Managing Member, CEO Of SULI</p>	<p>.01%</p>
<p>Virginia Beach Community Development Corporation Jessica Guglielmo, President and CEO</p>	<p>Investor Member</p>	<p>65%</p>
<p>Seniors Unlimited Lifestyles, Inc. Angela Whitehead, CEO</p>	<p>Investor Member</p>	<p>35%</p>

This certification is made as of this 24th day of October, 2024

SUL TRANQUILITY LAKES II, LLC,
a Virginia limited liability company

By: SUL Tranquility Lakes II Manager, LLC,
a Virginia limited liability company,
its Managing Member

By: Virginia Beach Community Development Corporation,
a Virginia nonstock corporation
its Co-Managing Member

By:  Date: 10/24/24

Name: Jessica Guglielmo

Its/Title: President and CEO

**VIRGINIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
VIRGINIA HOUSING TRUST FUND PROGRAM AGREEMENT**

THIS PROGRAM AGREEMENT made and entered into this date 10/24/2024 by and between **VIRGINIA BEACH COMMUNITY DEVELOPMENT CORPORATION** (hereinafter referred to as “the Developer”) and **SUL TRANQUILITY LAKES II, LLC.**, (hereinafter referred to as “the Owner”) and the **VIRGINIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT** (hereinafter referred to as "DHCD").

The Virginia Housing Trust Fund (hereinafter referred to as “VHTF”) funds provided for and which are the subject of this program agreement (hereinafter referred to as “the Agreement”), have been appropriated by the Virginia General Assembly to support the preservation and production of affordable housing, and are allocated for this project, however, the Department reserves the right to modify, amend or terminate this Agreement due to the reduction or rescission of state funds by the Virginia General Assembly. The funds are subject to, and this Agreement incorporates by reference, the terms, rules, and conditions set forth in the Virginia Housing Trust Fund Application, plan and guidelines and related laws of the Commonwealth of Virginia.

Upon execution of this Agreement, the Department has approved the Developer’s request for a loan and the Department authorizes the Developer to initiate activities and incur expenses associated with the **Tranquility at the Lakes II** project to provide affordable housing. The Developer agrees to comply with all the terms and conditions of this Agreement, and all applicable State laws and requirements in its implementation of activities. The Developer agrees to furnish in such a form as the Department may require, reports concerning the status of project activities and/or disposition of loan funds.

The Developer shall hold the Commonwealth of Virginia, the Department, its agents and employees harmless from any and all claims and demands based upon or arising out of any actions by the Developer, its employees, agents or contractors.

The Department reserves the right to modify, amend, or terminate this Agreement at any time during the term of this Agreement due to failure of the Developer to comply with the terms and conditions of this Agreement and other documents set forth herein, or due to the loss, reduction, or rescission of state funds from the Department.

- I. **Loan Amount** – The Department hereby awards a loan of **\$900,000** of VHTF resources (the “Loan”) to be used in a manner consistent with the proposed budget in the Affordable and Special Needs Housing application and the Scope of Eligible Activities, IV. The Loan is intended to be for long-term permanent financing.

- II. **Term of Agreement** – This Agreement goes into effect upon execution/signing of this Agreement. The funding reservation will expire on August 15, 2026 (8/15/2026) after the execution/signing of this Agreement. DHCD reserves the right to de-obligate the fund reservation at any time in the case of the project not making sufficient progress toward completion. This funding reservation may be extended at DHCD’s discretion if the Developer

can demonstrate just cause. This VHTF Program Agreement will remain in effect until the expiration of the Affordability Period (as defined in Section V).

- III. **Budget** – The attached budget, including other funding sources and projected expenses to be paid with the Loan, are herein incorporated as a part of this Agreement.
- IV. **Scope of Eligible Activities** – Tranquility at the Lakes II (the “Project”) is the new construction of thirty-eight (38) units of affordable rental housing across one (1) building located at 5841 Burton Station Road, Virginia Beach, Virginia 23455, which will be made available to individuals or families with incomes at or below 80% of the Area Median Income.
- V. **Affordability Period** – The Developer must assure that the developed/preserved units will be used for affordable housing in accordance with program requirements and those specified with this Agreement for at least 30 years from the completion of the project. The completion date is the date that DHCD receives a complete and accurate rent lease up report, or a complete and accurate completion report including beneficiary data for the project if HOME funds are included in the project. At the end of the Affordability Period, at DHCD’s sole discretion, the initial principal and any accrued interest may be either repaid or forgiven, provided the Developer has been in compliance for 30 years. This affordability period shall be secured through a Deed of Trust. Deeds of Trust placed on the project under the Virginia Housing Trust Fund may only be subordinated to other project financing with the approval of the Department. Should the Loan be subordinate to financing issued by Virginia Housing Development Authority (“Virginia Housing”), the Affordability Period shall be the greater of 30 years or the remaining term of the mortgage issued by Virginia Housing.
- VI. **Fund Disbursement** – The Loan of \$900,000 will be for a term of 30 years at a half percent (0.5%) interest, structured as an interest-only, must pay loan consisting of equal monthly interest payments. The Loan is not intended to be a grant. Payments shall be made in accordance with Virginia Housing loan servicing guidance. Funds will be disbursed to Virginia Housing for distribution at the project loan closing and must be used in accordance with the approved budget. Funds not disbursed by the expiration of this Agreement will be forfeited. Disbursements will be made by the Department on the basis of notification of the project loan closing date. The closing date must be confirmed by Virginia Housing. The total disbursement of VHTF funds shall not exceed the loan dollar amount awarded in section I. of this Agreement. Should the anticipated closing not take place, funds will be held at Virginia Housing. Funds are intended to be used as long-term permanent financing. Notwithstanding anything to the contrary above, should the Loan be subordinate to financing issued by Virginia Housing Development Authority (“Virginia Housing”), the term of the Loan shall be the greater of 30 years or the remaining term of the mortgage issued by Virginia Housing. Other terms and conditions of the Loan will be as set forth in the loan commitment issued pursuant to this Agreement.

VII. **Federal HOME Requirements** – If applicable, use of these funds results in a project that uses federal HOME Investment Partnerships Program funds, this Agreement shall be governed by all federal requirements pertaining to affordable housing projects developed under the HOME program. The Developer’s failure to contact the Department in no way releases it from its responsibility to ensure compliance with federal HOME requirements in project construction, maintenance, and management.

This project does ___ OR does not _X_ include an allocation of HOME Funds.

VIII. **Repayment Provision** – The Loan is to be repaid in accordance with the rate and terms outlined in Section VI. Virginia Housing will serve as the loan servicing entity. Failure to make payments in accordance with the prescribed payment schedule may result in foreclosure on the property.

IX. **Access to Property** – The Developer shall give DHCD unrestricted access to the property for inspections and site review.

X. **Records and Reports** – The Developer shall maintain records as prescribed by the Department. The Developer shall give DHCD unrestricted access to records, files, books, papers, and documents related to the administration of the Housing Trust Fund project. Records pertaining to activities funded pursuant to this Agreement shall remain intact and accessible for at least five years beyond the end of the affordability period. In the event a litigation claim or audit is initiated prior to expiration of the record retention period, records shall be retained until such action is resolved to DHCD’s satisfaction. DHCD reserves the right to change reporting requirements for the Housing Trust Fund as needed to ensure compliance.

XI. **Accounting Records** – The Developer shall record in its accounting system all funds received by it pursuant to this Agreement. All costs to be supported by the Loan shall be documented by properly executed invoices, contracts, or vouchers. All checks, invoices, contracts vouchers, orders, or other accounting documents pertaining in whole or in part to any project activity funded with the Loan shall be clearly identified, readily accessible, and separate and distinct from all other such documents. Such documents shall be retained by the Developer for a period of five years beyond the end of the affordability period and shall be readily accessible to the Department during the course of the project. Should any litigation claim or audit be started before the expiration of the affordability period, the records shall be retained until such action is resolved.

XII. **Audit** – The Developer must submit an annual audit to DHCD within thirty days after receipt of the auditor’s report and nine months after the end of the audited period.

XIII. **Termination, Suspension, Conditions** – If through any cause, the Developer fails to comply with the terms, conditions or requirements of this Agreement, the Department may terminate or suspend this Agreement by giving written notice of the same and specifying the effective

date of termination or suspension at least five days prior to such action. In the case of Agreement violations by the Developer and/or termination of the project before completion, the Department may make a written request that all or some of the Loan be returned even if the Developer has expended the Loan. The Developer agrees to return the Loan as requested by the Department within 15 days of receipt of the written request.

XIV. **Subsequent Contracts** – The Developer shall remain fully obligated under the provisions of the Agreement notwithstanding its designation of any subsequent or third parties for the undertaking of all or part of the activities for which the Loan is being provided to the Developer. Any contractor or subcontractor, which is not the Developer, shall comply with all the lawful requirements of the Developer necessary to ensure that the project for which this assistance is being provided under this Agreement is carried out in accordance with the Developer’s assurance and certifications.

XV. **Federal Match** –Virginia Housing Trust Fund expenditures associated with this funding commitment will be used to meet the State’s federal HOME program match requirement and may not be utilized for any subsequent match requirement without permission from the Department.

XVI. **Miscellaneous** – This Agreement constitutes the entire and final Agreement between the parties with respect to the reserved funds and supersedes all prior negotiations and agreements. This Agreement is contingent upon the availability of Housing Trust Fund funds. This Agreement may be amended only in writing signed by DHCD and the Developer. This Agreement may be terminated for convenience upon 30 days written notice by any party hereto. This Agreement shall be construed in accordance with the laws of the Commonwealth of Virginia. All provisions contained herein are severable and should any provision be held invalid by a court of competent jurisdiction the remaining provisions shall remain in full force and effect.

XVII. **ADDITIONAL ASSURANCES AND CONDITIONS:**

The Developer hereby assures and certifies that:

It possesses legal authority to execute this Agreement;

It will ensure that resources are available to provide the housing units developed/preserved through this Agreement at affordable rents to the targeted population for at least a period of 30 years.

That any additional funds needed to complete the Scope of Eligible Activities (IV) are committed and available for uses.

XVIII. **DEED OF TRUST**

The owner/developer agrees to place a Deed of Trust on the developed/preserved units to ensure that they are used for affordable housing for the targeted population for a period of 30 years. Should the property use be changed during the Affordability Period, the loan funds must be immediately re-paid in full to the Virginia Housing Trust Fund in accordance with the terms of this Agreement.

XIX. SOURCE OF FUNDING

The Loan has not been funded or subsidized in whole or in part, directly or indirectly, with any tax-exempt bond proceeds or tax-exempt obligations.

The parties named below on the date set forth below their respective signatures as follows hereby execute this Agreement:

Virginia Department of Housing and Community Development

By Its Authorized Officer:

Signed by:

Sandra Powell

Sandra Powell
Senior Deputy Director
Community Development & Housing

10/25/2024

Date

Virginia Beach Community Development Corporation

By: Jessica Guglielmo

DocuSigned by:

Jessica Guglielmo

Title: President & CEO

10/24/2024

Date

SUL TRANQUILITY LAKES II, LLC,

a Virginia limited liability company

By: SUL Tranquility Lakes II Manager, LLC,
a Virginia limited liability company,
its Managing Member

By: Virginia Beach Community Development Corporation,
a Virginia nonstock corporation,
its Co-Managing Member

DocuSigned by:

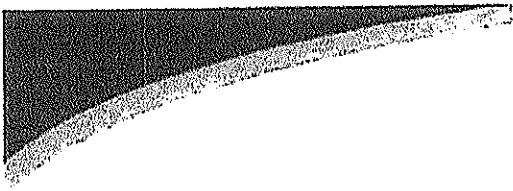
Jessica Guglielmo

By: _____

Name: Jessica Guglielmo

Title: President and CEO

Date: 10/24/2024



Douglas G. Pons, Chair | Shannon E. Glover, Vice-Chair
Robert A. Crum, Jr., Executive Director

**HRPDC Housing Development Initiative
Virginia Housing/ Virginia Association of
Planning District Commission
Program Grant Agreement**

Name of housing project: **Tranquility at the Lakes, Phase II**
Organization entity name: **Virginia Beach Community Development Corporation**
Organization entity address: **2400 Potters Road, Virginia Beach, VA 23454**

This Agreement (the "Agreement") is entered into as of the Effective Date, as defined herein, between the Hampton Roads Planning District Commission (hereinafter referred to as "HRPDC"), a political subdivision of the Commonwealth of Virginia, and Virginia Beach Community Development Corporation (hereinafter referred to as "Grantee").

Whereas, the Virginia Housing Development Authority ("Virginia Housing") has awarded specific funding to the HRPDC to develop and implement a PDC Housing Development Program in accordance with guidance provided by Virginia Housing (the "Program");

Whereas HRPDC is the administrator of and responsible for oversight of the Program;

Whereas HRPDC solicited applications from interested parties seeking funds to support the development and construction of affordable housing units, and the Grantee provided an application that contains a proposal (as amended by any supplemental materials submitted by Grantee and approved by HRPDC, the "Application") to conduct a project in accordance with the Program; and

Whereas, HRPDC and Grantee have decided to enter into this Agreement to specify the terms and conditions under which HRPDC will reimburse Grantee for certain eligible approved costs.

Therefore, HRPDC and Grantee agree as follows:

I. General Description of the Project and Grant

- 1. Grant Award and Project.** To fulfill the intended purpose of the Program, HRPDC has allocated an award not to exceed the amount of \$300,000 (the "Grant") in which the Grantee shall be reimbursed for eligible approved costs to assist in the development of 38 senior rental housing units by the Grantee



in accordance with the information submitted by the Grantee to HRPDC, which is attached hereto as Exhibit A (the "Project").

2. **Grant Period.** The Grant Period shall begin on the Effective Date, which is the first date this Agreement or counterparts therefor has been signed by both parties and shall continue until June 30, 2028.

II. **Terms and Conditions**

1. **Scope of work.** Grantee will undertake and complete the Project in accordance with Grantee's Application, including all projected outcomes and funding allocations set forth therein, and per the terms and conditions of this Agreement.
- a) The Grantee shall carry out all required activities to ensure the Project is completed within the Grant Period.
 - b) The Grantee shall agree to assume all eligible costs upfront and all ineligible costs required to complete the Project.
 - c) The Grantee shall work with diligence to obtain all necessary permits for the Project, including without limitation any permits required by the local jurisdiction in which the Project is located.
2. **No joint venture.** Nothing in this Agreement shall be deemed or construed to create a joint venture or partnership by any representative of either of the parties or a third party. The nature of the relationship is grantor/grantee only.
3. **No third-party beneficiaries.** There are no third-party beneficiaries of this Agreement.
4. **Limitation of liability.** Grantee shall assume all costs, expenses, and liabilities associated with completing the Project. HRPDC's sole responsibility under this Agreement is to remit the Grant funds to Grantee in accordance with the terms and conditions of this Agreement, and HRPDC's liability to the Grantee is limited to the amount of the Grant. HRPDC shall not be liable to Grantee for any other damages, including special, consequential, or indirect damages.
5. **Reporting.**
- a) Grantee, its subsidiaries, affiliations, third-party contractors, and subcontractors shall provide HRPDC and/or Virginia Housing reasonable access upon request to the Project site and all documents reasonably related to the Project for the purpose of monitoring progress on the Project and compliance with this Agreement.

- b) Grantee shall provide to HRPDC quarterly status reports, as well as such other materials, updates, and information as may be reasonably requested from time to time. The quarterly status reports will contain all information and supporting documentation necessary for HRPDC to comply with Virginia Housing's requirements and will be in such format as may be reasonably required by HRPDC.
 - c) HRPDC shall receive, evaluate, and submit to Virginia Housing all required progress reports, reimbursement claim requests, and supporting documentation from the Grantee.
6. **Grant fund restriction.** Grantee agrees that use of the Grant funds shall be subject to the following restrictions imposed by HRPDC.
- a) Use of Grant funds is strictly limited to those activities that are both (i) directly related to the development of new housing units and (ii) considered eligible and pre-approved by Virginia Housing for reimbursement;
 - b) Grant funds shall not be used for or in support of any activities already covered by another funding source or for housing projects already underway, proffered or in the pipeline;
 - c) Grant Funds shall not be used to develop, supplement, or support housing programs providing owner or rental assistance, emergency shelter services, or similar or perceived as similar types of programs; and
 - d) Grantee shall invest all income generated directly or indirectly from the Grant funds in accordance with this agreement.
7. **Reimbursement claims and distribution.** HRPDC and Grantee agree that Virginia Housing, at its discretion, may hold onto all Grant funds until which time requirements for claims for reimbursement in accordance with Virginia Housing's requirements are met. Grantee may apply for reimbursement of its approved eligible costs on a quarterly basis.
- a) Reimbursement claim requests will only be approved to the extent that they are cumulatively equal to or less than the allocated Grant award amount, even if that maximum amount is reached prior to the end of the Grant term.
 - b) HRPDC reserves the right to require repayment from the Grantee of all unspent Grant funds or any Grant funds that have not been spent in accordance with this Agreement, particularly in the circumstances outlined in paragraph 10. Grantee shall cooperate with such repayment requests and shall repay all such amounts to HRPDC within 90 days of written notice from HRPDC.

- c) Grantee shall be responsible for submitting a reimbursement claim application and for providing all documentation for all work performed and eligible costs incurred. Proof of payment for work completed and eligible costs shall be documented in the form of invoiced bills, receipts, copies of canceled checks, and other documentation that may be required at the discretion of HRPDC and/or Virginia Housing.
- d) Without limitation, any Grant funds used to acquire real property must be pre-approved (subject to discretion of HRPDC) and such expenditures must be supported by the following documentation:
 - i. Detailed development plan including environmental/zoning/land use requirements;
 - ii. "Clean Title" commitment evidencing no liabilities or liens against the property;
 - iii. Appraisal;
 - iv. Environmental or other studies or inspection reports as applicable or requested by Virginia Housing
 - v. Proof of line of credit secured by applicant or partnering organization (note: partnership organizations must have a signed partnership agreement).
- e) Reimbursement and acquisition claims with supporting documentation will be reviewed by HRPDC and submitted by HRPDC to Virginia Housing for approval.
- f) Incomplete claims or claims submitted past the due date specified herein will not be accepted. Grantee may submit a new claim in only in the subsequent quarter by the next cycle due date.
- g) The HRPDC shall accept no reimbursement requests after **07/12/2025**.
- h) Following timely submittal of a reimbursement claim and approval by Virginia Housing, HRPDC shall distribute the Grant funds according to Virginia Housing's guidelines. Reimbursement amounts may be subject to limits set by Virginia Housing per quarter.
- i) Reimbursement claims will be submitted by Grantee and are due in accordance with the following schedule:
 - o September 30, 2024
 - o December 30, 2024
 - o March 30, 2025
 - o June 30, 2025

8. Communication and notification.

- a) Grantee and HRPDC will cooperate in good faith to ensure adequate communication regarding the Project.
- b) HRPDC shall serve as an intermediary and liaison between Virginia Housing and Grantee during the term of this Agreement.
- c) All communication, demands, and notices between HRPDC and Grantee shall be directed to the following persons:

If to HRPDC:

Robert Crum
HRPDC, Executive Director
723 Woodlake Drive
Chesapeake, VA 23320
rcrum@hrpdcva.gov

AND

Shernita L. Bethea
HRPDC, Housing Administrator
723 Woodlake Drive
Chesapeake, VA 23320
sbethea@hrpdcva.gov

If to Grantee:

Jessica Guglielmo
President and Chief Executive Officer Interim CEO
Virginia Beach Community Development Corporation
2400 Potters Road
Virginia Beach, VA 23454
jguglielmo@vbcdc.org

Andy Friedman

afriedman@vbcdc.org

ashleyjannise@vbcdc.org

~~RE~~
~~RC~~

- d) The Grantee shall notify HRPDC and Virginia Housing of any public event or press distribution related to the Grant or the Project in any form in a timely manner, and vice versa. Any use of Virginia Housing and HRPDC trademarks, images, or intellectual property, must be requested in writing before use. All marketing materials must be approved by Virginia Housing and HRPDC prior to use.

9. Compliance with Grant requirements.

- a) Grantee shall use all reasonable efforts to maintain Project progress on a schedule so that the Project will be completed by June 30, 2025. If HRPDC determines that the Project is not reasonably able to be completed by June 30, 2025, HRPDC and Grantee shall work together in good faith to develop a remedial plan to expedite the progress of the Project. If the corrective plan is unsuccessful and HRPDC determines that the Project cannot be completed by June 30, 2025, HRPDC may require repayment of the Grant funds in accordance with paragraph B(b) hereof. *RAC*
- b) Grantee agrees to begin construction phases prior to July 1, 2024, and to implement a construction schedule that provides for a reasonable allowance for setbacks and material delays. *6/30/25*
- c) All housing units that are part of the Project must be in verifiably move-in-ready condition before or on ~~December 31, 2025~~. *5*
- d) If Grantee fails to maintain the Project progress or pursues ineligible activities, HRPDC may terminate this Agreement. In the event that HRPDC determines that the Project is not reasonably able to be completed by June 30, 2025, HRPDC and Grantee shall work together in good faith to develop a remedial plan to expedite the progress of the Project. If the remedial plan is unsuccessful and HRPDC determines that the Project cannot be completed by ~~December 31, 2025~~, HRPDC may require repayment of the Grant funds in accordance with paragraph B(b) hereof. *6/30/25*
- e) If the Grantee fails to maintain ownership of the property supported by the funds supplied by the Grant before the specified compliance period ends, a prorated amount of the Grant funds received shall be returned to the HRPDC based upon the length of time the Project has been in compliance prior to resale.
- f) Documentation proving a period of affordability compliance must be provided by the Grantee, who shall maintain/guarantee the period of affordability compliance, which shall be the longest of the following time periods (the "Affordability Compliance Period"):
- i. As required by the most restrictive funding.
 - ii. A minimum of the years indicated by the Grantee's Grant Application.
 - iii. A minimum of 15 years for rental units and 10 years for ownership units.

- g) Grantee shall comply with the following conditions, as applicable:
 - i. For mixed-use projects, at least 60% of the total square footage must be residential.
 - ii. For mixed-income projects, at least 50% of the housing units must be maintained for the entire compliance period as affordable to households who meet the 80% Area Median Income and under criteria.
 - iii. All residential units shall be restricted with maintained affordability as proposed by the Grantee or at 80% or below Area Median Income.
- h) Upon completion of the Project, the Grantee will provide proof of affordability to HRPDC through confirmation of receipt of the most restrictive funding source (LIHTC funds or other sources) and evidence of commitment to comply with the Affordability Compliance Period above.
- i) Grantee shall submit a Certification of Compliance to HRPDC annually after the end of the Grant Period until the end of the Affordability Compliance Period to ensure that proper affordability is maintained for units developed under the Grant.

10. Compliance with laws. Grantee shall abide by all laws applicable to the Project, including without limitation the following:

- a) The Grantee shall comply with the provisions of all labor laws, procurement laws, the laws of the city/county/town where the project is located, the laws of the Commonwealth of Virginia, and all federal statutes and regulations which may apply to the performance of this Grant.
- b) The Grantee shall comply with all applicable building codes, fire codes, and subdivision/zoning regulations.

11. Recordkeeping. HRPDC and Grantee shall each maintain all files associated with the Project as follows:

- a) All pertinent records of expenditures incurred, and funds received from the Housing Development Program Grant must be kept for a minimum of three (3) years after the Project is certified as having been completed per Virginia Housing's Grant requirements.
- b) Grantee shall maintain and operate financial management systems that meet or exceed the GAAP requirements for funds control and accountability. HRPDC reserves the right to audit grantee's financial

management systems for compliance or to otherwise seek assurances through records of financial management system compliance.

- c) Grantee agrees that HRPDC, Virginia Housing, or any authorized representative thereof or government regulating entity shall have access to and the right to examine all records, books, documents and/or papers related to the Grant and this Agreement with or without notice at the discretion of HRPDC and Virginia Housing. The same right may be imposed on any contractors and subcontractors of the Grantee.

12. **Confidentiality.** To the extent permitted by law, HRPDC and the Grantee shall treat all sensitive or proprietary information as confidential and use reasonable efforts to maintain confidentiality.

- a) The HRPDC may request proprietary or sensitive information from the Grantee to complete grant requirements.
- b) Grantee shall maintain information management systems to protect any proprietary or sensitive information related to the HRPDC, HRPDC staff, and HRPDC programs and projects.

13. **Dispute resolution.** The HRPDC and the Grantee shall agree to the following:

- a) Any question regarding any aspect of the Grant shall be directed towards and resolved by HRPDC and Virginia Housing as applicable or required.
- b) The primary method of dispute resolution shall be consultation and negotiation by the parties acting in good faith.
- c) Any unresolved dispute over this Agreement shall be heard in the General District or Circuit Courts of Chesapeake, Virginia.

14. **Termination.** Grantee agrees that:

- a) HRPDC shall have the authority, at HRPDC's sole discretion, to withhold Grant funds or terminate this Agreement and require repayment of all or a portion of the Grant funds in the event of any of the following:
 - i. Failure by the Grantee to comply with the terms and conditions of this Agreement.
 - ii. Failure by Grantee to spend all Grant funds.
 - iii. If Grantee has been suspended or terminated from any other Virginia Housing or local, state, or federal government program, voluntarily or involuntarily, regardless of circumstances.
 - iv. If Grantee has notified HRPDC that Grantee is unable to carry out all of its obligations hereunder, in which instance HRPDC or

Virginia Housing shall have the authority to verify such claims made by Grantee.

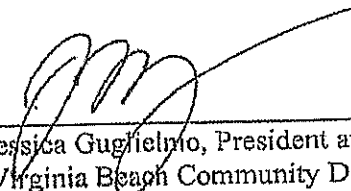

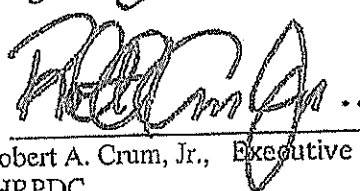

- v. If Virginia Housing refuses reimbursement claims submitted by HRPDC for any reason.

15. **Amendments and Assignment.** The HRPDC and the Grantee shall agree to the following:

- a) The Agreement may be amended in writing by mutual consent of both parties.
- b) Grantee shall not make any revision to the Project, including without limitation any amendment to the Project budget, which impacts Grantee's responsibility to complete the scope of work as prescribed. The Grantee must seek approval from HRPDC in writing if the Grantee desires to amend its proposed budget or funding allocation.
- c) Grantee may not assign any of its rights or obligations under this Agreement without permission in writing from HRPDC.

16. **Entire Agreement.** This Agreement, including all exhibits hereto or documents incorporated herein, embodies the entire and complete understanding and agreement between the HRPDC and grantee, and no amendment will be effective unless in writing and signed by an authorized representative of both parties.

By signing this document, *Virginia Beach Community Development Corporation* accepts these terms and conditions in agreement with Hampton Roads Planning District Commission and agrees to carry out the required and eligible activities for this project outlined in this Agreement.

 Signature: Jessica Guglielmo, President and Chief Executive Officer, Virginia Beach Community Development Corporation	 Date
 Signature: Robert A. Crum, Jr., Executive Director, HRPDC	 Date

Tab U:

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

Virginia Housing Renter Education Program

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

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

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

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

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

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

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

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

Acknowledgment of Renter of _____ (Apartments):

Signature: _____ Dated: _____

Printed: _____

Tab V:

Nonprofit or LHA Purchase Option or Right of First
Refusal

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

Williams Mullen Center
200 South 10th Street
Suite 1600
Richmond, VA 23219
Attention: Lauren Nowlin

GPIN: 1458-88-2941

TM: 14588829410000

RIGHT OF FIRST REFUSAL AGREEMENT
(Tranquility at the Lakes II)

RIGHT OF FIRST REFUSAL AGREEMENT (the “Agreement”) dated as of June 4, 2025 by and among **SUL TRANQUILITY LAKES II, LLC**, a Virginia limited liability company (the “Owner” or the “Company”), **SENIORS UNLIMITED LIFESTYLES, INC.**, a Virginia non-stock nonprofit corporation (the “Grantee”), and is consented to by **SUL TRANQUILITY LAKES II MANAGER, LLC**, a Virginia limited liability company (the “Managing Member”), **VCDC EQUITY FUND 27, LLC**, a Virginia limited liability company (the “Investor Member”) and **VAHM, LLC**, a Virginia limited liability company (the “Special Member”). The Managing Member, the Investor Member and the Special Member are sometimes collectively referred to herein as the “Consenting Members”. The Investor Member and Special Member are sometimes collectively referred to herein as the “Non-Managing Members”. This Agreement shall be fully binding upon and inure to the benefit of the parties and their successors and assigns to the foregoing. **(SUL TRANQUILITY LAKES II, LLC, SUL TRANQUILITY LAKES II MANAGER, LLC, VCDC EQUITY FUND 27, LLC AND VAHM, LLC are the grantors)**

Recitals

A. The Owner, pursuant to its Second Amended and Restated Operating Agreement dated on or about the date hereof by and among the Consenting Members (the “Operating Agreement”), is engaged in the ownership and operation of a 38-unit apartment project for seniors located in the City of Virginia Beach, Virginia and commonly known as “Tranquility at the Lakes II” (the “Project”). The real property comprising the Project is legally defined on **Exhibit A**.

B. The Grantee is a member of the Managing Member of the Owner and is instrumental to the development and operation of the Project.

C. The Owner desires to give, grant, bargain, sell and convey to the Grantees certain rights of first refusal to purchase the Project on the terms and conditions set forth herein.

D. Capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Operating Agreement.

NOW, THEREFORE, in consideration of the foregoing, of the mutual promises of the parties hereto and of other good and valuable consideration, the receipt and sufficiency of which the parties hereto acknowledge, the parties hereby agree as follows:

Section 1. Right of First Refusal

The Owner hereby grants to the Grantee a right of first refusal (the “Refusal Right”) to purchase the real estate, fixtures, and personal property comprising the Project or associated with the physical operation thereof and owned by the Company at the time (the “Property”), for the price and subject to the other terms and conditions set forth below. The Property will include any reserves of the Partnership that are required by Virginia Housing Development Authority (“Virginia Housing” or the “Credit Authority”) or any lender of a loan being assumed in connection with the exercise of the Refusal Right to remain with the Project.

Section 2. Exercise of Refusal Right; Purchase Price

A. After the end of the Compliance Period, the Company agrees that it will not sell the Property or any portion thereof to any Person without first offering the Property to the Grantee (the “Refusal Right”), for the Purchase Price (as defined in Section 3); *provided, however*, that such Refusal Right shall be conditioned upon the receipt by the Company of a “bona fide offer” (the acceptance or rejection of which shall not require the Consent of the Members). The Company shall give the notice of its receipt of such offer (the “Offer Notice”) and shall deliver a copy of the Offer Notice to the Grantee. Upon receipt by the Grantee of the Offer Notice, the Grantee shall have 90 days to deliver to Company a written notice of its intent to exercise the Refusal Right (the “Election Notice”). An offer made with the purchase price and basic terms of the proposed sale from a third party shall constitute a “bona fide offer” for purposes of this Agreement. Such offer (i) may be solicited by the Grantee or the Managing Member (with such solicitation permitted to begin at any time following the end of the fourteenth (14th) year of the Compliance Period provided that the Election Notice may not be sent until the end of the Compliance Period) and (ii) may contain customary due diligence, financing, and other contingencies. Notwithstanding anything to the contrary herein, a sale of the Project pursuant to the Refusal Right shall not require the Consent of the Non-Managing Members or of Virginia Housing.

B. If the Grantee fails to deliver the Election Notice within ninety (90) days of receipt of the Offer Notice, or if such Election Notice is delivered but the Grantee does not consummate the purchase of the Project within 270 days from the date of delivery of the Election Notice (each, individually, a “Terminating Event”), then its Refusal Right shall terminate and the Company shall be permitted to sell the Property free of the Refusal Right.

Section 3. Purchase Price; Closing

A. The purchase price for the Property pursuant to the Refusal Right (the “Purchase Price”) shall equal the sum of (i) the principal amount of all outstanding indebtedness secured by the Project, and any accrued interest on any of such debts and (ii) all federal, State, and local taxes attributable to such sale, including those incurred or to be incurred by the partners or members of the Non-Managing Members. Notwithstanding the foregoing, however, the Purchase Price shall never be less than the amount of the “minimum purchase price” as defined in Section 42(i)(7)(B) of the Code. The Refusal Right granted hereunder is intended to satisfy the requirements of Section 42(i)(7) of the Code and shall be interpreted consistently therewith. In computing such price, it shall be assumed that each of the Non-Managing Members of the Owner (or their constituent

partners or members) has an effective combined federal, state and local income tax rate equal to the maximum of such rates in effect on the date of Closing.

B. All costs of the Grantee's purchase of the Property pursuant to the Refusal Right, including any filing fees, shall be paid by Grantee.

C. The Purchase Price shall be paid at Closing in one of the following methods:

(i) the payment of all cash or immediately available funds at Closing,
or

(ii) the assumption of any assumable Loans if Grantee has obtained the consent of the lenders to the assumption of such Loans, which consent shall be secured at the sole cost and expense of Grantee; provided, however, that any Purchase Price balance remaining after the assumption of the Loans shall be paid by Grantee in immediately available funds.

Section 4. Conditions Precedent; Termination

A. Notwithstanding anything in this Agreement to the contrary, the right of the Grantee to exercise the Refusal Right and consummate any purchase pursuant thereto is contingent on each of the following being true and correct at the time of exercise of the Refusal Right and any purchase pursuant thereto:

(i) the Grantee or its assignee shall be a "qualified nonprofit organization" as defined in Section 42(h)(5)(C) of the Code or another qualified purchaser described in Section 42(i)(7)(A) of the Code (collectively, each, a "Qualified Beneficiary"); and

(ii) the Project continues to be a "qualified low-income housing project" within the meaning of Section 42 of the Code.

B. This Agreement shall automatically terminate upon the occurrence of any of the following events and, if terminated, shall not be reinstated unless such reinstatement is agreed to in a writing signed by the Grantee and each of the Consenting Members:

(i) the transfer of the Property to a lender in total or partial satisfaction of any loan; or

(ii) any transfer or attempted transfer of all or any part of the Refusal Right by the Grantee, whether by operation of law or otherwise, except as otherwise permitted under Section 7 of this Agreement; or

(iii) the Project ceases to be a "qualified low-income housing project" within the meaning of Section 42 of the Code, or

(iv) the Grantee fails to deliver its Election Notice or consummate the purchase of the Property within the timeframes set forth in Section 2 above.

C. If the Investor Member removes the Managing Member from the Company for failure to cure a default under the Operating Agreement after all applicable notice and cure periods, the Investor Member may elect to exercise any rights it has under the Operating Agreement to terminate this Agreement and to exercise any rights it has under the Operating Agreement to release this Agreement as a lien against the Project, upon first obtaining the prior written consent of Virginia Housing, which consent may be granted or withheld in Virginia Housing's sole discretion.

Section 5. Contract and Closing

Upon determination of the purchase price, the Owner and the Grantee shall enter into a written contract for the purchase and sale of the Property in accordance with the terms of this Agreement and containing such other terms and conditions as are standard and customary for similar commercial transactions in the geographic area which the Property is located, providing for a closing (the "Closing") to occur in the County of Albemarle, Virginia not later than the timeframes set forth in Section 2. In the absence of any such contract, this Agreement shall be specifically enforceable upon the exercise of the Refusal Right.

Section 6. Conveyance and Condition of the Property

The Owner's right, title and interest in the Property shall be conveyed by quitclaim deed, subject to such liens, encumbrances and parties in possession as shall exist as of the date of Closing. The Grantee shall accept the Property "**AS IS, WHERE IS**" and "**WITH ALL FAULTS AND DEFECTS,**" latent or otherwise, without any warranty or representation as to the condition thereof whatsoever, including without limitation, without any warranty as to fitness for a particular purpose, habitability, or otherwise and no indemnity for hazardous waste or other conditions with respect to the Property will be provided. It is a condition to Closing that all amounts due to the Owner and the Investor Member from the Grantee or its Affiliates be paid in full. The Grantee shall pay all closing costs, including, without limitation, the Owner's attorney's fees. Upon closing, the Owner shall deliver to the Grantee, along with the deed to the property, an ALTA owner's title insurance policy dated as of the close of escrow in the amount of the purchase price, subject to the liens, encumbrances and other exceptions then affecting the title.

Section 7. Transfer

The Refusal Right shall not be transferred to any Person without the Consent of the Investor Member, except that the Grantee may assign all or any of its rights under this Agreement to an Affiliate of Grantee (a "Permitted Assignee") at the election and direction of the Grantee or to any assignee that shall be a "qualified nonprofit organization" as defined in Section 42(h)(5)(C) of the Code or another qualified purchaser described in Section 42(i)(7)(A) of the Code (collectively, each, a "Qualified Beneficiary").

In the case of any transfer of the Refusal Right (i) all conditions and restrictions applicable to the exercise of the Refusal Right or the purchase of the Property pursuant thereto shall also apply to such transferee, and (ii) such transferee shall be disqualified from the exercise of any rights hereunder at all times during which Grantee would have been ineligible to exercise such rights hereunder had it not effected such transfer.

Section 8. Rights Subordinate; Priority of Requirements of Section 42 of the Code

This Agreement is subordinate in all respects to any regulatory agreements and to the terms and conditions of the Mortgage Loans encumbering the Property. In addition, it is the intention of the parties that nothing in this Agreement be construed to affect the Owner's status as owner of the Property for federal income tax purposes prior to exercise of the Refusal Right granted hereunder. Accordingly, notwithstanding anything to the contrary contained herein, both the grant and the exercise of the Refusal Right shall be subject in all respects to all applicable provisions of Section 42 of the Code, including, in particular, Section 42(i)(7). In the event of a conflict between the provisions contained in this Agreement and Section 42 of the Code, the provisions of Section 42 shall control.

Section 9. Option to Purchase

A. The parties hereto agree that if the Service hereafter issues public authority to permit the owner of a low-income housing tax credit project to grant an "option to purchase" pursuant to Section 42(i)(7) of the Code as opposed to a "right of first refusal" without adversely affecting the status of such owner as owner of its project for federal income tax purposes, then the parties shall amend this Agreement and the Owner shall grant the Grantee an option to purchase the Property at the Purchase Price provided in Section 3 hereof and that meets the requirements of Code Section 42(i)(7).

B. If the Service hereafter issues public authority to permit the owner of a low-income housing tax credit project to grant a "right of first refusal to purchase partner interests" and/or "purchase option to purchase partner interests" pursuant to Section 42(i)(7) of the Code (or other applicable provision) as opposed to a "right of first refusal to purchase the Project" without adversely affecting the status of such owner as owner of its project for federal income tax purposes (or the status of the Investor Member as a partner of the Company for federal income tax purposes) then the parties shall amend this Agreement and the Investor Members shall provide a right of first refusal and/or purchase option, as the case may be, to acquire their Interests for the Purchase Price provided in Section 3 hereof and that meets the requirements of Code Section 42(i)(7).

Section 10. Notice

Except as otherwise specifically provided herein, all notices, demands or other communications hereunder shall be in writing and shall be deemed to have been given and received (i) two (2) business days after being deposited in the United States mail and sent by certified or registered mail, postage prepaid, (ii) one (1) business day after being delivered to a nationally recognized overnight delivery service, (iii) on the day sent by telecopier or other facsimile transmission, answer back requested, or (iv) on the day delivered personally, in each case, to the parties at the addresses set forth below or at such other addresses as such parties may designate by notice to the other party:

(i) If to the Owner, at the principal office of the Company set forth in Article II of the Operating Agreement;

(ii) If to a Consenting Member, at their respective addresses set forth in Schedule A of the Operating Agreement;

(iii) If to the Grantee, Seniors Unlimited Lifestyles, Inc., 453 Longdale Crescent, Chesapeake, Virginia 23325, Attention: Angela Whitehead; and

Section 11. Severability of Provisions

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

Section 12. Binding Provisions

The covenants and agreements contained herein shall be binding upon, and inure to the benefit of, the heirs, legal representatives, successors and assignees of the respective parties hereto, except in each case as expressly provided to the contrary in this Agreement.

Section 13. Counterparts

This Agreement may be executed in several counterparts and all so executed shall constitute one agreement binding on all parties hereto, notwithstanding that all the parties have not signed the original or the same counterpart.

Section 14. Governing Law

This Agreement shall be construed and enforced in accordance with the laws of the Commonwealth of Virginia without regard to principles of conflicts of law. Notwithstanding the foregoing, Company, Investor Member and Grantee do not intend the Refusal Right in this Agreement to be a common law right of first refusal but rather intend it to be understood and interpreted as a mechanism authorized by Section 42 of the Code to allow non-profit entities to preserve affordable housing for low-income families in accordance with Grantee's charitable objectives.

Section 15. Headings

All headings in this Agreement are for convenience of reference only. Masculine, feminine, or neuter gender, shall include all other genders, the singular shall include the plural, and vice versa as the context may require.

Section 16. Amendments

This Agreement shall not be amended except by written agreement between Grantee and the Owner with the consent of each of the Consenting Members and Virginia Housing.

Section 17. Time

Time is of the essence with respect to this Agreement, and all provisions relating thereto shall be so construed.

Section 18. Legal Fees

Except as otherwise provided herein, in the event that legal proceedings are commenced by the Owner against the Grantee or by the Grantee against the Owner in connection with this Agreement or the transactions contemplated hereby, the prevailing party shall be entitled to recover all reasonable attorney's fees and expenses.

Section 19. Subordination

This Agreement is and shall remain automatically subject and subordinate to any bona fide mortgage to (or assigned to) an institutional or governmental lender with respect to the Project and, in the event of a foreclosure of any such mortgage, or of the giving of a deed in lieu of foreclosure to any such mortgagee, this Agreement shall become void and shall be of no further force or effect.

Section 20. Rule Against Perpetuities Savings Clause

The term of this Agreement will be ninety years commencing on the date first written above unless sooner terminated pursuant to the provisions hereof. If any provision of this Agreement is construed as violating and applicable "Rule Against Perpetuities" by statute or common law, such provision will be deemed to remain in effect only until the death of the last survivor of the now living descendants of any member of the 116th Congress of the United States, plus twenty-one (21) years thereafter. This Agreement and the Refusal Right herein granted are covenants running with the land and the terms and provisions hereof will be binding upon, inure to the benefits of and be enforceable by the parties hereto and their respective successors and assigns.

Section 21. Third Party Beneficiary; Virginia Housing Rights and Powers

The Virginia Housing Development Authority ("Virginia Housing") shall be a third party beneficiary to this Agreement, and the benefits of all of the covenants and restrictions hereof shall inure to the benefit of Virginia Housing, including the right, in addition to all other remedies provided by law or in equity, to apply to any court of competent jurisdiction within the Commonwealth of Virginia to enforce specific performance by the parties or to obtain an injunction against any violations hereof, or to obtain such other relief as may be appropriate. The Authority and its agents shall have those rights and powers with respect to the Project as set forth in the Act and the Virginia Housing Rules and Regulations promulgated thereunder, including without limitation, those rights and powers set forth in Chapter 1.2 of Title 365 of the Code of Virginia (1950), as amended, and 13VAC10-180-10 et seq., as amended.

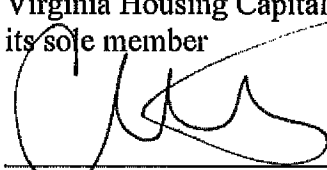
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The undersigned hereby consents to the foregoing Right of First Refusal Agreement as of the date first set forth hereinabove.

INVESTOR MEMBER:

VCDC Equity Fund 27, LLC,
a Virginia limited liability company

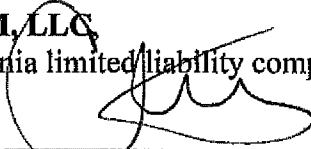
By: Virginia Housing Capital Corporation,
its sole member



By: _____ (SEAL)
Name: Christopher Sterling
Title: President

SPECIAL MEMBER:


VAHM, LLC
a Virginia limited liability company



By: _____ (SEAL)
Name: Christopher Sterling
Title: President

COMMONWEALTH OF VIRGINIA)
CITY/COUNTY OF Richmond)

On May 27, 2025, before me, the undersigned, a notary public in and for said state, personally appeared Christopher Sterling, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity as President of Virginia Housing Capital Corporation, the sole member of VCDC Equity Fund 27, LLC, a Virginia limited liability company, and in his capacity as President of VAHM, LLC, a Virginia limited liability company, and that by his signature on the instrument, the entity, individual or the person on behalf of which the individual acted, executed the instrument.



Notary Public
Commission expires: 5-31-2027



EXHIBIT A**LEGAL DESCRIPTION**

ALL that certain lot, tract or parcel of land together with improvements thereon and appurtenances thereunto belonging, lying, situated and being in the City of Virginia Beach, Virginia and designated and described as 'Parcel A AREA 65,147 SQ. FT. OR 1.496 ACRES GPIN14588829410000' on the resubdivision plat made by Timmons Group dated June 10, 2024, entitled "RESUBDIVISION PLAT OF PROPERTY OF SUL TRANQUILITY LAKES II, LLC INST #20121221001461910 (PLAT) INST #20130328000360010 (PLAT) INST #2013030927001160920 (PLAT) INST #20131016001232250 (PLAT) INST #20150204000104180 (PLAT) INST# 202107000063 (PLAT) VIRGINIA BEACH, VIRGINIA", recorded October 24, 2024 in the Clerk's Office, Circuit Court, City of Virginia Beach, Virginia as Instrument No. 202407000157.

BEING the same real estate conveyed to SUL Tranquility Lakes II, LLC, a Virginia limited liability company, by quitclaim deed from Seniors Unlimited Lifestyles, Inc. dated July 29, 2024, recorded September 10, 2024 in the Clerk's Office, Circuit Court, City of Virginia Beach, Virginia as Instrument No. 202403037955. ALSO BEING the same real estate conveyed to SUL Tranquility Lakes II, LLC, a Virginia limited liability company, by deed from the City of Virginia Beach, a municipal corporation of the Commonwealth of Virginia dated July 22, 2024, recorded September 10, 2024 in the Clerk's Office, Circuit Court, City of Virginia Beach, Virginia as Instrument No. 202403037956. ALSO BEING the same real estate conveyed to SUL Tranquility Lakes II, LLC, a Virginia limited liability company, by deed of vacation and quitclaim from the City of Virginia Beach, a municipal corporation of the Commonwealth of Virginia, dated July 22, 2024, recorded September 10, 2024 in the Clerk's Office, Circuit Court, City of Virginia Beach, Virginia as Instrument No.202403037957.

INSTRUMENT # 202503023808
E-RECORDED IN THE CLERK'S OFFICE OF
VIRGINIA BEACH ON
JUNE 18, 2025 AT 10:27AM

TINA E. SINNEN, CLERK
RECORDED BY: JE

Tab W:

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

1. Internet Education Information for Residents
2. Internet Acceptable Use Policy:
Resident Acknowledgement Form
3. Internet Security Plan



The Internet might seem intimidating at first - a vast global communications network with billions of webpages. But in this lesson, we simplify and explain the basics about the Internet using a conversational non-technical style to make it understandable, useful, and enjoyable. There's no reason to be left out!

Basic Internet Skills

Microsoft Windows PCs

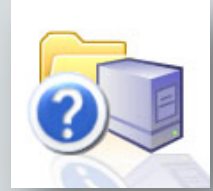
www.NetLiteracy.org





What the Internet is:

The Internet, the web, cyberspace, and the 'net are all terms that generally mean the same thing, in this case, we will call it the Internet. The Internet is a **NET**work of computers, all over the world, **INTER**connected to each other and available to any individual. The Internet is used for many different activities including shopping, communicating, learning, and distributing information.



Unfortunately, you cannot open a door to a house and walk outside to “go into the Internet.” Computers are a primary tool you’ll utilize to use the Internet. The Internet is somewhat difficult to describe because you cannot touch it (in a way similar to software). It seems invisible—only computers can see it – and you can see it through a computer. Sometimes the Internet is best described in comparison to a library. The Internet is made up of many individual components, just like a library is made up of many books. The Internet’s components have even more individual parts, just like a book has pages.

Changing Constantly:

The Internet is a useful source of information about news, sports, and entertainment because it changes along with the minute-by-minute events that occur in the world brings. This might seem confusing. However, it is not

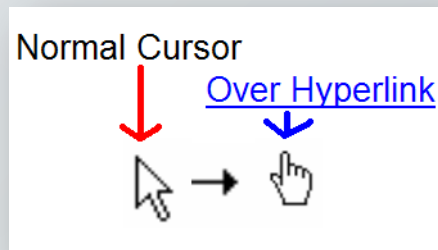


necessarily so—the Internet can be thought of as a “dynamic” living organism that changes and adapts to its environment. The Internet changes very quickly—just watching a 24 hour news channel on the television. The content on some websites is updated every few seconds.

Purpose / Content of Websites

On the Internet, there are many websites. These are usually made for one specific purpose; they range from informing you about the news to teaching you how to cook.

The best analogy of a website is a comparison to an entire book or an entire newspaper. Websites are made up of “pages,” just like newspapers and books.



Websites are usually independent, however sometimes they are linked together by hyperlinks (also called links) that allow you to jump from one website to another website. These links allow you to “turn the page,” and move around on the Internet. They are usually underlined and **blue**, however they can be any color and or even a picture. How

do you identify a hyperlink? When your mouse hovers over a hyperlink, the arrow changes into a pointing hand.

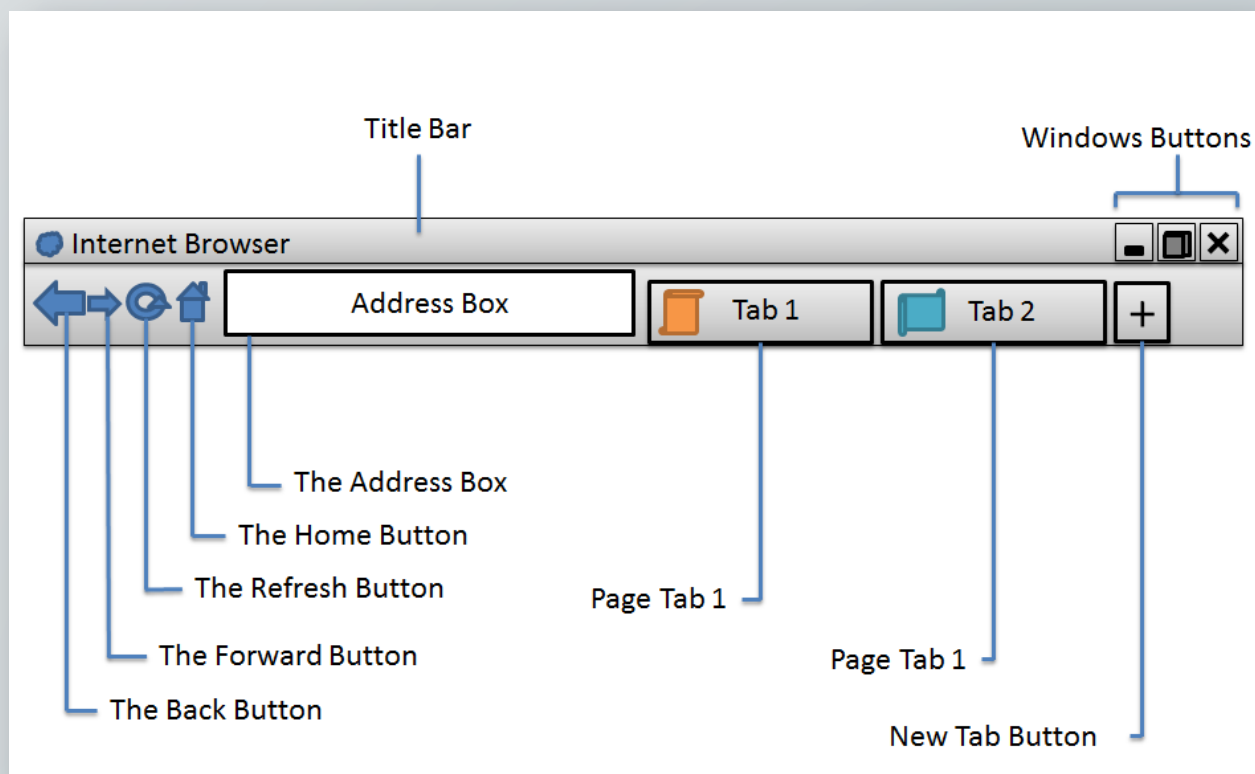
Webpages are what you see and read on the Internet. They are primarily made up of text (words), digital media (pictures, movies, and music), and hyperlinks. The Internet, unlike a book or newspaper, is in no order, and can seem slightly confusing at first. However, there are tools on the Internet that help organize it and will allow you to use it comfortably and easily.





Applications to Access the Internet

On the computer, you use a program to see the Internet. The program is called a web browser — you “browse” the web with it. Some common brands of web browsers include Internet Explorer, Firefox, and Chrome. They serve the same purpose, navigating the internet, and also have many of the same buttons. For instance, we will take a look at a generic browser’s buttons. You will use these buttons to navigate around the Internet. Sometimes extra buttons might be added, while other times, buttons might have been moved around on the toolbar. If you cannot find a button, just ask someone (they seem to be pretty tricky when they hide from you).



The Buttons

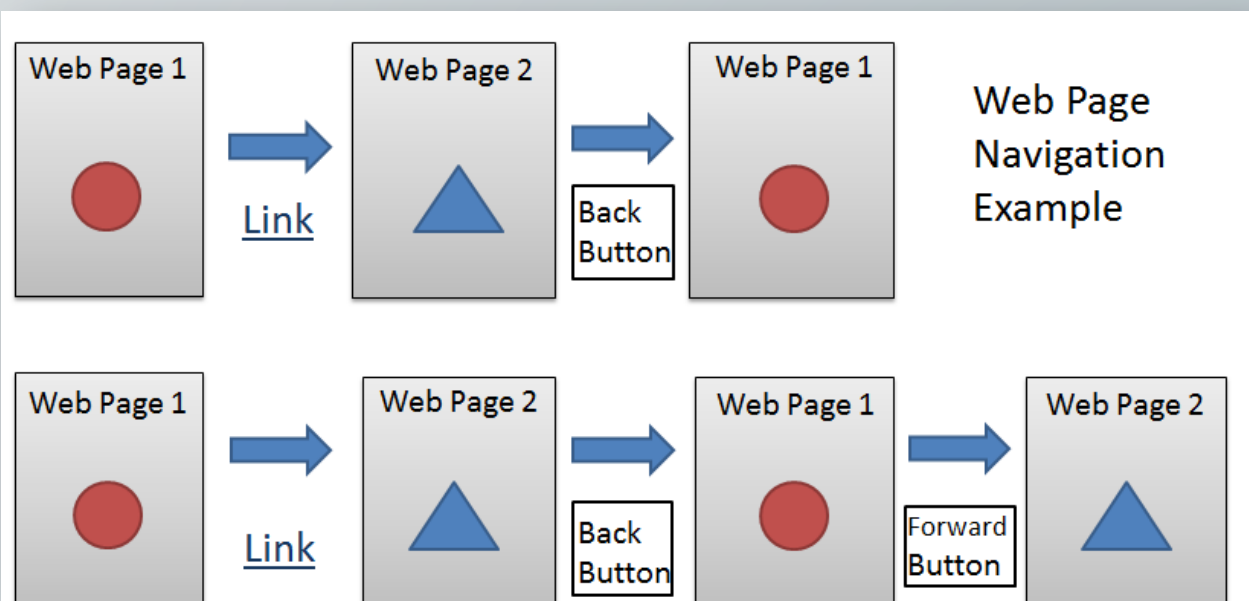
The Back Button – This button allows you to return to the last webpage that you last visited. It is most often used if you accidentally click on a link and wish to return to your previous page.

The Forward Button – If you clicked the back button, you don't have to hunt for the hyperlink on the webpage to return to the previous webpage. Just click on the forward button to return to the previous page that you were at before you pressed the back button.

Note: If the forward button is "grayed out" and when you click on it, nothing happens, this means that it is disabled.

The Refresh Button – This button is useful if you are looking at pages that contain content that is updated more frequently, such as the news, sports scores, or the weather. By clicking on the refresh button, the web page loads again, and is updated with the latest information.

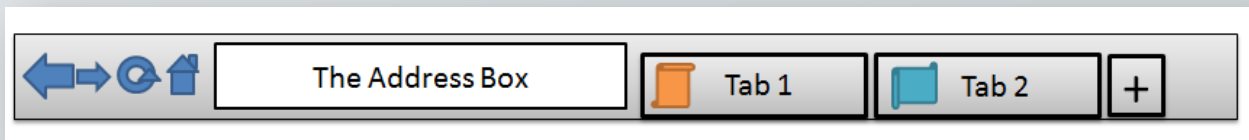
The Home Button - When you open your web browser, the first website that is displayed is your **homepage**. You can change your homepage to fit your preferences. When you click on the home button, it takes you to your homepage.





The Address Box

The Address Box – This displays the URL of a webpage. URL stands for Universal Resource Locator, which is a unique address for each webpage – just like your own home’s address is unique. You can type a specific URL into the address box by left clicking in the box once and then typing. Although URLs are all different, they share common characteristics. The basic diagram of a URL is shown below.



http://www.google.com

Http:// - Begins most web addresses. Tells the internet browser what protocol to use.

www- Stands for “World Wide Web.” Most web addresses have it although it is not necessary. It indicates a web page.

.(dot)- Separates parts of the address so it does not all run together and the computer can distinguish the different parts of the address.

Domain name- Example: “Google” – A series of numbers, letters or hyphens “-” that identifies the owner of the address.

.” (dot)- See previous Definition

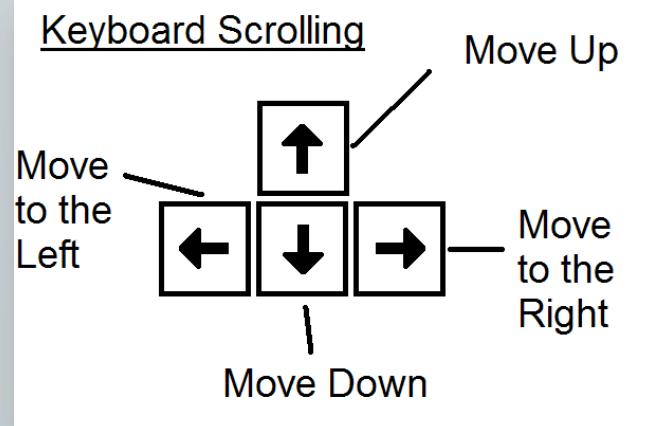
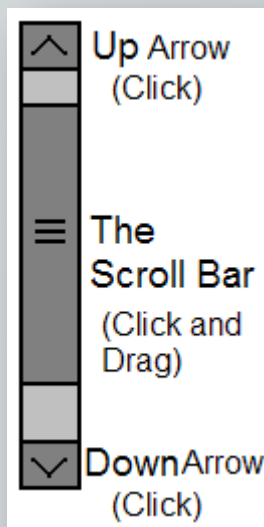
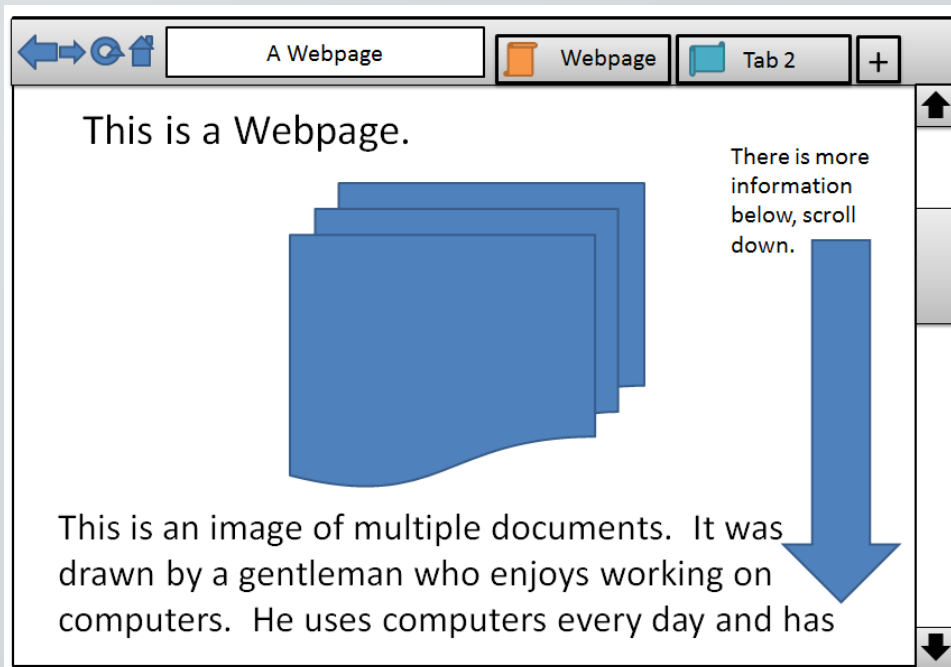
The Domain- At the end of a web address. Tells what type of web page you are viewing.
 .com – Commercial
 .org – Non-For-Profit Organization
 .edu – Education (Colleges/Universities)
 .net – Internet Related
 .mil – US Military
 .gov – US Government
 .us – United States
 .uk – United Kingdom

Important: Make sure you spell everything correctly. Addresses are very specific and if typed incorrectly, they will direct you to the wrong website. If this happens, simply use your back arrow to return to the previous webpage.



Scrolling on Webpages

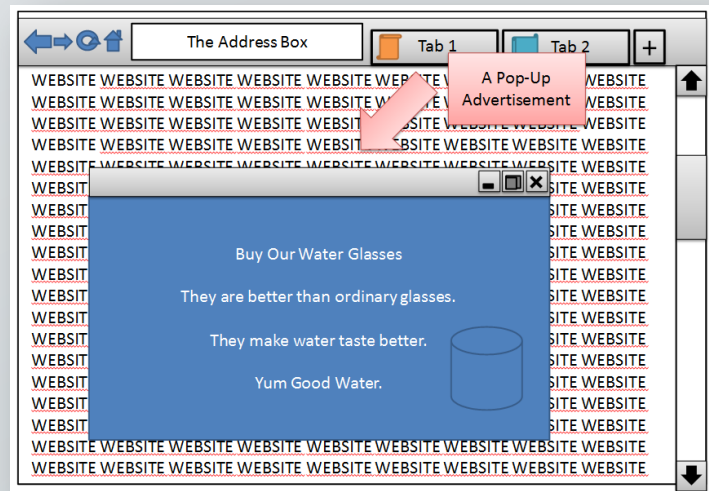
One thing to keep in mind when viewing the Internet is that a bunch of information might be displayed on a webpage, however, only a small portion can be seen immediately when you load the webpage. Thus, it is important to look at your scroll bars to the right and bottom to see if there is more information you are missing. If you are tired of using the mouse to scroll up and down, try using the arrow keys.



Pop Up Advertisements



On the Internet, there are things that help you and things that can make you aggravated. One aggravation is the **Pop Up Ad**. These advertisements are created by aggressive marketers who want you to see their “amazing” product and buy it. Pop ups create their own window and usually appear on top of the information that you are interested in. If you click on a pop up ad, it will take you away from the information you are looking at. If you see a pop up ad, click the X at the top right of the window to close it.



Another type of advertisement is the **Banner**. Banner ads show up at the top of a website or on the side of a website. As a beginner, it's generally wiser to ignore banner advertisements unless you are familiar with the company.

Searching the Internet

Because there are so many things on the Internet, it is

frequently hard to locate exactly what you are looking for. Search engines such as Google (www.google.com) are very helpful and allow you search the Internet.

A search engine is a Website used to search for information on the World Wide Web. Google first collects websites using a computer program (called a



wanderer, crawler, robot, worm, or spider). Then Google creates an index of these sites so they are searchable. There are many search engines that are available - we use Google for purposes of instruction because most people use it.

Performing a search in Google (See Next Page for Picture)

1. Go to Google by typing www.google.com in the URL address box (see page 5). Google is also one of the fastest search engines and provides some of the best results.
2. Next type your topic or key words (words closely related to your topic) into the box under the Google logo.
3. Press Enter or click "Google Search"
4. The next page that will appear is your search results page. This page lists the first few results from your search. Click on one of the page title that has an interesting description or seems most relevant.
5. If you are not satisfied with that website, click the back button and try a different website. If you still cannot find a good website, try searching by using different terms in the search box at the top of the webpage.



Google Searching Tips

Google will return pages that include all of your search terms. There is no need to include the word "and" between terms. For example, to look for information about parks in Cincinnati, simply type "Cincinnati parks."

Google is not case sensitive. Typing "United States" is the same as typing "UNITED STATES" or "united states."

The more words you include in your search, the more specific your search will be and the more relevant your search results will be.



Internet Glossary

Browser – A software program that allows Internet documents (like webpages) to be viewed, also called a Web Browser.

Cyberspace – The world of computer networks.

Domain Name – A unique name that identifies a specific computer on the Internet.

Download – A term for transferring software or other files from one computer to another.

Email – Electronic Mail – Messages sent from one specific user to another using the Internet.

Email address – The way a specific user is identified so that they may receive email. An email address can be identified by the “@” sign. E.g., Support@seniorconnects.org

Home Page – The first page of a Website, similar to a table of contents.

HTML – HyperText Markup Language- A computer language used to make hypertext documents that are sent via the World Wide Web and viewed using a Browser.

HTTP – HyperText Transfer Protocol – The way that hypertext documents are transferred over the Internet.

Hypertext – A way of presenting information that allows words, pictures, sounds, and actions to be inter-linked so that you may jump between them however you choose.

Link – A word, phrase, or image that allows you to jump to another document on the World Wide Web.

Search Engine – A website that indexes and allows searching of information gathered from the Internet. Google is an example of this.

URL – Uniform Resource Locator – The entire address for a piece of information of the Internet. E.g., www.google.com

Webpage – A hypertext document available on the World Wide Web.

Website – A collection of webpages.

World Wide Web – A collection of resources available on the Internet using a web browser.

Internet Acceptable Use Policy (AUP)

All users of _____ Internet services agree to and must comply with this Acceptable Use Policy (AUP). _____ does not exercise editorial control or review over the content of any Web site, electronic mail transmission, paper printout, newsgroup, or other material created or accessible over or through the Services. However, _____ may remove, block, filter, or restrict by any other means any materials that, in _____ sole discretion, may be illegal, may subject _____ to liability, or which may violate this AUP. _____ may cooperate with legal authorities and/or third parties in the investigation of any suspected or alleged crime or civil wrong. Violation of this AUP may result in the suspension or termination of either access to the Services and/or _____ account or other actions as detailed below.

The following constitute violations of this AUP (this list is intended to be illustrative and not exhaustive; other uses may violate the AUP and _____ remains the sole and final arbiter of acceptable usage of its Services):

- **Illegal use:** Using the Services to transmit any material (by email, uploading, posting, or otherwise) that, intentionally or unintentionally, violates any applicable local, state, national or international law, or any rules or regulations promulgated there under.
- **Harm to minors:** Using the Services to harm, or attempt to harm, minors in any way.
- **Threats:** Using the Services to transmit any material (by email, uploading, posting, or otherwise) that threatens or encourages bodily harm or destruction of property.
- **Harassment:** Using the Services to transmit any material (by email, uploading, posting, or otherwise) that harasses another.
- **Fraudulent activity:** Using the Services to make fraudulent offers to sell or buy products, items, or services or to advance any type of financial scam such as "pyramid schemes", "Ponzi schemes", unregistered sales of securities, securities fraud and "chain letters."
- **Forgery or impersonation:** Adding, removing or modifying identifying network, message, or article header information in an effort to deceive or mislead is prohibited. Attempting to impersonate any person by using forged headers or other identifying information is prohibited. The use of anonymous remailers or nicknames does not constitute impersonation.
- **Unsolicited commercial email/Unsolicited bulk email:** Using the Services to transmit any unsolicited commercial email or unsolicited bulk email. Activities that have the effect of facilitating unsolicited commercial email or unsolicited bulk email, whether or not that email is commercial in nature, are prohibited. Using deliberately misleading headers in e-mails sent to multiple parties is prohibited.
- **Unauthorized access:** Using the Services to access, or to attempt to access, the accounts of others, or to penetrate, or attempt to penetrate, security measures of _____'s or another entity's computer software or hardware, electronic communications system, or telecommunications system, whether or not the intrusion results in disruption of service or the corruption or loss of data.
- **Copyright or trademark infringement:** Using the Services to transmit any material (by email, uploading, posting, or otherwise) that infringes any copyright, trademark, patent, trade secret, or other proprietary rights of any third party, including, but not limited to, the unauthorized copying of copyrighted material, the digitization and distribution of photographs from magazines, books, or other copyrighted sources, and the unauthorized transmittal of copyrighted software.
- **Collection of personal data:** Using the Services to collect, or attempt to collect, personal information about third parties without their knowledge or consent.

- **Reselling the services:** Reselling the Services without _____ 's authorization.
- **Network disruptions and unfriendly activity:** Using the Services for any activity which adversely affects the ability of other people or systems to use _____ Services or the Internet. This includes excessive consumption of network or system resources whether intentional or unintentional. This also includes "denial of service" (DoS) attacks against another network host or individual user. Interference with or disruption of other network users, network services or network equipment is prohibited. It is the users's responsibility to ensure that their system is configured, operated, and used in a manner to avoid excessive consumption of network or system resources. It is the users's responsibility to ensure that their system is configured in a secure manner. A user may not, through action or inaction, allow others to use their system for illegal or inappropriate actions. A user may not permit their system, through action or inaction, to be configured in such a way that gives a third party the capability to use their system in an illegal or inappropriate manner.
- **High Volume, Server Hosting, and non-traditional end user activities:** The Services are intended for an end user's periodic active use of email, instant messaging, browsing the World Wide Web, and other typical end user activities. High volume data transfers, especially sustained high volume data transfers, are prohibited. Hosting a web server, IRC server, or any other server is prohibited. Accordingly, _____ maintains the right to terminate any user's connection following the detection of any high volume data transfer, server hosting, or non-traditional end user activity as determined by _____ .

_____ requests that anyone who believes that there is a violation of this AUP direct the information to the property manager.

If available, please provide the following information:

- The IP address used to commit the alleged violation
- The date and time of the alleged violation, including the time zone or offset from GMT
- Evidence of the alleged violation

When reporting an issue regarding unsolicited email please provide a copy of the email messages with full headers which typically provides all of the above data. Other situations will require different methods of providing the necessary information.

_____ may take any one or more of the following actions, or other actions not listed, at _____ 's sole discretion in response to complaints:

- Issue warnings: written or verbal
- Terminate the user's access
- Bill the user for administrative costs and/or reactivation charges
- Bring legal action to enjoin violations and/or to collect damages, if any, caused by violations.

_____ reserves the right to revise, amend, or modify this AUP, and our other policies and agreements at any time and in any manner.

_____ provides public access to the Internet. There are potentially serious security issues with any computer connected to the Internet without the appropriate protection. These security issues range from viruses, worms and other programs that can damage the user's computer to attacks on the computer by unauthorized or unwanted third parties. These parties, known

commonly as "hackers" may attempt to penetrate the user's computer and download information from the user's computer. If the user has unprotected files on the computer, these files may be visible to hackers on the Internet, potentially including parties with criminal intent. Hackers also exploit vulnerabilities in operating systems to cause malicious damage to a user's computer or even a whole company's network, up to and including the destruction or deletion of files or the re-formatting of drives. It is recommended that the user uses either a personal firewall or Virtual Private Network systems to protect this information. _____ advises the user that he/she should consult a security expert to determine whether there are any potential security holes in their computer's configuration.

_____ SPECIFICALLY DISCLAIMS ANY LIABILITY FOR UNAUTHORIZED THIRD-PARTY SECURITY BREACHES OR THE RESULTS THEREOF. _____ PROVIDES ACCESS TO THE INTERNET AND THE _____ NETWORK ON AN "AS IS" BASIS WITH ALL RISKS INHERENT IN SUCH ACCESS. BY CONNECTING TO THE _____ NETWORK, THE USER ACKNOWLEDGES THE RISKS ASSOCIATED WITH PUBLIC ACCESS TO THE INTERNET OR DOCUMENT PRINTING AND HEREBY RELEASES AND INDEMNIFIES _____ FROM ANY DAMAGES THAT MIGHT OCCUR.

Acknowledgment of Resident:

Signature: _____ Dated: _____

Printed: _____

Draft Internet Security Plan

Network Security:

1. Purpose

This standard specifies the technical requirements that wireless infrastructure devices must satisfy to connect to a _____ (Owner) network. Only those wireless infrastructure devices that meet the requirements specified in this standard or are granted an exception by the InfoSec Team are approved for connectivity to the Owner's network.

Network devices including, but not limited to, hubs, routers, switches, firewalls, remote access devices, modems, or wireless access points, must be installed, supported, and maintained by an Information Security (Infosec) approved support organization.

2. Scope

All employees, contractors, consultants, temporary and other workers at Owner and its subsidiaries/affiliates, including all personnel that maintain a wireless infrastructure device on behalf of the Owner, must comply with this standard. This standard applies to wireless devices that make a connection the network and all wireless infrastructure devices that provide wireless connectivity to the network. Infosec must approve exceptions to this standard in advance.

3. Standard

3.1 General Requirements:

All wireless infrastructure devices that connect to the Owner's network or provide access to the Owner Confidential, Owner Highly Confidential, or Owner Restricted information must:

- Use Extensible Authentication Protocol-Fast Authentication via Secure Tunneling (EAP-FAST), Protected Extensible Authentication Protocol (PEAP), or Extensible Authentication Protocol-Translation Layer Security (EAP-TLS) as the authentication protocol.
- Use Temporal Key Integrity Protocol (TKIP) or Advanced Encryption System (AES) protocols with a minimum key length of 128 bits.
- All Bluetooth devices must use Secure Simple Pairing with encryption enabled.4.2Lab and Isolated Wireless Device Requirements
- Lab device Service Set Identifier (SSID) must be different from the Owner's production device SSID.
- Broadcast of lab device SSID must be disabled.4.3 Home Wireless Device Requirements
All home wireless infrastructure devices that provide direct access to the Owner's network, such as those behind Enterprise Teleworker (ECT) or hardware VPN, must adhere to the following:
- Enable WiFi Protected Access Pre-shared Key (WPA-PSK), EAP-FAST, PEAP, or EAP-TLS

- When enabling WPA-PSK, configure a complex shared secret key (at least 20 characters) on the wireless client and the wireless access point
- Disable broadcast of SSID
- Change the default SSID name
- Change the default login and password

4. Policy Compliance

4.1 Compliance Measurement

The Infosec team will verify compliance to this policy through various methods, including but not limited to, periodic walk-thrus, video monitoring, business tool reports, internal and external audits, and feedback to the policy owner.

4.2 Exceptions

Any exception to the policy must be approved by the Infosec Team in advance.

4.3 Non-Compliance

An employee found to have violated this policy may be subject to disciplinary action, up to and including termination of employment.

Equipment

1. Purpose

The purpose of this policy is to outline the acceptable use of computer equipment at _____ (Owner). These rules are in place to protect the employee and Owner. Inappropriate use exposes the Owner to risks including virus attacks, compromise of network systems and services, and legal issues.

2. Scope

This policy applies to the use of information, electronic and computing devices, and network resources to conduct the Owner's business or interact with internal networks and business systems, whether owned or leased by Owner, the employee, or a third party. All employees, contractors, consultants, temporary, and other workers at Owner and its subsidiaries are responsible for exercising good judgment regarding appropriate use of information, electronic devices, and network resources in accordance with Owner's policies and standards, and local laws and regulation. Exceptions to this policy are documented in section 5.2.

This policy applies to employees, contractors, consultants, temporaries, and other workers at Owner including all personnel affiliated with third parties. This policy applies to all equipment that is owned or leased by Owner.

3. Policy

3.1 General Use and Ownership

3.1.1 Owner proprietary information stored on electronic and computing devices whether owned or leased by Owner, the employee or a third party, remains the sole property of the Owner. You must ensure through legal or technical means that proprietary information is protected in accordance with the Data Protection Standard.

3.1.2 You have a responsibility to promptly report the theft, loss or unauthorized disclosure of Owner proprietary information.

3.1.3 You may access, use or share Owner proprietary information only to the extent it is authorized and necessary to fulfill your assigned job duties.

3.1.4 Employees are responsible for exercising good judgment regarding the reasonableness of personal use. Individual departments are responsible for creating guidelines concerning personal use of Internet/Intranet/Extranet systems. In the absence of such policies, employees should be guided by departmental policies on personal use, and if there is any uncertainty, employees should consult their supervisor or manager.

3.1.5 For security and network maintenance purposes, authorized individuals within Owner may monitor equipment, systems and network traffic at any time, per Infosec's Audit Policy.

3.1.6 Owner reserves the right to audit networks and systems on a periodic basis to ensure compliance with this policy.

3.2 Security and Proprietary Information

3.2.1 All mobile and computing devices that connect to the internal network must comply with the Minimum Access Policy.

3.2.2 System level and user level passwords must comply with the Password Policy. Providing access to another individual, either deliberately or through failure to secure its access, is prohibited.

3.2.3 All computing devices must be secured with a password-protected screensaver with the automatic activation feature set to 10 minutes or less. You must lock the screen or log off when the device is unattended.

3.2.4 Postings by employees from an Owner email address to newsgroups should contain a disclaimer stating that the opinions expressed are strictly their own and not necessarily those of the Owner, unless posting is in the course of business duties.

3.2.5 Employees must use extreme caution when opening e-mail attachments received from unknown senders, which may contain malware.

3.3 Unacceptable Use

The following activities are, in general, prohibited. Employees may be exempted from these restrictions during the course of their legitimate job responsibilities (e.g., systems administration staff may have a need to disable the network access of a host if that host is disrupting production services).

Under no circumstances is an employee of Owner authorized to engage in any activity that is illegal under local, state, federal or international law while utilizing Owner-owned resources.

The lists below are by no means exhaustive, but attempt to provide a framework for activities which fall into the category of unacceptable use.

3.3.1 System and Network Activities

The following activities are strictly prohibited, with no exceptions:

- Violations of the rights of any person or company protected by copyright, trade secret, patent or other intellectual property, or similar laws or regulations, including, but not limited to, the installation or distribution of "pirated" or other software products that are not appropriately licensed for use by Owner.
- Unauthorized copying of copyrighted material including, but not limited to, digitization and distribution of photographs from magazines, books or other copyrighted sources, copyrighted music, and the installation of any copyrighted software for which Owner or the end user does not have an active license is strictly prohibited.
- Accessing data, a server or an account for any purpose other than conducting Owner's business, even if you have authorized access, is prohibited.
- Exporting software, technical information, encryption software or technology, in violation of international or regional export control laws, is illegal. The appropriate management should be consulted prior to export of any material that is in question.
- Introduction of malicious programs into the network or server (e.g., viruses, worms, Trojan horses, e-mail bombs, etc.).
- 6. Revealing your account password to others or allowing use of your account by others. This includes family and other household members when work is being done at home.
- Using an Owner computing asset to actively engage in procuring or transmitting material that is in violation of sexual harassment or hostile workplace laws in the user's local jurisdiction.
- Making fraudulent offers of products, items, or services originating from any Owner account.

- Making statements about warranty, expressly or implied, unless it is a part of normal job duties.
- Effecting security breaches or disruptions of network communication. Security breaches include, but are not limited to, accessing data of which the employee is not an intended recipient or logging into a server or account that the employee is not expressly authorized to access, unless these duties are within the scope of regular duties. For purposes of this section, "disruption" includes, but is not limited to, network sniffing, pinged floods, packet spoofing, denial of service, and forged routing information for malicious purposes. 11. Port scanning or security scanning is expressly prohibited unless prior notification to Infosec is made.
- Executing any form of network monitoring which will intercept data not intended for the employee's host, unless this activity is a part of the employee's normal job/duty.
- Circumventing user authentication or security of any host, network or account.
- Introducing honeypots, honeynets, or similar technology on the <Company Name> network.
- Interfering with or denying service to any user other than the employee's host (for example, denial of service attack).
- Using any program/script/command, or sending messages of any kind, with the intent to interfere with, or disable, a user's terminal session, via any means, locally or via the Internet/Intranet/Extranet.
- Providing information about, or lists of, Owner's employees to parties outside Owner.

3.3.2 Email and Communication Activities

When using company resources to access and use the Internet, users must realize they represent the company. Whenever employees state an affiliation to the company, they must also clearly indicate that "the opinions expressed are my own and not necessarily those of the company". Questions may be addressed to the IT Department

- Sending unsolicited email messages, including the sending of "junk mail" or other advertising material to individuals who did not specifically request such material (email spam).
- Any form of harassment via email, telephone or paging, whether through language, frequency, or size of messages.
- Unauthorized use, or forging, of email header information.
- Solicitation of email for any other email address, other than that of the poster's account, with the intent to harass or to collect replies.
- Creating or forwarding "chain letters", "Ponzi" or other "pyramid" schemes of any type.
- Use of unsolicited email originating from within Owner's networks or other Internet/Intranet/Extranet service providers on behalf of, or to advertise, any service hosted by Owner or connected via Owner's network.
- Posting the same or similar non-business-related messages to large numbers of Usenet newsgroups (newsgroup spam).

3.3.3 Blogging and Social Media

1. Blogging by employees, whether using Owner's property and systems or personal computer systems, is also subject to the terms and restrictions set forth in this Policy. Limited and occasional use of Owner's systems to engage in blogging is acceptable, provided that it is done in a professional and responsible manner, does not otherwise violate Owner's policy, is not detrimental to Owner's best interests, and does not interfere with an employee's regular work duties. Blogging from Owner's systems is also subject to monitoring.
2. Owner's Confidential Information policy also applies to blogging. As such, Employees are prohibited from revealing any Owner confidential or proprietary information, trade secrets or any other material covered by Owner's Confidential Information policy when engaged in blogging.
3. Employees shall not engage in any blogging that may harm or tarnish the image, reputation and/or goodwill of Owner and/or any of its employees. Employees are also prohibited from making any discriminatory, disparaging, defamatory or harassing when blogging or otherwise engaging in any conduct prohibited by Owner's Non-Discrimination and Anti-Harassment policy.
4. Employees may also not attribute personal statements, opinions or beliefs to Owner when engaged in blogging. If an employee is expressing his other beliefs and/or opinions in blogs, the employee may not, expressly or implicitly, represent themselves as an employee or representative of Owner's Employees assume any and all risk associated with blogging.
5. Apart from following all laws pertaining to the handling and disclosure of copyrighted or export controlled materials, Owner's trademarks, logos and any other Owner intellectual property may also not be used in connection with any blogging activity

4. Policy Compliance

4.1 Compliance Measurement

The Infosec team will verify compliance to this policy through various methods, including but not limited to, business tool reports, internal and external audits, and feedback to the policy owner.

4.2 Exceptions

Any exception to the policy must be approved by the Infosec team in advance.

4.3 Non-Compliance

An employee found to have violated this policy may be subject to disciplinary action, up to and including termination of employment.

Resident Acknowledgment

By signing below, I acknowledge that I have reviewed and understand the Internet Security Plan and Wi-Fi Use Guidelines established by the _____ (Owner) for _____ Apartments. I agree to comply with these guidelines.

Resident Signature

Resident Name (Printed)

Date: _____

Tab X:

Marketing Plan for units meeting accessibility
requirements of HUD section 504

SUL Tranquility Lakes II, LLC

MARKETING PLAN FOR UNITS MEETING ACCESSIBILITY REQUIREMENTS

Tranquility at the Lakes II Apartments

SUL Tranquility Lakes II, LLC will own Tranquility at the Lakes II, a 38-unit development for low-income elderly households planned for the Burton Station neighborhood in the City of Virginia Beach, Virginia. Five (5) units in the development will be constructed to meet HUD accessibility requirements as outlined in Section 504 of the Rehabilitation Act and will be actively marketed to persons with disabilities in accordance with the Fair Housing Act.

These five (5) accessible units will be held vacant for 60 days, during which ongoing marketing efforts will be documented. Virginia Beach Community Development Corporation (VBCDC), the Owner/Agent, will market the units to persons with disabilities (Target Population) on an ongoing basis throughout the year and will provide sufficient documentation to Virginia Housing's compliance officer. "Ongoing Basis" shall mean the Owner/Agent will contact at least two (2) resources per month to market the available Section 504 accessible units.

When a Section 504 accessible unit becomes available for occupancy, it shall first be offered to a qualified individual/household with disabilities currently residing in a non-accessible unit who requires accessible features. If there are no such persons/households residing at the property, the Owner/Agent shall offer the unit to the next available qualified individual/household with disabilities on the property's waiting list. After 60 days if no qualified applicant with disabilities requires the unit, the Owner/Agent may place a tenant household with no disabled members in the unit upon approval by the designated Virginia Housing compliance officer. The approved lease will contain a provision requiring the household to move to a vacant unit of comparable size within the development if a household in the Target Population applies for the unit. The Target Population Prospective Tenant will be placed on the property's waiting list until a vacant unit of comparable size is available to complete the non-Target Population Tenant's move. The moving costs of the temporary / non-Target Population Tenant will be paid by the property.

Individuals seeking housing will need to qualify under the income restrictions and application screening of Tranquility at the Lakes II, including but not limited to having a household income at least 60% or less of the Area Median Income.

Resources:

SUL Tranquility Lakes II, LLC will utilize the resources of several organizations in the Virginia Beach area to promote the availability of its accessible and affordable housing units for Seniors. Tranquility at the Lakes II will also be listed at **virginiahousingsearch.com**

The following agencies will be contacted regularly and be provided with updated leasing information on Tranquility at the Lakes II. The Owner/Agent will schedule site tours with individuals, agencies and/or groups as needed to guide potential tenants toward units that will best meet accessibility and housing needs.

Virginia Department of Medical Assistance Services (804) 786-7933

Virginia Department of Behavioral Health and Developmental Services (804) 786-3921

Virginia Beach Community Services Board (757) 385-4202

Virginia Department of Social Services (757) 385-3200

Independence Center Inc. (757) 461-8007

Seniors Unlimited Lifestyles, Inc. (757) 737-3713

Virginia Beach Department of Housing and Neighborhood Preservation (757) 385-5750

Hope House Foundation 757-625-6161

Senior Services of Southeastern Virginia 757-461-9481

Leasing Preference for Virginia Housing Target Populations:

Additionally, SUL Tranquility Lakes II, LLC will provide first leasing preference to members of target populations, as defined and required by Virginia Housing. Established by Memorandum of Understanding between Virginia Housing and other participating agencies, target populations will be equipped with state rental assistance. The leasing preference provided by SUL Tranquility Lakes II, LLC shall apply to no more than 10% of the units (total of 4 units) at the property at a given time. The owner will not impose tenant selection criteria or leasing terms to individuals receiving this preference that are more restrictive than:

- 1.) the property's standard eligibility requirements / leasing terms;
- 2.) the eligibility criteria for state rental assistance; or
- 3.) any terms in the Virginia Housing MOU establishing the target population.