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# 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](mailto: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 | <a href="mailto:stephanie.flanders@virginiahousing.com">stephanie.flanders@virginiahousing.com</a> | (804) 343-5939 |
| Phil Cunningham    | <a href="mailto:phillip.cunningham@virginiahousing.com">phillip.cunningham@virginiahousing.com</a> | (804) 343-5514 |
| Lauren Dillard     | <a href="mailto:lauren.dillard@virginiahousing.com">lauren.dillard@virginiahousing.com</a>         | (804) 584-4729 |
| Hadia Ali          | <a href="mailto:hadia.ali@virginiahousing.com">hadia.ali@virginiahousing.com</a>                   | (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 <b>(MANDATORY)</b> - Invoice information will be provided in your Procorem Workcenter                        |
| <input checked="" type="checkbox"/> | Electronic Copy of the Microsoft Excel Based Application <b>(MANDATORY)</b>                                                          |
| <input checked="" type="checkbox"/> | PDF Copy of the <b>Signed</b> Tax Credit Application with Attachments (Tabs A-AB) <b>(MANDATORY)</b>                                 |
| <input checked="" type="checkbox"/> | Electronic Copy of the Market Study <b>(MANDATORY - Application will be disqualified if study is not submitted with application)</b> |
| <input checked="" type="checkbox"/> | Electronic Copy of the Plans <b>(MANDATORY)</b>                                                                                      |
| <input checked="" type="checkbox"/> | Electronic Copy of the Specifications <b>(MANDATORY)</b>                                                                             |
| <input type="checkbox"/>            | Electronic Copy of the Existing Condition questionnaire <b>(MANDATORY if Rehab)</b>                                                  |
| <input type="checkbox"/>            | Electronic Copy of Unit by Unit Matrix and Scope of Work narrative <b>(MANDATORY if Rehab)</b>                                       |
| <input type="checkbox"/>            | Electronic Copy of the Physical Needs Assessment <b>(MANDATORY at reservation for a 4% rehab request)</b>                            |
| <input checked="" type="checkbox"/> | Electronic Copy of Appraisal <b>(MANDATORY if acquisition credits requested)</b>                                                     |
| <input checked="" type="checkbox"/> | Electronic Copy of Environmental Site Assessment (Phase I) <b>(MANDATORY if 4% credits requested)</b>                                |
| <input checked="" type="checkbox"/> | Electronic Copy of Signed Previous Participation Agreement                                                                           |
| <input type="checkbox"/>            |                                                                                                                                      |
| <input checked="" type="checkbox"/> | Tab A: Chart of ownership structure with percentage of interests (see manual for details) <b>(MANDATORY)</b>                         |
| <input checked="" type="checkbox"/> | Tab B: Virginia State Corporation Commission Certification <b>(MANDATORY)</b>                                                        |
| <input checked="" type="checkbox"/> | Tab C: Syndicator's or Investor's Letter of Intent <b>(MANDATORY)</b>                                                                |
| <input type="checkbox"/>            | Tab D: <i>Any supporting documentation related to List of LIHTC Developments or Previous Participation Agreement</i>                 |
| <input checked="" type="checkbox"/> | Tab E: Site Control Documentation & Most Recent Real Estate Tax Assessment <b>(MANDATORY)</b>                                        |
| <input checked="" type="checkbox"/> | Tab F: Third Party RESNET Rater Certification and Sample HERS certificates <b>(MANDATORY)</b>                                        |
| <input checked="" type="checkbox"/> | Tab G: Zoning Certification Letter <b>(MANDATORY)</b>                                                                                |
| <input checked="" type="checkbox"/> | Tab H: Attorney's Opinion using Virginia Housing template <b>(MANDATORY)</b>                                                         |
| <input type="checkbox"/>            | Tab I: Nonprofit Questionnaire <b>(MANDATORY for points or pool)</b>                                                                 |
|                                     | The following documents <b>need not be submitted unless requested</b> by Virginia Housing:                                           |
|                                     | -Nonprofit Articles of Incorporation      -IRS Documentation of Nonprofit Status                                                     |
|                                     | -Joint Venture Agreement (if applicable)      -For-profit Consulting Agreement (if applicable)                                       |
| <input type="checkbox"/>            | Tab J: Relocation Plan and Unit Delivery Schedule <b>(MANDATORY if Rehab)</b>                                                        |
| <input type="checkbox"/>            | 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 type="checkbox"/>            | Tab L: PHA / Section 8 Notification Letter                                                                                           |
| <input type="checkbox"/>            | Tab M: <i>(left intentionally blank)</i>                                                                                             |
| <input type="checkbox"/>            | Tab N: Homeownership Plan                                                                                                            |
| <input type="checkbox"/>            | Tab O: Plan of Development Certification Letter                                                                                      |
| <input type="checkbox"/>            | Tab P: Zero Energy or Passive House documentation for prior allocation by this developer                                             |
| <input type="checkbox"/>            | Tab Q: Documentation of Rental Assistance, Tax Abatement and/or existing RD or HUD Property                                          |
| <input checked="" type="checkbox"/> | Tab R: Documentation of Utility Allowance Calculation                                                                                |
| <input type="checkbox"/>            | Tab S: Supportive Housing Certification                                                                                              |
| <input checked="" type="checkbox"/> | Tab T: Funding Documentation                                                                                                         |
| <input checked="" type="checkbox"/> | Tab U: Acknowledgement by Tenant of the availability of Renter Education provided by Virginia Housing                                |
| <input type="checkbox"/>            | Tab V: Nonprofit or LHA Purchase Option or Right of First Refusal                                                                    |
| <input checked="" type="checkbox"/> | Tab W: Internet Safety Plan and Resident Information Form                                                                            |
| <input checked="" type="checkbox"/> | Tab X: Marketing Plan for units meeting accessibility requirements of HUD section 504                                                |
| <input type="checkbox"/>            | Tab Y: Inducement Resolution for Tax Exempt Bonds                                                                                    |
| <input type="checkbox"/>            | Tab Z: Documentation of team member's Veteran Owned Small Business certification                                                     |
| <input type="checkbox"/>            | Tab AA: Priority Letter from Rural Development                                                                                       |
| <input type="checkbox"/>            | Tab AB: Ownership's Veteran Owned Small Business Certification                                                                       |

VHDA TRACKING NUMBER

2026-TEB-183

## A. GENERAL INFORMATION ABOUT PROPOSED DEVELOPMENT

Application Date: 6/29/2026

1. Development Name: Fairfield at Dulles Plaza
2. Address (line 1): 45551 Dulles Plaza  
 Address (line 2):   
 City: Sterling State: VA Zip: 20166
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 Loudoun County
5. The site overlaps one or more jurisdictional boundaries. FALSE  
 If true, what other City/County is the site located in besides response to #4?
6. Development is located in the census tract of: 6117.02
7. Development is located in a **Qualified Census Tract**. FALSE *Note regarding DDA and QCT*
8. Development is located in a **Difficult Development Area**. 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>TRUE</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: 10  
 Planning District: 6  
 State Senate District: 33  
 State House District: 86

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

Fairfield at Dulles Plaza is an affordable multifamily rental development in Sterling, VA. The project will be developed on a 3.51 acre site at the intersection of Shaw and Old Ox Road with close proximity to Dulles International Airport. The development will consist of 277 residential units in a 5-story building over a structured parking garage. The unit mix will include one, two, and three bedroom apartments. The property will be subject to income and rent restrictions at 60% AMI.

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:  | Tim Hemstreet                  |        |                |
| Chief Executive Officer's Title: | County Administrator           | Phone: | (703) 770-0200 |
| Street Address:                  | 1 Harrison Stree SE, 5th Floor |        |                |
| City:                            | Leesburg                       | State: | VA Zip: 20175  |

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

Tim Hemstreet

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

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

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

**B. RESERVATION REQUEST INFORMATION****1. Requesting Credits From:**

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

or

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

ROUND 3

For Tax Exempt Bonds, where are bonds being issued?

VHDA

**ACTION:** Provide Inducement Resolution at **TAB Y** (if available)**2. Type(s) of Allocation/Allocation Year (skip for TE Credits)**

Definitions of types:

a. **Regular Allocation** means all of the buildings in the development are expected to be placed in service this calendar year, 2026.b. **Carryforward Allocation** means all of the buildings in the development are expected to be placed in service within two years after the end of this calendar year, 2026, but the owner will have more than 10% basis in development before the end of twelve months following allocation of credits. For those buildings, the owner requests a carryforward allocation of 2026 credits pursuant to Section 42(h)(1)(E).**3. Select Building Allocation type:**

New Construction

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

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

FALSE

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

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

FALSE

If true, provide name of companion development:

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

FALSE

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

Total Units within 9% allocation request?

0

Total Units within 4% Tax Exempt allocation Request?

0

Total Units:

0

% of units in 4% Tax Exempt Allocation Request:

0.00%

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

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

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

TRUE

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

**C. OWNERSHIP INFORMATION**

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

**1. Owner Information:**

*Must be an individual or legally formed entity.*

a. Owner Name: Fairfield Dulles Plaza LP

Developer Name: Fairfield Affordable Housing Fund Tranche XV LLC

Contact: M/M ▶ Mr. First: Paulius MI:  Last: Kudirka

Address: 5355 Mira Sorrento Place, Suite 100

City: San Diego St. ▶ CA Zip: 92121

Phone: (858) 824-6406 Ext.  Fax: (858) 625-6047

Email address: pkudirka@ffres.com

Federal I.D. No. 834457652 (If not available, obtain prior to Carryover Allocation.)

Select type of entity: ▶ limited partnership Formation State: ▶ Delaware

Additional Contact: Please Provide Name, Email and Phone number.

Stephen Toyra, stoyra@ffres.com, 858.812.6791

- 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: 

▶ Purchase Contract

Expiration Date: 

9/30/2026

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

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

FALSE

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

2. Timing of Acquisition by Owner:

Only one of the following statement should be True.

- a. 

FALSE

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

TRUE

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

3/31/2027

.
- c. 

FALSE

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

D. SITE CONTROL

3. Seller Information:

Name:

IAD Hospitality LLC/NFD Acquisitions, LLC

Address:

5101 Wisconsin Ave, NW

City:

Washington

St.:

DC

Zip:

20016

Contact Person:

Nathan Hamman

Phone:

(203) 750-7363

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

FALSE

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

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

| Names | Phone | Type Ownership | % Ownership |
|-------|-------|----------------|-------------|
|       |       |                | 0.00%       |
|       |       |                | 0.00%       |
|       |       |                | 0.00%       |
|       |       |                | 0.00%       |
|       |       |                | 0.00%       |
|       |       |                | 0.00%       |
|       |       |                | 0.00%       |



**E. DEVELOPMENT TEAM INFORMATION**

**Complete the following as applicable to your development team.**

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

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

|    |                       |                                               |                           |                |
|----|-----------------------|-----------------------------------------------|---------------------------|----------------|
| 1. | Tax Attorney:         | Samuel Thompson                               | This is a Related Entity. | FALSE          |
|    | Firm Name:            | Winthrop & Weinstine, P.A.                    |                           |                |
|    | Address:              | Capella Tower, Suite 3500, 225 S 6th Street   | Veteran Owned Small Bus?  | FALSE          |
|    | City, State, Zip      | Minneapolis, MN 55402                         |                           |                |
|    | Email:                | SThompson@winthrop.com                        | Phone:                    | (612) 604-6407 |
| 2. | Tax Accountant:       | Chris Thompson                                | This is a Related Entity. | FALSE          |
|    | Firm Name:            | DOZ LLC                                       |                           |                |
|    | Address:              | 501 Congressional Blvd                        | Veteran Owned Small Bus?  | FALSE          |
|    | City, State, Zip      | Carmel, IN 46032                              |                           |                |
|    | Email:                | cthompson@dozllc.com                          | Phone:                    | 317-819-6176   |
| 3. | Consultant:           | Ryne Johnson                                  | This is a Related Entity. | FALSE          |
|    | Firm Name:            | Astoria, LLC                                  |                           |                |
|    | Address:              | 3450 Lady Marian Ct                           | Veteran Owned Small Bus?  | FALSE          |
|    | City, State, Zip      | Midlothian, VA, 23113                         | Role:                     | President      |
|    | Email:                | rynejohnson@astoriallc.com                    | Phone:                    | (804) 339-7205 |
| 4. | Management Entity:    | FF Properties L.P. (dba Fairmark Properties c | This is a Related Entity. | TRUE           |
|    | Firm Name:            | FF Properties L.P.                            |                           |                |
|    | Address:              | 5355 Mira Sorrento Place, Suite 100           | Veteran Owned Small Bus?  | FALSE          |
|    | City, State, Zip      | San Diego, CA 92121                           |                           |                |
|    | Email:                | sjohnston@ffres.com                           | Phone:                    | 214.574.1535   |
| 5. | Contractor:           | Fairfield Development L.P.                    | This is a Related Entity. | TRUE           |
|    | Firm Name:            | Fairfield Development L.P.                    |                           |                |
|    | Address:              | 5355 Mira Sorrento Place, Suite 100           | Veteran Owned Small Bus?  | FALSE          |
|    | City, State, Zip      | San Diego, CA 92121                           |                           |                |
|    | Email:                | stoyra@ffres.com                              | Phone:                    | (765) 637-5815 |
| 6. | Architect:            | Shawn Glerum, AIA                             | This is a Related Entity. | FALSE          |
|    | Firm Name:            | Dwell Design Studio, LLC                      |                           |                |
|    | Address:              | 3122 W Marshall Street, Suite 200             | Veteran Owned Small Bus?  | FALSE          |
|    | City, State, Zip      | Richmond, VA 23230                            |                           |                |
|    | Email:                | sglerum@dwelldesignstudio.com                 | Phone:                    | 703-963-1666   |
| 7. | Real Estate Attorney: | James M. Tucker                               | This is a Related Entity. | FALSE          |
|    | Firm Name:            | Nelson Mullins                                |                           |                |
|    | Address:              | One Wells Fargo Center, 23rd Floor, 301 Sou   | Veteran Owned Small Bus?  | FALSE          |

**E. DEVELOPMENT TEAM INFORMATION**

|                     |                                |                           |                |
|---------------------|--------------------------------|---------------------------|----------------|
| City, State, Zip    | Charlotte, NC 28202            | Phone:                    | 704.417.3118   |
| Email:              | james.tucker@nelsonmullins.com |                           |                |
| 8. Mortgage Banker: | Ryne Johnson                   | This is a Related Entity. | FALSE          |
| Firm Name:          | Astoria, LLC                   |                           |                |
| Address:            | 3450 Lady Marian Ct            | Veteran Owned Small Bus?  | FALSE          |
| City, State, Zip    | Midlothian, VA, 23113          |                           |                |
| Email:              | rynejohnson@astoriallc.com     | Phone:                    | (804) 339-7205 |
| 9. Other 1:         |                                | This is a Related Entity. | FALSE          |
| Firm Name:          |                                |                           |                |
| Address:            |                                | Veteran Owned Small Bus?  | FALSE          |
| City, State, Zip    |                                | Role:                     |                |
| Email:              |                                | Phone:                    |                |
| 10. Other 2:        |                                | This is a Related Entity. | FALSE          |
| Firm Name:          |                                |                           |                |
| Address:            |                                | Veteran Owned Small Bus?  | FALSE          |
| City, State, Zip    |                                | Role:                     |                |
| Email:              |                                | Phone:                    |                |
| 11. Other 3:        |                                | This is a Related Entity. | FALSE          |
| Firm Name:          |                                |                           |                |
| Address:            |                                | Veteran Owned Small Bus?  | FALSE          |
| City, State, Zip    |                                | Role:                     |                |
| Email:              |                                | Phone:                    |                |
| 12. Other 4:        |                                | This is a Related Entity. | FALSE          |
| Firm Name:          |                                |                           |                |
| Address:            |                                | Veteran Owned Small Bus?  | FALSE          |
| City, State, Zip    |                                | Role:                     |                |
| Email:              |                                | Phone:                    |                |
| 13. Other 5:        |                                | This is a Related Entity. | FALSE          |
| Firm Name:          |                                |                           |                |
| Address:            |                                | Veteran Owned Small Bus?  | FALSE          |
| City, State, Zip    |                                | Role:                     |                |
| Email:              |                                | Phone:                    |                |

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

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

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

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

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

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

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

- i. Applicant agrees to waive all rights to any developer's fee or other fees associated with acquisition. **FALSE**  
 ii. Applicant has obtained a waiver of this requirement from Virginia Housing prior to the application submission deadline. **FALSE**

**2. Ten-Year Rule For Acquisition Credits**

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

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

- i Subsection (I) **FALSE**  
 ii. Subsection (II) **FALSE**  
 iii. Subsection (III) **FALSE**  
 iv. Subsection (IV) **FALSE**  
 v. Subsection (V) **FALSE**

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

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

**3. Rehabilitation Credit Information**

F. REHAB INFORMATION

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

**G. NONPROFIT INVOLVEMENT**

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

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

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

FALSE

a. Be authorized to do business in Virginia.

FALSE

b. Be substantially based or active in the community of the development.

FALSE

c. Materially participate in the development and operation of the development throughout the compliance period (i.e., regular, continuous and substantial involvement) in the operation of the development throughout the Compliance Period.

FALSE

d. Own, either directly or through a partnership or limited liability company, 100% of the general partnership or managing member interest.

FALSE

e. Not be affiliated with or controlled by a for-profit organization.

FALSE

f. Not have been formed for the principal purpose of competition in the Non Profit Pool.

FALSE

g. Not have any staff member, officer or member of the board of directors materially participate, directly or indirectly, in the proposed development as a for profit entity.

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

## A. Nonprofit Involvement (All Applicants)

FALSE

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

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

## B. Type of involvement:

FALSE

Nonprofit meets eligibility requirement for points only, not pool.

or

FALSE

Nonprofit meets eligibility requirements for nonprofit pool and points.

## C. Identity of Nonprofit (All nonprofit applicants):

The nonprofit organization involved in this development is: ▶

Name:

Contact Person:

Street Address:

City:

State: ▶

Zip:

Phone:

Contact Email:

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

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

0.0%**3. Nonprofit/Local Housing Authority Purchase Option/Right of First Refusal**

G. NONPROFIT INVOLVEMENT

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

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

Name of qualified nonprofit:

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

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

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

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

H. STRUCTURE AND UNITS INFORMATION

1. General Information

|    |                                                                                                                                                                  |         |          |                      |
|----|------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------|----------|----------------------|
| a. | Total number of <b>all</b> units in development                                                                                                                  | 277     | bedrooms | 555                  |
|    | Total number of <b>rental</b> units in development                                                                                                               | 277     | bedrooms | 555                  |
|    | Number of low-income rental units                                                                                                                                | 277     | bedrooms | 555                  |
|    | Percentage of rental units designated low-income                                                                                                                 | 100.00% |          |                      |
| b. | Number of new units:                                                                                                                                             | 277     | bedrooms | 555                  |
|    | 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                                                                                                                      |         |          | 326,471.00 (Sq. ft.) |
| e. | Unheated Floor Area (i.e. Breezeways, Balconies, Storage)                                                                                                        |         |          | 4,026.00 (Sq. ft.)   |
| f. | Nonresidential Commercial Floor Area (Not eligible for funding)                                                                                                  |         |          | 0.00                 |
| g. | Total Usable Residential Heated Area                                                                                                                             |         |          | 322,445.00 (Sq. ft.) |
| h. | Percentage of Net Rentable Square Feet Deemed To Be <b>New Rental Space</b>                                                                                      |         |          | 100.00%              |
| i. | Exact area of site in acres                                                                                                                                      | 3.510   |          |                      |
| j. | Locality has approved a final site plan or plan of development.                                                                                                  |         | FALSE    |                      |
|    | If <b>True</b> , Provide required documentation ( <b>TAB O</b> ).                                                                                                |         |          |                      |
| k. | Requirement as of 2016: Site must be properly zoned for proposed development.<br><b>ACTION:</b> Provide required zoning documentation ( <b>MANDATORY TAB G</b> ) |         |          |                      |
| 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.

2. UNIT MIX

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

LIHTC Units can not be greater than Total Rental Units

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

| Unit Type             | Average Sq Foot |    | # of LIHTC Units | Total Rental Units |
|-----------------------|-----------------|----|------------------|--------------------|
| 1 Story Eff - Elderly | 0.00            | SF | 0                | 0                  |
| 1 Story 1BR - Elderly | 0.00            | SF | 0                | 0                  |
| 1 Story 2BR - Elderly | 0.00            | SF | 0                | 0                  |
| Eff - Elderly         | 0.00            | SF | 0                | 0                  |
| 1BR Elderly           | 0.00            | SF | 0                | 0                  |
| 2BR Elderly           | 0.00            | SF | 0                | 0                  |
| Eff - Garden          | 0.00            | SF | 0                | 0                  |
| 1BR Garden            | 936.40          | SF | 59               | 59                 |
| 2BR Garden            | 1170.20         | SF | 158              | 158                |

H. STRUCTURE AND UNITS INFORMATION

|                        |         |    |     |     |
|------------------------|---------|----|-----|-----|
| 3BR Garden             | 1371.76 | SF | 60  | 60  |
| 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   |
|                        |         |    | 277 | 277 |

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

3. Structures

a. Number of Buildings (containing rental units)

1

b. Age of Structure:

0 years

c. Maximum Number of stories:

5

d. The development is a scattered site development.

FALSE

e. Commercial Area Intended Use:

N/A

f. Development consists primarily of :

(Only One Option Below Can Be True)

i. Low Rise Building(s) - (1-5 stories with any structural elements made of wood)

FALSE

ii. Mid Rise Building(s) - (5-7 stories with no structural elements made of wood)

TRUE

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

FALSE

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.

3

Elevator Type (if known)

i. Roof Type

▶ Flat

j. Construction Type

▶ Masonry

k. Primary Exterior Finish

▶ Fiber Cement Siding

4. Site Amenities (indicate all proposed)

a. Business Center

TRUE

f. Limited Access

TRUE

b. Covered Parking

TRUE

g. Playground

FALSE

c. Exercise Room

TRUE

h. Pool

FALSE

d. Gated access to Site

FALSE

i. Rental Office

TRUE

e. Laundry facilities

TRUE

j. Sports Activity Ct.

FALSE

k. Other:

l. Describe Community Facilities:

Two outdoor courtyards, a fitness center, resident lounge, bike storage, pet



H. STRUCTURE AND UNITS INFORMATION

- m. Number of Proposed Parking Spaces

440
- 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.                                                                                  |
| 9.00%  | b1. Percentage of brick covering the exterior walls.                                                                                                                                                           |
| 91.00% | 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.                                                              |
| FALSE  | i. Each unit is provided free individual high-speed internet access.<br>(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 <b>Tab F</b> . |
| FALSE  | o. New construction only: Each unit to have balcony or patio with a minimum depth of 5 feet clear from face of building and a minimum size of 30 square feet.                                                  |

**J. ENHANCEMENTS**

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

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

**2. Green Certification**

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

The applicant will also obtain one of the following:

- |                                |                                         |                                |                                                                            |
|--------------------------------|-----------------------------------------|--------------------------------|----------------------------------------------------------------------------|
| <input type="checkbox"/> FALSE | 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                           |

**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 type="checkbox"/> FALSE | 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 <b>Tab P</b> . See Manual for details and requirements. |                                |                         |

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

- |                                |                                                                                                                          |
|--------------------------------|--------------------------------------------------------------------------------------------------------------------------|
| <input type="checkbox"/> FALSE | a. Architect of record certifies that units will be constructed to meet Virginia Housing's Universal Design Standards.   |
| <input type="text" value="0"/> | b. Number of Rental Units constructed to meet Virginia Housing's Universal Design standards:<br>0% of Total Rental Units |

**No Market Units listed on Structure 1a.**

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

If not, please explain:



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

1. Utilities Types:

- |                   |                     |
|-------------------|---------------------|
| a. Heating Type   | Electric Forced Air |
| b. Cooking Type   | Electric            |
| c. AC Type        | Central Air         |
| d. Hot Water Type | Electric            |

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

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

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

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**K. SPECIAL HOUSING NEEDS**

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

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

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

**FALSE**

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

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



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

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

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

**FALSE**

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

**FALSE**

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

**FALSE**

Supportive Housing (as described in the Tax Credit Manual)

**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**)

3. **Leasing Preferences**

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

Organization which holds waiting list:

Contact person:

Title:

Phone Number:

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

**K. SPECIAL HOUSING NEEDS**

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

**FALSE**

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

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

[Download Current CMA List from VirginiaHousing.com](https://www.virginiahousing.com/Portals/0/Forms/Download%20Current%20CMA%20List%20from%20VirginiaHousing.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: Stephanie

Last Name: Johnston

Phone Number: (214) 574-1535

Email: sjohnston@ffres.com

**5. Rental Assistance**

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

**FALSE**

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

**FALSE**

Rental Assistance Demonstration (RAD) or other PHA conversion to project based rental assistance.

**FALSE**

Section 8 New Construction Substantial Rehabilitation

**FALSE**

Section 8 Moderate Rehabilitation

**FALSE**

Section 811 Certificates

**FALSE**

Section 8 Project Based Assistance

**FALSE**

RD 515 Rental Assistance

**K. SPECIAL HOUSING NEEDS****FALSE**

Section 8 Vouchers

\*Administering Organization: **DHCD****FALSE**

State Assistance

\*Administering Organization:

**FALSE**

Other:

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

**FALSE**

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

**0**

d. Number of units receiving assistance:

**0**

How many years in rental assistance contract?

Expiration date of contract:

There is an Option to Renew.

**FALSE****Action:** Contract or other agreement provided **(TAB Q)**.**6. Public Housing Revitalization**

Is this development replacing or revitalizing Public Housing Units?

**FALSE**

If so, how many existing Public Housing units?

**0**

**L. UNIT DETAILS****1. Set-Aside Election:****UNITS SELECTED IN INCOME AND RENT DETERMINE POINTS FOR THE BONUS POINT CATEGORY**

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

**a. Units Provided Per Household Type:**

| Income Levels |            |                 |
|---------------|------------|-----------------|
| # of Units    | % of Units |                 |
| 0             | 0.00%      | 20% Area Median |
| 0             | 0.00%      | 30% Area Median |
| 0             | 0.00%      | 40% Area Median |
| 0             | 0.00%      | 50% Area Median |
| 277           | 100.00%    | 60% Area Median |
| 0             | 0.00%      | 70% Area Median |
| 0             | 0.00%      | 80% Area Median |
| 0             | 0.00%      | Market Units    |
| 277           | 100.00%    | <b>Total</b>    |

| Rent Levels |            |                 |
|-------------|------------|-----------------|
| # of Units  | % of Units |                 |
| 0           | 0.00%      | 20% Area Median |
| 0           | 0.00%      | 30% Area Median |
| 0           | 0.00%      | 40% Area Median |
| 0           | 0.00%      | 50% Area Median |
| 277         | 100.00%    | 60% Area Median |
| 0           | 0.00%      | 70% Area Median |
| 0           | 0.00%      | 80% Area Median |
| 0           | 0.00%      | Market Units    |
| 277         | 100.00%    | <b>Total</b>    |

- 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  40% Levels  50% levels

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

**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<br>(Select One) | Rent Target<br>(Select One) | Number<br>of Units | # of Units<br>504<br>compliant | Net<br>Rentable<br>Square Feet | Monthly Rent<br>Per Unit | Total Monthly Rent |
|-------|---------------------------|-----------------------------|--------------------|--------------------------------|--------------------------------|--------------------------|--------------------|
| Mix 1 | 1 BR - 1 Bath             | 60% AMI                     | 3                  | 3                              | 625.66                         | \$822.00                 | \$2,466            |
| Mix 2 | 1 BR - 1 Bath             | 60% AMI                     | 6                  | 6                              | 625.66                         | \$1,445.00               | \$8,670            |
| Mix 3 | 1 BR - 1 Bath             | 60% AMI                     | 50                 | 50                             | 625.66                         | \$1,757.00               | \$87,850           |
| Mix 4 | 2 BR - 2 Bath             | 60% AMI                     | 7                  | 7                              | 859.46                         | \$987.00                 | \$6,909            |
| Mix 5 | 2 BR - 2 Bath             | 60% AMI                     | 16                 | 16                             | 859.46                         | \$1,734.00               | \$27,744           |
| Mix 6 | 2 BR - 2 Bath             | 60% AMI                     | 135                | 135                            | 859.46                         | \$2,108.00               | \$284,580          |
| Mix 7 | 3 BR - 2 Bath             | 60% AMI                     | 2                  | 2                              | 1061.02                        | \$1,140.00               | \$2,280            |
| Mix 8 | 3 BR - 2 Bath             | 60% AMI                     | 6                  | 6                              | 1061.02                        | \$2,004.00               | \$12,024           |



L. UNIT DETAILS

|        |               |         |    |    |         |            |           |
|--------|---------------|---------|----|----|---------|------------|-----------|
| Mix 9  | 3 BR - 2 Bath | 60% AMI | 52 | 52 | 1061.02 | \$2,436.00 | \$126,672 |
| Mix 10 |               |         |    |    |         |            | \$0       |
| Mix 11 |               |         |    |    |         |            | \$0       |
| Mix 12 |               |         |    |    |         |            | \$0       |
| Mix 13 |               |         |    |    |         |            | \$0       |
| Mix 14 |               |         |    |    |         |            | \$0       |
| Mix 15 |               |         |    |    |         |            | \$0       |
| Mix 16 |               |         |    |    |         |            | \$0       |
| Mix 17 |               |         |    |    |         |            | \$0       |
| Mix 18 |               |         |    |    |         |            | \$0       |
| Mix 19 |               |         |    |    |         |            | \$0       |
| Mix 20 |               |         |    |    |         |            | \$0       |
| Mix 21 |               |         |    |    |         |            | \$0       |
| Mix 22 |               |         |    |    |         |            | \$0       |
| Mix 23 |               |         |    |    |         |            | \$0       |
| Mix 24 |               |         |    |    |         |            | \$0       |
| Mix 25 |               |         |    |    |         |            | \$0       |
| Mix 26 |               |         |    |    |         |            | \$0       |
| Mix 27 |               |         |    |    |         |            | \$0       |
| Mix 28 |               |         |    |    |         |            | \$0       |
| Mix 29 |               |         |    |    |         |            | \$0       |
| Mix 30 |               |         |    |    |         |            | \$0       |
| Mix 31 |               |         |    |    |         |            | \$0       |
| Mix 32 |               |         |    |    |         |            | \$0       |
| Mix 33 |               |         |    |    |         |            | \$0       |
| Mix 34 |               |         |    |    |         |            | \$0       |
| Mix 35 |               |         |    |    |         |            | \$0       |
| Mix 36 |               |         |    |    |         |            | \$0       |
| Mix 37 |               |         |    |    |         |            | \$0       |
| Mix 38 |               |         |    |    |         |            | \$0       |
| Mix 39 |               |         |    |    |         |            | \$0       |
| Mix 40 |               |         |    |    |         |            | \$0       |
| Mix 41 |               |         |    |    |         |            | \$0       |
| Mix 42 |               |         |    |    |         |            | \$0       |
| Mix 43 |               |         |    |    |         |            | \$0       |
| Mix 44 |               |         |    |    |         |            | \$0       |
| Mix 45 |               |         |    |    |         |            | \$0       |
| Mix 46 |               |         |    |    |         |            | \$0       |
| Mix 47 |               |         |    |    |         |            | \$0       |
| Mix 48 |               |         |    |    |         |            | \$0       |
| Mix 49 |               |         |    |    |         |            | \$0       |
| Mix 50 |               |         |    |    |         |            | \$0       |
| Mix 51 |               |         |    |    |         |            | \$0       |
| Mix 52 |               |         |    |    |         |            | \$0       |
| Mix 53 |               |         |    |    |         |            | \$0       |
| Mix 54 |               |         |    |    |         |            | \$0       |
| Mix 55 |               |         |    |    |         |            | \$0       |
| Mix 56 |               |         |    |    |         |            | \$0       |
| Mix 57 |               |         |    |    |         |            | \$0       |
| Mix 58 |               |         |    |    |         |            | \$0       |
| Mix 59 |               |         |    |    |         |            | \$0       |
| Mix 60 |               |         |    |    |         |            | \$0       |
| Mix 61 |               |         |    |    |         |            | \$0       |
| Mix 62 |               |         |    |    |         |            | \$0       |
| Mix 63 |               |         |    |    |         |            | \$0       |

L. UNIT DETAILS

|         |  |  |     |     |  |  |           |
|---------|--|--|-----|-----|--|--|-----------|
| Mix 64  |  |  |     |     |  |  | \$0       |
| Mix 65  |  |  |     |     |  |  | \$0       |
| Mix 66  |  |  |     |     |  |  | \$0       |
| Mix 67  |  |  |     |     |  |  | \$0       |
| Mix 68  |  |  |     |     |  |  | \$0       |
| Mix 69  |  |  |     |     |  |  | \$0       |
| Mix 70  |  |  |     |     |  |  | \$0       |
| Mix 71  |  |  |     |     |  |  | \$0       |
| Mix 72  |  |  |     |     |  |  | \$0       |
| Mix 73  |  |  |     |     |  |  | \$0       |
| Mix 74  |  |  |     |     |  |  | \$0       |
| Mix 75  |  |  |     |     |  |  | \$0       |
| Mix 76  |  |  |     |     |  |  | \$0       |
| Mix 77  |  |  |     |     |  |  | \$0       |
| Mix 78  |  |  |     |     |  |  | \$0       |
| Mix 79  |  |  |     |     |  |  | \$0       |
| Mix 80  |  |  |     |     |  |  | \$0       |
| Mix 81  |  |  |     |     |  |  | \$0       |
| Mix 82  |  |  |     |     |  |  | \$0       |
| Mix 83  |  |  |     |     |  |  | \$0       |
| Mix 84  |  |  |     |     |  |  | \$0       |
| Mix 85  |  |  |     |     |  |  | \$0       |
| Mix 86  |  |  |     |     |  |  | \$0       |
| Mix 87  |  |  |     |     |  |  | \$0       |
| Mix 88  |  |  |     |     |  |  | \$0       |
| Mix 89  |  |  |     |     |  |  | \$0       |
| Mix 90  |  |  |     |     |  |  | \$0       |
| Mix 91  |  |  |     |     |  |  | \$0       |
| Mix 92  |  |  |     |     |  |  | \$0       |
| Mix 93  |  |  |     |     |  |  | \$0       |
| Mix 94  |  |  |     |     |  |  | \$0       |
| Mix 95  |  |  |     |     |  |  | \$0       |
| Mix 96  |  |  |     |     |  |  | \$0       |
| Mix 97  |  |  |     |     |  |  | \$0       |
| Mix 98  |  |  |     |     |  |  | \$0       |
| Mix 99  |  |  |     |     |  |  | \$0       |
| Mix 100 |  |  |     |     |  |  | \$0       |
| TOTALS  |  |  | 277 | 277 |  |  | \$559,195 |

|             |     |                  |              |            |
|-------------|-----|------------------|--------------|------------|
| Total Units | 277 | Net Rentable SF: | TC Units     | 236,369.00 |
|             |     |                  | MKT Units    | 0.00       |
|             |     |                  | Total NR SF: | 236,369.00 |

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

**M. OPERATING EXPENSES****Administrative:**

Use Whole Numbers Only!

|                                   |                 |          |                  |
|-----------------------------------|-----------------|----------|------------------|
| 1. Advertising/Marketing          |                 |          | \$13,850         |
| 2. Office Salaries                |                 |          | \$157,890        |
| 3. Office Supplies                |                 |          | \$14,543         |
| 4. Office/Model Apartment         | (type           |          |                  |
| 5. Management Fee                 |                 |          | \$193,738        |
| <u>3.00%</u> of EGI               | <u>\$699.42</u> | Per Unit |                  |
| 6. Manager Salaries               |                 |          | \$184,205        |
| 7. Staff Unit (s)                 | (type           |          |                  |
| 8. Legal                          |                 |          | \$9,695          |
| 9. Auditing                       |                 |          | \$19,390         |
| 10. Bookkeeping/Accounting Fees   |                 |          | \$29,085         |
| 11. Telephone & Answering Service |                 |          | \$24,238         |
| 12. Tax Credit Monitoring Fee     |                 |          | \$11,080         |
| 13. Miscellaneous Administrative  |                 |          |                  |
| <b>Total Administrative</b>       |                 |          | <b>\$657,714</b> |

**Utilities**

|                      |  |                  |
|----------------------|--|------------------|
| 14. Fuel Oil         |  | \$0              |
| 15. Electricity      |  | \$92,906         |
| 16. Water            |  | \$79,386         |
| 17. Gas              |  | \$0              |
| 18. Sewer            |  | \$82,852         |
| <b>Total Utility</b> |  | <b>\$255,144</b> |

**Operating:**

|                                           |  |                  |
|-------------------------------------------|--|------------------|
| 19. Janitor/Cleaning Payroll              |  | \$0              |
| 20. Janitor/Cleaning Supplies             |  | \$15,235         |
| 21. Janitor/Cleaning Contract             |  | \$18,282         |
| 22. Exterminating                         |  | \$12,465         |
| 23. Trash Removal                         |  | \$35,706         |
| 24. Security Payroll/Contract             |  | \$18,698         |
| 25. Grounds Payroll                       |  | \$15,235         |
| 26. Grounds Supplies                      |  | \$7,617          |
| 27. Grounds Contract                      |  | \$0              |
| 28. Maintenance/Repairs Payroll           |  | \$78,945         |
| 29. Repairs/Material                      |  | \$30,470         |
| 30. Repairs Contract                      |  | \$38,087         |
| 31. Elevator Maintenance/Contract         |  | \$31,162         |
| 32. Heating/Cooling Repairs & Maintenance |  | \$18,282         |
| 33. Pool Maintenance/Contract/Staff       |  | \$0              |
| 34. Snow Removal                          |  | \$9,141          |
| 35. Decorating/Payroll/Contract           |  | \$44,320         |
| 36. Decorating Supplies                   |  | \$11,080         |
| 37. Miscellaneous                         |  |                  |
| <b>Totals Operating &amp; Maintenance</b> |  | <b>\$384,725</b> |

**M. OPERATING EXPENSES****Taxes & Insurance**

|                                          |                  |                    |
|------------------------------------------|------------------|--------------------|
| 38. Real Estate Taxes                    |                  | \$641,461          |
| 39. Payroll Taxes                        |                  | \$52,630           |
| 40. Miscellaneous Taxes/Licenses/Permits |                  |                    |
| 41. Property & Liability Insurance       | \$1,165 per unit | \$322,730          |
| 42. Fidelity Bond                        |                  |                    |
| 43. Workman's Compensation               |                  | \$21,052           |
| 44. Health Insurance & Employee Benefits |                  | \$31,578           |
| 45. Other Insurance                      |                  |                    |
| <b>Total Taxes &amp; Insurance</b>       |                  | <b>\$1,069,451</b> |

**Total Operating Expense****\$2,367,034**

**Total Operating  
Expenses Per Unit**

**\$8,545**

**C. Total Operating  
Expenses as % of EGI**

**36.65%**

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

**\$69,250****Total Expenses****\$2,436,284**

**N. PROJECT BUDGET - HARD COSTS****Cost/Basis/Maximum Allowable Credit**

Complete cost column and basis column(s) as appropriate

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

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

| Item                                      | (A) Cost            | Amount of Cost up to 100% Includable in<br>Eligible Basis--Use Applicable Column(s): |                                |                                |
|-------------------------------------------|---------------------|--------------------------------------------------------------------------------------|--------------------------------|--------------------------------|
|                                           |                     | "30% Present Value Credit"                                                           |                                | (D)                            |
|                                           |                     | (B) Acquisition                                                                      | (C) Rehab/<br>New Construction | "70 % Present<br>Value Credit" |
| <b>1. Contractor Cost</b>                 |                     |                                                                                      |                                |                                |
| a. Unit Structures (New)                  | 44,434,976          | 0                                                                                    | 44,434,976                     | 0                              |
| b. Unit Structures (Rehab)                | 0                   | 0                                                                                    | 0                              | 0                              |
| c. Non Residential Structures             | 8,886,995           | 0                                                                                    | 8,886,995                      | 0                              |
| d. Commercial Space Costs                 | 0                   | 0                                                                                    | 0                              | 0                              |
| e. Structured Parking Garage              | 5,924,663           | 0                                                                                    | 5,924,663                      | 0                              |
| <b>Total Structure</b>                    | 59,246,634          | 0                                                                                    | 59,246,634                     | 0                              |
| f. Earthwork                              | 0                   | 0                                                                                    | 0                              | 0                              |
| g. Site Utilities                         | 0                   | 0                                                                                    | 0                              | 0                              |
| h. Renewable Energy                       | 0                   | 0                                                                                    | 0                              | 0                              |
| i. Roads & Walks                          | 0                   | 0                                                                                    | 0                              | 0                              |
| j. Site Improvements                      | 0                   | 0                                                                                    | 0                              | 0                              |
| k. Lawns & Planting                       | 0                   | 0                                                                                    | 0                              | 0                              |
| l. Engineering                            | 0                   | 0                                                                                    | 0                              | 0                              |
| m. Off-Site Improvements                  | 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                  | 2,962,332           | 0                                                                                    | 2,962,332                      | 0                              |
| <b>Total Land Improvements</b>            | 2,962,332           | 0                                                                                    | 2,962,332                      | 0                              |
| <b>Total Structure and Land</b>           | 62,208,966          | 0                                                                                    | 62,208,966                     | 0                              |
| r. General Requirements                   | 3,726,317           | 0                                                                                    | 3,726,317                      | 0                              |
| s. Builder's Overhead<br>( 2.0% Contract) | 1,244,179           | 0                                                                                    | 1,244,179                      | 0                              |
| t. Builder's Profit<br>( 6.0% Contract)   | 3,732,538           | 0                                                                                    | 3,732,538                      | 0                              |
| u. Bonds                                  | 0                   | 0                                                                                    | 0                              | 0                              |
| v. Building Permits                       | 0                   | 0                                                                                    | 0                              | 0                              |
| w. Special Construction                   | 0                   | 0                                                                                    | 0                              | 0                              |
| x. Special Equipment                      | 0                   | 0                                                                                    | 0                              | 0                              |
| y. Other 1:                               | 0                   | 0                                                                                    | 0                              | 0                              |
| z. Other 2:                               | 0                   | 0                                                                                    | 0                              | 0                              |
| aa. Other 3:                              | 0                   | 0                                                                                    | 0                              | 0                              |
| <b>Contractor Costs</b>                   | <b>\$70,912,000</b> | <b>\$0</b>                                                                           | <b>\$70,912,000</b>            | <b>\$0</b>                     |

**Construction cost per unit: \$234,611.32**

**MAXIMUM COMBINED GR, OVERHEAD & PROFIT =**

**\$8,709,255**

**ACTUAL COMBINED GR, OVERHEAD & PROFIT =**

**\$8,703,034**

## 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) "70 % Present Value Credit" |
|                              |                                                        |                                                                                                                                               | (B) Acquisition                                                                   | (C) Rehab/<br>New Construction |                                 |
| <b>2. Owner Costs</b>        |                                                        |                                                                                                                                               |                                                                                   |                                |                                 |
| a.                           | Building Permit                                        | 4,500,000                                                                                                                                     | 0                                                                                 | 4,500,000                      | 0                               |
| b.                           | Architecture/Engineering Design Fee<br>\$10,500 /Unit) | 2,908,500                                                                                                                                     | 0                                                                                 | 2,908,500                      | 0                               |
| c.                           | Architecture Supervision Fee<br>\$0 /Unit)             | 0                                                                                                                                             | 0                                                                                 | 0                              | 0                               |
| d.                           | Tap Fees                                               |                                                                                                                                               | 0                                                                                 |                                | 0                               |
| e.                           | Environmental                                          | 250,000                                                                                                                                       | 0                                                                                 | 250,000                        | 0                               |
| f.                           | Soil Borings                                           |                                                                                                                                               | 0                                                                                 |                                | 0                               |
| g.                           | Green Building (Earthcraft, LEED, etc.)                |                                                                                                                                               | 0                                                                                 |                                | 0                               |
| h.                           | Appraisal                                              | 10,000                                                                                                                                        | 0                                                                                 | 10,000                         | 0                               |
| i.                           | Market Study                                           | 10,000                                                                                                                                        | 0                                                                                 | 10,000                         | 0                               |
| j.                           | Site Engineering / Survey                              | 75,000                                                                                                                                        | 0                                                                                 | 75,000                         | 0                               |
| k.                           | Construction/Development Mgt                           |                                                                                                                                               | 0                                                                                 |                                | 0                               |
| l.                           | Structural/Mechanical Study                            |                                                                                                                                               | 0                                                                                 |                                | 0                               |
| m.                           | Construction Loan<br>Origination Fee                   | 455,000                                                                                                                                       | 0                                                                                 | 455,000                        | 0                               |
| n.                           | Construction Interest<br>( 5.5% for 28 months)         | 7,901,657                                                                                                                                     | 0                                                                                 | 7,901,657                      | 0                               |
| o.                           | Taxes During Construction                              | 1,458,857                                                                                                                                     | 0                                                                                 | 1,458,857                      | 0                               |
| p.                           | Insurance During Construction                          | 1,664,070                                                                                                                                     | 0                                                                                 | 1,664,070                      | 0                               |
| q.                           | Permanent Loan Fee<br>( 1.2% )                         | 829,563                                                                                                                                       |                                                                                   |                                |                                 |
| r.                           | Other Permanent Loan Fees                              | 10,000                                                                                                                                        |                                                                                   |                                |                                 |
| s.                           | Letter of Credit                                       |                                                                                                                                               | 0                                                                                 |                                | 0                               |
| t.                           | Cost Certification Fee                                 | 35,000                                                                                                                                        | 0                                                                                 | 35,000                         | 0                               |
| u.                           | Accounting                                             | 57,000                                                                                                                                        | 0                                                                                 | 57,000                         | 0                               |
| v.                           | Title and Recording                                    | 200,000                                                                                                                                       | 0                                                                                 | 200,000                        | 0                               |
| w.                           | Legal Fees for Closing                                 | 445,000                                                                                                                                       | 0                                                                                 | 445,000                        | 0                               |
| x.                           | Mortgage Banker                                        | 200,000                                                                                                                                       | 0                                                                                 | 200,000                        | 0                               |
| y.                           | Tax Credit Fee                                         | 272,970                                                                                                                                       |                                                                                   |                                |                                 |
| z.                           | Tenant Relocation                                      |                                                                                                                                               |                                                                                   |                                |                                 |
| aa.                          | Fixtures, Furnitures and Equipment                     | 1,050,000                                                                                                                                     | 0                                                                                 | 1,050,000                      | 0                               |
| ab.                          | Organization Costs                                     | 290,000                                                                                                                                       |                                                                                   |                                |                                 |
| ac.                          | Operating Reserve                                      | 1,605,526                                                                                                                                     |                                                                                   |                                |                                 |
| ad.                          | Soft Costs Contingency                                 | 595,321                                                                                                                                       |                                                                                   |                                |                                 |
| ae.                          | Security                                               |                                                                                                                                               | 0                                                                                 | 0                              | 0                               |
| af.                          | Utilities                                              |                                                                                                                                               | 0                                                                                 | 0                              | 0                               |
| ag.                          | Supportive Service Reserves                            |                                                                                                                                               |                                                                                   |                                |                                 |
| (1)                          | Other* specify: Mortgage and Transfer Tax              | 190,291                                                                                                                                       | 0                                                                                 | 0                              | 0                               |
| (2)                          | Other* specify: Interest Reserve                       | 159,775                                                                                                                                       | 0                                                                                 | 0                              | 0                               |
| (3)                          | Other* specify: Management Fee Reserve                 | 296,431                                                                                                                                       | 0                                                                                 | 0                              | 0                               |

Warning: Oper. Reserve should be greater than 6 mon  
Reserves and 6 mon Debt Service

O. PROJECT BUDGET - OWNER COSTS

|                                                     |               |     |              |     |
|-----------------------------------------------------|---------------|-----|--------------|-----|
| (4) Other* specify:                                 |               | 0   | 0            | 0   |
| (5) Other * specify:                                |               | 0   | 0            | 0   |
| (6) Other* specify:                                 |               | 0   | 0            | 0   |
| (7) Other* specify:                                 |               | 0   | 0            | 0   |
| (8) Other* specify:                                 |               | 0   | 0            | 0   |
| (9) Other* specify:                                 |               | 0   | 0            | 0   |
| Owner Costs Subtotal (Sum 2A..2(10))                | \$25,469,961  | \$0 | \$21,220,084 | \$0 |
| <b>Subtotal 1 + 2</b><br>(Owner + Contractor Costs) | \$96,381,961  | \$0 | \$92,132,084 | \$0 |
| <b>3. Developer's Fees</b>                          | 5,000,000     | 0   | 5,000,000    | 0   |
| <b>4. Owner's Acquisition Costs</b>                 |               |     |              |     |
| Land                                                | 8,400,000     |     |              |     |
| Existing Improvements                               | 0             | 0   |              |     |
| Subtotal 4:                                         | \$8,400,000   | \$0 |              |     |
| <b>5. Total Development Costs</b>                   |               |     |              |     |
| Subtotal 1+2+3+4:                                   | \$109,781,961 | \$0 | \$97,132,084 | \$0 |

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

(Provide documentation at **Tab E**)

|     |          |
|-----|----------|
| \$0 | Land     |
| \$0 | Building |

**Maximum Developer Fee:**
\$5,000,000

|                                         |           |                     |
|-----------------------------------------|-----------|---------------------|
| Proposed Development's Cost per Sq Foot | \$311     | <b>Meets Limits</b> |
| Applicable Cost Limit by Square Foot:   | \$556     |                     |
| Proposed Development's Cost per Unit    | \$366,000 | <b>Meets Limits</b> |
| Applicable Cost Limit per Unit:         | \$589,015 |                     |

P. ELIGIBLE BASIS CALCULATION

| Item                                                                                                                                                                  | Amount of Cost up to 100% Includable in Eligible Basis--Use Applicable Column(s): |                             |                                                |                                    |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|-----------------------------|------------------------------------------------|------------------------------------|
|                                                                                                                                                                       | (A) Cost                                                                          | "30 % Present Value Credit" |                                                | (D)<br>"70 % Present Value Credit" |
|                                                                                                                                                                       |                                                                                   | (B) Acquisition             | (C) Rehab/<br>New Construction                 |                                    |
| 1. Total Development Costs                                                                                                                                            | 109,781,961                                                                       | 0                           | 97,132,084                                     | 0                                  |
| 2. Reductions in Eligible Basis                                                                                                                                       |                                                                                   |                             |                                                |                                    |
| a. Amount of federal grant(s) used to finance qualifying development costs                                                                                            |                                                                                   | 0                           | 0                                              | 0                                  |
| b. Amount of nonqualified, nonrecourse financing                                                                                                                      |                                                                                   | 0                           | 0                                              | 0                                  |
| c. Costs of nonqualifying units of higher quality (or excess portion thereof)                                                                                         |                                                                                   | 0                           | 0                                              | 0                                  |
| d. Historic Tax Credit (residential portion)                                                                                                                          |                                                                                   | 0                           | 0                                              | 0                                  |
| 3. Total Eligible Basis (1 - 2 above)                                                                                                                                 |                                                                                   | 0                           | 97,132,084                                     | 0                                  |
| 4. Adjustment(s) to Eligible Basis (For non-acquisition costs in eligible basis)                                                                                      |                                                                                   |                             |                                                |                                    |
| a. For QCT or DDA (Eligible Basis x 30%)<br>State Designated Basis Boosts:                                                                                            |                                                                                   |                             | 0                                              | 0                                  |
| b. For Revitalization or Supportive Housing (Eligible Basis x 30%)                                                                                                    |                                                                                   |                             | 0                                              | 0                                  |
| c. For Green Certification (Eligible Basis x 10%)                                                                                                                     |                                                                                   |                             |                                                | 0                                  |
| Total Adjusted Eligible basis                                                                                                                                         |                                                                                   |                             | 97,132,084                                     | 0                                  |
| 5. Applicable Fraction                                                                                                                                                |                                                                                   | 100.00000%                  | 100.00000%                                     | 100.00000%                         |
| 6. Total Qualified Basis<br>(Eligible Basis x Applicable Fraction)                                                                                                    |                                                                                   | 0                           | 97,132,084                                     | 0                                  |
| 7. Applicable Percentage                                                                                                                                              |                                                                                   | 4.00%                       | 4.00%                                          | 9.00%                              |
| 8. Maximum Allowable Credit under IRC §42<br>(Qualified Basis x Applicable Percentage)<br>(Must be same as BIN total and equal to or less than credit amount allowed) |                                                                                   | \$0                         | \$3,885,283                                    | \$0                                |
|                                                                                                                                                                       |                                                                                   |                             | \$3,885,283<br>Combined 30% & 70% P. V. Credit |                                    |



Q. SOURCES OF FUNDS

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

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

| Source of Funds             | Date of Application | Date of Commitment | Amount of Funds | Name of Contact Person       |
|-----------------------------|---------------------|--------------------|-----------------|------------------------------|
| 1. Tax Credit Equity Bridge |                     |                    | \$23,500,000    | Capital One - James Chase    |
| 2. Loudoun County Soft Debt |                     |                    | \$18,500,000    | Loudoun County - Janice Chan |
| 3. VHDA Construction Debt   |                     |                    | \$52,350,000    |                              |
| Total Construction Funding: |                     |                    | \$94,350,000    |                              |

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

| Source of Funds                  | Date of Application | Date of Commitment | (Whole Numbers only) |                          | Interest Rate of Loan | Amortization Period IN YEARS | Term of Loan (years) |
|----------------------------------|---------------------|--------------------|----------------------|--------------------------|-----------------------|------------------------------|----------------------|
|                                  |                     |                    | Amount of Funds      | Annual Debt Service Cost |                       |                              |                      |
| 1. VHDA Tax Exempt Debt          |                     |                    | \$16,662,500         | \$1,066,700              | 5.45%                 | 35                           | 35                   |
| 2. VHDA Taxable Debt             |                     |                    | \$19,600,000         | \$1,534,865              | 7.20%                 | 35                           | 35                   |
| 3. VHDA Reach Funding            |                     |                    | \$13,087,500         | \$690,675                | 3.95%                 | 35                           | 35                   |
| 4. Reach L-Match                 |                     |                    | \$3,000,000          | \$158,321                | 3.95%                 | 35                           | 35                   |
| 5. Loudoun County Soft Debt      |                     |                    | \$18,500,000         | \$0                      | 1.00%                 | 35                           | 35                   |
| 6. Sponsor Loan                  |                     |                    | \$2,715,560          | \$0                      | 7.00%                 | 35                           | 35                   |
| 7. Sponsor Loan Accrued Interest |                     |                    | \$570,268            | \$0                      | 0.00%                 | 0                            | 0                    |
| 8.                               |                     |                    |                      |                          |                       |                              |                      |
| 9.                               |                     |                    |                      |                          |                       |                              |                      |
| 10.                              |                     |                    |                      |                          |                       |                              |                      |
| 11.                              |                     |                    |                      |                          |                       |                              |                      |
| 12.                              |                     |                    |                      |                          |                       |                              |                      |
| 13.                              |                     |                    |                      |                          |                       |                              |                      |
| 14.                              |                     |                    |                      |                          |                       |                              |                      |
| 15.                              |                     |                    |                      |                          |                       |                              |                      |
| 16.                              |                     |                    |                      |                          |                       |                              |                      |
| 17.                              |                     |                    |                      |                          |                       |                              |                      |
| 18.                              |                     |                    |                      |                          |                       |                              |                      |
| 19.                              |                     |                    |                      |                          |                       |                              |                      |
| 20.                              |                     |                    |                      |                          |                       |                              |                      |
| Total Permanent Funding:         |                     |                    | \$74,135,828         | \$3,450,561              |                       |                              |                      |

**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.              |                     |                    |                 |                        |

**Q. SOURCES OF FUNDS**

|                         |  |  |  |     |  |
|-------------------------|--|--|--|-----|--|
| 4.                      |  |  |  |     |  |
| 5.                      |  |  |  |     |  |
| 6.                      |  |  |  |     |  |
| Total Permanent Grants: |  |  |  | \$0 |  |

**4. Subsidized Funding**

|                          | Source of Funds | Date of Commitment | Amount of Funds |
|--------------------------|-----------------|--------------------|-----------------|
| 1.                       | Loudoun County  |                    | \$18,500,000    |
| 2.                       |                 |                    |                 |
| 3.                       |                 |                    |                 |
| 4.                       |                 |                    |                 |
| 5.                       |                 |                    |                 |
| Total Subsidized Funding |                 |                    | \$18,500,000    |

**5. Recap of Federal, State, and Local Funds**

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

TRUE

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

Below-Market Loans

TE: See Below For 50% Test Status

|    |                              |              |
|----|------------------------------|--------------|
| a. | Tax Exempt Bonds             | \$32,750,000 |
| b. | RD 515                       | \$0          |
| c. | Section 221(d)(3)            | \$0          |
| d. | Section 312                  | \$0          |
| e. | Section 236                  | \$0          |
| f. | Virginia Housing REACH Funds | \$16,087,500 |
| g. | HOME Funds                   | \$0          |
| h. | Choice Neighborhood          | \$0          |
| i. | National Housing Trust Fund  | \$0          |
| j. | Virginia Housing Trust Fund  | \$0          |
| k. | Other:                       | \$18,500,000 |
|    | Loudoun County Soft Debt     |              |
| l. | Other:                       | \$2,715,560  |
|    | Sponsor Loan                 |              |

Market-Rate Loans

|    |                      |              |
|----|----------------------|--------------|
| a. | Taxable Bonds        | \$19,600,000 |
| 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:               | \$570,268    |
|    | Sponsor Loan Accrued |              |

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:**

Q. SOURCES OF FUNDS

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: 31.03%

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

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

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

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

b. FALSE New project based subsidy from HUD or Rural Development or any other binding federal project based subsidy  
0 Number of New PBV Vouchers

c. FALSE Other

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

**R. EQUITY****1. Equity****a. Portion of Syndication Proceeds Attributable to Historic Tax Credit**

|                                     |     |             |         |   |     |
|-------------------------------------|-----|-------------|---------|---|-----|
| Amount of Federal historic credits  | \$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                | \$2,232,700 |
| v. Other: <u>Cash Flow from Operations</u> | \$0         |

(Note: Deferred Developer Fee cannot be negative.)

**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** \$2,232,700

**2. Equity Gap Calculation**

|                                                                |   |               |
|----------------------------------------------------------------|---|---------------|
| a. Total Development Cost                                      |   | \$109,781,961 |
| b. Total of Permanent Funding, Grants and Equity               | - | \$76,368,528  |
| c. Equity Gap                                                  |   | \$33,413,433  |
| d. Developer Equity                                            | - | \$3,345       |
| e. Equity gap to be funded with low-income tax credit proceeds |   | \$33,410,088  |

**3. Syndication Information (If Applicable)**

|                                              |                              |        |              |            |
|----------------------------------------------|------------------------------|--------|--------------|------------|
| a. Actual or Anticipated Name of Syndicator: | ▶ Hudson Housing Capital     |        |              |            |
| Contact Person:                              | Kimmel Cameron               | Phone: | 212-218-4448 |            |
| Street Address:                              | 630 Fifth Avenue, Suite 2850 |        |              |            |
| City:                                        | New York                     | State: | New York     | Zip: 10111 |

**b. Syndication Equity**

|                                                                                     |                |
|-------------------------------------------------------------------------------------|----------------|
| i. Anticipated Annual Credits                                                       | \$3,885,283.00 |
| ii. Equity Dollars Per Credit (e.g., \$0.85 per dollar of credit)                   | \$0.860        |
| iii. Percent of ownership entity (e.g., 99% or 99.9%)                               | 99.99000%      |
| iv. Syndication costs not included in Total Development Costs (e.g., advisory fees) | \$0            |
| v. Net credit amount anticipated by user of credits                                 | \$3,884,894    |
| vi. Total to be paid by anticipated users of credit (e.g., limited partners)        | \$33,410,088   |

**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

\$33,410,088

**5. Net Equity Factor**

85.9999885283%

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                                                                                |               |                                                       | \$109,781,961  |
| 2. Less Total of Permanent Funding, Grants and Equity                                                     | -             |                                                       | \$76,368,528   |
| 3. Equals Equity Gap                                                                                      |               |                                                       | \$33,413,433   |
| 4. Divided by Net Equity Factor<br>(Percent of 10-year credit expected to be raised as equity investment) |               |                                                       | 85.9999885283% |
| 5. Equals Ten-Year Credit Amount Needed to Fund Gap                                                       |               |                                                       | \$38,852,834   |
| Divided by ten years                                                                                      |               |                                                       | 10             |
| 6. Equals Annual Tax Credit Required to Fund the Equity Gap                                               |               |                                                       | \$3,885,283    |
| 7. Maximum Allowable Credit Amount<br>(from Eligible Basis Calculation)                                   |               |                                                       | \$3,885,283    |
| 8. Requested Credit Amount                                                                                |               | For 30% PV Credit:                                    | \$3,885,283    |
|                                                                                                           |               | For 70% PV Credit:                                    |                |
| Credit per LI Units                                                                                       | \$14,026.2924 | <b>Combined 30% &amp; 70%<br/>PV Credit Requested</b> |                |
| Credit per LI Bedroom                                                                                     | \$7,000.5099  |                                                       |                |
|                                                                                                           |               |                                                       | \$3,885,283    |

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                          | \$559,195          |
| Plus Other Income Source (list): <b>Various Other Income Items</b>   | <b>\$7,289</b>     |
| Equals Total Monthly Income:                                         | \$566,484          |
| Twelve Months                                                        | x12                |
| Equals Annual Gross Potential Income                                 | \$6,797,813        |
| Less Vacancy Allowance <b>5.0%</b>                                   | \$339,891          |
| <b>Equals Annual Effective Gross Income (EGI) - Low Income Units</b> | <b>\$6,457,923</b> |

**Warning: Documentation must be submitted to support vacancy rate of less than 7%.****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):                                      | <b>\$0</b> |
| Equals Total Monthly Income:                                          | \$0        |
| Twelve Months                                                         | x12        |
| Equals Annual Gross Potential Income                                  | \$0        |
| Less Vacancy Allowance <b>7.0%</b>                                    | \$0        |
| <b>Equals Annual Effective Gross Income (EGI) - Market Rate Units</b> | <b>\$0</b> |

**Action:** Provide documentation in support of Operating Budget (TAB R)**3. Cash Flow (First Year)**

|                                         |             |
|-----------------------------------------|-------------|
| a. Annual EGI Low-Income Units          | \$6,457,923 |
| b. Annual EGI Market Units              | \$0         |
| c. Total Effective Gross Income         | \$6,457,923 |
| d. Total Expenses                       | \$2,436,284 |
| e. Net Operating Income                 | \$4,021,639 |
| f. Total Annual Debt Service            | \$3,450,561 |
| g. Cash Flow Available for Distribution | \$571,078   |

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

|                            | Stabilized<br>Year 1 | Year 2    | Year 3    | Year 4    | Year 5    |
|----------------------------|----------------------|-----------|-----------|-----------|-----------|
| <b>Eff. Gross Income</b>   | 6,457,923            | 6,587,081 | 6,718,823 | 6,853,199 | 6,990,263 |
| <b>Less Oper. Expenses</b> | 2,436,284            | 2,509,373 | 2,584,654 | 2,662,193 | 2,742,059 |
| <b>Net Income</b>          | 4,021,639            | 4,077,709 | 4,134,169 | 4,191,006 | 4,248,204 |
| <b>Less Debt Service</b>   | 3,450,561            | 3,450,561 | 3,450,561 | 3,450,561 | 3,450,561 |
| <b>Cash Flow</b>           | 571,078              | 627,148   | 683,608   | 740,445   | 797,643   |
| <b>Debt Coverage Ratio</b> | 1.17                 | 1.18      | 1.20      | 1.21      | 1.23      |

|                            | Year 6    | Year 7    | Year 8    | Year 9    | Year 10   |
|----------------------------|-----------|-----------|-----------|-----------|-----------|
| <b>Eff. Gross Income</b>   | 7,130,069 | 7,272,670 | 7,418,123 | 7,566,486 | 7,717,816 |
| <b>Less Oper. Expenses</b> | 2,824,321 | 2,909,051 | 2,996,322 | 3,086,212 | 3,178,798 |
| <b>Net Income</b>          | 4,305,748 | 4,363,619 | 4,421,801 | 4,480,274 | 4,539,018 |

T. CASH FLOW

|                     |           |           |           |           |           |
|---------------------|-----------|-----------|-----------|-----------|-----------|
| Less Debt Service   | 3,450,561 | 3,450,561 | 3,450,561 | 3,450,561 | 3,450,561 |
| Cash Flow           | 855,187   | 913,058   | 971,240   | 1,029,713 | 1,088,457 |
| Debt Coverage Ratio | 1.25      | 1.26      | 1.28      | 1.30      | 1.32      |

|                     |           |           |           |           |           |
|---------------------|-----------|-----------|-----------|-----------|-----------|
|                     | Year 11   | Year 12   | Year 13   | Year 14   | Year 15   |
| Eff. Gross Income   | 7,872,172 | 8,029,615 | 8,190,208 | 8,354,012 | 8,521,092 |
| Less Oper. Expenses | 3,274,162 | 3,372,387 | 3,473,558 | 3,577,765 | 3,685,098 |
| Net Income          | 4,598,010 | 4,657,228 | 4,716,649 | 4,776,247 | 4,835,994 |
| Less Debt Service   | 3,450,561 | 3,450,561 | 3,450,561 | 3,450,561 | 3,450,561 |
| Cash Flow           | 1,147,449 | 1,206,667 | 1,266,088 | 1,325,686 | 1,385,433 |
| Debt Coverage Ratio | 1.33      | 1.35      | 1.37      | 1.38      | 1.40      |

|                                                  |                       |
|--------------------------------------------------|-----------------------|
| 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:<br>DO NOT use the CUT feature<br>DO NOT SKIP LINES BETWEEN BUILDINGS |                  |          |       | 30% Present Value<br>Credit for Acquisition |                          |                                       |                       | 30% Present Value<br>Credit for Rehab / New Construction |                          |                                       |                       | 70% Present Value Credit |                          |                                       |                       |               |
|---------------------------|--------------|------------------------------------------------------------------------|-------------------|-------------------------------------------------------------------------------------------------------|------------------|----------|-------|---------------------------------------------|--------------------------|---------------------------------------|-----------------------|----------------------------------------------------------|--------------------------|---------------------------------------|-----------------------|--------------------------|--------------------------|---------------------------------------|-----------------------|---------------|
|                           |              | TAX CREDIT UNITS                                                       | MARKET RATE UNITS | Street Address 1                                                                                      | Street Address 2 | City     | State | Zip                                         | Estimate Qualified Basis | Actual or Anticipated In-Service Date | Applicable Percentage | Credit Amount                                            | Estimate Qualified Basis | Actual or Anticipated In-Service Date | Applicable Percentage | Credit Amount            | Estimate Qualified Basis | Actual or Anticipated In-Service Date | Applicable Percentage | Credit Amount |
| 1.                        |              | 277                                                                    |                   | 45551 Dulles Plaza                                                                                    |                  | Sterling | VA    | 20166                                       |                          |                                       |                       | \$0                                                      | \$97,132,084             | 12/31/29                              | 4.00%                 | \$3,885,283              |                          |                                       |                       | \$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           |
| 277                       |              | 0 If development has more than 35 buildings, contact Virginia Housing. |                   |                                                                                                       |                  |          |       |                                             |                          |                                       |                       |                                                          |                          |                                       |                       |                          |                          |                                       |                       |               |
| Totals from all buildings |              |                                                                        |                   |                                                                                                       |                  |          |       |                                             | \$0                      |                                       |                       |                                                          | \$97,132,084             |                                       |                       |                          | \$0                      |                                       |                       |               |
|                           |              |                                                                        |                   |                                                                                                       |                  |          |       |                                             |                          |                                       |                       |                                                          | \$0                      |                                       |                       |                          | \$3,885,283              |                                       |                       |               |
|                           |              |                                                                        |                   |                                                                                                       |                  |          |       |                                             |                          |                                       |                       |                                                          |                          |                                       |                       |                          |                          |                                       |                       |               |
|                           |              |                                                                        |                   |                                                                                                       |                  |          |       |                                             | Number of BINS:          |                                       |                       |                                                          |                          |                                       |                       |                          |                          |                                       |                       | 1             |



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**V. STATEMENT OF OWNER**

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The undersigned hereby acknowledges the following:

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

**V. STATEMENT OF OWNER**

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

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

Legal Name of Owner:

Fairfield Dulles Plaza LP, a Delaware limited partnership  
By: FRH Dulles Plaza LLC, a Delaware limited liability company, its  
General Partner  
By: FRH GP II LLC, a Delaware limited liability company, its Non-  
Member Manager

By:

Its:



Paulius Kudirka, Executive Vice President

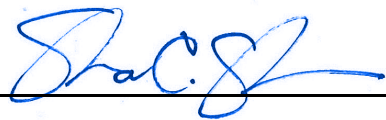
(Title)

V. STATEMENT OF ARCHITECT

The architect signing this document is certifying that the development plans and specifications incorporate all Virginia Housing Minimum Design and Construction Requirements (MDCR), selected LIHTC enhancements and amenities, applicable building codes and accessibility requirements.

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

|                               |                          |
|-------------------------------|--------------------------|
| Legal Name of Architect:      | Shawn Christopher Glerum |
| Virginia License#:            | 0401011715               |
| Architecture Firm or Company: | Dwell Design Studio, LLC |

|      |                                                                                    |
|------|------------------------------------------------------------------------------------|
| By:  |  |
| Its: | Principal / Regional Director                                                      |
|      | (Title)                                                                            |

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

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**V. Previous Participation Certification**

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**Development Name:** Fairfield at Dulles Plaza

**Name of Applicant (entity):** Fairfield Dulles Plaza LP

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.

Fairfield Dulles Plaza LP, a Delaware limited partnership  
By: FRH Dulles Plaza LLC, a Delaware limited liability company,  
its General Partner  
By: FRH GP II LLC, a Delaware limited liability company, its Non-  
Member Manager



Signature

Paulius Kudirka  
Executive Vice President

Printed Name

6/26/2026

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

W.

## LIHTC SELF SCORE SHEET

## Self Scoring Process

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

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

## MANDATORY ITEMS:

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

## Included

## Score

|   |           |   |
|---|-----------|---|
| Y | Y or N    | 0 |
| Y | Y or N    | 0 |
| Y | Y or N    | 0 |
| Y | Y or N    | 0 |
| Y | Y or N    | 0 |
| Y | Y or N    | 0 |
| Y | Y or N    | 0 |
| Y | Y or N    | 0 |
| Y | Y, N, N/A | 0 |
| Y | Y or N    | 0 |
| Y | Y or N    | 0 |
| Y | Y or N    | 0 |

Total:

0.00

## 1. READINESS:

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

|   |          |       |
|---|----------|-------|
| Y | 0 or -50 | 0.00  |
| N | 0 or -25 | 0.00  |
| N | 0 to 10  | 0.00  |
| N | 0 or 10  | 0.00  |
| Y | 0 or 15  | 15.00 |
| N | 0 or 15  | 0.00  |
| Y | 0 or 5   | 5.00  |
| N | 0 or 15  | 0.00  |

Total:

20.00

## 2. HOUSING NEEDS CHARACTERISTICS:

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

|        |                 |       |
|--------|-----------------|-------|
| N      | 0 or up to 5    | 0.00  |
| N      | 0 or 20         | 0.00  |
| 16.85% | Up to 60        | 33.70 |
| N      | 0 or 5          | 0.00  |
| N      | up to 40        | 0.00  |
| 3%     | 0, 20, 25 or 30 | 30.00 |
| N      | 0 or 15         | 0.00  |
| Y      | Up to 20        | 20.00 |

Total:

83.70

## 3. DEVELOPMENT CHARACTERISTICS:

- a. Enhancements (See calculations below)
- b. <removed for 2026>
- c. HUD 504 accessibility for 10% of units
- d. Proximity to public transportation
- e. Development will be Green Certified
- f. Units constructed to meet Virginia Housing's Universal Design standards
- g. Developments with less than 100 low income units
- h. Historic Structure eligible for Historic Rehab Credits

|     |             |       |
|-----|-------------|-------|
|     |             | 47.60 |
|     |             | 0.00  |
| N   | 0 or 20     | 0.00  |
| Y10 | 0, 10 or 20 | 10.00 |
| N   | 0 or 10     | 0.00  |
| 0%  | Up to 15    | 0.00  |
| N   | up to 20    | 0.00  |
| N   | 0 or 5      | 0.00  |

## i. Meets Target Population Development Characteristics

|        |         |       |
|--------|---------|-------|
| N      | 0 or 10 | 0.00  |
| Total: |         | 57.60 |

## 4. TENANT POPULATION CHARACTERISTICS:

| Locality AMI | State AMI |
|--------------|-----------|
| \$163,900    | \$78,100  |

|                                                                                                     |        |          |      |
|-----------------------------------------------------------------------------------------------------|--------|----------|------|
| a. Less than or equal to 20% of units having 1 or less bedrooms                                     | N      | 0 or 15  | 0.00 |
| b. <plus> Percent of Low Income units with 3 or more bedrooms                                       | 21.66% | Up to 15 | 0.00 |
| c. Units with rent and income at or below 30% of AMI and are not subsidized (up to 10% of LI units) | 0.00%  | Up to 10 | 0.00 |
| d. Units with rents at or below 40% of AMI (up to 10% of LI units)                                  | 0.00%  | Up to 10 | 0.00 |
| e. Units in Higher Income Jurisdictions with rent and income at or below 50% of AMI                 | 0.00%  | Up to 50 | 0.00 |
| f. Units in Higher Income Jurisdictions with rents <= 50% rented to tenants with <= 60% of AMI      | 0.00%  | Up to 25 | 0.00 |
| or g. Units in LI Jurisdictions with rents <= 50% rented to tenants with <= 60% of AMI              | 0.00%  | Up to 50 | 0.00 |
| Total:                                                                                              |        |          | 0.00 |

## 5. SPONSOR CHARACTERISTICS:

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

## 6. EFFICIENT USE OF RESOURCES:

|                    |  |           |       |
|--------------------|--|-----------|-------|
| a. Credit per unit |  | Up to 100 | 44.50 |
| Total:             |  |           | 44.50 |

## 7. BONUS POINTS:

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

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

**TOTAL SCORE: 210.80**

## 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      | 23.60 |
| 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       | 3.00  |
| h. Rehab only: new infrastructure for high speed internet/broadband                  | 5       | 0.00  |
| i. Each unit provided free individual high speed internet access                     | 15      | 0.00  |
| 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  | 0.00 |

47.60

All elderly units have:

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

0.00

Total amenities: 47.60

# X. Development Summary

## Summary Information

## 2026 Low-Income Housing Tax Credit Application For Reservation

|                   |                                  |
|-------------------|----------------------------------|
| <b>Deal Name:</b> | <b>Fairfield at Dulles Plaza</b> |
|-------------------|----------------------------------|

|                             |                             |                                 |                 |
|-----------------------------|-----------------------------|---------------------------------|-----------------|
| <b>Cycle Type:</b>          | 4% Tax Exempt Bonds Credits | <b>Requested Credit Amount:</b> | \$3,885,283     |
| <b>Allocation Type:</b>     | New Construction            | <b>Jurisdiction:</b>            | Loudoun County  |
| <b>Total Units</b>          | 277                         | <b>Population Target:</b>       | General         |
| <b>Total LI Units</b>       | 277                         |                                 |                 |
| <b>Project Gross Sq Ft:</b> | 326,471.00                  | <b>Owner Contact:</b>           | Paulius Kudirka |
| <b>Green Certified?</b>     | FALSE                       |                                 |                 |

|                    |
|--------------------|
| <b>Total Score</b> |
| <b>210.80</b>      |

| Source of Funds     | Amount       | Per Unit  | Per Sq Ft | Annual Debt Service |
|---------------------|--------------|-----------|-----------|---------------------|
| Permanent Financing | \$74,135,828 | \$267,638 | \$227     | \$3,450,561         |
| Grants              | \$0          | \$0       |           |                     |
| Subsidized Funding  | \$18,500,000 | \$66,787  |           |                     |

| Uses of Funds - Actual Costs |                      |                  |       |          |
|------------------------------|----------------------|------------------|-------|----------|
| Type of Uses                 | Amount               | Per Unit         | Sq Ft | % of TDC |
| Improvements                 | \$62,208,966         | \$224,581        | \$191 | 56.67%   |
| General Req/Overhead/Profit  | \$8,703,034          | \$31,419         | \$27  | 7.93%    |
| Other Contract Costs         | \$0                  | \$0              | \$0   | 0.00%    |
| Owner Costs                  | \$25,469,961         | \$91,949         | \$78  | 23.20%   |
| Acquisition                  | \$8,400,000          | \$30,325         | \$26  | 7.65%    |
| Developer Fee                | \$5,000,000          | \$18,051         | \$15  | 4.55%    |
| <b>Total Uses</b>            | <b>\$109,781,961</b> | <b>\$396,325</b> |       |          |

| Income                             |                    |
|------------------------------------|--------------------|
| Gross Potential Income - LI Units  | \$6,797,813        |
| Gross Potential Income - Mkt Units | \$0                |
| Subtotal                           | \$6,797,813        |
| Less Vacancy %                     | 5.00%              |
|                                    | \$339,891          |
| <b>Effective Gross Income</b>      | <b>\$6,457,923</b> |

Rental Assistance? FALSE

| Expenses                        |                    |                |
|---------------------------------|--------------------|----------------|
| Category                        | Total              | Per Unit       |
| Administrative                  | \$657,714          | \$2,374        |
| Utilities                       | \$255,144          | \$921          |
| Operating & Maintenance         | \$384,725          | \$1,389        |
| Taxes & Insurance               | \$1,069,451        | \$3,861        |
| <b>Total Operating Expenses</b> | <b>\$2,367,034</b> | <b>\$8,545</b> |
| Replacement Reserves            | \$69,250           | \$250          |
| <b>Total Expenses</b>           | <b>\$2,436,284</b> | <b>\$8,795</b> |

| Cash Flow                         |                    |
|-----------------------------------|--------------------|
| EGI                               | \$6,457,923        |
| Total Expenses                    | \$2,436,284        |
| <b>Net Income</b>                 | <b>\$4,021,639</b> |
| Debt Service                      | \$3,450,561        |
| <b>Debt Coverage Ratio (YR1):</b> | <b>1.17</b>        |

| Total Development Costs        |                      |
|--------------------------------|----------------------|
| Total Improvements             | \$96,381,961         |
| Land Acquisition               | \$8,400,000          |
| Developer Fee                  | \$5,000,000          |
| <b>Total Development Costs</b> | <b>\$109,781,961</b> |

|                                     |           |
|-------------------------------------|-----------|
| <b>Proposed Cost Limit/Sq Ft:</b>   | \$311     |
| <b>Applicable Cost Limit/Sq Ft:</b> | \$556     |
| <b>Proposed Cost Limit/Unit:</b>    | \$366,000 |
| <b>Applicable Cost Limit/Unit:</b>  | \$589,015 |

| Unit Breakdown     |            |
|--------------------|------------|
| # of Eff           | 0          |
| # of 1BR           | 59         |
| # of 2BR           | 158        |
| # of 3BR           | 60         |
| # of 4+ BR         | 0          |
| <b>Total Units</b> | <b>277</b> |

|           | Income Levels | Rent Levels |
|-----------|---------------|-------------|
|           | # of Units    | # of Units  |
| <=30% AMI | 0             | 0           |
| 40% AMI   | 0             | 0           |
| 50% AMI   | 0             | 0           |
| 60% AMI   | 277           | 277         |
| >60% AMI  | 0             | 0           |
| Market    | 0             | 0           |

Income Averaging? TRUE

Extended Use Restriction? 30

---

**Y. Efficient Use of Resources**

---

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

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

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

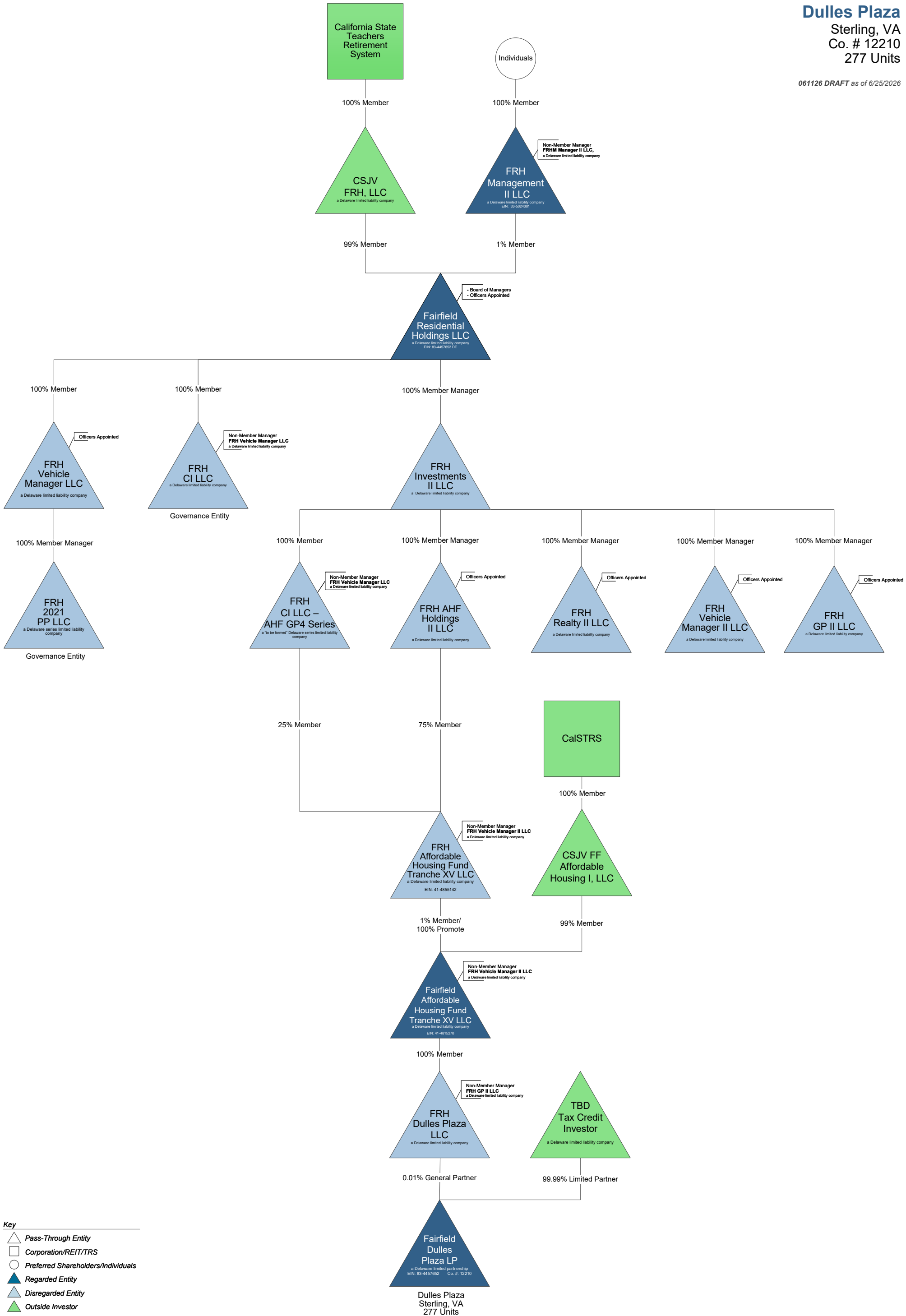
|                      |             |
|----------------------|-------------|
| Combined Max         | \$3,885,283 |
| Credit Requested     | \$3,885,283 |
| % of Savings         | 0.00%       |
| Sliding Scale Points | 44.5        |

# Tab A:

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

Dulles Plaza  
Sterling, VA  
Co. # 12210  
277 Units

061126 DRAFT as of 6/25/2026



Fairfield Dulles Plaza LP

| Entity                                           | Ownership Type | % Ownership |
|--------------------------------------------------|----------------|-------------|
| TBD Tax Credit Investor                          | Direct, LP     | 99.99%      |
| FRH Dulles Plaza LLC                             | Direct, GP     | 0.01%       |
| Fairfield Affordable Housing Fund Tranche XV LLC | Indirect       | 0.01%       |
| FRH Affordable Housing Fund Tranche XV LLC       | Indirect       | 0.0001%     |
| CSJV FF Affordable Housing I, LLC                | Indirect       | 0.0099%     |
| CalSTRS                                          | Indirect       | 0.009999%   |
| FRH AHF Holdings II LLC                          | Indirect       | 0.000075%   |
| FRH CI LLC - AHF GP4 Series                      | Indirect       | 0.000025%   |
| FRH Investments II LLC                           | Indirect       | 0.0001%     |
| Fairfield Residential Holdings LLC               | Indirect       | 0.0001%     |
| CSJV FRH, LLC                                    | Indirect       | 0.000099%   |
| FRH Management II LLC                            | Indirect       | 0.000001%   |
| Management Individuals                           | Indirect       | 0.000001%   |

# **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:

Fairfield Dulles Plaza LP, a limited partnership formed under the laws of Delaware is registered to transact business in Virginia. The limited partnership obtained a certificate of registration to transact business in Virginia from the Commission on July 14, 2025.

As of the date set forth below, the certificate of registration to transact business in the Commonwealth issued by the Commission to Fairfield Dulles Plaza LP, a(n) Delaware limited partnership, has not been canceled.

Nothing more is hereby certified.



Signed and Sealed at Richmond on this Date:

June 2, 2026

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

---

Bernard J. Logan, Clerk of the Commission



# Commonwealth of Virginia



## STATE CORPORATION COMMISSION

Richmond, July 14, 2025

This certificate of registration to transact business in Virginia is this day issued for

### **Fairfield Dulles Plaza LP**

a limited partnership organized under the laws of Delaware, and that the said limited partnership is authorized to transact business in Virginia, subject to all Virginia laws applicable to the limited partnership and its business.



STATE CORPORATION COMMISSION

Attest:

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

Clerk of the Commission



**COMMONWEALTH OF VIRGINIA  
STATE CORPORATION COMMISSION**

**Office of the Clerk**

July 14, 2025

Corporation Service Company  
251 Little Falls Drive  
Wilmington, DE, 19808

**RECEIPT**

RE: Fairfield Dulles Plaza LP  
ID: 11873627  
FILING NO: 2507148829747  
WORK ORDER NO: 202507116373292

Dear Customer:

This is your receipt for \$100.00 to cover the fee for filing an application for a certificate of registration for a limited partnership with this office.

This is also your receipt for \$100.00 to cover the fee for expedited service.

The effective date of the certificate of registration is July 14, 2025.

If you have any questions, please call (804) 371-9733 or toll-free 1-866-722-2551.

Sincerely,

Bernard J. Logan  
Clerk of the Commission

Delivery Method: Email

# Delaware

The First State

Page 1

*I, CHARUNI PATIBANDA-SANCHEZ, SECRETARY OF STATE OF THE  
STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND  
CORRECT COPY OF THE CERTIFICATE OF LIMITED PARTNERSHIP OF  
"FAIRFIELD DULLES PLAZA LP", FILED IN THIS OFFICE ON THE EIGHTH  
DAY OF JULY, A.D. 2025, AT 2:14 O`CLOCK P.M.*



*C. P. Sanchez*

Charuni Patibanda-Sanchez, Secretary of State

10253196 8100  
SR# 20253299000

You may verify this certificate online at [corp.delaware.gov/authver.shtml](http://corp.delaware.gov/authver.shtml)

Authentication: 204149924  
Date: 07-09-25

## STATE OF DELAWARE CERTIFICATE OF LIMITED PARTNERSHIP

- **The Undersigned**, desiring to form a limited partnership pursuant to the Delaware Revised Uniform Limited Partnership Act, 6 Delaware Code, Chapter 17, do hereby certify as follows:
- **First:** The name of the limited partnership is Fairfield Dulles Plaza LP
- **Second:** The address of its registered office in the State of Delaware is 251 Little Falls Drive in the city of Wilmington  
Zip code 19808. The name of the Registered Agent at such address is Corporation Service Company
- **Third:** The name and mailing address of each general partner is as follows:

FRH Dulles Plaza LLC  
5355 Mira Sorrento Place  
Suite 100  
San Diego, CA 92121
- **In Witness Whereof**, the undersigned has executed this Certificate of Limited Partnership as of 8th day of July, A.D. 2025.

By: FRH Dulles Plaza LLC,  
a Delaware limited liability company,  
its General Partner

By: FRH GP II LLC,  
a Delaware limited liability company,  
its Non-Member Manager

By:   
Bethany Shay, Vice President and  
Assistant Secretary

# **Tab C:**

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

---

# HUDSON

## HOUSING CAPITAL

June 22, 2026

Paul Kudirka  
Senior Vice President, Acquisitions  
Fairfield Residential  
5355 Mira Sorrento Place, Suite 100  
San Diego, CA 92121

Re: **Dulles Plaza – Sterling, VA**

Dear Paul:

Thank you for providing Hudson Housing Capital LLC (“Hudson”) with the opportunity to extend a purchase offer for the limited partnership interest in the limited partnership, Fairfield Dulles Plaza LP, that will own Dulles Plaza (the “Partnership”).

Hudson is a Delaware limited liability company formed to directly acquire limited partnership interests in partnerships which own apartment complexes qualifying for low-income housing tax credits (“Tax Credits”) under Section 42 of the Internal Revenue Code of 1986, as amended (the “Code”).

Set forth is our proposal as to the basic business terms under which Hudson or its designee (“Investor”) will acquire a 99.99% limited partnership interest in the Partnership which will own a 277-unit complex in Sterling, Virginia (referred to herein as the “Property” or the “Project”). You have advised us that FRH Dulles Plaza LLC (the “General Partner”), a special purpose entity, will be the general partner of the Partnership and Fairfield Affordable Housing Fund Tranche XV LLC, a Delaware limited liability company, or an affiliate thereof (the “Developer”) will be the developer of the Property.

An affiliate of the Investor will be admitted to the Partnership as a 0.01% Special Limited Partner (the “Special Limited Partner” or “SLP” and together with the Investor the “Limited Partners”) with limited supervisory rights. Please see Exhibit A for a list of Restrictions on Transfer of Limited Partners’ Interests.

Subject to underwriting Fairfield Affordable Housing Fund Tranche V LLC, a Delaware limited liability company (“Tranche V”), and Fairfield Affordable Housing Fund Tranche XV LLC, a Delaware limited liability company (“Tranche XV”) (collectively, the “Guarantor”) shall jointly and severally guarantee the following obligations of the General Partner, as further detailed herein: 1) Development Deficit Guarantee, 2) Repurchase, 3) Adjusters, 4) Environmental (liability does not extend to events that occur after removal of FRH Dulles Plaza LLC as the General Partner), 5) Operating Deficits, 6) Operating Deficits during the Compliance Period as defined in Sec. 42 of the Code (“Compliance Period”) caused by any Social Service Obligation (only to the extent required by any other financing sources), 7)

Repayment of any unpaid balance of the deferred portion of the Developer Fee to the extent not paid by the end of the Compliance Period and in the event of the removal of the General Partner, 8) General Partner obligation to pay fees that are payable by the Partnership or the General Partner in event of default, including but not limited to Developer Fee, 9) Repayment of Development Fee in case of a removal, and 10) General Indemnity of the Limited Partners and the Partnership against bad act and material breaches of the agreement by the General Partner.

The Guarantor will be required to maintain a minimum liquidity of \$5 million (\$5 MM to be demonstrated with no less than \$2 MM in cash or other marketable securities, and the balance in undrawn capital contributions that can be drawn on from CalSTRS; to be further reduced to \$1.5 MM in cash or marketable securities after the Third Capital Contribution) and net worth of \$20 million (the “Net Worth and Liquidity Covenant”). You have represented to us that Tranches V and XV funds have a remaining life of no less than the term of the Compliance Period. Subject to credit approval, after Breakeven Operations at such time as Fairfield Affordable Housing Fund Tranche XV LLC can satisfy the above net worth and liquidity, Fairfield Affordable Housing Fund Tranche V LLC will be released as a guarantor with the sole approval of the Special Investor Member, which shall not be unreasonably withheld. Subsequent to the Fourth Capital Contribution, the Guarantor may be replaced (with the consent of the SLP in its sole but reasonable discretion) no more frequently than once every 5 years with no more than 2 entities (joint and several; if funds/tranches, with a remaining life no less than the term of the Compliance Period) with similar net worth, liquidity and contingent liabilities as the Guarantor at the time of admission of the Investor to the Partnership (\$25-\$35 MM net worth and with liquidity of no less than \$1.5 MM). A review fee of \$10,000 to cover legal and due diligence expenses shall be paid anytime a replacement guarantor is proposed.

In addition, Fairfield Development L.P., the general contractor, shall provide a construction completion guarantee, covering all costs (including change orders) required to obtain a lien free construction completion and certificate of occupancy (the “Completion Guaranty”).

You have further advised us that the Property will be financed with tax-exempt bonds and will receive a by-right allocation of 4% Tax Credits in the annual amount of approximately \$3,923,934 and anticipate that all of the 277 units will qualify for Tax Credits.

### **I. Equity Investment**

Assuming a closing no later than March 31, 2027 the Investor, Hudson or its designee will contribute to the Partnership \$33,742,461 equal to approximately \$0.86 (the “Tax Credit Ratio”) per total Tax Credit available to the Investor (the “Total Equity”), payable in the following installments:

| Contribution | Contribution % | Timing                                                                           |
|--------------|----------------|----------------------------------------------------------------------------------|
| First        | 25%            | Closing                                                                          |
| Second       | 67.55%         | Later of July 1, 2029, 100% Completion, and<br>VHDA Permanent Loan<br>Conversion |
| Third        | 5.95%          | Later of April 1, 2030,<br>3 months of Breakeven Operations                      |
| Fourth       | 1.5%           | Issuance of 8609s                                                                |

- A. First Capital Contribution.** The Investor will fund the First Capital Contribution at Closing.
- B. Second Capital Contribution.** The Second Capital Contribution will be paid upon the later of July 1, 2029 and satisfaction of the conditions set forth in the limited partnership agreement to be entered into by and among the Limited Partners and General Partner (“Partnership Agreement”), which are principally as follows: (i) lien-free construction completion of the Property substantially in accordance with the Plans and Specifications in a workmanlike manner approved by Hudson, as evidenced by Unconditional Lien waivers from the General Contractor and Sub Contractors, except for liens that are bonded or insured over as approved by the SLP and except for punch list items that do not materially affect occupancy of the Property (please see Exhibit B); (ii) issuance of Certificates of Occupancy for 100% of the units in the Property; (iii) receipt and approval by the SLP of a draft Tax Credit cost certification from independent accountants to the Partnership (the “Accountants”) setting forth the eligible basis and the amount of Tax Credits the Partnership will claim for 2029/2030 and the amount allocable to each Partner (the “Draft Certification”); (iv) receipt of a pay-off letter from the general contractor or sub-contractors except for liens that are bonded or insured over as approved by the SLP and except for punch list items described in (i) above, as applicable; (v) satisfactory financial condition of the Guarantors (i.e., compliance with the Net Worth and Liquidity Covenant); and (vi) evidence that no less than 25% of the eligible building basis plus land has been financed with the proceeds of the tax-exempt portion of the VHDA permanent first mortgage loan (“Permanent Loan Closing”).
- C. Third Capital Contribution.** The Third Capital Contribution will be paid upon the later of April 1, 2030 and satisfaction of the conditions set forth in the Partnership Agreement, which are principally as follows: (i) achievement of Breakeven Operations based on all outstanding “must-pay” indebtedness with DSCR of 1.15 for three consecutive months (“Breakeven Date”); (ii) receipt of prior year’s income tax returns in the event such returns are then due; (iii) receipt of a final Tax Credit cost certification from the Accountants as to the amount of Tax Credits the Partnership will claim for 2029/2030 and the amount allocable to each partner (the “Final Certification”); (iv) receipt and approval of initial tenant files; (v) satisfactory financial condition of the Guarantors (i.e. compliance with the Net Worth and Liquidity Covenant); (vi) unconditional Certificates of Occupancy; and (vii) completion of all punchlist items and 100% qualified occupancy.



**“Breakeven Operations”** shall mean that, for each such month, occupancy is at least 95% physical occupancy and that Property income (with rents not to exceed maximum allowed tax credit rents net of the applicable utility allowances for the rent-restricted units), exceeds the greater of underwritten expenses adjusted for actual taxes and insurance or actual expenses, including replacement reserves, reassessed taxes, and permanent loan debt service (calculated on a stabilized and accrual basis) and generates debt service coverage of not less than 1.15 on all mandatory debt payments assuming the greater of actual or a 5.0% vacancy rate on the residential income.

- D. *Fourth Capital Contribution.*** The Fourth Capital Contribution will be paid upon the satisfaction of the conditions set forth in the Partnership Agreement, which are principally as follows: (i) satisfactory financial condition of the Guarantor (i.e., compliance with the Net Worth and Liquidity Covenant); (ii) receipt of Form 8609 with respect to all buildings constituting the Property; (iv) receipt of a tax return and an audited financial statement for the year in which the Breakeven Date occurred and 100% qualified occupancy.

If the conditions for payment of the Fourth Capital Contribution have been met except for the receipt of (iv) above, \$15,000 of the Fourth Capital Contribution will be held back and promptly released upon receipt of the same.

Our offer is also contingent on the following financing sources and assumptions:

- a.** A VHDA Taxable and Tax Exempt Bond Construction Loan in the approximate amount of \$54,298,164, including REACH funds.
- b.** A Bridge Loan in the approximate amount of \$23,500,000 from Capital One or other equity bridge loan provider.
- c.** A VHDA Tax Exempt Permanent Loan in the approximate amount of \$54,298,164, with a fixed interest rate, a term of 40 years, 40 year amortization and ability to refinance after 15 years.
- d.** A Loudoun County Loan in the approximate amount of \$18,500,000, with a fixed interest rate of 1.0%, a term of 40 years and payments from 25% Cash Flow prior to repayment of the Developer Fee and 33% Cash Flow following repayment of the Developer Fee as described in Section IV below. County will also have a ROFR upon transfer or sale. The County has the right to assign its right of first refusal to an outside, County-designated governmental entity. ROFR price has not yet been determined, but it is anticipated that the Loudoun County ROFR shall be a right to match a bona fide third-party purchase offer which the General Partner intends to accept.

- e.* A GP Loan in the approximate amount of \$437,958 with compounded interest determined through underwriting, a 40-year term, and payments from Cash Flow in the priority set forth in Section IV below. Amount to be determined during underwriting to meet cash fee requirements.
- f.* Our pricing assumes the Partnership will depreciate real property over 30 years with sitework (\$6,000,000), \$600,000 of which will be bonus depreciated and \$5,400,000 of which will be depreciated over ADS schedule (20 years) and personal property (\$15,500,000), \$1,550,000 of which will be bonus depreciated and \$13,950,000 of which will be depreciated over ADS schedule (9 years).
- g.* Our proposal assumes that all of the permanent debt, other than any potential CalSTRS Loan, will be structured as nonrecourse debt from a third party for tax purposes.
- h.* Subsequent to the end of the Compliance Period, the General Partner may refinance any project loan provided (i) that the debt service coverage ratio (“DSCR”) based on the annual aggregate debt service payments on all loan(s) shall be no less than 1.15 to 1.0 based on actual income and expenses and (ii) the refinancing occurs in connection with the exit of the Investor from the Partnership.

## ***II. Developer Fee***

The Developer shall receive a Developer Fee of \$5,000,000, of which the non-deferred portion (the “Cash Developer Fee”) shall be paid as follows: (i) 25% of the Cash Developer Fee shall be paid at closing or such later date as Developer may elect and (ii) the balance of the Cash Developer Fee shall be paid at the time of the Third and Fourth Capital Contributions to the extent the funds are available.

You have represented that the amount of the Developer Fee does not exceed the amount permitted to be paid by the tax credit issuing agency. Deferred developer fees shall be paid from available Cash Flow as detailed in Section IV and shall not bear interest. Principal payments on the deferred Developer Fees shall commence with the funding of the Third Capital Contribution. The General Partner agrees to make a special capital contribution to the Partnership equal to any unpaid balance of the deferred portion of the Developer Fee if such portion has not been fully paid within 15 years from the date of the payment of the Second Capital Contribution.

## ***III. Property Management Fee***

The General Partner may retain one of its affiliates or an unaffiliated entity to be the managing agent for the Property on commercially reasonable terms. Investor hereby approves FF Properties L.P., a Delaware limited partnership as the initial management agent. The management agreement, to be approved by the Investor, shall have an initial term of 1 year and shall be renewable annually thereafter, shall provide for an annual management fee not to exceed 3.5% of gross effective income (of which 3% shall be payable as an “above the line” Property expense and 0.5% shall be payable from Cash Flow (the “Soft Management Fee”) [subject to credit approval], and shall otherwise be on commercially reasonable terms (including a termination right by the General Partner in the event of fraud/gross negligence or

material default by the Manager). If the managing agent is affiliated with the General Partner, the management agreement shall provide for a deferral of 50% of the management fee in the event that the property does not generate positive Cash Flow (the “Deferred Management Fee”).

#### **IV. Cash Flow Distributions**

Cash flow from the Property, after payment of operating expenses, current property management fees, debt service, and replenishment of required reserves (including any reserve payments which were not made due to insufficient cash flow) (“Cash Flow”) of the Partnership prior to the Third Capital Contribution not used to fund development activities may be used to pay Deferred Management Fee, Soft Management Fee [subject to credit approval] and the Earthquake Reimbursement or shall otherwise be paid to the General Partner to pay down the Development Deficit Loan and then Developer Fees (however, no payment of Developer Fee will be required to the extent that the Developer Fee is projected to be fully paid off by the end of the compliance period), and the balance if any as an Incentive Lease-up Fee subject to a maximum cap to be determined by tax counsel. Notwithstanding the foregoing, distributions of net cash flow for periods prior to stabilization shall be distributed at the time of the Third Capital Contribution. Cash Flow received after the Third Capital Contribution shall be distributed quarterly as follows:

- A.** to payment of any amounts due under Section VII (A) (2) relating to change in tax law;
- B.** to pay the Administrative Expense Reimbursement;
- C.** to pay any accrued and unpaid Deferred Management Fee;
- D.** to pay any accrued and unpaid Soft Management Fee [subject to credit approval];
- E.** to the replenishment of the Operating Reserve;
- F.** to an affiliate of the General Partner, an amount equal to the out of pocket costs necessary to include the Project in said affiliate’s master earthquake insurance policy, which reimbursement shall accrue if not paid (the “Earthquake Reimbursement”);
- G.** 75% to pay deferred Developer Fees;
- H.** 25% of available cash flow to pay the Loudoun County Loan until full repayment of the deferred Developer Fee and 33% thereafter;
- I.** to repay any Operating Deficit Loans or Development Deficit Loans;
- J.** to pay any accrued and unpaid principal and interest on the GP Loan;
- K.** 90% to the General Partner as a preferred return with a corresponding allocation of income; and
- L.** The remainder to be paid in accordance with the partners’ partnership interests.

#### **V. Sale or Refinancing Proceeds**

Net sale or refinancing proceeds (i.e., after payment of outstanding debts, liabilities (other than to the General Partner and its affiliates (other than the Management Agent)) and expenses of the Partnership, and establishment of necessary reserves, if refinancing) shall be distributed as follows:

- A.** Payment of amounts due to the Limited Partners, if any;
- B.** Repayment of outstanding loans by the Limited Partners, if any;
- C.** Payment of any accrued and unpaid Deferred Management Fee;
- D.** To pay any accrued and unpaid Soft Management Fee [subject to credit approval];

- D.** Payment of any accrued and unpaid Earthquake Reimbursement;
- F.** To the payment of deferred Developer Fees;
- G.** Repayment of outstanding loans by the General Partner and Operating Deficit Loans and/or Development Deficit Loans;
- H.** Repayment of the Loudoun County Loan;
- I.** Repayment of the GP Loan;
- J.** To the General Partner, a disposition fee equal to 3% of total sales proceeds; and
- K.** 10% to the Limited Partners and 90% to the General Partner.

**VI. Right of First Refusal / Options**

- A. Loudoun County ROFR:** Loudoun County shall have a Right of First Refusal to purchase the Property. Terms of the ROFR with Loudoun County are still under discussion.
- B. Section 42 ROFR:** A qualified non-profit corporation or governmental entity designated by the General Partner shall have a right of first refusal as allowed under Section 42 of the Code, commencing upon the expiration of the Compliance Period and ending 24 months thereafter, to purchase the Property for the outstanding debt (including any amounts owed to the Investor) plus all exit taxes of the Investor (the “Section 42 Right of First Refusal Price”).
- C. Purchase Options – post year 15:** Please see Exhibit C.
- D. LP Put:** Commencing upon the expiration of the Credit Period (as defined in Section 42 of the Code) (“Credit Period”), at the Limited Partners’ sole and absolute discretion, the Limited Partners shall have the right to put the Limited Partners’ interests in the Company to the General Partner for an amount equal to \$1,000. Commencing upon the expiration of the Option Period (as defined in Exhibit C), at the Limited Partners’ sole and absolute discretion, the Limited Partners shall have the right to put the Limited Partners’ interests in the Company to the General Partner for an amount equal to the amount the Limited Partners would receive upon the General Partner’s exercise of the Interest Option, as more fully described in Exhibit C.

**VII. General Partner Commitments**

- A. Low Income Housing Tax Credit Adjustment.** Our offer is based upon the assumption that the Partnership will qualify for and claim 50% of Tax Credits in 2029, the full amount of the Partnership’s Tax Credit allocation for each year from 2030 through 2038, and 50% of the tax credits in 2039.

**1. Adjustments during equity payment (construction and lease-up) period**

***a. Downward Volume Adjuster***

In the event that either the Form 8609's or the Final Certification indicates that the Property will not generate the projected aggregate amount of Tax Credits (other than as specified below), the Partnership Agreement will provide for a return of such capital, an adjustment in the amount of any unpaid Capital Contributions and/or a payment by the General Partner to the Investor sufficient to restore the Tax Credit Ratio as defined in Section I above.

***b. Downward Timing Adjuster***

Notwithstanding the preceding paragraph, in the event that the Final Certification specifies that, while the aggregate amount of Tax Credits allocable to the Partnership is unchanged, the amount of Tax Credits allocable to the Partnership in 2029 or 2030 is less than the amounts specified above for the corresponding year(s), the Second/Third/Fourth Capital Contribution will be reduced by \$0.55 for each dollar by which such amount exceeds the actual amount of Tax Credits allocable to the Partnership for such period. However, the Partnership may claim Tax Credits on any federal income tax return filed prior to receipt of IRS Form 8609 for any building in the Apartment Complex if the General Partner and the Accountants deem that the Partnership's failure to receive the IRS Form 8609 by such time is due to reasonable cause and not due to willful neglect.

***c. Upward Volume Adjuster***

Upon the receipt of Forms 8609s, if the aggregate amount of Tax Credits allocated to the Partnership exceeds the aggregate amount of Tax Credits specified above, the Total Equity shall be increased by an amount equal to said difference multiplied by the Tax Credit Ratio. However, in no event shall the Upward Volume Adjuster exceed 5.0% of the Total Equity in aggregate inclusive of the Upward Timing Adjuster. Any adjustment will be made to the Fourth Capital Contribution. In the event available Tax Credits exceed 5.0% of the original amount of the Tax Credits specified above, the fund will make a best efforts attempt to make an additional capital contribution for such Tax Credits at market pricing at that time, or the General Partner at their sole discretion may adjust the percentage interest of the partners so that the excess credits for which the Investor is not making a capital contribution for will be allocated to the General Partner.

***d. Upward Timing Adjuster***

In the event that the amount of Tax Credit allocable to the Partnership in 2029 is more than the amounts noted above for the corresponding year, the Total Equity shall be increased by an amount equal to the sum of (i) \$0.45 for each dollar by which such amount is less than the actual amount of Tax Credits allocated to the Partnership for such period, up to a maximum of \$200,000. Any adjustment will be made to the Fourth Capital Contribution.

**2. Adjustments during Compliance Period**

**a. Compliance Adjuster**

After the Form 8609's have been issued, in the event that the actual amount of Tax Credits which may be claimed by the Partnership is less than the amount specified in such Forms (except from the sale or transfer of the Investor's interest in the Partnership), the General Partner shall reimburse the Investor on a dollar-for-dollar basis for each lost dollar of Tax Credits plus any resulting penalties or taxes due. Similarly, if there is a recapture of Tax Credits (except from the sale or transfer of the Investor's interest in the Partnership; or due to a change of applicable tax law), the General Partner shall upon demand indemnify the Investor and its partners against any Tax Credit recapture liability (including interest, penalties and any reasonable related legal or accounting costs) which they may incur during the Compliance Period. Any fees or Cash Flow payable to the General Partner, or its affiliates, will be subordinated to any required payment pursuant to this paragraph. Notwithstanding the foregoing, the General Partner shall have no liability to the Limited Partners for any recapture resulting from a change in tax law (which shall include the promulgation of new legislative regulations), except that any such amounts shall only be repayable from cash flow or sale or refinancing proceeds.

- B. Development Deficit Guarantee.** The General Partner shall be responsible for completion of the Property in a workmanlike manner, in accordance with approved plans and specifications, free and clear of all liens. To the extent that the costs of construction and operations until the funding of the Third Capital Contribution exceed the amount of any funding by approved permanent third party lenders, any unpaid Developer Fees, insurance and condemnation proceeds actually received, and the amount of the Investor's capital commitment (adjusted as set forth above) and net interim income, the General Partner shall pay all such costs and expenses connected with development and construction of the Property, including all operating expenses of the Property until the funding of the Third Capital Contribution. The Contractor shall post a Letter of Credit, in lieu of P&P Bonds, to VHDA in the form and amount required by VHDA (and acceptable to Hudson). An "owner's" construction contingency in an amount equal to 5% of the construction costs will be required.

Any payment from the General Partner under this section shall be treated as an interest free Development Deficit Loan to the Partnership (repayable from cash flow and/or sale and refinancing proceeds as described above) up to a maximum of \$3,000,000. In the event the General Partner is removed, the General Partner agrees to make a special capital contribution to the Partnership equal to any unpaid balance of such loans.

The General Partner shall have the option to defer all or a portion of the Development Fee that would have otherwise been available to pay deferred Development Fee to pay for cost overruns, if necessary, so long as it can be demonstrated to the reasonable satisfaction of the SLP that such deferred portion of the Development Fee will not cause a reallocation and can be fully paid by the end of the Compliance Period.

- C. ***Operating Deficit Guarantee.*** The General Partner shall make interest free loans (“Operating Deficit Loans”) to the Partnership (repayable from cash flow and/or sale and refinancing proceeds as described above) equal to any Operating Deficits incurred during the period beginning on the funding of the Third Capital Contribution and ending on the fifth anniversary of Breakeven Operations (“Operating Deficit Guarantee Period”), provided that the Property has achieved Breakeven Operations in the aggregate for the previous 12 month period (12 month lookback) of Breakeven Operations, and any draws from the Operating Reserve have been replenished. The Operating Deficit Guarantee shall be capped at an amount not to exceed nine months of underwritten operating expenses (adjusted for actual taxes and insurance) and debt service in the aggregate.

The General Partner will also be obligated to fund an Operating Reserve in an amount equal to three months of underwritten operating expenses and debt service at the time of the Third Capital Contribution. Any draws from the Operating Reserve shall be replenished from cash flow and no withdrawals shall be allowed from the Operating Reserve prior to payments being required under the Operating Deficit Guarantee period.

- D. ***Obligations of General Partner.*** Immediately following the occurrence of any of the following events, the General Partner shall, at the option of the Investor, (x) admit the Special Limited Partner or its designee as the managing general partner of the Partnership and, at the option of the Investor, withdraw from the Partnership; or (y) repurchase the Investor’s interest in the Partnership: (i) an IRS Form 8609 is not issued with respect to each of the buildings in the Property in a timely manner after each such building has been placed in service; (ii) the Property is not fully placed in service by the date that is six months after the 100% completion date underwritten at closing (exact dates shall be in the LPA in place of the frames); (iii) Breakeven Operations has not been achieved by December 31, 2030; (iv) the Partnership fails to meet the minimum set aside test (as defined in Section 42 of the Code) or fails to execute and record a Tax Credit Extended Use Commitment by the close of the first year of the Credit Period; (v) the Partnership shall have been declared in default by any mortgage lender or under the tax credit allocation, or foreclosure proceedings have been commenced against the Property (and such default is not cured or such proceeding is not dismissed within 45 days) or if there is a material violation of the Partnership Agreement by the General Partner or, if the property manager is an affiliate of the General Partner, a material violation of the management agreement by the manager which causes material adverse harm to the Investor the Partnership or the Property (prior to the making of the Third Capital Contribution for purposes or repurchase only under (v) above), and, in either case, such material violation is not cured within 45 days. Notwithstanding the foregoing, nor anything to the contrary contained herein, the Investor’s rights to cause the repurchase of its interest in the Partnership shall terminate after the payment of the Fourth Capital Contribution.

If the Investor elects to have its interest repurchased by the General Partner, the repurchase price shall be equal to the sum of (i) 104% of the Total Equity, (ii) interest at Prime + 1% on capital contributions made to date, and (iii) any tax liability incurred by the Investor as a result of such repurchase, less the amount of Total Equity which has not been contributed

by the Investor at such time and less the credits allocated to the Investor not subject to recapture.

- E. *Replacement Reserve.*** Commencing with the month following Completion, the Partnership will make a minimum monthly replacement reserve deposit (the “Minimum Deposit”) equal to (on an annualized basis) the greater of (i) the amount required by the permanent lender and (ii) \$300/unit. The amount of the Minimum Deposit shall be increased annually by 3%. If the sum of all lender-imposed monthly replacement reserve deposits is less than the Minimum Deposit, the Partnership will establish a separate account into which the Partnership will deposit the difference. Any interest earned on such account shall become a part thereof. In the event VHDA doesn’t require a replacement reserve, the reserves shall be held at Capital One.
- F. *Reporting.*** The Partnership will be required to furnish Investor with (a) following Completion, quarterly unaudited financial statements within 60 days after the end of each quarter of the fiscal year; (b) following Completion, annual audited financial statements within 75 days after the end of each fiscal year; (c) following Completion, an annual budget for each fiscal year of the Partnership, not later than November 1 of the preceding year; and (d) the Partnership’s tax returns and K-1 forms within 60 days after the end of each fiscal year. The penalty for any failure to deliver Partnership tax returns or K-1 forms prior to the specified deadline shall be (i) \$50 per day for the first seven days after such deadline, (ii) \$100 per day for the next seven days, and (iii) \$150 per day thereafter, provided that the amount of such penalty shall not exceed \$5,000 in any year.

### **VIII. Fees to Affiliates of Hudson**

***Administrative Expense Reimbursement.*** An affiliate of Hudson shall receive an annual administrative expense reimbursement from the Partnership in the amount of \$10,000, which amount shall be increased annually by 3% and shall accrue to the extent not paid. Such fee shall commence in the year of funding of the Third Capital Contribution and shall be payable from Cash Flow and/or Capital Transaction Proceeds. The Administrative Expense Reimbursement may be capitalized within the Project budget and paid at the time of the Third Capital Contribution to reflect early payment of the Administrative Expense Reimbursement in full.

### **IX. Representations, Warranties and Covenants**

The General Partner shall make certain representations and warranties as to the Partnership, the General Partner and the Property to be set forth in the Partnership Agreement. The payment of each Capital Contribution shall be conditioned upon certification by the General Partner as to the continued accuracy of these representations and warranties.



**X. Accountants**

The Accountants for the Partnership shall be Novogradac & Co., CohnReznick, PricewaterhouseCoopers, DOZ or another firm approved by the Investor. The Accountants shall prepare tax and financial reports as set forth in the Partnership Agreement, and the Final Certification referred to in Section I.C. above.

**XI. Investment Partnership Rights**

The Partnership Agreement will provide certain approval rights as to major actions proposed to be taken by the General Partner. The Investor shall have the right to remove the General Partner and the Manager for cause which is not timely cured (if applicable). In lieu of removal, the General Partner shall have the option to repurchase the Investor's interest for an amount as contemplated in Section VII.D. above plus \$500,000.

**XII. Insurance**

At the closing, the General Partner shall provide for title insurance satisfactory to counsel to the Investor in an amount equal to the sum of all Capital Contributions, all mortgage loans and the amount of any Development Fee Note. Prior to the payment of any additional installment of the Capital Contribution, a "date down" of such policy shall be provided to the extent available in the jurisdiction of the Property.

*The General Partner shall provide for (i) liability (which may be provided as a combination of general and excess) insurance in an aggregate amount of at least \$6,000,000 per occurrence (increased biennially by the CPI Percentage), (ii) hazard insurance (including boiler and machinery coverage) and flood insurance in an amount of not less than the full replacement value of the Property, (iii) rental loss insurance for a period of 12 months after the date of loss and (iv) law and ordinance coverage with no sublimit, including changes in law and ordinances enacted during the course of reconstruction. Builder's risk insurance shall be provided during construction. Architects shall submit evidence of errors and omissions coverage with an annual aggregate limit of not less than \$3,000,000 per claim and in the aggregate. Workers compensation insurance shall be provided as to any entity with employees working at the Apartment Complex. All policies shall name the Investor as an additional insured and/or lender's loss payee (where applicable). Deductibles shall be consistent with Fairfield's portfolio insurance coverage, provided, however, to the extent any such deductible is materially higher than the affordable housing industry standard, the difference between the industry standard deductible and the Fairfield portfolio deductible shall be guaranteed by the Guarantor. Notwithstanding anything to the contrary contained herein, deductibles shall comply with Capital One's insurance guidelines.*

**XIII. Indemnity Agreement**

The General Partner shall indemnify the Investor, Hudson and its affiliates, and their respective officers and directors for any untrue statement of a material fact or omission to state a material fact necessary to make any such statement, in light of the circumstances under which they were made, not misleading, by the General Partner or its agents set forth in any document delivered by the General Partner or its agents in connection with the acquisition of the Property, the investment by the Investor in the Partnership and the execution of the Partnership Agreement. The General Partner will be required to provide an environmental indemnification.

**XIV. General Conditions**

Payment of the Second/Third/Fourth Capital Contributions shall be conditioned upon completion of an appropriate due diligence review by the Investor to confirm that there have been no changes in material circumstances affecting the Property, including (i) receipt of estoppel letter(s) from all lenders; (ii) review of title (including a “date-down” endorsement to the extent available in the jurisdiction in which the Property is located, or if not available, an updated title report), survey, environmental and other legal and regulatory matters, (iii) receipt of a “No Change” legal opinion from counsel to the Partnership for the Second Capital Contribution only, and (iv) certification by the General Partner as to the continued accuracy of representations and warranties made in the Partnership Agreement.

**XV. Conditions to Closing**

Hudson will perform, and will request the full cooperation of you and your professionals in, customary due diligence in connection with the acquisition of the Property and the Investor interest in the Partnership.

To facilitate the due diligence process, you agree to deliver to Hudson in a timely manner: (i) an appraisal; (ii) a Phase I environmental study of the Property site, prepared in accordance with ASTM standards, and any subsequent additional testing deemed necessary by Investor in its sole discretion; (iii) evidence that none of the buildings are located in the 100 year flood plain; (iv) evidence of the allocation/reservation of Tax Credits; (v) evidence of payment by the General Partner of any taxes imposed on the transfer of the limited partnership interest in the Partnership; (vi) evidence of the financial status of the Guarantor) by way of current financial statements prepared in accordance with GAAP standards; (vii) evidence that the proforma rents are at least at a 10% discount to market rents; and (viii) such other materials as are reasonably required by Investor as part of its customary financial and legal due diligence review. Such items shall be prepared and furnished at your own expense. Your execution of this Letter of Intent will also be deemed consent to perform background checks on the non-individual principal(s) of the General Partner and Developer, as well as any individual Guarantor. At closing, Hudson shall be reimbursed up to \$150,000 for its legal and due diligence expenses. The General Partner understands that any consultant, engineering, environmental or other, selected for the project shall be acceptable to the lender and to the equity investor and that the Partnership shall bear the cost of fees associated with pre-construction feasibility studies, structural analysis, and monthly inspections. In the

event this Letter of Intent is terminated or the transaction does not close, Hudson shall be reimbursed for its legal and due diligence expenses incurred to date.

By executing this proposal and in consideration of the substantial expenses to be incurred by Hudson and its affiliates in legal and accounting fees and for due diligence, you agree that you and your affiliates will not offer any interest in the Property to any other party unless this Letter of Intent is terminated by mutual consent or unless you are notified that, pursuant to its due diligence, the Investor will not complete its investment in the Partnership, which notification shall be given not later than 45 days from our receipt of this Letter of Intent executed by you, subject to extension in the event of any delay on your part in furnishing the requested due diligence materials.

This Proposal contains an outline of suggested terms only, and it does not represent a commitment by Hudson or create any obligation whatsoever on Hudson's part. It is for discussion purposes only, and the outlined terms have not received final approval by the appropriate Hudson's investment committee. This Proposal replaces and voids any and all previous financing proposals by Hudson for the Development.

Please note that our pricing is extremely sensitive to any changes in the financing sources, development budget or timing of the closing of the transaction or delivery of tax credits. Hence, we reserve the right to adjust pricing based on any material change to the proforma including but not limited to sources, depreciation and credit delivery.

This Letter of Intent will expire July 15, 2026 . The anticipated closing date is prior to March 31, 2027; the closing date is subject to change based on the ability to provide required due diligence.

**The terms of this proposal are confidential, and you have agreed not to share this proposal or its terms with any other party (other than your legal counsel and VHDA).** If the above proposal is acceptable, please indicate your acceptance by executing two copies of this Letter of Intent and returning one to Hudson at the above address. We look forward to working with you.

Sincerely,

**Hudson Housing Capital LLC**



By: \_\_\_\_\_  
W. Kimmel Cameron, Jr.  
Managing Director

cc: Sam Ganeshan, Hudson Housing Capital, LLC

ACCEPTED AND AGREED TO  
THIS \_\_\_\_ DAY OF \_\_\_\_, 2026

FRH Dulles Plaza LLC, a Delaware limited liability company

By: FRG GP II LLC, a Delaware limited liability company,  
Its Non-Member Manager

By: \_\_\_\_\_  
Name:

Title:

Exhibits:

- Exhibit A: Restrictions on Transfer of Limited Partners' Interests
- Exhibit B: Unconditional Lien waivers
- Exhibit C: Purchase Option

Exhibit A: Restrictions on Transfer of Limited Partners' Interests

Prior to the first to occur of (i) the making by the Investor of its final Capital Contribution pursuant to the Partnership Agreement or (ii) a repurchase or removal event under the Partnership Agreement (the period prior to the first to occur of the events described in such two clauses, the "Restricted Period"), no offer, sale, transfer, assignment, hypothecation or pledge of the Limited Partner Interest of the Investor shall be permitted unless the General Partner, in its reasonable discretion, shall have Consented thereto, and the Lender, if required, also shall have consented thereto and (if applicable) HUD shall have approved the Form 2530 associated with such transfer or unless the transferee is an Affiliate of such Limited Partner or a lender with a security interest as of the date of this Agreement in such Limited Partner's Partnership Interest.

After the Restricted Period, the Investor and the Special Limited Partner may at any time and without the Consent of any other Partner (but subject if applicable to obtaining any required Consent of the Lender and any required approval of HUD of the Form 2530 associated with such transfer) transfer, sell, assign or pledge its Limited Partner Interest to any third party; provided that such transfer shall not cause the Partnership to be treated as a publicly traded partnership taxable as a corporation. Notwithstanding any other provisions herein, the Investor and the Special Limited Partner agree that they will not transfer their respective Interests in the Partnership to an entity, or its affiliates, (i) who has been debarred by VHDA or otherwise prohibited by VHDA from participating in tax credit transactions for negative dealings with such entity relating to the exercise of a right of first refusal by a non-profit or quasi-governmental managing member or general partner, (ii) for which the General Partner provides reasonably detailed and specific examples of such entity's pattern or practice of impeding, denying, or unreasonably delaying the exercise of a right of first refusal by a non-profit sponsor as reasonably determined by the Investor, (iii) for which the Developer or any of its affiliates has or is in litigation with related to a tax credit project, (iv) that is not actively involved in direct or indirect investment in tax credit projects, or (v) unless the General Partner shall have Consented thereto in its sole and absolute discretion; provided, however, that nothing herein shall be construed as limiting the right of the Limited Partners to transfer their Interest in the Partnership, either directly or indirectly, to any one or more Affiliates of Hudson Housing Capital LLC or to any one or more Persons that is controlled by or under common control with Hudson Housing Capital LLC. The Investor and/or Special Limited Partner shall give Notice of such transfer, sale or assignment to the General Partner prior to or within a reasonable time after such transfer, sale or assignment (but no such notice shall be required in the case of a pledge or collateral assignment by the Investor of its Limited Partner Interest); provided that the Special Limited Partner or Investor shall pay for the cost of such transfer, including any transfer tax.

(a) After the Credit Period, the General Partner, only upon receiving Notice of a proposed transfer of the Limited Partners' interests ("Notice of LP Purchase") and so long as it is not in material default under the terms of the Partnership Agreement (it being understood that any monetary default is deemed material), may require that the Limited Partners sell its Interest to the General Partner or its Affiliate for the greater of the fair market value of the Limited Partners' interests as determined by a "Qualified Appraiser" and the sum of: (i) unpaid adjusters and fees due the Limited Partner pursuant to the Partnership Agreement, (ii) to the extent that the Limited Partners is projected to have a negative capital account at the end of the Compliance Period, the value of the projected tax losses assuming a 21% tax rate which would have been realized by the Limited Partners for the balance of the

Compliance Period discounted at the Investor IRR; and (iii) any projected distributions of Net Cash Flow (determined using the net operating income over the prior three (3) calendar years from the audited financial statements) which would have been distributed to the Limited Partners the balance of the Compliance Period discounted at the Investor IRR. Such calculation is to be prepared by the Accountants at the General Partner's expense and is subject to the Consent of the Limited Partners. The General Partner shall be required to post a \$10,000 good faith deposit within ten (10) days of issuance of the Notice of LP Purchase. The purchase of the Limited Partners' interests by the General Partner must occur within 30 days of the issuance of the Notice of LP Purchase. The exercise by the General Partner of its right to purchase the Limited Partners' interests prior to the end of the Compliance Period shall be subject to the General Partner's continuing obligation to operate the Project in accordance with the requirements of the Code and the Project Documents, including the Minimum Set-Aside Test and the Rent Restriction Test and shall include an indemnification of the Limited Partners by the Guarantor against any Tax Credit Recapture Amounts, including interest that accrues thereon or penalties as may be assessed by the IRS, and shall be conditioned upon there being no deterioration in the financial strength of the Guarantor as determined in the sole but reasonable discretion of the Special Limited Partner and no event of non-compliance with the requirements of Code Section 42 and the related Treasury Regulations during the five (5) years immediately preceding the exercise of the General Partner's rights under this Section 9.04(d). If those conditions are not satisfied, the General Partner shall provide a guarantee, a letter of credit, or similar security, for the benefit of the Limited Partners in an amount equal to the maximum potential liability for any Tax Credit Recapture Amounts, interest and penalties, which is acceptable to the Special Limited Partner, in its sole and absolute discretion. Failure to consummate the transaction contemplated herein shall result in the forfeiture of the good faith deposit and any future right to exercise the Notice of LP Purchase.

[Discuss GP right to transfer interest to an affiliate fund after 8609s.]

Exhibit B: Unconditional Lien waivers

## <<< Company Letterhead >>>

### **Contractor Payoff Letter**

[DATE]

Hudson Housing Capital LLC  
630 Fifth Ave, 28<sup>th</sup> Floor  
New York, New York 10111

**Re: [Property Name and Address]**

Dear Mr. Anbar:

This is to confirm the following:

1. [General Contractor] has been paid to date in the amount of [\$\_\_\_\_\_] as evidenced by the attached unconditional lien waivers from the Contractor and Subcontractors.
2. The outstanding balance, including punch list and retention on the abovementioned construction contract and including all pending change orders (as evidenced by the attached pending change order log) and all amounts owed to all Subcontractors and suppliers for the project, is [\$\_\_\_\_\_].
3. There will be no additional change orders.
4. Submitted with this letter are conditional lien waivers from the Contractor and Subcontractors for all amounts less retainage, punch list items, and/or other amounts owed.

Furthermore, the Contractor acknowledges that to the extent punch list items remain to be completed, such punch list shall be completed within ninety (90) days of the date of Substantial Completion, as such term is defined in the Amended and Restated Limited Partnership Agreement of [\_\_\_\_\_] dated December [\_\_\_], 2026.

Sincerely,

Name  
Title  
General Contractor

Exhibit C: Purchase Option

The General Partner, or its designee, shall have an option to either purchase the (a) Apartment Complex (the "Project Option") or (b) Investor and Special Limited Partner's partnership interests in the Partnership ("Interest Option") for a period of twenty four (24) months ("Option Period") immediately following the end of the Compliance Period. The exercise of the Project Option or Interest Option shall be conditioned upon the General Partner not having been removed and any monetary defaults accrued prior such date having been or being cured through payment of the purchase price.

The purchase price for the Project Option shall be the greater of (A) the sum of (i) an amount sufficient to pay all outstanding debt (including Limited Partner or General Partner Loans) and liabilities of the Partnership, and (ii) the Limited Partner's tax liability and (iii) unpaid adjusters due or (B) the sum of (i) all outstanding amounts owed the to the Limited Partners in connection with Limited Partner Loans and (ii) the fair market value of the Apartment Complex, subject to all applicable use restrictions and any other discounts typically applied to affordable housing. The parties will use their best effort to determine a value for the Project Option. If the parties cannot agree on a value, the General Partner shall select the appraiser with the prior consent of the Limited Partner, which consent shall not be unreasonably withheld. In the event that the parties are unable to agree upon an appraiser, the General Partner and the Special Limited Partner each shall select an appraiser. If either party fails to select an appraiser within ten days, the determination of the other appraiser shall control. If the difference between the appraised fair market values set forth in the two appraisals is not more than ten percent (10%) of the appraised fair market value set forth in the lower of the two appraisals, the fair market value shall be the average of the two appraisals. If the difference between the two appraisals is greater than ten percent (10%) of the lower of the two appraisals, then the two appraisers shall jointly select a third appraiser whose determination of appraised fair market value shall be deemed to be binding on all parties as long as the third determination is between the other two determinations. If the third determination is either lower or higher than both of the other two appraisers, then the average of all three appraisers shall be the fair market value. The Partnership and the General Partner shall each pay one-half of the fees and expenses of any appraisers selected. The appraiser shall be MAI-designated or similarly qualified with experience in appraising rent-restricted properties and shall assume that the Apartment Complex shall remain subject to the extended use agreement and any applicable regulatory agreement. The Project Option purchase price shall be payable by the General Partner by taking the Apartment Complex subject to the existing debt (but only to the extent permitted by all lenders), and if not permitted by any lender, or if the purchase price exceeds such debt, the Project Option purchase price (or the balance thereof) shall be payable in readily available funds which shall be distributed pursuant to the Partnership Agreement.

The purchase price for the Interest Option shall be the greater of (A) the fair market value of the Limited Partner's Partnership Interest, subject to all applicable use restrictions and any other discounts typically applied to affordable housing, and (B) (i) all amounts owed to the Limited Partners in connection with the Limited Partner Loans, (ii) the Limited Partner's tax liability and (iii) unpaid adjusters due to the Limited Partners. The parties will use their best effort to determine a value for the Interest Option. If the parties cannot agree on a value, the General Partner shall select the appraiser with the prior consent of the Limited Partner, which consent shall not be unreasonably withheld. In the event that the parties are unable to agree upon an appraiser, the selection of an appraiser and the determination of the fair market value of the Interest Option shall occur in accordance with the valuation process described in the immediately



preceding paragraph. Furthermore, the appraisal for the Interest Option shall consider factors the appraiser deems relevant in judging the fair market value of the interests in the Partnership, which may include whether the Apartment Complex shall continue to be operated as an ongoing affordable housing building and factor in customary costs of sale, continued use restrictions, and any additional factors the appraiser deems relevant in judging the fair market value of the interests in the Partnership including factors related to marketability, deed restrictions for affordable housing, and property needs.

# **Tab D:**

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

This deal does not require information behind this tab.

# **Tab E:**

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

## Fairfield at Dulles Plaza

### Site Control Documentation – Purchase Price Explanation

The property owner, IAD Hospitality, LLC (“**Current Owner**”), entered into a Purchase and Sale Agreement to sell the property to NFD Acquisitions LLC (“**Original Buyer/Assignor**”) on September 30, 2021 (as amended, the “**Underlying PSA**”). The land purchase price under the Underlying PSA is \$6,675,000.00 (the “**Underlying Purchase Price**”), which is described in Section 5 of the Third Amendment to the Underlying PSA.

Original Buyer/Assignor has agreed to assign the Underlying PSA at the land sale closing date to Fairfield Dulles Plaza LP (“**Applicant**”) pursuant to an Assignment and Assumption of Purchase and Sale Agreement, dated June 30, 2025 (as amended, reinstated and assigned, the “**PSA Assignment Agreement**”).

If **Applicant** purchases the land, it will step into the shoes of Original Buyer/Assignor under the Underlying PSA and will be obligated to pay the Underlying Purchase Price to Current Owner. In addition to being documented in the Underlying PSA (as described above), this obligation of **Applicant** is described in Section 2.2 of the PSA Assignment Agreement.

In addition, **Applicant** has agreed to pay Original Buyer/Assignor an assignment fee for its work on the project and its agreement to assign the Underlying PSA to **Applicant**. The assignment fee is in the amount of \$1,725,000 (the “**Assignment Fee**”) and is described in Section 2.1 of the PSA Assignment Agreement.

As such, **Applicant**’s total purchase price for the land is equal to the sum of the Underlying Purchase Price *plus* the Assignment Fee, or \$8,400,000.

The reinstatement that is part of the PSA Assignment Agreement provides that it is a condition to Applicant waiving due diligence that Original Buyer/Assignor get an extension to at least 12/28/26 from the Current Owner under the Underlying PSA and that Applicant’s outside closing date under the PSA Assignment Agreement will automatically extend to that extended outside date once it is documented.

## **PURCHASE AND SALE AGREEMENT**

THIS PURCHASE AND SALE AGREEMENT (this “**Agreement**”) dated as of September 30, 2021 (the “**Effective Date**”), is entered into by and between NFD Acquisitions, LLC, a District of Columbia limited liability company (“**Purchaser**”), and IAD Hospitality, LLC, a Virginia limited liability company (“**Seller**”).

### **RECITALS**

WHEREAS, Seller is the owner of approximately 3.51 acres of real property, which is more particularly bounded and described in Exhibit A attached hereto and made a part hereof, located in Loudoun County, Virginia (the “**County**”), identified as Parcel ID Number 034-26-4101-000, Tax Map Number /94//35////A1 (the “**Land**”); and

WHEREAS, Seller desires to sell to Purchaser, and Purchaser desires to purchase from Seller, in fee simple, the Property (as hereinafter defined), pursuant to and in accordance with the terms and conditions set forth in this Agreement.

### **AGREEMENT**

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be legally bound, hereto agree as follows:

1. Incorporation. The recitals hereinabove contained are incorporated by reference as part of this Agreement.

2. Conveyance & Limitations.

(a) Conveyance. Seller agrees to sell and convey to Purchaser and Purchaser agrees to purchase from Seller, upon the terms and conditions hereinafter set forth, all right, title and interest of Seller in and to the following (collectively referred to herein as the “**Property**”):

(i) The Land, together with all rights, privileges and easements appurtenant thereto or used in connection therewith, including, without limitation, all minerals, oil, gas and other hydrocarbon substances thereon, all air rights, water, water rights and water stock relating thereto, mineral rights, all strips and gores, and all of Seller’s right, title and interest, if any, in and to any streets, alleys, easements, rights-of-way, public ways, or other rights appurtenant thereto (the Land and above described rights, privileges and easements appurtenant thereto, are collectively referred to herein as the “**Real Property**”).

(ii) Any improvements located upon the Real Property (collectively, the “**Improvements**”).

(iii) All of Seller’s right, title and interest (to the extent assignable) in and to all intangible property relating to the Real Property (the “**Intangible**”).

**Property”)** including, without limitation, all (i) plans, specifications, surveys, studies, drawings, architectural and engineering drawings, reports and maps, and (ii) licenses, approvals, certificates, permits, development rights, entitlements issued, approved or granted by any governmental authorities, except to the extent any of the foregoing are related or connected to any of the adjacent real property to which the Seller or any Seller Related Party has an interest.

(b) Condition of the Property; No Representations.

(i) The Purchaser acknowledges the following: (a) upon the expiration of the Due Diligence Period (as hereinafter defined in Section 5), the Purchaser will have been given a reasonable opportunity to inspect and investigate the Property and all aspects relating thereto, including all of the physical and operational aspects of the Property, either independently or through agents and experts of the Purchaser’s choosing; (b) except as otherwise expressly provided herein and in any Closing documents, including, but not limited to, the Seller’s express representations and warranties as maybe limited herein (which representations and warranties shall not be affected by this Section 1(b)(i) and shall remain in full force and effect), the Purchaser will acquire the Property based upon the Purchaser’s own investigation and inspection of the Property; and (c) upon the expiration of the Due Diligence Period, the Purchaser will have been given a reasonable opportunity to review and inspect the Sellers Materials (as that term is hereinafter defined) and any other materials delivered to the Purchaser or made available to the Purchaser. THE PURCHASER FURTHER ACKNOWLEDGES THAT, EXCEPT AS OTHERWISE EXPRESSLY PROVIDED HEREIN AND IN ANY CLOSING DOCUMENTS, INCLUDING, WITHOUT LIMITATION, THE SELLER’S EXPRESS REPRESENTATIONS AND WARRANTIES AS MAYBE LIMITED HEREIN (WHICH REPRESENTATIONS AND WARRANTIES SHALL NOT BE AFFECTED BY THIS SECTION 1(b)(i) AND SHALL REMAIN IN FULL FORCE AND EFFECT), HAVING BEEN GIVEN THE OPPORTUNITY TO INSPECT THE PROPERTY, THE PURCHASER IS RELYING SOLELY ON ITS OWN INVESTIGATION OF THE PROPERTY AND NOT ON ANY INFORMATION PROVIDED OR TO BE PROVIDED BY THE SELLER OR ANY BROKER OR OTHER THIRD PARTY, WHICH HAS BEEN GIVEN SOLELY FOR THE PURCHASER’S CONVENIENCE. THE PURCHASER FURTHER ACKNOWLEDGES THAT EXCEPT AS OTHERWISE EXPRESSLY PROVIDED HEREIN AND IN ANY CLOSING DOCUMENTS, INCLUDING, WITHOUT LIMITATION, SELLER’S EXPRESS REPRESENTATIONS AND WARRANTIES AS MAYBE LIMITED HEREIN (WHICH REPRESENTATIONS AND WARRANTIES SHALL NOT BE AFFECTED BY THIS SECTION 1(b)(i) AND SHALL REMAIN IN FULL FORCE AND EFFECT), ANY INFORMATION PROVIDED OR TO BE PROVIDED WITH RESPECT TO THE PROPERTY WAS OBTAINED FROM A VARIETY OF SOURCES AND THAT THE SELLER HAS NOT MADE ANY INDEPENDENT INVESTIGATION OR VERIFICATION OF SUCH INFORMATION AND EXCEPT AS OTHERWISE EXPRESSLY PROVIDED HEREIN AND IN ANY CLOSING DOCUMENTS, MAKES NO REPRESENTATIONS AS TO THE ACCURACY OR COMPLETENESS OF SUCH

INFORMATION. EXCEPT AS OTHERWISE EXPRESSLY PROVIDED HEREIN, AND IN ANY CLOSING DOCUMENTS, INCLUDING WITHOUT LIMITATION, THE SELLER'S EXPRESS REPRESENTATIONS AND WARRANTIES AS MAYBE LIMITED HEREIN (WHICH REPRESENTATIONS AND WARRANTIES SHALL NOT BE AFFECTED BY THIS SECTION 1(b)(i) AND SHALL REMAIN IN FULL FORCE AND EFFECT), THE SELLER IS NOT LIABLE OR BOUND IN ANY MANNER BY ANY VERBAL OR WRITTEN STATEMENTS, REPRESENTATIONS, OR INFORMATION PERTAINING TO THE PROPERTY, OR THE OPERATION THEREOF, FURNISHED BY ANY REAL ESTATE BROKER, AGENT, EMPLOYEE, SERVANT, OR OTHER PERSON. EXCEPT AS OTHERWISE EXPRESSLY PROVIDED HEREIN AND IN ANY CLOSING DOCUMENTS, INCLUDING, WITHOUT LIMITATION, THE SELLER'S EXPRESS REPRESENTATIONS AND WARRANTIES AS MAYBE LIMITED HEREIN (WHICH REPRESENTATIONS AND WARRANTIES SHALL NOT BE AFFECTED BY THIS SECTION 1(b)(i) AND SHALL REMAIN IN FULL FORCE AND EFFECT), THE SELLER WILL NOT BE LIABLE FOR NEGLIGENT MISREPRESENTATION OR ANY FAILURE TO INVESTIGATE THE PROPERTY OR THE SELLER MATERIALS OR OTHERWISE BE BOUND IN ANY MANNER BY ANY VERBAL OR WRITTEN STATEMENTS, REPRESENTATIONS, DOCUMENTS, OR OTHER INFORMATION PERTAINING TO THE PROPERTY FURNISHED BY THE SELLER OR ANY REAL ESTATE BROKER, AGENT, REPRESENTATIVE, AFFILIATE, EMPLOYEE, OR OTHER PERSON ACTING ON THE SELLER'S BEHALF. For avoidance of doubt, the term "herein" shall mean any and all portions of this Agreement and not just the section in which such term is used.

(ii) THE PURCHASER SPECIFICALLY ACKNOWLEDGES THAT EXCEPT AS EXPRESSLY SET FORTH HEREIN AND IN ANY CLOSING DOCUMENTS, INCLUDING, WITHOUT LIMITATION, THE SELLER'S EXPRESS REPRESENTATIONS AND WARRANTIES AS MAYBE LIMITED HEREIN (WHICH REPRESENTATIONS AND WARRANTIES SHALL NOT BE AFFECTED BY THIS SECTION 1(b)(ii) AND SHALL REMAIN IN FULL FORCE AND EFFECT): (a) THE SELLER IS DISPOSING OF THE PROPERTY "AS IS, WHERE IS AND WITH ALL FAULTS" AND (b) OTHER THAN THE SELLER'S EXPRESS REPRESENTATIONS AND WARRANTIES SET FORTH AND AS MAYBE LIMITED HEREIN AND IN ANY CLOSING DOCUMENTS, NEITHER THE PURCHASER NOR ANY OTHER PERSON IS RELYING ON ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND WHATSOEVER, WHETHER ORAL OR WRITTEN, EXPRESS OR IMPLIED, STATUTORY OR OTHERWISE, FROM THE SELLER OR ANY DIRECT OR INDIRECT PARTNER, OFFICER, DIRECTOR, TRUSTEE, MEMBER, EMPLOYEE, AFFILIATE, ATTORNEY, AGENT, OR BROKER OF THE SELLER, AS TO ANY MATTER CONCERNING THE PROPERTY OR SET FORTH, CONTAINED, OR ADDRESSED IN ANY PROPERTY DOCUMENTS OR THE SELLER MATERIALS (INCLUDING, WITHOUT LIMITATION, THE COMPLETENESS THEREOF), INCLUDING, WITHOUT LIMITATION: (i) the quality, nature, habitability, merchantability, use, operation,



value, marketability, adequacy, or physical condition of the Property or any aspect or portion thereof, including, without limitation, structural elements, appurtenances, access, landscaping, parking facilities, electrical, mechanical, HVAC, plumbing, sewage, water and utility systems, facilities and appliances, soils, geology, and groundwater; (ii) the dimensions or lot size of the Property or the square footage of any improvements thereon; (iii) the development or income potential, or rights of or relating to, the Property, or the fitness, suitability, value, or adequacy of the Property for any particular purpose; (iv) the zoning or other legal status of the Property; (v) the compliance of the Property or its operation with any applicable codes, laws, regulations, statutes, ordinances, covenants, conditions, and restrictions of any governmental authority or of any other person or entity (including, without limitation, the Americans with Disabilities Act of 1990, as amended); (vi) the ability of the Purchaser or any of its affiliates to obtain any necessary governmental approvals, licenses or permits for the use or development of the Property; (vii) the quality of any labor and materials used in any improvements on the Property; or (viii) the economics of, or the income and expenses, revenue or expense projections or other financial matters, relating to the operation of, the Property. Without limiting the generality of the foregoing, the Purchaser expressly acknowledges that, except as expressly set forth herein and in any Closing documents, including, but not limited to, the Seller's express representations and warranties as maybe limited herein, it is not relying on any representation or warranty of the Seller or any of its affiliates or any direct or indirect stockholder, partner, member, director, trustee, officer, employee, affiliate, attorney, agent, representative, broker of any of them, or any other person, whether implied, presumed, or expressly provided, arising by virtue of any statute, regulation, or common law right or remedy in favor of any of them. The Seller is not under any duty to make any inquiry regarding any matter that may or may not be known to the Seller. For avoidance of doubt, the term "herein" shall mean any and all portions of this Agreement and not just the section in which such term is used.

(iii) This Section 1(b) shall survive the Closing (as hereinafter defined in Section 9) indefinitely.

(c) Release.

(i) Without limiting the provisions of Section 1(b) and except as set forth herein and in any Closing documents, the Purchaser hereby irrevocably and absolutely waives its right to recover from, and forever releases and discharges, and covenants not to file or otherwise pursue any legal action against, the Seller, Seller Related Party (as hereinafter defined), or any affiliate of the Seller or any direct or indirect stockholder, partner, member, trustee, director, shareholder, controlling person, officer, attorney, employee, agent, representative, or broker of any of the foregoing, and any of their respective heirs, successors, personal representatives, and assigns (each, a "Released Entity", and collectively, the "Released Entities") with respect to any and all suits, actions, proceedings, investigations, demands, claims, liabilities, fines, penalties, liens, judgments, losses, injuries, damages, settlement expenses, or costs of whatever kind or nature, whether direct or indirect, known or unknown, contingent or otherwise (including any action or

proceeding brought or threatened or ordered by any governmental authority), in addition to associated attorneys' and experts' fees and expenses, and investigation and remediation costs that may arise on account of or in any way be connected with the Property or any portion thereof (collectively, "Claims"), including, without limitation, the physical, environmental, and structural condition of the Property or any law or regulation applicable thereto, or any other matter relating to the use, presence, discharge, or release of "Hazardous Materials" (as that term is defined in Section 1(c)(iii)) on, under, in, above, from, or about the Property, except as set forth in the Seller's representations and warranties expressly set forth and as maybe limited herein and in any Closing documents. In addition, except as expressly set forth herein and in any Closing documents, the Purchaser hereby forever releases each of the Released Entities from and against any Claims to the extent relating to any Hazardous Materials that may be placed, located, or released on, in, at, under, above, or from the Property after the date of the Closing except as set forth in the Seller's representations and warranties expressly set forth and as maybe limited herein and in any Closing documents. For avoidance of doubt, the term "herein" shall mean any and all portions of this Agreement and not just the section in which such term is used. Notwithstanding the above, the releases described in this Section 1(c)(i) shall be void and of no effect in the event of fraud on the part of the Seller, but only to such claims as to which such fraud pertains.

(ii) Except as expressly otherwise provided herein and in any Closing documents, including, but not limited to, the Seller's express representations and warranties set forth and as maybe limited herein and in any closing documents, the Purchaser elects to and does assume all risk for such Claims arising after Closing, whether now known or unknown to the Purchaser. To the extent permitted by law, the Purchaser hereby represents and warrants that the Purchaser realizes and acknowledges that factual matters now unknown to it may have given or may hereafter give rise to causes of action, claims, demands, debts, controversies, damages, costs, losses, and expenses which are presently unknown, unanticipated and unsuspected, and the Purchaser further acknowledges that except as otherwise provided herein, the waivers and releases herein have been negotiated and agreed upon in light of that realization and that, except as otherwise expressly provided herein and in any Closing documents, including, but not limited to, the Seller's express representations and warranties set forth and as maybe limited herein and in any Closing documents, the Purchaser nevertheless hereby intends to release, discharge, and acquit the Seller from any such unknown causes of action, claims, demands, debts, controversies, damages, costs, losses, and expenses which might in any way be included as a material portion of the consideration given to the Seller by the Purchaser in exchange for the Seller's performance hereunder. Without limitation of the foregoing, if the Purchaser has actual knowledge of (a) a default in any of the covenants, agreements, or obligations to be performed by the Seller under this Agreement and/or (b) any breach of or inaccuracy in any representation of the Seller made in this Agreement which would entitle the Purchaser to terminate this Agreement, and nonetheless elects to proceed to Closing, then the Purchaser shall be deemed to have waived any such default and/or breach or inaccuracy and shall have no Claim against the Seller with respect thereto. For avoidance

of doubt, the term “herein” shall mean any and all portions of this Agreement and not just the section in which such term is used.

(iii) As used in this Agreement: “Hazardous Materials” means (a) “hazardous wastes” as defined by the Resource Conservation and Recovery Act of 1976, as amended from time to time (“RCRA”), (b) “hazardous substances” as defined by the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. 9601 et seq.), as amended by the Superfund Amendment and Reauthorization Act of 1986 and as otherwise amended from time to time (“CERCLA”); (c) “toxic substances” as defined by the Toxic Substances Control Act, as amended from time to time (“TSCA”), (d) “hazardous materials” as defined by the Hazardous Materials Transportation Act, as amended from time to time (“HMTA”), (e) asbestos, oil, or other petroleum products, radioactive materials, urea formaldehyde foam insulation, radon gas and transformers or other equipment that contains dielectric fluid containing polychlorinated biphenyls and (f) any substance whose presence is detrimental or hazardous to health or the environment, including, without limitation, microbial or fungal matter or mold, or lead based paint, or which is otherwise regulated by federal, state, and local environmental laws (including, without limitation, RCRA, CERCLA, TSCA, HMTA), rules, regulations and orders, regulating, relating to or imposing liability or standards of conduct concerning any Hazardous Materials or environmental, health, or safety compliance (collectively, “Environmental Requirements”). As used in this Agreement: “Release” means spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping or disposing.

(iv) This Section 1(c) shall survive the Closing indefinitely.

### 3. Deposit.

(a) Deposit. Within five (5) Business Days (as hereinafter defined) after the Effective Date, Purchaser shall deliver the sum of Ten Thousand and No/100 Dollars (\$10,000.00) (the “**Initial Deposit**”) to Loudoun Commercial Title, L.L.C. (Attention: Bob Gordon, Esq.), as escrow holder (“**Escrow Holder**”), in immediately available federal funds. Within five (5) Business Days after the expiration of the Due Diligence Period (as hereinafter defined) and provided Purchaser has not terminated this Agreement prior to or upon the expiration of the Due Diligence Period, Purchaser shall deliver to Escrow Holder, in immediately available federal funds, an additional deposit in the amount of Forty Thousand and No/100 Dollars (\$40,000.00) (the “**Second Deposit**”). Within seven (7) days after receipt of the Entitlements Approvals (as hereinafter defined) or waiver thereof at the Entitlements Deadline (as hereinafter defined), Purchaser shall deliver to Escrow Holder, in immediately available federal funds, a third deposit in the amount of One Hundred Fifty Thousand and No/100 Dollars (\$150,000.00) (the “**Third Deposit**”; together with the Initial Deposit and Second Deposit, the “**Deposit**”). Any interest earned on the principal portion of the Deposit shall be deemed to be part of the Deposit and shall be paid together with the principal portion of the Deposit, it being understood and agreed that if the transaction contemplated under this Agreement closes, any interest earned on the Deposit shall be paid to Seller and credited to the Purchase Price upon the Closing; provided, however, that except as otherwise set forth in this Agreement, following expiration of the Due Diligence Period

the Deposit shall be non-refundable to the Purchaser but fully applicable to the Purchase Price at Closing. Until the expiration of the Due Diligence Period, the Deposit shall be absolutely refundable to Purchaser, and Escrow Holder shall act on the sole instruction of Purchaser.

(b) Release of Deposit; Deed of Trust. The Deposit shall become non-refundable to Purchaser except as otherwise set forth in this Agreement. Escrow Holder shall hold and disburse the Deposit in accordance with the terms of this Agreement, including, but limited to, Exhibit E attached hereto and made a part hereof (the “**Escrow Provisions**”). The Escrow Holder has signed a joinder to this Contract as evidence of its agreement to serve as escrow agent hereunder and to abide by the terms of the Escrow Provisions. At any time following the expiration of the Due Diligence Period, and provided Seller is not then in default under this Agreement, Escrow Holder shall, subject to the conditions set forth in this Section 3(b) and the Escrow Provisions, release to Seller all or a portion of the Deposit upon receipt from Seller of (i) a duly executed promissory note reasonably acceptable to Purchaser in the same amount as Seller has requested to be released to Seller, up to the amount of the total Deposit, to secure return of the Deposit in the event Seller defaults hereunder or in the event of termination of this Agreement, and (ii) a duly executed and acknowledged deed of trust on the Property (“**Purchaser’s Deed of Trust**”) in the form of Exhibit B attached hereto, for the same amount as set forth in the promissory note, which Purchaser’s Deed of Trust shall be a lien upon the Property and recorded in the land records of the County (the “**Land Records**”) prior to Escrow Holder’s release of any portion of the Deposit to Seller. Seller shall pay all federal or state stamps, taxes, or other fees or charges, if any are payable or are determined to be payable by reason of the execution, delivery, and/or recordation of Purchaser’s Deed of Trust. Seller hereby acknowledges and agrees that upon an event of default by Seller under of any loan secured by the Property (or the lien of any mortgage, deed of trust, or other similar financing instrument executed in connection with the refinance of any such loan), Purchaser shall have the right after notice to Seller to communicate directly with Seller’s lender(s) regarding any and all matters relating to their respective loans and any default remedies that may be pursued, loan restructurings, or workout arrangements. The Purchaser Deed of Trust shall be released and a document memorializing such release (the “**Release of the Deed of Trust**”) shall be recorded in the Land Records promptly upon the earlier to occur of (i) the refund to Purchaser of the Deposit being held by Seller; (ii) the retention of the Deposit by Seller as a result of a default hereunder beyond any applicable notice, grace, and/or cure period by Purchaser, or (iii) Closing under this Agreement. Seller shall pay all costs associated with the recordation of the Purchaser Deed of Trust and the Release of the Deed of Trust.

4. Purchase Price. Seller acknowledges that Purchaser intends to develop the Property to include a product mix of approximately seventy (70) market rate stacked two-over-two townhouse units (the “**Market Rate Units**”). The purchase price to be paid by Purchaser to Seller for the Property (the “**Purchase Price**”) shall be equal to the product of the number of Market Rate Units approved for development on the Property pursuant to Purchaser’s Site Plan Approval (as hereinafter defined) multiplied by Eighty Two Thousand and No/100 Dollars (\$82,000.00), subject to a minimum Purchase Price of Five Million Two Hundred Forty Eight Thousand No/100 Dollars (\$5,248,000.00) (the “**Minimum Purchase Price**”). Purchaser anticipates developing the Property with a product mix that further includes ten (10) non-market rate stacked townhouse two-over-two townhouse affordable dwelling units (collectively, the “**ADUs**”), and such other non-market rate condominium units where the sales price or rental rate that may be offered to a third-party purchaser or lessee for such condominium units is limited by law or regulation enacted or

promulgated by a governmental entity having jurisdiction over such matters in the County as may be required, including without limitation additional affordable dwelling units, workforce housing units, or unmet housing needs units (the “**Non-Market Rate Units**”). Notwithstanding the foregoing, Seller and Purchaser hereby agree that the purchase price for Non-Market Rate Units shall be zero, and the Purchase Price shall not be increased in respect of the ADUs or in the event the Property is approved to be developed with additional Non-Market Rate Units. The Purchase Price shall be deposited with Escrow Holder on or before the Closing Date (as hereinafter defined in Section 9), subject to the credit of the Deposit and any adjustments, credits, or apportionments as provided for under this Agreement, by certified or official bank checks or by one or more wire transfers of immediately available funds.

5. Due Diligence.

(a) Seller Materials. Within five (5) Business Days after the Effective Date, Seller shall, if not already made available to Purchaser, make available to Purchaser those reports, inspections, environmental studies, soil studies, plans, specifications, maps, surveys and other similar materials relating to the physical and environmental condition of the Property which are in Seller’s possession or control without the need for investigation by Seller (collectively, the “**Seller Materials**”).

(b) Due Diligence Period. Purchaser shall have until the date which is sixty (60) days after the Effective Date (the “**Due Diligence Period**”), to review the Property including conducting such tests, studies, surveys, or other physical inspections of the Property as Purchaser deems necessary or appropriate in its sole and absolute discretion and all information relating thereto (including the Seller Materials) (the “**Inspections**”). Notwithstanding the foregoing, any invasive ground testing including a Phase II environmental site assessment and a geotechnical evaluation shall require the Seller’s prior written consent, which shall not be unreasonably withheld, conditioned, or delayed. If Purchaser is dissatisfied with the Property for any reason or no reason whatsoever, then Purchaser shall have the right to terminate this Agreement upon written notice to Seller delivered at any time prior to 6:00 p.m. (Eastern time) on the last day of the Due Diligence Period. If Purchaser does not timely notify Seller of its election to terminate this Agreement prior to 6:00 p.m. (Eastern time) on the last day of the Due Diligence Period, Purchaser shall be deemed to have declined its option to terminate this Agreement under this Section 5(b). If Purchaser elects or is deemed to have elected to terminate this Agreement as provided in this Section 5(b), Escrow Holder shall return the Deposit to Purchaser, upon such refund being made this Agreement shall terminate, and the parties shall have no further liability hereunder except with respect to those obligations hereunder which expressly survive the termination of this Agreement.

(c) Purchaser’s Access. At any time prior to the Closing (including during the Due Diligence Period), and at all times, subject to this Section 5(c), Purchaser and its agents, employees, consultants, inspectors, appraisers, engineers, contractors, guests, invitees, representatives, directors, officers or any other person acting on behalf of the Purchaser (collectively, “**Purchaser’s Representatives**”) shall have the right to enter upon and pass through the Property during normal business hours to examine and inspect the same. During the Due Diligence Period, Purchaser may conduct reasonable tests, studies, investigations, and surveys to assess utility availability, soil conditions, environmental conditions, physical condition, and the like of the Property, provided however, that all tests, investigations, and studies conducted on the

Property shall only occur during normal business hours upon twenty-four (24) hours prior written notice to Seller, and if Purchaser desires to conduct any studies on the Property after the expiration of the Due Diligence Period then Purchaser must obtain the prior written consent of Seller, which consent shall not be unreasonably withheld, conditioned, or delayed. In conducting the Inspections or otherwise accessing the Property, Purchaser shall at all times comply with all laws and regulations of all applicable governmental authorities. In connection with such Inspections, neither Purchaser nor any of Purchaser's Representatives shall: (i) unreasonably interfere with or permit unreasonable interference with any person occupying or providing service at the Property; or (ii) unreasonably interfere with the business of Seller conducted at the Property or unreasonably disturb the use or occupancy of any occupant of the Property. Purchaser shall schedule and coordinate all Inspections or other access thereto during normal business hours. Seller shall be entitled to have a representative present at all times during each such inspection or other access. Purchaser shall exercise reasonable care when visiting the Property, in a manner which shall not materially adversely affect the operation of the Property or any adjacent property. Prior to the first entry of the Purchaser or the Purchaser Representatives on the Property for the purpose of performing all due diligence activities undertaken on the Property, the Purchaser shall provide to the Seller a certificate of insurance evidencing a liability insurance policy in the amount of not less than \$1,000,000 naming the Seller as an additional insured, which policy shall be in form and substance reasonably acceptable to the Seller.

(d) Seller Indemnification. Purchaser agrees to indemnify, defend, save, and hold Seller harmless from and against any and all losses, costs, damages, liens, claims, suits, judgments, liabilities, or expenses (including, but not limited to, Seller's or any Seller Related Party's reasonable third-party attorneys' fees, court costs, and disbursements) arising out of Purchaser's or Purchaser's Representatives' access to, or inspections of, the Property, or arising as a result of personal injury (including death) or property damage caused by actions or inactions by Purchaser or Purchaser's Representatives' except to the extent such losses, costs, damages, liens, claims, liabilities, or expenses are caused by or resulting from: (i) any acts or omissions of Seller or a Seller Related Party (collectively, "**Seller Conditions**"); or (ii) any pre-existing, dangerous, illegal, or defective condition of the Property (collectively, "**Pre-Existing Conditions**"). "**Seller Related Party**" shall mean collectively any Seller agent, advisor, representative, affiliate, employee, manager, partner, member, beneficiary, investor, servant, shareholder, trustee, or other person or entity acting on Seller's behalf or otherwise related to or affiliated with Seller. Purchaser shall not damage or destroy any portion of the Property in conducting its examinations and studies of the Property during the Due Diligence Period and, if Closing does not occur, Purchase shall promptly repair any portion of the Property damaged by the conduct of the Purchaser or the Purchaser's representatives, contractors, or agents to substantially the condition such portion(s) of the Property were in immediately prior to such examinations or studies. The foregoing obligation to repair and restore the Property, and the indemnity obligation set forth in this Section 5(d), shall survive Closing or any termination of this Agreement.

## 6. Title Matters and Review.

(a) At Closing, Seller shall convey fee simple title to the Property and insurable as such in an amount equal to the Purchase Price through Escrow Holder or a title insurance company for which Escrow Holder acts as agent (the "**Title Company**"), at regular rates, free and clear of any and all liens, special assessments and taxes related to the Property which have accrued

prior to the date of Closing, encumbrances, leases, subleases, rights of possession, occupancies, easements, rights of way, covenants, conditions, limitations, restrictions or other matters whatsoever, whether recorded or unrecorded, except for (i) any lien of real estate taxes, assessments, or other governmental charges not yet due and payable, (ii) applicable zoning regulations and ordinances, (iii) liens for water and sewer service not yet due and payable; (iv) items existing as exceptions to the Seller's current owner's title insurance policy, and (v) exceptions as to which Purchaser has not objected or has accepted in accordance with Section 6(b) or Section 6(c) below (collectively, "**Permitted Exceptions**").

(b) Promptly after the Effective Date, Purchaser may, at its option and expense, obtain a preliminary commitment for an owner's title insurance policy (the "**Title Commitment**") and/or an ALTA survey of the Property (the "**Survey**"). Purchaser shall, on or before the expiration of the Due Diligence Period, accept the title to date as reflected on the Title Commitment or give written notice to Seller of any defects, liens, encumbrances or other matters in Seller's title to the Property disclosed by the Title Commitment or the Survey which are not reasonably acceptable to Purchaser ("**Purchaser's Title Notice**"). Seller's sole obligation relating to the standard pre-printed exceptions to title appearing in the Title Commitment shall be the provision to the Title Company at Closing of an owner's affidavit (the "**Seller's Affidavit**") in customary form. Notwithstanding anything to the contrary contained herein, Purchaser shall have no need to object to and Seller shall cause to be removed prior to Closing: (i) any matters which have been voluntarily recorded or otherwise placed, or permitted to be placed, by Seller against the Property on or following the date hereof (other than with the prior written approval of Purchaser); and (ii) any deeds of trust, security instruments, financing statements, or other instruments which evidence or secure indebtedness, judgments and liens against the Property not caused by the Purchaser, including, without limitation, mechanics liens, tax liens, and real estate taxes, water rates, garbage hauling fees, and sewer rents and taxes, in each case, which are due and payable but which remain unpaid or of record as of the Closing Date (subclauses (i) and (ii), collectively, the "**Voluntary Liens**"); or (iii) any matters which would not constitute Voluntary Liens, but name the Seller and which can be removed by the payment of a liquidated sum of money (items set forth in this subclause (iii), collectively, "**Monetary Liens**"; and, together with the Voluntary Liens, the "**Mandatory Title Removal Items**"). If Seller fails to discharge and remove of record any Mandatory Title Removal Items on or prior to the Closing Date, at Purchaser's election, such failure shall constitute a failure of a closing condition pursuant to Section 8(b) and Purchaser shall be entitled to such remedies as are set forth in Section 14 below.

(c) In the event Seller fails to Cure any such defects or other matters within ten (10) Business Days of the date of receipt of Purchaser's Title Notice, or if Seller notifies Purchaser within five (5) Business Days following Seller's receipt of Purchaser's Title Notice that it has elected not to Cure the defects or matters identified in Purchaser's Title Notice, Purchaser may, at its option, either (i) waive such defects or matters and accept the status of title as reflected in the Title Commitment, notwithstanding such defects or matters, in which case the uncured defects or matters shall become Permitted Exceptions, or (ii) terminate this Agreement, whereupon the Escrow Holder shall promptly return the Deposit to Purchaser and the parties hereto shall thereafter be relieved of all further liability and/or obligation hereunder. If Purchaser does not send Purchaser's Title Notice to Seller on or before the expiration of the Due Diligence Period, Purchaser shall be deemed to have accepted title as reflected in the Title Commitment, and any exceptions identified in the Title Commitment shall become Permitted Exceptions. Failure by

Seller to respond to Purchaser's Title Notice within the time period provided in this Section 6(c) shall be deemed an election by Seller to decline to remedy the objections raised by Purchaser in Purchaser's Title Notice. Seller shall be obligated to Cure any exceptions which arise after the effective date of the Title Commitment and prior to Closing, unless Purchaser consents to such exceptions in writing or such items arise on account of Purchaser. The term "**Cure**" shall mean, at Seller's election, (i) removal of such matter of record, (ii) provision of information to the Title Company sufficient to remove such matter as a title exception in the Title Commitment, or (iii) provision of a bond sufficient to cause the Title Company to remove such matter from the Title Commitment.

7. Land Use Matters.

(a) Identified Offsite Easements. Seller and Purchaser shall cooperate, in good faith, to identify and agree upon any offsite easements to serve the Real Property (the "**Identified Offsite Easements**") that Purchaser reasonably desires and/or may be required in order to allow Purchaser to develop the Real Property as intended. Seller shall use good faith efforts and cooperate with Purchaser to the extent reasonably necessary for Seller, at Purchaser's reasonable cost and expense, to obtain County and/or third-party consent to the acquisition, vacation, or abandonment of any Identified Offsite Easements, that have been agreed upon by Purchaser and Seller, in form and substance reasonably satisfactory to Purchaser and Seller. Any documents or agreements which shall survive Closing in connection with the Identified Offsite Easements shall be subject to the prior review and approval of both Seller and Purchaser, such approval not to be unreasonably withheld, conditioned, or delayed. All reasonable costs and expenses of the Identified Offsite Easements, including, but not limited to, document negotiation and preparation and the recording costs thereof, shall be borne solely by Purchaser.

(b) Entitlements Approvals. Seller acknowledges that Purchaser intends to file and process with the County such applications as may be required in order to rezone the Real Property to the "R-24 ADU" zoning district and any related applications as may be required in connection therewith (collectively, the "**Entitlement Applications**"). Seller, at its sole cost and expense but not to exceed Ten Thousand Dollars (\$10,000), shall reasonably cooperate with Purchaser's preparation of the Entitlement Applications and Purchaser's efforts to obtain the Entitlement Approvals (as hereinafter defined). Seller shall promptly execute any applications or agreements as may reasonably be required in connection therewith. Following the expiration of the Due Diligence Period, Purchaser shall submit the Entitlement Applications not later than sixty (60) days thereafter and shall diligently prosecute the Entitlement Applications in an attempt to obtain the Entitlement Approvals. Purchaser shall be deemed to have obtained the "**Entitlement Approvals**" on the date when the Entitlement Applications are approved by all applicable County authorities and all applicable appeal periods have expired without an appeal having been filed or, if an appeal is filed, the entry of a final decree by a court of competent jurisdiction upholding the approval of the Entitlement Applications and the expiration of all applicable appeal periods without an appeal of such decree having been filed. In the event that, despite Purchaser's good faith and diligent efforts, the County staff, Planning Commission, or Board of Supervisors (the "**Board**") indicate in writing that the Entitlement Applications will not be approved for the "R-24 ADU" zoning district, Purchaser shall have the right, upon written notice to Seller with a copy of such writing indicating that the Entitlement Applications will not be approved, to terminate this Agreement up to ten (10) days prior to the date the Board is scheduled to vote on the Entitlement



Applications. In such case if Purchaser elects to terminate this Agreement then the Initial Deposit and Second Deposit shall be delivered to Seller, and neither party shall have any further rights or obligations hereunder except for those rights and obligations that expressly survive termination of this Agreement. Purchaser acknowledges and agrees that the right to terminate as set forth in this Section 7(b) shall not otherwise be deemed to be an extension of the Due Diligence termination rights set forth in Section 5 of this Agreement. Except as otherwise set forth herein, all costs in connection the preparation, filing, approval, and recording of the Entitlement Approvals shall be the obligation of Purchaser.

(c) Site Plan Approval. Seller further acknowledges that, after Purchaser obtains final and unappealable Entitlement Approvals, Purchaser intends to cause to be prepared and submitted to the County Department of Building and Development (“**B&D**”) a final site plan and easement plat (collectively, the “**Development Plans**”) in substantial conformance to the final and unappealable approved Entitlement Approvals and for at least sixty four (64) Market Rate Units and ten (10) ADUs (collectively, the “**Minimum Yield**”) in accordance with Purchaser’s development plans. Purchaser shall be deemed to have obtained final approval of the Development Plans on such date as Purchaser has obtained technical engineering approval of the Development Plans (for at least the Minimum Yield) by B&D to the point where the Development Plans and bonds have been delivered to the B&D Bonds Management Team for the remaining administrative process prior to issuance of the permit to commence site development work, subject only to Purchaser’s post-Closing satisfaction of any bonding, development, and/or escrow requirements.

(d) Approvals. The final and unappealable approval of the Entitlements Approvals and the final approval of the Development Plans are collectively referred to herein as the “**Approvals**”. Purchaser shall diligently pursue obtaining the Approvals from all appropriate County governmental authorities. Purchaser agrees to keep Seller reasonably informed of the status and progress of the Approvals process and the dates that Purchaser anticipates obtaining each of the Approvals. Seller and Purchaser agree that Purchaser obtaining all Approvals (for at least the Minimum Yield) is a condition precedent to Purchaser’s obligation to proceed to Closing hereunder. In the event that Purchaser has not obtained final and unappealable approval of the Entitlements Approvals (for at least the Minimum Yield) on or before the expiration of eighteen (18) months after the expiration of the Due Diligence Period (the “**Entitlements Deadline**”), as the same may be extended by mutual written agreement between the parties hereto, then Purchaser, at its option to be exercised by delivery of written notice to Seller on or before the Entitlements Deadline may either: (1) waive such condition and proceed hereunder and thereafter Purchase pay the Third Deposit as provided in Section 3(a); or (2) terminate this Agreement, in which event the parties hereto shall have no further rights or obligations hereunder except for those rights and obligations which specifically survive termination hereunder, and the Initial Deposit and Second Deposit shall be delivered to Seller. In the event that Purchaser has not obtained all Approvals (for at least the Minimum Yield) on or before the expiration of thirty (30) months after the expiration of the Due Diligence Period (the “**Approvals Deadline**”), then: (a) at Purchaser’s option and upon delivery of written notice to Seller on or before the fifth (5<sup>th</sup>) day prior to the Approvals Deadline, the Approvals Deadline may be extended once for a period of time not to exceed ninety (90) days, and (b) Purchaser, at its option to be exercised by delivery of written notice to Seller on or before the Approvals Deadline, as may be extended pursuant to the preceding clause, may either: (1) waive such condition and proceed hereunder; or (2) terminate this Agreement, in which event the parties hereto shall have no further rights or obligations hereunder except for those rights and

obligations which specifically survive termination hereunder, half of the Third Deposit shall be returned to Purchaser with the remaining portion of the Deposit released to the Seller, and, provided the Conditions Precedent to Closing set forth in Section 8(a)(v) is met, the Initial Deposit and Second Deposit shall be delivered, to the extent not already delivered, to Seller. In the event Purchaser elects to waive either such Entitlements Deadline or Approvals Deadline condition and proceed to Closing, the Purchase Price paid at Closing shall be the greater of (i) the Purchase Price as calculated pursuant to the provisions of Section 4 above, using the number of Market Rate Units shown on the most current submission of the Entitlements Application documents or Development Plans, as applicable, as of the Closing Date, or (ii) the Minimum Purchase Price. Except as otherwise set forth herein, all costs in connection the preparation, filing, approval, and recording of the Approvals shall be the obligation of Purchaser. In the event Purchaser fails to provide timely notice to Seller under this Section 7(d) either in exercising a right to extend the Approvals Deadline or terminating this Agreement then Purchaser shall be deemed to proceed forward under this Agreement which shall remain in full force and effect (without the benefit of an applicable extension of time) and the Deposit, and all obligations related thereto, shall be managed in accordance with the requirements of this Agreement.

(e) Seller's Review and Approval.

(i) All documents relating to the Approvals, including but not limited to proffered development conditions (collectively, the “**Entitlements/Development Plan Documents**”), shall be subject to Seller’s reasonable approval, at Seller’s sole cost and expense, prior to submission to the appropriate County governmental authorities. Prior to Purchaser’s submission of any Entitlements/Development Plan Documents to the appropriate County governmental authorities, Purchaser shall deliver to Seller a true and complete copy of the documents Purchaser intends to submit with respect to the Approvals for Purchaser’s review and approval. Within fifteen (15) days after Seller’s receipt of any Entitlements/Development Plan Documents (in each instance, a “**Documents Review Period**”), Seller shall deliver written notice to Purchaser either approving or disapproving any particular set of Entitlements/Development Plan Documents (in each instance, a “**Documents Response Notice**”); provided, however, Seller shall not be entitled to object to or disapprove any Entitlements/Development Plan Documents to the extent (a) such matters set forth therein are in conformance with the Approvals, the County Zoning Ordinance, Land Subdivision and Development Ordinance, Facilities Standard Manual, or 2019 Comprehensive Plan, Loudoun Water Engineering Design Standards or Technical Memos to the Industry, or Virginia Department of Transportation standards, as the same may be amended from time to time (the “**Municipal Requirements**”), and (b) Seller’s objections would render the Entitlements/Development Plan Documents non-conforming with the Municipal Requirements. Seller’s failure to deliver any Documents Response Notice to Purchaser on or before the expiration of the applicable Documents Review Period shall be conclusively deemed to constitute Seller’s approval of the subject Entitlements/Development Plan Documents. If, pursuant to the Documents Response Notice, Seller disapproves all or any material portion of the Entitlements/Development Plan Documents, then the Documents Response Notice shall state with reasonable specificity the reason for such disapproval and the revisions required by Seller in order for such Entitlements/Development Plan Documents to be acceptable to Seller (in each instance the “**Seller’s Revisions**”). For a period of five (5) days after Purchaser’s receipt of a Documents Response Notice setting forth Seller’s Revisions (in each instance, an “**Agreement Period**”), Seller and Purchaser shall use reasonable good faith efforts to reach an agreement on Seller’s

Revisions, and such agreed-upon Seller's Revisions shall be incorporated into the Entitlements/Development Plan Documents. If Seller and Purchaser are unable to reach an agreement on any of the Seller's Revisions on or before the expiration of the Agreement Period, then within five (5) days after the expiration of the Agreement Period (the "**Election Period**"), Purchaser shall deliver written notice to Seller (an "**Election Notice**") electing to either (x) terminate this Agreement, in which event half of the Deposit shall be returned to Purchaser with the remaining portion of the Deposit released to the Seller, and the parties hereto shall have no further rights or obligations hereunder except for those rights and obligations which specifically survive termination hereunder, or (y) proceed under this Agreement, in which event Purchaser shall submit the subject Entitlements/Development Plan Documents to the appropriate County governmental authorities in the form which is acceptable to Seller. Purchaser's failure to deliver any Election Notice on or before the expiration of the subject Election Period shall be conclusively deemed to constitute an election by Purchaser to terminate this Agreement pursuant to clause (x) above. Provided the transaction contemplated under this Agreement closes, Purchaser shall be solely responsible for performing all obligations of the proffered development conditions associated with the Entitlements Approvals.

(ii) Seller agrees, at no cost or expense to Seller (except as otherwise provided herein), to cooperate with Purchaser to the extent reasonably necessary for Purchaser to obtain final and unappealable approval of the Entitlements Approvals and approval of the Development Plans by all appropriate County governmental authorities, and in connection therewith, Seller agrees within ten (10) business days after receipt of a request from Purchaser to execute and deliver to Purchaser such applications, proffers and other documents as may be reasonably requested by Purchaser and/or by the appropriate County governmental authorities, subject to Seller's right to approve all Entitlements/Development Plan Documents as set forth above.

8. Conditions Precedent to Closing.

(a) Conditions Precedent to Purchaser's Obligations. Purchaser's obligations with respect to the transactions contemplated by this Agreement are subject to the timely satisfaction (or waiver by Purchaser) of the following conditions (the "**Conditions Precedent to Closing**") on or before the Closing Date: (i) title to the Property shall be as set forth in Section 6 above; (ii) Seller shall have duly performed in all material respects each and every covenant and obligation of Seller hereunder; (iii) all representations and warranties made by Seller hereunder shall be true and correct as of the Closing Date, and Seller shall re-certify same at Closing; (iv) Seller shall have obtained and, at Closing will cause to be recorded, at Purchaser's reasonable cost and expense, all of the Identified Offsite Easements in form and substance reasonably agreed to by Purchaser and Seller during the Due Diligence Period; (v) there shall be no moratorium declared or proposed on the development of the Real Property or a change in the access to utilities after the expiration of the Due Diligence Period which materially impacts Purchaser's proposed development of the Real Property; and (vi) Purchaser shall have obtained the Approvals.

(b) Failure of Conditions Precedent to Purchaser's Obligations. In the event any one or more of the Conditions Precedent to Closing set forth in Section 8(a) above remains unsatisfied on the Outside Closing Date (as hereinafter defined in Section 9), then either Purchaser or Seller may extend the Closing Date once each for up to ninety (90) days (which shall

correspondingly extend the Outside Closing Date, if applicable) to provide additional time for such condition(s) to be satisfied by delivery of written notice thereof at least five (5) business days prior to then scheduled Closing Date to the other party identifying the unsatisfied Conditions Precedent to Closing. If neither party elects to so extend the Closing Date (and Outside Closing Date, if applicable), or if the Closing Date (and Outside Closing Date, if applicable) is extended and such condition(s) is still not satisfied on or before the extended Closing Date, Purchaser, at its option, may either (i) waive the satisfaction of such condition(s) and proceed to Closing under this Agreement; or (ii) terminate this Agreement by delivery of written notice thereof to Seller at least five (5) business days prior to then scheduled Closing Date and such notice shall identify the unsatisfied Conditions Precedent to Closing. In the event Purchaser elects to terminate this Agreement, the parties hereto shall have no further rights or obligations hereunder except for those rights and obligations which specifically survive termination hereunder; and if the unsatisfied Conditions Precedent to Closing are any of the Conditions Precedent to Closing set forth in Section 8(a)(i) through Section 8(a)(v) above, the Deposit shall be returned to Purchaser, and if the unsatisfied Conditions Precedent to Closing is the Condition Precedent to Closing set forth in Section 8(a)(vi) above, the Initial Deposit and Second Deposit shall be delivered to Seller and the Third Deposit shall be returned to Purchaser.

(c) Conditions Precedent to Seller's Obligations. Seller's obligations with respect to the transactions contemplated by this Agreement are subject to the timely satisfaction (or waiver by Seller) of the following conditions on or before the Closing Date: (i) Purchaser shall have duly performed in all material respects each and every covenant and obligation of Purchaser hereunder; (ii) all representations and warranties made by Purchaser hereunder shall be true and correct as of the Closing Date; and (iii) timely delivery of the Purchase Price to Escrow Holder to effectuate the Closing.

(d) Effect of Closing. The Closing shall constitute conclusive evidence that Seller and Purchaser have respectively waived any conditions set forth in Section 8(a) and Section 8(c) above which are not satisfied as of the Closing.

9. Closing. The closing of the transaction contemplated by this Agreement (the "**Closing**") shall take place through an escrow closing with the Escrow Holder on the date (the "**Closing Date**") that is the earlier of: (a) thirty (30) days following the date when all of the Conditions Precedent to Closing have been satisfied (and/or waived by Purchaser or Seller, as the case may be), or (b) thirty (30) months following the expiration of the Due Diligence Period (the "**Outside Closing Date**"). The Outside Closing Date shall be extended by one day for each day the Entitlements Deadline and/or Approvals Deadline may have been extended, as applicable, pursuant to Section 7(d) above by mutual written agreement between the parties hereto.

(a) Seller's Closing Deliverables. Seller shall deliver or cause to be delivered to Escrow Holder at or prior to the Closing the following instruments and documents: (i) a special warranty deed ("**Deed**"), in substantially the form attached hereto as Exhibit C, duly executed and acknowledged in proper recordable form by Seller, conveying fee simple title to the Real Property to Purchaser or its designees or assigns, as permitted hereunder, free and clear, except for the Permitted Exceptions, of all liens, encumbrances, or defects; (ii) a FIRPTA affidavit in the form attached hereto as Exhibit F; (iii) one (1) original of the general assignment (the "**General Assignment**") in substantially the form attached hereto as Exhibit D, executed by Seller,

conveying to Purchaser title to the Intangible Property free and clear of all liens and encumbrances of any nature; (iii) an executed counterpart of a closing statement reflecting the Purchase Price and all adjustments, prorations, credits, costs and expenses set forth herein (a “**Closing Statement**”); (iv) an original owner’s affidavit in a form reasonably acceptable to the Title Company to issue the Title Policy, duly executed by Seller; and (v) all other documents reasonably required by the Escrow Holder and Title Company to consummate the transaction contemplated by this Agreement.

(b) Purchaser’s Closing Deliverables. Purchaser shall deliver or cause to be delivered to Escrow Holder at or prior to the Closing the following funds, instruments and documents: (i) the balance of the Purchase Price; (ii) an executed counterpart of the Closing Statement; (iii) Purchaser’s original signed counterpart to the General Assignment; and (iv) all other documents reasonably necessary or otherwise required by the Escrow Holder and Title Company to consummate the transaction contemplated by this Agreement.

(c) Costs and Expenses. At Closing, Seller shall pay the cost of the preparation of the Deed, the cost of obtaining releases of all Monetary Liens encumbering the Property, the Virginia and County Grantor’s Tax on the Deed, one-half of any escrow fee associated with the Deposit, and Seller’s attorneys’ fees; and Purchaser shall pay the Regional WMATA Capital Fee, the Regional Congestion Relief Fee, all expenses of examination of title, survey (if any), all reasonable fees, charges and expenses of the party conducting Closing, the title insurance premium, if any, one-half of any escrow fee associated with the Deposit, Purchaser’s attorneys’ fees, the Virginia and County Grantee’s Tax on the Deed and all other recording fees and recording taxes, all other costs of Closing not identified in this Section 9(c).

#### 10. Prorations, Credits, and Apportionments; Disbursement.

(a) Adjustments. Pro rata adjustments on a per diem basis (unless otherwise provided) shall be made between Purchaser and Seller as of the day of the Closing with respect to the following items: (i) general real estate taxes, personal property taxes, ad valorem taxes, and assessments encumbering the Property, for the current tax year for the Property, including for any applicable special tax districts; and (ii) all other costs, operating expenses or other items pertaining to the Property which are customarily apportioned in connection with sales of buildings substantially similar to the Property in the County. Any special assessments applicable to improvements completed prior to the Closing which are assessed after the Closing but apply to the period prior to the Closing shall be paid by Purchaser. If the Property is presently receiving preferential tax treatment in the form of a tax deferral that will no longer be applicable due to Purchaser’s ownership and/or intended use of the Property, then Seller shall be liable for the payment of all “rollback” taxes, tax deferrals or other similar taxes and charges which may be payable with respect to the Property applicable to the time period prior to the Closing. In such event, Seller shall pay all such taxes and charges at or prior to Closing or, at Purchaser’s option if such taxes remain unpaid at Closing, Purchaser shall receive a credit against the Purchase Price at Closing for such taxes and charges, but Purchaser shall be deemed to have assumed the responsibility and liability for all such taxes and charges and fully indemnify and hold Seller harmless therefore.

(b) Disbursement. Escrow Holder shall have the right to draw upon the funds provided at Closing by Seller and Purchaser as shown on the Closing Statement for purposes of recording the Deed and other appropriate documents. Upon verifying receipt and recordability of all documents and funds required to close the sale of the Property and obtaining the consent of Seller and Purchaser at Closing, Escrow Holder shall disburse all remaining funds and deliver all documents in accordance with this Agreement. The provisions of this Section 10 shall survive the Close of Escrow.

11. Representations, Warranties, and Covenants.

(a) Seller's Representations, Warranties, and Covenants. Seller hereby represents, warrants, and/or covenants to Purchaser based on the actual knowledge of Purchaser without the need for any investigation or inquiry that on and as of the date of this Agreement and on and as of the Closing Date (or Outside Closing Date, if applicable), which such representations, warranties, and/or covenants shall survive the Closing as limited by Section 16(b), as follows:

(i) Seller has the right, power and authority to enter into this Agreement and to sell the Property in accordance with the terms and conditions of this Agreement, and no other party has any ownership or other interest therein or rights to consent to the terms of this Agreement.

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

(iii) Seller is not a "foreign person" as such term is defined in Section 1445 of the Internal Revenue Code or any regulations promulgated thereunder, as amended.

(iv) Seller has not received written notice of litigation, arbitration, or other legal or administrative suit, action, proceeding or investigation pending or threatened against or involving Seller or the ownership or operation of the Property, including, but not limited to, any condemnation action relating to the Property.

(v) Except as otherwise disclosed in writing to Purchaser prior to the Effective Date, Seller has not entered into any service, maintenance, supply, leasing, brokerage, and listing and/or contracts relating to the Property (collectively, the "**Excluded Contracts**") which are not terminable prior to the Closing Date. Seller has materially performed all of its obligations under each of the Excluded Contracts and no fact or circumstance has occurred which, by itself or with the passage of time or the giving of notice or both, would constitute a material default by any party under any of the Excluded Contracts.

(vi) Seller has not received written notice of any material violation of any law or municipal ordinance, order or requirement noted or issued against the Property by any governmental authority having jurisdiction over the Property, that has not been cured, corrected or waived as of the Effective Date.

(vii) Seller has or will deliver or make available to Purchaser complete copies of all the Seller Materials to the extent in Seller's possession or under Seller's control with regard to the Property, and there are no other documents or information included within the definition of Seller Materials that have not been provided to the Purchaser.

(viii) Seller has not placed any, and to Seller's actual knowledge there are no, Hazardous Materials installed, stored in or otherwise existing at, on, in or under the Property in violation of any Environmental Requirements.

(ix) Seller (and each of Seller) is not, and will not become, a person or entity with whom United States persons or entities are restricted or prohibited from doing business under regulations of the Office of Foreign Asset Control ("OFAC") of the Department of the Treasury (including those named on OFAC's specially designated and blocked persons list) or under any related statute, or executive order (including the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism) and is not, and will not, knowingly engaged in any dealings or transactions or be otherwise associated with such persons or entities.

(x) During the period from the Effective Date until the Closing Date or Outside Closing Date, as applicable, Seller shall not encumber the Property with any lien or mortgage or make any commitments, proffers, or representations to the applicable government authorities, or to adjoining or surrounding property owners, which would, in any manner, be binding upon Purchaser.

(xi) During the period from the Effective Date until the Closing Date, or Outside Closing Date, as applicable, Seller shall cause the Property to be maintained in substantially the same manner as prior to the date of this Agreement pursuant to Seller's normal course. Seller shall not cause or make any new material improvements, alterations, or demolition to the Property, except as the parties might otherwise agree in writing.

(b) Purchaser's Representations, Warranties, and Covenants. Purchaser represents and warrants to Seller on and as of the date of this Agreement and on and as of the Closing Date (or Outside Closing Date, if applicable) as follows:

(i) Purchaser is a limited liability company validly existing in good standing under the laws of the District of Columbia, and Purchaser has the right, power and authority to enter into this Agreement and to acquire the Property in accordance with the terms and conditions of this Agreement, and no other party has any rights to consent to, approve, or authorize the terms of this Agreement. This Agreement has been properly executed by the Purchaser; and this Agreement is the valid and binding obligation of the Purchaser and is enforceable in accordance with its terms. The execution of this Agreement and the consummation of the transactions contemplated hereby will not violate the terms of the Purchaser's (or its permitted assignee's) Articles of Organization, operating agreement, other applicable entity documents, or any other agreement to which the Purchaser (or its permitted assignee's) is a party, or any order, judgment, or decree applicable to the Purchaser.

(ii) The Purchaser has not (a) made a general assignment for the benefit of creditors, (b) filed any voluntary petition in bankruptcy or suffered the filing of any involuntary petition by the Purchaser's creditors, (c) suffered the appointment of a receiver to take possession of all, or substantially all, of the Purchaser's assets, (d) suffered the attachment or other judicial seizure of all, or substantially all, of the Purchaser's assets, (e) admitted in writing its inability to pay its debts as they come due, or (f) made an offer of settlement, extension or composition to its creditors generally.

(iii) Purchaser is not, and will not become, a person or entity with whom United States persons or entities are restricted or prohibited from doing business under regulations of OFAC (including those named on OFAC's Specially Designated and Blocked Persons List) or under any statute, executive order (including the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism), or other governmental action and is not and will not engage in any dealings or transactions or be otherwise associated with such persons or entities.

12. Risk of Loss. The risk of loss or damage to the Property by fire or other casualty shall remain on Seller until the Deed is delivered by Seller at a Closing; provided, however, that the Parties agree that the Purchaser is purchasing vacant land and any such casualty shall not afford Purchaser any right under this Agreement, including, without limitation, termination. Seller agrees to keep in place adequate public liability insurance until Closing at the Seller's discretion. If, prior to the Closing, there shall occur a taking or condemnation ("Taking") of less than or equal to fifteen percent (15%) of the square footage of the Property, then the Seller shall assign to the Purchaser at Closing all interest of the Seller in and to any award which may be payable to the Seller on account of such Taking without any reduction or decrease of the Purchase Price. On the other hand, if, prior to the Closing, there shall occur a Taking of more than fifteen percent (15%) of the square footage of the Property, then the Purchaser shall have the right either to: (a) terminate this Agreement, in which event the Escrow Holder shall return the Deposit to the Purchaser, this Agreement shall terminate, and the parties shall have no further rights or obligations hereunder except as provided herein; or (b) the Purchaser may accept the Property as provided in this Agreement without reduction of the Purchase Price. If the Purchaser accepts the Property in the event of a Taking, then the Seller shall assign to the Purchaser at Closing all interest of the Seller in and to any award which may be payable to the Seller on account of such Taking, and the Purchase Price shall not be reduced.

13. Notice. Unless specifically stated otherwise in this Agreement, all notices, demands, requests, consents, approvals or other communications (for purposes of this Section 13 collectively referred to as "**Notices**") shall be in writing and delivered to Purchaser, Seller or Escrow Holder, at the addresses set forth below, by one the following methods: (a) personal delivery, whereby delivery is deemed to have occurred at the time of delivery; (b) overnight delivery by a nationally recognized overnight courier company, whereby delivery is deemed to have occurred the Business Day following deposit with the courier; (c) registered or certified mail, postage prepaid, return receipt requested, whereby delivery is deemed to have occurred on the third Business Day following deposit with the United States Postal Service; or (d) electronic transmission (facsimile or electronic mail) provided that such transmission is completed no later than 6:00 p.m. on a Business Day and the original is also sent by personal delivery, overnight



delivery, or by mail in the manner previously described, whereby delivery is deemed to have occurred at the time such transmission was initiated.

(a) Unless changed in accordance with Section 13(b) of this Agreement, the addresses for all communications and notices shall be as follows:

**If to Seller:**

IAD Hospitality, LLC  
2875 Tower View Road, Suite A-4  
Herndon, VA 20171  
Attn: Vikash K. Patel  
Email: [vik.patel@baywoodhotels.com](mailto:vik.patel@baywoodhotels.com)

**With a copy to:**

Offit Kurman, P.A.  
300 E. Lombard Street, Suite #2010  
Baltimore, Maryland 21202  
Attn: Avi J. Sommer  
Email: [asommer@offitkurman.com](mailto:asommer@offitkurman.com)

**If to Purchaser:**

NFD Acquisitions, LLC  
5101 Wisconsin Avenue, N.W., Suite 290  
Washington, D.C. 20016  
Attn: Stephen Collins  
Email: [stephen@northfielddev.com](mailto:stephen@northfielddev.com)

**With a copy to:**

Combs & Taylor LLP  
2101 L Street, N.W., Suite 800  
Washington, D.C. 20037  
Attention: Eric D. Combs  
Email: [eric.combs@combstaylor.com](mailto:eric.combs@combstaylor.com)

**If to Escrow Holder:**

Loudoun Commercial Title, L.L.C.  
5 Wirt Street, Suite 201  
Leesburg, VA 20175  
Attn: Bob Gordon, Esq  
Email: [bob@loudouncommercialtitle.com](mailto:bob@loudouncommercialtitle.com)

(b) Any party may, by notice given in accordance with this Article, designate a different address or person for receipt of all communications or notices.

(c) Any notice under this Agreement may be given by the attorneys of the respective parties who are hereby authorized to do so on their behalf. If a Notice is sent to more than one party on behalf of the Purchaser or the Seller (e.g. to the Seller and the Seller's counsel), delivery to either party shall be deemed delivery hereunder.

**14. Remedies.**

(a) Purchaser Default. In the event Purchaser shall be in breach of any of Purchaser's agreements, representations, or obligations as set forth in this Agreement, Seller shall give written notice to Purchaser detailing such breach (the "**Purchaser Default Notice**"). Purchaser shall have ten (10) business days after receipt of the Purchaser Default Notice (the "**Purchaser Cure Period**") to remedy the breach described in the Purchaser Default Notice; provided, however the Purchaser Cure Period shall not apply to any monetary obligation or if the

Purchaser fails or refuses to make settlement in accordance with the terms hereof for any reason other than an actual default by the Seller or the fulfillment of the provisions of Section 8(a) hereunder, notwithstanding the terms of Section 8(b). In the event Purchaser fails to remedy the breach described in the Purchaser Default Notice to Seller's reasonable satisfaction prior to the expiration of the Purchaser Cure Period, then such breach shall be treated as a "**Purchaser Default**." In the event of a Purchaser Default, Seller may terminate this Agreement, in which case the Deposit shall be delivered to Seller as Seller's fixed, agreed and liquidated damages and sole remedy, and the parties shall be relieved of any further obligation or liability hereunder except for those obligations or liabilities which expressly survive termination of this Agreement. The parties agree that in the event of a Purchaser Default, the actual damages thereby incurred by Seller would be difficult to measure and the receipt of the Deposit by Seller would, in such circumstances, represent reasonable compensation to Seller on account thereof. Notwithstanding anything to the contrary in this Section 14(a), in the event Closing does not occur on the Closing Date due solely to the failure of Purchaser's lender delivering funds to the Escrow Holder necessary to close the transaction described in this Agreement then Purchaser shall not be in breach of this Agreement so long as on the next business day Purchaser's Lender delivers such funds to the Escrow Holder and Closing occurs.

(b) Seller Default. In the event Seller shall be in breach of any of Seller's agreements, representations, or obligations as set forth in this Agreement, Purchaser shall give written notice to Seller, with a copy to Escrow Holder, detailing such breach (the "**Seller Default Notice**"). Seller shall have ten (10) business days after Seller's receipt of the Seller Default Notice (the "**Seller Cure Period**") to remedy the breach described in the Seller Default Notice to Purchaser's reasonable satisfaction prior to the expiration of the Seller Cure Period, then such breach shall be treated as a "**Seller Default**." In the event of a Seller Default, Purchaser may elect, within ten (10) days after the expiration of the Seller Cure Period, to either (i) terminate this Agreement, in which case the Deposit shall be returned to Purchaser, Seller shall promptly reimburse Purchaser for all third-party costs actually incurred and expended by Purchaser pursuant to this Agreement, including but not limited to all attorneys' fees, consultant fees, engineering fees, architecture fees, and filing fees, incurred in connection with Purchaser's efforts to obtain the Approvals, subject to a maximum of \$300,000.00 reimbursed by Seller (the "**Liability Cap**"), and thereafter the parties will be relieved of any further obligation or liability hereunder except for those obligations or liabilities which expressly survive termination of this Agreement, or (ii) pursue specific performance of this Agreement, but if specific performance is not available to Purchaser due to Seller's conveyance of the Property to a third party prior to the Closing, Purchaser may seek such other relief at law or in equity with the understanding and acknowledgement that Purchaser shall only be able to recover monetary damages actually incurred by Purchaser under this Agreement subject to a maximum of \$750,000.00, and Seller shall not seek, nor be awarded, punitive, consequential, special, or exemplary damages. As a condition precedent to Purchaser exercising any right it may have to bring an action for specific performance as a result of a Seller Default, Purchaser shall commence such action within thirty (30) days after the date of such Seller Default.

(c) In the event either party resorts to litigation to enforce its rights hereunder, the parties agree that any judgment awarded to the prevailing party shall include all litigation expenses, including reasonable attorneys' fees.

15. Brokers. Purchaser and Seller each represent and warrant to each other that they dealt with no broker (or finder) in connection with, nor has any broker had any part in bringing about, this transaction other than Mark Roberts and his team members at Savills Inc., acting in a transaction facilitator capacity (the “**Broker**”). Purchaser shall pay the brokerage commission due Broker in accordance with the terms and conditions of a separate written commission agreement. Seller and Purchaser shall each indemnify, defend, and hold harmless the other from and against any claim of any broker or other person for any brokerage commissions, finder’s fees or other compensation in connection with this transaction if such claim is based in whole or in part by, through or on account of, any acts of the indemnifying party or its agents, employees or representatives and from all losses, liabilities, costs and expenses in connection with such claim, including without limitation, reasonable attorneys’ fees, court costs and interest. The provisions of this Section 15 shall survive the Closing, or the termination of this Agreement prior to the Closing.

16. Miscellaneous.

(a) This Agreement shall be governed by, interpreted under, and construed and enforced in accordance with the laws of the Commonwealth of Virginia. The parties hereby submit to the jurisdiction and venue of the courts of the Commonwealth of Virginia in Loudoun County and the U.S. District Court for the Eastern District of Virginia.

(b) This Agreement and the exhibits attached hereto constitute the sole and entire agreement between Seller and Purchaser with respect to the subject matter contained herein and supersedes all prior and contemporaneous understandings and agreements, both written and oral, with respect to such subject matter. This Agreement cannot under any circumstance be modified or amended orally and no agreement shall be effective to waive, change, modify, terminate or discharge this Agreement, in whole or in part, unless such agreement is in writing and signed by both Seller and Purchaser. This Agreement is entered into after full investigation, no party relying upon any statement or representation, not set forth in this Agreement, made by any other party. The covenants, representations, and warranties set forth herein with regard to the Seller and the Property shall merge into the instruments of transfer executed and delivered to the Purchaser at the Closing, and none of these covenants, representations, and warranties shall survive the Closing.

(c) The Seller Materials and access to the Property are furnished to the Purchaser solely in connection with its evaluation of the Property for purchase and for no other purpose. If Purchaser does not close on the purchase of the Property pursuant to this Agreement, Purchaser shall not use any such information any purpose; Purchaser recognizing that such information is confidential business information. Notwithstanding any provision of this Agreement to the contrary, this provision shall survive termination of this Contract.

(d) Seller and Purchaser hereby acknowledge and agree that time is strictly of the essence with respect to each and every term, condition, obligation and provision hereof and that failure to timely perform any of the terms, conditions, obligations or provisions hereof beyond any applicable notice and cure period by either party shall constitute a material breach of and a non-curable (but waivable) default under this Agreement by the party so failing to perform. Unless the context otherwise requires, all periods terminating on a given day, period of days, or date shall terminate at 6:00 p.m. (Eastern time) on such date or dates, and references to “days” shall refer to calendar days except if such references are to “Business Days” which shall refer to days which are

not Saturday, Sunday or a legal holiday. Notwithstanding the foregoing, if any period terminates on a Saturday, Sunday or a legal holiday, the termination of such period shall be on the next succeeding business day.

(e) This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs or successors and permitted assigns. Purchaser shall have the right to assign, transfer or convey its rights and obligations under this Agreement without the prior written consent of Seller (but after written notice to Seller at least fifteen (15) days prior to the Closing) to an entity affiliated with Purchaser and of substantially the same ownership of Purchaser (so that Purchaser or its principals have a majority and controlling interest in the assignee entity) and any other assignment shall require the prior written consent of Seller, provided that any assignee shall assume all of Purchaser's obligations hereunder and succeed to all of Purchaser's rights and remedies hereunder. In the event Purchaser assigns this Agreement in accordance with this Section 16(e), the Seller shall convey the Property directly to the Purchaser's assignee; provided, however, that in the event of such assignment, the Purchaser shall remain liable hereunder until the Closing has been completed. In the event of such an assignment, all references to the Purchaser herein shall be deemed to refer to such assignee.

(f) As used herein, the phrase "to Seller's actual knowledge", "known to Seller", and words of similar import shall mean the actual, current knowledge of Vikash K. Patel ("**Seller's Representative**"), who has knowledge of the operations of the Property, without any independent investigation and does not include any imputed or constructive knowledge that may be attributed to such individual. Seller's Representative nor any Seller Related Party shall have any personal liability for any matter arising out of or in connection with this Agreement, the transactions contemplated herein, or the Property.

(g) If any term or provision of this Agreement is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect, invalidate or render unenforceable any other term or provision of this Agreement.

(h) This Agreement may be executed by the parties in separate counterparts, each of which when so executed and delivered shall be an original for all purposes, but all such counterparts shall together constitute but one and the same instrument. The signature page of any counterpart may be detached therefrom without impairing the legal effect of the signature(s) thereon provided such signature page is attached to any other counterpart identical thereto except having additional signature pages executed by other parties to this Agreement attached thereto. The signatures of Purchaser and Seller may be delivered by facsimile, electronic mail (e-mail) or portable document format (pdf) counterparts of the signature page, which shall be effective as original signature pages for all purposes.

(i) No waiver by any party of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the party providing the waiver. No waiver by either party of any failure or refusal to comply with any obligations under this Agreement shall be deemed a waiver of any other or subsequent failure or refusal to so comply.

(j) This Agreement shall not be deemed an offer or binding upon Seller or Purchaser until this Agreement is fully executed and delivered by Seller and Purchaser.

(k) No individual officers, managers, members, agents, employees, attorneys, or representatives of Purchaser or such representatives of Seller of such party's rights, duties or obligations hereunder, or for the default of such party to observe and perform its obligations hereunder, or under any document executed in connection with the transactions contemplated hereby, or otherwise.

(l) TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, SELLER AND PURCHASER HEREBY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM (WHETHER ARISING IN TORT OR CONTRACT) BROUGHT BY SUCH PARTY AGAINST THE OTHER ON ANY MATTER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS AGREEMENT.

(m) The parties acknowledge that Purchaser and/or Seller may desire to effectuate a tax-free exchange with respect to the purchase and sale of the Property pursuant to Section 1031 of the Internal Revenue Code (an "**Exchange**"). Each of Seller and Purchaser agrees that the other party shall have the right to assign its rights hereunder to a qualified intermediary to effectuate any such Exchange, without any further consent from the non-exchanging party. Each of Seller and Purchaser further agrees to cooperate reasonably with the other party and any exchange agent in the exchanging party's efforts to complete the Exchange and to sign any documents reasonably required to complete the Exchange; provided that the non-exchanging party shall not be obligated to incur any expense or liability in connection with the other party's Exchange, and provided further, that the non-exchanging party shall not be required to accept title to any property other than the Property in connection with the Exchange.

(n) The Section headings have been included for convenience only, are not part of this Agreement and shall not be taken as an interpretation of any provision hereof. This Agreement shall inure to the benefit of, and shall be binding upon the parties, their respective successors, and assigns to the extent permitted by this Agreement under Section 16(e). Time is of the essence for this Agreement. Neither this Agreement nor any memorandum or other summary of this Agreement shall be placed of public record under any circumstances by any party except by the Seller, in Seller's sole discretion, except for any document recorded in the land records relating to the release of the Deposit as provided by Section 3(b).

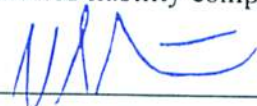
(o) All references to "Section" without reference to a document other than this Agreement, are intended to designate sections of this Agreement, and the words "herein," "hereof," "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular Section, unless specifically designated otherwise. As used in this Agreement, the masculine shall include the feminine and neuter, the singular shall include the plural and the plural shall include the singular, as the context may require. The use of the term "including" means in all cases "including but not limited to" unless specifically designated otherwise.

*[SIGNATURE PAGE FOLLOWS]*

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

**SELLER:**

**IAD HOSPITALITY, LLC,**  
a Virginia limited liability company

By: 

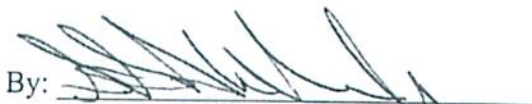
Name: Vikash K. Patel

Title: Managing Member

**PURCHASER:**

**NFD ACQUISITIONS, LLC,**  
a District of Columbia limited liability company

By: Northfield Construction & Development  
LLC, a Virginia limited liability company,  
its sole Member

By:   
Stephen Collins, Vice President

The undersigned hereby acknowledges receipt of this Agreement on \_\_\_\_\_, 2021,  
and hereby agrees to act as Escrow Holder in accordance with the terms and conditions hereof.

**Loudoun Commercial Title, L.L.C.**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

**SELLER:**

**IAD HOSPITALITY, LLC,**  
a Virginia limited liability company

By: \_\_\_\_\_

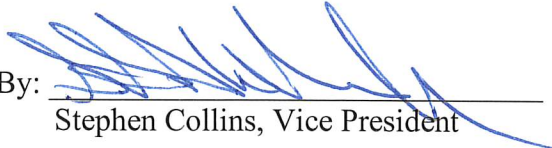
Name: Vikash K. Patel

Title: Managing Member

**PURCHASER:**

**NFD ACQUISITIONS, LLC,**  
a District of Columbia limited liability  
company

By: Northfield Construction & Development  
LLC, a Virginia limited liability company,  
its sole Member

By: \_\_\_\_\_  
Stephen Collins, Vice President

The undersigned hereby acknowledges receipt of this Agreement on \_\_\_\_\_, 2021,  
and hereby agrees to act as Escrow Holder in accordance with the terms and conditions hereof.

**Loudoun Commercial Title, L.L.C.**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

## **LIST OF EXHIBITS**

|                  |                               |
|------------------|-------------------------------|
| <u>Exhibit A</u> | Description of the Land       |
| <u>Exhibit B</u> | Purchaser's Deed of Trust     |
| <u>Exhibit C</u> | Form of Special Warranty Deed |
| <u>Exhibit D</u> | Form of General Assignment    |
| <u>Exhibit E</u> | General Escrow Provisions     |
| <u>Exhibit F</u> | Form of FIRPTA Certificate    |



**EXHIBIT A**

**DESCRIPTION OF THE LAND**

Parcel A1 Orange & Blue, Inc.; as the same appears duly dedicated, platted and recorded as Instrument No. 20040407-0032332, among the Land Records of Loudoun County, Virginia.

LESS AND EXCEPT that portion of the aforesaid parcel taken by the Commonwealth of Virginia in instrument recorded as Instrument No. 20030909-0118431 as confirmed by Order recorded as Instrument No. 20040511- 0045769

## **EXHIBIT B**

### **PURCHASER'S DEED OF TRUST**

Prepared by:  
Eric D. Combs, Esq. (Va. Bar No. 85178)  
Combs & Taylor LLP  
20 S. Madison Street  
P.O. Box 47  
Middleburg, VA 20118

Parcel ID No. 034-26-4101-000

### **DEED OF TRUST**

THIS DEED OF TRUST, hereinafter referred to as "Trust" or "Deed of Trust", is hereby made this \_\_\_ day of \_\_\_\_\_, 20\_\_\_, by and between IAD HOSPITALITY, LLC, a Virginia limited liability company, referred to as "Grantor" (index as Grantor); Eric D. COMBS, Trustee, a resident of Loudoun County, Virginia, and Jason R. BROST, Trustee, a resident of Fairfax County, Virginia, Trustee, either of whom may act, each having a mailing address of P.O. Box 47, Middleburg, Virginia, 20118, hereinafter collectively referred to as "Trustees" (index as Grantee); and NFD ACQUISITIONS, LLC, a District of Columbia limited liability company, hereinafter referred to as "Beneficiary" (index as Grantee).

### **WITNESSETH:**

In consideration of One Dollar (\$1.00) and other valuable consideration, Grantor does hereby grant and convey to the Trustees, with Special Warranty of Title, that certain real property located in Arlington County, Virginia, described on Exhibit A attached hereto and incorporated herein by reference, together with all of Grantor's right, title and interest in and to any and all improvements and fixtures thereon and any all appurtenances, rights, privileges and easements benefitting, belonging or pertaining to such real property (collectively, the "Property").

Such grant and conveyance is made in trust, however, to secure the obligation of Grantor to return to Beneficiary the Deposit (as defined below) in the maximum principal amount of \_\_\_\_\_, pursuant to the terms of that certain Purchase and Sale Agreement dated effective \_\_\_\_\_, 2021 (as it may be subsequently amended, the "Agreement"), between Grantor, as Seller, and Beneficiary, as Purchaser, which is hereby incorporated herein by reference.

This Deed of Trust shall be construed to impose and confer upon the parties hereto, and the Beneficiary hereunder, all duties, rights, and obligations prescribed in Section 55.1-320 of the Code of Virginia of 1950, as amended, and in effect as of the date of the acknowledgment hereof, and further to incorporate herein the following provisions, by the short-term references below, of Section 55.1-325 of the Code of Virginia:

**EXEMPTIONS WAIVED**

**SUBJECT TO CALL UPON DEFAULT**

INSURANCE REQUIRED IN AMOUNT EQUAL TO REPLACEMENT VALUE

ADVERTISEMENT WEEKLY FOR TWO (2) WEEKS IN A NEWSPAPER  
PUBLISHED IN THE CITY OF ALEXANDRIA, VIRGINIA

SUBSTITUTION OF TRUSTEES PERMITTED

The Grantor and the Beneficiary, by accepting the benefits hereof, agree that all authorities, powers, and discretion hereinabove given to the Trustees may be exercised by either, without the other, with the same effect as if executed jointly by both.

In the event of the resignation, death, incapacity, disability, removal, or absence from the Commonwealth of Virginia of either or both Trustees, or for any other reason satisfactory to the Beneficiary, the Beneficiary is authorized and empowered to designate and appoint a Substitute Trustee or Trustees, by an instrument duly executed, acknowledged, and filed for record in the office of the clerk of the court where this Trust is recorded. When such instrument of appointment shall have been so filed and recorded the Substitute Trustee or Trustees named therein shall be vested with all the powers, rights, authorities, and duties vested in the Trustees by this Trust.

Grantor covenants and agrees that the lien of this Deed of Trust is and shall remain a valid Deed of Trust encumbering the Property.

Grantor covenants (1) to return the Deposit to Beneficiary if, as and when required under the terms of the Purchase and Sale Agreement by and between Grantor and Grantee dated as of \_\_\_\_\_, 2021 (the "Contract"); (2) to pay all taxes and assessments on the Property prior to delinquency; (3) to pay, prior to delinquency, such amounts as may be justly due under the terms and provisions of any lien superior or inferior to the lien hereof; and (4) that upon any default or neglect to pay any such taxes, assessments or amounts, the Beneficiary may pay such taxes, assessments or amounts, or may advance any sum in default under any superior or inferior lien, and the expense thereof shall be a charge hereby secured, shall be payable upon demand, and shall bear interest at the rate of four percent (4%) per annum.

Grantor covenants that the total amount secured by the Property under all deeds of trust, now existing or hereafter entered into, shall not exceed eighty-five percent (85%) of the greater of the current fair market value of the Property, as evidenced by an appraisal prepared by Grantor in accordance with commercially acceptable standards, or the appraised value of the Property set forth in the tax assessment records of the City of Alexandria, Virginia.

Grantor covenants that (i) upon default being made by Grantor in its obligation to return the Deposit to Beneficiary pursuant to the terms of the Agreement, or (ii) upon a default by Grantor in any of the other covenants set forth in this Trust and upon the failure of Grantor to remedy any such other default which is monetary in nature within fifteen (15) days after delivery of written notice of such default by Beneficiary to Grantor, or upon the failure of Grantor to remedy any such other default which is non-monetary in nature within thirty (30) days after delivery of written notice of such default by Beneficiary to Grantor, provided, however, that if a non-monetary default cannot reasonably be cured in such thirty (30) day period but Grantor has commenced the process to cure such default and proceeds diligently thereafter Grantor shall be afforded the time necessary to cure such non-monetary default, then upon being required so to do by the Beneficiary, the

Trustees shall sell the Property at public auction, upon such terms and conditions, and at such time and place, and after such previous public advertisement as the Trustees acting in the execution of this Trust shall deem advantageous and proper; and to convey the same in fee simple to and at the cost of the purchaser or purchasers thereof, who shall not be required to see to the application of the purchase money; and of the proceeds of said sale or sales, first, to pay all proper costs, charges, and expenses, including a reasonable attorney's fee, all taxes and insurance premiums paid by any party secured hereby or that may be unpaid;; secondly, to pay to Beneficiary the Deposit and all accrued interest thereon and any other amounts required to be paid to Beneficiary hereunder; and lastly to pay the remainder, if any, to Grantor, its successors or assigns, or those legally entitled thereto.

Upon the earlier to occur of (i) the return of the entire Deposit to Beneficiary, (ii) the Settlement under the Contract, or (iii) the termination of the Contract for any reason which would entitle Grantor to retain the Deposit pursuant to the Agreement, the lien of this Trust will be released at Grantor's expense, within five (5) days after receipt by Beneficiary of a written demand from Grantor.

**[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]**

**[SIGNATURE PAGE FOLLOWS]**



**EXHIBIT C**

**FORM OF SPECIAL WARRANTY DEED**

Prepared by:  
Eric D. Combs, Esq. (Va. Bar No. 85178)  
Combs & Taylor LLP  
20 S. Madison Street  
P.O. Box 47  
Middleburg, VA 20118

Parcel ID No. 034-26-4101-000

Consideration: \$ \_\_\_\_\_  
Assessed Value (20\_\_): \$ \_\_\_\_\_

Grantee's Address: 5101 Wisconsin Avenue N.W.  
Suite 290  
Washington, D.C. 20016

**SPECIAL WARRANTY DEED**

THIS SPECIAL WARRANTY DEED is made this \_\_\_\_ day of \_\_\_\_\_, 20\_\_, from **IAD HOSPITALITY, LLC**, a Virginia limited liability company ("Grantor"), to **NFD ACQUISITIONS, LLC**, a District of Columbia limited liability company ("Grantee").

**WITNESSETH:**

THIS SPECIAL WARRANTY DEED, dated this \_\_\_\_ day of \_\_\_\_\_ 2021, by Ava Enterprises, LLC, a Virginia limited liability company, with a mailing address at 2875 Towerview Road, Suite A4, Herndon, Virginia 20171 (the "Grantor"), to NFD Acquisitions, LLC, a District of Columbia limited liability company, (the "Grantee"), with its principal office at \_\_\_\_\_.

**RECITALS**

Grantor and Grantee are parties to a Purchase and Sale Agreement dated as of September \_\_\_\_\_, 2021 (the "Agreement"), pursuant to which the Grantor agreed to sell to the Grantee, and the Grantee agreed to purchase from the Grantor, the Land (as hereinafter defined). Recourse against Grantor with respect to the representations, warranties and covenants of Grantor hereunder are subject to the provisions and limitations set forth in the Agreement.

WITNESSETH, in consideration of the sum of \_\_\_\_\_ Dollars and No Cents (\$\_\_\_\_\_.00) and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Grantor does hereby grant, bargain, sell and convey in fee simple absolute unto the Grantee all that land situate, lying and being in Loudoun County, Virginia, and more particularly described in Exhibit A attached hereto (the "Land").

TOGETHER WITH any and all improvements located thereon, and together with any easements, rights and appurtenances thereto.

Property Address:

Tax Account No: 034-26-4101-000

Title Insurer:

This Deed is made expressly subject to the conditions, restrictions, reservations, covenants, easements, rights of way, declarations and agreements of record affecting title to the Land conveyed hereby and the items listed on attached Exhibit B, and further subject to all standby fees, ad valorem taxes and assessments not yet due and payable, the payment of which Grantee assumes (hereinafter referred to as the "Permitted Exceptions").

TO HAVE AND TO HOLD the property hereby conveyed unto Grantee, its successors and assigns, in fee simple forever, and Grantor covenants that it will warrant specially the Land, subject to the Permitted Exceptions. The Grantor does hereby covenant to execute such further assurances of the Land as it may be requisite or necessary.

**[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]**

**[SIGNATURE PAGES FOLLOW]**





EXHIBIT A

DESCRIPTION OF THE LAND

Parcel A1 Orange & Blue, Inc.; as the same appears duly dedicated, platted and recorded as Instrument No. 20040407-0032332, among the Land Records of Loudoun County, Virginia.

LESS AND EXCEPT that portion of the aforesaid parcel taken by the Commonwealth of Virginia in instrument recorded as Instrument No. 20030909-0118431 as confirmed by Order recorded as Instrument No. 20040511- 0045769

EXHIBIT B

Permitted Exceptions

[ADD IN LIST OF FINAL PERMITTED EXCEPTIONS AS DETERMINED UNDER PSA]

**EXHIBIT D**  
**FORM OF GENERAL ASSIGNMENT**  
**ASSIGNMENT**

THIS ASSIGNMENT (this “**Assignment**”) is made as of \_\_\_\_\_, 20\_\_, by **IAD HOSPITALITY, LLC**, a Virginia limited liability company (“**Assignor**”) for the benefit of **NFD ACQUISITIONS, LLC**, a District of Columbia limited liability company (“**Assignee**”).

Reference is hereby made to that certain Purchase and Sale Agreement dated as of \_\_\_\_\_, 2021, between Assignor and Assignee (the “**Agreement**”). Capitalized terms used herein without definition shall have the meanings given such terms in the Agreement.

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Assignor does hereby grant, sell, transfer, assign and convey to Assignee, all of Assignor’s right, title and interest in and to the Intangible Property hereby listed on the attached Exhibit A, to the extent assignable and to the extent relating to that certain real property located in the County of Loudoun, Virginia, and more particularly described in Exhibit B attached hereto and incorporated herein by this reference (the “**Real Property**”). Assignee hereby accepts the foregoing assignment and hereby assumes and agrees to fulfill, perform, and observe all of the terms, conditions, and obligations of Assignor under any agreements or terms affecting and/or governing the Intangible Property.

Assignee shall indemnify, defend, and hold Assignor harmless from any and all liability, loss, damage or expense (including reasonable attorney’s fees) which Assignor may incur as result of or arising from the Intangible Property after the date of this Assignment arising from any claims and demands whatsoever which may be asserted against Assignor by reason of the failure of Assignee to perform any of the terms, covenants, or agreements affecting and/or governing the Intangible Property on or after the date hereof. Assignor shall indemnify, defend, and hold Assignee harmless from any and all liability, loss, damage or expense (including reasonable attorney’s fees) which Assignee may incur as result of or arising from the Intangible Property after the date of this Assignment arising from any claims and demands whatsoever which may be asserted against Assignee by reason of the failure of Assignor to perform any of the terms, covenants, or agreements affecting and/or governing the Intangible Property before the date hereof, except for claims and demands arising from Assignee’s willful misconduct, actions, or negligence. Notwithstanding the foregoing, this Assignment shall be limited to the fullest extent by the terms of the Agreement, including, without limitation, Section 14(c) thereof.

The provisions of this Assignment shall be binding upon, and shall inure to the benefit of, the successors and assigns of Assignor and Assignee, respectively, otherwise there is no intent to create any third party beneficiaries of this Assignment, and none shall be created.

This Assignment shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia.

This Assignment may be executed in any number of counterparts, each of which shall be deemed an original, but all of which when taken together shall constitute one and the same

instrument. The signature page of any counterpart may be detached therefrom without impairing the legal effect of the signature(s) thereon, provided such signature page is attached to any other counterpart identical thereto except having additional signature pages executed by other parties to this Assignment attached thereto. This Assignment and all other instruments referred to herein (other than the Agreement which shall be governed by its terms) shall be governed by and shall be construed according to the laws of the Commonwealth of Virginia, without regard to principles of conflicts of law. The parties shall execute and deliver or cause to be executed and delivered such further instruments and documents and shall take such other action as may be reasonably required to more effectively carry out the terms and provisions of this Assignment.

**[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]**

**[SIGNATURE PAGE FOLLOWS]**

IN WITNESS WHEREOF, Assignor has executed this Assignment as of the date first above written.

**ASSIGNOR:**

**IAD HOSPITALITY, LLC**, a Virginia  
limited liability company

By: \_\_\_\_\_

Name:

Title:

**ASSIGNEE:**

**NFD ACQUISITIONS, LLC**, a District of  
Columbia limited liability company

By: Northfield Construction & Development  
LLC, a Virginia limited liability company,  
its sole Member

By: \_\_\_\_\_  
Stephen Collins, Vice President

EXHIBIT A

List of Intangible Property

EXHIBIT B

DESCRIPTION OF THE LAND

## **EXHIBIT E**

### **GENERAL ESCROW PROVISIONS**

The obligations and rights of the Escrow Holder under this Contract shall be subject to the following terms and conditions:

A. Duties. The duties and obligations of the Escrow Holder shall be determined solely by the express provisions of this Contract and no implied duties or obligations shall be implied against the Escrow Holder. Further, the Escrow Holder shall be under no obligation to refer to any other document between or among the Purchaser and the Seller referred to in or related to this Contract, unless the Escrow Holder is provided with a copy of such document and consents thereto in writing.

B. Liability of Escrow Holder. The Escrow Holder shall not be liable to anyone by reason of performance of its duties hereunder, unless caused by or arising out of the Escrow Holder's actual and intentional misconduct, negligence, or breach of the escrow provisions of this Contract or any separate escrow instructions required by the Escrow Holder.

C. Reliance by Escrow Holder. The Escrow Holder shall be entitled to rely, and shall be protected in acting in reliance, upon any writing furnished to the Escrow Holder by either the Purchaser or the Seller and shall be entitled to treat as genuine, and as the document it purports to be, any letter, paper or other document furnished to the Escrow Holder. The Escrow Holder may rely on any affidavit of either the Purchaser or the Seller or any other person as to the existence of any facts stated therein to be known by the affiant.

D. Deposit. If the Seller shall become entitled to retain or receive the Deposit or other amount paid under this Contract, the Escrow Holder shall pay the same to the Seller together with all interest earned thereon and if the Purchaser shall become entitled to a return of the Deposit or other amount paid under this Contract, the Escrow Holder shall pay the same to the Purchaser together with all interest earned thereon; provided, however, that no disbursement pursuant to this Paragraph D shall be made by the Escrow Holder until the third business day following the receipt or deemed receipt of notice by the Seller and the Purchaser from the Escrow Holder of its intention to so disburse, and disbursement made by the Escrow Holder after the passage of such three business day period shall relieve the Escrow Holder from all liability in connection with such disbursement unless such disbursement is proscribed by order of a court of competent jurisdiction or objected to in writing by the Seller or the Purchaser. If such disbursement is objected to in writing by the Seller or the Purchaser within such three business day period, then the Escrow Holder shall not make such disbursement until unanimously instructed in writing by the Purchaser and the Seller, or is directed to make such disbursement by a court of competent jurisdiction.

E. Disputes. In the event of any disagreement between the parties resulting in adverse claims and demands being made in connection with or against the funds held in escrow, the Escrow Holder shall refuse to comply with the claims or demands of either party until such disagreement is finally resolved (i) by a court of competent jurisdiction (in proceedings which the Escrow Holder or any other party may initiate, it being understood and agreed by the Purchaser and the Seller that the Escrow Holder has authority (but not the obligation) to initiate such proceedings), or (ii) by an



arbitrator in the event that the Purchaser and the Seller mutually and jointly determine to submit the dispute to arbitration pursuant to the rules of the American Arbitration Association, and in so doing the Escrow Holder shall not be or become liable to a party, or (iii) by written settlement between the Purchaser and the Seller.

F. Indemnification of Escrow Holder. The Seller and the Purchaser shall jointly and severally indemnify, defend (with counsel acceptable to the Escrow Holder) and save harmless the Escrow Holder from and against all loss, cost, claim, liability, damage and expense, including reasonable attorneys' fees and disbursements incurred in connection with the performance of the Escrow Holder's duties hereunder, except with respect to actions or omissions taken or suffered by the Escrow Holder in bad faith, in willful disregard of this Escrow Agreement, or involving gross negligence on the part of the Escrow Holder.

G. Interpleader. The Escrow Holder may pay the Deposit into a court of competent jurisdiction upon commencement by the Escrow Holder of an interpleader action in such court. The reasonable out-of-pocket costs and attorneys' fees of the Escrow Holder for such interpleader action shall be paid by the losing party in such interpleader action.

H. Reporting Person. The Seller and the Purchaser hereby name the Escrow Holder as the "Reporting Person" under Section 6045(e) of the Code.

I. Further Assurances. From time to time on and after the date hereof, the Seller and the Purchaser shall deliver or cause to be delivered to the Escrow Holder such further documents and instruments and shall do and cause to be done such further acts as the Escrow Holder shall reasonably request (it being understood that the Escrow Holder shall have no obligation to make any such request) to carry out more effectively the provisions and purposes of this Contract, to evidence compliance herewith or to assure itself that it is protected in acting hereunder.

J. Resignation of Escrow Holder. The Escrow Holder may resign at any time as Escrow Holder hereunder upon giving five days' prior written notice to that effect to both the Seller and the Purchaser. In such event, the successor Escrow Holder shall be a nationally recognized title insurance company or other person acceptable to both the Seller and the Purchaser. The Escrow Holder shall deliver the Deposit, against receipt, to the successor Escrow Holder, to be held by the successor Escrow Holder pursuant to the terms and provisions of this Contract. If no such successor has been designated on or before the Escrow Holder ceases to serve hereunder, whether by resignation or otherwise, the obligations of the Escrow Holder as Escrow Holder shall continue until a successor is appointed, provided, however, its sole obligation thereafter shall be to safely keep all monies then held by it and to deliver the same to the person, firm or corporation designated as its successor or until directed by a final order or judgment of a court of competent jurisdiction, whereupon the Escrow Holder shall make disposition thereof in accordance with such order. If no successor Escrow Holder is designated and qualified within five days after its resignation is effective, the Escrow Holder may apply to any court of competent jurisdiction for the appointment of a successor Escrow Holder.

K. Survival. The provisions of this Exhibit E shall survive the Closing or any termination of this Agreement.

**EXHIBIT F**

FORM OF FIRPTA CERTIFICATE

CERTIFICATION OF NON-FOREIGN STATUS

Dated: \_\_\_\_\_, 202\_\_

Section 1445 of the Internal Revenue Code provides that a transferee of a United States real property interest must withhold tax if the transferor is a foreign person. To inform \_\_\_\_\_, a \_\_\_\_\_ (“Transferee”), that withholding of tax is not required upon the disposition of a United States real property interest by the Transferor (defined in paragraph 1 below), the undersigned hereby certify the following:

1. IAD Hospitality, LLC, a Virginia limited liability company (“Transferor”), is not a disregarded entity as defined in Section 1.1445-2(b)(2)(iii) of the Treasury Regulations.
2. Transferor is not a foreign corporation, foreign partnership, foreign trust, or foreign estate (as those terms are defined in the Internal Revenue Code and Treasury Regulations).
3. Transferor’s U.S. employer tax identification number is: 20-5778859.
4. Transferor’s office address is 2875 Tower View Road, Suite A4, Herndon, Virginia 20171.

Transferor understands that this certification may be disclosed to the Internal Revenue Service by Transferee and that any false statement contained herein could be punished by fine, imprisonment, or both. Transferor further understands that this Certification may be disclosed to the Internal Revenue Service by the Transferee and that any false statement contained herein could be punished by fine, imprisonment or both.

**TRANSFEROR:**

IAD Hospitality, LLC,  
a Virginia limited liability company

By: \_\_\_\_\_

Name: Vikash K. Patel

Title: Authorized Member

## **FIRST AMENDMENT TO PURCHASE AND SALE AGREEMENT**

THIS FIRST AMENDMENT TO PURCHASE AND SALE AGREEMENT (this “Amendment”) is entered into as of this \_\_\_ day of November, 2021 (the “First Amendment Effective Date”), by and between IAD Hospitality, LLC, a Virginia limited liability company (“Seller”), and NFD Acquisitions LLC, a District of Columbia limited liability company (“Purchaser”).

### **RECITALS**

WHEREAS, Seller and Purchaser entered into that certain Purchase and Sale Agreement dated as of September 30, 2021 (the “Agreement”), for the sale and purchase of approximately 3.51 acres of real property located in Loudoun County, Virginia, identified as Parcel ID Number 034-26-4101-000 (as more particularly described in the Agreement, the “Property”).

WHEREAS, Seller and Purchaser desire to amend the Agreement as more particularly set forth in this Amendment.

NOW, THEREFORE, for and in consideration of the mutual promises of the parties and other good and valuable consideration, receipt and sufficiency of which are hereby acknowledged, the parties intending to be legally bound do hereby agree as follows:

1. **Incorporation.** The recitals hereinabove contained are hereby incorporated into the operative provisions of this Amendment by reference as if more fully set forth herein.
2. **Definitions.** Initially capitalized terms as used in this Amendment and not otherwise defined herein shall have the meanings as set forth in the Agreement.
3. **Due Diligence Period.** Notwithstanding anything to the contrary set forth in the Agreement, the parties hereby agree that the Due Diligence Period shall be extended for seven (7) days, such that the Due Diligence Period shall expire on December 6, 2021.
4. **Confirmation of Agreement.** Except as amended by the provisions of this Amendment, all terms and conditions of the Agreement shall remain in full force and effect.
5. **Execution.** This Amendment may be executed in any number of counterparts and by facsimile or pdf copies, and any such facsimile or pdf copy shall be deemed to be an original, and any and all counterparts, when considered as a whole, shall constitute a valid agreement of the parties.

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**[SIGNATURE PAGE FOLLOWS]**

IN WITNESS WHEREOF, each of Seller and Purchaser has caused this Amendment to be executed under seal in its name pursuant to due authority as of the First Amendment Effective Date.

**SELLER:**

IAD HOSPITALITY, LLC, a Virginia limited liability company

By: 

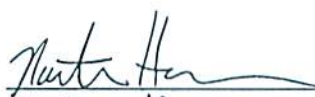
Name: \_\_\_\_\_

Title: \_\_\_\_\_

Vikash Patel  
Member

**PURCHASER:**

NFD ACQUISITIONS LLC, a District of Columbia limited liability company

By: 

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Nathan Hamman  
President

## SECOND AMENDMENT TO PURCHASE AND SALE AGREEMENT

THIS SECOND AMENDMENT TO PURCHASE AND SALE AGREEMENT (this “**Amendment**”) is entered into as of this 6<sup>th</sup> day of February 2023 (the “**Second Amendment Effective Date**”), by and between IAD Hospitality, LLC, a Virginia limited liability company (“**Seller**”), and NFD Acquisitions LLC, a District of Columbia limited liability company (“**Purchaser**”).

### RECITALS

WHEREAS, Seller and Purchaser entered into that certain Purchase and Sale Agreement dated as of September 30, 2021, as amended by that certain First Amendment to Purchase and Sale Agreement dated as of November 29, 2021 (collectively, the “**Agreement**”), for the sale and purchase of approximately 3.51 acres of real property located in Loudoun County, Virginia, identified as Parcel ID Number 034-26-4101-000 (as more particularly described in the Agreement, the “**Property**”).

WHEREAS, Seller and Purchaser desire to amend the Agreement as more particularly set forth in this Amendment.

NOW, THEREFORE, for and in consideration of the mutual promises of the parties and other good and valuable consideration, receipt and sufficiency of which are hereby acknowledged, the parties intending to be legally bound do hereby agree as follows:

1. Incorporation. The recitals hereinabove contained are hereby incorporated into the operative provisions of this Amendment by reference as if more fully set forth herein.
2. Definitions. Initially capitalized terms as used in this Amendment and not otherwise defined herein shall have the meanings as set forth in the Agreement.
3. Purchase Price. Section 4 of the Agreement is hereby deleted and replaced with the following:
  - “4. Purchase Price. Seller acknowledges that Purchaser intends to develop the Property to include a product mix of approximately two-hundred seventy (270) apartment units (the “**Units**”). The purchase price to be paid by Purchaser to Seller for the Property (the “**Purchase Price**”) shall be equal to Six Million Two Hundred Seventy-Three Thousand and No/100 Dollars (\$6,273,000.00), without regard to the number of Units approved for development on the Property pursuant to Purchaser’s Site Plan Approval (as hereinafter defined). Purchaser anticipates developing the Property with a product mix that further includes ten percent (10%) of the amount of Units as affordable dwelling units (collectively, the “**ADUs**”), and such other non-market rate apartment units where the sales price or rental rate that may be offered to a third-party purchaser or lessee for such units is limited by law or regulation enacted or promulgated by a governmental entity having jurisdiction over such matters in the County as may be required, including without

limitation additional affordable dwelling units, workforce housing units, or unmet housing needs units (the “**Non-Market Rate Units**”), together with floor area designated for retail and/or other non-residential uses (the “**Non-Residential Area**”). Notwithstanding the foregoing, Seller and Purchaser hereby agree that the purchase price for Non-Market Rate Units and Non-Residential Area shall be zero, and the Purchase Price shall not be increased in respect of the ADUs or in the event the Property is approved to be developed with additional Non-Market Rate Units or Non-Residential Area. The Purchase Price shall be deposited with Escrow Holder on or before the Closing Date, subject to the credit of the Deposit and any adjustments, credits, or apportionments as provided for under this Agreement, by certified or official bank checks or by one or more wire transfers of immediately available funds.”

4. Section 7(c) of the Agreement is hereby deleted and replaced with the following:

“Seller further acknowledges that, after Purchaser obtains final and unappealable Entitlement Approvals, Purchaser intends to cause to be prepared and submitted to the County Department of Building and Development (“**B&D**”) a final site plan and easement plat (collectively, the “**Development Plans**”) in substantial conformance to the final and unappealable approved Entitlement Approvals and for an estimated two-hundred seventy (270) Units in accordance with Purchaser’s development plans. Purchaser shall be deemed to have obtained final approval of the Development Plans on such date as Purchaser has obtained technical engineering approval of the Development Plans by B&D to the point where the Development Plans and bonds have been delivered to the B&D Bonds Management Team for the remaining administrative process prior to issuance of the permit to commence site development work, subject only to Purchaser’s post-Closing satisfaction of any bonding, development, and/or escrow requirements.”

5. Approvals. Section 7(d) of the Agreement is hereby deleted and replaced with the following:

“(d) Approvals. The final and unappealable approval of the Entitlements Approvals and the final approval of the Development Plans are collectively referred to herein as the “**Approvals**”. Purchaser shall diligently pursue obtaining the Approvals from all appropriate County governmental authorities. Purchaser agrees to keep Seller reasonably informed of the status and progress of the Approvals process and the dates that Purchaser anticipates obtaining each of the Approvals. Seller and Purchaser agree that Purchaser obtaining all Approvals is a condition precedent to Purchaser’s obligation to proceed to Closing hereunder. In the event that Purchaser has not obtained final and unappealable approval of the Entitlements Approvals on or before September 30, 2023 (the “**Entitlements Deadline**”), as the same may be extended by mutual written agreement between the parties hereto, then Purchaser, at its option to be exercised by delivery of written notice to Seller on or before the Entitlements Deadline may either: (1) waive such condition and proceed hereunder and thereafter Purchase pay the Third Deposit as provided in Section 3(a); or (2) terminate this Agreement, in which event the parties hereto shall have no further rights or obligations hereunder except for those rights and obligations which specifically survive termination hereunder, and the Initial Deposit and Second Deposit shall be delivered to Seller. In the event that Purchaser has not obtained all

Approvals on or before the expiration of thirty (30) months after the expiration of the Due Diligence Period (the “**Approvals Deadline**”), then: (a) at Purchaser’s option and upon delivery of written notice to Seller on or before the fifth (5<sup>th</sup>) day prior to the Approvals Deadline, the Approvals Deadline may be extended once for a period of time not to exceed ninety (90) days, and (b) Purchaser, at its option to be exercised by delivery of written notice to Seller on or before the Approvals Deadline, as may be extended pursuant to the preceding clause, may either: (1) waive such condition and proceed hereunder; or (2) terminate this Agreement, in which event the parties hereto shall have no further rights or obligations hereunder except for those rights and obligations which specifically survive termination hereunder, half of the Third Deposit shall be returned to Purchaser with the remaining portion of the Deposit released to the Seller, and, provided the Conditions Precedent to Closing set forth in Section 8(a)(v) is met, the Initial Deposit and Second Deposit shall be delivered, to the extent not already delivered, to Seller. In the event Purchaser elects to waive either such Entitlements Deadline or Approvals Deadline condition and proceed to Closing, the Purchase Price shall be paid at Closing. Except as otherwise set forth herein, all costs in connection the preparation, filing, approval, and recording of the Approvals shall be the obligation of Purchaser. In the event Purchaser fails to provide timely notice to Seller under this Section 7(d) either in exercising a right to extend the Approvals Deadline or terminating this Agreement then Purchaser shall be deemed to proceed forward under this Agreement which shall remain in full force and effect (without the benefit of an applicable extension of time) and the Deposit, and all obligations related thereto, shall be managed in accordance with the requirements of this Agreement.

6. Assignment. Section 16(e) of the Agreement is hereby amended by deleting the second sentence thereof and replacing it with the following: “Purchaser shall have the right to assign, transfer or convey its rights and obligations under this Agreement without the prior written consent of Seller (but after written notice to Seller at least fifteen (15) days prior to the Closing) to (i) an entity affiliated with Purchaser and of substantially the same ownership of Purchaser (so that Purchaser or its principals have a majority and controlling interest in the assignee entity), (ii) an entity associated with Purchaser that specializes in the development and/or financing of market rate or non-market rate multi-family attached residential projects, and (iii) any person, firm, corporation, or other business entity that, whether by purchase, merger, or otherwise, directly or indirectly acquires all or substantially all of the assets or business of Purchaser; and any other assignment shall require the prior written consent of Seller, provided that any assignee shall assume all of Purchaser’s obligations hereunder and succeed to all of Purchaser’s rights and remedies hereunder.

7. Confirmation of Agreement. Except as amended by the provisions of this Amendment, all terms and conditions of the Agreement shall remain in full force and effect.

8. Execution. This Amendment may be executed in any number of counterparts and by facsimile or pdf copies, and any such facsimile or pdf copy shall be deemed to be an original, and any and all counterparts, when considered as a whole, shall constitute a valid agreement of the parties.

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**[SIGNATURE PAGE FOLLOWS]**



IN WITNESS WHEREOF, each of Seller and Purchaser has caused this Amendment to be executed under seal in its name pursuant to due authority as of the Second Amendment Effective Date.

**SELLER:**

IAD HOSPITALITY, LLC, a Virginia limited liability company

By: 

Name: Vikash Patel

Title: Member

**PURCHASER:**

NFD ACQUISITIONS LLC, a District of Columbia limited liability company

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**IN WITNESS WHEREOF**, each of Seller and Purchaser has caused this Amendment to be executed under seal in its name pursuant to due authority as of the Second Amendment Effective Date.

**SELLER:**

IAD HOSPITALITY, LLC, a Virginia limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**PURCHASER:**

NFD ACQUISITIONS LLC, a District of Columbia limited liability company

By: Stephen Collins  
Name: Stephen Collins  
Title: Vice President

### THIRD AMENDMENT TO PURCHASE AND SALE AGREEMENT

THIS THIRD AMENDMENT TO PURCHASE AND SALE AGREEMENT (this "Amendment") is entered into as of this \_\_\_ day of August, 2024 (the "Third Amendment Effective Date"), by and between IAD Hospitality, LLC, a Virginia limited liability company ("Seller"), and NFD Acquisitions LLC, a District of Columbia limited liability company ("Purchaser").

#### RECITALS

WHEREAS, Seller and Purchaser entered into that certain Purchase and Sale Agreement dated as of September 30, 2021, as amended by that certain First Amendment to Purchase and Sale Agreement dated as of November 29, 2021, and that certain Second Amendment to Purchase and Sale Agreement dated as of February 6, 2023 (collectively, the "Agreement"), for the sale and purchase of approximately 3.51 acres of real property located in Loudoun County, Virginia, identified as Parcel ID Number 034-26-4101-000 (as more particularly described in the Agreement, the "Property").

WHEREAS, Seller and Purchaser desire to amend the Agreement as more particularly set forth in this Amendment.

NOW, THEREFORE, for and in consideration of the mutual promises of the parties and other good and valuable consideration, receipt and sufficiency of which are hereby acknowledged, the parties intending to be legally bound do hereby agree as follows:

1. Incorporation. The recitals hereinabove contained are hereby incorporated into the operative provisions of this Amendment by reference as if more fully set forth herein.
2. Definitions. Initially capitalized terms as used in this Amendment and not otherwise defined herein shall have the meanings as set forth in the Agreement.
3. Approvals; Outside Closing Date. Notwithstanding anything to the contrary set forth in the Agreement, the parties hereby agree that the Entitlements Deadline shall be extended to March 31, 2025, the Approvals Deadline shall be extended to March 31, 2026, and the Outside Closing Date shall be extended to September 30, 2026.
4. Deposit. The parties hereby acknowledge that Purchaser has delivered the Initial Deposit, the Second Deposit, and the Third Deposit to Escrow Holder. Notwithstanding anything to the contrary set forth in the Agreement, the parties hereby agree that Purchaser shall deliver to Escrow Holder additional deposits of: (a) an amount equal to Four Hundred Thousand and No/100 Dollars (\$400,000.00) within seven (7) days after receipt of the Entitlement Approvals (the "Fourth Deposit"); and (b) an amount equal to Thirty Thousand and No/100 Dollars (\$30,000.00) every ninety (90) days thereafter until Closing (the "Final Deposits"). The term "Deposit" as used in the Agreement shall refer collectively to the Initial Deposit, Second Deposit, Third Deposit, Fourth Deposit, and/or Final Deposits, as applicable. Notwithstanding

anything to the contrary set forth in the Agreement, in the event the Purchaser elects to terminate the Agreement pursuant to Section 7(d) prior to the Entitlements Deadline, the Initial Deposit, the Second Deposit and the Third Deposit shall all be released to the Seller, and in the event the Purchaser elects to terminate the Agreement pursuant to Section 7(d) after the Entitlements Deadline, the Initial Deposit, the Second Deposit, the Third Deposit, the Fourth Deposit and any Final Deposits that have been posted by the date of termination shall all be released to the Seller.

5. Purchase Price. Notwithstanding anything to the contrary set forth in the Agreement, the parties hereby agree that the Purchase Price shall be increased to Six Million Six Hundred Seventy-Five Thousand and No/100 Dollars (\$6,675,000.00).

6. Purchaser Materials. Section 14(a) of the Agreement is hereby amended by deleting the fourth sentence thereof and replacing it with the following:

“In the event of a Purchaser Default, Seller may terminate this Agreement, in which case (i) Escrow Holder shall deliver the Deposit to Seller, and (ii) Purchaser shall, at no cost to Seller, deliver and release to Seller the architectural plans included in the Entitlements Approval and the survey, environmental report(s), geotechnical report(s), and civil plans (including final site plan and easement plat) created by or on behalf of Purchaser in connection with the Development Plans, as Seller's fixed, agreed, and liquidated damages and sole remedy, and the parties shall be relieved of any further obligation or liability hereunder except for those obligations or liabilities that expressly survive termination of this Agreement.”

7. Confirmation of Agreement. Except as amended by the provisions of this Amendment, all terms and conditions of the Agreement shall remain in full force and effect.

8. Execution. This Amendment may be executed in any number of counterparts and by facsimile or pdf copies, and any such facsimile or pdf copy shall be deemed to be an original, and any and all counterparts, when considered as a whole, shall constitute a valid agreement of the parties.

**[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]**

**[SIGNATURE PAGE FOLLOWS]**

IN WITNESS WHEREOF, each of Seller and Purchaser has caused this Amendment to be executed under seal in its name pursuant to due authority as of the Third Amendment Effective Date.

**SELLER:**

IAD HOSPITALITY, LLC, a Virginia limited liability company

By:   
Name: Vikash Patel  
Title: Member

**PURCHASER:**

NFD ACQUISITIONS LLC, a District of Columbia limited liability company

By:   
Name: Nathan Hamman  
Title: President

## ASSIGNMENT AND ASSUMPTION OF PURCHASE AND SALE AGREEMENT

THIS ASSIGNMENT AND ASSUMPTION OF PURCHASE AND SALE AGREEMENT ("Agreement") is made as of June 30, 2025 ("Agreement Date"), between NFD ACQUISITIONS LLC, a District of Columbia limited liability company ("Assignor"), and FRH REALTY LLC, a Delaware limited liability company ("Assignee"). Assignor and Assignee shall each be hereinafter referred to as a "Party" and collectively, the "Parties".

### Background:

A. Assignor, as purchaser, has entered into that certain Purchase and Sale Agreement, dated as of September 30, 2021, with IAD HOSPITALITY, LLC, a Virginia limited liability company, as seller ("Seller"), as the same has been amended by (i) that certain First Amendment to Purchase and Sale Agreement, dated as of November 29, 2021, (ii) that certain Second Amendment to Purchase and Sale Agreement, dated as of February 6, 2023, and (iii) that certain Third Amendment to Purchase and Sale Agreement, dated as of August 1, 2024 (collectively, the "Purchase Agreement"), for the acquisition of approximately 3.51 acres of real property, which is more particularly bounded and described on **Exhibit A** attached hereto and made a part hereof, located in Loudoun County ("County"), Commonwealth of Virginia ("State"), identified as Parcel ID Number 034-26-4101-000, Tax Map Number /94//35////A1 (the "Land").

B. Assignor desires to assign to Assignee, and Assignee desired to assume from Assignor, all of Assignor's rights, title and interest in and to the Purchase Agreement pursuant to the terms, conditions and agreements set forth herein.

### Agreement:

In consideration of the mutual agreements herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor agrees to sell and Assignee agrees to purchase the Property, on the following terms and conditions:

#### 1. DEFINITIONS

1.1 "42(m) Letter" means the issuance of a Letter by each of (i) Virginia Housing Development Authority confirming that the Project is eligible for Low Income Housing Tax Credits in accordance with Section 42 of the Internal Revenue Code of 1986, as amended (the "Code") and (ii) the issuer of the tax-exempt private activity bonds for the Project confirming that the Low Income Housing Tax Credits will not exceed the amount necessary for the financial feasibility of the Project and its viability as a qualified low-income housing project in accordance with Section 42 of the Code, in each case upon such terms and conditions are acceptable to Assignee in its sole and absolute discretion.

1.2 "Assignee's Project Documents" means any and all plans, permits and third party reports created or generated by Assignee's consultants in connection with the Project including, without limitation, the site plan, easement plat and building permit plans, but expressly excluding any materials that are proprietary to Assignee and any financial analyses prepared for or on behalf of Assignee.

1.3 "Assignment" means that certain Assignment and Assumption of Purchase and Sale Agreement in the form attached hereto as **Exhibit B**.

1.4 "Assignor Documents" means all documents, materials and other information in Assignor's possession or to which Assignor has reasonable access relating to the ownership, operation, physical condition, use and/or development of the Property and/or otherwise relating to all or any part of the Property, including, without limitation, (i) all "Seller Materials" (as defined in the Purchase Agreement) made available to Assignor by Seller, (ii) the results and reports for all "Inspections" (as defined in the Purchase Agreement) obtained by Assignor, (iii) copies of all "Entitlement Applications" and "Entitlement

Approvals” (as such terms are defined in the Purchase Agreement) received by Assignor, (iv) copies of any site plans or other materials submitted to or received from B&D regarding the “Approvals” (as defined in the Purchase Agreement) to be obtained by Assignor, including, without limitation, all “Entitlement/Development Plan Documents” and “Municipal Requirements”) (as such terms are defined in the Purchase Agreement), (v) all Leases and Contracts, (vi) all property tax, utility and other operating expense bills and insurance policies relating to the ownership and operation of the Property over the three-year period preceding the Agreement Date and any assessment district information, (vii) any other conditional use permits, variances and other governmental permits and/or approvals, including, without limitation, copies of all applications and related submittals, (viii) all plans, specifications, surveys, environmental reports and site assessments, title information, geotechnical tests, engineering reports, soils and boring reports, studies (including, without limitation, draining studies, hydrology studies and traffic studies), test results, architectural, design, construction and other development information (e.g., site plans and drawings), correspondence with municipal zoning and planning departments and other governmental authorities and agencies, and any notices of violations of any governmental requirements, (ix) utility availability letters, (x) feasibility and market studies and appraisals, (xi) flood zone maps, (xii) engineering certifications, (xiii) restrictive covenants and reciprocal easement agreements, (xiv) materials relating to any litigation, condemnation, or other proceedings, and (xv) any title commitments, surveys or zoning report obtained or received by Assignor relating to the Property.

1.5 “Assignor Related Party” means collectively any Assignor agent, advisor, representative, affiliate, employee, manager, partner, member, beneficiary, investor, servant, shareholder, trustee, or other person or entity acting on Assignor’s behalf or otherwise related to or affiliated with Assignor.

1.6 “B&D” means the Loudoun County Department of Building and Development.

1.7 “Closing” means such time as the Deed is recorded in the Official Records of the County.

1.8 “Closing Date” means the date on which the Closing occurs pursuant to this Agreement. For clarity the Closing Date under this Agreement shall be the same as the “Closing Date” occurring under the Purchase Agreement.

1.9 “Consent to Assignment” means that certain Consent to Assignment in the form attached hereto and incorporated herein as **Exhibit D**, with such changes as are approved by Assignee in its reasonable discretion.

1.10 “Contracts” means all agreements, contracts and any other documents relating to the ownership, operation, use and/or development of the Property and/or otherwise relating to all or any part of the Property.

1.11 “Deed” means the special warranty deed in the form attached to the Purchase Agreement as Exhibit C.

1.12 “Environmental Law” means any federal, state, local law, statute, ordinance, regulation or order, all amendments thereto, and all common law, pertaining to human health and safety, the environment or the presence, use, production, generation, handling, transportation, treatment, storage, disposal, distribution, labeling, testing, processing, emission, application, spraying, discharge, release, threatened release, control, or cleanup of Hazardous Materials.

1.13 “Escrow” means the escrow account opened pursuant to Section 4.1.

1.14 “Escrow Agent” means First American Title Insurance Company, 400 International Parkway, Suite 380, Lake Mary, Florida 32746, Attention: Alison Hodges; Email:ahodges@firstam.com.

1.15 “Financing Contingency Date” shall mean June 30, 2026.

1.16 "Hazardous Materials" means any (a) "hazardous wastes" as defined by the Resource Conservation and Recovery Act of 1976, as amended from time to time ("RCRA"), (b) "hazardous substances" as defined by the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. 9601 et seq.), as amended by the Superfund Amendment and Reauthorization Act of 1986 and as otherwise amended from time to time ("CERCLA"); (c) "toxic substances" as defined by the Toxic Substances Control Act, as amended from time to time ("TSCA"), (d) "hazardous materials" as defined by the Hazardous Materials Transportation Act, as amended from time to time ("HMTA"), (e) asbestos, oil, or other petroleum products, radioactive materials, urea formaldehyde foam insulation, radon gas and transformers or other equipment that contains dielectric fluid containing polychlorinated biphenyls and (f) any substance whose presence is detrimental or hazardous to health or the environment, including, without limitation, microbial or fungal matter or mold, or lead based paint or which is otherwise regulated by any Environmental Law in effect at the pertinent date or dates.

1.17 "Inspection Period" means the period of time commencing on the Agreement Date and expiring at 5:00 p.m., Pacific Time, on the later of (i) the sixtieth (60<sup>th</sup>) day after the Agreement Date, or (ii) the thirtieth (30<sup>th</sup>) day after receipt by Assignee of both the Onsite Diligence Approval and the Consent to Assignment.

1.18 "Leases" means any leases, licenses and other occupancy agreements, if any, which affect the Property as of the Agreement Date.

1.19 "Loan Commitment" means a commitment to provide subordinate financing for the Project from the Loudoun County Board of Supervisors, upon such terms and conditions are acceptable to Assignee in its sole and absolute discretion.

1.20 "Permitted Exceptions" means only the following interests, liens and encumbrances:

- (a) Any lien of real estate taxes, assessments, or other governmental charges not yet due and payable;
- (b) Applicable zoning regulations and ordinances;
- (c) Liens for water and sewer service not yet due and payable; and
- (d) Exceptions as to which Assignee has not objected or has accepted in accordance with Section 8.1 below.

1.21 "Preliminary Title Report" means a current preliminary title report issued by the Title Company for the Property.

1.22 "Project" means the Affordable Scenario residential development of the Property as approved by the Rezoning.

1.23 "Property" means all right, title and interest of Seller in and to the following:

(a) The Land, together with all rights, privileges and easements appurtenant thereto or used in connection therewith, including, without limitation, all minerals, oil, gas and other hydrocarbon substances thereon, all air rights, water, water rights and water stock relating thereto, mineral rights, all strips and gores, and all of Seller's right, title and interest, if any, in and to any streets, alleys, easements, rights-of-way, public ways, or other rights appurtenant thereto (the Land and above described rights, privileges and easements appurtenant thereto, are collectively referred to herein as the "Real Property");

(b) Any improvements located upon the Real Property (collectively, the "Improvements"); and



(c) All of Seller's right, title and interest (to the extent assignable) in and to all intangible property relating to the Real Property (the "Intangible Property") including, without limitation, all (i) plans, specifications, surveys, studies, drawings, architectural and engineering drawings, reports and maps, and (ii) licenses, approvals, certificates, permits, development rights, entitlements issued, approved or granted by any governmental authorities, except to the extent any of the foregoing are related or connected to any of the adjacent real property to which the Seller or any Seller Related Party has an interest.

1.24 "Purchase Agreement Outside Closing Date" means, September 30, 2026, as such date may hereafter be extended pursuant to any subsequent amendment to the Purchase Agreement.

1.25 "Release" means any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping or disposing into the outdoor environment, including, without limitation, the abandonment or discarding of barrels, drums, containers, tanks and other receptacles containing or previously containing any Hazardous Material.

1.26 "Seller Related Party" means collectively any Seller agent, advisor, representative, affiliate, employee, manager, partner, member, beneficiary, investor, servant, shareholder, trustee, or other person or entity acting on Seller's behalf or otherwise related to or affiliated with Seller.

1.27 "Site Plan Approval" means the final unappealable approval of the site plan and easement plat for the Project from B&D.

1.28 "Survey" means a map of a stake survey of the Property prepared by a licensed surveyor at the request of Assignee, which survey (i) complies with Minimum Standard Detail Requirements for ALTA/NSPS Land Title Surveys, jointly established and adopted by ALTA and NSPS in 2021, (ii) includes items 2, 3, 4, 5, 6(a), 6(b), 7(a), 7(b), 8, 9, 10, 11(a), 11(b), 13, 14, 15, 16, 17, 18, 19 and 20 of Table "A" of such Minimum Standard Detail Requirements, (iii) is otherwise in a form reasonably sufficient to enable the Title Company to issue the Title Policy, (iv) is dated not earlier than the Agreement Date, and (v) is certified as of the date said survey was made to Assignee, its lender, if any, and the Title Company.

1.29 "Target Closing Date" means the date which is the earlier of (i) the Purchase Agreement Outside Closing Date, or (ii) the date which is thirty (30) days following the date on which Assignee has received (1) the 42(m) Letter, (2) the Loan Commitment; (3) Site Plan Approval; and (4) approval of building permits ("Building Permit Approval") with respect to the development of the Project.

1.30 "Title Company" means Loudoun Commercial Title, L.L.C., having an address at 5 Wirt Street SW, Suite 200, Leesburg, VA 20175-2923 (Attention: Kate Gordon, Esq.; Email: kate@loudouncommercialtitle.com).

1.31 "Title Policy" means a 2006 ALTA Owner's Policy of Title Insurance in the full amount of the Purchase Price insuring in Assignee marketable, fee simple title to the Property, subject only to the Permitted Exceptions, together with such endorsements as are customary in transactions of this type (e.g., zoning and access endorsements) and any special endorsements which are requested by Assignee because of the nature, configuration or other characteristics of the Property, in each case of such endorsements as (a) Purchaser has requested and Title Company has agreed to issue prior to the end of the Inspection Period or in connection with a Title Defect disclosed to Purchaser after the expiration of the Inspection Period, or (b) necessary to remove or insure over any Title Defects which Assignor is obligated to cure pursuant to the Purchase Agreement, including, without limitation, the cost of recording any curative title documents and/or providing any Title Company endorsements requested by Assignee in order to cure such Title Defects.

## 2. ASSIGNMENT FEE; PURCHASE PRICE; EARNEST MONEY

2.1 Assignment Fee; Payment. For and in consideration of the assignment of the Purchase

Agreement and execution and delivery of the instruments and other items by Assignor set forth herein, at Closing, Assignee agrees to pay to Assignor the sum of **One Million Seven Hundred Twenty-Five Thousand and No/100 Dollars (\$1,725,000.00)** (the "Assignment Fee"), payable in cash at the Closing.

2.2 Purchase Price; Payment. At Closing, Assignee shall be obligated to pay the "Purchase Price" for the Property to Seller under the terms of the Purchase Agreement equal to the amount of **Six Million Six Hundred Seventy-Five Thousand and No/100 Dollars (\$6,675,000.00)** (the "Purchase Price"), payable in cash at the Closing, but subject to the adjustments applicable thereto as provided in the Purchase Agreement.

2.3 Earnest Money Deposit. An earnest money deposit in the amount of **Fifty Thousand and No/100 Dollars (\$50,000.00)** (the "Initial Deposit") shall be delivered to Escrow Agent within five (5) business days after the Agreement Date. This Agreement may be terminated by Assignor if any portion of the Initial Deposit is not received by Escrow Agent by such deadline. Unless this Agreement has been terminated on or before such applicable dates, Assignee hereby agrees to make the following additional deposit(s) with Escrow Agent:

(a) **Fifty Thousand and No/100 Dollars (\$50,000.00)**, to be made within three (3) business days of the expiration of the Inspection Period (the "Second Deposit");

(b) **One Hundred Thousand and No/100 Dollars (\$100,000.00)** within three (3) business days of Assignee's receipt of the Loan Commitment (the "Third Deposit"); and

(c) **Six Hundred Fifty Thousand and No/100 Dollars (\$650,000.00)** upon the earlier of: (i) three (3) business days after Assignee's receipt of the 42(m) Letter; or (ii) the Financing Contingency Date (the "Fourth Deposit").

The Initial Deposit and, to the extent deposited into Escrow the Second Deposit, Third Deposit and Fourth Deposit are collectively referred to herein (along with all accrued interest thereon) as the "Earnest Money Deposit." Escrow Agent shall invest the Earnest Money Deposit in an FDIC insured interest-bearing account designated by Assignee. The Earnest Money Deposit delivered into Escrow by Assignee shall be held as specifically provided in this Agreement and fully applicable to the Assignment Fee in the event that the Closing occurs. Following Assignee's delivery of the Approval Notice and delivery of the Second Deposit in accordance with Section 3.2, the Earnest Money Deposit shall be non-refundable to Assignee unless this Agreement is terminated by Assignee in accordance with Section 7.2, 8.1, 10.1, 11.1, 11.2 or 13.1 of this Agreement. In the event of Assignor Default or Seller Default beyond applicable notice and cure periods, the entire Earnest Money Deposit shall be refunded to Assignee by Escrow Agent or Assignor, as applicable, within three (3) business days of Assignee's notice of termination; provided, however, that notwithstanding the foregoing or any other provision of this Agreement to the contrary, a portion of the Initial Deposit equal to One Hundred and No/100 Dollars (\$100.00) shall be deemed non-refundable and shall be paid to Assignor as consideration for Assignor's obligations pursuant to this Agreement.

2.4 Closing Costs.

(a) Assignor shall pay:

- (1) Assignor's attorneys' fees and expenses;
- (2) The cost of Assignor's due diligence inspection of the Property;
- (3) One-half ( $\frac{1}{2}$ ) of all of Escrow Agent's fees and costs under this Agreement; and
- (4) The cost of curing any Title Defects which Assignor is obligated to cure

pursuant to this Agreement, including, without limitation, the cost of recording any curative title documents and/or providing any Title Company endorsements requested by Assignee in order to cure such Title Defects.

(b) Assignee shall pay:

(1) Assignee's attorneys' fees and expenses;

(2) The cost of Assignee's due diligence inspection of the Property including any reports or feasibility studies;

(3) All costs associated with the issuance of the Title Policy including any endorsements thereto (unless such endorsements are necessary to remove or insure over any Title Defects which Assignor is obligated to cure pursuant to this Agreement, including, without limitation, the cost of recording any curative title documents and/or providing any Title Company endorsements requested by Assignee in order to cure such Title Defects), the cost and expense of title examination, title clearance, an issuance of the title commitment;

(4) All costs associated with the Survey;

(5) The costs of the "Purchaser" pursuant to Section 9(c) of the Purchase Agreement; and

(6) One-half (½) of all of Escrow Agent's fees and costs under this Agreement.

(c) All other normal costs and expenses will be allocated between Assignee and Assignor in accordance with the customary practices in the County.

2.5 Prorations. The Purchase Price shall be subject to all prorations, credits, apportionments and adjustments as set forth under the Purchase Agreement. At Closing, Assignee shall reimburse Assignor for the amount of any portion of the "Deposit" (as defined in the Purchase Agreement) made by Assignor under the terms of the Purchase Agreement to the extent that Assignee actually receives credit therefore against the final Purchase Price under the Purchase Agreement (the "Deposit Reimbursement Amount").

2.6 Development Costs. Assignee shall be responsible for the development costs of the Project including, without limitation, the costs to pursue Site Plan Approval and Building Permit Approval and, if the Closing occurs, proffers related to the Affordable Scenario (in the amount established at the Rezoning (subject to annual CPI increases) except for any changes to such proffers established at the Rezoning that have not been approved by Assignee in its sole and absolute discretion); provided, however, that Assignor shall be responsible for the costs of the Rezoning; provided, further, that Assignee's approval rights with respect to changes in proffers shall be limited to the Affordable Scenario proffers.

### 3. INSPECTION PERIOD

3.1 Inspection Period. Assignee shall have until the expiration of the Inspection Period to examine, inspect, and investigate all aspects of the Property in the manner prescribed in Section 3.3. Such rights shall include, without limitation, the right to review and inspect all engineering reports and physical inspections, the Assignor Documents, environmental and biological reports and tests for the Property, and all other information, reports, or tests which Assignee deems appropriate to conduct with respect to the Property.

3.2 Assignee's Election. In the event that Assignee does not deliver written notice to

Assignor of Assignee's approval of its inspection of the Property (an "Approval Notice") on or before 5:00 p.m. Pacific Time on the last day of the Inspection Period, Assignee shall be deemed to have disapproved of its inspection of the Property, this Agreement shall terminate and neither Party shall have any further right or obligations under this Agreement, except for those obligations under this Agreement which expressly survive the termination of this Agreement. Upon any termination of this Agreement pursuant to this Section 3.2, Assignor shall cause Escrow Agent to promptly return the Earnest Money Deposit to Assignee. In the event that Assignee delivers an Approval Notice prior to 5:00 p.m. Pacific Time on the last day of the Inspection Period, Assignee shall make the Second Deposit in a timely manner in accordance with Section 2.3(a), this Agreement shall continue in full force and effect, the right of Assignee to terminate this Agreement pursuant to this Section 3.2 shall expire and the Initial Deposit and Second Deposit shall be non-refundable to Assignee unless this Agreement is terminated in accordance with Section 7.2, 8.1, 10.1, 11.1, 11.2 or 13.1 of this Agreement; provided that, notwithstanding the foregoing, if Assignee delivers an Approval Notice but fails to timely make the Second Deposit in accordance with Section 2.3(a), then Assignor shall have the right to terminate this Agreement, in which case, Escrow Agent shall promptly return the Earnest Money Deposit to Assignee and neither Party shall have any further right or obligations under this Agreement, except for those obligations under this Agreement which expressly survive the termination of this Agreement. Whenever any time period is determined in connection with Section 3.1 and/or 3.2, such time period shall be determined taking Section 16.8 into consideration. Assignee's approval, when required under Section 3.1 and/or this Section 3.2, may be granted or withheld in Assignee's sole and subjective discretion.

3.3 Assignee's Inspection. Assignor hereby designates Assignee as a "Purchaser's Representative" as defined and in accordance with Section 5(c) of the Purchase Agreement and shall cooperate and facilitate Assignee's access to the Property as further described herein, including by requesting Seller consent (as and to the extent required under the Purchase Agreement) to Assignee's inspections permitted by this Section 3.3. Assignor shall obtain Seller's consent to Assignee's performance of (i) an ALTA survey, (ii) geotechnical borings at the Property and (iii) a Phase I" environmental assessment of the Property (such consent by Seller being the "Onsite Diligence Approval") within five (5) days of the Agreement Date. Commencing on the Agreement Date and at all times prior to Closing, Assignee, through its employees, agents, representatives and consultants, shall have the right of reasonable access to the Property and to all Assignor Documents at all reasonable times prior to the expiration of the Inspection Period for the purpose of reviewing the same, taking soil borings and conducting Hazardous Materials inspections and otherwise inspecting the Property. Assignor shall, at no cost or expense to Assignor, cooperate with and assist Assignee in making such reviews and inspections. Assignor agrees to deliver the Assignor Documents to Assignee within five (5) days of the Agreement Date, together with an inventory of the Assignor Documents delivered to Assignee pursuant hereto. Assignee hereby agrees to indemnify, defend, save, and hold Seller and Assignor harmless from and against any and all losses, costs, damages, liens, claims, suits, judgments, liabilities, or expenses (including, but not limited to, Seller's, any Seller Related Party's or Assignor's reasonable third-party attorneys' fees, court costs, and disbursements) arising out of Assignee's or Assignee Parties' access to, or inspections of, the Property, or arising as a result of personal injury (including death) or property damage caused by actions or inactions by Assignee's or Assignee Parties' except to the extent such losses, costs, damages, liens, claims, liabilities, or expenses are caused by or resulting from: (i) any acts or omissions of any Seller, Seller Related Party, Assignor or Assignor Related Party; or (ii) any pre-existing, dangerous, illegal, or defective condition of the Property (collectively, "Pre-Existing Conditions"). Assignee shall not damage or destroy any portion of the Property in conducting its examinations and studies of the Property during the Inspection Period and, if Closing does not occur, Assignee shall promptly repair any portion of the Property damaged by the conduct of the Assignee or the Assignee's representatives, contractors, or agents ("Assignee Parties") to substantially the condition such portion(s) of the Property were in immediately prior to such examinations or studies. The foregoing obligation to repair and restore the Property, and the indemnity obligation set forth in this Section 3.3, shall survive Closing or any termination of this Agreement.

3.4 Hazardous Materials. Without limiting the provisions of Section 3.1, prior to the expiration of the Inspection Period, Assignee shall have the right, but not the obligation, to cause a "Phase I" and/or a "Phase II" environmental assessment of the Property to be conducted, and a "Biological" assessment to

be conducted. In the event that the Phase I Environmental Report recommends additional testing, then the Inspection Period shall be extended for an additional thirty (30) days for, without limitation, the purpose of permitting Assignee to obtain and assess the results of a "Phase II" environmental assessment or otherwise further assess the environmental condition of the Property as so recommended. Any environmental or biological assessments shall be subject to the provisions of Section 3.3 above.

#### 4. ESCROW AND CLOSING

4.1 Opening of Escrow. Within two (2) business days after the mutual execution and delivery of this Agreement, Assignee and Assignor will open an escrow (the "Escrow") with the Escrow Agent by delivering to Escrow Agent a fully executed copy of this Agreement. Assignee and Assignor agree to execute any additional instructions reasonably required by the Escrow Agent. If there is a conflict between any escrow instructions submitted by Escrow Agent and this Agreement, the provisions of this Agreement will control.

4.2 Cancellation Fees and Expenses. In the event that the Closing does not occur at the time and in the manner provided in this Agreement due to the default of one of the Parties, all escrow and title cancellation costs, if any, will be paid by the defaulting Party. If the Closing does not take place for any reason other than a default by one of the Parties, the Parties shall each pay their respective Closing Costs, if any, in accordance with Section 2.4.

4.3 Time and Place of Closing. Unless otherwise agreed to in writing by Assignor and Assignee, the Closing shall take place through the offices of Escrow Agent on the Closing Date, subject only to the other terms and conditions of this Agreement.

#### 4.4 Closing Deliveries.

(a) Deposit of Documents by Assignor. On or prior to the Closing Date, or such earlier date as may be required by the Purchase Agreement, Assignor shall deposit the following items into Escrow each of which shall be duly executed by Assignor and, where appropriate, acknowledged:

- (i) The Assignment;
- (ii) A satisfaction or release of the Deposit DOT (as hereinafter defined), in such form as is required by Title Company, and the Deposit Note (as hereinafter defined);
- (iii) A recertification that the representations and warranties of Assignor under this Agreement remain true, correct and complete, in all material respects as of the Closing Date;
- (iv) Such other documents as Assignee and/or Escrow Agent may reasonably request to effect the transaction contemplated by this Agreement, including, without limitation, any and all further documents, affidavits and instruments, reasonably requested by Escrow Agent or Title Company in order to cause the assignment of Purchase Agreement to Assignee, including without limitation, current organizational certificates and documents of Assignor, good standing certificates for Assignor from the state of its formation and, if applicable, the state where the Property is located, and resolutions for Assignor or its members, as applicable, authorizing the execution of this Agreement and all documents contemplated herein or made necessary hereby; and
- (v) Deliver to Escrow Agent, a "PDF" copy of a duly executed settlement statement or disbursement statement required by Escrow Agent to evidence the payment of the Assignment Fee, plus any Deposit Reimbursement Amount, and of all costs, expenses and prorations as provided herein (the "Assignment Settlement Statement").

(b) Deposit of Documents and Funds by Assignee. On or prior to the Closing Date, or such earlier date as may be required by the Purchase Agreement, Assignee shall deposit the following

items into Escrow each of which shall be duly executed, if applicable, by Assignee and, where appropriate, acknowledged:

- Costs and Prorations;
  - (i) The balance of the Purchase Price and Assignee's share of Closing
  - (ii) The Assignment;
  - (iii) The documents required from the "Purchaser" under the terms of the Purchase Agreement (collectively, the "Acquisition Documents"), which Acquisition Documents may be delivered to the Escrow Holder pursuant to the terms of the Purchase Agreement;
  - (iv) Such other documents as Assignor and/or Escrow Agent may reasonably request to effect the transaction contemplated by this Agreement, including, without limitation, any and all further documents, affidavits and instruments, reasonably requested by Escrow Agent or Title Company in order to cause the assignment of Purchase Agreement to Assignee, including without limitation, current organizational certificates and documents of Assignee, good standing certificates for Assignee from the state of its formation and the state where the Property is located, and resolutions for Assignee or its members, as applicable, authorizing the execution of this Agreement and all documents contemplated herein or made necessary hereby; and
  - (v) The Assignment Settlement Statement.

4.5 Disbursements and Other Actions By Escrow Agent. At the Close of Escrow, the applicable party will promptly undertake all of the following:

- (a) Escrow Agent shall disburse all funds deposited with Escrow Agent by Assignee as follows:
  - (i) deliver to the Purchase Price, as the same is to be adjusted in accordance with the Purchase Agreement, to "Escrow Holder" (as defined in the Purchase Agreement) for the account of Seller;
  - (ii) deliver the Assignment Fee, plus any Deposit Reimbursement Amount, to the account of Assignor;
  - (iii) deliver any Closing Costs and Prorations to the applicable parties;
  - (iv) disburse the remaining balance of the funds deposited by Assignee to Assignee less any amounts chargeable to Assignee pursuant to a written closing statement executed by Assignee.
- (b) Title Company shall have irrevocably committed and agreed to issue to Assignee the Title Policy.
- (c) Title Company shall deliver to Assignee the Assignment and any other documents (or copies thereof) deposited into Escrow by Assignor.
- (d) Title Company shall deliver to Assignor any other documents (or copies thereof) deposited into Escrow by Assignee.

## 5. WARRANTIES, REPRESENTATIONS AND COVENANTS OF ASSIGNOR

Assignor warrants and represents to Assignee as follows as of the date of this Agreement and as of the Closing Date and where indicated covenants and agrees as follows:

5.1 Organization; Validity; Conflict. Assignor has obtained or will obtain the Consent to Assignment. Assignor is duly organized, validly existing, and in good standing under the laws of the state of its formation. This Agreement has been duly and validly executed and delivered by Assignor and is enforceable against Assignor in accordance with its terms and all agreements, instruments and documents contemplated hereby to be executed by Assignor will be as of the Closing duly authorized, executed and delivered and enforceable against Assignor in accordance with their terms. Neither the execution and delivery of this Agreement by Assignor nor the consummation by Assignor of the transaction contemplated hereby (a) requires any further consent or approval except as may otherwise be contemplated herein, (b) conflicts with or constitutes a default under any of Assignor's organizational documents or any other agreement, contract, instrument or document to which Assignor is a party or which binds Assignor, the Property or any of Assignor's assets, or (c) violates any governmental requirement. Assignor does not own any assets in Ukraine or South Korea and has not received any revenues in the past year from businesses located in South Korea or Ukraine.

5.2 Purchase Agreement. With respect to the Purchase Agreement, Assignor represents, and warrants to Assignee as follows:

(a) A true, correct and complete copy of the Purchase Agreement is attached hereto and made a part hereof as Exhibit C. The Purchase Agreement is in full force and effect, neither Assignor nor, to Assignor's knowledge, Seller is in breach of any of the terms thereof, and Assignor has not given to Seller or received from Seller any notice of default, termination, failure to perform, or dispute under the Purchase Agreement.

(b) To Assignor's knowledge, the representations made by Seller in the Purchase Agreement remain true and correct.

(c) Assignor shall promptly give Assignee a copy of any notice given to Seller or received from Seller under the Purchase Agreement.

(d) As of the Agreement Date, pursuant to the terms of the Purchase Agreement, Assignor has made payments of the "Deposit" (as defined in the Purchase Agreement) in the aggregate amount of Six Hundred Thousand and No/100 Dollars (\$600,000.00), which amount is inclusive of: (i) an "Initial Deposit" under the Purchase Agreement of \$10,000; (ii) a "Second Deposit" under the Purchase Agreement of \$40,000; (iii) a "Third Deposit" under the Purchase Agreement of \$150,000; and (iv) a "Fourth Deposit" under the Purchase Agreement of \$400,000. As of the Agreement Date, Assignor has not made any "Final Deposit" (as defined in the Purchase Agreement). No portion of the "Deposit" is refundable to Assignor and each "Final Deposit" when made shall be refundable to Assignor. The full amount of the "Deposit" is applicable to the "Purchase Price" for the Property under the terms of the Purchase Agreement.

(e) As of the Agreement Date, no portions of the "Deposit" have been released to Seller or are otherwise secured by a promissory note or deed of trust. Assignor agrees to provide Assignee with prompt written notice if any portions of the "Deposit" are hereafter released to Seller, including copies of any promissory note (the "Deposit Note") or deed of trust (the "Deposit DOT") entered into by Seller relating thereto. Assignor shall not assign or encumber any of its right, title and interest in and to the Deposit Note or the Deposit DOT except as may be contemplated herein.

(f) As of the Agreement Date, Assignor retains: (i) one (1) right to extend the "Approvals Deadline" (as defined in the Purchase Agreement) for ninety (90) additional days in accordance with Section 5 of the Second Amendment to the Purchase Agreement (the "Approvals Deadline Extension"); and (ii) one (1) right to extend the "Outside Closing Date" (as defined in the Purchase Agreement) for ninety (90) additional days in accordance with Section 8(b) of the Purchase Agreement (the "Outside Closing Date Extension").

5.3 Sale Agreements; Leases; Contracts; Assignor Documents; Labor Requirements. Except for the Purchase Agreement and this Agreement, to Assignor's knowledge, (a) the Property is not subject

to any outstanding agreement(s) of sale, option(s), or other right(s) of third parties to acquire any interest therein except for the Purchase Agreement and this Agreement; (b) there are no Leases permitting persons to occupy or use any portion of the Property, either oral or written, which would extend beyond the Closing Date or otherwise bind Assignee or encumber all or part of the Property after the Closing, (c) there are no Contracts, oral or written, which would extend beyond the Closing Date and which would bind Assignee or encumber all or part of the Property after the Closing other than those recorded in the official records of the County where the Property is located before the Agreement Date; and (d) no part of the Property is subject to any agreement with any union, or prevailing wage or any other requirement relating to the use of union labor.

5.4 Litigation; Condemnation. There is no litigation or proceeding pending, or to Assignor's knowledge, threatened against Assignor or Seller relating to the Property. To Assignor's knowledge, neither the whole nor any part of the Property, including any access thereto or any easement benefiting the Property, is subject to temporary requisition of use by any governmental authority or has been condemned, nor is there now any pending or planned condemnation, requisition or similar proceeding against the whole or any part of the Property, including any access thereto or any easement benefiting the Property.

5.5 Assessments; Zoning; Governmental Notices. To Assignor's knowledge: (a) there are no unpaid impact fees, taxes, assessments, and other charges affecting or relating to the Property except for such taxes and assessments that are liens against the Property and are shown in the Official Records of the County; (b) no improvements (site or area) have been constructed or installed by any public authority, the cost of which may be assessed in whole or in part against any part of the Property in the future; (c) Assignor has not been notified of any possible future improvements that might create an assessment against any part of the Property; (d) the use of the Property as of the Agreement Date is consistent with the land use designation for the Property under all applicable governmental requirements, and all concurrency requirements have been satisfied; (e) the Property is not located within a 100 year flood plain; (f) neither Seller nor Assignor have not entered into any commitments or agreements with any governmental authorities or agencies affecting the Property that have not been disclosed in writing to Assignee; and (g) Assignor has not received any notice (including through Seller) from any governmental authorities or agencies of uncured violations at the Property of building, fire, air pollution or zoning codes, rules, ordinances or regulations, environmental and hazardous substances laws, or other rules, ordinances or regulations relating to the Property.

5.6 Environmental Matters. Assignor has no knowledge of any person causing any Release, threatened any Release, or disposal of any Hazardous Material at the Property or using any Hazardous Material at the Property. To Assignor's knowledge the Property does not contain any: (a) underground storage tank, (b) material amounts of asbestos-containing material, (c) landfills or dumps, (d) hazardous waste management facility as defined under RCRA or any comparable state law, or (e) site on or nominated for the National Priority List promulgated pursuant to CERCLA or any state remedial priority list relating to any comparable state law; and to Assignor's knowledge the Property has not at any time contained any of the items referenced in clauses (b), (c), (d), or (e) of this Section.

5.7 Full Disclosure; No Untrue Statement; Certification. All matters materially and adversely impacting all or any part of the Property, the ownership, operation, use or development of all or any part of the Property, or with the potential of having such impact, which are known to Assignor have been disclosed or will be disclosed to Assignee in writing within five (5) days of the Agreement Date. Neither this Agreement, any Exhibit, any written statement nor any documents or instruments furnished or to be furnished by Assignor to Assignee in connection with this transaction contain any untrue statement of material fact or omit any material fact necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading in any material respects. Assignor is not a "foreign person" within the meaning of Sections 1445 or 897 of the Internal Revenue Code.

5.8 Commissions. Except for Institutional Property Advisors (IPA) and Mark Roberts at Savills Inc. (each a "Broker" and collectively the "Brokers"), Assignor has neither dealt with nor has any knowledge of any broker or other party who has or may have any claim against Assignor, Assignee or the



Property for a brokerage commission or finder's fee or like payment arising out of or in connection with the transaction contemplated hereby. Assignor shall be responsible for all brokerage commissions, finder's fees and other like payments payable in connection with this Agreement and/or the transactions contemplated herein including, without limitation, any such fees and payments payable to the Brokers; provided, however, for clarity Assignee has agreed to pay to Assignor at Closing a fixed amount as partial reimbursement for any brokerage commission, finder's fee or like payment made by Assignor arising out of or in connection with the transaction contemplated hereby, in the amount of Fifty Thousand and No/100 Dollars (\$50,000.00) which amount is already included within the amount of the Assignment Fee set forth in this Agreement and shall not be paid separately.

5.9 Indemnity. Assignor shall indemnify, defend, protect and hold Assignee harmless from and against all claims, losses, liabilities, damages, costs and expenses (including, but not limited to, attorneys' fees and court costs) to the extent arising from the inaccuracy or breach of any representation or warranty by Assignor in this Agreement and shall survive for the Survival Period. This indemnification shall be binding upon the successors and assigns of Assignor and inure to the benefit of Assignee, its members, and each of their successors and assigns.

## 6. WARRANTIES, REPRESENTATIONS AND COVENANTS OF ASSIGNEE

Assignee hereby warrants and represents as of the date of this Agreement and as of the Closing and where indicated covenants and agrees as follows:

6.1 Organization; Authority. Assignee is duly organized, validly existing, and in good standing under the laws of the state of its formation. Assignee has, or will have prior to Closing, the full power and authority to execute, deliver and perform its obligations under this Agreement.

6.2 Authorization; Validity. This Agreement and all agreements, instruments and documents herein provided to be executed by Assignee are and as of the Closing will be duly authorized, executed and delivered by and are and will be binding upon Assignee.

6.3 Commissions. Except as set forth in Section 5.8, Assignee has neither dealt with nor does it have any knowledge of any broker or other party who has or may have any claim against Assignee for a brokerage commission or finder's fee or like payment arising out of or in connection with the transaction contemplated hereby.

6.4 Indemnity. Assignee shall indemnify, defend, protect and hold Assignor harmless from and against all claims, losses, liabilities, damages, costs and expenses (including, but not limited to, attorneys' fees and court costs) to the extent arising from the inaccuracy or breach of any representation or warranty by Assignee in this Agreement and shall survive for the Survival Period. Such obligation shall be binding upon successors and assigns of Assignee and inure to the benefit of Assignor, its members, and each of their successors and assigns.

6.5 Affordable Scenario. Assignee shall not pursue the Market Rate Scenario.

## 7. POSSESSION; RISK OF LOSS

7.1 Possession. At Closing, possession of the Property shall be transferred from Seller to Assignee free and clear from any persons and entities, leases, temporary occupancy agreements, licenses, and all other third-party rights of use or occupancy of the Property or any part thereof.

7.2 Risk of Loss. All risk of loss relating to the Property shall remain upon Seller until the Deed is delivered at Closing; provided, however, that the Parties agree that the Assignee is purchasing vacant land and any such casualty shall not afford Assignee any right under this Agreement, including, without limitation, termination. Seller has agreed under the Purchase Agreement to keep in place adequate public liability insurance until Closing at the Seller's discretion. If, prior to the Closing, there

shall occur a taking or condemnation ("Taking") of less than or equal to fifteen percent (15%) of the square footage of the Property, then except as set forth below, Assignor shall cause Seller to assign to Assignee at Closing all interest of the Seller in and to any award which may be payable to Seller on account of such Taking without any reduction or decrease of the Purchase Price. On the other hand, if, prior to the Closing, there shall occur a Taking (i) of more than fifteen percent (15%) of the square footage of the Property or (ii) of less than fifteen (15%) of the square footage of the Property but that would materially obstruct access to the Property or would, in Purchaser's judgment, materially impact Purchaser's ability to develop the Project, then in either case the Assignee shall have the right either to: (a) terminate this Agreement, in which event the Escrow Holder shall return the Earnest Money Deposit to the Assignee, this Agreement shall terminate, and the Parties shall have no further rights or obligations hereunder except as provided herein; or (b) Assignee may accept the Property as provided in this Agreement without reduction of the Purchase Price. If Assignee accepts the Property in the event of a Taking, then Assignor shall cause Seller to assign to Assignee at Closing all interest of Seller in and to any award which may be payable to the Seller on account of such Taking, and the Purchase Price shall not be reduced.

## 8. TITLE MATTERS

### 8.1 Title.

(a) Title Insurance. Within five (5) days after the Agreement Date, the Title Company shall deliver to Assignee the Preliminary Title Report and all underlying title documents. During the period beginning as of the Agreement Date and ending on the date which is ten (10) days prior to the expiration of the Inspection Period ("Title Review Period"), Assignee shall have the right to notify Assignor in writing of any matters shown in the Preliminary Title Report and, if applicable, encroachments or other items shown on the Survey, of which Assignee disapproves (collectively, any "Title Defect"). Any Title Defect or other objection disclosed by the Preliminary Title Report (other than liens removable by the payment of money) or the Survey which is not timely specified by Assignee in any written notice of Title Defects delivered to Assignor shall be deemed approved by Assignee. Assignor shall notify Assignee in writing ("Assignor's Title Election") within five (5) days of Assignee's delivery of notice of whether or not Assignor elects to (a) cure any Title Defect or other objection caused by Assignor, or (b) use commercially reasonable efforts, including enforcement of the terms of the Purchase Agreement, to cause the cure of any other Title Defect or other objection; provided, however, that failure by Assignor to deliver Assignor's Title Election within such five (5) day period shall be deemed Assignor's election to not cure or cause the cure of any such Title Defects. If Assignor elects to cure or cause to be cured any Title Defect, Assignor shall cure or cause the cure of such Title Defects by the Closing Date. If Assignor elects not to cure or cause the cure, Assignee shall have the right within five (5) days of Assignor's delivery of Assignor's Title Election (or deemed election), in lieu of any other remedies, to: (i) terminate this Agreement and receive a return of the Earnest Money Deposit; or (ii) waive such Title Defects and/or objections and close the purchase of the Property subject to them; provided, however, Assignee's failure to respond to Assignor's Title Election within such five (5) day period shall be deemed an election by Assignee to waive such Title Defects and/or objections. On or prior to the Closing Date, Assignor shall, at its sole cost and expense, cause to be removed from title to the Property any lien, security interest or other monetary encumbrance (including any Deposit DOT) caused by or arising through Assignor, including, without limitation, whether or not Assignee affirmatively disapproves of such items in any notice to Assignor.

(b) Supplemental Title Reports. If between the expiration of the Inspection Period and the Closing, the Title Company shall issue any one or more supplemental reports (each, a "Supplemental Report") describing any new or modified exception(s) to title to the Property, Assignee shall have five (5) business days from Assignee's receipt of each such Supplemental Report and each document underlying each such new and/or modified exception(s) to approve or disapprove of each such new and/or modified exception(s) by delivering written notice to Assignor. Assignee's failure to deliver written notice to Assignor within five (5) business days of Assignee's receipt of any Supplemental Report shall be deemed Assignee's approval of the new and/or modified exception(s) contained in such Supplemental Report. If after the Title Company issues one or more Supplemental Reports, Assignee timely delivers notice to Assignor of any one or more new and/or modified exception(s) contained in any

such Supplemental Report of which Assignee disapproves, the provisions set forth above for Title Defects which Assignee notifies Assignor of prior to the expiration of the Title Review Period shall apply.

(c) Miscellaneous Title Matters. If a search of title to the Property discloses judgments, bankruptcies or other returns against other persons having names the same as or similar to that of Assignor or Seller, Assignor shall on request deliver to Assignee, or to cause Seller to deliver to Assignee, an affidavit stating, if true, that such judgments, bankruptcies or the returns are not against Assignor or Seller, as applicable. Assignor further agrees to execute and deliver to the Title Company at Closing such documentation as the Title Company shall reasonably require to evidence that the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly authorized and that there are no mechanics' liens on the Property arising from or through Assignor.

#### 9. ASSIGNOR COVENANTS

Assignor hereby agrees that between the Agreement Date and the Closing or earlier termination of this Agreement:

(a) Unless required to avoid or cure a default under the Purchase Agreement, Assignor shall not take any action related to the Purchase Agreement, including, without limitation, enter into any amendment, modification or termination of the Purchase Agreement, grant any approvals or consents required from "Purchaser" under the terms of the Purchase Agreement, or excuse Seller of any obligation which Seller has under the Purchase Agreement, without in each case the prior written consent of Assignee; provided, however, Assignor shall have the right and is hereby obligated to make each additional "Final Deposit" as and when required under the terms of the Purchase Agreement and Assignor shall give Assignee reasonable evidence that each such "Final Deposit" has been made in a timely manner. Assignor shall promptly notify Assignee of any such action taken to avoid or cure a default under the Purchase Agreement.

(b) Assignor shall use commercially reasonable efforts to obtain from Seller further modifications, including extensions to any dates or deadlines, reasonably requested by Assignee.

(c) Assignor shall not default under the Purchase Agreement.

(d) Assignor shall exercise either the Approvals Deadline Extension or the Outside Closing Date Extension, if and as directed by Assignee provided that Assignee shall give Assignor written instructions pertaining thereto at least one (1) business day in advance of the date such extension rights must be exercised by "Purchaser" under the Purchase Agreement.

(e) Assignor shall not (i) materially alter the condition of the Property or improve the Property, or (ii) take any action or cause any action to be taken that materially and adversely effects the value of the Property.

(f) Assignor shall not, without Assignee's prior written consent (which may be granted in Assignee's sole and absolute discretion), apply for, consent to, or otherwise cause any change or modification with respect to the zoning, use or development of the Property other than as currently proposed pursuant to Seller's sixth (6<sup>th</sup>) submission of rezoning case LEGI-2023-0029 RESIDENCES AT DULLES PLAZA ZMAP-2022-0002, dated March 31, 2025 (the "Rezoning") which reflects separate development scenarios relating to (i) market rate housing (the "Market Rate Scenario"), and (ii) affordable housing (the "Affordable Scenario"). Notwithstanding the foregoing, any requirements herein for Assignee to approve any Rezoning matters shall be limited to matters related to the Affordable Scenario.

(g) Assignor shall promptly deliver to Assignee written notice of any asserted and/or threatened claim which directly or indirectly materially could affect Seller, Assignor, Assignee or the Property which Assignor receives.

(h) Assignor shall not market the Property or the Purchase Agreement to any other prospective purchasers or solicit or accept any offers for the purchase of the Property or the assignment of the Purchase Agreement (whether or not subordinate to this Agreement) from any other prospective purchasers.

## 10. CONDITIONS PRECEDENT

10.1 Conditions Precedent to Assignee's Obligations. The obligations of Assignee under this Agreement are subject to satisfaction (or written waiver by Assignee) of each of the conditions set forth below in this Section 10.1.

(a) (i) Seller's warranties and representations under the Purchase Agreement shall be true and correct in all material respects (except in the case of warranties and representations that are already qualified by materiality, which warranties and representations shall be true and correct in all respects), and (ii) Assignor's warranties and representations under this Agreement shall be true and correct in all material respects (except in the case of warranties and representations that are already qualified by materiality, which warranties and representations shall be true and correct in all respects).

(b) (i) All obligations of Seller contained in the Purchase Agreement shall have been fully performed in all material respects and Seller shall not be in material default under any covenant, restriction, right-of-way or easement affecting the Property, and (ii) all obligations of Assignor contained in this Agreement shall have been fully performed in all material respects and Assignor shall not be in default under the Purchase Agreement.

(c) The physical condition of the Property shall be unchanged in all material respects from the date of the expiration of the Inspection Period, ordinary wear and tear excepted.

(d) The Property shall be free and clear from any persons and entities, leases, temporary occupancy agreements, licenses, all other third-party rights of use or occupancy of the Property or any part thereof and any third-party rights to approve development and/or operation of the Project.

(e) The Title Company shall have issued or be irrevocably and unconditionally committed to issue to Assignee the Title Policy.

(f) The Affordable Scenario of the Rezoning shall have been approved and not subject to any applicable appeal period.

(g) No lawsuit, appeal, proceeding or other action pertaining to the Property shall have been filed by any party and not dismissed, directly or indirectly, involving Seller, the Property or Assignee's development thereof.

In the event that all of the above conditions set forth in this Section 10.1 are not satisfied (or waived by Assignee in writing) on or prior to the Closing Date, Assignee shall, for such time as any one or more of such conditions remain unsatisfied, have the following rights, exercisable by delivery of written notice to Assignor following the then-applicable Target Closing Date but prior to the expiration of that day which is ten (10) days following the then-applicable Target Closing Date: (i) the right to extend the Target Closing Date to the extent that a similar extension to the Closing Date exists under the Purchase Agreement; and (ii) the right to terminate this Agreement. If Assignee delivers to Assignor written notice of Assignee's election under clause "(ii)" of the immediately preceding sentence, this Agreement shall automatically terminate and, if the failure to satisfy the conditions set forth in Section 10.1 are a result of Assignor Default or Seller Default, the Earnest Money Deposit shall promptly be returned to Assignee. In addition to the foregoing, in the event of a Seller Default, Assignee shall be entitled to exercise any rights and remedies available to "Purchaser" under the Purchase Agreement and Assignor agrees, at no cost to Assignor, to take such actions as directed by Assignee necessary to enforce such rights and remedies

under the Purchase Agreement.

Notwithstanding the above, or anything else to the contrary in this Agreement, if at any time prior to the Financing Contingency Date, Assignee determines that the condition set forth in Section 10.1(g) is not reasonably likely to be satisfied on terms and conditions acceptable to Assignee, in Assignee's reasonable discretion, then Assignee shall have the right to immediately terminate this Agreement (without waiting until the Target Closing Date) and the Earnest Money Deposit shall be the property of Assignor.

10.2 Conditions Precedent to Assignor's Obligations. The obligations of Assignor under this Agreement are subject to satisfaction (or written waiver by Assignor) of each of the following conditions or requirements on or before the Target Closing Date:

(a) Assignee's warranties and representations under this Agreement shall be true and correct in all material respects.

(b) Assignee shall have deposited the balance of the Assignment Fee, Purchase Price, Closing Costs and Prorations (as such Closing Costs and Prorations are applicable to Assignee) into Escrow and any other documents required to be deposited into Escrow pursuant to Section 4.4(b).

In the event that on the Closing Date all conditions precedent to Assignee's obligation to purchase shall have been satisfied or waived but the conditions to Assignor's obligation to assign the Purchase Agreement set forth above in this Section 10.2 have not been satisfied (or waived by Assignor in writing), and Assignor elects in writing to terminate this Agreement, the Earnest Money Deposit shall be the property of Assignor ("Assignor's Liquidated Damages") and neither Party shall have any further claim against the other by reason of this Agreement, except with respect to any obligations which expressly survive the termination of this Agreement.

10.3 Assignor's and Assignee's Efforts. Subject to the provisions of this Agreement, each Party shall use commercially reasonable efforts to take or cause to be taken all actions necessary, proper or advisable to consummate the transaction contemplated by this Agreement.

## 11. BREACH; REMEDIES

11.1 Breach by Assignor. In the event of a breach of Assignor's covenants, representations or warranties herein prior to Closing, Assignee shall give written notice to Assignor, with a copy to Escrow Holder, detailing such breach (the "Assignor Default Notice"). Assignor shall have until the earlier of (a) ten (10) business days after Assignor's receipt of the Assignor Default Notice or (b) the Outside Closing Date under and as defined in the Purchase Agreement (the "Assignor Cure Period") to remedy the breach described in the Assignor Default Notice. In the event Assignor fails to remedy the breach described in the Assignor Default Notice to Assignee's reasonable satisfaction prior to the expiration of the Assignor Cure Period, then such breach shall be treated as a "Assignor Default." In the event of a Assignor Default, Assignee may, within ten (10) days after the expiration of the Assignor Cure Period, at its election: (i) terminate this Agreement, receive a return of the Earnest Money Deposit together with all interest accrued thereon and reimbursement of its documented out-of-pocket expenses incurred in connection with the transaction contemplated by this Agreement, such reimbursement not to exceed a cap of \$50,000 prior to the Rezoning and \$1,000,000.00 thereafter; (ii) enforce this Agreement by suit for specific performance; and/or (iii) waive such Assignor Default and close as contemplated hereby, notwithstanding such Assignor Default. Notwithstanding the above or anything else to the contrary in this Agreement, if the remedy of specific performance is not available to Assignee because Assignor has sold, transferred or otherwise conveyed all or any of its interest in Property to a third party, then Assignee shall be entitled to bring an action against Assignor for damages incurred by Assignee and Assignee's recovery shall not be limited as provided above or elsewhere in this Agreement.

11.2 Breach by Seller. In the event of a breach of Seller of its covenants, representations or

warranties in the Purchase Agreement, Assignee shall give written notice to Seller, with a copy to Escrow Holder, detailing such breach (the "Seller Default Notice"). Assignor shall deliver the Seller Default Notice to Seller within three (3) business days after Assignee's delivery thereof to Assignor. Seller shall have ten (10) business days after Seller's receipt of the Seller Default Notice (the "Seller Cure Period") to remedy the breach described in the Seller Default Notice. In the event Seller fails to remedy the breach described in the Seller Default Notice to Assignee's reasonable satisfaction prior to the expiration of the Seller Cure Period, then such breach shall be treated as a "Seller Default." In the event of a Seller Default, Assignee may, within ten (10) days after the expiration of the Seller Cure Period, at its election: (i) terminate this Agreement, receive a return of the Earnest Money Deposit together with all interest accrued thereon and reimbursement of its documented out-of-pocket expenses incurred in connection with the transaction contemplated by this Agreement, such reimbursement not to exceed a cap of (x) \$50,000 prior to the Rezoning, (x) \$600,000.00 thereafter, provided that Assignee has documented total out-of-pocket expenses equal to or greater than \$900,000.00, (y) if this Agreement is terminated after the Rezoning and Assignee's total documented out-of-pocket expenses are greater than \$300,000 but less than \$900,000.00, then \$300,000 plus one-half (1/2) of such total document out-of-pocket expenses in excess of \$300,000 or (z) solely in the event that specific performance is not available because Seller has conveyed all or any of its interest to a party that is not Assignor or Assignee, \$750,000; (ii) cause Assignor, at no cost to Assignor, to enforce the Purchase Agreement by suit for specific performance; and/or (iii) waive such Seller Default and close as contemplated hereby, notwithstanding such Seller Default. In addition to the foregoing, except in the case of the foregoing clause (i) (in which case Assignor shall maintain all rights and remedies against the Seller under the Purchase Agreement to recover costs and expenses), Assignee shall be entitled to exercise any rights and remedies available to "Purchaser" under the Purchase Agreement and Assignor agrees, at no cost to Assignor, to take such actions as directed by Assignee necessary to enforce such rights and remedies under the Purchase Agreement. Notwithstanding anything to the contrary herein, if Assignee terminates this Agreement pursuant to this Section 11.2 and it or any of its affiliates subsequently acquires the Property within the twelve (12) month period following such termination, Assignee shall return to Assignor the Earnest Money Deposit and the amount of any expenses reimbursed by Assignor at the closing of such acquisition; provided, however, for the purposes of this provision The California State Teacher's Retirement System (CalSTRS) and its affiliates and subsidiaries shall not be considered affiliates of Assignee.

### 11.3 Breach by Assignee.

(a) In the event of a breach of Assignee's covenants, representations or warranties herein prior to Closing, Assignor shall give written notice to Assignee, with a copy to Escrow Holder, detailing such breach (the "Assignee Default Notice"). Assignee shall have until the earlier of (a) ten (10) business days after Assignee's receipt of the Assignee Default Notice or (b) the Outside Closing Date under and as defined in the Purchase Agreement (the "Assignee Cure Period") to remedy the breach described in the Assignee Default Notice. In the event Assignee fails to remedy the breach described in the Assignee Default Notice to Assignor's reasonable satisfaction prior to the expiration of the Assignee Cure Period, then such breach shall be treated as a "Assignee Default." ASSIGNEE AND ASSIGNOR ACKNOWLEDGE AND AGREE THAT IT WOULD BE IMPRACTICAL AND EXTREMELY DIFFICULT TO ESTIMATE THE DAMAGES SUFFERED BY ASSIGNOR AS A RESULT OF ASSIGNEE'S FAILURE TO COMPLETE THE ASSIGNMENT OF THE RIGHT TO PURCHASE OF THE PROPERTY PURSUANT TO THIS AGREEMENT IN THE EVENT THAT THE CLOSING AND THE CONSUMMATION OF THE TRANSACTION CONTEMPLATED HEREBY DOES NOT OCCUR AS HEREIN PROVIDED BY REASON OF AN ASSIGNEE DEFAULT AND THAT UNDER THE CIRCUMSTANCES EXISTING AS OF THE DATE OF THIS AGREEMENT, ASSIGNOR'S LIQUIDATED DAMAGES AS DEFINED IN SECTION 10.2 ALONG WITH, IF APPLICABLE, THE ASSIGNMENT DESCRIBED IN SECTION 11.4 REPRESENT A REASONABLE ESTIMATE OF THE DAMAGES WHICH ASSIGNOR WILL INCUR AS A RESULT OF SUCH FAILURE. THEREFORE, ASSIGNEE AND ASSIGNOR DO HEREBY AGREE THAT A REASONABLE ESTIMATE OF THE TOTAL NET DETRIMENT THAT ASSIGNOR WOULD SUFFER IN THE EVENT THAT ASSIGNEE DEFAULTS AND FAILS TO COMPLETE THE PURCHASE OF THE PROPERTY IS ASSIGNOR'S LIQUIDATED DAMAGES ALONG WITH, IF APPLICABLE, THE ASSIGNMENT DESCRIBED IN SECTION 11.4, WHICH SHALL BE THE SOLE AND EXCLUSIVE REMEDY OF ASSIGNOR FOR ASSIGNEE DEFAULT AND FAILURE BY ASSIGNEE AND THE FULL,

AGREED AND LIQUIDATED DAMAGES WHICH ASSIGNOR SHALL BE ENTITLED TO. TO THE EXTENT ASSIGNOR IS PERMITTED TO DO SO UNDER APPLICABLE LAW, ASSIGNOR HEREBY WAIVES THE PROVISIONS OF ANY STATUTE, CODE, OR OTHER LAW, REGULATION, OR ORDINANCE LIMITING OR PROHIBITING THE FOREGOING LIQUIDATED DAMAGES ARRANGEMENT. UPON SUCH ASSIGNEE DEFAULT AND FAILURE BY ASSIGNEE, THIS AGREEMENT WILL BE TERMINATED AND, EXCEPT FOR ANY OBLIGATIONS WHICH EXPRESSLY SURVIVE THE TERMINATION OF THIS AGREEMENT MAY BE ENFORCED BY ASSIGNOR (IN ADDITION TO RETENTION AND COLLECTION BY ASSIGNOR OF ASSIGNOR'S LIQUIDATED DAMAGES PROVIDED HEREUNDER ALONG WITH, IF APPLICABLE, THE ASSIGNMENT DESCRIBED IN SECTION 11.4), NEITHER PARTY WILL HAVE ANY FURTHER RIGHTS OR OBLIGATIONS HEREUNDER TO EACH OTHER EXCEPT FOR THE RIGHTS OF ASSIGNOR TO RETAIN ASSIGNOR'S LIQUIDATED DAMAGES IN ITS POSSESSION AND COLLECT ASSIGNOR'S LIQUIDATED DAMAGES IN ESCROW OR OTHERWISE NOT IN ASSIGNOR'S POSSESSION ALONG WITH, IF APPLICABLE, THE ASSIGNMENT DESCRIBED IN SECTION 11.4 AND ANY OBLIGATIONS WHICH EXPRESSLY SURVIVE THE TERMINATION OF THIS AGREEMENT. NOTHING HEREIN SHALL LIMIT THE INDEMNIFICATION OR OTHER OBLIGATIONS OF ASSIGNEE THAT SURVIVE THE TERMINATION OF THIS AGREEMENT.

Assignee's Initials: SW

Assignor's Initials: 

11.4 Assignment of Assignee's Project Documents. If this Agreement is terminated, then Assignee shall assign to Assignor all of its right, title and interest in, to and under all of Assignee's Project Documents free and clear of liens with any fees, costs or expenses related to such Assignee's Project Documents paid by Assignee through the date of such termination, provided that Assignor requests such assignment in writing to Assignee and:

(i) If such termination is effective on or prior to the Financing Contingency Date for any reason other than Assignor Default or Seller Default, Assignor shall reimburse Assignee for its actual documented out-of-pocket costs incurred to cause the preparation of such requested Assignee's Project Documents except for the Site Plan and associated permits and reports (which Assignee shall assign without reimbursement);

(ii) If such termination is effective after the Financing Contingency Date for any other reason other than Assignor Default or Seller Default, without any reimbursement from Assignor;

(iii) If such termination is a result of Seller Default and Assignor requests such assignment in writing to Assignee, Assignor shall reimburse Assignee for its actual documented out-of-pocket costs incurred to cause the preparation of such requested Assignee's Project Documents, less the amount of out-of-pocket expenses reimbursed to Assignee pursuant to Section 11.2.

NOTWITHSTANDING THE FOREGOING, ASSIGNEE SHALL HAVE NO OBLIGATION TO ASSIGNOR TO (1) ENGAGE ANY THIRD PARTIES NOT YET ENGAGED AT THE TIME OF TERMINATION OF THIS AGREEMENT TO GENERATE SUCH ASSIGNEE'S PROJECT DOCUMENTS, (2) HAVE ANY ASSIGNEE'S PROJECT DOCUMENTS FOR WHICH THIRD PARTIES HAVE BEEN ENGAGED BUT WHICH HAVE NOT BEEN COMPLETED AT THE TIME OF TERMINATION OF THIS AGREEMENT TO ACTUALLY BE COMPLETED; OR (3) HAVE ANY ASSIGNEE'S PROJECT DOCUMENTS RE-CERTIFIED TO ASSIGNOR OR OTHERWISE PROVIDE ASSIGNOR WITH THE RIGHT TO RELY ON SUCH ASSIGNEE'S PROJECT DOCUMENTS. ASSIGNEE SHALL BE ENTITLED TO CAUSE SUCH THIRD PARTIES TO STOP WORK IMMEDIATELY UPON ANY TERMINATION OF THIS AGREEMENT SO AS TO MINIMIZE ASSIGNEE'S COSTS. IN ANY AND ALL CIRCUMSTANCES, ASSIGNEE MAKES NO WARRANTIES OR REPRESENTATIONS OF ANY KIND OR CHARACTER, EXPRESS OR IMPLIED, WITH RESPECT TO SUCH ASSIGNEE'S PROJECT DOCUMENTS, OR ANY OTHER MATTER OR THING REGARDING SUCH ASSIGNEE'S PROJECT DOCUMENTS, OR TO THE TRUTH, ACCURACY OR COMPLETENESS OF ANY INFORMATION PROVIDED THEREBY OR IN CONNECTION THEREWITH TO ASSIGNOR, OR TO ANY OTHER PERSON OR ENTITY. ASSIGNEE SHALL HAVE NO LIABILITY TO ASSIGNOR OR TO ANY OTHER PERSON OR ENTITY

WHATSOEVER BASED UPON ANY INFORMATION CONTAINED OR NOT CONTAINED WITHIN SUCH ASSIGNEE'S PROJECT DOCUMENTS.

## 12. INDEMNIFICATION

12.1 Assignor Indemnity. Assignor shall reimburse, indemnify, defend, protect and hold harmless Assignee and Assignee's officers, directors, employees, agents, contractors, and affiliates from and against any and all third-party causes of action, claims, demands, losses, liabilities, cost, and expenses (including, without limitation, reasonable attorney's fees and expenses and except those items which under the terms of this Agreement specifically and expressly become obligations of Assignee) based on events occurring at or before the Closing Date and which are in any way related to Assignor's interest in the Property.

12.2 Assignee Indemnity. Assignee shall reimburse, indemnify, defend, protect and hold harmless Assignor and Assignor's officers, directors, employees, agents, contractors, and affiliates from and against any and all causes of action, claims, demands, losses, liabilities, cost, expenses (including, without limitation, reasonable attorney's fees and expenses) or damage to persons or the Property as a result of entry by any Assignee or Assignee Parties prior to the Closing or earlier termination of this Agreement.

## 13. 42(M) LETTER, LOAN COMMITMENT AND SITE PLAN APPROVAL

13.1 From and after the end of the Inspection Period, Assignee covenants to use commercially reasonable efforts to pursue and obtain the Loan Commitment and, if the Loan Commitment is obtained, the 42(M) Letter. If (a) Assignee has not obtained the 42(m) Letter and the Loan Commitment on or prior to the Financing Contingency Date, or (b) at any time prior to Financing Contingency Date, Assignee determines that it is not reasonably likely to obtain the 42(m) Letter and the Loan Commitment by the Financing Contingency Date, in either case despite its commercially reasonable efforts to obtain the same, then Assignee shall have the right to immediately terminate this Agreement by providing written notice to Assignor on or prior to Financing Contingency Date (the "Financing Termination Notice"). In the event of a termination pursuant to this Section 13.1, the Escrow Agent shall release the Earnest Money Deposit to Assignee, and neither Party shall have any further right or obligations under this Agreement, except for those obligations under this Agreement which expressly survive the termination of this Agreement. In the event that Assignee fails to deliver the Financing Termination Notice on or prior to the Financing Contingency Date, Assignee's right to terminate this Agreement pursuant to this Section 13.1 shall be deemed waived and of no further force and effect. Within ninety (90) days after the Rezoning, Assignee covenants to use commercially reasonable efforts to pursue and submit for Site Plan Approval. Assignor shall cooperate, at Assignee's sole cost and expense, with and assist Assignee in a commercially reasonable and diligent manner in obtaining the 42(m) Letter, the Loan Commitment, Site Plan Approval and Building Permit Approval, including, without limitation, by signing or causing Seller to sign such applications and/or other written submittals, and attending such public hearings as may be requested by Assignee.

## 14. CONTRACTS

Assignor shall use commercially reasonable efforts to cause all Contracts (other than any Contracts, exclusive of mortgages and loans, recorded in the official records of the County where the Property is located before the Agreement Date), if any, to be terminated by Seller either prior to or as of the Closing Date.

## 15. ESCROW AGENT; EARNEST MONEY DEPOSIT

15.1 Duties. By signing a copy of this Agreement, Escrow Agent agrees to comply with the terms hereof insofar as they apply to Escrow Agent. Escrow Agent shall receive and hold the Earnest Money Deposit to be held in Escrow in trust, to be disposed of in accordance with the provisions of this



Agreement. Escrow Agent shall not be liable for any action taken or omitted by it, except for Escrow Agent's own gross negligence, bad faith, recklessness, willful misconduct, or illegal acts. Assignee and Assignor agree to indemnify and hold Escrow Agent harmless from and against all costs, damages, judgments, attorney's fees, expenses, obligations, and liabilities of any kind or nature, which in good faith, Escrow Agent may incur or sustain in connection with this Agreement, and without limiting the generality of the foregoing, Escrow Agent shall not incur any liability due to a delay in the electronic wire transfer of funds or with respect to any action taken or omitted in reliance upon any instrument, including any written notice or instructions provided for in this Agreement, not only as to its due execution and the validity and effectiveness of its provisions, but also as to the truth and accuracy of any information contained therein, which the Escrow Agent shall in good faith believe to be genuine, to have been signed or presented by a proper person or persons and to conform with the provisions of this Agreement.

15.2 Withdrawal. No Party shall have the right to withdraw any monies or documents deposited by it with Escrow Agent prior to the Closing or termination of this Agreement except in accordance with the terms of this Agreement.

15.3 Tax Identification. Assignor and Assignee shall provide to Escrow Agent appropriate Federal tax identification numbers upon request by Escrow Agent.

## 16. MISCELLANEOUS

16.1 Entire Agreement. This Agreement constitutes the entire agreement between the Parties hereto with respect to the subject matter hereof and may not be modified, amended or otherwise changed in any manner except by a writing executed by Assignee and Assignor.

16.2 Notices. All written notices and demands of any kind which either Party may be required or may desire to serve upon the other Party in connection with this Agreement shall be in writing and may be delivered (as an alternative to personal service) by registered or certified mail, overnight courier service, electronic mail or facsimile at the addresses set forth below:

As to Assignor: NFD Acquisitions, LLC  
5101 Wisconsin Avenue, NW, Suite 290  
Washington, D.C. 20016  
Attention: Nathan Hamman  
Email: [nhamman@northfielddev.com](mailto:nhamman@northfielddev.com)

With a copy to: Blank Rome LLP  
1825 Eye Street NW  
Washington, D.C. 20006  
Attention: Brendan Delany  
Email: [Brendan.delany@blankrome.com](mailto:Brendan.delany@blankrome.com)

As to Assignee: FRH Realty LLC  
5355 Mira Sorrento Place, Suite 100  
San Diego, CA 92121  
Attention: Trey Kirby, Mary Nicoletta, and Bethay Shay  
Telephone: (858) 626-8216  
Facsimile: (858) 626-8809  
Email: [tkirby3@ffres.com](mailto:tkirby3@ffres.com), [mnicoletta@ffres.com](mailto:mnicoletta@ffres.com), and [bshay@ffres.com](mailto:bshay@ffres.com)

With a copy to: Nelson Mullins LLP  
301 South College Street, Suite 2300  
Charlotte, North Carolina 28202  
Attention: James M. Tucker, Esq.  
Telephone: (704) 417-3118

Facsimile: (704) 417-3251  
Email: james.tucker@nelsonmullins.com

Any such notice or demand given by registered or certified mail or by nationally recognized overnight courier (such as FedEx) with postage or charges thereon fully prepaid and addressed to the Party to be served at the addresses set forth above shall constitute proper notice hereunder upon delivery to the United States Postal Service or to such overnight courier. Notices shall be deemed given as of the date postmarked on the letter when mailed or the date of depart with or pick up by the courier service. Time-stamped facsimile transmission confirmations or attempted transmission confirmations to the facsimile numbers above shall constitute delivery at the time of such transmission or attempted transmission. Electronic mail transmissions shall be deemed delivered when transmitted. Refusal to accept delivery, inability to deliver due to change of address or inability to accept delivery shall be deemed receipt. Notwithstanding anything contained herein to the contrary, any notice hereunder may be delivered by legal counsel for Assignor or Assignee to the other Parties hereto and such delivery shall be deemed effective as if given by Assignor or Assignee, as applicable.

16.3 Headings. The titles and headings of the various sections hereof are intended solely for means of reference and are not intended for any purpose whatsoever to modify, explain or place any construction on any of the provisions of this Agreement.

16.4 Construction; Severability. In the case of any uncertainty or ambiguity regarding any part of this Agreement, the language shall be construed in accordance with its fair meaning rather than being interpreted against the Party who caused the uncertainty to exist. No third parties, including any brokers or creditors, shall be beneficiaries hereof. Wherever the terms "herein," "hereof," "hereunder," and other like words are used, the same shall be deemed to mean this Agreement as a whole, and not merely the particular section or provision in which the respective word appears, unless stated otherwise. The unenforceability, invalidity or illegality of any provision hereof shall not render any of the other provisions herein unenforceable, invalid or illegal.

16.5 Waiver. Except as expressly set forth to the contrary herein, none of the provisions of this Agreement or rights provided herein shall be deemed waived unless waived in writing by the Party benefited thereby.

16.6 Attorneys' Fees. If either Party hereto brings an action against the other by reason of the breach of any covenant, provision or condition hereof, or otherwise arising out of or in connection with this Agreement, the unsuccessful Party shall reimburse the prevailing Party its reasonable third-party costs and expenses, including, without limitation, reasonable attorneys' fees and court costs, in addition to any other relief to which it may be entitled.

16.7 Time of Essence. Time is of the essence of this Agreement.

16.8 Date of Performance. If the date on which any performance required hereunder is on a weekend or is a national holiday, then such performance shall be required on the next business day thereafter.

16.9 Successors and Assigns. The terms and provisions of this Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns. Notwithstanding anything to the contrary set forth herein, Assignee shall have the right, without Assignor's consent, to assign Assignee's rights and obligations under this Agreement to any affiliate of Assignee and/or to any entity with day-to-day operations (or development or redevelopment services) managed by Assignee or an affiliate thereof. The term "affiliate" as used in this Section 16.9 shall be deemed to include entities under common control with Assignee.

16.10 Joint and Several Obligations. The obligations and liabilities of Assignor hereunder shall be joint and several, and any act or notice of or to or refund to, or the signature of, any one or more of the persons or entities comprising Assignor shall be fully binding upon each person and/or entity comprising

Assignor.

16.11 Survival. All obligations of the Parties intended to be performed after the Closing or earlier termination of this Agreement shall survive for a period of nine (9) months following the Closing or earlier termination of this Agreement, except for Section 6.5 which shall survive for a period of twelve (12) months following the Closing or earlier termination of this Agreement (the "Survival Period"). Except as expressly set forth herein to the contrary, all of the representations, warranties and indemnification obligation of the Parties set forth herein shall survive for the Survival Period.

16.12 Further Instruments. Assignor and Assignee shall perform all acts and make, execute and deliver such written instruments as shall be reasonably necessary to carry out the terms and provisions of this Agreement.

16.13 No Recording. Neither this Agreement nor any notice, memorandum or other notice or document relating hereto shall be recorded.

16.14 Governing Law. This Agreement shall be governed by the laws of the Commonwealth of Virginia and the venue for any dispute shall be the applicable State court located in the County. Each Party waives its right to jurisdiction or venue in any other location.

16.15 1031 Tax Deferred Exchange. Assignor shall reasonably cooperate with Assignee should Assignee elect to use the Property in a 1031 tax deferred exchange; provided, however, Assignor shall not be required to take title to any property, incur any additional cost or liability in so cooperating with Assignee. In no event shall any such tax deferred exchange (i) be a condition of Closing, or (ii) otherwise delay the Closing.

16.16 Exhibits; Schedules. All Exhibits and Schedules attached hereto are incorporated herein by reference to the same extent as though such exhibits were included in the body of this Agreement verbatim.

16.17 Counterparts. This Agreement may be executed in several counterparts, each of which may be deemed an original, and all of such counterparts together shall constitute one and the same Agreement.

16.18 Duty of Confidentiality. The Parties agree that: (a) the terms and provisions of this Agreement; (b) any and all exhibits attached to this Agreement; (c) any and all information, documents and materials furnished to Assignee relative to the Property; and (d) any and all information obtained by Assignee through its due diligence regarding the Property (collectively, "Confidential Material"), shall be held in strict confidence and, prior to Closing, not disclosed to any third party. Notwithstanding the foregoing, Confidential Material shall not include information that a Party can conclusively establish through contemporaneous written documentation: (i) is or subsequently becomes publicly available without such Party's breach of any obligation owed hereunder; (ii) became known to such Party prior to the disclosure of such information through no violation of this Agreement; (iii) becomes known to such Party from a source other than the disclosing party who is in lawful possession of such information and is not in violation of an obligation of confidentiality owed to the disclosing party, or (iv) is independently developed by such Party without the use of or access to any Confidential Material. Except as provided otherwise in this Section 16.18, Assignor and Assignee hereby agree that neither of them will, and each shall direct its employees, officers, agents and representatives not to, directly or indirectly, release or cause or permit to be released to the public prior to the Closing any press notices, publicity (oral or written) or advertising promotion relating to, or otherwise publicly announce or disclose or cause or permit to be publicly announced or disclosed, in any manner whatsoever, the terms, conditions or substance of this Agreement or the transactions contemplated herein, without first obtaining the consent of the other Party. It is understood that the foregoing shall not (1) preclude any Party from disclosing Confidential Materials including the substance or any relevant details of the transactions contemplated in this Agreement on a confidential basis with any of its partners, attorneys, officers, directors, employees, accountants, professional consultants, financial advisors, rating agencies, or potential or actual lenders or

investors, as the case may be (the "Representatives"), *provided that* such Representatives have been informed of the Parties' obligations hereunder; or (2) prevent it from complying with applicable laws, including, without limitation, governmental regulatory, disclosure, tax and reporting requirements.

*[Signatures Pages Follow]*

IN WITNESS WHEREOF, Assignee and Assignor have executed this Agreement as of the date first written above.

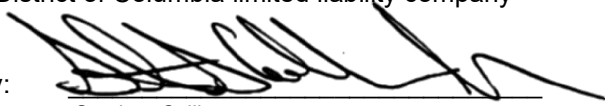
**ASSIGNEE:**

FRH REALTY LLC,  
a Delaware limited liability company

By:   
Name: Jenna Woods  
Its: Executive Vice President, General Counsel & Corporate Secretary

**ASSIGNOR:**

NFD ACQUISITIONS LLC,  
a District of Columbia limited liability company

By:   
Name: Stephen Collins  
Its: Vice President

### Acceptance by Title Company

Title Company acknowledges receipt of the foregoing Agreement and accepts the instructions contained therein.

Dated: July 3, 2025

LOUDOUN COMMERCIAL TITLE, L.L.C.

***Kate Gordon***

By: \_\_\_\_\_  
Name: Kate Gordon  
Its: President

**Acceptance by Escrow Agent**

Escrow Agent acknowledges receipt of the foregoing Agreement and accepts the instructions contained therein.

Dated: 7/9, 2025

FIRST AMERICAN TITLE INSURANCE COMPANY

By: Charity Berry  
Name: Charity Berry  
Its: Associate Commercial Escrow Officer

## EXHIBIT LIST

|           |                               |
|-----------|-------------------------------|
| EXHIBIT A | LEGAL DESCRIPTION             |
| EXHIBIT B | FORM OF ASSIGNMENT            |
| EXHIBIT C | PURCHASE AND SALE AGREEMENT   |
| EXHIBIT D | FORM OF CONSENT TO ASSIGNMENT |



## EXHIBIT A

### LEGAL DESCRIPTION

Parcel A1 Orange & Blue, Inc.; as the same appears duly dedicated, platted and recorded as Instrument No. 20040407-0032332, among the Land Records of Loudoun County, Virginia.

LESS AND EXCEPT that portion of the aforesaid parcel taken by the Commonwealth of Virginia in instrument recorded as Instrument No. 20030909-0118431 as confirmed by Order recorded as Instrument No. 20040511- 0045769

EXHIBIT B

FORM OF ASSIGNMENT

**ASSIGNMENT AND ASSUMPTION AGREEMENT**

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT (the “Agreement”) dated as of \_\_\_\_\_, 202\_, is entered into by and between NFD ACQUISITIONS LLC, a District of Columbia limited liability company (“Assignor”) and \_\_\_\_\_, a \_\_\_\_\_ (“Assignee”).

WITNESSETH:

WHEREAS, Assignor entered into that certain Purchase and Sale Agreement, dated September 30, 2021 (as amended by (i) that certain First Amendment to Purchase and Sale Agreement, dated as of November 29, 2021, (ii) that certain Second Amendment to Purchase and Sale Agreement, dated as of February 6, 2023, and (iii) that certain Third Amendment to Purchase and Sale Agreement, dated as of August 1, 2024, the “Purchase Agreement”) with IAD HOSPITALITY, LLC, a Virginia limited liability company (the “Seller); and

WHEREAS, pursuant to the Purchase Agreement, Assignor agreed to acquire from the Seller all of the Seller’s right, title and interest in and to certain real and personal property located in Loudoun County, Commonwealth of Virginia, identified as Parcel ID Number 034-26-4101-000, Tax Nap Number /94//35////A1, as more particularly described in the Purchase Agreement; and

WHEREAS, Assignor and Assignee entered into that certain Assignment and Assumption of Purchase and Sale Agreement, dated as of June \_\_, 2025 (the “PSA Assignment”), pursuant to which Assignor agreed to assign the Purchase Agreement to Assignee.

NOW THEREFORE, in consideration of the promises and conditions contained herein, the parties hereto agree as follows:

In compliance with Section 16(e) of the Purchase Agreement (as amended), Assignor hereby sells, transfers, assigns and conveys to Assignee, subject only to the representations and warranties of Assignor as set forth in the PSA Assignment, all of Assignor’s right, title and interest in and to Assignor, as Purchaser, pursuant to the Purchase Agreement.

By accepting and agreeing to this Assignment and Assumption Agreement below, in compliance with Section 16(e) of the Purchase Agreement, Assignee hereby expressly assumes any and all liabilities and/or obligations of Assignor under, pursuant to or in connection with the Purchase Agreement and/or the transactions contemplated thereby.

Notwithstanding anything herein to the contrary, Assignor acknowledges that Assignor is not released from its obligations under the Purchase Agreement by this Agreement, and remains jointly and severally liable, along with Assignee, for “Purchaser’s” obligations under the Purchase Agreement.

This Assignment and Assumption Agreement shall be binding on and inure to the benefit of Assignor and Assignee and their respective heirs, executors, personal representatives, successors and assignors.

**[SIGNATURE PAGE FOLLOWS]**

**IN WITNESS WHEREOF**, this Assignment and Assumption Agreement is executed as of the day and year first written above.

**ASSIGNOR:**

NFD ACQUISITIONS LLC, a District of Columbia limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**Acceptance by Assignee:**

\_\_\_\_\_,  
\_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

EXHIBIT C

PURCHASE AND SALE AGREEMENT

(See attached)

## **PURCHASE AND SALE AGREEMENT**

THIS PURCHASE AND SALE AGREEMENT (this “**Agreement**”) dated as of September 30, 2021 (the “**Effective Date**”), is entered into by and between NFD Acquisitions, LLC, a District of Columbia limited liability company (“**Purchaser**”), and IAD Hospitality, LLC, a Virginia limited liability company (“**Seller**”).

### **RECITALS**

WHEREAS, Seller is the owner of approximately 3.51 acres of real property, which is more particularly bounded and described in Exhibit A attached hereto and made a part hereof, located in Loudoun County, Virginia (the “**County**”), identified as Parcel ID Number 034-26-4101-000, Tax Map Number /94//35////A1 (the “**Land**”); and

WHEREAS, Seller desires to sell to Purchaser, and Purchaser desires to purchase from Seller, in fee simple, the Property (as hereinafter defined), pursuant to and in accordance with the terms and conditions set forth in this Agreement.

### **AGREEMENT**

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be legally bound, hereto agree as follows:

1. Incorporation. The recitals hereinabove contained are incorporated by reference as part of this Agreement.

2. Conveyance & Limitations.

(a) Conveyance. Seller agrees to sell and convey to Purchaser and Purchaser agrees to purchase from Seller, upon the terms and conditions hereinafter set forth, all right, title and interest of Seller in and to the following (collectively referred to herein as the “**Property**”):

(i) The Land, together with all rights, privileges and easements appurtenant thereto or used in connection therewith, including, without limitation, all minerals, oil, gas and other hydrocarbon substances thereon, all air rights, water, water rights and water stock relating thereto, mineral rights, all strips and gores, and all of Seller’s right, title and interest, if any, in and to any streets, alleys, easements, rights-of-way, public ways, or other rights appurtenant thereto (the Land and above described rights, privileges and easements appurtenant thereto, are collectively referred to herein as the “**Real Property**”).

(ii) Any improvements located upon the Real Property (collectively, the “**Improvements**”).

(iii) All of Seller’s right, title and interest (to the extent assignable) in and to all intangible property relating to the Real Property (the “**Intangible**”).

**Property**”) including, without limitation, all (i) plans, specifications, surveys, studies, drawings, architectural and engineering drawings, reports and maps, and (ii) licenses, approvals, certificates, permits, development rights, entitlements issued, approved or granted by any governmental authorities, except to the extent any of the foregoing are related or connected to any of the adjacent real property to which the Seller or any Seller Related Party has an interest.

(b) Condition of the Property: No Representations.

(i) The Purchaser acknowledges the following: (a) upon the expiration of the Due Diligence Period (as hereinafter defined in Section 5), the Purchaser will have been given a reasonable opportunity to inspect and investigate the Property and all aspects relating thereto, including all of the physical and operational aspects of the Property, either independently or through agents and experts of the Purchaser’s choosing; (b) except as otherwise expressly provided herein and in any Closing documents, including, but not limited to, the Seller’s express representations and warranties as maybe limited herein (which representations and warranties shall not be affected by this Section 1(b)(i) and shall remain in full force and effect), the Purchaser will acquire the Property based upon the Purchaser’s own investigation and inspection of the Property; and (c) upon the expiration of the Due Diligence Period, the Purchaser will have been given a reasonable opportunity to review and inspect the Sellers Materials (as that term is hereinafter defined) and any other materials delivered to the Purchaser or made available to the Purchaser. THE PURCHASER FURTHER ACKNOWLEDGES THAT, EXCEPT AS OTHERWISE EXPRESSLY PROVIDED HEREIN AND IN ANY CLOSING DOCUMENTS, INCLUDING, WITHOUT LIMITATION, THE SELLER’S EXPRESS REPRESENTATIONS AND WARRANTIES AS MAYBE LIMITED HEREIN (WHICH REPRESENTATIONS AND WARRANTIES SHALL NOT BE AFFECTED BY THIS SECTION 1(b)(i) AND SHALL REMAIN IN FULL FORCE AND EFFECT), HAVING BEEN GIVEN THE OPPORTUNITY TO INSPECT THE PROPERTY, THE PURCHASER IS RELYING SOLELY ON ITS OWN INVESTIGATION OF THE PROPERTY AND NOT ON ANY INFORMATION PROVIDED OR TO BE PROVIDED BY THE SELLER OR ANY BROKER OR OTHER THIRD PARTY, WHICH HAS BEEN GIVEN SOLELY FOR THE PURCHASER’S CONVENIENCE. THE PURCHASER FURTHER ACKNOWLEDGES THAT EXCEPT AS OTHERWISE EXPRESSLY PROVIDED HEREIN AND IN ANY CLOSING DOCUMENTS, INCLUDING, WITHOUT LIMITATION, SELLER’S EXPRESS REPRESENTATIONS AND WARRANTIES AS MAYBE LIMITED HEREIN (WHICH REPRESENTATIONS AND WARRANTIES SHALL NOT BE AFFECTED BY THIS SECTION 1(b)(i) AND SHALL REMAIN IN FULL FORCE AND EFFECT), ANY INFORMATION PROVIDED OR TO BE PROVIDED WITH RESPECT TO THE PROPERTY WAS OBTAINED FROM A VARIETY OF SOURCES AND THAT THE SELLER HAS NOT MADE ANY INDEPENDENT INVESTIGATION OR VERIFICATION OF SUCH INFORMATION AND EXCEPT AS OTHERWISE EXPRESSLY PROVIDED HEREIN AND IN ANY CLOSING DOCUMENTS, MAKES NO REPRESENTATIONS AS TO THE ACCURACY OR COMPLETENESS OF SUCH

INFORMATION. EXCEPT AS OTHERWISE EXPRESSLY PROVIDED HEREIN, AND IN ANY CLOSING DOCUMENTS, INCLUDING WITHOUT LIMITATION, THE SELLER'S EXPRESS REPRESENTATIONS AND WARRANTIES AS MAYBE LIMITED HEREIN (WHICH REPRESENTATIONS AND WARRANTIES SHALL NOT BE AFFECTED BY THIS SECTION 1(b)(i) AND SHALL REMAIN IN FULL FORCE AND EFFECT), THE SELLER IS NOT LIABLE OR BOUND IN ANY MANNER BY ANY VERBAL OR WRITTEN STATEMENTS, REPRESENTATIONS, OR INFORMATION PERTAINING TO THE PROPERTY, OR THE OPERATION THEREOF, FURNISHED BY ANY REAL ESTATE BROKER, AGENT, EMPLOYEE, SERVANT, OR OTHER PERSON. EXCEPT AS OTHERWISE EXPRESSLY PROVIDED HEREIN AND IN ANY CLOSING DOCUMENTS, INCLUDING, WITHOUT LIMITATION, THE SELLER'S EXPRESS REPRESENTATIONS AND WARRANTIES AS MAYBE LIMITED HEREIN (WHICH REPRESENTATIONS AND WARRANTIES SHALL NOT BE AFFECTED BY THIS SECTION 1(b)(i) AND SHALL REMAIN IN FULL FORCE AND EFFECT), THE SELLER WILL NOT BE LIABLE FOR NEGLIGENT MISREPRESENTATION OR ANY FAILURE TO INVESTIGATE THE PROPERTY OR THE SELLER MATERIALS OR OTHERWISE BE BOUND IN ANY MANNER BY ANY VERBAL OR WRITTEN STATEMENTS, REPRESENTATIONS, DOCUMENTS, OR OTHER INFORMATION PERTAINING TO THE PROPERTY FURNISHED BY THE SELLER OR ANY REAL ESTATE BROKER, AGENT, REPRESENTATIVE, AFFILIATE, EMPLOYEE, OR OTHER PERSON ACTING ON THE SELLER'S BEHALF. For avoidance of doubt, the term "herein" shall mean any and all portions of this Agreement and not just the section in which such term is used.

(ii) THE PURCHASER SPECIFICALLY ACKNOWLEDGES THAT EXCEPT AS EXPRESSLY SET FORTH HEREIN AND IN ANY CLOSING DOCUMENTS, INCLUDING, WITHOUT LIMITATION, THE SELLER'S EXPRESS REPRESENTATIONS AND WARRANTIES AS MAYBE LIMITED HEREIN (WHICH REPRESENTATIONS AND WARRANTIES SHALL NOT BE AFFECTED BY THIS SECTION 1(b)(ii) AND SHALL REMAIN IN FULL FORCE AND EFFECT): (a) THE SELLER IS DISPOSING OF THE PROPERTY "AS IS, WHERE IS AND WITH ALL FAULTS" AND (b) OTHER THAN THE SELLER'S EXPRESS REPRESENTATIONS AND WARRANTIES SET FORTH AND AS MAYBE LIMITED HEREIN AND IN ANY CLOSING DOCUMENTS, NEITHER THE PURCHASER NOR ANY OTHER PERSON IS RELYING ON ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND WHATSOEVER, WHETHER ORAL OR WRITTEN, EXPRESS OR IMPLIED, STATUTORY OR OTHERWISE, FROM THE SELLER OR ANY DIRECT OR INDIRECT PARTNER, OFFICER, DIRECTOR, TRUSTEE, MEMBER, EMPLOYEE, AFFILIATE, ATTORNEY, AGENT, OR BROKER OF THE SELLER, AS TO ANY MATTER CONCERNING THE PROPERTY OR SET FORTH, CONTAINED, OR ADDRESSED IN ANY PROPERTY DOCUMENTS OR THE SELLER MATERIALS (INCLUDING, WITHOUT LIMITATION, THE COMPLETENESS THEREOF), INCLUDING, WITHOUT LIMITATION: (i) the quality, nature, habitability, merchantability, use, operation,

value, marketability, adequacy, or physical condition of the Property or any aspect or portion thereof, including, without limitation, structural elements, appurtenances, access, landscaping, parking facilities, electrical, mechanical, HVAC, plumbing, sewage, water and utility systems, facilities and appliances, soils, geology, and groundwater; (ii) the dimensions or lot size of the Property or the square footage of any improvements thereon; (iii) the development or income potential, or rights of or relating to, the Property, or the fitness, suitability, value, or adequacy of the Property for any particular purpose; (iv) the zoning or other legal status of the Property; (v) the compliance of the Property or its operation with any applicable codes, laws, regulations, statutes, ordinances, covenants, conditions, and restrictions of any governmental authority or of any other person or entity (including, without limitation, the Americans with Disabilities Act of 1990, as amended); (vi) the ability of the Purchaser or any of its affiliates to obtain any necessary governmental approvals, licenses or permits for the use or development of the Property; (vii) the quality of any labor and materials used in any improvements on the Property; or (viii) the economics of, or the income and expenses, revenue or expense projections or other financial matters, relating to the operation of, the Property. Without limiting the generality of the foregoing, the Purchaser expressly acknowledges that, except as expressly set forth herein and in any Closing documents, including, but not limited to, the Seller's express representations and warranties as maybe limited herein, it is not relying on any representation or warranty of the Seller or any of its affiliates or any direct or indirect stockholder, partner, member, director, trustee, officer, employee, affiliate, attorney, agent, representative, broker of any of them, or any other person, whether implied, presumed, or expressly provided, arising by virtue of any statute, regulation, or common law right or remedy in favor of any of them. The Seller is not under any duty to make any inquiry regarding any matter that may or may not be known to the Seller. For avoidance of doubt, the term "herein" shall mean any and all portions of this Agreement and not just the section in which such term is used.

(iii) This Section 1(b) shall survive the Closing (as hereinafter defined in Section 9) indefinitely.

(c) Release.

(i) Without limiting the provisions of Section 1(b) and except as set forth herein and in any Closing documents, the Purchaser hereby irrevocably and absolutely waives its right to recover from, and forever releases and discharges, and covenants not to file or otherwise pursue any legal action against, the Seller, Seller Related Party (as hereinafter defined), or any affiliate of the Seller or any direct or indirect stockholder, partner, member, trustee, director, shareholder, controlling person, officer, attorney, employee, agent, representative, or broker of any of the foregoing, and any of their respective heirs, successors, personal representatives, and assigns (each, a "Released Entity", and collectively, the "Released Entities") with respect to any and all suits, actions, proceedings, investigations, demands, claims, liabilities, fines, penalties, liens, judgments, losses, injuries, damages, settlement expenses, or costs of whatever kind or nature, whether direct or indirect, known or unknown, contingent or otherwise (including any action or



proceeding brought or threatened or ordered by any governmental authority), in addition to associated attorneys' and experts' fees and expenses, and investigation and remediation costs that may arise on account of or in any way be connected with the Property or any portion thereof (collectively, "Claims"), including, without limitation, the physical, environmental, and structural condition of the Property or any law or regulation applicable thereto, or any other matter relating to the use, presence, discharge, or release of "Hazardous Materials" (as that term is defined in Section 1(c)(iii)) on, under, in, above, from, or about the Property, except as set forth in the Seller's representations and warranties expressly set forth and as maybe limited herein and in any Closing documents. In addition, except as expressly set forth herein and in any Closing documents, the Purchaser hereby forever releases each of the Released Entities from and against any Claims to the extent relating to any Hazardous Materials that may be placed, located, or released on, in, at, under, above, or from the Property after the date of the Closing except as set forth in the Seller's representations and warranties expressly set forth and as maybe limited herein and in any Closing documents. For avoidance of doubt, the term "herein" shall mean any and all portions of this Agreement and not just the section in which such term is used. Notwithstanding the above, the releases described in this Section 1(c)(i) shall be void and of no effect in the event of fraud on the part of the Seller, but only to such claims as to which such fraud pertains.

(ii) Except as expressly otherwise provided herein and in any Closing documents, including, but not limited to, the Seller's express representations and warranties set forth and as maybe limited herein and in any closing documents, the Purchaser elects to and does assume all risk for such Claims arising after Closing, whether now known or unknown to the Purchaser. To the extent permitted by law, the Purchaser hereby represents and warrants that the Purchaser realizes and acknowledges that factual matters now unknown to it may have given or may hereafter give rise to causes of action, claims, demands, debts, controversies, damages, costs, losses, and expenses which are presently unknown, unanticipated and unsuspected, and the Purchaser further acknowledges that except as otherwise provided herein, the waivers and releases herein have been negotiated and agreed upon in light of that realization and that, except as otherwise expressly provided herein and in any Closing documents, including, but not limited to, the Seller's express representations and warranties set forth and as maybe limited herein and in any Closing documents, the Purchaser nevertheless hereby intends to release, discharge, and acquit the Seller from any such unknown causes of action, claims, demands, debts, controversies, damages, costs, losses, and expenses which might in any way be included as a material portion of the consideration given to the Seller by the Purchaser in exchange for the Seller's performance hereunder. Without limitation of the foregoing, if the Purchaser has actual knowledge of (a) a default in any of the covenants, agreements, or obligations to be performed by the Seller under this Agreement and/or (b) any breach of or inaccuracy in any representation of the Seller made in this Agreement which would entitle the Purchaser to terminate this Agreement, and nonetheless elects to proceed to Closing, then the Purchaser shall be deemed to have waived any such default and/or breach or inaccuracy and shall have no Claim against the Seller with respect thereto. For avoidance

of doubt, the term “herein” shall mean any and all portions of this Agreement and not just the section in which such term is used.

(iii) As used in this Agreement: “Hazardous Materials” means (a) “hazardous wastes” as defined by the Resource Conservation and Recovery Act of 1976, as amended from time to time (“RCRA”), (b) “hazardous substances” as defined by the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. 9601 et seq.), as amended by the Superfund Amendment and Reauthorization Act of 1986 and as otherwise amended from time to time (“CERCLA”); (c) “toxic substances” as defined by the Toxic Substances Control Act, as amended from time to time (“TSCA”), (d) “hazardous materials” as defined by the Hazardous Materials Transportation Act, as amended from time to time (“HMTA”), (e) asbestos, oil, or other petroleum products, radioactive materials, urea formaldehyde foam insulation, radon gas and transformers or other equipment that contains dielectric fluid containing polychlorinated biphenyls and (f) any substance whose presence is detrimental or hazardous to health or the environment, including, without limitation, microbial or fungal matter or mold, or lead based paint, or which is otherwise regulated by federal, state, and local environmental laws (including, without limitation, RCRA, CERCLA, TSCA, HMTA), rules, regulations and orders, regulating, relating to or imposing liability or standards of conduct concerning any Hazardous Materials or environmental, health, or safety compliance (collectively, “Environmental Requirements”). As used in this Agreement: “Release” means spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping or disposing.

(iv) This Section 1(c) shall survive the Closing indefinitely.

### 3. Deposit.

(a) Deposit. Within five (5) Business Days (as hereinafter defined) after the Effective Date, Purchaser shall deliver the sum of Ten Thousand and No/100 Dollars (\$10,000.00) (the “**Initial Deposit**”) to Loudoun Commercial Title, L.L.C. (Attention: Bob Gordon, Esq.), as escrow holder (“**Escrow Holder**”), in immediately available federal funds. Within five (5) Business Days after the expiration of the Due Diligence Period (as hereinafter defined) and provided Purchaser has not terminated this Agreement prior to or upon the expiration of the Due Diligence Period, Purchaser shall deliver to Escrow Holder, in immediately available federal funds, an additional deposit in the amount of Forty Thousand and No/100 Dollars (\$40,000.00) (the “**Second Deposit**”). Within seven (7) days after receipt of the Entitlements Approvals (as hereinafter defined) or waiver thereof at the Entitlements Deadline (as hereinafter defined), Purchaser shall deliver to Escrow Holder, in immediately available federal funds, a third deposit in the amount of One Hundred Fifty Thousand and No/100 Dollars (\$150,000.00) (the “**Third Deposit**”; together with the Initial Deposit and Second Deposit, the “**Deposit**”). Any interest earned on the principal portion of the Deposit shall be deemed to be part of the Deposit and shall be paid together with the principal portion of the Deposit, it being understood and agreed that if the transaction contemplated under this Agreement closes, any interest earned on the Deposit shall be paid to Seller and credited to the Purchase Price upon the Closing; provided, however, that except as otherwise set forth in this Agreement, following expiration of the Due Diligence Period

the Deposit shall be non-refundable to the Purchaser but fully applicable to the Purchase Price at Closing. Until the expiration of the Due Diligence Period, the Deposit shall be absolutely refundable to Purchaser, and Escrow Holder shall act on the sole instruction of Purchaser.

(b) Release of Deposit; Deed of Trust. The Deposit shall become non-refundable to Purchaser except as otherwise set forth in this Agreement. Escrow Holder shall hold and disburse the Deposit in accordance with the terms of this Agreement, including, but limited to, Exhibit E attached hereto and made a part hereof (the “**Escrow Provisions**”). The Escrow Holder has signed a joinder to this Contract as evidence of its agreement to serve as escrow agent hereunder and to abide by the terms of the Escrow Provisions. At any time following the expiration of the Due Diligence Period, and provided Seller is not then in default under this Agreement, Escrow Holder shall, subject to the conditions set forth in this Section 3(b) and the Escrow Provisions, release to Seller all or a portion of the Deposit upon receipt from Seller of (i) a duly executed promissory note reasonably acceptable to Purchaser in the same amount as Seller has requested to be released to Seller, up to the amount of the total Deposit, to secure return of the Deposit in the event Seller defaults hereunder or in the event of termination of this Agreement, and (ii) a duly executed and acknowledged deed of trust on the Property (“**Purchaser’s Deed of Trust**”) in the form of Exhibit B attached hereto, for the same amount as set forth in the promissory note, which Purchaser’s Deed of Trust shall be a lien upon the Property and recorded in the land records of the County (the “**Land Records**”) prior to Escrow Holder’s release of any portion of the Deposit to Seller. Seller shall pay all federal or state stamps, taxes, or other fees or charges, if any are payable or are determined to be payable by reason of the execution, delivery, and/or recordation of Purchaser’s Deed of Trust. Seller hereby acknowledges and agrees that upon an event of default by Seller under of any loan secured by the Property (or the lien of any mortgage, deed of trust, or other similar financing instrument executed in connection with the refinance of any such loan), Purchaser shall have the right after notice to Seller to communicate directly with Seller’s lender(s) regarding any and all matters relating to their respective loans and any default remedies that may be pursued, loan restructurings, or workout arrangements. The Purchaser Deed of Trust shall be released and a document memorializing such release (the “**Release of the Deed of Trust**”) shall be recorded in the Land Records promptly upon the earlier to occur of (i) the refund to Purchaser of the Deposit being held by Seller; (ii) the retention of the Deposit by Seller as a result of a default hereunder beyond any applicable notice, grace, and/or cure period by Purchaser, or (iii) Closing under this Agreement. Seller shall pay all costs associated with the recordation of the Purchaser Deed of Trust and the Release of the Deed of Trust.

4. Purchase Price. Seller acknowledges that Purchaser intends to develop the Property to include a product mix of approximately seventy (70) market rate stacked two-over-two townhouse units (the “**Market Rate Units**”). The purchase price to be paid by Purchaser to Seller for the Property (the “**Purchase Price**”) shall be equal to the product of the number of Market Rate Units approved for development on the Property pursuant to Purchaser’s Site Plan Approval (as hereinafter defined) multiplied by Eighty Two Thousand and No/100 Dollars (\$82,000.00), subject to a minimum Purchase Price of Five Million Two Hundred Forty Eight Thousand No/100 Dollars (\$5,248,000.00) (the “**Minimum Purchase Price**”). Purchaser anticipates developing the Property with a product mix that further includes ten (10) non-market rate stacked townhouse two-over-two townhouse affordable dwelling units (collectively, the “**ADUs**”), and such other non-market rate condominium units where the sales price or rental rate that may be offered to a third-party purchaser or lessee for such condominium units is limited by law or regulation enacted or

promulgated by a governmental entity having jurisdiction over such matters in the County as may be required, including without limitation additional affordable dwelling units, workforce housing units, or unmet housing needs units (the “**Non-Market Rate Units**”). Notwithstanding the foregoing, Seller and Purchaser hereby agree that the purchase price for Non-Market Rate Units shall be zero, and the Purchase Price shall not be increased in respect of the ADUs or in the event the Property is approved to be developed with additional Non-Market Rate Units. The Purchase Price shall be deposited with Escrow Holder on or before the Closing Date (as hereinafter defined in Section 9), subject to the credit of the Deposit and any adjustments, credits, or apportionments as provided for under this Agreement, by certified or official bank checks or by one or more wire transfers of immediately available funds.

5. Due Diligence.

(a) Seller Materials. Within five (5) Business Days after the Effective Date, Seller shall, if not already made available to Purchaser, make available to Purchaser those reports, inspections, environmental studies, soil studies, plans, specifications, maps, surveys and other similar materials relating to the physical and environmental condition of the Property which are in Seller’s possession or control without the need for investigation by Seller (collectively, the “**Seller Materials**”).

(b) Due Diligence Period. Purchaser shall have until the date which is sixty (60) days after the Effective Date (the “**Due Diligence Period**”), to review the Property including conducting such tests, studies, surveys, or other physical inspections of the Property as Purchaser deems necessary or appropriate in its sole and absolute discretion and all information relating thereto (including the Seller Materials) (the “**Inspections**”). Notwithstanding the foregoing, any invasive ground testing including a Phase II environmental site assessment and a geotechnical evaluation shall require the Seller’s prior written consent, which shall not be unreasonably withheld, conditioned, or delayed. If Purchaser is dissatisfied with the Property for any reason or no reason whatsoever, then Purchaser shall have the right to terminate this Agreement upon written notice to Seller delivered at any time prior to 6:00 p.m. (Eastern time) on the last day of the Due Diligence Period. If Purchaser does not timely notify Seller of its election to terminate this Agreement prior to 6:00 p.m. (Eastern time) on the last day of the Due Diligence Period, Purchaser shall be deemed to have declined its option to terminate this Agreement under this Section 5(b). If Purchaser elects or is deemed to have elected to terminate this Agreement as provided in this Section 5(b), Escrow Holder shall return the Deposit to Purchaser, upon such refund being made this Agreement shall terminate, and the parties shall have no further liability hereunder except with respect to those obligations hereunder which expressly survive the termination of this Agreement.

(c) Purchaser’s Access. At any time prior to the Closing (including during the Due Diligence Period), and at all times, subject to this Section 5(c), Purchaser and its agents, employees, consultants, inspectors, appraisers, engineers, contractors, guests, invitees, representatives, directors, officers or any other person acting on behalf of the Purchaser (collectively, “**Purchaser’s Representatives**”) shall have the right to enter upon and pass through the Property during normal business hours to examine and inspect the same. During the Due Diligence Period, Purchaser may conduct reasonable tests, studies, investigations, and surveys to assess utility availability, soil conditions, environmental conditions, physical condition, and the like of the Property, provided however, that all tests, investigations, and studies conducted on the

Property shall only occur during normal business hours upon twenty-four (24) hours prior written notice to Seller, and if Purchaser desires to conduct any studies on the Property after the expiration of the Due Diligence Period then Purchaser must obtain the prior written consent of Seller, which consent shall not be unreasonably withheld, conditioned, or delayed. In conducting the Inspections or otherwise accessing the Property, Purchaser shall at all times comply with all laws and regulations of all applicable governmental authorities. In connection with such Inspections, neither Purchaser nor any of Purchaser's Representatives shall: (i) unreasonably interfere with or permit unreasonable interference with any person occupying or providing service at the Property; or (ii) unreasonably interfere with the business of Seller conducted at the Property or unreasonably disturb the use or occupancy of any occupant of the Property. Purchaser shall schedule and coordinate all Inspections or other access thereto during normal business hours. Seller shall be entitled to have a representative present at all times during each such inspection or other access. Purchaser shall exercise reasonable care when visiting the Property, in a manner which shall not materially adversely affect the operation of the Property or any adjacent property. Prior to the first entry of the Purchaser or the Purchaser Representatives on the Property for the purpose of performing all due diligence activities undertaken on the Property, the Purchaser shall provide to the Seller a certificate of insurance evidencing a liability insurance policy in the amount of not less than \$1,000,000 naming the Seller as an additional insured, which policy shall be in form and substance reasonably acceptable to the Seller.

(d) Seller Indemnification. Purchaser agrees to indemnify, defend, save, and hold Seller harmless from and against any and all losses, costs, damages, liens, claims, suits, judgments, liabilities, or expenses (including, but not limited to, Seller's or any Seller Related Party's reasonable third-party attorneys' fees, court costs, and disbursements) arising out of Purchaser's or Purchaser's Representatives' access to, or inspections of, the Property, or arising as a result of personal injury (including death) or property damage caused by actions or inactions by Purchaser or Purchaser's Representatives' except to the extent such losses, costs, damages, liens, claims, liabilities, or expenses are caused by or resulting from: (i) any acts or omissions of Seller or a Seller Related Party (collectively, "**Seller Conditions**"); or (ii) any pre-existing, dangerous, illegal, or defective condition of the Property (collectively, "**Pre-Existing Conditions**"). "**Seller Related Party**" shall mean collectively any Seller agent, advisor, representative, affiliate, employee, manager, partner, member, beneficiary, investor, servant, shareholder, trustee, or other person or entity acting on Seller's behalf or otherwise related to or affiliated with Seller. Purchaser shall not damage or destroy any portion of the Property in conducting its examinations and studies of the Property during the Due Diligence Period and, if Closing does not occur, Purchase shall promptly repair any portion of the Property damaged by the conduct of the Purchaser or the Purchaser's representatives, contractors, or agents to substantially the condition such portion(s) of the Property were in immediately prior to such examinations or studies. The foregoing obligation to repair and restore the Property, and the indemnity obligation set forth in this Section 5(d), shall survive Closing or any termination of this Agreement.

## 6. Title Matters and Review.

(a) At Closing, Seller shall convey fee simple title to the Property and insurable as such in an amount equal to the Purchase Price through Escrow Holder or a title insurance company for which Escrow Holder acts as agent (the "**Title Company**"), at regular rates, free and clear of any and all liens, special assessments and taxes related to the Property which have accrued

prior to the date of Closing, encumbrances, leases, subleases, rights of possession, occupancies, easements, rights of way, covenants, conditions, limitations, restrictions or other matters whatsoever, whether recorded or unrecorded, except for (i) any lien of real estate taxes, assessments, or other governmental charges not yet due and payable, (ii) applicable zoning regulations and ordinances, (iii) liens for water and sewer service not yet due and payable; (iv) items existing as exceptions to the Seller's current owner's title insurance policy, and (v) exceptions as to which Purchaser has not objected or has accepted in accordance with Section 6(b) or Section 6(c) below (collectively, "**Permitted Exceptions**").

(b) Promptly after the Effective Date, Purchaser may, at its option and expense, obtain a preliminary commitment for an owner's title insurance policy (the "**Title Commitment**") and/or an ALTA survey of the Property (the "**Survey**"). Purchaser shall, on or before the expiration of the Due Diligence Period, accept the title to date as reflected on the Title Commitment or give written notice to Seller of any defects, liens, encumbrances or other matters in Seller's title to the Property disclosed by the Title Commitment or the Survey which are not reasonably acceptable to Purchaser ("**Purchaser's Title Notice**"). Seller's sole obligation relating to the standard pre-printed exceptions to title appearing in the Title Commitment shall be the provision to the Title Company at Closing of an owner's affidavit (the "**Seller's Affidavit**") in customary form. Notwithstanding anything to the contrary contained herein, Purchaser shall have no need to object to and Seller shall cause to be removed prior to Closing: (i) any matters which have been voluntarily recorded or otherwise placed, or permitted to be placed, by Seller against the Property on or following the date hereof (other than with the prior written approval of Purchaser); and (ii) any deeds of trust, security instruments, financing statements, or other instruments which evidence or secure indebtedness, judgments and liens against the Property not caused by the Purchaser, including, without limitation, mechanics liens, tax liens, and real estate taxes, water rates, garbage hauling fees, and sewer rents and taxes, in each case, which are due and payable but which remain unpaid or of record as of the Closing Date (subclauses (i) and (ii), collectively, the "**Voluntary Liens**"); or (iii) any matters which would not constitute Voluntary Liens, but name the Seller and which can be removed by the payment of a liquidated sum of money (items set forth in this subclause (iii), collectively, "**Monetary Liens**"; and, together with the Voluntary Liens, the "**Mandatory Title Removal Items**"). If Seller fails to discharge and remove of record any Mandatory Title Removal Items on or prior to the Closing Date, at Purchaser's election, such failure shall constitute a failure of a closing condition pursuant to Section 8(b) and Purchaser shall be entitled to such remedies as are set forth in Section 14 below.

(c) In the event Seller fails to Cure any such defects or other matters within ten (10) Business Days of the date of receipt of Purchaser's Title Notice, or if Seller notifies Purchaser within five (5) Business Days following Seller's receipt of Purchaser's Title Notice that it has elected not to Cure the defects or matters identified in Purchaser's Title Notice, Purchaser may, at its option, either (i) waive such defects or matters and accept the status of title as reflected in the Title Commitment, notwithstanding such defects or matters, in which case the uncured defects or matters shall become Permitted Exceptions, or (ii) terminate this Agreement, whereupon the Escrow Holder shall promptly return the Deposit to Purchaser and the parties hereto shall thereafter be relieved of all further liability and/or obligation hereunder. If Purchaser does not send Purchaser's Title Notice to Seller on or before the expiration of the Due Diligence Period, Purchaser shall be deemed to have accepted title as reflected in the Title Commitment, and any exceptions identified in the Title Commitment shall become Permitted Exceptions. Failure by

Seller to respond to Purchaser's Title Notice within the time period provided in this Section 6(c) shall be deemed an election by Seller to decline to remedy the objections raised by Purchaser in Purchaser's Title Notice. Seller shall be obligated to Cure any exceptions which arise after the effective date of the Title Commitment and prior to Closing, unless Purchaser consents to such exceptions in writing or such items arise on account of Purchaser. The term "**Cure**" shall mean, at Seller's election, (i) removal of such matter of record, (ii) provision of information to the Title Company sufficient to remove such matter as a title exception in the Title Commitment, or (iii) provision of a bond sufficient to cause the Title Company to remove such matter from the Title Commitment.

7. Land Use Matters.

(a) Identified Offsite Easements. Seller and Purchaser shall cooperate, in good faith, to identify and agree upon any offsite easements to serve the Real Property (the "**Identified Offsite Easements**") that Purchaser reasonably desires and/or may be required in order to allow Purchaser to develop the Real Property as intended. Seller shall use good faith efforts and cooperate with Purchaser to the extent reasonably necessary for Seller, at Purchaser's reasonable cost and expense, to obtain County and/or third-party consent to the acquisition, vacation, or abandonment of any Identified Offsite Easements, that have been agreed upon by Purchaser and Seller, in form and substance reasonably satisfactory to Purchaser and Seller. Any documents or agreements which shall survive Closing in connection with the Identified Offsite Easements shall be subject to the prior review and approval of both Seller and Purchaser, such approval not to be unreasonably withheld, conditioned, or delayed. All reasonable costs and expenses of the Identified Offsite Easements, including, but not limited to, document negotiation and preparation and the recording costs thereof, shall be borne solely by Purchaser.

(b) Entitlements Approvals. Seller acknowledges that Purchaser intends to file and process with the County such applications as may be required in order to rezone the Real Property to the "R-24 ADU" zoning district and any related applications as may be required in connection therewith (collectively, the "**Entitlement Applications**"). Seller, at its sole cost and expense but not to exceed Ten Thousand Dollars (\$10,000), shall reasonably cooperate with Purchaser's preparation of the Entitlement Applications and Purchaser's efforts to obtain the Entitlement Approvals (as hereinafter defined). Seller shall promptly execute any applications or agreements as may reasonably be required in connection therewith. Following the expiration of the Due Diligence Period, Purchaser shall submit the Entitlement Applications not later than sixty (60) days thereafter and shall diligently prosecute the Entitlement Applications in an attempt to obtain the Entitlement Approvals. Purchaser shall be deemed to have obtained the "**Entitlement Approvals**" on the date when the Entitlement Applications are approved by all applicable County authorities and all applicable appeal periods have expired without an appeal having been filed or, if an appeal is filed, the entry of a final decree by a court of competent jurisdiction upholding the approval of the Entitlement Applications and the expiration of all applicable appeal periods without an appeal of such decree having been filed. In the event that, despite Purchaser's good faith and diligent efforts, the County staff, Planning Commission, or Board of Supervisors (the "**Board**") indicate in writing that the Entitlement Applications will not be approved for the "R-24 ADU" zoning district, Purchaser shall have the right, upon written notice to Seller with a copy of such writing indicating that the Entitlement Applications will not be approved, to terminate this Agreement up to ten (10) days prior to the date the Board is scheduled to vote on the Entitlement

Applications. In such case if Purchaser elects to terminate this Agreement then the Initial Deposit and Second Deposit shall be delivered to Seller, and neither party shall have any further rights or obligations hereunder except for those rights and obligations that expressly survive termination of this Agreement. Purchaser acknowledges and agrees that the right to terminate as set forth in this Section 7(b) shall not otherwise be deemed to be an extension of the Due Diligence termination rights set forth in Section 5 of this Agreement. Except as otherwise set forth herein, all costs in connection the preparation, filing, approval, and recording of the Entitlement Approvals shall be the obligation of Purchaser.

(c) Site Plan Approval. Seller further acknowledges that, after Purchaser obtains final and unappealable Entitlement Approvals, Purchaser intends to cause to be prepared and submitted to the County Department of Building and Development (“**B&D**”) a final site plan and easement plat (collectively, the “**Development Plans**”) in substantial conformance to the final and unappealable approved Entitlement Approvals and for at least sixty four (64) Market Rate Units and ten (10) ADUs (collectively, the “**Minimum Yield**”) in accordance with Purchaser’s development plans. Purchaser shall be deemed to have obtained final approval of the Development Plans on such date as Purchaser has obtained technical engineering approval of the Development Plans (for at least the Minimum Yield) by B&D to the point where the Development Plans and bonds have been delivered to the B&D Bonds Management Team for the remaining administrative process prior to issuance of the permit to commence site development work, subject only to Purchaser’s post-Closing satisfaction of any bonding, development, and/or escrow requirements.

(d) Approvals. The final and unappealable approval of the Entitlements Approvals and the final approval of the Development Plans are collectively referred to herein as the “**Approvals**”. Purchaser shall diligently pursue obtaining the Approvals from all appropriate County governmental authorities. Purchaser agrees to keep Seller reasonably informed of the status and progress of the Approvals process and the dates that Purchaser anticipates obtaining each of the Approvals. Seller and Purchaser agree that Purchaser obtaining all Approvals (for at least the Minimum Yield) is a condition precedent to Purchaser’s obligation to proceed to Closing hereunder. In the event that Purchaser has not obtained final and unappealable approval of the Entitlements Approvals (for at least the Minimum Yield) on or before the expiration of eighteen (18) months after the expiration of the Due Diligence Period (the “**Entitlements Deadline**”), as the same may be extended by mutual written agreement between the parties hereto, then Purchaser, at its option to be exercised by delivery of written notice to Seller on or before the Entitlements Deadline may either: (1) waive such condition and proceed hereunder and thereafter Purchase pay the Third Deposit as provided in Section 3(a); or (2) terminate this Agreement, in which event the parties hereto shall have no further rights or obligations hereunder except for those rights and obligations which specifically survive termination hereunder, and the Initial Deposit and Second Deposit shall be delivered to Seller. In the event that Purchaser has not obtained all Approvals (for at least the Minimum Yield) on or before the expiration of thirty (30) months after the expiration of the Due Diligence Period (the “**Approvals Deadline**”), then: (a) at Purchaser’s option and upon delivery of written notice to Seller on or before the fifth (5<sup>th</sup>) day prior to the Approvals Deadline, the Approvals Deadline may be extended once for a period of time not to exceed ninety (90) days, and (b) Purchaser, at its option to be exercised by delivery of written notice to Seller on or before the Approvals Deadline, as may be extended pursuant to the preceding clause, may either: (1) waive such condition and proceed hereunder; or (2) terminate this Agreement, in which event the parties hereto shall have no further rights or obligations hereunder except for those rights and



obligations which specifically survive termination hereunder, half of the Third Deposit shall be returned to Purchaser with the remaining portion of the Deposit released to the Seller, and, provided the Conditions Precedent to Closing set forth in Section 8(a)(v) is met, the Initial Deposit and Second Deposit shall be delivered, to the extent not already delivered, to Seller. In the event Purchaser elects to waive either such Entitlements Deadline or Approvals Deadline condition and proceed to Closing, the Purchase Price paid at Closing shall be the greater of (i) the Purchase Price as calculated pursuant to the provisions of Section 4 above, using the number of Market Rate Units shown on the most current submission of the Entitlements Application documents or Development Plans, as applicable, as of the Closing Date, or (ii) the Minimum Purchase Price. Except as otherwise set forth herein, all costs in connection the preparation, filing, approval, and recording of the Approvals shall be the obligation of Purchaser. In the event Purchaser fails to provide timely notice to Seller under this Section 7(d) either in exercising a right to extend the Approvals Deadline or terminating this Agreement then Purchaser shall be deemed to proceed forward under this Agreement which shall remain in full force and effect (without the benefit of an applicable extension of time) and the Deposit, and all obligations related thereto, shall be managed in accordance with the requirements of this Agreement.

(e) Seller's Review and Approval.

(i) All documents relating to the Approvals, including but not limited to proffered development conditions (collectively, the “**Entitlements/Development Plan Documents**”), shall be subject to Seller’s reasonable approval, at Seller’s sole cost and expense, prior to submission to the appropriate County governmental authorities. Prior to Purchaser’s submission of any Entitlements/Development Plan Documents to the appropriate County governmental authorities, Purchaser shall deliver to Seller a true and complete copy of the documents Purchaser intends to submit with respect to the Approvals for Purchaser’s review and approval. Within fifteen (15) days after Seller’s receipt of any Entitlements/Development Plan Documents (in each instance, a “**Documents Review Period**”), Seller shall deliver written notice to Purchaser either approving or disapproving any particular set of Entitlements/Development Plan Documents (in each instance, a “**Documents Response Notice**”); provided, however, Seller shall not be entitled to object to or disapprove any Entitlements/Development Plan Documents to the extent (a) such matters set forth therein are in conformance with the Approvals, the County Zoning Ordinance, Land Subdivision and Development Ordinance, Facilities Standard Manual, or 2019 Comprehensive Plan, Loudoun Water Engineering Design Standards or Technical Memos to the Industry, or Virginia Department of Transportation standards, as the same may be amended from time to time (the “**Municipal Requirements**”), and (b) Seller’s objections would render the Entitlements/Development Plan Documents non-conforming with the Municipal Requirements. Seller’s failure to deliver any Documents Response Notice to Purchaser on or before the expiration of the applicable Documents Review Period shall be conclusively deemed to constitute Seller’s approval of the subject Entitlements/Development Plan Documents. If, pursuant to the Documents Response Notice, Seller disapproves all or any material portion of the Entitlements/Development Plan Documents, then the Documents Response Notice shall state with reasonable specificity the reason for such disapproval and the revisions required by Seller in order for such Entitlements/Development Plan Documents to be acceptable to Seller (in each instance the “**Seller’s Revisions**”). For a period of five (5) days after Purchaser’s receipt of a Documents Response Notice setting forth Seller’s Revisions (in each instance, an “**Agreement Period**”), Seller and Purchaser shall use reasonable good faith efforts to reach an agreement on Seller’s

Revisions, and such agreed-upon Seller's Revisions shall be incorporated into the Entitlements/Development Plan Documents. If Seller and Purchaser are unable to reach an agreement on any of the Seller's Revisions on or before the expiration of the Agreement Period, then within five (5) days after the expiration of the Agreement Period (the "**Election Period**"), Purchaser shall deliver written notice to Seller (an "**Election Notice**") electing to either (x) terminate this Agreement, in which event half of the Deposit shall be returned to Purchaser with the remaining portion of the Deposit released to the Seller, and the parties hereto shall have no further rights or obligations hereunder except for those rights and obligations which specifically survive termination hereunder, or (y) proceed under this Agreement, in which event Purchaser shall submit the subject Entitlements/Development Plan Documents to the appropriate County governmental authorities in the form which is acceptable to Seller. Purchaser's failure to deliver any Election Notice on or before the expiration of the subject Election Period shall be conclusively deemed to constitute an election by Purchaser to terminate this Agreement pursuant to clause (x) above. Provided the transaction contemplated under this Agreement closes, Purchaser shall be solely responsible for performing all obligations of the proffered development conditions associated with the Entitlements Approvals.

(ii) Seller agrees, at no cost or expense to Seller (except as otherwise provided herein), to cooperate with Purchaser to the extent reasonably necessary for Purchaser to obtain final and unappealable approval of the Entitlements Approvals and approval of the Development Plans by all appropriate County governmental authorities, and in connection therewith, Seller agrees within ten (10) business days after receipt of a request from Purchaser to execute and deliver to Purchaser such applications, proffers and other documents as may be reasonably requested by Purchaser and/or by the appropriate County governmental authorities, subject to Seller's right to approve all Entitlements/Development Plan Documents as set forth above.

#### 8. Conditions Precedent to Closing.

(a) Conditions Precedent to Purchaser's Obligations. Purchaser's obligations with respect to the transactions contemplated by this Agreement are subject to the timely satisfaction (or waiver by Purchaser) of the following conditions (the "**Conditions Precedent to Closing**") on or before the Closing Date: (i) title to the Property shall be as set forth in Section 6 above; (ii) Seller shall have duly performed in all material respects each and every covenant and obligation of Seller hereunder; (iii) all representations and warranties made by Seller hereunder shall be true and correct as of the Closing Date, and Seller shall re-certify same at Closing; (iv) Seller shall have obtained and, at Closing will cause to be recorded, at Purchaser's reasonable cost and expense, all of the Identified Offsite Easements in form and substance reasonably agreed to by Purchaser and Seller during the Due Diligence Period; (v) there shall be no moratorium declared or proposed on the development of the Real Property or a change in the access to utilities after the expiration of the Due Diligence Period which materially impacts Purchaser's proposed development of the Real Property; and (vi) Purchaser shall have obtained the Approvals.

(b) Failure of Conditions Precedent to Purchaser's Obligations. In the event any one or more of the Conditions Precedent to Closing set forth in Section 8(a) above remains unsatisfied on the Outside Closing Date (as hereinafter defined in Section 9), then either Purchaser or Seller may extend the Closing Date once each for up to ninety (90) days (which shall

correspondingly extend the Outside Closing Date, if applicable) to provide additional time for such condition(s) to be satisfied by delivery of written notice thereof at least five (5) business days prior to then scheduled Closing Date to the other party identifying the unsatisfied Conditions Precedent to Closing. If neither party elects to so extend the Closing Date (and Outside Closing Date, if applicable), or if the Closing Date (and Outside Closing Date, if applicable) is extended and such condition(s) is still not satisfied on or before the extended Closing Date, Purchaser, at its option, may either (i) waive the satisfaction of such condition(s) and proceed to Closing under this Agreement; or (ii) terminate this Agreement by delivery of written notice thereof to Seller at least five (5) business days prior to then scheduled Closing Date and such notice shall identify the unsatisfied Conditions Precedent to Closing. In the event Purchaser elects to terminate this Agreement, the parties hereto shall have no further rights or obligations hereunder except for those rights and obligations which specifically survive termination hereunder; and if the unsatisfied Conditions Precedent to Closing are any of the Conditions Precedent to Closing set forth in Section 8(a)(i) through Section 8(a)(v) above, the Deposit shall be returned to Purchaser, and if the unsatisfied Conditions Precedent to Closing is the Condition Precedent to Closing set forth in Section 8(a)(vi) above, the Initial Deposit and Second Deposit shall be delivered to Seller and the Third Deposit shall be returned to Purchaser.

(c) Conditions Precedent to Seller's Obligations. Seller's obligations with respect to the transactions contemplated by this Agreement are subject to the timely satisfaction (or waiver by Seller) of the following conditions on or before the Closing Date: (i) Purchaser shall have duly performed in all material respects each and every covenant and obligation of Purchaser hereunder; (ii) all representations and warranties made by Purchaser hereunder shall be true and correct as of the Closing Date; and (iii) timely delivery of the Purchase Price to Escrow Holder to effectuate the Closing.

(d) Effect of Closing. The Closing shall constitute conclusive evidence that Seller and Purchaser have respectively waived any conditions set forth in Section 8(a) and Section 8(c) above which are not satisfied as of the Closing.

9. Closing. The closing of the transaction contemplated by this Agreement (the "**Closing**") shall take place through an escrow closing with the Escrow Holder on the date (the "**Closing Date**") that is the earlier of: (a) thirty (30) days following the date when all of the Conditions Precedent to Closing have been satisfied (and/or waived by Purchaser or Seller, as the case may be), or (b) thirty (30) months following the expiration of the Due Diligence Period (the "**Outside Closing Date**"). The Outside Closing Date shall be extended by one day for each day the Entitlements Deadline and/or Approvals Deadline may have been extended, as applicable, pursuant to Section 7(d) above by mutual written agreement between the parties hereto.

(a) Seller's Closing Deliverables. Seller shall deliver or cause to be delivered to Escrow Holder at or prior to the Closing the following instruments and documents: (i) a special warranty deed ("**Deed**"), in substantially the form attached hereto as Exhibit C, duly executed and acknowledged in proper recordable form by Seller, conveying fee simple title to the Real Property to Purchaser or its designees or assigns, as permitted hereunder, free and clear, except for the Permitted Exceptions, of all liens, encumbrances, or defects; (ii) a FIRPTA affidavit in the form attached hereto as Exhibit F; (iii) one (1) original of the general assignment (the "**General Assignment**") in substantially the form attached hereto as Exhibit D, executed by Seller,

conveying to Purchaser title to the Intangible Property free and clear of all liens and encumbrances of any nature; (iii) an executed counterpart of a closing statement reflecting the Purchase Price and all adjustments, prorations, credits, costs and expenses set forth herein (a “**Closing Statement**”); (iv) an original owner’s affidavit in a form reasonably acceptable to the Title Company to issue the Title Policy, duly executed by Seller; and (v) all other documents reasonably required by the Escrow Holder and Title Company to consummate the transaction contemplated by this Agreement.

(b) Purchaser’s Closing Deliverables. Purchaser shall deliver or cause to be delivered to Escrow Holder at or prior to the Closing the following funds, instruments and documents: (i) the balance of the Purchase Price; (ii) an executed counterpart of the Closing Statement; (iii) Purchaser’s original signed counterpart to the General Assignment; and (iv) all other documents reasonably necessary or otherwise required by the Escrow Holder and Title Company to consummate the transaction contemplated by this Agreement.

(c) Costs and Expenses. At Closing, Seller shall pay the cost of the preparation of the Deed, the cost of obtaining releases of all Monetary Liens encumbering the Property, the Virginia and County Grantor’s Tax on the Deed, one-half of any escrow fee associated with the Deposit, and Seller’s attorneys’ fees; and Purchaser shall pay the Regional WMATA Capital Fee, the Regional Congestion Relief Fee, all expenses of examination of title, survey (if any), all reasonable fees, charges and expenses of the party conducting Closing, the title insurance premium, if any, one-half of any escrow fee associated with the Deposit, Purchaser’s attorneys’ fees, the Virginia and County Grantee’s Tax on the Deed and all other recording fees and recording taxes, all other costs of Closing not identified in this Section 9(c).

#### 10. Prorations, Credits, and Apportionments; Disbursement.

(a) Adjustments. Pro rata adjustments on a per diem basis (unless otherwise provided) shall be made between Purchaser and Seller as of the day of the Closing with respect to the following items: (i) general real estate taxes, personal property taxes, ad valorem taxes, and assessments encumbering the Property, for the current tax year for the Property, including for any applicable special tax districts; and (ii) all other costs, operating expenses or other items pertaining to the Property which are customarily apportioned in connection with sales of buildings substantially similar to the Property in the County. Any special assessments applicable to improvements completed prior to the Closing which are assessed after the Closing but apply to the period prior to the Closing shall be paid by Purchaser. If the Property is presently receiving preferential tax treatment in the form of a tax deferral that will no longer be applicable due to Purchaser’s ownership and/or intended use of the Property, then Seller shall be liable for the payment of all “rollback” taxes, tax deferrals or other similar taxes and charges which may be payable with respect to the Property applicable to the time period prior to the Closing. In such event, Seller shall pay all such taxes and charges at or prior to Closing or, at Purchaser’s option if such taxes remain unpaid at Closing, Purchaser shall receive a credit against the Purchase Price at Closing for such taxes and charges, but Purchaser shall be deemed to have assumed the responsibility and liability for all such taxes and charges and fully indemnify and hold Seller harmless therefore.

(b) Disbursement. Escrow Holder shall have the right to draw upon the funds provided at Closing by Seller and Purchaser as shown on the Closing Statement for purposes of recording the Deed and other appropriate documents. Upon verifying receipt and recordability of all documents and funds required to close the sale of the Property and obtaining the consent of Seller and Purchaser at Closing, Escrow Holder shall disburse all remaining funds and deliver all documents in accordance with this Agreement. The provisions of this Section 10 shall survive the Close of Escrow.

11. Representations, Warranties, and Covenants.

(a) Seller's Representations, Warranties, and Covenants. Seller hereby represents, warrants, and/or covenants to Purchaser based on the actual knowledge of Purchaser without the need for any investigation or inquiry that on and as of the date of this Agreement and on and as of the Closing Date (or Outside Closing Date, if applicable), which such representations, warranties, and/or covenants shall survive the Closing as limited by Section 16(b), as follows:

(i) Seller has the right, power and authority to enter into this Agreement and to sell the Property in accordance with the terms and conditions of this Agreement, and no other party has any ownership or other interest therein or rights to consent to the terms of this Agreement.

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

(iii) Seller is not a "foreign person" as such term is defined in Section 1445 of the Internal Revenue Code or any regulations promulgated thereunder, as amended.

(iv) Seller has not received written notice of litigation, arbitration, or other legal or administrative suit, action, proceeding or investigation pending or threatened against or involving Seller or the ownership or operation of the Property, including, but not limited to, any condemnation action relating to the Property.

(v) Except as otherwise disclosed in writing to Purchaser prior to the Effective Date, Seller has not entered into any service, maintenance, supply, leasing, brokerage, and listing and/or contracts relating to the Property (collectively, the "**Excluded Contracts**") which are not terminable prior to the Closing Date. Seller has materially performed all of its obligations under each of the Excluded Contracts and no fact or circumstance has occurred which, by itself or with the passage of time or the giving of notice or both, would constitute a material default by any party under any of the Excluded Contracts.

(vi) Seller has not received written notice of any material violation of any law or municipal ordinance, order or requirement noted or issued against the Property by any governmental authority having jurisdiction over the Property, that has not been cured, corrected or waived as of the Effective Date.

(vii) Seller has or will deliver or make available to Purchaser complete copies of all the Seller Materials to the extent in Seller's possession or under Seller's control with regard to the Property, and there are no other documents or information included within the definition of Seller Materials that have not been provided to the Purchaser.

(viii) Seller has not placed any, and to Seller's actual knowledge there are no, Hazardous Materials installed, stored in or otherwise existing at, on, in or under the Property in violation of any Environmental Requirements.

(ix) Seller (and each of Seller) is not, and will not become, a person or entity with whom United States persons or entities are restricted or prohibited from doing business under regulations of the Office of Foreign Asset Control ("OFAC") of the Department of the Treasury (including those named on OFAC's specially designated and blocked persons list) or under any related statute, or executive order (including the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism) and is not, and will not, knowingly engaged in any dealings or transactions or be otherwise associated with such persons or entities.

(x) During the period from the Effective Date until the Closing Date or Outside Closing Date, as applicable, Seller shall not encumber the Property with any lien or mortgage or make any commitments, proffers, or representations to the applicable government authorities, or to adjoining or surrounding property owners, which would, in any manner, be binding upon Purchaser.

(xi) During the period from the Effective Date until the Closing Date, or Outside Closing Date, as applicable, Seller shall cause the Property to be maintained in substantially the same manner as prior to the date of this Agreement pursuant to Seller's normal course. Seller shall not cause or make any new material improvements, alterations, or demolition to the Property, except as the parties might otherwise agree in writing.

(b) Purchaser's Representations, Warranties, and Covenants. Purchaser represents and warrants to Seller on and as of the date of this Agreement and on and as of the Closing Date (or Outside Closing Date, if applicable) as follows:

(i) Purchaser is a limited liability company validly existing in good standing under the laws of the District of Columbia, and Purchaser has the right, power and authority to enter into this Agreement and to acquire the Property in accordance with the terms and conditions of this Agreement, and no other party has any rights to consent to, approve, or authorize the terms of this Agreement. This Agreement has been properly executed by the Purchaser; and this Agreement is the valid and binding obligation of the Purchaser and is enforceable in accordance with its terms. The execution of this Agreement and the consummation of the transactions contemplated hereby will not violate the terms of the Purchaser's (or its permitted assignee's) Articles of Organization, operating agreement, other applicable entity documents, or any other agreement to which the Purchaser (or its permitted assignee's) is a party, or any order, judgment, or decree applicable to the Purchaser.

(ii) The Purchaser has not (a) made a general assignment for the benefit of creditors, (b) filed any voluntary petition in bankruptcy or suffered the filing of any involuntary petition by the Purchaser's creditors, (c) suffered the appointment of a receiver to take possession of all, or substantially all, of the Purchaser's assets, (d) suffered the attachment or other judicial seizure of all, or substantially all, of the Purchaser's assets, (e) admitted in writing its inability to pay its debts as they come due, or (f) made an offer of settlement, extension or composition to its creditors generally.

(iii) Purchaser is not, and will not become, a person or entity with whom United States persons or entities are restricted or prohibited from doing business under regulations of OFAC (including those named on OFAC's Specially Designated and Blocked Persons List) or under any statute, executive order (including the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism), or other governmental action and is not and will not engage in any dealings or transactions or be otherwise associated with such persons or entities.

12. Risk of Loss. The risk of loss or damage to the Property by fire or other casualty shall remain on Seller until the Deed is delivered by Seller at a Closing; provided, however, that the Parties agree that the Purchaser is purchasing vacant land and any such casualty shall not afford Purchaser any right under this Agreement, including, without limitation, termination. Seller agrees to keep in place adequate public liability insurance until Closing at the Seller's discretion. If, prior to the Closing, there shall occur a taking or condemnation ("Taking") of less than or equal to fifteen percent (15%) of the square footage of the Property, then the Seller shall assign to the Purchaser at Closing all interest of the Seller in and to any award which may be payable to the Seller on account of such Taking without any reduction or decrease of the Purchase Price. On the other hand, if, prior to the Closing, there shall occur a Taking of more than fifteen percent (15%) of the square footage of the Property, then the Purchaser shall have the right either to: (a) terminate this Agreement, in which event the Escrow Holder shall return the Deposit to the Purchaser, this Agreement shall terminate, and the parties shall have no further rights or obligations hereunder except as provided herein; or (b) the Purchaser may accept the Property as provided in this Agreement without reduction of the Purchase Price. If the Purchaser accepts the Property in the event of a Taking, then the Seller shall assign to the Purchaser at Closing all interest of the Seller in and to any award which may be payable to the Seller on account of such Taking, and the Purchase Price shall not be reduced.

13. Notice. Unless specifically stated otherwise in this Agreement, all notices, demands, requests, consents, approvals or other communications (for purposes of this Section 13 collectively referred to as "**Notices**") shall be in writing and delivered to Purchaser, Seller or Escrow Holder, at the addresses set forth below, by one the following methods: (a) personal delivery, whereby delivery is deemed to have occurred at the time of delivery; (b) overnight delivery by a nationally recognized overnight courier company, whereby delivery is deemed to have occurred the Business Day following deposit with the courier; (c) registered or certified mail, postage prepaid, return receipt requested, whereby delivery is deemed to have occurred on the third Business Day following deposit with the United States Postal Service; or (d) electronic transmission (facsimile or electronic mail) provided that such transmission is completed no later than 6:00 p.m. on a Business Day and the original is also sent by personal delivery, overnight

delivery, or by mail in the manner previously described, whereby delivery is deemed to have occurred at the time such transmission was initiated.

(a) Unless changed in accordance with Section 13(b) of this Agreement, the addresses for all communications and notices shall be as follows:

**If to Seller:**

IAD Hospitality, LLC  
2875 Tower View Road, Suite A-4  
Herndon, VA 20171  
Attn: Vikash K. Patel  
Email: [vik.patel@baywoodhotels.com](mailto:vik.patel@baywoodhotels.com)

**With a copy to:**

Offit Kurman, P.A.  
300 E. Lombard Street, Suite #2010  
Baltimore, Maryland 21202  
Attn: Avi J. Sommer  
Email: [asommer@offitkurman.com](mailto:asommer@offitkurman.com)

**If to Purchaser:**

NFD Acquisitions, LLC  
5101 Wisconsin Avenue, N.W., Suite 290  
Washington, D.C. 20016  
Attn: Stephen Collins  
Email: [stephen@northfielddev.com](mailto:stephen@northfielddev.com)

**With a copy to:**

Combs & Taylor LLP  
2101 L Street, N.W., Suite 800  
Washington, D.C. 20037  
Attention: Eric D. Combs  
Email: [eric.combs@combstaylor.com](mailto:eric.combs@combstaylor.com)

**If to Escrow Holder:**

Loudoun Commercial Title, L.L.C.  
5 Wirt Street, Suite 201  
Leesburg, VA 20175  
Attn: Bob Gordon, Esq  
Email: [bob@loudouncommercialtitle.com](mailto:bob@loudouncommercialtitle.com)

(b) Any party may, by notice given in accordance with this Article, designate a different address or person for receipt of all communications or notices.

(c) Any notice under this Agreement may be given by the attorneys of the respective parties who are hereby authorized to do so on their behalf. If a Notice is sent to more than one party on behalf of the Purchaser or the Seller (e.g. to the Seller and the Seller's counsel), delivery to either party shall be deemed delivery hereunder.

**14. Remedies.**

(a) Purchaser Default. In the event Purchaser shall be in breach of any of Purchaser's agreements, representations, or obligations as set forth in this Agreement, Seller shall give written notice to Purchaser detailing such breach (the "**Purchaser Default Notice**"). Purchaser shall have ten (10) business days after receipt of the Purchaser Default Notice (the "**Purchaser Cure Period**") to remedy the breach described in the Purchaser Default Notice; provided, however the Purchaser Cure Period shall not apply to any monetary obligation or if the



Purchaser fails or refuses to make settlement in accordance with the terms hereof for any reason other than an actual default by the Seller or the fulfillment of the provisions of Section 8(a) hereunder, notwithstanding the terms of Section 8(b). In the event Purchaser fails to remedy the breach described in the Purchaser Default Notice to Seller's reasonable satisfaction prior to the expiration of the Purchaser Cure Period, then such breach shall be treated as a "**Purchaser Default**." In the event of a Purchaser Default, Seller may terminate this Agreement, in which case the Deposit shall be delivered to Seller as Seller's fixed, agreed and liquidated damages and sole remedy, and the parties shall be relieved of any further obligation or liability hereunder except for those obligations or liabilities which expressly survive termination of this Agreement. The parties agree that in the event of a Purchaser Default, the actual damages thereby incurred by Seller would be difficult to measure and the receipt of the Deposit by Seller would, in such circumstances, represent reasonable compensation to Seller on account thereof. Notwithstanding anything to the contrary in this Section 14(a), in the event Closing does not occur on the Closing Date due solely to the failure of Purchaser's lender delivering funds to the Escrow Holder necessary to close the transaction described in this Agreement then Purchaser shall not be in breach of this Agreement so long as on the next business day Purchaser's Lender delivers such funds to the Escrow Holder and Closing occurs.

(b) Seller Default. In the event Seller shall be in breach of any of Seller's agreements, representations, or obligations as set forth in this Agreement, Purchaser shall give written notice to Seller, with a copy to Escrow Holder, detailing such breach (the "**Seller Default Notice**"). Seller shall have ten (10) business days after Seller's receipt of the Seller Default Notice (the "**Seller Cure Period**") to remedy the breach described in the Seller Default Notice. In the event Seller fails to remedy the breach described in the Seller Default Notice to Purchaser's reasonable satisfaction prior to the expiration of the Seller Cure Period, then such breach shall be treated as a "**Seller Default**." In the event of a Seller Default, Purchaser may elect, within ten (10) days after the expiration of the Seller Cure Period, to either (i) terminate this Agreement, in which case the Deposit shall be returned to Purchaser, Seller shall promptly reimburse Purchaser for all third-party costs actually incurred and expended by Purchaser pursuant to this Agreement, including but not limited to all attorneys' fees, consultant fees, engineering fees, architecture fees, and filing fees, incurred in connection with Purchaser's efforts to obtain the Approvals, subject to a maximum of \$300,000.00 reimbursed by Seller (the "**Liability Cap**"), and thereafter the parties will be relieved of any further obligation or liability hereunder except for those obligations or liabilities which expressly survive termination of this Agreement, or (ii) pursue specific performance of this Agreement, but if specific performance is not available to Purchaser due to Seller's conveyance of the Property to a third party prior to the Closing, Purchaser may seek such other relief at law or in equity with the understanding and acknowledgement that Purchaser shall only be able to recover monetary damages actually incurred by Purchaser under this Agreement subject to a maximum of \$750,000.00, and Seller shall not seek, nor be awarded, punitive, consequential, special, or exemplary damages. As a condition precedent to Purchaser exercising any right it may have to bring an action for specific performance as a result of a Seller Default, Purchaser shall commence such action within thirty (30) days after the date of such Seller Default.

(c) In the event either party resorts to litigation to enforce its rights hereunder, the parties agree that any judgment awarded to the prevailing party shall include all litigation expenses, including reasonable attorneys' fees.

15. Brokers. Purchaser and Seller each represent and warrant to each other that they dealt with no broker (or finder) in connection with, nor has any broker had any part in bringing about, this transaction other than Mark Roberts and his team members at Savills Inc., acting in a transaction facilitator capacity (the “**Broker**”). Purchaser shall pay the brokerage commission due Broker in accordance with the terms and conditions of a separate written commission agreement. Seller and Purchaser shall each indemnify, defend, and hold harmless the other from and against any claim of any broker or other person for any brokerage commissions, finder’s fees or other compensation in connection with this transaction if such claim is based in whole or in part by, through or on account of, any acts of the indemnifying party or its agents, employees or representatives and from all losses, liabilities, costs and expenses in connection with such claim, including without limitation, reasonable attorneys’ fees, court costs and interest. The provisions of this Section 15 shall survive the Closing, or the termination of this Agreement prior to the Closing.

16. Miscellaneous.

(a) This Agreement shall be governed by, interpreted under, and construed and enforced in accordance with the laws of the Commonwealth of Virginia. The parties hereby submit to the jurisdiction and venue of the courts of the Commonwealth of Virginia in Loudoun County and the U.S. District Court for the Eastern District of Virginia.

(b) This Agreement and the exhibits attached hereto constitute the sole and entire agreement between Seller and Purchaser with respect to the subject matter contained herein and supersedes all prior and contemporaneous understandings and agreements, both written and oral, with respect to such subject matter. This Agreement cannot under any circumstance be modified or amended orally and no agreement shall be effective to waive, change, modify, terminate or discharge this Agreement, in whole or in part, unless such agreement is in writing and signed by both Seller and Purchaser. This Agreement is entered into after full investigation, no party relying upon any statement or representation, not set forth in this Agreement, made by any other party. The covenants, representations, and warranties set forth herein with regard to the Seller and the Property shall merge into the instruments of transfer executed and delivered to the Purchaser at the Closing, and none of these covenants, representations, and warranties shall survive the Closing.

(c) The Seller Materials and access to the Property are furnished to the Purchaser solely in connection with its evaluation of the Property for purchase and for no other purpose. If Purchaser does not close on the purchase of the Property pursuant to this Agreement, Purchaser shall not use any such information any purpose; Purchaser recognizing that such information is confidential business information. Notwithstanding any provision of this Agreement to the contrary, this provision shall survive termination of this Contract.

(d) Seller and Purchaser hereby acknowledge and agree that time is strictly of the essence with respect to each and every term, condition, obligation and provision hereof and that failure to timely perform any of the terms, conditions, obligations or provisions hereof beyond any applicable notice and cure period by either party shall constitute a material breach of and a non-curable (but waivable) default under this Agreement by the party so failing to perform. Unless the context otherwise requires, all periods terminating on a given day, period of days, or date shall terminate at 6:00 p.m. (Eastern time) on such date or dates, and references to “days” shall refer to calendar days except if such references are to “Business Days” which shall refer to days which are

not Saturday, Sunday or a legal holiday. Notwithstanding the foregoing, if any period terminates on a Saturday, Sunday or a legal holiday, the termination of such period shall be on the next succeeding business day.

(e) This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs or successors and permitted assigns. Purchaser shall have the right to assign, transfer or convey its rights and obligations under this Agreement without the prior written consent of Seller (but after written notice to Seller at least fifteen (15) days prior to the Closing) to an entity affiliated with Purchaser and of substantially the same ownership of Purchaser (so that Purchaser or its principals have a majority and controlling interest in the assignee entity) and any other assignment shall require the prior written consent of Seller, provided that any assignee shall assume all of Purchaser's obligations hereunder and succeed to all of Purchaser's rights and remedies hereunder. In the event Purchaser assigns this Agreement in accordance with this Section 16(e), the Seller shall convey the Property directly to the Purchaser's assignee; provided, however, that in the event of such assignment, the Purchaser shall remain liable hereunder until the Closing has been completed. In the event of such an assignment, all references to the Purchaser herein shall be deemed to refer to such assignee.

(f) As used herein, the phrase "to Seller's actual knowledge", "known to Seller", and words of similar import shall mean the actual, current knowledge of Vikash K. Patel ("**Seller's Representative**"), who has knowledge of the operations of the Property, without any independent investigation and does not include any imputed or constructive knowledge that may be attributed to such individual. Seller's Representative nor any Seller Related Party shall have any personal liability for any matter arising out of or in connection with this Agreement, the transactions contemplated herein, or the Property.

(g) If any term or provision of this Agreement is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect, invalidate or render unenforceable any other term or provision of this Agreement.

(h) This Agreement may be executed by the parties in separate counterparts, each of which when so executed and delivered shall be an original for all purposes, but all such counterparts shall together constitute but one and the same instrument. The signature page of any counterpart may be detached therefrom without impairing the legal effect of the signature(s) thereon provided such signature page is attached to any other counterpart identical thereto except having additional signature pages executed by other parties to this Agreement attached thereto. The signatures of Purchaser and Seller may be delivered by facsimile, electronic mail (e-mail) or portable document format (pdf) counterparts of the signature page, which shall be effective as original signature pages for all purposes.

(i) No waiver by any party of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the party providing the waiver. No waiver by either party of any failure or refusal to comply with any obligations under this Agreement shall be deemed a waiver of any other or subsequent failure or refusal to so comply.

(j) This Agreement shall not be deemed an offer or binding upon Seller or Purchaser until this Agreement is fully executed and delivered by Seller and Purchaser.

(k) No individual officers, managers, members, agents, employees, attorneys, or representatives of Purchaser or such representatives of Seller of such party's rights, duties or obligations hereunder, or for the default of such party to observe and perform its obligations hereunder, or under any document executed in connection with the transactions contemplated hereby, or otherwise.

(l) TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, SELLER AND PURCHASER HEREBY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM (WHETHER ARISING IN TORT OR CONTRACT) BROUGHT BY SUCH PARTY AGAINST THE OTHER ON ANY MATTER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS AGREEMENT.

(m) The parties acknowledge that Purchaser and/or Seller may desire to effectuate a tax-free exchange with respect to the purchase and sale of the Property pursuant to Section 1031 of the Internal Revenue Code (an "**Exchange**"). Each of Seller and Purchaser agrees that the other party shall have the right to assign its rights hereunder to a qualified intermediary to effectuate any such Exchange, without any further consent from the non-exchanging party. Each of Seller and Purchaser further agrees to cooperate reasonably with the other party and any exchange agent in the exchanging party's efforts to complete the Exchange and to sign any documents reasonably required to complete the Exchange; provided that the non-exchanging party shall not be obligated to incur any expense or liability in connection with the other party's Exchange, and provided further, that the non-exchanging party shall not be required to accept title to any property other than the Property in connection with the Exchange.

(n) The Section headings have been included for convenience only, are not part of this Agreement and shall not be taken as an interpretation of any provision hereof. This Agreement shall inure to the benefit of, and shall be binding upon the parties, their respective successors, and assigns to the extent permitted by this Agreement under Section 16(e). Time is of the essence for this Agreement. Neither this Agreement nor any memorandum or other summary of this Agreement shall be placed of public record under any circumstances by any party except by the Seller, in Seller's sole discretion, except for any document recorded in the land records relating to the release of the Deposit as provided by Section 3(b).

(o) All references to "Section" without reference to a document other than this Agreement, are intended to designate sections of this Agreement, and the words "herein," "hereof," "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular Section, unless specifically designated otherwise. As used in this Agreement, the masculine shall include the feminine and neuter, the singular shall include the plural and the plural shall include the singular, as the context may require. The use of the term "including" means in all cases "including but not limited to" unless specifically designated otherwise.

*[SIGNATURE PAGE FOLLOWS]*

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

**SELLER:**

**IAD HOSPITALITY, LLC,**  
a Virginia limited liability company

By: \_\_\_\_\_

Name: Vikash K. Patel

Title: Managing Member

**PURCHASER:**

**NFD ACQUISITIONS, LLC,**  
a District of Columbia limited liability  
company

By: Northfield Construction & Development  
LLC, a Virginia limited liability company,  
its sole Member

By: \_\_\_\_\_

Stephen Collins, Vice President

The undersigned hereby acknowledges receipt of this Agreement on \_\_\_\_\_, 2021,  
and hereby agrees to act as Escrow Holder in accordance with the terms and conditions hereof.

**Loudoun Commercial Title, L.L.C.**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

**SELLER:**

**IAD HOSPITALITY, LLC,**  
a Virginia limited liability company

By: \_\_\_\_\_

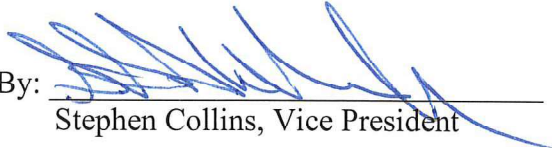
Name: Vikash K. Patel

Title: Managing Member

**PURCHASER:**

**NFD ACQUISITIONS, LLC,**  
a District of Columbia limited liability  
company

By: Northfield Construction & Development  
LLC, a Virginia limited liability company,  
its sole Member

By: \_\_\_\_\_  
Stephen Collins, Vice President

The undersigned hereby acknowledges receipt of this Agreement on \_\_\_\_\_, 2021,  
and hereby agrees to act as Escrow Holder in accordance with the terms and conditions hereof.

**Loudoun Commercial Title, L.L.C.**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

## **LIST OF EXHIBITS**

|                  |                               |
|------------------|-------------------------------|
| <u>Exhibit A</u> | Description of the Land       |
| <u>Exhibit B</u> | Purchaser's Deed of Trust     |
| <u>Exhibit C</u> | Form of Special Warranty Deed |
| <u>Exhibit D</u> | Form of General Assignment    |
| <u>Exhibit E</u> | General Escrow Provisions     |
| <u>Exhibit F</u> | Form of FIRPTA Certificate    |

**EXHIBIT A**

**DESCRIPTION OF THE LAND**

Parcel A1 Orange & Blue, Inc.; as the same appears duly dedicated, platted and recorded as Instrument No. 20040407-0032332, among the Land Records of Loudoun County, Virginia.

LESS AND EXCEPT that portion of the aforesaid parcel taken by the Commonwealth of Virginia in instrument recorded as Instrument No. 20030909-0118431 as confirmed by Order recorded as Instrument No. 20040511- 0045769



## **EXHIBIT B**

### **PURCHASER'S DEED OF TRUST**

Prepared by:  
Eric D. Combs, Esq. (Va. Bar No. 85178)  
Combs & Taylor LLP  
20 S. Madison Street  
P.O. Box 47  
Middleburg, VA 20118

Parcel ID No. 034-26-4101-000

### **DEED OF TRUST**

THIS DEED OF TRUST, hereinafter referred to as "Trust" or "Deed of Trust", is hereby made this \_\_\_ day of \_\_\_\_\_, 20\_\_\_, by and between IAD HOSPITALITY, LLC, a Virginia limited liability company, referred to as "Grantor" (index as Grantor); Eric D. COMBS, Trustee, a resident of Loudoun County, Virginia, and Jason R. BROST, Trustee, a resident of Fairfax County, Virginia, Trustee, either of whom may act, each having a mailing address of P.O. Box 47, Middleburg, Virginia, 20118, hereinafter collectively referred to as "Trustees" (index as Grantee); and NFD ACQUISITIONS, LLC, a District of Columbia limited liability company, hereinafter referred to as "Beneficiary" (index as Grantee).

### **WITNESSETH:**

In consideration of One Dollar (\$1.00) and other valuable consideration, Grantor does hereby grant and convey to the Trustees, with Special Warranty of Title, that certain real property located in Arlington County, Virginia, described on Exhibit A attached hereto and incorporated herein by reference, together with all of Grantor's right, title and interest in and to any and all improvements and fixtures thereon and any all appurtenances, rights, privileges and easements benefitting, belonging or pertaining to such real property (collectively, the "Property").

Such grant and conveyance is made in trust, however, to secure the obligation of Grantor to return to Beneficiary the Deposit (as defined below) in the maximum principal amount of \_\_\_\_\_, pursuant to the terms of that certain Purchase and Sale Agreement dated effective \_\_\_\_\_, 2021 (as it may be subsequently amended, the "Agreement"), between Grantor, as Seller, and Beneficiary, as Purchaser, which is hereby incorporated herein by reference.

This Deed of Trust shall be construed to impose and confer upon the parties hereto, and the Beneficiary hereunder, all duties, rights, and obligations prescribed in Section 55.1-320 of the Code of Virginia of 1950, as amended, and in effect as of the date of the acknowledgment hereof, and further to incorporate herein the following provisions, by the short-term references below, of Section 55.1-325 of the Code of Virginia:

**EXEMPTIONS WAIVED**

**SUBJECT TO CALL UPON DEFAULT**

INSURANCE REQUIRED IN AMOUNT EQUAL TO REPLACEMENT VALUE

ADVERTISEMENT WEEKLY FOR TWO (2) WEEKS IN A NEWSPAPER  
PUBLISHED IN THE CITY OF ALEXANDRIA, VIRGINIA

SUBSTITUTION OF TRUSTEES PERMITTED

The Grantor and the Beneficiary, by accepting the benefits hereof, agree that all authorities, powers, and discretion hereinabove given to the Trustees may be exercised by either, without the other, with the same effect as if executed jointly by both.

In the event of the resignation, death, incapacity, disability, removal, or absence from the Commonwealth of Virginia of either or both Trustees, or for any other reason satisfactory to the Beneficiary, the Beneficiary is authorized and empowered to designate and appoint a Substitute Trustee or Trustees, by an instrument duly executed, acknowledged, and filed for record in the office of the clerk of the court where this Trust is recorded. When such instrument of appointment shall have been so filed and recorded the Substitute Trustee or Trustees named therein shall be vested with all the powers, rights, authorities, and duties vested in the Trustees by this Trust.

Grantor covenants and agrees that the lien of this Deed of Trust is and shall remain a valid Deed of Trust encumbering the Property.

Grantor covenants (1) to return the Deposit to Beneficiary if, as and when required under the terms of the Purchase and Sale Agreement by and between Grantor and Grantee dated as of \_\_\_\_\_, 2021 (the "Contract"); (2) to pay all taxes and assessments on the Property prior to delinquency; (3) to pay, prior to delinquency, such amounts as may be justly due under the terms and provisions of any lien superior or inferior to the lien hereof; and (4) that upon any default or neglect to pay any such taxes, assessments or amounts, the Beneficiary may pay such taxes, assessments or amounts, or may advance any sum in default under any superior or inferior lien, and the expense thereof shall be a charge hereby secured, shall be payable upon demand, and shall bear interest at the rate of four percent (4%) per annum.

Grantor covenants that the total amount secured by the Property under all deeds of trust, now existing or hereafter entered into, shall not exceed eighty-five percent (85%) of the greater of the current fair market value of the Property, as evidenced by an appraisal prepared by Grantor in accordance with commercially acceptable standards, or the appraised value of the Property set forth in the tax assessment records of the City of Alexandria, Virginia.

Grantor covenants that (i) upon default being made by Grantor in its obligation to return the Deposit to Beneficiary pursuant to the terms of the Agreement, or (ii) upon a default by Grantor in any of the other covenants set forth in this Trust and upon the failure of Grantor to remedy any such other default which is monetary in nature within fifteen (15) days after delivery of written notice of such default by Beneficiary to Grantor, or upon the failure of Grantor to remedy any such other default which is non-monetary in nature within thirty (30) days after delivery of written notice of such default by Beneficiary to Grantor, provided, however, that if a non-monetary default cannot reasonably be cured in such thirty (30) day period but Grantor has commenced the process to cure such default and proceeds diligently thereafter Grantor shall be afforded the time necessary to cure such non-monetary default, then upon being required so to do by the Beneficiary, the

Trustees shall sell the Property at public auction, upon such terms and conditions, and at such time and place, and after such previous public advertisement as the Trustees acting in the execution of this Trust shall deem advantageous and proper; and to convey the same in fee simple to and at the cost of the purchaser or purchasers thereof, who shall not be required to see to the application of the purchase money; and of the proceeds of said sale or sales, first, to pay all proper costs, charges, and expenses, including a reasonable attorney's fee, all taxes and insurance premiums paid by any party secured hereby or that may be unpaid,; secondly, to pay to Beneficiary the Deposit and all accrued interest thereon and any other amounts required to be paid to Beneficiary hereunder; and lastly to pay the remainder, if any, to Grantor, its successors or assigns, or those legally entitled thereto.

Upon the earlier to occur of (i) the return of the entire Deposit to Beneficiary, (ii) the Settlement under the Contract, or (iii) the termination of the Contract for any reason which would entitle Grantor to retain the Deposit pursuant to the Agreement, the lien of this Trust will be released at Grantor's expense, within five (5) days after receipt by Beneficiary of a written demand from Grantor.

**[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]**

**[SIGNATURE PAGE FOLLOWS]**



**EXHIBIT C**

**FORM OF SPECIAL WARRANTY DEED**

Prepared by:  
Eric D. Combs, Esq. (Va. Bar No. 85178)  
Combs & Taylor LLP  
20 S. Madison Street  
P.O. Box 47  
Middleburg, VA 20118

Parcel ID No. 034-26-4101-000

Consideration: \$ \_\_\_\_\_  
Assessed Value (20\_\_): \$ \_\_\_\_\_

Grantee's Address: 5101 Wisconsin Avenue N.W.  
Suite 290  
Washington, D.C. 20016

**SPECIAL WARRANTY DEED**

THIS SPECIAL WARRANTY DEED is made this \_\_ day of \_\_\_\_\_, 20\_\_, from **IAD HOSPITALITY, LLC**, a Virginia limited liability company ("Grantor"), to **NFD ACQUISITIONS, LLC**, a District of Columbia limited liability company ("Grantee").

**WITNESSETH:**

THIS SPECIAL WARRANTY DEED, dated this \_\_\_\_ day of \_\_\_\_\_ 2021, by Ava Enterprises, LLC, a Virginia limited liability company, with a mailing address at 2875 Towerview Road, Suite A4, Herndon, Virginia 20171 (the "Grantor"), to NFD Acquisitions, LLC, a District of Columbia limited liability company, (the "Grantee"), with its principal office at \_\_\_\_\_.

**RECITALS**

Grantor and Grantee are parties to a Purchase and Sale Agreement dated as of September \_\_\_\_\_, 2021 (the "Agreement"), pursuant to which the Grantor agreed to sell to the Grantee, and the Grantee agreed to purchase from the Grantor, the Land (as hereinafter defined). Recourse against Grantor with respect to the representations, warranties and covenants of Grantor hereunder are subject to the provisions and limitations set forth in the Agreement.

WITNESSETH, in consideration of the sum of \_\_\_\_\_ Dollars and No Cents (\$\_\_\_\_\_.00) and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Grantor does hereby grant, bargain, sell and convey in fee simple absolute unto the Grantee all that land situate, lying and being in Loudoun County, Virginia, and more particularly described in Exhibit A attached hereto (the "Land").

TOGETHER WITH any and all improvements located thereon, and together with any easements, rights and appurtenances thereto.

Property Address:

Tax Account No: 034-26-4101-000

Title Insurer:

This Deed is made expressly subject to the conditions, restrictions, reservations, covenants, easements, rights of way, declarations and agreements of record affecting title to the Land conveyed hereby and the items listed on attached Exhibit B, and further subject to all standby fees, ad valorem taxes and assessments not yet due and payable, the payment of which Grantee assumes (hereinafter referred to as the "Permitted Exceptions").

TO HAVE AND TO HOLD the property hereby conveyed unto Grantee, its successors and assigns, in fee simple forever, and Grantor covenants that it will warrant specially the Land, subject to the Permitted Exceptions. The Grantor does hereby covenant to execute such further assurances of the Land as it may be requisite or necessary.

**[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]**

**[SIGNATURE PAGES FOLLOW]**

IN WITNESS WHEREOF, Grantor has caused this Special Warranty Deed to be executed under seal as of the date first above written.

**GRANTOR:**

**IAD HOSPITALITY, LLC**, a Virginia  
limited liability company

By: \_\_\_\_\_

Name:

Title:

COMMONWEALTH OF VIRGINIA            )  
                                                          )  
CITY / COUNTY OF \_\_\_\_\_ )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_,  
20\_\_, by \_\_\_\_\_, who personally appeared before me in the aforesaid jurisdiction.

\_\_\_\_\_  
NOTARY PUBLIC

My Commission Expires: \_\_\_\_\_

Notary Registration Number: \_\_\_\_\_

EXHIBIT A

DESCRIPTION OF THE LAND

Parcel A1 Orange & Blue, Inc.; as the same appears duly dedicated, platted and recorded as Instrument No. 20040407-0032332, among the Land Records of Loudoun County, Virginia.

LESS AND EXCEPT that portion of the aforesaid parcel taken by the Commonwealth of Virginia in instrument recorded as Instrument No. 20030909-0118431 as confirmed by Order recorded as Instrument No. 20040511- 0045769



EXHIBIT B

Permitted Exceptions

[ADD IN LIST OF FINAL PERMITTED EXCEPTIONS AS DETERMINED UNDER PSA]

**EXHIBIT D**  
**FORM OF GENERAL ASSIGNMENT**  
**ASSIGNMENT**

THIS ASSIGNMENT (this “**Assignment**”) is made as of \_\_\_\_\_, 20\_\_, by **IAD HOSPITALITY, LLC**, a Virginia limited liability company (“**Assignor**”) for the benefit of **NFD ACQUISITIONS, LLC**, a District of Columbia limited liability company (“**Assignee**”).

Reference is hereby made to that certain Purchase and Sale Agreement dated as of \_\_\_\_\_, 2021, between Assignor and Assignee (the “**Agreement**”). Capitalized terms used herein without definition shall have the meanings given such terms in the Agreement.

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Assignor does hereby grant, sell, transfer, assign and convey to Assignee, all of Assignor’s right, title and interest in and to the Intangible Property hereby listed on the attached Exhibit A, to the extent assignable and to the extent relating to that certain real property located in the County of Loudoun, Virginia, and more particularly described in Exhibit B attached hereto and incorporated herein by this reference (the “**Real Property**”). Assignee hereby accepts the foregoing assignment and hereby assumes and agrees to fulfill, perform, and observe all of the terms, conditions, and obligations of Assignor under any agreements or terms affecting and/or governing the Intangible Property.

Assignee shall indemnify, defend, and hold Assignor harmless from any and all liability, loss, damage or expense (including reasonable attorney’s fees) which Assignor may incur as result of or arising from the Intangible Property after the date of this Assignment arising from any claims and demands whatsoever which may be asserted against Assignor by reason of the failure of Assignee to perform any of the terms, covenants, or agreements affecting and/or governing the Intangible Property on or after the date hereof. Assignor shall indemnify, defend, and hold Assignee harmless from any and all liability, loss, damage or expense (including reasonable attorney’s fees) which Assignee may incur as result of or arising from the Intangible Property after the date of this Assignment arising from any claims and demands whatsoever which may be asserted against Assignee by reason of the failure of Assignor to perform any of the terms, covenants, or agreements affecting and/or governing the Intangible Property before the date hereof, except for claims and demands arising from Assignee’s willful misconduct, actions, or negligence. Notwithstanding the foregoing, this Assignment shall be limited to the fullest extent by the terms of the Agreement, including, without limitation, Section 14(c) thereof.

The provisions of this Assignment shall be binding upon, and shall inure to the benefit of, the successors and assigns of Assignor and Assignee, respectively, otherwise there is no intent to create any third party beneficiaries of this Assignment, and none shall be created.

This Assignment shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia.

This Assignment may be executed in any number of counterparts, each of which shall be deemed an original, but all of which when taken together shall constitute one and the same

instrument. The signature page of any counterpart may be detached therefrom without impairing the legal effect of the signature(s) thereon, provided such signature page is attached to any other counterpart identical thereto except having additional signature pages executed by other parties to this Assignment attached thereto. This Assignment and all other instruments referred to herein (other than the Agreement which shall be governed by its terms) shall be governed by and shall be construed according to the laws of the Commonwealth of Virginia, without regard to principles of conflicts of law. The parties shall execute and deliver or cause to be executed and delivered such further instruments and documents and shall take such other action as may be reasonably required to more effectively carry out the terms and provisions of this Assignment.

**[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]**

**[SIGNATURE PAGE FOLLOWS]**

IN WITNESS WHEREOF, Assignor has executed this Assignment as of the date first above written.

**ASSIGNOR:**

**IAD HOSPITALITY, LLC**, a Virginia  
limited liability company

By: \_\_\_\_\_

Name:

Title:

**ASSIGNEE:**

**NFD ACQUISITIONS, LLC**, a District of  
Columbia limited liability company

By: Northfield Construction & Development  
LLC, a Virginia limited liability company,  
its sole Member

By: \_\_\_\_\_  
Stephen Collins, Vice President

EXHIBIT A

List of Intangible Property

EXHIBIT B

DESCRIPTION OF THE LAND

## **EXHIBIT E**

### **GENERAL ESCROW PROVISIONS**

The obligations and rights of the Escrow Holder under this Contract shall be subject to the following terms and conditions:

A. Duties. The duties and obligations of the Escrow Holder shall be determined solely by the express provisions of this Contract and no implied duties or obligations shall be implied against the Escrow Holder. Further, the Escrow Holder shall be under no obligation to refer to any other document between or among the Purchaser and the Seller referred to in or related to this Contract, unless the Escrow Holder is provided with a copy of such document and consents thereto in writing.

B. Liability of Escrow Holder. The Escrow Holder shall not be liable to anyone by reason of performance of its duties hereunder, unless caused by or arising out of the Escrow Holder's actual and intentional misconduct, negligence, or breach of the escrow provisions of this Contract or any separate escrow instructions required by the Escrow Holder.

C. Reliance by Escrow Holder. The Escrow Holder shall be entitled to rely, and shall be protected in acting in reliance, upon any writing furnished to the Escrow Holder by either the Purchaser or the Seller and shall be entitled to treat as genuine, and as the document it purports to be, any letter, paper or other document furnished to the Escrow Holder. The Escrow Holder may rely on any affidavit of either the Purchaser or the Seller or any other person as to the existence of any facts stated therein to be known by the affiant.

D. Deposit. If the Seller shall become entitled to retain or receive the Deposit or other amount paid under this Contract, the Escrow Holder shall pay the same to the Seller together with all interest earned thereon and if the Purchaser shall become entitled to a return of the Deposit or other amount paid under this Contract, the Escrow Holder shall pay the same to the Purchaser together with all interest earned thereon; provided, however, that no disbursement pursuant to this Paragraph D shall be made by the Escrow Holder until the third business day following the receipt or deemed receipt of notice by the Seller and the Purchaser from the Escrow Holder of its intention to so disburse, and disbursement made by the Escrow Holder after the passage of such three business day period shall relieve the Escrow Holder from all liability in connection with such disbursement unless such disbursement is proscribed by order of a court of competent jurisdiction or objected to in writing by the Seller or the Purchaser. If such disbursement is objected to in writing by the Seller or the Purchaser within such three business day period, then the Escrow Holder shall not make such disbursement until unanimously instructed in writing by the Purchaser and the Seller, or is directed to make such disbursement by a court of competent jurisdiction.

E. Disputes. In the event of any disagreement between the parties resulting in adverse claims and demands being made in connection with or against the funds held in escrow, the Escrow Holder shall refuse to comply with the claims or demands of either party until such disagreement is finally resolved (i) by a court of competent jurisdiction (in proceedings which the Escrow Holder or any other party may initiate, it being understood and agreed by the Purchaser and the Seller that the Escrow Holder has authority (but not the obligation) to initiate such proceedings), or (ii) by an

arbitrator in the event that the Purchaser and the Seller mutually and jointly determine to submit the dispute to arbitration pursuant to the rules of the American Arbitration Association, and in so doing the Escrow Holder shall not be or become liable to a party, or (iii) by written settlement between the Purchaser and the Seller.

F. Indemnification of Escrow Holder. The Seller and the Purchaser shall jointly and severally indemnify, defend (with counsel acceptable to the Escrow Holder) and save harmless the Escrow Holder from and against all loss, cost, claim, liability, damage and expense, including reasonable attorneys' fees and disbursements incurred in connection with the performance of the Escrow Holder's duties hereunder, except with respect to actions or omissions taken or suffered by the Escrow Holder in bad faith, in willful disregard of this Escrow Agreement, or involving gross negligence on the part of the Escrow Holder.

G. Interpleader. The Escrow Holder may pay the Deposit into a court of competent jurisdiction upon commencement by the Escrow Holder of an interpleader action in such court. The reasonable out-of-pocket costs and attorneys' fees of the Escrow Holder for such interpleader action shall be paid by the losing party in such interpleader action.

H. Reporting Person. The Seller and the Purchaser hereby name the Escrow Holder as the "Reporting Person" under Section 6045(e) of the Code.

I. Further Assurances. From time to time on and after the date hereof, the Seller and the Purchaser shall deliver or cause to be delivered to the Escrow Holder such further documents and instruments and shall do and cause to be done such further acts as the Escrow Holder shall reasonably request (it being understood that the Escrow Holder shall have no obligation to make any such request) to carry out more effectively the provisions and purposes of this Contract, to evidence compliance herewith or to assure itself that it is protected in acting hereunder.

J. Resignation of Escrow Holder. The Escrow Holder may resign at any time as Escrow Holder hereunder upon giving five days' prior written notice to that effect to both the Seller and the Purchaser. In such event, the successor Escrow Holder shall be a nationally recognized title insurance company or other person acceptable to both the Seller and the Purchaser. The Escrow Holder shall deliver the Deposit, against receipt, to the successor Escrow Holder, to be held by the successor Escrow Holder pursuant to the terms and provisions of this Contract. If no such successor has been designated on or before the Escrow Holder ceases to serve hereunder, whether by resignation or otherwise, the obligations of the Escrow Holder as Escrow Holder shall continue until a successor is appointed, provided, however, its sole obligation thereafter shall be to safely keep all monies then held by it and to deliver the same to the person, firm or corporation designated as its successor or until directed by a final order or judgment of a court of competent jurisdiction, whereupon the Escrow Holder shall make disposition thereof in accordance with such order. If no successor Escrow Holder is designated and qualified within five days after its resignation is effective, the Escrow Holder may apply to any court of competent jurisdiction for the appointment of a successor Escrow Holder.

K. Survival. The provisions of this Exhibit E shall survive the Closing or any termination of this Agreement.



**EXHIBIT F**

FORM OF FIRPTA CERTIFICATE

CERTIFICATION OF NON-FOREIGN STATUS

Dated: \_\_\_\_\_, 202\_\_

Section 1445 of the Internal Revenue Code provides that a transferee of a United States real property interest must withhold tax if the transferor is a foreign person. To inform \_\_\_\_\_, a \_\_\_\_\_ (“Transferee”), that withholding of tax is not required upon the disposition of a United States real property interest by the Transferor (defined in paragraph 1 below), the undersigned hereby certify the following:

1. IAD Hospitality, LLC, a Virginia limited liability company (“Transferor”), is not a disregarded entity as defined in Section 1.1445-2(b)(2)(iii) of the Treasury Regulations.
2. Transferor is not a foreign corporation, foreign partnership, foreign trust, or foreign estate (as those terms are defined in the Internal Revenue Code and Treasury Regulations).
3. Transferor’s U.S. employer tax identification number is: 20-5778859.
4. Transferor’s office address is 2875 Tower View Road, Suite A4, Herndon, Virginia 20171.

Transferor understands that this certification may be disclosed to the Internal Revenue Service by Transferee and that any false statement contained herein could be punished by fine, imprisonment, or both. Transferor further understands that this Certification may be disclosed to the Internal Revenue Service by the Transferee and that any false statement contained herein could be punished by fine, imprisonment or both.

**TRANSFEROR:**

IAD Hospitality, LLC,  
a Virginia limited liability company

By: \_\_\_\_\_

Name: Vikash K. Patel

Title: Authorized Member

## **FIRST AMENDMENT TO PURCHASE AND SALE AGREEMENT**

THIS FIRST AMENDMENT TO PURCHASE AND SALE AGREEMENT (this "Amendment") is entered into as of this \_\_\_ day of November, 2021 (the "First Amendment Effective Date"), by and between IAD Hospitality, LLC, a Virginia limited liability company ("Seller"), and NFD Acquisitions LLC, a District of Columbia limited liability company ("Purchaser").

### **RECITALS**

WHEREAS, Seller and Purchaser entered into that certain Purchase and Sale Agreement dated as of September 30, 2021 (the "Agreement"), for the sale and purchase of approximately 3.51 acres of real property located in Loudoun County, Virginia, identified as Parcel ID Number 034-26-4101-000 (as more particularly described in the Agreement, the "Property").

WHEREAS, Seller and Purchaser desire to amend the Agreement as more particularly set forth in this Amendment.

NOW, THEREFORE, for and in consideration of the mutual promises of the parties and other good and valuable consideration, receipt and sufficiency of which are hereby acknowledged, the parties intending to be legally bound do hereby agree as follows:

1. **Incorporation.** The recitals hereinabove contained are hereby incorporated into the operative provisions of this Amendment by reference as if more fully set forth herein.
2. **Definitions.** Initially capitalized terms as used in this Amendment and not otherwise defined herein shall have the meanings as set forth in the Agreement.
3. **Due Diligence Period.** Notwithstanding anything to the contrary set forth in the Agreement, the parties hereby agree that the Due Diligence Period shall be extended for seven (7) days, such that the Due Diligence Period shall expire on December 6, 2021.
4. **Confirmation of Agreement.** Except as amended by the provisions of this Amendment, all terms and conditions of the Agreement shall remain in full force and effect.
5. **Execution.** This Amendment may be executed in any number of counterparts and by facsimile or pdf copies, and any such facsimile or pdf copy shall be deemed to be an original, and any and all counterparts, when considered as a whole, shall constitute a valid agreement of the parties.

**[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]**

**[SIGNATURE PAGE FOLLOWS]**

IN WITNESS WHEREOF, each of Seller and Purchaser has caused this Amendment to be executed under seal in its name pursuant to due authority as of the First Amendment Effective Date.

**SELLER:**

IAD HOSPITALITY, LLC, a Virginia limited liability company

By: 

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Vikash Patel  
Member

**PURCHASER:**

NFD ACQUISITIONS LLC, a District of Columbia limited liability company

By: 

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Nathan Hamman  
President

## SECOND AMENDMENT TO PURCHASE AND SALE AGREEMENT

THIS SECOND AMENDMENT TO PURCHASE AND SALE AGREEMENT (this “**Amendment**”) is entered into as of this 6<sup>th</sup> day of February 2023 (the “**Second Amendment Effective Date**”), by and between IAD Hospitality, LLC, a Virginia limited liability company (“**Seller**”), and NFD Acquisitions LLC, a District of Columbia limited liability company (“**Purchaser**”).

### RECITALS

WHEREAS, Seller and Purchaser entered into that certain Purchase and Sale Agreement dated as of September 30, 2021, as amended by that certain First Amendment to Purchase and Sale Agreement dated as of November 29, 2021 (collectively, the “**Agreement**”), for the sale and purchase of approximately 3.51 acres of real property located in Loudoun County, Virginia, identified as Parcel ID Number 034-26-4101-000 (as more particularly described in the Agreement, the “**Property**”).

WHEREAS, Seller and Purchaser desire to amend the Agreement as more particularly set forth in this Amendment.

NOW, THEREFORE, for and in consideration of the mutual promises of the parties and other good and valuable consideration, receipt and sufficiency of which are hereby acknowledged, the parties intending to be legally bound do hereby agree as follows:

1. Incorporation. The recitals hereinabove contained are hereby incorporated into the operative provisions of this Amendment by reference as if more fully set forth herein.

2. Definitions. Initially capitalized terms as used in this Amendment and not otherwise defined herein shall have the meanings as set forth in the Agreement.

3. Purchase Price. Section 4 of the Agreement is hereby deleted and replaced with the following:

“4. Purchase Price. Seller acknowledges that Purchaser intends to develop the Property to include a product mix of approximately two-hundred seventy (270) apartment units (the “**Units**”). The purchase price to be paid by Purchaser to Seller for the Property (the “**Purchase Price**”) shall be equal to Six Million Two Hundred Seventy-Three Thousand and No/100 Dollars (\$6,273,000.00), without regard to the number of Units approved for development on the Property pursuant to Purchaser’s Site Plan Approval (as hereinafter defined). Purchaser anticipates developing the Property with a product mix that further includes ten percent (10%) of the amount of Units as affordable dwelling units (collectively, the “**ADUs**”), and such other non-market rate apartment units where the sales price or rental rate that may be offered to a third-party purchaser or lessee for such units is limited by law or regulation enacted or promulgated by a governmental entity having jurisdiction over such matters in the County as may be required, including without

limitation additional affordable dwelling units, workforce housing units, or unmet housing needs units (the “**Non-Market Rate Units**”), together with floor area designated for retail and/or other non-residential uses (the “**Non-Residential Area**”). Notwithstanding the foregoing, Seller and Purchaser hereby agree that the purchase price for Non-Market Rate Units and Non-Residential Area shall be zero, and the Purchase Price shall not be increased in respect of the ADUs or in the event the Property is approved to be developed with additional Non-Market Rate Units or Non-Residential Area. The Purchase Price shall be deposited with Escrow Holder on or before the Closing Date, subject to the credit of the Deposit and any adjustments, credits, or apportionments as provided for under this Agreement, by certified or official bank checks or by one or more wire transfers of immediately available funds.”

4. Section 7(c) of the Agreement is hereby deleted and replaced with the following:

“Seller further acknowledges that, after Purchaser obtains final and unappealable Entitlement Approvals, Purchaser intends to cause to be prepared and submitted to the County Department of Building and Development (“**B&D**”) a final site plan and easement plat (collectively, the “**Development Plans**”) in substantial conformance to the final and unappealable approved Entitlement Approvals and for an estimated two-hundred seventy (270) Units in accordance with Purchaser’s development plans. Purchaser shall be deemed to have obtained final approval of the Development Plans on such date as Purchaser has obtained technical engineering approval of the Development Plans by B&D to the point where the Development Plans and bonds have been delivered to the B&D Bonds Management Team for the remaining administrative process prior to issuance of the permit to commence site development work, subject only to Purchaser’s post-Closing satisfaction of any bonding, development, and/or escrow requirements.”

5. Approvals. Section 7(d) of the Agreement is hereby deleted and replaced with the following:

“(d) Approvals. The final and unappealable approval of the Entitlements Approvals and the final approval of the Development Plans are collectively referred to herein as the “**Approvals**”. Purchaser shall diligently pursue obtaining the Approvals from all appropriate County governmental authorities. Purchaser agrees to keep Seller reasonably informed of the status and progress of the Approvals process and the dates that Purchaser anticipates obtaining each of the Approvals. Seller and Purchaser agree that Purchaser obtaining all Approvals is a condition precedent to Purchaser’s obligation to proceed to Closing hereunder. In the event that Purchaser has not obtained final and unappealable approval of the Entitlements Approvals on or before September 30, 2023 (the “**Entitlements Deadline**”), as the same may be extended by mutual written agreement between the parties hereto, then Purchaser, at its option to be exercised by delivery of written notice to Seller on or before the Entitlements Deadline may either: (1) waive such condition and proceed hereunder and thereafter Purchase pay the Third Deposit as provided in Section 3(a); or (2) terminate this Agreement, in which event the parties hereto shall have no further rights or obligations hereunder except for those rights and obligations which specifically survive termination hereunder, and the Initial Deposit and Second Deposit shall be delivered to Seller. In the event that Purchaser has not obtained all

Approvals on or before the expiration of thirty (30) months after the expiration of the Due Diligence Period (the “**Approvals Deadline**”), then: (a) at Purchaser’s option and upon delivery of written notice to Seller on or before the fifth (5<sup>th</sup>) day prior to the Approvals Deadline, the Approvals Deadline may be extended once for a period of time not to exceed ninety (90) days, and (b) Purchaser, at its option to be exercised by delivery of written notice to Seller on or before the Approvals Deadline, as may be extended pursuant to the preceding clause, may either: (1) waive such condition and proceed hereunder; or (2) terminate this Agreement, in which event the parties hereto shall have no further rights or obligations hereunder except for those rights and obligations which specifically survive termination hereunder, half of the Third Deposit shall be returned to Purchaser with the remaining portion of the Deposit released to the Seller, and, provided the Conditions Precedent to Closing set forth in Section 8(a)(v) is met, the Initial Deposit and Second Deposit shall be delivered, to the extent not already delivered, to Seller. In the event Purchaser elects to waive either such Entitlements Deadline or Approvals Deadline condition and proceed to Closing, the Purchase Price shall be paid at Closing. Except as otherwise set forth herein, all costs in connection the preparation, filing, approval, and recording of the Approvals shall be the obligation of Purchaser. In the event Purchaser fails to provide timely notice to Seller under this Section 7(d) either in exercising a right to extend the Approvals Deadline or terminating this Agreement then Purchaser shall be deemed to proceed forward under this Agreement which shall remain in full force and effect (without the benefit of an applicable extension of time) and the Deposit, and all obligations related thereto, shall be managed in accordance with the requirements of this Agreement.

6. Assignment. Section 16(e) of the Agreement is hereby amended by deleting the second sentence thereof and replacing it with the following: “Purchaser shall have the right to assign, transfer or convey its rights and obligations under this Agreement without the prior written consent of Seller (but after written notice to Seller at least fifteen (15) days prior to the Closing) to (i) an entity affiliated with Purchaser and of substantially the same ownership of Purchaser (so that Purchaser or its principals have a majority and controlling interest in the assignee entity), (ii) an entity associated with Purchaser that specializes in the development and/or financing of market rate or non-market rate multi-family attached residential projects, and (iii) any person, firm, corporation, or other business entity that, whether by purchase, merger, or otherwise, directly or indirectly acquires all or substantially all of the assets or business of Purchaser; and any other assignment shall require the prior written consent of Seller, provided that any assignee shall assume all of Purchaser’s obligations hereunder and succeed to all of Purchaser’s rights and remedies hereunder.

7. Confirmation of Agreement. Except as amended by the provisions of this Amendment, all terms and conditions of the Agreement shall remain in full force and effect.

8. Execution. This Amendment may be executed in any number of counterparts and by facsimile or pdf copies, and any such facsimile or pdf copy shall be deemed to be an original, and any and all counterparts, when considered as a whole, shall constitute a valid agreement of the parties.

**[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]**

**[SIGNATURE PAGE FOLLOWS]**

IN WITNESS WHEREOF, each of Seller and Purchaser has caused this Amendment to be executed under seal in its name pursuant to due authority as of the Second Amendment Effective Date.

**SELLER:**

IAD HOSPITALITY, LLC, a Virginia limited liability company

By:   
Name: Vikash Patel  
Title: Member

**PURCHASER:**

NFD ACQUISITIONS LLC, a District of Columbia limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_



**IN WITNESS WHEREOF**, each of Seller and Purchaser has caused this Amendment to be executed under seal in its name pursuant to due authority as of the Second Amendment Effective Date.

**SELLER:**

IAD HOSPITALITY, LLC, a Virginia limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**PURCHASER:**

NFD ACQUISITIONS LLC, a District of Columbia limited liability company

By: Stephen Collins  
Name: Stephen Collins  
Title: Vice President

### THIRD AMENDMENT TO PURCHASE AND SALE AGREEMENT

THIS THIRD AMENDMENT TO PURCHASE AND SALE AGREEMENT (this "Amendment") is entered into as of this 1st day of August, 2024 (the "Third Amendment Effective Date"), by and between IAD Hospitality, LLC, a Virginia limited liability company ("Seller"), and NFD Acquisitions LLC, a District of Columbia limited liability company ("Purchaser").

#### RECITALS

WHEREAS, Seller and Purchaser entered into that certain Purchase and Sale Agreement dated as of September 30, 2021, as amended by that certain First Amendment to Purchase and Sale Agreement dated as of November 29, 2021, and that certain Second Amendment to Purchase and Sale Agreement dated as of February 6, 2023 (collectively, the "Agreement"), for the sale and purchase of approximately 3.51 acres of real property located in Loudoun County, Virginia, identified as Parcel ID Number 034-26-4101-000 (as more particularly described in the Agreement, the "Property").

WHEREAS, Seller and Purchaser desire to amend the Agreement as more particularly set forth in this Amendment.

NOW, THEREFORE, for and in consideration of the mutual promises of the parties and other good and valuable consideration, receipt and sufficiency of which are hereby acknowledged, the parties intending to be legally bound do hereby agree as follows:

1. Incorporation. The recitals hereinabove contained are hereby incorporated into the operative provisions of this Amendment by reference as if more fully set forth herein.
2. Definitions. Initially capitalized terms as used in this Amendment and not otherwise defined herein shall have the meanings as set forth in the Agreement.
3. Approvals; Outside Closing Date. Notwithstanding anything to the contrary set forth in the Agreement, the parties hereby agree that the Entitlements Deadline shall be extended to March 31, 2025, the Approvals Deadline shall be extended to March 31, 2026, and the Outside Closing Date shall be extended to September 30, 2026.
4. Deposit. The parties hereby acknowledge that Purchaser has delivered the Initial Deposit, the Second Deposit, and the Third Deposit to Escrow Holder. Notwithstanding anything to the contrary set forth in the Agreement, the parties hereby agree that Purchaser shall deliver to Escrow Holder additional deposits of: (a) an amount equal to Four Hundred Thousand and No/100 Dollars (\$400,000.00) within seven (7) days after receipt of the Entitlement Approvals (the "Fourth Deposit"); and (b) an amount equal to Thirty Thousand and No/100 Dollars (\$30,000.00) every ninety (90) days thereafter until Closing (the "Final Deposits"). The term "Deposit" as used in the Agreement shall refer collectively to the Initial Deposit, Second Deposit, Third Deposit, Fourth Deposit, and/or Final Deposits, as applicable. Notwithstanding

anything to the contrary set forth in the Agreement, in the event the Purchaser elects to terminate the Agreement pursuant to Section 7(d) prior to the Entitlements Deadline, the Initial Deposit, the Second Deposit and the Third Deposit shall all be released to the Seller, and in the event the Purchaser elects to terminate the Agreement pursuant to Section 7(d) after the Entitlements Deadline, the Initial Deposit, the Second Deposit, the Third Deposit, the Fourth Deposit and any Final Deposits that have been posted by the date of termination shall all be released to the Seller.

5. Purchase Price. Notwithstanding anything to the contrary set forth in the Agreement, the parties hereby agree that the Purchase Price shall be increased to Six Million Six Hundred Seventy-Five Thousand and No/100 Dollars (\$6,675,000.00).

6. Purchaser Materials. Section 14(a) of the Agreement is hereby amended by deleting the fourth sentence thereof and replacing it with the following:

“In the event of a Purchaser Default, Seller may terminate this Agreement, in which case (i) Escrow Holder shall deliver the Deposit to Seller, and (ii) Purchaser shall, at no cost to Seller, deliver and release to Seller the architectural plans included in the Entitlements Approval and the survey, environmental report(s), geotechnical report(s), and civil plans (including final site plan and easement plat) created by or on behalf of Purchaser in connection with the Development Plans, as Seller’s fixed, agreed, and liquidated damages and sole remedy, and the parties shall be relieved of any further obligation or liability hereunder except for those obligations or liabilities that expressly survive termination of this Agreement.”

7. Confirmation of Agreement. Except as amended by the provisions of this Amendment, all terms and conditions of the Agreement shall remain in full force and effect.

8. Execution. This Amendment may be executed in any number of counterparts and by facsimile or pdf copies, and any such facsimile or pdf copy shall be deemed to be an original, and any and all counterparts, when considered as a whole, shall constitute a valid agreement of the parties.

**[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]**

**[SIGNATURE PAGE FOLLOWS]**

IN WITNESS WHEREOF, each of Seller and Purchaser has caused this Amendment to be executed under seal in its name pursuant to due authority as of the Third Amendment Effective Date.

**SELLER:**

IAD HOSPITALITY, LLC, a Virginia limited liability company

By:   
Name: Vikash Patel  
Title: Member

**PURCHASER:**

NFD ACQUISITIONS LLC, a District of Columbia limited liability company

By:   
Name: Nathan Hamman  
Title: President

## EXHIBIT D

### FORM OF CONSENT TO ASSIGNMENT

#### **CONSENT TO ASSIGNMENT AND ACCESS AGREEMENT**

This CONSENT TO ASSIGNMENT AND ACCESS AGREEMENT (this “**Agreement**”), is entered into as of \_\_\_\_\_, 2025 (the “**Effective Date**”), by and among IAD HOSPITALITY, LLC, a Virginia limited liability company (“**Owner**”), NFD ACQUISITIONS LLC, a District of Columbia limited liability company (“**Purchaser**”), and FRH REALTY LLC, a Delaware limited liability company (“**Licensee**”) (Owner, Purchaser and Licensee are hereinafter each a “**Party**” and are collectively the “**Parties**”).

#### Recitals

WHEREAS, Owner is the owner of that certain property described on **Exhibit “A”**, attached hereto and made a part hereof by reference, located in Loudoun County, Virginia and identified as Parcel ID Number 034-26-4101-000 (the “**Property**”);

WHEREAS, Owner and Purchaser have entered into that certain Purchase and Sale Agreement, dated as of September 30, 2021, with respect to the potential sale of the Property to Purchaser, as the same has been amended by (i) that certain First Amendment to Purchase and Sale Agreement, dated as of November 29, 2021, (ii) that certain Second Amendment to Purchase and Sale Agreement, dated as of February 6, 2023, and (iii) that certain Third Amendment to Purchase and Sale Agreement, dated as of August 1, 2024 (collectively, the “**Purchase Agreement**”) (capitalized terms used herein and not otherwise defined shall have the meaning given such terms in the Purchase Agreement);

WHEREAS, Licensee is interested in conducting due diligence with respect to the Property and reviewing information regarding the Property in connection with Licensee’s evaluation of a proposed transaction whereby Licensee would take assignment of the Purchase Agreement and Purchaser’s right to acquire the Property from Owner (the “**Proposed Assignment**”); and

WHEREAS, Owner desires to consent to the Proposed Assignment and agrees that Licensee shall have, pursuant to the terms and conditions hereinafter set forth, the right to enter the Property and the right to commence certain inspections and related due diligence of the Property and of materials related thereto.

NOW THEREFORE, in consideration of the foregoing recitals and the mutual covenants set forth herein, the Parties hereby agree as follows:

1. Consent to Proposed Assignment. Pursuant to Section 16(e) of the Purchase Agreement, Owner hereby consents to the Proposed Assignment of the Purchase Agreement and agrees that provided the assignment of the Purchase Agreement occurs at or prior to Closing under the Purchase Agreement and Owner is provided a copy of such executed assignment and assumption of the Purchase Agreement between Purchaser and Licensee, Licensee shall have the right to purchase the Property from Owner in accordance with terms of the Purchase Agreement.

2. Consent to Access. Licensee and the other Licensee’s Representatives (as hereinafter defined) shall have the right to (i) receive from Purchaser and review the Seller Materials provided under the Purchase Agreement and any additional inspections, reports, investigations or other materials developed by Purchaser in connection with the Property and the delivery of all such materials to Licensee shall not violate the terms of any obligation of Purchaser under the Purchase Agreement to maintain such materials in a confidential manner; provided, however, Licensee hereby agrees to be bound by such confidentiality obligations contained in the Purchase Agreement with respect to such materials, and (ii) enter upon the Property during the term of this Agreement for the purpose of conducting customary and

reasonable inspections and related due diligence concerning the Property, but subject in all circumstances the requirements and limitations contained in Section 5(c) of the Purchase Agreement, including without limitation, the obligation to provide Owner with a certificate of insurance naming Owner as an additional insured (provided, however, the Parties acknowledge that such rights shall exist in Licensee notwithstanding that the Due Diligence Period with respect to Purchase has expired). All due diligence conducted by Licensee shall be at Licensee's sole expense and shall be conducted in accordance with applicable laws. For the purposes of this Agreement, "**Licensee's Representatives**" shall mean, and be the equivalent of "Purchaser's Representatives" as such term is defined in the Purchase Agreement, but with respect to Licensee rather than Purchaser.

3. Covenants.

(a) Licensee agrees to repair any physical damage to the Property in accordance with the Purchase Agreement to the extent caused by its due diligence activities and shall promptly return the Property to the condition existing prior to Licensee's due diligence; provided, however, that Licensee shall not be liable for or obligated to repair any Seller Conditions or Pre-Existing Conditions.

(b) Licensee hereby agrees to indemnify, defend, and hold Owner and each Seller Related Party free and harmless from and against any and all conditions, losses, costs, damages, claims, liabilities, expenses, demands or obligations, of any kind or nature whatsoever (including reasonable attorneys' fees, expenses and disbursements) to the extent arising directly out of or resulting directly from (i) the breach of the terms of Section 3(a), or (ii) the entry on the Property or the conduct of any due diligence by any Licensee's Representatives; provided, however, that Licensee shall not have any liability for any losses to the extent resulting from Seller Conditions or Pre-Existing Conditions.

(c) Licensee, for itself and all of the other Licensee's Representatives, hereby waives and releases Owner and each Seller Related Party from all claims resulting from access to, entrance upon, or inspection of the Property by Licensee's Representatives, except to the extent caused by the gross negligence or willful misconduct of Owner or a Seller Related Party.

(d) The provisions of this Section 3 shall survive the termination of this Agreement.

4. Termination. Notwithstanding anything in this Agreement to the contrary, this Agreement shall terminate upon the earlier of: (i) Closing under the Purchase Agreement; (ii) the termination of any definitive agreement between Purchaser and Licensee regarding the Proposed Assignment.

5. Notices. Any Notices provided for or permitted by this Agreement to be made or accepted by any Party must be given in accordance with Section 13 of the Purchase Agreement and Licensee's notice address for such purposes shall be:

FRH Realty LLC  
5355 Mira Sorrento Place, Suite 100  
San Diego, CA 92121  
Attention: Trey Kirby, Mary Nicoletta, and Bethay Shay  
Email: tkirby3@ffres.com, mnicoletta@ffres.com, and bshay@ffres.com

With a copy to:  
Nelson Mullins LLP  
301 South College Street, Suite 2300  
Charlotte, North Carolina 28202  
Attention: James M. Tucker, Esq.  
Email: james.tucker@nelsonmullins.com

6. Miscellaneous.

(a) This Agreement may not be modified, changed, amended, supplemented or terminated, and no provisions hereof shall be deemed waived or released, except by a written instrument signed by the Parties.

(b) This Agreement shall be governed by, interpreted under, construed and enforced in accordance with the laws of the State where the Property is located.

(c) The terms and provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. Notwithstanding anything to the contrary set forth herein, Licensee shall have the right, without Owner's or Purchaser's consent, to assign Licensee's rights and obligations under this Agreement to any affiliate of Licensee and/or to any entity with day-to-day operations (or development or redevelopment services) managed by Licensee or an affiliate thereof. The term "affiliate" as used herein shall be deemed to include entities under common control with Licensee.

(d) In the event that any Party breaches any of the terms, provisions, warranties, representations, covenants or agreements contained in this Agreement and become involved in litigation with regard to breach hereof, a prevailing Party shall be entitled to be paid its reasonable attorney's fees.

(e) This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute but one and the same instrument. Signatures to this Agreement signed or transmitted by electronic means shall be valid and effective to bind the Party so signing.

[THE REMAINDER OF THE PAGE IS INTENTIONALLY BLANK]

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date first set forth above.

**OWNER:**

IAD HOSPITALITY, LLC,  
a Virginia limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

**PURCHASER:**

NFD ACQUISITIONS LLC,  
a District of Columbia limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

**LICENSEE:**

FRH REALTY LLC,  
a Delaware limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_



**Exhibit "A"**  
[PROPERTY DESCRIPTION]

Parcel A1 Orange & Blue, Inc.; as the same appears duly dedicated, platted and recorded as Instrument No. 20040407-0032332, among the Land Records of Loudoun County, Virginia.

LESS AND EXCEPT that portion of the aforesaid parcel taken by the Commonwealth of Virginia in instrument recorded as Instrument No. 20030909-0118431 as confirmed by Order recorded as Instrument No. 20040511- 0045769.

## **ASSIGNMENT AGREEMENT**

This ASSIGNMENT AGREEMENT (this “**Agreement**”), is entered into as of July 24, 2025, by and between FRH REALTY LLC, a Delaware limited liability company (“**Assignor**”) and FAIRFIELD DULLES PLAZA LP, a Delaware limited partnership (“**Assignee**”).

### **Recitals**

WHEREAS, IAD Hospitality, LLC, a Virginia limited liability company (“**Owner**”) is the owner of that certain property described on **Exhibit “A”**, attached hereto and made a part hereof by reference, located in Loudoun County, Virginia and identified as Parcel ID Number 034-26-4101-000 (the “**Property**”);

WHEREAS, Owner and NFD Acquisitions LLC, a District of Columbia limited liability company (“**Northfield**”) have entered into that certain Purchase and Sale Agreement, dated as of September 30, 2021, with respect to the potential sale of the Property to Northfield, as the same has been amended by (i) that certain First Amendment to Purchase and Sale Agreement, dated as of November 29, 2021, (ii) that certain Second Amendment to Purchase and Sale Agreement, dated as of February 6, 2023, and (iii) that certain Third Amendment to Purchase and Sale Agreement, dated as of August 1, 2024 (collectively, and as the same may be further amended, the “**Purchase Agreement**”);

WHEREAS, Northfield and Assignor have entered into that certain Assignment and Assumption of Purchase and Sale Agreement, dated as of June 30, 2025 (as the same may be amended, “**Assignment Agreement**”), pursuant to which Assignor may (subject to the terms and conditions set forth in the Assignment Agreement) take assignment of Northfield’s rights and obligations under the Purchase Agreement, including the right to purchase the Property from Owner; and

WHEREAS, Assignee is an affiliate of Assignor and is seeking entitlements to develop the Property with an affordable multifamily housing community and related amenities, and in connection therewith Assignor and Assignee desire that Assignee have the right to be assigned Assignor’s interest in the Assignment Agreement in accordance with the terms hereof, and in turn, through assignment of the Purchase Agreement from Northfield to Assignee, purchase the Property.

### **Agreement**

NOW THEREFORE, in consideration of the foregoing recitals and the mutual covenants set forth herein, the Parties hereby agree as follows:

1. **Assignment.** Effective as of the Notice Date (as hereinafter defined), Assignor does hereby assign, transfer, set over and convey to Assignee, its successors, legal representatives and assigns, all of Assignor’s right, title and interest in and to the Assignment Agreement. Assignee accepts such assignment and assumes the obligations of Assignor under the Contract to the extent arising on and after the Notice Date.

2. **Enforcement.** Effective as of the Notice Date, Assignor authorizes and empowers Assignee, upon its performance of the terms and conditions contained in the Assignment Agreement to be performed by the assignee thereunder, to enforce the performance of the terms and conditions contained in the Assignment Agreement to be performed by the assignor thereunder, in the same manner and with the same effect as Assignor itself might or could do had this Assignment not been made.

3. **Earnest Money.** Effective as of the Notice Date, Assignor hereby irrevocably assigns and transfers to Assignee, its successors, legal representatives and assigns, all of Assignor’s right, title and interest in and to the earnest money and other deposits heretofore deposited by Assignor pursuant to the Assignment Agreement, including without limitation all amounts comprising the Earnest Money Deposit as defined in the Assignment Agreement.

4. Assignee's Acceptance of Assignment. The assignment and assumption of the Assignment Agreement provided for herein (the "**Proposed Assignment**") shall automatically become effective (and shall only become effective) upon Assignee's written notice to Assignor accepting the Proposed Assignment (the "**Acceptance Notice**"). Assignee shall have no obligation to deliver the Acceptance Notice, and shall have the right to determine whether or not to issue the Acceptance Notice in Assignee's sole discretion. If Assignee elects to issue the Acceptance Notice, then Assignee shall do so on or prior to the Closing Date under and as defined in the Purchase Agreement. The date on which Assignee issues the Acceptance Notice to the Assignor is referred to herein as the "**Notice Date**". If Assignee issues the Acceptance Notice in accordance with the terms hereof, then the Proposed Assignment shall automatically become effective on the Notice Date without any further action by Assignor or any other party.

5. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia.

6. Parties Bound. This Agreement shall be binding upon and shall inure to the benefit of Assignor and Assignee and their respective successors and assigns.

**[THE REMAINDER OF THE PAGE IS INTENTIONALLY BLANK]**

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date first set forth above.

**ASSIGNOR:**

FRH REALTY LLC,  
a Delaware limited liability company

By:   
Name: Mary Nicoletta  
Its: Vice President & Assistant Secretary

**ASSIGNEE:**

FAIRFIELD DULLES PLAZA LP,  
a Delaware limited partnership

By: FRH Dulles Plaza LLC,  
a Delaware limited liability company,  
its General Partner

By: FRH GP II LLC,  
a Delaware limited liability company,  
its Non-Member Manager

By:   
Name: Mary Nicoletta  
Its: Vice President & Assistant Secretary

**Exhibit "A"**  
[PROPERTY DESCRIPTION]

Parcel A1 Orange & Blue, Inc.; as the same appears duly dedicated, platted and recorded as Instrument No. 20040407-0032332, among the Land Records of Loudoun County, Virginia.

LESS AND EXCEPT that portion of the aforesaid parcel taken by the Commonwealth of Virginia in instrument recorded as Instrument No. 20030909-0118431 as confirmed by Order recorded as Instrument No. 20040511- 0045769.

**CONSENT TO ASSIGNMENT AND ACCESS AGREEMENT**

This CONSENT TO ASSIGNMENT AND ACCESS AGREEMENT (this “**Agreement**”), is entered into as of September 4, 2025 (the “**Effective Date**”), by and among IAD HOSPITALITY, LLC, a Virginia limited liability company (“**Owner**”), NFD ACQUISITIONS LLC, a District of Columbia limited liability company (“**Purchaser**”), and FRH REALTY LLC, a Delaware limited liability company (“**Licensee**”) (Owner, Purchaser and Licensee are hereinafter each a “**Party**” and are collectively the “**Parties**”).

Recitals

WHEREAS, Owner is the owner of that certain property described on **Exhibit “A”**, attached hereto and made a part hereof by reference, located in Loudoun County, Virginia and identified as Parcel ID Number 034-26-4101-000 (the “**Property**”);

WHEREAS, Owner and Purchaser have entered into that certain Purchase and Sale Agreement, dated as of September 30, 2021, with respect to the potential sale of the Property to Purchaser, as the same has been amended by (i) that certain First Amendment to Purchase and Sale Agreement, dated as of November 29, 2021, (ii) that certain Second Amendment to Purchase and Sale Agreement, dated as of February 6, 2023, and (iii) that certain Third Amendment to Purchase and Sale Agreement, dated as of August 1, 2024 (collectively, the “**Purchase Agreement**”) (capitalized terms used herein and not otherwise defined shall have the meaning given such terms in the Purchase Agreement);

WHEREAS, Licensee is interested in conducting due diligence with respect to the Property and reviewing information regarding the Property in connection with Licensee’s evaluation of a proposed transaction whereby Licensee would take assignment of the Purchase Agreement and Purchaser’s right to acquire the Property from Owner (the “**Proposed Assignment**”); and

WHEREAS, Owner desires to consent to the Proposed Assignment and agrees that Licensee shall have, pursuant to the terms and conditions hereinafter set forth, the right to enter the Property and the right to commence certain inspections and related due diligence of the Property and of materials related thereto.

NOW THEREFORE, in consideration of the foregoing recitals and the mutual covenants set forth herein, the Parties hereby agree as follows:

1. **Consent to Proposed Assignment.** Pursuant to Section 16(e) of the Purchase Agreement, Owner hereby consents to the Proposed Assignment of the Purchase Agreement and agrees that provided the assignment of the Purchase Agreement occurs at or prior to Closing under the Purchase Agreement and Owner is provided a copy of such executed assignment and assumption of the Purchase Agreement between Purchaser and Licensee, Licensee shall have the right to purchase the Property from Owner in accordance with terms of the Purchase Agreement.

2. **Consent to Access.** Licensee and the other Licensee’s Representatives (as hereinafter defined) shall have the right to (i) receive from Purchaser and review the Seller Materials provided under the Purchase Agreement and any additional inspections, reports,

investigations or other materials developed by Purchaser in connection with the Property and the delivery of all such materials to Licensee shall not violate the terms of any obligation of Purchaser under the Purchase Agreement to maintain such materials in a confidential manner; provided, however, Licensee hereby agrees to be bound by such confidentiality obligations contained in the Purchase Agreement with respect to such materials, and (ii) enter upon the Property during the term of this Agreement for the purpose of conducting customary and reasonable inspections and related due diligence concerning the Property, but subject in all circumstances the requirements and limitations contained in Section 5(c) of the Purchase Agreement, including without limitation, the obligation to provide Owner with a certificate of insurance naming Owner as an additional insured (provided, however, the Parties acknowledge that such rights shall exist in Licensee notwithstanding that the Due Diligence Period with respect to Purchase has expired). All due diligence conducted by Licensee shall be at Licensee's sole expense and shall be conducted in accordance with applicable laws. For the purposes of this Agreement, "***Licensee's Representatives***" shall mean, and be the equivalent of "Purchaser's Representatives" as such term is defined in the Purchase Agreement, but with respect to Licensee rather than Purchaser.

3. Covenants.

(a) Licensee agrees to repair any physical damage to the Property in accordance with the Purchase Agreement to the extent caused by its due diligence activities and shall promptly return the Property to the condition existing prior to Licensee's due diligence; provided, however, that Licensee shall not be liable for or obligated to repair any Seller Conditions or Pre-Existing Conditions.

(b) Licensee hereby agrees to indemnify, defend, and hold Owner and each Seller Related Party free and harmless from and against any and all conditions, losses, costs, damages, claims, liabilities, expenses, demands or obligations, of any kind or nature whatsoever (including reasonable attorneys' fees, expenses and disbursements) to the extent arising directly out of or resulting directly from (i) the breach of the terms of Section 3(a), or (ii) the entry on the Property or the conduct of any due diligence by any Licensee's Representatives; provided, however, that Licensee shall not have any liability for any losses to the extent resulting from Seller Conditions or Pre-Existing Conditions.

(c) Licensee, for itself and all of the other Licensee's Representatives, hereby waives and releases Owner and each Seller Related Party from all claims resulting from access to, entrance upon, or inspection of the Property by Licensee's Representatives, except to the extent caused by the gross negligence or willful misconduct of Owner or a Seller Related Party.

(d) The provisions of this Section 3 shall survive the termination of this Agreement.

4. Termination. Notwithstanding anything in this Agreement to the contrary, this Agreement shall terminate upon the earlier of: (i) Closing under the Purchase Agreement; (ii) the termination of any definitive agreement between Purchaser and Licensee regarding the Proposed Assignment.

5. Notices. Any Notices provided for or permitted by this Agreement to be made or accepted by any Party must be given in accordance with Section 13 of the Purchase Agreement and Licensee's notice address for such purposes shall be:

FRH Realty LLC  
5355 Mira Sorrento Place, Suite 100  
San Diego, CA 92121  
Attention: Trey Kirby, Mary Nicoletta, and Bethay Shay  
Email: tkirby3@ffres.com, mnicoletta@ffres.com, and bshay@ffres.com

With a copy to:  
Nelson Mullins LLP  
301 South College Street, Suite 2300  
Charlotte, North Carolina 28202  
Attention: James M. Tucker, Esq.  
Email: james.tucker@nelsonmullins.com

6. Miscellaneous.

(a) This Agreement may not be modified, changed, amended, supplemented or terminated, and no provisions hereof shall be deemed waived or released, except by a written instrument signed by the Parties.

(b) This Agreement shall be governed by, interpreted under, construed and enforced in accordance with the laws of the State where the Property is located.

(c) The terms and provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. Notwithstanding anything to the contrary set forth herein, Licensee shall have the right, without Owner's or Purchaser's consent, to assign Licensee's rights and obligations under this Agreement to any affiliate of Licensee and/or to any entity with day-to-day operations (or development or redevelopment services) managed by Licensee or an affiliate thereof. The term "affiliate" as used herein shall be deemed to include entities under common control with Licensee.

(d) In the event that any Party breaches any of the terms, provisions, warranties, representations, covenants or agreements contained in this Agreement and become involved in litigation with regard to breach hereof, a prevailing Party shall be entitled to be paid its reasonable attorney's fees.

(e) This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute but one and the same instrument. Signatures to this Agreement signed or transmitted by electronic means shall be valid and effective to bind the Party so signing.

[THE REMAINDER OF THE PAGE IS INTENTIONALLY BLANK]



IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date first set forth above.

**OWNER:**

IAD HOSPITALITY, LLC,  
a Virginia limited liability company

By:   
Name: Vikash Patel  
Its: Member

**PURCHASER:**

NFD ACQUISITIONS LLC,  
a District of Columbia limited liability company

By: \_\_\_\_\_  
Name: Nathan Hamman  
Its: President

**LICENSEE:**

FRH REALTY LLC,  
a Delaware limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date first set forth above.

**OWNER:**

IAD HOSPITALITY, LLC,  
a Virginia limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

**PURCHASER:**

NFD ACQUISITIONS LLC,  
a District of Columbia limited liability company

By:  \_\_\_\_\_  
Name: Nathan Hamman  
Its: President

**LICENSEE:**

FRH REALTY LLC,  
a Delaware limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date first set forth above.

**OWNER:**

IAD HOSPITALITY, LLC,  
a Virginia limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

**PURCHASER:**

NFD ACQUISITIONS LLC,  
a District of Columbia limited liability company

By: \_\_\_\_\_  
Name: Nathan Hamman  
Its: President

**LICENSEE:**

FRH REALTY LLC,  
a Delaware limited liability company

By:  \_\_\_\_\_  
Name: Jenna Woods  
Its: Executive Vice President,  
General Counsel & Corporate Secretary

**Exhibit "A"**

**[PROPERTY DESCRIPTION]**

Parcel A1 Orange & Blue, Inc.; as the same appears duly dedicated, platted and recorded as Instrument No. 20040407-0032332, among the Land Records of Loudoun County, Virginia.

LESS AND EXCEPT that portion of the aforesaid parcel taken by the Commonwealth of Virginia in instrument recorded as Instrument No. 20030909-0118431 as confirmed by Order recorded as Instrument No. 20040511- 0045769.

**FIRST AMENDMENT TO**  
**ASSIGNMENT AND ASSUMPTION OF PURCHASE AND SALE AGREEMENT**

This FIRST AMENDMENT TO ASSIGNMENT AND ASSUMPTION OF PURCHASE AND SALE AGREEMENT (this “First Amendment”) is made and entered into effective for all purposes and in all respects as of September 4, 2025 (the “Effective Date”) between NFD Acquisitions LLC, a District of Columbia limited liability company (“Assignor”) and FRH Realty LLC, a Delaware limited liability company (“Assignee”). Assignor and Assignee shall each be hereinafter referred to as a “Party” and collectively, the “Parties”.

**RECITALS:**

WHEREAS, Assignor, as purchaser, has entered into that certain Purchase and Sale Agreement, dated as of September 30, 2021, with IAD Hospitality, LLC, a Virginia limited liability company, as seller (“Seller”), as the same has been amended by (i) that certain First Amendment to Purchase and Sale Agreement, dated as of November 29, 2021, (ii) that certain Second Amendment to Purchase and Sale Agreement, dated as of February 6, 2023, and (iii) that certain Third Amendment to Purchase and Sale Agreement, dated as of August 1, 2024 (collectively, the “Purchase Agreement”), for the acquisition of certain real property described therein;

WHEREAS, Assignor and Assignee entered into that certain Assignment and Assumption of Purchase and Sale Agreement dated as of June 30, 2025 (the “Assignment Agreement”);

WHEREAS, pursuant to the Purchase Agreement, Assignor is required to deliver a deposit in the amount of Four Hundred Thousand and 00/100 Dollars (\$400,000.00) (the “Fourth Deposit”) to Loudoun Commercial Title, L.L.C. (“LCT”) within seven (7) days after receipt of the Entitlement Approvals (as such term is defined in the Purchase Agreement);

WHEREAS, Assignor has not yet received the Entitlement Approvals or delivered the Fourth Deposit to LCT;

WHEREAS, Seller has agreed to consent to the assignment of the Purchase Agreement to Assignee upon receipt of the Fourth Deposit; and

WHEREAS, the Parties desire to amend the Assignment Agreement and set forth herein the terms and conditions of their agreements and understandings with respect to the foregoing.

NOW, THEREFORE, in consideration of the foregoing, of the mutual promises of the Parties contained herein and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto, intending legally to be bound, hereby covenant and agree as follows:

1. Incorporation of Recitals. The foregoing recitals are hereby incorporated in this First Amendment and made a substantive part hereof by this reference.

2. Capitalized Terms. All capitalized terms and phrases used herein but not defined herein shall have the meanings ascribed to them in the Assignment Agreement. Upon execution of this First Amendment, the term “Assignment Agreement” shall include this First Amendment.

3. Consent to Assignment. No later than 5:00 p.m., Pacific Time, September 15, 2025:

- a. Assignor shall deliver to Assignee a copy fully executed by Assignor, Seller and LCT of an escrow agreement in the form attached hereto as Exhibit A (the “Consent Escrow Agreement”) requiring LCT to release the Consent to Assignee in accordance with the terms and conditions set forth therein, and
- b. The Parties shall each execute and deliver an original counterpart, and Assignor shall cause Seller to execute and deliver an original counterpart of the Consent to Assignment to LCT to be held in escrow in accordance with the terms and conditions of the Consent Escrow Agreement.

4. Inspection Period. The definition of “Inspection Period” in Section 1.17 of the Assignment Agreement shall be deleted in its entirety and replaced with the following:

““Inspection Period” means the period of time commencing on the Agreement Date and expiring at 5:00 p.m., Pacific Time on date that is the earlier of (a) forty-five (45) days after the release of the Consent from LCT, or (b) seven (7) business days following Rezoning for the Affordable Scenario.”

5. Representation Regarding Purchase Agreement Deposits. Clause (iv) of Section 5.2(d) of the Assignment Agreement shall be deleted in its entirety.

6. Fourth Deposit and Release of Consent to Assignment. Assignor shall deliver the Fourth Deposit to LCT no later than the time required in the Purchase Agreement. Upon receipt of the Fourth Deposit, LCT shall release Assignor’s and Seller’s executed counterparts of the Consent to Assignment to Assignee. The Consent Escrow Agreement shall not be amended, extended, revoked, terminated or otherwise modified without the prior written consent of Assignee, in Assignee’s sole discretion.

7. Miscellaneous. With the exception of those matters set forth in this First Amendment, the assignment of the Purchase Agreement shall be subject to all terms, covenants and conditions of the Assignment Agreement. In the event of any express conflict or inconsistency between the terms of this First Amendment and the terms of the Assignment Agreement, the terms of this First Amendment shall control and govern. Except as expressly modified by this First Amendment, all other terms and conditions of the Assignment Agreement are hereby ratified and affirmed. This First Amendment may be executed in any number of counterparts, and delivery of any counterpart to the other party may occur by electronic (including, without limitation, Adobe Sign or Docusign) transmission; each such counterpart shall be deemed an original instrument, but all such counterparts together shall constitute one agreement. An executed First Amendment containing the signatures (whether original or electronic) of all the parties, in any number of

counterparts, is binding on the parties. The parties acknowledge that the Assignment Agreement, as hereby amended, is a valid and enforceable agreement and that, to each Party's knowledge, neither Party is in default thereunder.

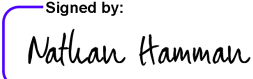
[Signature Pages Follow]

IN WITNESS WHEREOF, Assignor and Assignee have executed this First Amendment as of the date first written above.

**ASSIGNOR:**

**NFD ACQUISITIONS LLC,**

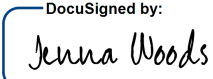
a District of Columbia limited liability company

By:   
Name: Nathan Hamman  
Its: President

**ASSIGNEE:**

**FRH REALTY LLC,**

a Delaware limited liability company

By:   
Name: Jenna Woods  
Its: Senior Vice President and Corporate Secretary



**EXHIBIT A**

**Form of Consent Escrow Agreement**

[attached]

## ESCROW AGREEMENT

THIS ESCROW AGREEMENT (this “**Agreement**”) is made and entered into this \_\_\_\_ day of September, by and between NFD Acquisitions LLC (“**Purchaser**”), IAD Hospitality, LLC (“**Seller**”) and Loudoun Commercial Title, LLC (“**Escrow Agent**”), with reference to the following Recitals:

### RECITALS

This Agreement is made and entered into with reference to the following recitals:

- A. Purchaser and Seller are parties to that certain Purchase and Sale Agreement, dated as of September 30, 2021, as amended by (i) that certain First Amendment to Purchase and Sale Agreement, dated as of November 29, 2021, (ii) that certain Second Amendment to Purchase and Sale Agreement, dated as of February 6, 2023, and (iii) that certain Third Amendment to Purchase and Sale Agreement, dated as of August 1, 2024 (collectively, the “**Purchase Agreement**”);
- B. Pursuant to the Purchase Agreement, Purchaser is required to deliver a deposit in the amount of Four Hundred Thousand and 00/100 Dollars (\$400,000.00) (the “**Fourth Deposit**”) to Escrow Agent within seven (7) days after receipt of the Entitlement Approvals (as such term is defined in the Purchase Agreement);
- C. Purchaser has requested that Seller execute a Consent to Assignment and Access Agreement in the form attached hereto as Exhibit A (the “**Consent**”); and
- D. Seller has agreed to execute the Consent, provided that it is held in escrow by Escrow Agent until Purchaser delivers the Fourth Deposit to Escrow Agent.

### AGREEMENT

- 1. Purchaser, Seller and Escrow Agent agree that Escrow Agent shall serve as escrow agent with respect to the Consent. The purpose of this Agreement is to prescribe instructions governing the release of the Consent.
- 2. Contemporaneous with execution of this Agreement, Purchaser and Seller shall deliver original counterparts of the Consent to Escrow Agent.
- 3. Escrow Agent shall hold the original counterparts of the Consent in escrow pending receipt of the Fourth Deposit from Purchaser. Promptly upon receipt of the Fourth Deposit from Purchaser, Escrow Agent shall release the original counterparts of the Consent to Purchaser. There shall be no other approvals, authorizations or conditions for the release of the original counterparts of the Consent to Purchaser. The Fourth Deposit shall be held in escrow by Escrow Agent subject to and in accordance with the terms of the Purchase Agreement.

4. In no event will Escrow Agent be liable for any act or failure to act under the provisions of this Escrow Agreement or any related contract, except to the extent that the Escrow Agent's acts are the result of gross negligence or willful misconduct. Accordingly, the Escrow Agent will not incur any such liability with respect to (a) any action taken or omitted in good faith upon advice of its legal counsel given with respect to any questions relating to the duties and responsibilities of the Escrow Agent; (b) any action taken or omitted in reliance on any instrument, including any written notice or instruction provided for in this Agreement or any related contract or agreement, not only as to its due execution and the validity and effectiveness of its provisions, but also as to the truth and accuracy of any information contained therein, which the Escrow Agent in good faith believes to be genuine, to have been signed or presented by a person or persons having authority to sign or present such instruments, and to conform with the provisions of this Escrow Agreement. Purchaser and Seller shall indemnify and hold Escrow Agent harmless from and against any loss, liability, or damage (including costs of litigation and reasonable attorney's fees) arising from and in connection with the performance of the Escrow Agent's duties under this Escrow Agreement.
5. Any notice required or permitted hereunder shall be deemed to have been received either (a) when delivered by hand and the party giving such notice has received a signed receipt thereof, (b) the date deposited with a nationally recognized overnight courier service (e.g., Federal Express), or (c) the date sent if sent by email with a copy sent by first class or certified/return receipt requested, United States mail, postage prepaid, addressed as follows (or addressed in such other manner as the party being notified shall have requested by written notice to the other party):

**If to Purchaser:**

NFD Acquisitions LLC  
4315 50<sup>th</sup> Street NW  
Suite 212  
Washington, D.C. 20016  
Attn: Nathan Hamman  
nhamman@northfielddev.com

**If to Seller:**

IAD Hospitality, LLC  
2875 Tower View Road  
Suite A-4  
Herndon, VA 20171  
Attn: Vikash K. Patel  
vik.patel@baywoodhotels.com

**If to Escrow Agent:**

Loudoun Commercial Title, LLC  
Five Wirt Street, SW

Suite 201  
Leesburg, VA 20175-2923  
Attn: Kate Gordon, President  
kate@loudouncommercialtitle.com

6. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument; provided, however, in no event shall this Agreement be effective unless and until signed by all parties hereto.

[Remainder of page intentionally blank.]

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

**PURCHASER:**

NFD ACQUISITIONS LLC, a District of  
Columbia limited liability company

By: \_\_\_\_\_ (SEAL)  
Name: Nathan Hamman  
Title: President

**SELLER:**

IAD HOSPITALITY, a Virginia limited  
liability company

By: \_\_\_\_\_ (SEAL)  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**ESCROW AGENT:**

LOUDOUN COMMERCIAL TITLE, L.L.C., a  
Virginia limited liability company

By: \_\_\_\_\_ (SEAL)  
Name: Kate Gordon, Esq.  
Title: President

**EXHIBIT A**  
**FORM OF**  
**CONSENT TO ASSIGNMENT AND ACCESS AGREEMENT**

This CONSENT TO ASSIGNMENT AND ACCESS AGREEMENT (this “***Agreement***”), is entered into as of \_\_\_\_\_, 2025 (the “***Effective Date***”), by and among IAD HOSPITALITY, LLC, a Virginia limited liability company (“***Owner***”), NFD ACQUISITIONS LLC, a District of Columbia limited liability company (“***Purchaser***”), and FRH REALTY LLC, a Delaware limited liability company (“***Licensee***”) (Owner, Purchaser and Licensee are hereinafter each a “***Party***” and are collectively the “***Parties***”).

**RECITALS**

WHEREAS, Owner is the owner of that certain property described on **Exhibit “A”**, attached hereto and made a part hereof by reference, located in Loudoun County, Virginia and identified as Parcel ID Number 034-26-4101-000 (the “***Property***”);

WHEREAS, Owner and Purchaser have entered into that certain Purchase and Sale Agreement, dated as of September 30, 2021, with respect to the potential sale of the Property to Purchaser, as the same has been amended by (i) that certain First Amendment to Purchase and Sale Agreement, dated as of November 29, 2021, (ii) that certain Second Amendment to Purchase and Sale Agreement, dated as of February 6, 2023, and (iii) that certain Third Amendment to Purchase and Sale Agreement, dated as of August 1, 2024 (collectively, the “***Purchase Agreement***”) (capitalized terms used herein and not otherwise defined shall have the meaning given such terms in the Purchase Agreement);

WHEREAS, Licensee is interested in conducting due diligence with respect to the Property and reviewing information regarding the Property in connection with Licensee’s evaluation of a proposed transaction whereby Licensee would take assignment of the Purchase Agreement and Purchaser’s right to acquire the Property from Owner (the “***Proposed Assignment***”); and

WHEREAS, Owner desires to consent to the Proposed Assignment and agrees that Licensee shall have, pursuant to the terms and conditions hereinafter set forth, the right to enter the Property and the right to commence certain inspections and related due diligence of the Property and of materials related thereto.

NOW THEREFORE, in consideration of the foregoing recitals and the mutual covenants set forth herein, the Parties hereby agree as follows:

1. **Consent to Proposed Assignment.** Pursuant to Section 16(e) of the Purchase Agreement, Owner hereby consents to the Proposed Assignment of the Purchase Agreement and agrees that provided the assignment of the Purchase Agreement occurs at or prior to Closing

under the Purchase Agreement and Owner is provided a copy of such executed assignment and assumption of the Purchase Agreement between Purchaser and Licensee, Licensee shall have the right to purchase the Property from Owner in accordance with terms of the Purchase Agreement.

2. Consent to Access. Licensee and the other Licensee's Representatives (as hereinafter defined) shall have the right to (i) receive from Purchaser and review the Seller Materials provided under the Purchase Agreement and any additional inspections, reports, investigations or other materials developed by Purchaser in connection with the Property and the delivery of all such materials to Licensee shall not violate the terms of any obligation of Purchaser under the Purchase Agreement to maintain such materials in a confidential manner; provided, however, Licensee hereby agrees to be bound by such confidentiality obligations contained in the Purchase Agreement with respect to such materials, and (ii) enter upon the Property during the term of this Agreement for the purpose of conducting customary and reasonable inspections and related due diligence concerning the Property, but subject in all circumstances the requirements and limitations contained in Section 5(c) of the Purchase Agreement, including without limitation, the obligation to provide Owner with a certificate of insurance naming Owner as an additional insured (provided, however, the Parties acknowledge that such rights shall exist in Licensee notwithstanding that the Due Diligence Period with respect to Purchase has expired). All due diligence conducted by Licensee shall be at Licensee's sole expense and shall be conducted in accordance with applicable laws. For the purposes of this Agreement, "***Licensee's Representatives***" shall mean, and be the equivalent of "Purchaser's Representatives" as such term is defined in the Purchase Agreement, but with respect to Licensee rather than Purchaser.

3. Covenants.

(a) Licensee agrees to repair any physical damage to the Property in accordance with the Purchase Agreement to the extent caused by its due diligence activities and shall promptly return the Property to the condition existing prior to Licensee's due diligence; provided, however, that Licensee shall not be liable for or obligated to repair any Seller Conditions or Pre-Existing Conditions.

(b) Licensee hereby agrees to indemnify, defend, and hold Owner and each Seller Related Party free and harmless from and against any and all conditions, losses, costs, damages, claims, liabilities, expenses, demands or obligations, of any kind or nature whatsoever (including reasonable attorneys' fees, expenses and disbursements) to the extent arising directly out of or resulting directly from (i) the breach of the terms of Section 3(a), or (ii) the entry on the Property or the conduct of any due diligence by any Licensee's Representatives; provided, however, that Licensee shall not have any liability for any losses to the extent resulting from Seller Conditions or Pre-Existing Conditions.

(c) Licensee, for itself and all of the other Licensee's Representatives, hereby waives and releases Owner and each Seller Related Party from all claims resulting from access to, entrance upon, or inspection of the Property by Licensee's Representatives, except to the extent caused by the gross negligence or willful misconduct of Owner or a Seller Related Party.

(d) The provisions of this Section 3 shall survive the termination of this Agreement.

4. Termination. Notwithstanding anything in this Agreement to the contrary, this Agreement shall terminate upon the earlier of: (i) Closing under the Purchase Agreement; (ii) the termination of any definitive agreement between Purchaser and Licensee regarding the Proposed Assignment.

5. Notices. Any Notices provided for or permitted by this Agreement to be made or accepted by any Party must be given in accordance with Section 13 of the Purchase Agreement and Licensee's notice address for such purposes shall be:

FRH Realty LLC  
5355 Mira Sorrento Place, Suite 100  
San Diego, CA 92121  
Attention: Trey Kirby, Mary Nicoletta, and Bethay Shay  
Email: tkirby3@ffres.com, mnicoletta@ffres.com, and bshay@ffres.com

With a copy to:  
Nelson Mullins LLP  
301 South College Street, Suite 2300  
Charlotte, North Carolina 28202  
Attention: James M. Tucker, Esq.  
Email: james.tucker@nelsonmullins.com

6. Miscellaneous.

(a) This Agreement may not be modified, changed, amended, supplemented or terminated, and no provisions hereof shall be deemed waived or released, except by a written instrument signed by the Parties.

(b) This Agreement shall be governed by, interpreted under, construed and enforced in accordance with the laws of the State where the Property is located.

(c) The terms and provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. Notwithstanding anything to the contrary set forth herein, Licensee shall have the right, without Owner's or Purchaser's consent, to assign Licensee's rights and obligations under this Agreement to any affiliate of Licensee and/or to any entity with day-to-day operations (or development or redevelopment services) managed by Licensee or an affiliate thereof. The term "affiliate" as used herein shall be deemed to include entities under common control with Licensee.

(d) In the event that any Party breaches any of the terms, provisions, warranties, representations, covenants or agreements contained in this Agreement and



become involved in litigation with regard to breach hereof, a prevailing Party shall be entitled to be paid its reasonable attorney's fees.

(e) This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute but one and the same instrument. Signatures to this Agreement signed or transmitted by electronic means shall be valid and effective to bind the Party so signing.

**[THE REMAINDER OF THE PAGE IS INTENTIONALLY BLANK]**

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date first set forth above.

**OWNER:**

IAD HOSPITALITY, LLC,  
a Virginia limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

**PURCHASER:**

NFD ACQUISITIONS LLC,  
a District of Columbia limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

**LICENSEE:**

FRH REALTY LLC,  
a Delaware limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

**Exhibit "A"**

[PROPERTY DESCRIPTION]

Parcel A1 Orange & Blue, Inc.; as the same appears duly dedicated, platted and recorded as Instrument No. 20040407-0032332, among the Land Records of Loudoun County, Virginia.

LESS AND EXCEPT that portion of the aforesaid parcel taken by the Commonwealth of Virginia in instrument recorded as Instrument No. 20030909-0118431 as confirmed by Order recorded as Instrument No. 20040511- 0045769.

**SECOND AMENDMENT TO  
ASSIGNMENT AND ASSUMPTION OF PURCHASE AND SALE AGREEMENT**

This SECOND AMENDMENT TO ASSIGNMENT AND ASSUMPTION OF PURCHASE AND SALE AGREEMENT (this “Second Amendment”) is made and entered into effective for all purposes and in all respects as of January 8, 2026 (the “Effective Date”) between NFD Acquisitions LLC, a District of Columbia limited liability company (“Assignor”) and FRH Realty LLC, a Delaware limited liability company (“Assignee”). Assignor and Assignee shall each be hereinafter referred to as a “Party” and collectively, the “Parties”.

**RECITALS:**

WHEREAS, Assignor, as purchaser, has entered into that certain Purchase and Sale Agreement, dated as of September 30, 2021, with IAD Hospitality, LLC, a Virginia limited liability company, as seller (“Seller”), as the same has been amended by (i) that certain First Amendment to Purchase and Sale Agreement, dated as of November 29, 2021, (ii) that certain Second Amendment to Purchase and Sale Agreement, dated as of February 6, 2023, and (iii) that certain Third Amendment to Purchase and Sale Agreement, dated as of August 1, 2024 (collectively, the “Purchase Agreement”), for the acquisition of certain real property described therein;

WHEREAS, Assignor and Assignee have entered into that certain Assignment and Assumption of Purchase and Sale Agreement dated as of June 30, 2025, as the same has been amended by that certain First Amendment to Assignment and Assumption of Purchase and Sale Agreement, dated as of September 4, 2025 (collectively, the “Assignment Agreement”);

WHEREAS, the Parties desire to amend the Assignment Agreement and set forth herein the terms and conditions of their agreements and understandings with respect to the foregoing.

NOW, THEREFORE, in consideration of the foregoing, of the mutual promises of the Parties contained herein and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto, intending legally to be bound, hereby covenant and agree as follows:

1. Incorporation of Recitals. The foregoing recitals are hereby incorporated in this Second Amendment and made a substantive part hereof by this reference.

2. Capitalized Terms. All capitalized terms and phrases used herein but not defined herein shall have the meanings ascribed to them in the Assignment Agreement. Upon execution of this Second Amendment, the term “Assignment Agreement” shall include this Second Amendment.

3. Declaration Amendment. Notwithstanding anything to the contrary set forth in the Assignment Agreement, as amended hereby, the Parties shall cooperate in good faith to pursue a Second Amendment to Declaration Protective Covenants and Restrictions for Gateway 2000 (the “Declaration Amendment”), by and between Seller, ARA USH Chicago, LLC, a Delaware limited liability company, Dulles Hospitality I, LLC, a Virginia limited liability company, and Gateway

2000 Property Owners Association, Inc. (collectively, the “Association Members”), in a form acceptable to Assignee in its sole discretion and the Association Members; provided, however, that the form of Declaration Amendment attached hereto as Exhibit “A” shall be deemed acceptable to Assignee.

4. Inspection Period. The definition of “Inspection Period” in Section 1.17 of the Assignment Agreement shall be deleted in its entirety and replaced with the following:

““Inspection Period” means the period of time commencing on the Agreement Date and expiring at 5:00 p.m., Pacific Time on the date that is the later of (a) the tenth (10<sup>th</sup>) business day following the release of the Consent from LCT; and (b) the tenth (10<sup>th</sup>) business day following the recordation of the Declaration Amendment; provided, however, that the expiration of the Inspection Period shall occur no later than February 15, 2026.”

5. Submission Milestones. Time being of the essence, Assignee shall use its commercially reasonable efforts, at Assignee’s sole cost and expense, to submit (a) the site plan and easement plat to B&D on or before March 15, 2026; (b) for building permits on or before July 1, 2026; and (c) the 42(m) Letter on or before July 1, 2026, subject to any termination rights of Assignee pursuant to the Assignment Agreement.

6. Miscellaneous. With the exception of those matters set forth in this Second Amendment, the assignment of the Purchase Agreement shall be subject to all terms, covenants and conditions of the Assignment Agreement. In the event of any express conflict or inconsistency between the terms of this Second Amendment and the terms of the Assignment Agreement, the terms of this Second Amendment shall control and govern. Except as expressly modified by this Second Amendment, all other terms and conditions of the Assignment Agreement are hereby ratified and affirmed. This Second Amendment may be executed in any number of counterparts, and delivery of any counterpart to the other party may occur by electronic (including, without limitation, Adobe Sign or Docusign) transmission; each such counterpart shall be deemed an original instrument, but all such counterparts together shall constitute one agreement. An executed Second Amendment containing the signatures (whether original or electronic) of all the parties, in any number of counterparts, is binding on the parties. The parties acknowledge that the Assignment Agreement, as hereby amended, is a valid and enforceable agreement and that, to each Party’s knowledge, neither Party is in default thereunder.

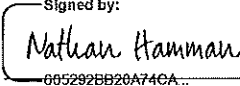
[Signature Pages Follow]

IN WITNESS WHEREOF, Assignor and Assignee have executed this Second Amendment as of the date first written above.

**ASSIGNOR:**

**NFD ACQUISITIONS LLC,**

a District of Columbia limited liability company

By:  Signed by:  
Name: Nathan Hamman  
Its: president

**ASSIGNEE:**

**FRH REALTY LLC,**

a Delaware limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

IN WITNESS WHEREOF, Assignor and Assignee have executed this Second Amendment as of the date first written above.

**ASSIGNOR:**

**NFD ACQUISITIONS LLC,**

a District of Columbia limited liability company

By: \_\_\_\_\_

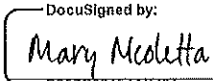
Name:

Its:

**ASSIGNEE:**

**FRH REALTY LLC,**

a Delaware limited liability company

By:  \_\_\_\_\_  
B057C894F4AD431

Name: Mary Nicoletta

Its: Vice President and Assistant  
Secretary

**EXHIBIT "A"**

**[FORM OF DECLARATION AMENDMENT]**

~ Attached ~



## SECOND AMENDMENT TO DECLARATION OF PROTECTIVE COVENANTS AND RESTRICTIONS FOR GATEWAY 2000

THIS SECOND AMENDMENT TO DECLARATION OF PROTECTIVE COVENANTS AND RESTRICTIONS FOR GATEWAY 2000 (the "Amendment") is made as of the \_\_\_\_ day of \_\_\_\_\_, 2026, by and among **IAD HOSPITALITY, LLC**, a Virginia limited liability company ("IAD Hospitality"), grantee for indexing purposes, **ARA USH CHICAGO, LLC**, a Delaware limited liability company, formerly known as LSREF3 AH Chicago, LLC ("ARA USH Chicago"), grantor for indexing purposes, **DULLES HOSPITALITY I, LLC**, a Virginia limited liability company ("Dulles Hospitality"), grantor for indexing purposes, and **GATEWAY 2000 PROPERTY OWNERS ASSOCIATION, INC.**, a Virginia non-stock corporation (the "Association" and "Successor Declarant"), grantor for indexing purposes.

### RECITALS

R-1. IAD Hospitality is the fee owner of certain real property located in Loudoun County, Virginia, known as Parcel A1 and Parcel A2A, Orange & Blue Subdivision ("Parcel A1", and "Parcel A2A", respectively; collectively, the "IAD Hospitality Property" or the "Multifamily Property"), with PINs 034-26-4101, and 034-26-2743, respectively, as such real property is more particularly described in Exhibit A attached hereto.

R-2. ARA USH Chicago is the fee owner of certain real property located in Loudoun County, Virginia known as Parcel A6, Orange & Blue Subdivision ("Parcel A6 Property") known as PIN 034-26-0115, respectively, as such real property is more particularly described in Exhibit B attached hereto.

R-3. Dulles Hospitality is the fee owner of certain real property located in Loudoun County, Virginia, known as Parcel B, Orange & Blue Subdivision ("Parcel B" or the "Hotel Property"), with PIN 034-15-8892, as such real property is more particularly described in Exhibit C attached hereto.

R-4. The real property described on Exhibit A, Exhibit B and Exhibit C is subject to that certain Declaration of Protective Covenants and Restrictions for Gateway 2000, dated as of December 8, 2004, and recorded on December 10, 2004, in the Clerk's Office of the Circuit Court of Loudoun County, Virginia (the "Registry") as Instrument No. 20041210-0131871 (the "Original Declaration"), as amended by that certain First Amendment to Declaration of Protective Covenants and Restrictions for Gateway 2000, dated as of August 24, 2022, and recorded on October 18, 2023, as Instrument No. 20231018-0041716 in the Registry (the "First Amendment"), and as modified by that certain Assignment of Declarant Rights for Gateway 2000 dated as of September 26, 2022, and recorded on October 18, 2023, as Instrument No. 20231018-0041728 in the Registry (the "Assignment", and together with the Original Declaration and the First Amendment, collectively, the "Declaration"), governing the Gateway 2000 development in Loudoun County, Virginia ("Gateway 2000").

R-5. IAD Hospitality desires to expand the permitted operations and uses of the Multifamily Property to multifamily developments.

R-6. The parties hereto have agreed to allow multifamily developments as a permitted operation and use of the Multifamily Property and now wish to amend the Declaration on the terms and conditions set forth below.

### AMENDMENT

NOW THEREFORE, in consideration of the foregoing Recitals, which are incorporated into the body of this Amendment as an integral part hereof, the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Amendment to Declaration. Notwithstanding anything contained in the Declaration to the contrary, the Declaration is hereby amended as follows:

(a) General Purpose. The first and second sentences of Section 2.01 of the Original Declaration are hereby deleted in their entireties and replaced with the following:

“The purpose of this Declaration is to insure the proper use and most appropriate development of the Property through the imposition of uniform standards. It is the intent of this Declaration to provide conditions, covenants, and restrictions, to insure that the Property will always be maintained as an attractive, high quality business and commercial environment, and to the extent desired with respect to the Multifamily Property, a multifamily development.”

(b) Permitted Operations and Uses. The first and second sentences of Section 5.02 of the Original Declaration are hereby deleted in their entireties and replaced with the following:

“All of the Parcels are intended to be used for hotel, office, and/or restaurant development uses, and for businesses of a kindred nature, in accordance with all applicable ordinances of the County; provided, however, the Multifamily Property shall also be permitted to be used for multifamily uses, in accordance with all applicable ordinances of the County. The design and use of the Improvements to be located on all Parcels shall be consistent with a first-class business park (and to the extent desired with respect to the Multifamily Property, a multifamily development).”

(c) Multifamily Use. All references contained in the Declaration to permitted operations and uses of the Property shall be deemed to include multifamily developments with respect to the Multifamily Property, including all related amenities and parking, in accordance with all applicable ordinances of the County. Furthermore, provided that the plans and specifications for any proposed multifamily development on the Multifamily Property are approved by the County and any other necessary Governmental Authorities, such development shall be deemed to have satisfied all of the Board's approval rights under the Declaration.

2. Authority to Amend. Pursuant to Section 9.02 of the Declaration, amendments to the Declaration require the written consent of a minimum of two-thirds (2/3) of the Members (as defined in the Declaration). IAD Hospitality, ARA USH Chicago and Dulles Hospitality represent and warrant to each other, to the Association and to the Successor Declarant, that they collectively constitute one hundred percent (100%) of the Members of the Association, and as such exceed the threshold necessary for appointment and amendment under Section 9.02.

3. Ratification. Except as modified by this Amendment, the Declaration is ratified and confirmed and remains in full force and effect. Nothing in this Amendment constitutes a novation of the Declaration.

4. Successors and Assigns. This Amendment shall be binding on, and inure to the benefit of, the parties hereto and their respective successors and assigns.

5. Governing Law. This Amendment and the rights and obligations of the parties hereunder shall be governed by, construed, and enforced in accordance with the laws of the Commonwealth of Virginia, without regard to conflict of law principles.

6. Counterparts. This Amendment may be executed in two (2) or more counterparts, each of which shall be deemed an original but all of which shall constitute one and the same agreement. The signature page of any counterpart may be removed and attached to a different counterpart to create a single, fully executed original or duplicate original.

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

*[Signatures Begin on Following Page]*

*[Signature Page to Second Amendment to Declaration of Protective Covenants and Restrictions for Gateway 2000]*

**IAD HOSPITALITY, LLC,**  
a Virginia limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

STATE OF \_\_\_\_\_

CITY/COUNTY OF \_\_\_\_\_, to-wit:

The foregoing instrument was acknowledged before me on this \_\_\_\_\_ day of \_\_\_\_\_, 202\_\_,  
by \_\_\_\_\_ who is the \_\_\_\_\_ of **IAD HOSPITALITY, LLC** on behalf of the  
limited liability company.

\_\_\_\_\_  
Notary Public

My commission expires: \_\_\_\_\_  
Notary Registration No: \_\_\_\_\_

*[Signature Page to Second Amendment to Declaration of Protective Covenants and Restrictions for Gateway 2000]*

**ARA USH CHICAGO, LLC,**  
a Delaware limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

STATE OF \_\_\_\_\_

CITY/COUNTY OF \_\_\_\_\_, to-wit:

The foregoing instrument was acknowledged before me on this \_\_\_\_\_ day of \_\_\_\_\_, 202\_\_\_\_,  
by \_\_\_\_\_ who is the \_\_\_\_\_ of **ARA USH CHICAGO, LLC** on behalf of the  
limited liability company.

\_\_\_\_\_  
Notary Public

My commission expires: \_\_\_\_\_  
Notary Registration No: \_\_\_\_\_

*[Signature Page to Second Amendment to Declaration of Protective Covenants and Restrictions for Gateway 2000]*

**DULLES HOSPITALITY I, LLC,**  
a Virginia limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

STATE OF \_\_\_\_\_

CITY/COUNTY OF \_\_\_\_\_, to-wit:

The foregoing instrument was acknowledged before me on this \_\_\_\_\_ day of \_\_\_\_\_, 202\_\_,  
by \_\_\_\_\_ who is the \_\_\_\_\_ of **DULLES HOSPITALITY I, LLC** on behalf  
of the limited liability company.

\_\_\_\_\_  
Notary Public

My commission expires: \_\_\_\_\_  
Notary Registration No: \_\_\_\_\_

*[Signature Page to Second Amendment to Declaration of Protective Covenants and Restrictions for Gateway 2000]*

**GATEWAY 2000 PROPERTY OWNERS  
ASSOCIATION, INC.**, a Virginia non-stock  
corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

STATE OF \_\_\_\_\_

CITY/COUNTY OF \_\_\_\_\_, to-wit:

The foregoing instrument was acknowledged before me on this \_\_\_\_\_ day of \_\_\_\_\_, 202\_\_\_\_,  
by \_\_\_\_\_ who is the \_\_\_\_\_ of **GATEWAY 2000 PROPERTY OWNERS  
ASSOCIATION, INC.** on behalf of the corporation.

\_\_\_\_\_  
Notary Public

My commission expires: \_\_\_\_\_  
Notary Registration No: \_\_\_\_\_

EXHIBIT A

Parcel A1:

Real property in the City of Sterling, County of Loudoun, State of Virginia, described as follows:

Parcel A1, containing 3.5149 acres, more or less, Orange & Blue Subdivision, as the same appears duly dedicated, platted and recorded as Instrument No. 20040407-0032332, among the Land Records of Loudoun County, Virginia.

Being the same property conveyed by Orange & Blue, Inc., a Virginia corporation to IAD Hospitality, LLC, a Virginia limited liability dated December 22, 2010 and recorded December 27, 2010 as Instrument Number 20101227-0083704 among the Land Records of Loudoun County, Virginia.

PIN: 034-26-4101-000

Parcel A2A:

Real property in the City of Sterling, County of Loudoun, State of Virginia, described as follows:

Parcel A2A, containing 3.2653 acres, more or less, Orange & Blue Subdivision, as the same appears on a plat entitled "Boundary Line Adjustment Plat Showing Lot Consolidation, Creation of Waterline and Storm Drainage Easements and Vacation of a Portion of a Waterline Easement on Parcels A2 & A3 Lands of IAD Hospitality, LLC" and recorded as Instrument Number 20170119-0004037 among the Land Records of Loudoun County, Virginia.

45550 Dulles Plaza  
PIN: 034-26-4640-000



EXHIBIT B

Real property in the City of Sterling, County of Loudoun, State of Virginia, described as follows:

Parcel A6, containing 3.7329 acres, more or less, Orange & Blue Subdivision, as the same appears on a plat entitled "Boundary Line Adjustment/Plat of Consolidation Parcels A4 and A5, Orange & Blue Subdivision" recorded as Instrument Number 20051007-0113919 among the land records of Loudoun County, Virginia.

45520 Dulles Plaza  
PIN: 034-26-0115-000

EXHIBIT C

All that certain land situate in Loudoun County, Virginia, and more particularly described as follows:

Parcel B, containing 2.8313 acres of land, more or less, as shown on Subdivision Waiver Plat recorded in Deed Book 1799 at Page 1079, among the land records of Loudoun County, Virginia.

Being the same property confirmed by Dulles Hospitality I LLC, a Virginia limited liability company, formerly known as Dulles Hospitality, LLC, a Virginia limited liability company, by Confirmatory Deed dated May 1st, 2017, and recorded May 9th, 2017, as Instrument No. 20170509-0027952, in the Clerk's Office, among the Land Records of Loudoun County, Virginia.

45515 Dulles Plaza  
PIN: 034-15-8892-000

[Insert Mortgagee Consents]

**THIRD AMENDMENT TO  
ASSIGNMENT AND ASSUMPTION OF PURCHASE AND SALE AGREEMENT**

This THIRD AMENDMENT TO ASSIGNMENT AND ASSUMPTION OF PURCHASE AND SALE AGREEMENT (this “Third Amendment”) is made and entered into effective for all purposes and in all respects as of February 13, 2026 (the “Effective Date”) between NFD Acquisitions LLC, a District of Columbia limited liability company (“Assignor”) and FRH Realty LLC, a Delaware limited liability company (“Assignee”). Assignor and Assignee shall each be hereinafter referred to as a “Party” and collectively, the “Parties”.

**RECITALS:**

WHEREAS, Assignor, as purchaser, has entered into that certain Purchase and Sale Agreement, dated as of September 30, 2021, with IAD Hospitality, LLC, a Virginia limited liability company, as seller (“Seller”), as the same has been amended by (i) that certain First Amendment to Purchase and Sale Agreement, dated as of November 29, 2021, (ii) that certain Second Amendment to Purchase and Sale Agreement, dated as of February 6, 2023, and (iii) that certain Third Amendment to Purchase and Sale Agreement, dated as of August 1, 2024 (collectively, the “Purchase Agreement”), for the acquisition of certain real property described therein;

WHEREAS, Assignor and Assignee have entered into that certain Assignment and Assumption of Purchase and Sale Agreement dated as of June 30, 2025 (the “Original Assignment”), as the same has been amended by (i) that certain First Amendment to Assignment and Assumption of Purchase and Sale Agreement, dated as of September 4, 2025 (the “First Amendment”), and (ii) that certain Second Amendment to Assignment and Assumption of Purchase and Sale Agreement, dated as of January 8, 2026 (the “Second Amendment” and collectively with the Original Assignment, First Amendment and Second Amendment, the “Assignment Agreement”);

WHEREAS, the Parties desire to amend the Assignment Agreement and set forth herein the terms and conditions of their agreements and understandings with respect to the foregoing.

NOW, THEREFORE, in consideration of the foregoing, of the mutual promises of the Parties contained herein and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto, intending legally to be bound, hereby covenant and agree as follows:

1. Incorporation of Recitals. The foregoing recitals are hereby incorporated in this Third Amendment and made a substantive part hereof by this reference.
2. Capitalized Terms. All capitalized terms and phrases used herein but not defined herein shall have the meanings ascribed to them in the Assignment Agreement. Upon execution of this Third Amendment, the term “Assignment Agreement” shall include this Third Amendment.
3. Inspection Period. The definition of “Inspection Period” in Section 1.17 of the Assignment Agreement shall be deleted in its entirety and replaced with the following:

““Inspection Period” means the period of time commencing on the Agreement Date and expiring at 5:00 p.m., Pacific Time on the third (3<sup>rd</sup>) business day following the date on which Assignor has delivered to Assignee a recorded copy of the Declaration Amendment; provided, however, that the expiration of the Inspection Period shall occur no later than March 3, 2026.”

4. Submission Milestones. Section 5 of the Second Amendment is hereby amended and restated in its entirety as follows:

“Time being of the essence, Assignee shall use its commercially reasonable efforts, at Assignee’s sole cost and expense, to submit (a) the site plan and easement plat to B&D on or before the date that is forty five (45) days after the expiration of the Inspection Period; (b) for building permits on or before July 1, 2026; and (c) the 42(m) Letter on or before July 1, 2026, subject to any termination rights of Assignee pursuant to the Assignment Agreement.

5. Miscellaneous. With the exception of those matters set forth in this Third Amendment, the assignment of the Purchase Agreement shall be subject to all terms, covenants and conditions of the Assignment Agreement. In the event of any express conflict or inconsistency between the terms of this Third Amendment and the terms of the Assignment Agreement, the terms of this Third Amendment shall control and govern. Except as expressly modified by this Third Amendment, all other terms and conditions of the Assignment Agreement are hereby ratified and affirmed. This Third Amendment may be executed in any number of counterparts, and delivery of any counterpart to the other party may occur by electronic (including, without limitation, Adobe Sign or DocuSign) transmission; each such counterpart shall be deemed an original instrument, but all such counterparts together shall constitute one agreement. An executed Third Amendment containing the signatures (whether original or electronic) of all the parties, in any number of counterparts, is binding on the parties. The parties acknowledge that the Assignment Agreement, as hereby amended, is a valid and enforceable agreement and that, to each Party’s knowledge, neither Party is in default thereunder.

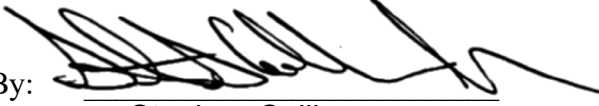
[Signature Pages Follow]

IN WITNESS WHEREOF, Assignor and Assignee have executed this Third Amendment as of the date first written above.

**ASSIGNOR:**

**NFD ACQUISITIONS LLC,**

a District of Columbia limited liability company

By: 

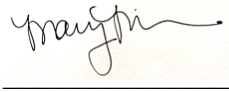
Name: Stephen Collins

Its: Vice President

**ASSIGNEE:**

**FRH REALTY LLC,**

a Delaware limited liability company

By: 

Name: Mary Nicoletta

Its: Vice President & Assistant Secretary

June 26, 2026

FRH Realty LLC  
5355 Mira Sorrento Place, Suite 100  
San Diego, CA 92121

Re: Assignment Agreement (the "Agreement"; capitalized terms that are used but not defined herein shall have the meanings given in the Agreement), dated as of July 24, 2025, by and between FRH Realty LLC ("Assignor") and Fairfield Dulles Plaza LP ("Assignee")

To Whom it May Concern:

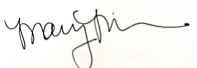
This document constitutes Assignee's Acceptance Notice under and pursuant to the Agreement. In accordance with the terms of the Agreement, the assignment of the Assignment Agreement and the other transactions described in the Agreement are effective as of the date hereof, which shall be the Notice Date. Notwithstanding that the Proposed Assignment is automatically effective upon delivery of this notice, please acknowledge receipt by countersigning this notice at your earliest convenience.

Regards,

FAIRFIELD DULLES PLAZA LP,  
a Delaware limited partnership

By: FRH Dulles Plaza LLC,  
a Delaware limited liability company,  
its General Partner

By: FRH GP II LLC,  
a Delaware limited liability company,  
its Non-Member Manager

By:   
Name: Mary Nicoletta  
Title: Vice President & Assistant Secretary

**Acknowledged by:**

FRH REALTY LLC,  
a Delaware limited liability company

By:   
Name: Mary Nicoletta  
Title: Vice President & Assistant Secretary  
Date: June 26, 2026

**REINSTATEMENT AND FOURTH AMENDMENT TO  
ASSIGNMENT AND ASSUMPTION OF PURCHASE AND SALE AGREEMENT**

This REINSTATEMENT AND FOURTH AMENDMENT TO ASSIGNMENT AND ASSUMPTION OF PURCHASE AND SALE AGREEMENT (this “Fourth Amendment”) is made and entered into effective for all purposes and in all respects as of June 26, 2026 (the “Effective Date”) between NFD Acquisitions LLC, a District of Columbia limited liability company (“Assignor”) and FRH Realty LLC, a Delaware limited liability company (“Assignee”). Assignor and Assignee shall each be hereinafter referred to as a “Party” and collectively, the “Parties”.

**RECITALS:**

WHEREAS, Assignor, as purchaser, has entered into that certain Purchase and Sale Agreement, dated as of September 30, 2021, with IAD Hospitality, LLC, a Virginia limited liability company, as seller (“Seller”), as the same has been amended by (i) that certain First Amendment to Purchase and Sale Agreement, dated as of November 29, 2021, (ii) that certain Second Amendment to Purchase and Sale Agreement, dated as of February 6, 2023, and (iii) that certain Third Amendment to Purchase and Sale Agreement, dated as of August 1, 2024 (collectively, the “Purchase Agreement”), for the acquisition of certain real property described therein;

WHEREAS, Assignor and Assignee have entered into that certain Assignment and Assumption of Purchase and Sale Agreement dated as of June 30, 2025 (the “Original Assignment”, as the same has been amended by (i) that certain First Amendment to Assignment and Assumption of Purchase and Sale Agreement, dated as of September 4, 2025 (the “First Amendment”), (ii) that certain Second Amendment to Assignment and Assumption of Purchase and Sale Agreement, dated as of January 8, 2026 (the “Second Amendment”), and (iii) that certain Third Amendment to Assignment and Assumption of Purchase and Sale Agreement, dated as of February 13, 2026 (the “Third Amendment”, and collectively with the Original Assignment, First Amendment and Second Amendment, the “Assignment Agreement”);

WHEREAS, Assignee previously delivered a notice of termination of the Assignment Agreement dated February 24, 2026 (the “Prior Termination Notice”), and the Parties have confirmed that, upon the effectiveness of this Fourth Amendment, the Prior Termination Notice shall be deemed rescinded and of no further force or effect, and neither Party shall have any claim against the other arising out of or relating to the Prior Termination Notice; and

WHEREAS, Assignor and Assignee have mutually agreed to reinstate the Assignment Agreement and desire to amend the Assignment Agreement as more particularly set forth in this Fourth Amendment.

NOW, THEREFORE, in consideration of the foregoing, of the mutual promises of the Parties contained herein and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto, intending legally to be bound, hereby covenant and agree as follows:

1. Incorporation of Recitals. The foregoing recitals are hereby incorporated in this Fourth Amendment and made a substantive part hereof by this reference.



2. Capitalized Terms. All capitalized terms and phrases used herein but not defined herein shall have the meanings ascribed to them in the Assignment Agreement. Upon execution of this Fourth Amendment, the term “Assignment Agreement” shall include this Fourth Amendment.

3. Reinstatement. The Assignment Agreement is hereby reinstated and shall be a valid and enforceable obligation of Assignor and Assignee in accordance with its terms, as further amended by this Fourth Amendment.

4. Financing Contingency Date. The definition of “Financing Contingency Date” in Section 1.15 of the Assignment Agreement shall be deleted in its entirety and replaced with the following:

““Financing Contingency Date” shall mean September 30, 2026.”

5. Inspection Period. The definition of “Inspection Period” in Section 1.17 of the Assignment Agreement shall be deleted in its entirety and replaced with the following:

““Inspection Period” means the period of time commencing on the Agreement Date and expiring at 5:00 p.m., Pacific Time on the fifth (5<sup>th</sup>) business day following the later of: (i) recordation of that certain Second Amendment to Declaration Protective Covenants and Restrictions for Gateway 2000, by and between Seller, ARA USH Chicago, LLC, a Delaware limited liability company, Dulles Hospitality I, LLC, a Virginia limited liability company, and Gateway 2000 Property Owners Association, Inc., in attached hereto as Exhibit A (the “Declaration Amendment”); (ii) the execution of an amendment to the Purchase Agreement extending the Closing Date (as defined in the Purchase Agreement) to December 28, 2026 or later (the “Purchase Agreement Amendment”); and (iii) reinstatement of that certain Consent to Assignment and Access Agreement dated as of September 4, 2025, by and among IAD Hospitality, LLC, a Virginia limited liability company, Assignor and Assignee, in form attached hereto as Exhibit B with such changes as are reasonably acceptable to Assignee; provided, however, that the expiration of the Inspection Period shall occur no later than 5:00 p.m., Pacific Time on August 14, 2026.”

6. Earnest Money Deposit. Section 2.3 of the Assignment Agreement is hereby amended as follows:

a. Section 2.3(a) of the Assignment Agreement is hereby deleted in its entirety and replaced with the following:

(a) **One Hundred Fifty Thousand and No/100 Dollars (\$150,000.00),** to be made within three (3) business days of the expiration of the

Inspection Period (the “Second Deposit”); and

- b. Section 2.3(b) of the Assignment Agreement is hereby deleted in its entirety and replaced with the following:

(b) **Six Hundred Fifty Thousand and No/100 Dollars (\$650,000.00)** upon the earlier of: (i) three (3) business days after Assignee’s receipt of the 42(m) Letter; or (ii) the Financing Contingency Date (the “Third Deposit”).

- c. Section 2.3(c) is hereby deleted in its entirety.

- d. The definition of “Earnest Money Deposit” is hereby deleted in its entirety and replaced with the following:

The Initial Deposit and, to the extent deposited into Escrow, the Second Deposit and Third Deposit are collectively referred to herein (along with all accrued interest thereon) as the “Earnest Money Deposit.”

7. Submission Milestones. The Submission Milestones provision of Section 4 of the Third Amendment (which previously amended and restated Section 5 of the Second Amendment) is hereby further amended and restated in its entirety as follows:

“Time being of the essence, Assignee shall use its commercially reasonable efforts, at Assignee’s sole cost and expense, to submit (a) the site plan and easement plat to B&D on or before the date that is forty five (45) days after the expiration of the Inspection Period; (b) for building permits on or before September 1, 2026; and (c) the 42(m) Letter on or before July 1, 2026, subject to any termination rights of Assignee pursuant to the Assignment Agreement.”

8. Further Extensions. Effective automatically upon the execution of the Purchase Agreement Amendment and provided that Assignee has complied with the Submission Milestones in Section 7 above, (a) the Financing Contingency Date set forth in Section 4 of this Fourth Amendment shall be deemed extended to October 30, 2026, and (b) the Purchase Agreement Outside Closing Date shall be deemed extended to the date for closing under the Purchase Agreement Amendment; provided that Assignor’s obligations with respect to the Purchase Agreement Amendment are limited to using commercially reasonable efforts to obtain Seller’s execution thereof, and Assignor’s failure to procure such execution shall not constitute an Assignor Default under the Assignment Agreement.

9. Miscellaneous. With the exception of those matters set forth in this Fourth Amendment, the assignment of the Purchase Agreement shall be subject to all terms, covenants and conditions of the Assignment Agreement. In the event of any express conflict or inconsistency between the terms of this Fourth Amendment and the terms of the Assignment Agreement, the terms of this Fourth Amendment shall control and govern. Except as expressly modified by this Fourth Amendment, all other terms and conditions of the Assignment Agreement are hereby ratified and affirmed. This Fourth Amendment may be executed in any number of counterparts,

and delivery of any counterpart to the other party may occur by electronic (including, without limitation, Adobe Sign or DocuSign) transmission; each such counterpart shall be deemed an original instrument, but all such counterparts together shall constitute one agreement. An executed Fourth Amendment containing the signatures (whether original or electronic) of all the parties, in any number of counterparts, is binding on the parties. The Parties acknowledge that the Assignment Agreement, as hereby amended, is a valid and enforceable agreement and that, to each Party's knowledge, neither Party is in default thereunder. Each Party further releases the other Party and its affiliates from any and all claims, demands, and causes of action arising out of, or relating to, the Prior Termination Notice or the period from the date of the Prior Termination Notice through the Effective Date, except for the obligations expressly set forth in this Fourth Amendment.

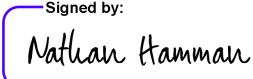
[Signature Pages Follow]

IN WITNESS WHEREOF, Assignor and Assignee have executed this Fourth Amendment as of the date first written above.

**ASSIGNOR:**

**NFD ACQUISITIONS LLC,**

a District of Columbia limited liability company

By:   
Name: Nathan Hamman  
Its: President

**ASSIGNEE:**

**FRH REALTY LLC,**

a Delaware limited liability company

By:   
Name: Mary Nicoletta  
Its: Vice President & Assistant Secretary

**EXHIBIT A**

**FORM OF DECLARATION AMENDMENT**

[attached]

## SECOND AMENDMENT TO DECLARATION OF PROTECTIVE COVENANTS AND RESTRICTIONS FOR GATEWAY 2000

THIS SECOND AMENDMENT TO DECLARATION OF PROTECTIVE COVENANTS AND RESTRICTIONS FOR GATEWAY 2000 (the “Amendment”) is made as of the [REDACTED] day of [REDACTED], 2026, by and among **IAD HOSPITALITY, LLC**, a Virginia limited liability company (“IAD Hospitality”), grantee for indexing purposes, **DULLES HOSPITALITY I, LLC**, a Virginia limited liability company (“Dulles Hospitality”), grantor for indexing purposes, and **GATEWAY 2000 PROPERTY OWNERS ASSOCIATION, INC.**, a Virginia non-stock corporation (the “Association” and “Successor Declarant”), grantor for indexing purposes.

### RECITALS

R-1. IAD Hospitality is the fee owner of certain real property located in Loudoun County, Virginia, known as Parcel A1 and Parcel A2A, Orange & Blue Subdivision (“Parcel A1”, and “Parcel A2A”, respectively; collectively, the “IAD Hospitality Property” or the “Multifamily Property”), with PINs 034-26-4101, and 034-26-4640, respectively, as such real property is more particularly described in Exhibit A attached hereto.

R-2. ARA USH CHICAGO, LLC, a Delaware limited liability company, formerly known as LSREF3 AH Chicago, LLC (“ARA USH Chicago”) is the fee owner of certain real property located in Loudoun County, Virginia known as Parcel A6, Orange & Blue Subdivision (“Parcel A6 Property”) known as PIN 034-26-0115, respectively, as such real property is more particularly described in Exhibit B attached hereto.

R-3. Dulles Hospitality is the fee owner of certain real property located in Loudoun County, Virginia, known as Parcel B, Orange & Blue Subdivision (“Parcel B” or the “Hotel Property”), with PIN 034-15-8892, as such real property is more particularly described in Exhibit C attached hereto.

R-4. The real property described on Exhibit A, Exhibit B and Exhibit C is subject to that certain Declaration of Protective Covenants and Restrictions for Gateway 2000, dated as of December 8, 2004, and recorded on December 10, 2004, in the Clerk’s Office of the Circuit Court of Loudoun County, Virginia (the “Registry”) as Instrument No. 20041210-0131871 (the “Original Declaration”), as amended by that certain First Amendment to Declaration of Protective Covenants and Restrictions for Gateway 2000, dated as of August 24, 2022, and recorded on October 18, 2023, as Instrument No. 20231018-0041716 in the Registry (the “First Amendment”), and as modified by that certain Assignment of Declarant Rights for Gateway 2000 dated as of September 26, 2022, and recorded on October 18, 2023, as Instrument No. 20231018-0041728 in the Registry (the “Assignment”, and together with the Original Declaration and the First Amendment, collectively, the “Declaration”), governing the Gateway 2000 development in Loudoun County, Virginia (“Gateway 2000”).

R-5. IAD Hospitality desires to expand the permitted operations and uses of the Multifamily Property to multifamily developments.

R-6. IAD Hospitality holds 505 of the 1,000 votes under the Declaration and Dulles Hospitality holds 211 of the 1,000 votes under the Declaration, which collectively are over two thirds of the votes under the Declaration.

R-7. The parties hereto have agreed to allow multifamily developments as a permitted operation and use of the Multifamily Property and now wish to amend the Declaration on the terms and conditions set forth below.

## AMENDMENT

NOW THEREFORE, in consideration of the foregoing Recitals, which are incorporated into the body of this Amendment as an integral part hereof, the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Amendment to Declaration. Notwithstanding anything contained in the Declaration to the contrary, the Declaration is hereby amended as follows:

(a) General Purpose. The first and second sentences of Section 2.01 of the Original Declaration are hereby deleted in their entirety and replaced with the following:

“The purpose of this Declaration is to insure the proper use and most appropriate development of the Property through the imposition of uniform standards. It is the intent of this Declaration to provide conditions, covenants, and restrictions, to insure that the Property will always be maintained as an attractive, high quality business and commercial environment, and to the extent desired with respect to the Multifamily Property, a multifamily development, including, without limitation, affordable housing.”

(b) Permitted Operations and Uses. The first and second sentences of Section 5.02 of the Original Declaration are hereby deleted in their entirety and replaced with the following:

“All of the Parcels are intended to be used for hotel, office, and/or restaurant development uses, and for businesses of a kindred nature, in accordance with all applicable ordinances of the County; provided, however, the Multifamily Property shall also be permitted to be used for multifamily uses, in accordance with all applicable ordinances of the County. The design and use of the Improvements to be located on all Parcels shall be consistent with a first-class business park (and to the extent desired with respect to the Multifamily Property, a multifamily development, including, without limitation, affordable housing).”

(c) Multifamily Use. All references contained in the Declaration to permitted operations and uses of the Property shall be deemed to include multifamily developments with respect to the Multifamily Property, including parking and the following related amenities: leasing, clubhouse, fitness center, dog park and resident storage, in accordance with all applicable ordinances of the County. Furthermore, provided that the plans and specifications for any proposed multifamily development on the Multifamily Property are approved by the County and any other necessary Governmental Authorities, such development shall be deemed to have satisfied all of the Board’s approval rights under the Declaration.

(d) Ingress/Egress – Dulles Plaza. The following is hereby added to the Original Declaration as new Section 5.07.

5.07 Ingress/Egress – Dulles Plaza. A mutual and reciprocal easement is hereby created and established burdening the Parcel A6 Property and the Hotel Property and in favor of each other Parcel for vehicular and pedestrian ingress and egress (but not parking) over, through and across those areas of the Parcel A6 Property and Hotel Property identified as the “Dulles Plaza West Easement Area” on **Exhibit D**, attached hereto and incorporated herein by reference (the “**Dulles Plaza West Easement Area**”).

2. Authority to Amend. Pursuant to Section 9.02 of the Declaration, amendments to the Declaration require the written consent of a minimum of two-thirds (2/3) of the Members (as defined in the Declaration). The undersigned collectively constitute more than two-thirds (2/3) of the Members of the Association, and as such exceed the threshold necessary for appointment and amendment under Section 9.02.

3. Ratification. Except as modified by this Amendment, the Declaration is ratified and confirmed and remains in full force and effect. Nothing in this Amendment constitutes a novation of the Declaration.

4. Successors and Assigns. This Amendment shall be binding on, and inure to the benefit of, the parties hereto and their respective successors and assigns.

5. Governing Law. This Amendment and the rights and obligations of the parties hereunder shall be governed by, construed, and enforced in accordance with the laws of the Commonwealth of Virginia, without regard to conflict of law principles.

6. Counterparts. This Amendment may be executed in two (2) or more counterparts, each of which shall be deemed an original but all of which shall constitute one and the same agreement. The signature page of any counterpart may be removed and attached to a different counterpart to create a single, fully executed original or duplicate original.

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

*[Signatures Begin on Following Page]*



*[Signature Page to Second Amendment to Declaration of Protective Covenants and Restrictions for Gateway 2000]*

**IAD HOSPITALITY, LLC,**  
a Virginia limited liability company

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

STATE OF \_\_\_\_\_

CITY/COUNTY OF \_\_\_\_\_, to-wit:

The foregoing instrument was acknowledged before me on this \_\_\_\_ day of \_\_\_\_\_, 202\_\_,  
by \_\_\_\_\_ who is the \_\_\_\_\_ of **IAD HOSPITALITY, LLC** on behalf of the  
limited liability company.

\_\_\_\_\_  
Notary Public

My commission expires: \_\_\_\_\_

Notary Registration No: \_\_\_\_\_

*[Signature Page to Second Amendment to Declaration of Protective Covenants and Restrictions for Gateway 2000]*

**DULLES HOSPITALITY I, LLC,**  
a Virginia limited liability company

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

STATE OF \_\_\_\_\_

CITY/COUNTY OF \_\_\_\_\_, to-wit:

The foregoing instrument was acknowledged before me on this \_\_\_\_ day of \_\_\_\_\_, 202\_\_,  
by \_\_\_\_\_ who is the \_\_\_\_\_ of **DULLES HOSPITALITY I, LLC** on behalf  
of the limited liability company.

\_\_\_\_\_  
Notary Public

My commission expires: \_\_\_\_\_

Notary Registration No: \_\_\_\_\_

*[Signature Page to Second Amendment to Declaration of Protective Covenants and Restrictions for Gateway 2000]*

**GATEWAY 2000 PROPERTY OWNERS  
ASSOCIATION, INC.**, a Virginia non-stock  
corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

STATE OF \_\_\_\_\_

CITY/COUNTY OF \_\_\_\_\_, to-wit:

The foregoing instrument was acknowledged before me on this \_\_\_\_ day of \_\_\_\_\_, 202\_\_,  
by \_\_\_\_\_ who is the \_\_\_\_\_ of **GATEWAY 2000 PROPERTY OWNERS  
ASSOCIATION, INC.** on behalf of the corporation.

\_\_\_\_\_  
Notary Public

My commission expires: \_\_\_\_\_  
Notary Registration No: \_\_\_\_\_

EXHIBIT A

Parcel A1:

Real property in the City of Sterling, County of Loudoun, State of Virginia, described as follows:

Parcel A1, containing 3.5149 acres, more or less, Orange & Blue Subdivision, as the same appears duly dedicated, platted and recorded as Instrument No. 20040407-0032332, among the Land Records of Loudoun County, Virginia.

Being the same property conveyed by Orange & Blue, Inc., a Virginia corporation to IAD Hospitality, LLC, a Virginia limited liability dated December 22, 2010 and recorded December 27, 2010 as Instrument Number 20101227-0083704 among the Land Records of Loudoun County, Virginia.

PIN: 034-26-4101-000

Parcel A2A:

Real property in the City of Sterling, County of Loudoun, State of Virginia, described as follows:

Parcel A2A, containing 3.2653 acres, more or less, Orange & Blue Subdivision, as the same appears on a plat entitled "Boundary Line Adjustment Plat Showing Lot Consolidation, Creation of Waterline and Storm Drainage Easements and Vacation of a Portion of a Waterline Easement on Parcels A2 & A3 Lands of IAD Hospitality, LLC" and recorded as Instrument Number 20170119-0004037 among the Land Records of Loudoun County, Virginia.

45550 Dulles Plaza  
PIN: 034-26-4640-000

EXHIBIT B

Real property in the City of Sterling, County of Loudoun, State of Virginia, described as follows:

Parcel A6, containing 3.7329 acres, more or less, Orange & Blue Subdivision, as the same appears on a plat entitled "Boundary Line Adjustment/Plat of Consolidation Parcels A4 and A5, Orange & Blue Subdivision" recorded as Instrument Number 20051007-0113919 among the land records of Loudoun County, Virginia.

45520 Dulles Plaza  
PIN: 034-26-0115-000

EXHIBIT C

All that certain land situate in Loudoun County, Virginia, and more particularly described as follows:

Parcel B, containing 2.8313 acres of land, more or less, as shown on Subdivision Waiver Plat recorded in Deed Book 1799 at Page 1079, among the land records of Loudoun County, Virginia.

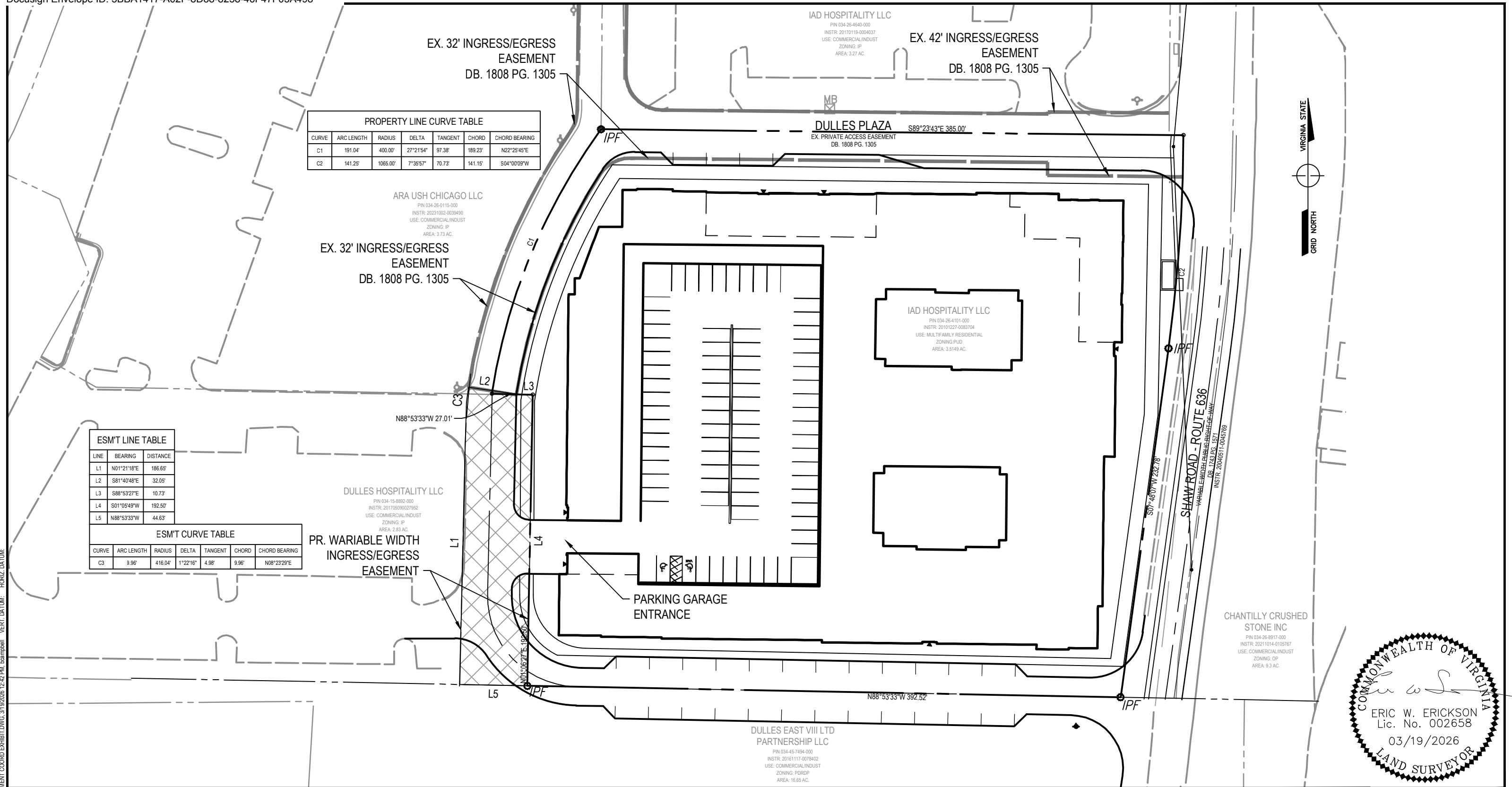
Being the same property confirmed by Dulles Hospitality I LLC, a Virginia limited liability company, formerly known as Dulles Hospitality, LLC, a Virginia limited liability company, by Confirmatory Deed dated May 1st, 2017, and recorded May 9th, 2017, as Instrument No. 20170509-0027952, in the Clerk's Office, among the Land Records of Loudoun County, Virginia.

45515 Dulles Plaza  
PIN: 034-15-8892-000

EXHIBIT D  
[DULLES PLAZA WEST EASEMENT AREA]

~ See Attached ~

C:\PROJECTS\ENGIN\3773\0201\EXHIBITS\3773-0008 ACCESS EASEMENT COORD EXHIBIT.DWG, 3/19/2026 12:42 PM, kcampbell VERT. DATUM: HORIZ. DATUM:





# Gordon

4501 Daly Drive  
Chantilly, VA 20151  
Phone: 703-263-1900  
www.gordon.us.com

PROGRAMMING AND PLANNING  
CIVIL ENGINEERING  
LANDSCAPE ARCHITECTURE  
SURVEY AND MAPPING  
SECURITY CONSULTING

## ACCESS EASEMENT COORDINATION EXHIBIT RESIDENCES AT DULLES PLAZA

1" = 60'  
MARCH 19, 2026

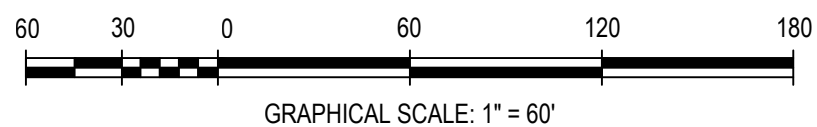


EXHIBIT 3773-0008  
CADD: 3773-0008-EXHIBITS  
DRAWN BY: BSC  
SHEET 1 OF 1



**Consent of Lender and Subordination of Refinance Deed of Trust, Security Agreement and Assignment of Contracts, Leases and Rents**

In consideration of Ten and No/100 Dollars (\$10.00) and other good and valuable consideration in hand paid to the undersigned, the receipt and sufficiency whereof being hereby acknowledged, Farmers and Merchants Bank ("Beneficiary"), as beneficiary of that certain Refinance Deed of Trust, Security Agreement and Assignment of Contracts, Leases and Rents dated February 28th, 2017, from IAD Hospitality, LLC., granted and conveyed to the Trustee certain real estate being 45550 Dulles Plaza, Sterling, VA 20166, Parcel ID: 034-26-4640-000 located in Loudoun County, Virginia (the "Property") to NHO, Inc., as Trustee (the "Original Trustee"), and recorded in the Land Records as Instrument No. 20170301-0013111, securing a note in the principal amount of \$2,850,000.00 (the "Deed of Trust"), granted and conveyed to the Original Trustee and where Beneficiary removed the Original Trustee as trustee under the Deed of Trust and appointed Advantageous Equities, LLC, as Substitute Trustee (the "Substitute Trustee"), to serve as Substitute Trustee under the Deed of Trust, with all of the estate, right, title and interest and all of the powers, rights and duties as if originally named as trustee under the Deed of Trust. The Beneficiary does hereby consent to the foregoing Second Amendment to Declaration of Protective Covenants and Restrictions for Gateway 2000, does hereby authorize and direct the Substitute Trustee to execute this instrument, and agrees that the lien of the Deed of Trust is subject to and subordinate to all of the easements, terms and conditions of the Second Amendment to Declaration of Protective Covenants and Restrictions for Gateway 2000, such that a foreclosure under the Deed of Trust shall not extinguish or invalidate the Second Amendment to Declaration of Protective Covenants and Restrictions for Gateway 2000 or the rights, benefits, duties and burdens of the parties thereto. By its execution hereof, the Substitute Trustee hereby agrees to make the lien of the Deed of Trust subject and subordinate to the Second Amendment to Declaration of Protective Covenants and Restrictions for Gateway 2000, subject to and in accordance with the foregoing.

This \_\_\_\_ day of \_\_\_\_\_, 2026

BENEFICIARY:  
FARMERS AND MERCHANTS BANK,

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

STATE OF \_\_\_\_\_,  
CITY/COUNTY OF \_\_\_\_\_, to-wit:

The foregoing instrument was acknowledged before me on this \_\_ day of \_\_\_\_\_, 2022,  
by \_\_\_\_\_, on behalf of \_\_\_\_\_, Beneficiary.

\_\_\_\_\_  
Notary Public

My commission expires: \_\_\_\_\_  
Notary Registration No: \_\_\_\_\_

SUBSTITUTE TRUSTEE:  
ADVANTAGEOUS EQUITIES, LLC,

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

STATE OF \_\_\_\_\_,

CITY/COUNTY OF \_\_\_\_\_, to-wit:

The foregoing instrument was acknowledged before me on this \_\_ day of \_\_\_\_\_, 2022,  
by \_\_\_\_\_, on behalf of \_\_\_\_\_, Substitute Trustee.

\_\_\_\_\_  
Notary Public

My commission expires: \_\_\_\_\_

Notary Registration No: \_\_\_\_\_

**Consent of Lender and Subordination of Refinance Deed of Trust, Security Agreement and Assignment of Contracts, Leases and Rents**

In consideration of Ten and No/100 Dollars (\$10.00) and other good and valuable consideration in hand paid to the undersigned, the receipt and sufficiency whereof being hereby acknowledged, WesBanco Bank, Inc. (successor in interest of Old Line Bank) ("Beneficiary"), as beneficiary of that certain Deed of Trust Modification and Confirmation Agreement dated February 23rd, 2018, from Dulles Hospitality I, LLC. (formerly known of record as Dulles Hospitality LLC), granted and conveyed to the Trustee certain real estate being 45515 Dulles Plaza, Sterling, VA 20166, Parcel ID: 034-15-8892-000 located in Loudoun County, Virginia (the "Property") to Harnden Davidson of Arlington County., as Trustee (the "Original Trustee"), and recorded in the Land Records as Instrument No. 201803010011662, securing a note in the principal amount of \$5,6000,000.00 (the "Deed of Trust"), granted and conveyed to the Original Trustee, and where Beneficiary removed the Original Trustee as trustee under the Deed of Trust and appointed Craig M. Palik, a resident of Fairfax County, as Substitute Trustee (the "Substitute Trustee") and recorded in the Land Records as Instrument No. 202307170027901, to serve as Substitute Trustee under the Deed of Trust, with all of the estate, right, title and interest and all of the powers, rights and duties as if originally named as trustee under the Deed of Trust.. The Beneficiary does hereby consent to the foregoing Second Amendment to Declaration of Protective Covenants and Restrictions for Gateway 2000, does hereby authorize and direct the Substitute Trustee to execute this instrument, and agrees that the lien of the Deed of Trust is subject to and subordinate to all of the easements, terms and conditions of the Second Amendment to Declaration of Protective Covenants and Restrictions for Gateway 2000, such that a foreclosure under the Deed of Trust shall not extinguish or invalidate the Second Amendment to Declaration of Protective Covenants and Restrictions for Gateway 2000 or the rights, benefits, duties and burdens of the parties thereto. By its execution hereof, the Substitute Trustee hereby agrees to make the lien of the Deed of Trust subject and subordinate to the Second Amendment to Declaration of Protective Covenants and Restrictions for Gateway 2000, subject to and in accordance with the foregoing.

This \_\_\_ day of \_\_\_\_\_, 2026

*[Signatures Continue on Following Page]*

Signed and acknowledged in the Presence of:

BENEFICIARY:

WESBANCO BANK, INC. (successor in interest of OLD  
LINE BANK), a West Virginia banking corporation

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

STATE OF \_\_\_\_\_,

CITY/COUNTY OF \_\_\_\_\_, to-wit:

The foregoing instrument was acknowledged before me on this \_\_ day of \_\_\_\_\_, 2023,  
by \_\_\_\_\_, on behalf of \_\_\_\_\_, Beneficiary.

\_\_\_\_\_  
Notary Public

My commission expires: \_\_\_\_\_

Notary Registration No: \_\_\_\_\_

Signed and acknowledged in the Presence of:

SUBSTITUTE TRUSTEE:

CRAIG M. PALIK, a resident of Fairfax County, Virginia,

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

STATE OF \_\_\_\_\_,

CITY/COUNTY OF \_\_\_\_\_, to-wit:

The foregoing instrument was acknowledged before me on this \_\_ day of \_\_\_\_\_, 2026,  
by \_\_\_\_\_, Substitute Trustee.

\_\_\_\_\_  
Notary Public

My commission expires: \_\_\_\_\_

Notary Registration No: \_\_\_\_\_

## **EXHIBIT B**

### **FORM OF REINSTATEMENT OF CONSENT**

#### **REINSTATEMENT OF CONSENT TO ASSIGNMENT AND ACCESS AGREEMENT**

This REINSTATEMENT OF CONSENT TO ASSIGNMENT AND ACCESS AGREEMENT (this “Reinstatement”) is entered into as of \_\_\_\_\_, 2026, by and among IAD HOSPITALITY, LLC, a Virginia limited liability company (“Owner”), NFD ACQUISITIONS LLC, a District of Columbia limited liability company (“Purchaser”), and FRH REALTY LLC, a Delaware limited liability company (“Licensee”) (Owner, Purchaser and Licensee are hereinafter each a “Party” and collectively, the “Parties”).

#### **RECITALS**

WHEREAS, the Parties entered into that certain Consent to Assignment and Access Agreement, dated as of September 4, 2025 (the “Consent”), pursuant to which Owner consented to the assignment of the Purchase Agreement by Purchaser to Licensee, subject to the terms and conditions set forth therein;

WHEREAS, the Consent terminated, or otherwise ceased to be in full force and effect, in connection with the prior termination of the definitive agreement between Purchaser and Licensee regarding the Proposed Assignment; and

WHEREAS, the Parties desire to reinstate the Consent as a valid and enforceable agreement, effective as of the date of this Reinstatement.

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual covenants set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. Reinstatement. The Consent is hereby reinstated and shall be a valid, binding and enforceable agreement of the Parties in accordance with its terms, with the same force and effect as if it had remained continuously in full force and effect. For the avoidance of doubt, the Proposed Assignment (under and as defined in the Consent) shall refer to the assignment to Licensee (or its permitted assignee, including Fairfield Dulles Plaza LP, a Delaware limited partnership).
2. Ratification. Except as expressly set forth herein, all of the terms, covenants and conditions of the Consent are hereby ratified and affirmed and shall remain in full force and effect.
3. Capitalized Terms. All capitalized terms used but not defined herein shall have the meanings ascribed to them in the Consent.

4. Counterparts; Electronic Signatures. This Reinstatement may be executed in any number of counterparts, and delivery of any counterpart to the other parties may occur by electronic (including, without limitation, Adobe Sign or DocuSign) transmission; each such counterpart shall be deemed an original instrument, but all such counterparts together shall constitute one agreement.

[Signature Pages Follow]

IN WITNESS WHEREOF, the undersigned have executed this Reinstatement as of the date first set forth above.

**OWNER:**

**IAD HOSPITALITY, LLC**, a Virginia limited liability company

By: \_\_\_\_\_  
Name: Vikash Patel  
Its: Member

**PURCHASER:**

**NFD ACQUISITIONS LLC**, a District of Columbia limited liability company

By: \_\_\_\_\_  
Name: Nathan Hamman  
Its: President

**LICENSEE:**

**FRH REALTY LLC**, a Delaware limited liability company

By: \_\_\_\_\_  
Name:  
Its:



## REINSTATEMENT OF CONSENT TO ASSIGNMENT AND ACCESS AGREEMENT

This REINSTATEMENT OF CONSENT TO ASSIGNMENT AND ACCESS AGREEMENT (this “Reinstatement”) is entered into as of June 26, 2026, by and among IAD HOSPITALITY, LLC, a Virginia limited liability company (“Owner”), NFD ACQUISITIONS LLC, a District of Columbia limited liability company (“Purchaser”), and FRH REALTY LLC, a Delaware limited liability company (“Licensee”) (Owner, Purchaser and Licensee are hereinafter each a “Party” and collectively, the “Parties”).

### RECITALS

WHEREAS, the Parties entered into that certain Consent to Assignment and Access Agreement, dated as of September 4, 2025 (the “Consent”), pursuant to which Owner consented to the assignment of the Purchase Agreement by Purchaser to Licensee, subject to the terms and conditions set forth therein;

WHEREAS, the Consent terminated, or otherwise ceased to be in full force and effect, in connection with the prior termination of the definitive agreement between Purchaser and Licensee regarding the Proposed Assignment; and

WHEREAS, the Parties desire to reinstate the Consent as a valid and enforceable agreement, effective as of the date of this Reinstatement.

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual covenants set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. Reinstatement. The Consent is hereby reinstated and shall be a valid, binding and enforceable agreement of the Parties in accordance with its terms, with the same force and effect as if it had remained continuously in full force and effect. For the avoidance of doubt, the Proposed Assignment (under and as defined in the Consent) shall refer to the assignment to Licensee (or its permitted assignee, including Fairfield Dulles Plaza LP, a Delaware limited partnership).
2. Ratification. Except as expressly set forth herein, all of the terms, covenants and conditions of the Consent are hereby ratified and affirmed and shall remain in full force and effect.
3. Capitalized Terms. All capitalized terms used but not defined herein shall have the meanings ascribed to them in the Consent.
4. Counterparts; Electronic Signatures. This Reinstatement may be executed in any number of counterparts, and delivery of any counterpart to the other parties may occur by electronic (including, without limitation, Adobe Sign or Docusign) transmission; each such counterpart shall be deemed an original instrument, but all such counterparts together shall constitute one agreement.

[Signature Pages Follow]

IN WITNESS WHEREOF, the undersigned have executed this Reinstatement as of the date first set forth above.

**OWNER:**

**IAD HOSPITALITY, LLC**, a Virginia limited liability company

DocuSigned by:  
  
By: \_\_\_\_\_  
Name: Vikash Patel  
Its: manager

**PURCHASER:**

**NFD ACQUISITIONS LLC**, a District of Columbia limited liability company

Signed by:  
  
By: \_\_\_\_\_  
Name: Nathan Hamman  
Its: President

**LICENSEE:**

**FRH REALTY LLC**, a Delaware limited liability company

DocuSigned by:  
  
By: \_\_\_\_\_  
Name: Mary Nicoletta  
Its: Vice President & Assistant Secretary

PARID: 034264101000

I A D HOSPITALITY LLC

N/A

Owner

NameI A D HOSPITALITY LLC

Care Of

Mailing Address2875 TOWERVIEW RD STE A4

.

HERNDON VA 20171-5404

Instrument Number201012270083704

Book

Page

Parcel

Primary Address

Tax Map #/94//35/////A1/

State Use ClassCommercial/Indust

Total Land Area (Acreage)3.51

Total Land Area (SQFT)

Election DistrictSTERLING

Billing DistrictSterling Dist

Billing Split Notes 1

Billing Split Notes 2

Special Ad Valorem Tax DistrictMetrorail, Rte 28 Taxable

Special Project District

Living Units

Structure OccupancyVACANT LAND

Garage/PrkgSp CommunityNO

SubdivisionORANGE AND BLUE

Affordable Dwelling Unit (Y/N)NO: PROPERTY IS NOT ADU.

Ag District

Ag District Starting Date

Ag District End Date

Deactivation Status

Solar Exemption?NO

Legal Description

Legal DescriptionORANGE & BLUE SUBD PCL.A1

.

201012270083704 (3)

200404070032332P

General Information

Loudoun County is providing public record information as a public service in accordance with Virginia Code Title 58.1-3122.2 (1998). The Loudoun County Commissioner of the Revenue provides annual valuations and maintenance of fair market values for equitable assessments on all types of real property.

The property information made available on this site includes ownership and deed information, legal description, sales information, assessment values and house characteristics and can be searched by Parcel ID Number, Address and Tax Map Number. The site is updated weekly. Parcels are linked to the Loudoun County GIS, with map overlays displaying boundary and environmental information such as topography, soils, flood plain and major roads.

Condominium garage units or assigned parking spaces associated with condominiums may have separate parcel identification numbers - and may be assessed separately.

2026 Values

Fair Market Land\$2,752,100

Fair Market Building\$0

Prorated Bldg\$0

Effective Date

Fair Market Total\$2,752,100

Land Use Value\$0

Total Taxable Value\$2,752,100

\*Deferred Land Use Value\$0

Tax Exempt CodeTAXABLE

Tax Exempt Land\$0

Tax Exempt Building\$0

Tax Exempt Total\$0

Revitalized Real Estate

Solar Exemption

2025 Values

| Process Type | FM Land     | FM Building | Effective Date | Supp/(Exon) | FM Total    | LU Deferred | Taxable Value |
|--------------|-------------|-------------|----------------|-------------|-------------|-------------|---------------|
| Notice       | \$1,681,900 |             |                |             | \$1,681,900 |             | \$1,681,900   |
| Landbook     | \$1,681,900 |             |                |             | \$1,681,900 |             | \$1,681,900   |

2024 Values

| Process Type | FM Land     | FM Building | Effective Date | Supp/(Exon) | FM Total    | LU Deferred | Taxable Value |
|--------------|-------------|-------------|----------------|-------------|-------------|-------------|---------------|
| Notice       | \$1,681,900 |             |                |             | \$1,681,900 |             | \$1,681,900   |
| Landbook     | \$1,681,900 |             |                |             | \$1,681,900 |             | \$1,681,900   |

**2023 Values**

| Process Type | FM Land     | FM Building | Effective Date | Supp/(Exon) | FM Total    | LU Deferred | Taxable Value |
|--------------|-------------|-------------|----------------|-------------|-------------|-------------|---------------|
| Notice       | \$1,681,900 |             |                |             | \$1,681,900 |             | \$1,681,900   |
| Landbook     | \$1,681,900 |             |                |             | \$1,681,900 |             | \$1,681,900   |

**2022 Values**

| Process Type | FM Land     | FM Building | Effective Date | Supp/(Exon) | FM Total    | LU Deferred | Taxable Value |
|--------------|-------------|-------------|----------------|-------------|-------------|-------------|---------------|
| Notice       | \$1,529,000 |             |                |             | \$1,529,000 |             | \$1,529,000   |
| Landbook     | \$1,529,000 |             |                |             | \$1,529,000 |             | \$1,529,000   |

**2021 Values**

| Process Type | FM Land     | FM Building | Effective Date | Supp/(Exon) | FM Total    | LU Deferred | Taxable Value |
|--------------|-------------|-------------|----------------|-------------|-------------|-------------|---------------|
| Notice       | \$1,529,000 |             |                |             | \$1,529,000 |             | \$1,529,000   |
| Landbook     | \$1,529,000 |             |                |             | \$1,529,000 |             | \$1,529,000   |

**2020 Values**

| Process Type | FM Land     | FM Building | Effective Date | Supp/(Exon) | FM Total    | LU Deferred | Taxable Value |
|--------------|-------------|-------------|----------------|-------------|-------------|-------------|---------------|
| Landbook     | \$1,529,000 |             |                |             | \$1,529,000 |             | \$1,529,000   |
| Notice       | \$1,529,000 |             |                |             | \$1,529,000 |             | \$1,529,000   |

**2019 Values**

| Process Type | FM Land     | FM Building | Effective Date | Supp/(Exon) | FM Total    | LU Deferred | Taxable Value |
|--------------|-------------|-------------|----------------|-------------|-------------|-------------|---------------|
| Notice       | \$1,529,000 |             |                |             | \$1,529,000 |             | \$1,529,000   |
| Landbook     | \$1,529,000 |             |                |             | \$1,529,000 |             | \$1,529,000   |

**2018 Values**

| Process Type | FM Land     | FM Building | Effective Date | Supp/(Exon) | FM Total    | LU Deferred | Taxable Value |
|--------------|-------------|-------------|----------------|-------------|-------------|-------------|---------------|
| Notice       | \$1,376,100 |             |                |             | \$1,376,100 |             | \$1,376,100   |
| Landbook     | \$1,376,100 |             |                |             | \$1,376,100 |             | \$1,376,100   |

**2017 Values**

| Process Type | FM Land     | FM Building | Effective Date | Supp/(Exon) | FM Total    | LU Deferred | Taxable Value |
|--------------|-------------|-------------|----------------|-------------|-------------|-------------|---------------|
| Notice       | \$1,376,100 |             |                |             | \$1,376,100 |             | \$1,376,100   |
| Landbook     | \$1,376,100 |             |                |             | \$1,376,100 |             | \$1,376,100   |

**2016 Values**

| Process Type | FM Land     | FM Building | Effective Date | Supp/(Exon) | FM Total    | LU Deferred | Taxable Value |
|--------------|-------------|-------------|----------------|-------------|-------------|-------------|---------------|
| Notice       | \$1,376,100 |             |                |             | \$1,376,100 |             | \$1,376,100   |
| Landbook     | \$1,376,100 |             |                |             | \$1,376,100 |             | \$1,376,100   |

**2015 Values**

| Process Type | FM Land     | FM Building | Effective Date | Supp/(Exon) | FM Total    | LU Deferred | Taxable Value |
|--------------|-------------|-------------|----------------|-------------|-------------|-------------|---------------|
| Landbook     | \$1,376,100 |             |                |             | \$1,376,100 |             | \$1,376,100   |
| Notice       | \$1,376,100 |             |                |             | \$1,376,100 |             | \$1,376,100   |

**2014 Values**

| Process Type | FM Land     | FM Building | Effective Date | Supp/(Exon) | FM Total    | LU Deferred | Taxable Value |
|--------------|-------------|-------------|----------------|-------------|-------------|-------------|---------------|
| Notice       | \$1,299,600 |             |                |             | \$1,299,600 |             | \$1,299,600   |
| Landbook     | \$1,299,600 |             |                |             | \$1,299,600 |             | \$1,299,600   |

**2013 Values**

| Process Type | FM Land     | FM Building | Effective Date | Supp/(Exon) | FM Total    | LU Deferred | Taxable Value |
|--------------|-------------|-------------|----------------|-------------|-------------|-------------|---------------|
| Notice       | \$1,299,600 |             |                |             | \$1,299,600 |             | \$1,299,600   |
| Landbook     | \$1,299,600 |             |                |             | \$1,299,600 |             | \$1,299,600   |

**2012 Values**

| Process Type | FM Land | FM Building | Effective Date | Supp/(Exon) | FM Total | LU Deferred | Taxable Value |
|--------------|---------|-------------|----------------|-------------|----------|-------------|---------------|
|--------------|---------|-------------|----------------|-------------|----------|-------------|---------------|

|          |             |  |             |             |
|----------|-------------|--|-------------|-------------|
| Notice   | \$1,299,600 |  | \$1,299,600 | \$1,299,600 |
| Landbook | \$1,299,600 |  | \$1,299,600 | \$1,299,600 |

2011 Values

| Process Type | FM Land     | FM Building Effective Date | Supp/(Exon) | FM Total    | LU Deferred | Taxable Value |
|--------------|-------------|----------------------------|-------------|-------------|-------------|---------------|
| Notice       | \$1,299,600 |                            |             | \$1,299,600 |             | \$1,299,600   |
| Landbook     | \$1,299,600 |                            |             | \$1,299,600 |             | \$1,299,600   |

2010 Values

| Process Type | FM Land     | FM Building Effective Date | Supp/(Exon) | FM Total    | LU Deferred | Taxable Value |
|--------------|-------------|----------------------------|-------------|-------------|-------------|---------------|
| Notice       | \$1,414,300 |                            |             | \$1,414,300 |             | \$1,414,300   |
| Landbook     | \$1,414,300 |                            |             | \$1,414,300 |             | \$1,414,300   |

2009 Values

| Process Type | FM Land     | FM Building Effective Date | Supp/(Exon) | FM Total    | LU Deferred | Taxable Value |
|--------------|-------------|----------------------------|-------------|-------------|-------------|---------------|
| Notice       | \$1,529,000 |                            |             | \$1,529,000 |             | \$1,529,000   |
| Landbook     | \$1,529,000 |                            |             | \$1,529,000 |             | \$1,529,000   |

2008 Values

| Process Type | FM Land     | FM Building Effective Date | Supp/(Exon) | FM Total    | LU Deferred | Taxable Value |
|--------------|-------------|----------------------------|-------------|-------------|-------------|---------------|
| Notice       | \$1,529,000 |                            |             | \$1,529,000 |             | \$1,529,000   |
| Landbook     | \$1,529,000 |                            |             | \$1,529,000 |             | \$1,529,000   |

**Note**

FM (Fair Market) = All land/buildings if 100% complete as of January 1.  
Prorated value = The building value added as of the effective date for any new construction.  
Taxable value = For details select Tax History / Payment.

Sales / Transfers

| Date       | Sale Price  | Buyer                 |
|------------|-------------|-----------------------|
| 12/27/2010 | \$3,000,000 | I A D HOSPITALITY LLC |
| 04/07/2004 | \$0         | ORANGE & BLUE INC     |

Sales / Transfers Details1 of 2

|                                  |                                                                                                                                |
|----------------------------------|--------------------------------------------------------------------------------------------------------------------------------|
| Sale Date                        | 12/27/2010                                                                                                                     |
| Sale Price                       | \$3,000,000                                                                                                                    |
| Seller                           |                                                                                                                                |
| Buyer                            | I A D HOSPITALITY LLC                                                                                                          |
| Valuation Code                   | MULTI-PARCEL INCL. BUS VAL                                                                                                     |
| Instrument Number                | 201012270083704                                                                                                                |
| Recordation Date                 | 12/27/2010                                                                                                                     |
| Deed Book and Page               | -                                                                                                                              |
| Multi-Parcel Sale (# of Parcels) | 3                                                                                                                              |
| Additional Notes                 | THIS PROPERTY WAS PART OF A MULTI-PARCEL SALE.<br>THE PRICE DISPLAYED IS THE TOTAL PRICE FOR ALL PARCELS INCLUDED IN THE SALE. |
| Note                             |                                                                                                                                |

Tax History / Payment

Click on the Parcel ID to view its related document  
[034264101000](#)

**Map It**

Click on the Parcel ID to view its related document  
[034264101000](#)

Profile

Values

Sales / Transfers

Land

Land Use Status

Residential

Detached Structures

Commercial

Map

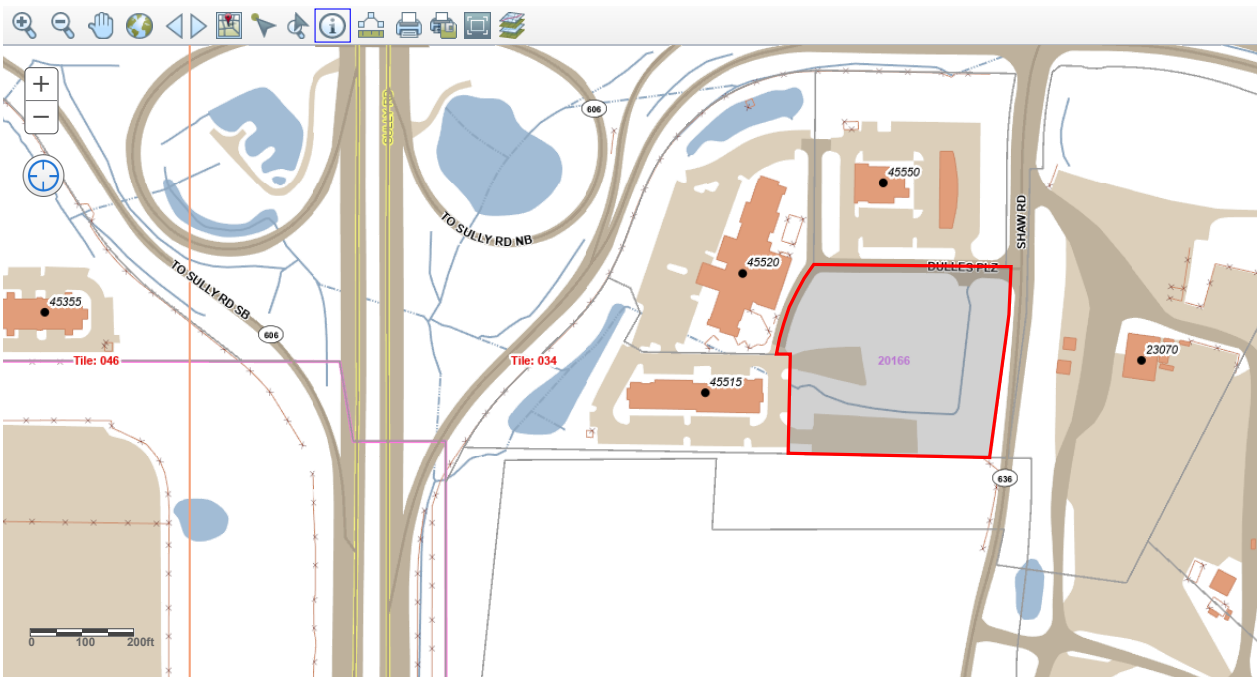
WebLogis

Aerial Photos

Parcel Tracking

Tax Payment/History

PARID: 034264101000  
I A D HOSPITALITY LLC



**Total Due: \$15,274.15** Pay My Bill

**Account #** I A D HOSPITALITY LLC  
**25838** 2875 TOWERVIEW RD STE A4 HERNDON VA 20171- 5404

| Invoice# | Tax Year | Inst | Tax Type    | Due Date   | Date Paid  | Status          | Tax Amount  | Penalty    | Interest | Total Due   |
|----------|----------|------|-------------|------------|------------|-----------------|-------------|------------|----------|-------------|
| 1684091  | 2026     | 2    | Real Estate | 12/07/2026 |            | <b>X Unpaid</b> | \$15,274.15 | \$0.00     | \$0.00   | \$15,274.15 |
| 1684091  | 2026     | 1    | Real Estate | 06/05/2026 | 05/14/2026 | <b>✓ Paid</b>   | \$15,274.15 | \$0.00     | \$0.00   | \$0.00      |
| 1509851  | 2025     | 2    | Real Estate | 12/05/2025 | 11/12/2025 | <b>✓ Paid</b>   | \$9,460.69  | \$0.00     | \$0.00   | \$0.00      |
| 1509851  | 2025     | 1    | Real Estate | 06/05/2025 | 05/28/2025 | <b>✓ Paid</b>   | \$9,460.69  | \$0.00     | \$0.00   | \$0.00      |
| 1336905  | 2024     | 2    | Real Estate | 12/05/2024 | 11/12/2024 | <b>✓ Paid</b>   | \$10,133.45 | \$0.00     | \$0.00   | \$0.00      |
| 1336905  | 2024     | 1    | Real Estate | 06/05/2024 | 05/20/2024 | <b>✓ Paid</b>   | \$10,133.45 | \$0.00     | \$0.00   | \$0.00      |
| 1166605  | 2023     | 2    | Real Estate | 12/05/2023 | 11/08/2023 | <b>✓ Paid</b>   | \$10,385.73 | \$0.00     | \$0.00   | \$0.00      |
| 1166605  | 2023     | 1    | Real Estate | 06/05/2023 | 05/12/2023 | <b>✓ Paid</b>   | \$10,385.73 | \$0.00     | \$0.00   | \$0.00      |
| 997821   | 2022     | 2    | Real Estate | 12/05/2022 | 11/15/2022 | <b>✓ Paid</b>   | \$9,632.70  | \$0.00     | \$0.00   | \$0.00      |
| 997821   | 2022     | 1    | Real Estate | 06/06/2022 | 06/06/2022 | <b>✓ Paid</b>   | \$9,632.70  | \$0.00     | \$0.00   | \$0.00      |
| 838945   | 2021     | 2    | Real Estate | 12/06/2021 | 11/18/2021 | <b>✓ Paid</b>   | \$10,320.75 | \$0.00     | \$0.00   | \$0.00      |
| 838945   | 2021     | 1    | Real Estate | 06/07/2021 | 05/21/2021 | <b>✓ Paid</b>   | \$10,320.75 | \$0.00     | \$0.00   | \$0.00      |
| 681064   | 2020     | 2    | Real Estate | 12/07/2020 | 11/16/2020 | <b>✓ Paid</b>   | \$10,741.23 | \$0.00     | \$0.00   | \$0.00      |
| 681064   | 2020     | 1    | Real Estate | 06/05/2020 | 05/12/2020 | <b>✓ Paid</b>   | \$10,741.23 | \$0.00     | \$0.00   | \$0.00      |
| 523233   | 2019     | 2    | Real Estate | 12/05/2019 | 11/20/2019 | <b>✓ Paid</b>   | \$10,894.13 | \$0.00     | \$0.00   | \$0.00      |
| 523233   | 2019     | 1    | Real Estate | 06/05/2019 | 05/13/2019 | <b>✓ Paid</b>   | \$10,894.13 | \$0.00     | \$0.00   | \$0.00      |
| 387349   | 2018     | 2    | Real Estate | 12/06/2018 | 11/19/2018 | <b>✓ Paid</b>   | \$10,079.93 | \$0.00     | \$0.00   | \$0.00      |
| 387349   | 2018     | 1    | Real Estate | 06/05/2018 | 05/14/2018 | <b>✓ Paid</b>   | \$10,079.93 | \$0.00     | \$0.00   | \$0.00      |
| 255530   | 2017     | 2    | Real Estate | 12/05/2017 | 11/13/2017 | <b>✓ Paid</b>   | \$10,355.15 | \$0.00     | \$0.00   | \$0.00      |
| 255530   | 2017     | 1    | Real Estate | 06/05/2017 | 11/13/2017 | <b>✓ Paid</b>   | \$10,355.15 | \$1,035.52 | \$569.54 | \$0.00      |
| 125990   | 2016     | 2    | Real Estate | 12/05/2016 | 12/06/2016 | <b>✓ Paid</b>   | \$10,492.76 | \$0.00     | \$0.00   | \$0.00      |

|        |      |   |             |            |            |        |             |            |          |        |
|--------|------|---|-------------|------------|------------|--------|-------------|------------|----------|--------|
| 125990 | 2016 | 1 | Real Estate | 06/06/2016 | 05/16/2016 | ✓ Paid | \$10,492.76 | \$0.00     | \$0.00   | \$0.00 |
| 459742 | 2015 | 2 | Real Estate | 12/07/2015 | 12/01/2015 | ✓ Paid | \$10,423.96 | \$0.00     | \$0.00   | \$0.00 |
| 459741 | 2015 | 1 | Real Estate | 06/05/2015 | 06/05/2015 | ✓ Paid | \$10,423.96 | \$0.00     | \$0.00   | \$0.00 |
| 459736 | 2014 | 2 | Real Estate | 12/05/2014 | 12/04/2014 | ✓ Paid | \$9,974.43  | \$0.00     | \$0.00   | \$0.00 |
| 459735 | 2014 | 1 | Real Estate | 06/05/2014 | 05/05/2014 | ✓ Paid | \$9,974.43  | \$0.00     | \$0.00   | \$0.00 |
| 459730 | 2013 | 2 | Real Estate | 12/05/2013 | 11/18/2013 | ✓ Paid | \$10,299.33 | \$0.00     | \$0.00   | \$0.00 |
| 459729 | 2013 | 1 | Real Estate | 06/05/2013 | 05/06/2013 | ✓ Paid | \$10,299.33 | \$0.00     | \$0.00   | \$0.00 |
| 459726 | 2012 | 2 | Real Estate | 12/05/2012 | 11/16/2012 | ✓ Paid | \$9,194.67  | \$0.00     | \$0.00   | \$0.00 |
| 459725 | 2012 | 1 | Real Estate | 06/05/2012 | 05/21/2012 | ✓ Paid | \$9,194.67  | \$0.00     | \$0.00   | \$0.00 |
| 459722 | 2011 | 2 | Real Estate | 12/05/2011 | 01/24/2012 | ✓ Paid | \$9,519.57  | \$951.95   | \$173.83 | \$0.00 |
| 459721 | 2011 | 1 | Real Estate | 06/06/2011 | 05/19/2011 | ✓ Paid | \$9,519.57  | \$0.00     | \$0.00   | \$0.00 |
| 459718 | 2010 | 2 | Real Estate | 12/06/2010 | 12/29/2010 | ✓ Paid | \$10,465.82 | \$1,046.59 | \$95.55  | \$0.00 |
| 459717 | 2010 | 1 | Real Estate | 06/07/2010 | 11/29/2010 | ✓ Paid | \$10,465.82 | \$1,046.59 | \$575.62 | \$0.00 |
| 459714 | 2009 | 2 | Real Estate | 12/07/2009 | 12/07/2009 | ✓ Paid | \$10,894.12 | \$0.00     | \$0.00   | \$0.00 |
| 459713 | 2009 | 1 | Real Estate | 06/05/2009 | 06/05/2009 | ✓ Paid | \$10,894.13 | \$0.00     | \$0.00   | \$0.00 |



# **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\*\*\***

2cb08b76-9c8a-458e-b027-  
d324a42bac3e

Digitally signed by: 2cb08b76-9c8a-458e-b027-  
d324a42bac3e  
DN: CN = 2cb08b76-9c8a-458e-b027-d324a42bac3e  
Date: 2026.06.25 13:27:11 -0400

Abhishek Lal

6/25/26

RESNET Rater Signature

Printed Name

Date

Building Performance Solutions

John Hensley

RESNET Provider Agency

Provider Contact Name

Contact Signature

*John Hensley*

Email

johnh@bpsconsultant.com

Phone

(571) 234-6030

Dulles Plaza

Development Name

# ENERGY STAR v1.1 MF Home Report

## Property

Fairfield Residential  
Dulles Plaza and Shaw Road  
Dulles, VA 20166

## Organization

Meridian Consulting, LLC  
703-459-7579  
Abhishek Lal

## HERS

ProjectedWorstCase  
Rater ID:9064522

Weather:Washington, DC  
Dulles Plaza A1a Unit Type  
A1a 1-Br Top Floor.blg

## Builder

Fairfield Residential

## Projected Rating: Based on Plans - Field Confirmation Required.

### Normalized, Modified End-Use Loads (MMBtu/yr)

|                       | ENERGY STAR | As Designed |
|-----------------------|-------------|-------------|
| Heating               | 1.6         | 2.2         |
| Cooling               | 3.7         | 3.4         |
| Water Heating         | 4.6         | 3.7         |
| Lights and Appliances | 10.9        | 8.7         |
| Total                 | 20.8        | 18.0        |

ENERGY STAR ERI Index Target 65 56 ERI Index w/o PV  
56 ERI Index

HERS Index w/o PV <= ES HERS Index Target to comply.

## ENERGY STAR v1.1 MFNC (Rev 02) Requirements

|   |                                                                                                          |
|---|----------------------------------------------------------------------------------------------------------|
| X | Envelope insulation achieves RESNET Grade I installation, or Grade II with insulated sheathing.          |
| X | Windows meet the 2009 IECC Requirements                                                                  |
| X | Duct insulation meets the EPA minimum requirements of R-6.                                               |
| X | Mechanical ventilation system has been measured in the home.                                             |
| X | Compartmentalization - actual home must have infiltration inputs that are <= 0.30 cfm50/sqft shell area. |
| X | ENERGY STAR Checklists fully verified and complete.                                                      |



This home MEETS or EXCEEDS the energy efficiency requirements  
for designation as an EPA ENERGY STAR Version 1.1 Multifamily New Construction Home (Rev 02).

## Pollution Prevented

| Type of Emissions              | Reduction |
|--------------------------------|-----------|
| Carbon Dioxide (CO2) - tons/yr | 3.8       |
| Sulfur Dioxide (SO2) - lbs/yr  | 57.5      |
| Nitrogen Oxides (NOx) - lbs/yr | 14.2      |

## Energy Cost Savings

|                     | \$/yr |
|---------------------|-------|
| Heating             | 83    |
| Cooling             | 57    |
| Water Heating       | 89    |
| Lights & Appliances | 205   |
| Total               | 433   |

The energy savings and pollution prevented are calculated by comparing the Rated Home to the Reference Home as defined in the Mortgage Industry National Home Energy Rating Systems Standards as promulgated by the Residential Energy Services Network (RESNET) . In accordance with these guidelines, building inputs affecting setpoints, infiltration rates, window shading and the existence of mechanical systems may have been changed prior to calculating loads.

REM/Rate - Residential Energy Analysis and Rating Software v16.3.4.1029

This information does not constitute any warranty of energy costs or savings.

© 1985-2025 REM/Rate LLC, Manchester, Tennessee.

# ENERGY STAR v1.1 MF Home Verification Summary

|                                                                                            |                                                                                 |                                                       |
|--------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|-------------------------------------------------------|
| <b>Property</b><br>Fairfield Residential<br>Dulles Plaza and Shaw Road<br>Dulles, VA 20166 | <b>Organization</b><br>Meridian Consulting, LLC<br>703-459-7579<br>Abhishek Lal | <b>HERS</b><br>ProjectedWorstCase<br>Rater ID:9064522 |
| <b>Weather:</b> Washington, DC<br>Dulles Plaza A1a Unit Type<br>A1a 1-Br Top Floor.blg     | <b>Builder</b><br>Fairfield Residential                                         |                                                       |

## Projected Rating: Based on Plans - Field Confirmation Required.

| Building Information                               |                          | Rating                       |    |
|----------------------------------------------------|--------------------------|------------------------------|----|
| Conditioned Area (sq ft)                           | 677                      | ENERGY STAR ERI Index Target | 65 |
| Conditioned Volume (cubic ft)                      | 6093                     | ERI Index w/o PV             | 56 |
| Insulated Shell Area (sq ft)                       | 2312                     | ERI Index                    | 56 |
| Number of Bedrooms                                 | 1                        |                              |    |
| Housing Type                                       | Apartment, inside unit   |                              |    |
| Foundation Type                                    | Apt above enclosed space |                              |    |
| ERI Index w/o PV <= ES ERI Index Target to comply. |                          |                              |    |



This home MEETS or EXCEEDS the energy efficiency requirements for designation as an EPA ENERGY STAR Version 1.1 Multifamily New Construction Home (Rev 02).

## Building Shell

|                      |                         |                         |                             |
|----------------------|-------------------------|-------------------------|-----------------------------|
| Ceiling w/Attic      | R-30 Continuous U=0.032 | Window Type             | U-0.3 Vinyl                 |
| Sealed Attic         | None                    | Window                  | U-Value: 0.300, SHGC: 0.270 |
| Vaulted Ceiling      | None                    | Window/Wall Ratio       | 0.32                        |
| Above Grade Walls    | R-21 U=0.058            | Infiltration Type       | Blower door                 |
| Found. Walls(Cond)   | None                    | Infiltration            | 0.30 CFM50/sf sh            |
| Found. Walls(Uncond) | None                    | Duct Leakage to Outside | 27.00 CFM @ 25 Pascals      |
| Floors               | None                    | Total Duct Leakage      | 40.00 CFM @ 25 Pascals      |
| Slab Floors          | None                    |                         |                             |

## Mechanical Systems

|                         |                                                        |
|-------------------------|--------------------------------------------------------|
| ASHP                    | Htg: 30.6 kBtuh, 8.8 HSPF. Clg: 17.8 kBtuh, 15.0 SEER. |
| Water Heating           | Conventional, Elec, 0.93 EF.                           |
| Programmable Thermostat | Heat=Yes; Cool=Yes                                     |
| Ventilation System      | Supply Only: 30 cfm, 15.8 watts.                       |

## Lights and Appliances

|                          |          |                         |          |                           |        |
|--------------------------|----------|-------------------------|----------|---------------------------|--------|
| Refrigerator (kWh/yr)    | 463.00   | Clothes Dryer Fuel      | Electric | Interior LED Lighting (%) | 100.00 |
| Dishwasher Energy Factor | 0.46     | Clothes Dryer CEF       | 3.94     | Ceiling Fan (cfm/Watt)    | 100.00 |
| Range/Oven Fuel          | Electric | Clothes Washer LER      | 100.00   |                           |        |
|                          |          | Clothes Washer Capacity | 5.20     |                           |        |

Note: Where feature level varies in home, the dominant value is shown.

REM/Rate - Residential Energy Analysis and Rating Software v16.3.4.1029

This information does not constitute any warranty of energy costs or savings.

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# ENERGY STAR v1.1 MF Home Report

## Property

Fairfield Residential  
Dulles Plaza and Shaw Road  
Dulles, VA 20166

## Organization

Meridian Consulting, LLC  
703-459-7579  
Abhishek Lal

## HERS

ProjectedWorstCase  
Rater ID:9064522

Weather: Washington, DC  
Dulles Plaza A3 Unit Type  
A3 1-Br Top Floor.blg

## Builder

Fairfield Residential

## Projected Rating: Based on Plans - Field Confirmation Required.

### Normalized, Modified End-Use Loads (MMBtu/yr)

|                       | ENERGY STAR | As Designed |
|-----------------------|-------------|-------------|
| Heating               | 3.9         | 4.5         |
| Cooling               | 4.3         | 4.7         |
| Water Heating         | 4.6         | 3.7         |
| Lights and Appliances | 11.5        | 9.2         |
| Total                 | 24.3        | 22.1        |

ENERGY STAR ERI Index Target 66 60 ERI Index w/o PV  
60 ERI Index

HERS Index w/o PV <= ES HERS Index Target to comply.

## ENERGY STAR v1.1 MFNC (Rev 02) Requirements

|   |                                                                                                          |
|---|----------------------------------------------------------------------------------------------------------|
| X | Envelope insulation achieves RESNET Grade I installation, or Grade II with insulated sheathing.          |
| X | Windows meet the 2009 IECC Requirements                                                                  |
| X | Duct insulation meets the EPA minimum requirements of R-6.                                               |
| X | Mechanical ventilation system has been measured in the home.                                             |
| X | Compartmentalization - actual home must have infiltration inputs that are <= 0.30 cfm50/sqft shell area. |
| X | ENERGY STAR Checklists fully verified and complete.                                                      |



This home MEETS or EXCEEDS the energy efficiency requirements  
for designation as an EPA ENERGY STAR Version 1.1 Multifamily New Construction Home (Rev 02).

## Pollution Prevented

| Type of Emissions              | Reduction |
|--------------------------------|-----------|
| Carbon Dioxide (CO2) - tons/yr | 4.1       |
| Sulfur Dioxide (SO2) - lbs/yr  | 60.8      |
| Nitrogen Oxides (NOx) - lbs/yr | 15.0      |

## Energy Cost Savings

|                     | \$/yr |
|---------------------|-------|
| Heating             | 93    |
| Cooling             | 59    |
| Water Heating       | 90    |
| Lights & Appliances | 216   |
| Total               | 458   |

The energy savings and pollution prevented are calculated by comparing the Rated Home to the Reference Home as defined in the Mortgage Industry National Home Energy Rating Systems Standards as promulgated by the Residential Energy Services Network (RESNET). In accordance with these guidelines, building inputs affecting setpoints, infiltration rates, window shading and the existence of mechanical systems may have been changed prior to calculating loads.

REM/Rate - Residential Energy Analysis and Rating Software v16.3.4.1029

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# ENERGY STAR v1.1 MF Home Verification Summary

|                                                                                            |                                                                                 |                                                       |
|--------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|-------------------------------------------------------|
| <b>Property</b><br>Fairfield Residential<br>Dulles Plaza and Shaw Road<br>Dulles, VA 20166 | <b>Organization</b><br>Meridian Consulting, LLC<br>703-459-7579<br>Abhishek Lal | <b>HERS</b><br>ProjectedWorstCase<br>Rater ID:9064522 |
| <b>Weather:</b> Washington, DC<br>Dulles Plaza A3 Unit Type<br>A3 1-Br Top Floor.blg       | <b>Builder</b><br>Fairfield Residential                                         |                                                       |

## Projected Rating: Based on Plans - Field Confirmation Required.

| Building Information                               |                          | Rating                       |    |
|----------------------------------------------------|--------------------------|------------------------------|----|
| Conditioned Area (sq ft)                           | 796                      | ENERGY STAR ERI Index Target | 66 |
| Conditioned Volume (cubic ft)                      | 7164                     | ERI Index w/o PV             | 60 |
| Insulated Shell Area (sq ft)                       | 2798                     | ERI Index                    | 60 |
| Number of Bedrooms                                 | 1                        |                              |    |
| Housing Type                                       | Apartment, inside unit   |                              |    |
| Foundation Type                                    | Apt above enclosed space |                              |    |
| ERI Index w/o PV <= ES ERI Index Target to comply. |                          |                              |    |



This home MEETS or EXCEEDS the energy efficiency requirements for designation as an EPA ENERGY STAR Version 1.1 Multifamily New Construction Home (Rev 02).

## Building Shell

|                      |                         |                         |                             |
|----------------------|-------------------------|-------------------------|-----------------------------|
| Ceiling w/Attic      | R-30 Continuous U=0.032 | Window Type             | U-0.3 Vinyl                 |
| Sealed Attic         | None                    | Window                  | U-Value: 0.300, SHGC: 0.270 |
| Vaulted Ceiling      | None                    | Window/Wall Ratio       | 0.27                        |
| Above Grade Walls    | R-21 U=0.058            | Infiltration Type       | Blower door                 |
| Found. Walls(Cond)   | None                    | Infiltration            | 0.30 CFM50/sf sh            |
| Found. Walls(Uncond) | None                    | Duct Leakage to Outside | 31.00 CFM @ 25 Pascals      |
| Floors               | None                    | Total Duct Leakage      | 47.00 CFM @ 25 Pascals      |
| Slab Floors          | None                    |                         |                             |

## Mechanical Systems

|                         |                                                        |
|-------------------------|--------------------------------------------------------|
| ASHP                    | Htg: 30.6 kBtuh, 8.8 HSPF. Clg: 17.8 kBtuh, 15.0 SEER. |
| Water Heating           | Conventional, Elec, 0.93 EF.                           |
| Programmable Thermostat | Heat=Yes; Cool=Yes                                     |
| Ventilation System      | Supply Only: 30 cfm, 15.8 watts.                       |

## Lights and Appliances

|                          |          |                         |          |                           |        |
|--------------------------|----------|-------------------------|----------|---------------------------|--------|
| Refrigerator (kWh/yr)    | 463.00   | Clothes Dryer Fuel      | Electric | Interior LED Lighting (%) | 100.00 |
| Dishwasher Energy Factor | 0.46     | Clothes Dryer CEF       | 3.94     | Ceiling Fan (cfm/Watt)    | 100.00 |
| Range/Oven Fuel          | Electric | Clothes Washer LER      | 100.00   |                           |        |
|                          |          | Clothes Washer Capacity | 5.20     |                           |        |

Note: Where feature level varies in home, the dominant value is shown.

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# ENERGY STAR v1.1 MF Home Report

## Property

Fairfield Residential  
Dulles Plaza and Shaw Road  
Dulles, VA 20166

## Organization

Meridian Consulting, LLC  
703-459-7579  
Abhishek Lal

## HERS

ProjectedWorstCase  
Rater ID:9064522

Weather: Washington, DC  
Dulles Plaza B1 Unit Type  
B1 2-Br Top Floor.blg

## Builder

Fairfield Residential

## Projected Rating: Based on Plans - Field Confirmation Required.

### Normalized, Modified End-Use Loads (MMBtu/yr)

|                       | ENERGY STAR | As Designed |
|-----------------------|-------------|-------------|
| Heating               | 2.3         | 3.2         |
| Cooling               | 4.9         | 4.7         |
| Water Heating         | 6.4         | 5.0         |
| Lights and Appliances | 13.0        | 10.4        |
| Total                 | 26.7        | 23.2        |

ENERGY STAR ERI Index Target 65 56 ERI Index w/o PV  
56 ERI Index

HERS Index w/o PV <= ES HERS Index Target to comply.

## ENERGY STAR v1.1 MFNC (Rev 02) Requirements

|   |                                                                                                          |
|---|----------------------------------------------------------------------------------------------------------|
| X | Envelope insulation achieves RESNET Grade I installation, or Grade II with insulated sheathing.          |
| X | Windows meet the 2009 IECC Requirements                                                                  |
| X | Duct insulation meets the EPA minimum requirements of R-6.                                               |
| X | Mechanical ventilation system has been measured in the home.                                             |
| X | Compartmentalization - actual home must have infiltration inputs that are <= 0.30 cfm50/sqft shell area. |
| X | ENERGY STAR Checklists fully verified and complete.                                                      |



This home MEETS or EXCEEDS the energy efficiency requirements  
for designation as an EPA ENERGY STAR Version 1.1 Multifamily New Construction Home (Rev 02).

## Pollution Prevented

| Type of Emissions              | Reduction |
|--------------------------------|-----------|
| Carbon Dioxide (CO2) - tons/yr | 4.9       |
| Sulfur Dioxide (SO2) - lbs/yr  | 73.6      |
| Nitrogen Oxides (NOx) - lbs/yr | 18.2      |

## Energy Cost Savings

|                     | \$/yr |
|---------------------|-------|
| Heating             | 128   |
| Cooling             | 67    |
| Water Heating       | 117   |
| Lights & Appliances | 242   |
| Total               | 554   |

The energy savings and pollution prevented are calculated by comparing the Rated Home to the Reference Home as defined in the Mortgage Industry National Home Energy Rating Systems Standards as promulgated by the Residential Energy Services Network (RESNET). In accordance with these guidelines, building inputs affecting setpoints, infiltration rates, window shading and the existence of mechanical systems may have been changed prior to calculating loads.

REM/Rate - Residential Energy Analysis and Rating Software v16.3.4.1029

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# ENERGY STAR v1.1 MF Home Verification Summary

|                                                                                            |                                                                                 |                                                       |
|--------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|-------------------------------------------------------|
| <b>Property</b><br>Fairfield Residential<br>Dulles Plaza and Shaw Road<br>Dulles, VA 20166 | <b>Organization</b><br>Meridian Consulting, LLC<br>703-459-7579<br>Abhishek Lal | <b>HERS</b><br>ProjectedWorstCase<br>Rater ID:9064522 |
| <b>Weather:</b> Washington, DC<br>Dulles Plaza B1 Unit Type<br>B1 2-Br Top Floor.blg       | <b>Builder</b><br>Fairfield Residential                                         |                                                       |

## Projected Rating: Based on Plans - Field Confirmation Required.

| Building Information                               |                          | Rating                       |    |
|----------------------------------------------------|--------------------------|------------------------------|----|
| Conditioned Area (sq ft)                           | 917                      | ENERGY STAR ERI Index Target | 65 |
| Conditioned Volume (cubic ft)                      | 8253                     | ERI Index w/o PV             | 56 |
| Insulated Shell Area (sq ft)                       | 2965                     | ERI Index                    | 56 |
| Number of Bedrooms                                 | 2                        |                              |    |
| Housing Type                                       | Apartment, inside unit   |                              |    |
| Foundation Type                                    | Apt above enclosed space |                              |    |
| ERI Index w/o PV <= ES ERI Index Target to comply. |                          |                              |    |



This home MEETS or EXCEEDS the energy efficiency requirements for designation as an EPA ENERGY STAR Version 1.1 Multifamily New Construction Home (Rev 02).

## Building Shell

|                      |                         |                         |                             |
|----------------------|-------------------------|-------------------------|-----------------------------|
| Ceiling w/Attic      | R-30 Continuous U=0.032 | Window Type             | U-0.3 Vinyl                 |
| Sealed Attic         | None                    | Window                  | U-Value: 0.300, SHGC: 0.270 |
| Vaulted Ceiling      | None                    | Window/Wall Ratio       | 0.33                        |
| Above Grade Walls    | R-21 U=0.058            | Infiltration Type       | Blower door                 |
| Found. Walls(Cond)   | None                    | Infiltration            | 0.30 CFM50/sf sh            |
| Found. Walls(Uncond) | None                    | Duct Leakage to Outside | 36.00 CFM @ 25 Pascals      |
| Floors               | None                    | Total Duct Leakage      | 55.00 CFM @ 25 Pascals      |
| Slab Floors          | None                    |                         |                             |

## Mechanical Systems

|                         |                                                        |
|-------------------------|--------------------------------------------------------|
| ASHP                    | Htg: 30.6 kBtuh, 8.8 HSPF. Clg: 17.8 kBtuh, 15.0 SEER. |
| Water Heating           | Conventional, Elec, 0.93 EF.                           |
| Programmable Thermostat | Heat=Yes; Cool=Yes                                     |
| Ventilation System      | Supply Only: 45 cfm, 15.8 watts.                       |

## Lights and Appliances

|                          |          |                         |          |                           |        |
|--------------------------|----------|-------------------------|----------|---------------------------|--------|
| Refrigerator (kWh/yr)    | 463.00   | Clothes Dryer Fuel      | Electric | Interior LED Lighting (%) | 100.00 |
| Dishwasher Energy Factor | 0.46     | Clothes Dryer CEF       | 3.94     | Ceiling Fan (cfm/Watt)    | 100.00 |
| Range/Oven Fuel          | Electric | Clothes Washer LER      | 100.00   |                           |        |
|                          |          | Clothes Washer Capacity | 5.20     |                           |        |

Note: Where feature level varies in home, the dominant value is shown.

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# ENERGY STAR v1.1 MF Home Report

## Property

Fairfield Residential  
Dulles Plaza and Shaw Road  
Dulles, VA 20166

## Organization

Meridian Consulting, LLC  
703-459-7579  
Abhishek Lal

## HERS

ProjectedWorstCase  
Rater ID:9064522

Weather: Washington, DC  
Dulles Plaza C1 Unit Type  
C1 3-Br Top Floor.blg

## Builder

Fairfield Residential

## Projected Rating: Based on Plans - Field Confirmation Required.

### Normalized, Modified End-Use Loads (MMBtu/yr)

|                       | ENERGY STAR | As Designed |
|-----------------------|-------------|-------------|
| Heating               | 2.9         | 3.9         |
| Cooling               | 5.9         | 5.7         |
| Water Heating         | 8.1         | 6.2         |
| Lights and Appliances | 14.8        | 11.8        |
| Total                 | 31.8        | 27.7        |

ENERGY STAR ERI Index Target 64 56 ERI Index w/o PV  
56 ERI Index

HERS Index w/o PV <= ES HERS Index Target to comply.

## ENERGY STAR v1.1 MFNC (Rev 02) Requirements

|   |                                                                                                          |
|---|----------------------------------------------------------------------------------------------------------|
| X | Envelope insulation achieves RESNET Grade I installation, or Grade II with insulated sheathing.          |
| X | Windows meet the 2009 IECC Requirements                                                                  |
| X | Duct insulation meets the EPA minimum requirements of R-6.                                               |
| X | Mechanical ventilation system has been measured in the home.                                             |
| X | Compartmentalization - actual home must have infiltration inputs that are <= 0.30 cfm50/sqft shell area. |
| X | ENERGY STAR Checklists fully verified and complete.                                                      |



This home MEETS or EXCEEDS the energy efficiency requirements  
for designation as an EPA ENERGY STAR Version 1.1 Multifamily New Construction Home (Rev 02).

## Pollution Prevented

| Type of Emissions              | Reduction |
|--------------------------------|-----------|
| Carbon Dioxide (CO2) - tons/yr | 5.8       |
| Sulfur Dioxide (SO2) - lbs/yr  | 87.2      |
| Nitrogen Oxides (NOx) - lbs/yr | 21.6      |

## Energy Cost Savings

|                     | \$/yr |
|---------------------|-------|
| Heating             | 163   |
| Cooling             | 78    |
| Water Heating       | 142   |
| Lights & Appliances | 274   |
| Total               | 657   |

The energy savings and pollution prevented are calculated by comparing the Rated Home to the Reference Home as defined in the Mortgage Industry National Home Energy Rating Systems Standards as promulgated by the Residential Energy Services Network (RESNET). In accordance with these guidelines, building inputs affecting setpoints, infiltration rates, window shading and the existence of mechanical systems may have been changed prior to calculating loads.

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# ENERGY STAR v1.1 MF Home Verification Summary

|                                                                                            |                                                                                 |                                                       |
|--------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|-------------------------------------------------------|
| <b>Property</b><br>Fairfield Residential<br>Dulles Plaza and Shaw Road<br>Dulles, VA 20166 | <b>Organization</b><br>Meridian Consulting, LLC<br>703-459-7579<br>Abhishek Lal | <b>HERS</b><br>ProjectedWorstCase<br>Rater ID:9064522 |
| <b>Weather:</b> Washington, DC<br>Dulles Plaza C1 Unit Type<br>C1 3-Br Top Floor.blg       | <b>Builder</b><br>Fairfield Residential                                         |                                                       |

## Projected Rating: Based on Plans - Field Confirmation Required.

| Building Information                               |                          | Rating                       |    |
|----------------------------------------------------|--------------------------|------------------------------|----|
| Conditioned Area (sq ft)                           | 1103                     | ENERGY STAR ERI Index Target | 64 |
| Conditioned Volume (cubic ft)                      | 9927                     | ERI Index w/o PV             | 56 |
| Insulated Shell Area (sq ft)                       | 3452                     | ERI Index                    | 56 |
| Number of Bedrooms                                 | 3                        |                              |    |
| Housing Type                                       | Apartment, inside unit   |                              |    |
| Foundation Type                                    | Apt above enclosed space |                              |    |
| ERI Index w/o PV <= ES ERI Index Target to comply. |                          |                              |    |



This home MEETS or EXCEEDS the energy efficiency requirements for designation as an EPA ENERGY STAR Version 1.1 Multifamily New Construction Home (Rev 02).

## Building Shell

|                      |                         |                         |                             |
|----------------------|-------------------------|-------------------------|-----------------------------|
| Ceiling w/Attic      | R-30 Continuous U=0.032 | Window Type             | U-0.3 Vinyl                 |
| Sealed Attic         | None                    | Window                  | U-Value: 0.300, SHGC: 0.270 |
| Vaulted Ceiling      | None                    | Window/Wall Ratio       | 0.35                        |
| Above Grade Walls    | R-21 U=0.058            | Infiltration Type       | Blower door                 |
| Found. Walls(Cond)   | None                    | Infiltration            | 0.30 CFM50/sf sh            |
| Found. Walls(Uncond) | None                    | Duct Leakage to Outside | 44.00 CFM @ 25 Pascals      |
| Floors               | None                    | Total Duct Leakage      | 66.00 CFM @ 25 Pascals      |
| Slab Floors          | None                    |                         |                             |

## Mechanical Systems

|                         |                                                        |
|-------------------------|--------------------------------------------------------|
| ASHP                    | Htg: 42.7 kBtuh, 8.8 HSPF. Clg: 22.2 kBtuh, 15.0 SEER. |
| Water Heating           | Conventional, Elec, 0.93 EF.                           |
| Programmable Thermostat | Heat=Yes; Cool=Yes                                     |
| Ventilation System      | Supply Only: 60 cfm, 15.8 watts.                       |

## Lights and Appliances

|                          |          |                         |          |                           |        |
|--------------------------|----------|-------------------------|----------|---------------------------|--------|
| Refrigerator (kWh/yr)    | 463.00   | Clothes Dryer Fuel      | Electric | Interior LED Lighting (%) | 100.00 |
| Dishwasher Energy Factor | 0.46     | Clothes Dryer CEF       | 3.94     | Ceiling Fan (cfm/Watt)    | 100.00 |
| Range/Oven Fuel          | Electric | Clothes Washer LER      | 100.00   |                           |        |
|                          |          | Clothes Washer Capacity | 5.20     |                           |        |

Note: Where feature level varies in home, the dominant value is shown.

REM/Rate - Residential Energy Analysis and Rating Software v16.3.4.1029

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# **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](mailto:taxcreditapps@virginiahousing.com)

# Zoning Certification

**DATE:** June 26, 2026

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

**RE:** ZONING CERTIFICATION

Name of Development: Fairfield at Dulles Plaza  
Name of Owner/Applicant: Fairfield Dulles Plaza LP  
Name of Seller/Current Owner: IAD Hospitality LLC/NFD Acquisitions, LLC

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:

45551 Dulles Plaza, Sterling, VA 20166

### Leal Description:

ALL OF THAT CERTAIN parcel of real property, situate, lying and being in the County of Loudoun,  
Commonwealth of Virginia, more particularly described as follows:PARCEL A-1, ORANGE & BLUE INC.,  
containing 3.5149 acres, more or less, as duly dedicated, platted and recorded, by Plat entitled "Plat  
showing Preliminary/Record Plat Parcel A-1 through Parcel A-5 Orange & Blue, Inc., prepared by  
Christopher Consultants, dated May 23, 2003, revised through October 7, 2003, recorded as Instrument  
20040407-0032332, among the land records of Loudoun County, Virginia.AND BEING the same property  
conveyed to IAD Hospitality, LLC, a Virginia limited liability company, by Special Warranty Deed from  
Orange & Blue, Inc., a Virginia corporation, dated December 22, 2010, and recorded as Instrument  
20101227-0083704 among the aforesaid land records.

### Proposed Improvements:

Construction

|                   |         |                   |             |                   |                  |                         |
|-------------------|---------|-------------------|-------------|-------------------|------------------|-------------------------|
| New Construction: | # Units | <u>277</u>        | # Buildings | <u>1</u>          | Total Floor Area | <u>326,471 gross sf</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:** Zoned to a Planned Unit Development district allowing a density of 92.6 units per acre, and the following other applicable conditions: the property's development is subject to a Proffer Statement dated November 17, 2025, and a Concept Development Plan dated November 17, 2025.

### Other Descriptive Information:

N/A

### LOCAL CERTIFICATION:

Check one of the following as appropriate:



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



The development described above is 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.

Curtis Mason, PE

Signature

Curtis G Mason II

Digitally signed by Curtis G Mason II  
DN: C=US, E=cgmason@gordon.us.com, O=Gordon US, CN=Curtis G Mason II  
Date: 2026.06.26 12:02:00-04'00'

Printed Name

Director, Associate

Title of Local Official or Civil Engineer

(703) 889-2343

Phone

June 26, 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](mailto:taxcreditapps@virginiahousing.com).

# **Tab H:**

Attorney's Opinion (MANDATORY)



Date: June 29, 2026

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

RE: 2026 4% Tax Credit Reservation Request (30% present value credits to be paired with tax-exempt bonds)

Name of Development: Fairfield at Dulles Plaza

Name of Owner: Fairfield Dulles Plaza LP, a Delaware limited partnership

Dear Virginia Housing:

This undersigned firm represents the above-referenced Owner as its counsel. It has received a copy of and has reviewed the completed application package dated June 29, 2026 (of which this opinion is a part) (the “Application”) submitted to you for the purpose of requesting, in connection with the captioned Development, a reservation of low-income housing tax credits (“Credits”) available under Section 42 of the Internal Revenue Code of 1986, as amended (the “Code”). It has also reviewed Section 42 of the Code, the regulations issued pursuant thereto and such other binding authority as it believes to be applicable to the issuance hereof (the regulations and binding authority hereinafter collectively referred to as the “Regulations”).

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

1. It is more likely than not that the inclusion in eligible basis of the Development of such cost items or portions thereof, as set forth in the Hard Costs and Owners Costs section of the Application form, complies with all applicable requirements of the Code and Regulations.
2. 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 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.



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

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

6. Reserved.

7. Reserved.

8. Reserved.

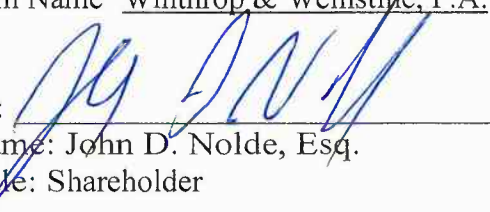
9. Reserved.

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

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

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

Firm Name Winthrop & Weinstine, P.A.

By: 

Name: John D. Nolde, Esq.

Title: Shareholder

EXHIBIT A  
TO  
ATTORNEY'S OPINION LETTER

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

|    | NAME                 | TITLE                                                           |
|----|----------------------|-----------------------------------------------------------------|
| 1  | Richard L. Boynton   | Chief Executive Officer & President                             |
| 2  | Shant Koumriqian     | Executive Vice President & Chief Operating Officer              |
| 3  | C. Thomas Brunson    | Executive Vice President                                        |
| 4  | Josh Kawaii-Bogue    | Executive Vice President                                        |
| 5  | Lisa Haring          | Executive Vice President                                        |
| 6  | Jenna Woods          | Executive Vice President, General Counsel & Corporate Secretary |
| 7  | Sarah Wiseman        | Executive Vice President & Chief Financial Officer              |
| 8  | Christopher Ruffolo  | Executive Vice President                                        |
| 9  | John H. Stafford III | Executive Vice President                                        |
| 10 | Michelle Lord        | Executive Vice President                                        |
| 11 | Paulius Kudirka      | Executive Vice President                                        |
| 12 | Robert Salkovitz     | Executive Vice President                                        |
| 13 | Stephanie Johnston   | Executive Vice President                                        |
| 14 | Wesley Dickerson     | Executive Vice President                                        |
| 15 | Beth Ann Coleman     | Chief Compliance Officer                                        |
| 16 | Mandi Schalon        | Senior Vice President & Assistant Secretary                     |
| 17 | Josephine Carranza   | Vice President                                                  |
| 18 | Leonila Carantes     | Vice President                                                  |
| 19 | Michael Alcantara    | Vice President                                                  |
| 20 | Michael D'Orazio     | Vice President                                                  |

|    |                        |                          |
|----|------------------------|--------------------------|
| 21 | Michelle Piemonte      | Vice President           |
| 22 | Robert Gannon          | Vice President           |
| 23 | Shaun Smith            | Vice President           |
| 24 | Trudy Hawkins          | Vice President           |
| 25 | Vesna Naskovska        | Vice President           |
| 26 | Gina Metzger           | Senior Vice President    |
| 27 | Adam Vanni             | Senior Vice President    |
| 28 | Doug Ness              | Senior Vice President    |
| 29 | Derek Fritz            | Vice President           |
| 30 | Farah Sayyed-Unas      | Vice President           |
| 31 | Kelsey Scott           | Vice President           |
| 32 | Pericles Raptis        | Executive Vice President |
| 33 | Lowell Andrew Jennings | Senior Vice President    |
| 34 | Wayne C. Laliberte     | Senior Vice President    |
| 35 | Mark Stewart           | Vice President           |
| 36 | Michael DeHart         | Vice President           |
| 37 | Brendan Hayes          | Senior Vice President    |
| 38 | Lawrence Scott         | Senior Vice President    |
| 39 | Daniel Stewart         | Vice President           |
| 40 | David Allen            | Vice President           |
| 41 | James Armistead        | Vice President           |
| 42 | Matthew Hallman        | Vice President           |
| 43 | Michael B. Gribble     | Vice President           |

|    |                    |                                      |
|----|--------------------|--------------------------------------|
| 44 | Robert Hewitt      | Vice President                       |
| 45 | Robert Kirby       | Vice President                       |
| 46 | Matthew Clark      | Senior Vice President                |
| 47 | Ed McCoy           | Senior Vice President                |
| 48 | Bryan Condie       | Vice President                       |
| 49 | Larry Lee          | Vice President                       |
| 50 | Bethany Shay       | Vice President & Assistant Secretary |
| 51 | David Aron         | Vice President & Assistant Secretary |
| 52 | Jessica Antoniades | Vice President & Assistant Secretary |
| 53 | Mary Nicoletta     | Vice President & Assistant Secretary |
| 54 | Krista Miclat      | Vice President & Assistant Secretary |
| 55 | Teresa Hardie      | Vice President & Assistant Secretary |
| 56 | Tracy Stottlemeyer | Vice President & Assistant Secretary |

(Add)



WINTHROP & WEINSTINE

**Attorney's Opinion Letter — TAX EXEMPT VERSION**

**(This Form Must Be Included with Application)**

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

Date: June 29, 2026

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

RE: 20—2026 4% Tax Credit Reservation Request (30% present value credits  
to be paired with tax-exempt bonds)

Name of Development—

Name of Owner: Fairfield Dulles Plaza LP, a Delaware limited partnership

Dear Virginia Housing:

This undersigned firm represents the above-referenced Owner as its counsel. It has received

[Different odd and even pages setting changed from off in original to on in modified.].

(Add)

WINTHROP & WEINSTINE

a copy of and has reviewed the completed application package dated June 29, 2026 (of which this opinion is a part) (the “Application”) submitted to you for the purpose of requesting, in connection with the captioned Development, a reservation of low-income housing tax credits (“Credits”) available under Section 42 of the Internal Revenue Code of 1986, as amended (the “Code”). It has also reviewed Section 42 of the Code, the regulations issued pursuant thereto and such other binding authority as it believes to be applicable to the issuance hereof (the regulations and binding authority hereinafter collectively referred to as the “Regulations”).

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

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

~~2. [Select One]~~

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. [Select One]~~

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

OR

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

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

5. Based solely upon my review of (i) the Applicant’s ~~[operating agreement /~~ partnership

(Add)



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

- ~~6. [Delete if inapplicable] The type of the nonprofit organization involved in the Development is an organization described in Code Section 501(c)(3) or 501(c)(4) and exempt from taxation under Code Section 501(a), whose purposes include the fostering of low income housing.~~
- ~~7. [Delete if inapplicable] The nonprofit organizations' ownership interest in the development is as described in the Nonprofit Involvement section of the Application form.~~
- ~~8. [Delete if inapplicable] It is more likely than not that the representations made in the Rehab Information section of the Application form as to the Development's compliance with or exception to the Code's minimum expenditure requirements for rehabilitation projects are correct.~~
- ~~9. [Delete if inapplicable] After reasonable investigation, the undersigned has no reason to believe that the representations made under the Rehab Information (Ten-Year Rule) section of the Application form as to the Development's compliance with or eligibility for exception to the ten-year "look-back rule" requirement of Code §42(d)(2)(B) are not correct.~~

(Add)

6.     Reserved.

7.     Reserved.

8.     Reserved.

9.     Reserved.

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

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

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

Firm Name \_\_\_\_\_ ~~By~~ Winthro  
~~Its~~ \_\_\_\_\_

By: \_\_\_\_\_  
Name: John D. Nolde, Esq.  
Title: 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 | <a href="#">Richard L. Boynton</a> | <a href="#">Chief Executive Officer &amp; President</a>                             |
| 2 | <a href="#">Shant Koumriqian</a>   | <a href="#">Executive Vice President &amp; Chief Operating Officer</a>              |
| 3 | <a href="#">C. Thomas Brunson</a>  | <a href="#">Executive Vice President</a>                                            |
| 4 | <a href="#">Josh Kawaii-Bogue</a>  | <a href="#">Executive Vice President</a>                                            |
| 5 | <a href="#">Lisa Haring</a>        | <a href="#">Executive Vice President</a>                                            |
| 6 | <a href="#">Jenna Woods</a>        | <a href="#">Executive Vice President, General Counsel &amp; Corporate Secretary</a> |
| 7 | <a href="#">Sarah Wiseman</a>      | <a href="#">Executive Vice President &amp; Chief</a>                                |

|           |                               |                                                        |
|-----------|-------------------------------|--------------------------------------------------------|
|           |                               | <u>Financial Officer</u>                               |
| 8         | <u>Christopher Ruffolo</u>    | <u>Executive Vice President</u>                        |
| 9         | <u>John H. Stafford III</u>   | <u>Executive Vice President</u>                        |
| 10        | <u>Michelle Lord</u>          | <u>Executive Vice President</u>                        |
| 11        | <u>Paulius Kudirka</u>        | <u>Executive Vice President</u>                        |
| 12        | <u>Robert Salkovitz</u>       | <u>Executive Vice President</u>                        |
| 13        | <u>Stephanie Johnston</u>     | <u>Executive Vice President</u>                        |
| 14        | <u>Wesley Dickerson</u>       | <u>Executive Vice President</u>                        |
| 15        | <u>Beth Ann Coleman</u>       | <u>Chief Compliance Officer</u>                        |
| 16        | <u>Mandi Schalon</u>          | <u>Senior Vice President &amp; Assistant Secretary</u> |
| 17        | <u>Josephine Carranza</u>     | <u>Vice President</u>                                  |
| 18        | <u>Leonila Carantes</u>       | <u>Vice President</u>                                  |
| 19        | <u>Michael Alcantara</u>      | <u>Vice President</u>                                  |
| 20        | <u>Michael D’Orazio</u>       | <u>Vice President</u>                                  |
| <u>21</u> | <u>Michelle Piemonte</u>      | <u>Vice President</u>                                  |
| <u>22</u> | <u>Robert Gannon</u>          | <u>Vice President</u>                                  |
| <u>23</u> | <u>Shaun Smith</u>            | <u>Vice President</u>                                  |
| <u>24</u> | <u>Trudy Hawkins</u>          | <u>Vice President</u>                                  |
| <u>25</u> | <u>Vesna Naskovska</u>        | <u>Vice President</u>                                  |
| <u>26</u> | <u>Gina Metzger</u>           | <u>Senior Vice President</u>                           |
| <u>27</u> | <u>Adam Vanni</u>             | <u>Senior Vice President</u>                           |
| <u>28</u> | <u>Doug Ness</u>              | <u>Senior Vice President</u>                           |
| <u>29</u> | <u>Derek Fritz</u>            | <u>Vice President</u>                                  |
| <u>30</u> | <u>Farah Sayyed-Unas</u>      | <u>Vice President</u>                                  |
| <u>31</u> | <u>Kelsey Scott</u>           | <u>Vice President</u>                                  |
| <u>32</u> | <u>Pericles Raptis</u>        | <u>Executive Vice President</u>                        |
| <u>33</u> | <u>Lowell Andrew Jennings</u> | <u>Senior Vice President</u>                           |
| <u>34</u> | <u>Wayne C. Laliberte</u>     | <u>Senior Vice President</u>                           |

|           |                           |                              |
|-----------|---------------------------|------------------------------|
|           |                           |                              |
| <u>35</u> | <u>Mark Stewart</u>       | <u>Vice President</u>        |
| <u>36</u> | <u>Michael DeHart</u>     | <u>Vice President</u>        |
| <u>37</u> | <u>Brendan Hayes</u>      | <u>Senior Vice President</u> |
| <u>38</u> | <u>Lawrence Scott</u>     | <u>Senior Vice President</u> |
| <u>39</u> | <u>Daniel Stewart</u>     | <u>Vice President</u>        |
| <u>40</u> | <u>David Allen</u>        | <u>Vice President</u>        |
| <u>41</u> | <u>James Armistead</u>    | <u>Vice President</u>        |
| <u>42</u> | <u>Matthew Hallman</u>    | <u>Vice President</u>        |
| <u>43</u> | <u>Michael B. Gribble</u> | <u>Vice President</u>        |
| <u>44</u> | <u>Robert Hewitt</u>      | <u>Vice President</u>        |
| <u>45</u> | <u>Robert Kirby</u>       | <u>Vice President</u>        |
| <u>46</u> | <u>Matthew Clark</u>      | <u>Senior Vice President</u> |
| <u>47</u> | <u>Ed McCoy</u>           | <u>Senior Vice President</u> |

|           |                           |                                                 |
|-----------|---------------------------|-------------------------------------------------|
|           |                           |                                                 |
| <u>48</u> | <u>Bryan Condie</u>       | <u>Vice President</u>                           |
| <u>49</u> | <u>Larry Lee</u>          | <u>Vice President</u>                           |
| <u>50</u> | <u>Bethany Shay</u>       | <u>Vice President &amp; Assistant Secretary</u> |
| <u>51</u> | <u>David Aron</u>         | <u>Vice President &amp; Assistant Secretary</u> |
| <u>52</u> | <u>Jessica Antoniades</u> | <u>Vice President &amp; Assistant Secretary</u> |
| <u>53</u> | <u>Mary Nicoletta</u>     | <u>Vice President &amp; Assistant Secretary</u> |
| <u>54</u> | <u>Krista Miclat</u>      | <u>Vice President &amp; Assistant Secretary</u> |
| <u>55</u> | <u>Teresa Hardie</u>      | <u>Vice President &amp; Assistant Secretary</u> |
| <u>56</u> | <u>Tracy Stottlemeyer</u> | <u>Vice President &amp; Assistant Secretary</u> |

|                                                                                                                                                                          |            |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|
| <b>Summary report:</b><br><b>Litera Compare for Word 11.13.0.54 Document comparison done on</b><br><b>6/29/2026 8:23:15 PM</b>                                           |            |
| <b>Style name:</b> Winthrop Default                                                                                                                                      |            |
| <b>Intelligent Table Comparison:</b> Active                                                                                                                              |            |
| <b>Original filename:</b> Tab H - Attorneys Opinion Letter (9% and 4%) (002).docx                                                                                        |            |
| <b>Modified DMS:</b> iw://winthrop.cloudimage.com/imanage/42912942/2 - [Tax Credit Documents] Attorneys Opinion Letter (4%) - Tax Credit Application (Dulles Plaza).docx |            |
| <b>Changes:</b>                                                                                                                                                          |            |
| <u>Add</u>                                                                                                                                                               | 70         |
| <del>Delete</del>                                                                                                                                                        | 29         |
| <del>Move From</del>                                                                                                                                                     | 0          |
| <u>Move To</u>                                                                                                                                                           | 0          |
| <u>Table Insert</u>                                                                                                                                                      | 36         |
| <del>Table Delete</del>                                                                                                                                                  | 0          |
| <u>Table moves to</u>                                                                                                                                                    | 0          |
| <del>Table moves from</del>                                                                                                                                              | 0          |
| Embedded Graphics (Visio, ChemDraw, Images etc.)                                                                                                                         | 2          |
| Embedded Excel                                                                                                                                                           | 0          |
| Format changes                                                                                                                                                           | 0          |
| <b>Total Changes:</b>                                                                                                                                                    | <b>137</b> |

# 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)

This deal does not require information behind this tab.

# **Tab J:**

Relocation Plan and Unit Delivery Schedule  
(MANDATORY-Rehab)



This deal does not require information behind this tab.

# Tab K:

Documentation of Development Location:

# **Tab K.1**

Revitalization Area Certification



## Community Revitalization Plan Form Letter

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

---

#### General Instructions:

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

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

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

**DATE:** June 24, 2026

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

**RE:** Community Revitalization Plan Form

Name of Development: Fairfield at Dulles Plaza

Name of Owner/Applicant: Fairfield Dulles Plaza LP

Name of Seller/Current Owner: IAD Hospitality LLC/NFD Acquisitions, LLC

**DEVELOPMENT DESCRIPTION:**

**Development Address:**

45551 Dulles Plaza, Sterling, VA 20166  
\_\_\_\_\_  
\_\_\_\_\_

**Proposed Improvements:**

|                   |         |               |             |               |                  |                             |
|-------------------|---------|---------------|-------------|---------------|------------------|-----------------------------|
| New Construction: | # Units | <u>277</u>    | # Buildings | <u>1</u>      | Total Floor Area | <u>326,471 gross sf</u>     |
| Adaptive Reuse    | # Units | <u>      </u> | # Buildings | <u>      </u> | Total Floor Area | <u>                    </u> |
| Rehabilitation:   | # Units | <u>      </u> | # Buildings | <u>      </u> | Total Floor Area | <u>                    </u> |

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

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



\_\_\_\_\_  
Signature

Eric Keeler  
\_\_\_\_\_  
Printed Name

Director, Dept. of Housing and Community Development  
\_\_\_\_\_  
Title

571-627-6450  
\_\_\_\_\_  
Phone

June 24, 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](mailto:taxcreditapps@virginiahousing.com).

# **Tab K.2**

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



## Surveyor's Certification of Proximity to Transportation

### General Instructions

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

Date: June 26, 2026

TO: Virginia Housing  
601 South Belvidere Street  
Richmond, Virginia 23220 2025 Tax Credit Reservation Request  
Name of Development Fairfield at Dulles Plaza  
Name of Owner Fairfield Dulles Plaza LP

RE:   
  
Fairfield at Dulles Plaza

Ladies and Gentlemen:

This letter is submitted to you in support of the Owner's Application for Reservation of Low Income Housing Tax Credits under Section 42 of the Internal Revenue Code of 1986, as amended.

Based upon due investigation of the site and any other matters as it deemed necessary this firm certifies that: the main street boundary entrance to the property is within:

- ☐ 2,640 feet or ½ mile of the nearest access point to an existing commuter rail, light rail or subway station; OR
- ☒ 1,320 feet or ¼ mile of the nearest access point to an existing public bus stop or a public bus stop to be built in accordance with existing proffers. If the public bus stop is proffered, include copy of executed proffers with this form.

Firm Name Gordon  
By Curtis Mason Curtis G Mason II  
Its Director, Associate

Title

Digitally signed by Curtis G Mason II  
DN: C=US,  
E=cmason@gordon.us.com,  
O=Gordon US, CN=Curtis G Mason  
II  
Date: 2026.06.30 11:38:29-04'00'



# **Tab L:**

PHA / Section 8 Notification Letter

This deal does not require information behind this tab.

# Tab M:

Intentionally Blank

This deal does not require information behind this tab.

# **Tab N:**

Homeownership Plan

This deal does not require information behind this tab.

# **Tab O:**

Plan of Development Certification Letter

This deal does not require information behind this tab.



# **Tab P:**

Zero Energy or Passive House documentation for  
prior allocation by this developer

This deal does not require information behind this tab.

# **Tab Q:**

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

This deal does not require information behind this tab.

# **Tab R:**

Documentation of Utility Allowance calculation

**Allowances for  
Tenant-Furnished Utilities  
And Other Services**

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

|                                    |                                |                          |
|------------------------------------|--------------------------------|--------------------------|
| Locality:<br><b>Loudoun County</b> | Unit Type:<br><b>Apartment</b> | Date:<br><b>1/1/2026</b> |
|------------------------------------|--------------------------------|--------------------------|

| Utility or Service                   |                                     | Monthly Dollar Allowances |      |       |      |       |      |
|--------------------------------------|-------------------------------------|---------------------------|------|-------|------|-------|------|
|                                      |                                     | 0 BR                      | 1 BR | 2 BR  | 3 BR | 4 BR  | 5 BR |
| <b>Heating</b>                       | a. Natural Gas                      | 26                        | 32   | 37    | 42   | 50    | 56   |
|                                      | b. LPG/Propane                      | 45                        | 64   | 82    | 100  | 133   | 145  |
|                                      | c. Oil                              | 42                        | 58   | 75    | 91   | 116   | 133  |
|                                      | d. Electric                         | 16                        | 23   | 29    | 36   | 45    | 51   |
| <b>Cooking</b>                       | a. Natural Gas                      | 4                         | 6    | 7     | 9    | 11    | 13   |
|                                      | b. LPG/Propane                      | 15                        | 21   | 27    | 34   | 43    | 49   |
|                                      | c. Electric                         | 6                         | 8    | 11    | 13   | 16    | 19   |
| <b>Other Electric/Lighting</b>       |                                     | 48                        | 54   | 59    | 65   | 73    | 78   |
| <b>Air Conditioning</b>              |                                     | 4                         | 6    | 8     | 9    | 12    | 13   |
| <b>Water Heating</b>                 | a. Natural Gas                      | 8                         | 12   | 15    | 19   | 24    | 27   |
|                                      | b. LPG/Propane                      | 33                        | 46   | 59    | 72   | 91    | 104  |
|                                      | c. Oil                              | 29                        | 41   | 52    | 64   | 81    | 93   |
|                                      | d. Electric                         | 15                        | 21   | 27    | 32   | 41    | 47   |
| <b>Water</b><br><i>for Towns of:</i> | a. County                           | 19                        | 21   | 27    | 35   | 42    | 50   |
|                                      | b. Leesburg                         | 27                        | 34   | 48    | 68   | 89    | 109  |
|                                      | c. Purcellville/Middleburg/Hamilton | 37                        | 53   | 83    | 129  | 175   | 221  |
|                                      | d. Lovettsville/Round Hill          | 19                        | 28   | 47    | 75   | 103   | 131  |
| <b>Sewer</b><br><i>for Towns of:</i> | a. County                           | 24                        | 29   | 39    | 55   | 70    | 86   |
|                                      | b. Leesburg                         | 26                        | 34   | 49    | 72   | 95    | 118  |
|                                      | c. Purcellville/Middleburg/Hamilton | 46                        | 65   | 105   | 164  | 224   | 283  |
|                                      | d. Lovettsville/Round Hill          | 29                        | 43   | 72    | 115  | 158   | 201  |
| <b>Trash Collection</b>              |                                     | 25                        | 25   | 26    | 26   | 26    | 26   |
| <b>Range/Microwave</b>               |                                     | 7                         | 7    | 7     | 7    | 7     | 7    |
| <b>Refrigerator</b>                  |                                     | 7                         | 7    | 7     | 7    | 7     | 7    |
| <b>Other--Specify</b>                |                                     |                           |      |       |      |       |      |
|                                      |                                     | \$112                     |      | \$134 |      | \$155 |      |

|                                                                                                                              |
|------------------------------------------------------------------------------------------------------------------------------|
| <b>Actual Family Allowances</b> To be used by the family to compute allowance.<br>Complete below for the actual unit rented. |
| Name of Family                                                                                                               |
| Address of Unit                                                                                                              |
| Number of Bedrooms                                                                                                           |

| Utility or Service | Monthly Cost |
|--------------------|--------------|
| Heating            |              |
| Cooking            |              |
| Other Electric     |              |
| Air Conditioning   |              |
| Water Heating      |              |
| Water              |              |
| Sewer              |              |
| Trash Collection   |              |
| Range/Microwave    |              |
| Refrigerator       |              |
| Other              |              |
| <b>Total</b>       | <b>\$</b>    |

# **Tab S:**

Supportive House Mandatory  
Certification and Documentation

This deal does not require information behind this tab.



# **Tab T:**

Funding Documentation

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# HUDSON

## HOUSING CAPITAL

June 22, 2026

Paul Kudirka  
Senior Vice President, Acquisitions  
Fairfield Residential  
5355 Mira Sorrento Place, Suite 100  
San Diego, CA 92121

Re: **Dulles Plaza – Sterling, VA**

Dear Paul:

Thank you for providing Hudson Housing Capital LLC (“Hudson”) with the opportunity to extend a purchase offer for the limited partnership interest in the limited partnership, Fairfield Dulles Plaza LP, that will own Dulles Plaza (the “Partnership”).

Hudson is a Delaware limited liability company formed to directly acquire limited partnership interests in partnerships which own apartment complexes qualifying for low-income housing tax credits (“Tax Credits”) under Section 42 of the Internal Revenue Code of 1986, as amended (the “Code”).

Set forth is our proposal as to the basic business terms under which Hudson or its designee (“Investor”) will acquire a 99.99% limited partnership interest in the Partnership which will own a 277-unit complex in Sterling, Virginia (referred to herein as the “Property” or the “Project”). You have advised us that FRH Dulles Plaza LLC (the “General Partner”), a special purpose entity, will be the general partner of the Partnership and Fairfield Affordable Housing Fund Tranche XV LLC, a Delaware limited liability company, or an affiliate thereof (the “Developer”) will be the developer of the Property.

An affiliate of the Investor will be admitted to the Partnership as a 0.01% Special Limited Partner (the “Special Limited Partner” or “SLP” and together with the Investor the “Limited Partners”) with limited supervisory rights. Please see Exhibit A for a list of Restrictions on Transfer of Limited Partners’ Interests.

Subject to underwriting Fairfield Affordable Housing Fund Tranche V LLC, a Delaware limited liability company (“Tranche V”), and Fairfield Affordable Housing Fund Tranche XV LLC, a Delaware limited liability company (“Tranche XV”) (collectively, the “Guarantor”) shall jointly and severally guarantee the following obligations of the General Partner, as further detailed herein: 1) Development Deficit Guarantee, 2) Repurchase, 3) Adjusters, 4) Environmental (liability does not extend to events that occur after removal of FRH Dulles Plaza LLC as the General Partner), 5) Operating Deficits, 6) Operating Deficits during the Compliance Period as defined in Sec. 42 of the Code (“Compliance Period”) caused by any Social Service Obligation (only to the extent required by any other financing sources), 7)

Repayment of any unpaid balance of the deferred portion of the Developer Fee to the extent not paid by the end of the Compliance Period and in the event of the removal of the General Partner, 8) General Partner obligation to pay fees that are payable by the Partnership or the General Partner in event of default, including but not limited to Developer Fee, 9) Repayment of Development Fee in case of a removal, and 10) General Indemnity of the Limited Partners and the Partnership against bad act and material breaches of the agreement by the General Partner.

The Guarantor will be required to maintain a minimum liquidity of \$5 million (\$5 MM to be demonstrated with no less than \$2 MM in cash or other marketable securities, and the balance in undrawn capital contributions that can be drawn on from CalSTRS; to be further reduced to \$1.5 MM in cash or marketable securities after the Third Capital Contribution) and net worth of \$20 million (the “Net Worth and Liquidity Covenant”). You have represented to us that Tranches V and XV funds have a remaining life of no less than the term of the Compliance Period. Subject to credit approval, after Breakeven Operations at such time as Fairfield Affordable Housing Fund Tranche XV LLC can satisfy the above net worth and liquidity, Fairfield Affordable Housing Fund Tranche V LLC will be released as a guarantor with the sole approval of the Special Investor Member, which shall not be unreasonably withheld. Subsequent to the Fourth Capital Contribution, the Guarantor may be replaced (with the consent of the SLP in its sole but reasonable discretion) no more frequently than once every 5 years with no more than 2 entities (joint and several; if funds/tranches, with a remaining life no less than the term of the Compliance Period) with similar net worth, liquidity and contingent liabilities as the Guarantor at the time of admission of the Investor to the Partnership (\$25-\$35 MM net worth and with liquidity of no less than \$1.5 MM). A review fee of \$10,000 to cover legal and due diligence expenses shall be paid anytime a replacement guarantor is proposed.

In addition, Fairfield Development L.P., the general contractor, shall provide a construction completion guarantee, covering all costs (including change orders) required to obtain a lien free construction completion and certificate of occupancy (the “Completion Guaranty”).

You have further advised us that the Property will be financed with tax-exempt bonds and will receive a by-right allocation of 4% Tax Credits in the annual amount of approximately \$3,923,934 and anticipate that all of the 277 units will qualify for Tax Credits.

### **I. Equity Investment**

Assuming a closing no later than March 31, 2027 the Investor, Hudson or its designee will contribute to the Partnership \$33,742,461 equal to approximately \$0.86 (the “Tax Credit Ratio”) per total Tax Credit available to the Investor (the “Total Equity”), payable in the following installments:

| Contribution | Contribution % | Timing                                                                           |
|--------------|----------------|----------------------------------------------------------------------------------|
| First        | 25%            | Closing                                                                          |
| Second       | 67.55%         | Later of July 1, 2029, 100% Completion, and<br>VHDA Permanent Loan<br>Conversion |
| Third        | 5.95%          | Later of April 1, 2030,<br>3 months of Breakeven Operations                      |
| Fourth       | 1.5%           | Issuance of 8609s                                                                |

- A. First Capital Contribution.** The Investor will fund the First Capital Contribution at Closing.
- B. Second Capital Contribution.** The Second Capital Contribution will be paid upon the later of July 1, 2029 and satisfaction of the conditions set forth in the limited partnership agreement to be entered into by and among the Limited Partners and General Partner (“Partnership Agreement”), which are principally as follows: (i) lien-free construction completion of the Property substantially in accordance with the Plans and Specifications in a workmanlike manner approved by Hudson, as evidenced by Unconditional Lien waivers from the General Contractor and Sub Contractors, except for liens that are bonded or insured over as approved by the SLP and except for punch list items that do not materially affect occupancy of the Property (please see Exhibit B); (ii) issuance of Certificates of Occupancy for 100% of the units in the Property; (iii) receipt and approval by the SLP of a draft Tax Credit cost certification from independent accountants to the Partnership (the “Accountants”) setting forth the eligible basis and the amount of Tax Credits the Partnership will claim for 2029/2030 and the amount allocable to each Partner (the “Draft Certification”); (iv) receipt of a pay-off letter from the general contractor or sub-contractors except for liens that are bonded or insured over as approved by the SLP and except for punch list items described in (i) above, as applicable; (v) satisfactory financial condition of the Guarantors (i.e., compliance with the Net Worth and Liquidity Covenant); and (vi) evidence that no less than 25% of the eligible building basis plus land has been financed with the proceeds of the tax-exempt portion of the VHDA permanent first mortgage loan (“Permanent Loan Closing”).
- C. Third Capital Contribution.** The Third Capital Contribution will be paid upon the later of April 1, 2030 and satisfaction of the conditions set forth in the Partnership Agreement, which are principally as follows: (i) achievement of Breakeven Operations based on all outstanding “must-pay” indebtedness with DSCR of 1.15 for three consecutive months (“Breakeven Date”); (ii) receipt of prior year’s income tax returns in the event such returns are then due; (iii) receipt of a final Tax Credit cost certification from the Accountants as to the amount of Tax Credits the Partnership will claim for 2029/2030 and the amount allocable to each partner (the “Final Certification”); (iv) receipt and approval of initial tenant files; (v) satisfactory financial condition of the Guarantors (i.e. compliance with the Net Worth and Liquidity Covenant); (vi) unconditional Certificates of Occupancy; and (vii) completion of all punchlist items and 100% qualified occupancy.

“**Breakeven Operations**” shall mean that, for each such month, occupancy is at least 95% physical occupancy and that Property income (with rents not to exceed maximum allowed tax credit rents net of the applicable utility allowances for the rent-restricted units), exceeds the greater of underwritten expenses adjusted for actual taxes and insurance or actual expenses, including replacement reserves, reassessed taxes, and permanent loan debt service (calculated on a stabilized and accrual basis) and generates debt service coverage of not less than 1.15 on all mandatory debt payments assuming the greater of actual or a 5.0% vacancy rate on the residential income.

- D. *Fourth Capital Contribution.*** The Fourth Capital Contribution will be paid upon the satisfaction of the conditions set forth in the Partnership Agreement, which are principally as follows: (i) satisfactory financial condition of the Guarantor (i.e., compliance with the Net Worth and Liquidity Covenant); (ii) receipt of Form 8609 with respect to all buildings constituting the Property; (iv) receipt of a tax return and an audited financial statement for the year in which the Breakeven Date occurred and 100% qualified occupancy.

If the conditions for payment of the Fourth Capital Contribution have been met except for the receipt of (iv) above, \$15,000 of the Fourth Capital Contribution will be held back and promptly released upon receipt of the same.

Our offer is also contingent on the following financing sources and assumptions:

- a.** A VHDA Taxable and Tax Exempt Bond Construction Loan in the approximate amount of \$54,298,164, including REACH funds.
- b.** A Bridge Loan in the approximate amount of \$23,500,000 from Capital One or other equity bridge loan provider.
- c.** A VHDA Tax Exempt Permanent Loan in the approximate amount of \$54,298,164, with a fixed interest rate, a term of 40 years, 40 year amortization and ability to refinance after 15 years.
- d.** A Loudoun County Loan in the approximate amount of \$18,500,000, with a fixed interest rate of 1.0%, a term of 40 years and payments from 25% Cash Flow prior to repayment of the Developer Fee and 33% Cash Flow following repayment of the Developer Fee as described in Section IV below. County will also have a ROFR upon transfer or sale. The County has the right to assign its right of first refusal to an outside, County-designated governmental entity. ROFR price has not yet been determined, but it is anticipated that the Loudoun County ROFR shall be a right to match a bona fide third-party purchase offer which the General Partner intends to accept.

- e.* A GP Loan in the approximate amount of \$437,958 with compounded interest determined through underwriting, a 40-year term, and payments from Cash Flow in the priority set forth in Section IV below. Amount to be determined during underwriting to meet cash fee requirements.
- f.* Our pricing assumes the Partnership will depreciate real property over 30 years with sitework (\$6,000,000), \$600,000 of which will be bonus depreciated and \$5,400,000 of which will be depreciated over ADS schedule (20 years) and personal property (\$15,500,000), \$1,550,000 of which will be bonus depreciated and \$13,950,000 of which will be depreciated over ADS schedule (9 years).
- g.* Our proposal assumes that all of the permanent debt, other than any potential CalSTRS Loan, will be structured as nonrecourse debt from a third party for tax purposes.
- h.* Subsequent to the end of the Compliance Period, the General Partner may refinance any project loan provided (i) that the debt service coverage ratio (“DSCR”) based on the annual aggregate debt service payments on all loan(s) shall be no less than 1.15 to 1.0 based on actual income and expenses and (ii) the refinancing occurs in connection with the exit of the Investor from the Partnership.

## ***II. Developer Fee***

The Developer shall receive a Developer Fee of \$5,000,000, of which the non-deferred portion (the “Cash Developer Fee”) shall be paid as follows: (i) 25% of the Cash Developer Fee shall be paid at closing or such later date as Developer may elect and (ii) the balance of the Cash Developer Fee shall be paid at the time of the Third and Fourth Capital Contributions to the extent the funds are available.

You have represented that the amount of the Developer Fee does not exceed the amount permitted to be paid by the tax credit issuing agency. Deferred developer fees shall be paid from available Cash Flow as detailed in Section IV and shall not bear interest. Principal payments on the deferred Developer Fees shall commence with the funding of the Third Capital Contribution. The General Partner agrees to make a special capital contribution to the Partnership equal to any unpaid balance of the deferred portion of the Developer Fee if such portion has not been fully paid within 15 years from the date of the payment of the Second Capital Contribution.

## ***III. Property Management Fee***

The General Partner may retain one of its affiliates or an unaffiliated entity to be the managing agent for the Property on commercially reasonable terms. Investor hereby approves FF Properties L.P., a Delaware limited partnership as the initial management agent. The management agreement, to be approved by the Investor, shall have an initial term of 1 year and shall be renewable annually thereafter, shall provide for an annual management fee not to exceed 3.5% of gross effective income (of which 3% shall be payable as an “above the line” Property expense and 0.5% shall be payable from Cash Flow (the “Soft Management Fee”) [subject to credit approval], and shall otherwise be on commercially reasonable terms (including a termination right by the General Partner in the event of fraud/gross negligence or

material default by the Manager). If the managing agent is affiliated with the General Partner, the management agreement shall provide for a deferral of 50% of the management fee in the event that the property does not generate positive Cash Flow (the “Deferred Management Fee”).

#### **IV. Cash Flow Distributions**

Cash flow from the Property, after payment of operating expenses, current property management fees, debt service, and replenishment of required reserves (including any reserve payments which were not made due to insufficient cash flow) (“Cash Flow”) of the Partnership prior to the Third Capital Contribution not used to fund development activities may be used to pay Deferred Management Fee, Soft Management Fee [subject to credit approval] and the Earthquake Reimbursement or shall otherwise be paid to the General Partner to pay down the Development Deficit Loan and then Developer Fees (however, no payment of Developer Fee will be required to the extent that the Developer Fee is projected to be fully paid off by the end of the compliance period), and the balance if any as an Incentive Lease-up Fee subject to a maximum cap to be determined by tax counsel. Notwithstanding the foregoing, distributions of net cash flow for periods prior to stabilization shall be distributed at the time of the Third Capital Contribution. Cash Flow received after the Third Capital Contribution shall be distributed quarterly as follows:

- A.** to payment of any amounts due under Section VII (A) (2) relating to change in tax law;
- B.** to pay the Administrative Expense Reimbursement;
- C.** to pay any accrued and unpaid Deferred Management Fee;
- D.** to pay any accrued and unpaid Soft Management Fee [subject to credit approval];
- E.** to the replenishment of the Operating Reserve;
- F.** to an affiliate of the General Partner, an amount equal to the out of pocket costs necessary to include the Project in said affiliate’s master earthquake insurance policy, which reimbursement shall accrue if not paid (the “Earthquake Reimbursement”);
- G.** 75% to pay deferred Developer Fees;
- H.** 25% of available cash flow to pay the Loudoun County Loan until full repayment of the deferred Developer Fee and 33% thereafter;
- I.** to repay any Operating Deficit Loans or Development Deficit Loans;
- J.** to pay any accrued and unpaid principal and interest on the GP Loan;
- K.** 90% to the General Partner as a preferred return with a corresponding allocation of income; and
- L.** The remainder to be paid in accordance with the partners’ partnership interests.

#### **V. Sale or Refinancing Proceeds**

Net sale or refinancing proceeds (i.e., after payment of outstanding debts, liabilities (other than to the General Partner and its affiliates (other than the Management Agent)) and expenses of the Partnership, and establishment of necessary reserves, if refinancing) shall be distributed as follows:

- A.** Payment of amounts due to the Limited Partners, if any;
- B.** Repayment of outstanding loans by the Limited Partners, if any;
- C.** Payment of any accrued and unpaid Deferred Management Fee;
- D.** To pay any accrued and unpaid Soft Management Fee [subject to credit approval];

- D.** Payment of any accrued and unpaid Earthquake Reimbursement;
- F.** To the payment of deferred Developer Fees;
- G.** Repayment of outstanding loans by the General Partner and Operating Deficit Loans and/or Development Deficit Loans;
- H.** Repayment of the Loudoun County Loan;
- I.** Repayment of the GP Loan;
- J.** To the General Partner, a disposition fee equal to 3% of total sales proceeds; and
- K.** 10% to the Limited Partners and 90% to the General Partner.

**VI. Right of First Refusal / Options**

- A. Loudoun County ROFR:** Loudoun County shall have a Right of First Refusal to purchase the Property. Terms of the ROFR with Loudoun County are still under discussion.
- B. Section 42 ROFR:** A qualified non-profit corporation or governmental entity designated by the General Partner shall have a right of first refusal as allowed under Section 42 of the Code, commencing upon the expiration of the Compliance Period and ending 24 months thereafter, to purchase the Property for the outstanding debt (including any amounts owed to the Investor) plus all exit taxes of the Investor (the “Section 42 Right of First Refusal Price”).
- C. Purchase Options – post year 15:** Please see Exhibit C.
- D. LP Put:** Commencing upon the expiration of the Credit Period (as defined in Section 42 of the Code) (“Credit Period”), at the Limited Partners’ sole and absolute discretion, the Limited Partners shall have the right to put the Limited Partners’ interests in the Company to the General Partner for an amount equal to \$1,000. Commencing upon the expiration of the Option Period (as defined in Exhibit C), at the Limited Partners’ sole and absolute discretion, the Limited Partners shall have the right to put the Limited Partners’ interests in the Company to the General Partner for an amount equal to the amount the Limited Partners would receive upon the General Partner’s exercise of the Interest Option, as more fully described in Exhibit C.

**VII. General Partner Commitments**

- A. Low Income Housing Tax Credit Adjustment.** Our offer is based upon the assumption that the Partnership will qualify for and claim 50% of Tax Credits in 2029, the full amount of the Partnership’s Tax Credit allocation for each year from 2030 through 2038, and 50% of the tax credits in 2039.



**1. Adjustments during equity payment (construction and lease-up) period**

***a. Downward Volume Adjuster***

In the event that either the Form 8609's or the Final Certification indicates that the Property will not generate the projected aggregate amount of Tax Credits (other than as specified below), the Partnership Agreement will provide for a return of such capital, an adjustment in the amount of any unpaid Capital Contributions and/or a payment by the General Partner to the Investor sufficient to restore the Tax Credit Ratio as defined in Section I above.

***b. Downward Timing Adjuster***

Notwithstanding the preceding paragraph, in the event that the Final Certification specifies that, while the aggregate amount of Tax Credits allocable to the Partnership is unchanged, the amount of Tax Credits allocable to the Partnership in 2029 or 2030 is less than the amounts specified above for the corresponding year(s), the Second/Third/Fourth Capital Contribution will be reduced by \$0.55 for each dollar by which such amount exceeds the actual amount of Tax Credits allocable to the Partnership for such period. However, the Partnership may claim Tax Credits on any federal income tax return filed prior to receipt of IRS Form 8609 for any building in the Apartment Complex if the General Partner and the Accountants deem that the Partnership's failure to receive the IRS Form 8609 by such time is due to reasonable cause and not due to willful neglect.

***c. Upward Volume Adjuster***

Upon the receipt of Forms 8609s, if the aggregate amount of Tax Credits allocated to the Partnership exceeds the aggregate amount of Tax Credits specified above, the Total Equity shall be increased by an amount equal to said difference multiplied by the Tax Credit Ratio. However, in no event shall the Upward Volume Adjuster exceed 5.0% of the Total Equity in aggregate inclusive of the Upward Timing Adjuster. Any adjustment will be made to the Fourth Capital Contribution. In the event available Tax Credits exceed 5.0% of the original amount of the Tax Credits specified above, the fund will make a best efforts attempt to make an additional capital contribution for such Tax Credits at market pricing at that time, or the General Partner at their sole discretion may adjust the percentage interest of the partners so that the excess credits for which the Investor is not making a capital contribution for will be allocated to the General Partner.

***d. Upward Timing Adjuster***

In the event that the amount of Tax Credit allocable to the Partnership in 2029 is more than the amounts noted above for the corresponding year, the Total Equity shall be increased by an amount equal to the sum of (i) \$0.45 for each dollar by which such amount is less than the actual amount of Tax Credits allocated to the Partnership for such period, up to a maximum of \$200,000. Any adjustment will be made to the Fourth Capital Contribution.

**2. Adjustments during Compliance Period**

**a. Compliance Adjuster**

After the Form 8609's have been issued, in the event that the actual amount of Tax Credits which may be claimed by the Partnership is less than the amount specified in such Forms (except from the sale or transfer of the Investor's interest in the Partnership), the General Partner shall reimburse the Investor on a dollar-for-dollar basis for each lost dollar of Tax Credits plus any resulting penalties or taxes due. Similarly, if there is a recapture of Tax Credits (except from the sale or transfer of the Investor's interest in the Partnership; or due to a change of applicable tax law), the General Partner shall upon demand indemnify the Investor and its partners against any Tax Credit recapture liability (including interest, penalties and any reasonable related legal or accounting costs) which they may incur during the Compliance Period. Any fees or Cash Flow payable to the General Partner, or its affiliates, will be subordinated to any required payment pursuant to this paragraph. Notwithstanding the foregoing, the General Partner shall have no liability to the Limited Partners for any recapture resulting from a change in tax law (which shall include the promulgation of new legislative regulations), except that any such amounts shall only be repayable from cash flow or sale or refinancing proceeds.

- B. Development Deficit Guarantee.** The General Partner shall be responsible for completion of the Property in a workmanlike manner, in accordance with approved plans and specifications, free and clear of all liens. To the extent that the costs of construction and operations until the funding of the Third Capital Contribution exceed the amount of any funding by approved permanent third party lenders, any unpaid Developer Fees, insurance and condemnation proceeds actually received, and the amount of the Investor's capital commitment (adjusted as set forth above) and net interim income, the General Partner shall pay all such costs and expenses connected with development and construction of the Property, including all operating expenses of the Property until the funding of the Third Capital Contribution. The Contractor shall post a Letter of Credit, in lieu of P&P Bonds, to VHDA in the form and amount required by VHDA (and acceptable to Hudson). An "owner's" construction contingency in an amount equal to 5% of the construction costs will be required.

Any payment from the General Partner under this section shall be treated as an interest free Development Deficit Loan to the Partnership (repayable from cash flow and/or sale and refinancing proceeds as described above) up to a maximum of \$3,000,000. In the event the General Partner is removed, the General Partner agrees to make a special capital contribution to the Partnership equal to any unpaid balance of such loans.

The General Partner shall have the option to defer all or a portion of the Development Fee that would have otherwise been available to pay deferred Development Fee to pay for cost overruns, if necessary, so long as it can be demonstrated to the reasonable satisfaction of the SLP that such deferred portion of the Development Fee will not cause a reallocation and can be fully paid by the end of the Compliance Period.

- C. ***Operating Deficit Guarantee.*** The General Partner shall make interest free loans (“Operating Deficit Loans”) to the Partnership (repayable from cash flow and/or sale and refinancing proceeds as described above) equal to any Operating Deficits incurred during the period beginning on the funding of the Third Capital Contribution and ending on the fifth anniversary of Breakeven Operations (“Operating Deficit Guarantee Period”), provided that the Property has achieved Breakeven Operations in the aggregate for the previous 12 month period (12 month lookback) of Breakeven Operations, and any draws from the Operating Reserve have been replenished. The Operating Deficit Guarantee shall be capped at an amount not to exceed nine months of underwritten operating expenses (adjusted for actual taxes and insurance) and debt service in the aggregate.

The General Partner will also be obligated to fund an Operating Reserve in an amount equal to three months of underwritten operating expenses and debt service at the time of the Third Capital Contribution. Any draws from the Operating Reserve shall be replenished from cash flow and no withdrawals shall be allowed from the Operating Reserve prior to payments being required under the Operating Deficit Guarantee period.

- D. ***Obligations of General Partner.*** Immediately following the occurrence of any of the following events, the General Partner shall, at the option of the Investor, (x) admit the Special Limited Partner or its designee as the managing general partner of the Partnership and, at the option of the Investor, withdraw from the Partnership; or (y) repurchase the Investor’s interest in the Partnership: (i) an IRS Form 8609 is not issued with respect to each of the buildings in the Property in a timely manner after each such building has been placed in service; (ii) the Property is not fully placed in service by the date that is six months after the 100% completion date underwritten at closing (exact dates shall be in the LPA in place of the frames); (iii) Breakeven Operations has not been achieved by December 31, 2030; (iv) the Partnership fails to meet the minimum set aside test (as defined in Section 42 of the Code) or fails to execute and record a Tax Credit Extended Use Commitment by the close of the first year of the Credit Period; (v) the Partnership shall have been declared in default by any mortgage lender or under the tax credit allocation, or foreclosure proceedings have been commenced against the Property (and such default is not cured or such proceeding is not dismissed within 45 days) or if there is a material violation of the Partnership Agreement by the General Partner or, if the property manager is an affiliate of the General Partner, a material violation of the management agreement by the manager which causes material adverse harm to the Investor the Partnership or the Property (prior to the making of the Third Capital Contribution for purposes or repurchase only under (v) above), and, in either case, such material violation is not cured within 45 days. Notwithstanding the foregoing, nor anything to the contrary contained herein, the Investor’s rights to cause the repurchase of its interest in the Partnership shall terminate after the payment of the Fourth Capital Contribution.

If the Investor elects to have its interest repurchased by the General Partner, the repurchase price shall be equal to the sum of (i) 104% of the Total Equity, (ii) interest at Prime + 1% on capital contributions made to date, and (iii) any tax liability incurred by the Investor as a result of such repurchase, less the amount of Total Equity which has not been contributed

by the Investor at such time and less the credits allocated to the Investor not subject to recapture.

- E. *Replacement Reserve.*** Commencing with the month following Completion, the Partnership will make a minimum monthly replacement reserve deposit (the “Minimum Deposit”) equal to (on an annualized basis) the greater of (i) the amount required by the permanent lender and (ii) \$300/unit. The amount of the Minimum Deposit shall be increased annually by 3%. If the sum of all lender-imposed monthly replacement reserve deposits is less than the Minimum Deposit, the Partnership will establish a separate account into which the Partnership will deposit the difference. Any interest earned on such account shall become a part thereof. In the event VHDA doesn’t require a replacement reserve, the reserves shall be held at Capital One.
- F. *Reporting.*** The Partnership will be required to furnish Investor with (a) following Completion, quarterly unaudited financial statements within 60 days after the end of each quarter of the fiscal year; (b) following Completion, annual audited financial statements within 75 days after the end of each fiscal year; (c) following Completion, an annual budget for each fiscal year of the Partnership, not later than November 1 of the preceding year; and (d) the Partnership’s tax returns and K-1 forms within 60 days after the end of each fiscal year. The penalty for any failure to deliver Partnership tax returns or K-1 forms prior to the specified deadline shall be (i) \$50 per day for the first seven days after such deadline, (ii) \$100 per day for the next seven days, and (iii) \$150 per day thereafter, provided that the amount of such penalty shall not exceed \$5,000 in any year.

### **VIII. Fees to Affiliates of Hudson**

***Administrative Expense Reimbursement.*** An affiliate of Hudson shall receive an annual administrative expense reimbursement from the Partnership in the amount of \$10,000, which amount shall be increased annually by 3% and shall accrue to the extent not paid. Such fee shall commence in the year of funding of the Third Capital Contribution and shall be payable from Cash Flow and/or Capital Transaction Proceeds. The Administrative Expense Reimbursement may be capitalized within the Project budget and paid at the time of the Third Capital Contribution to reflect early payment of the Administrative Expense Reimbursement in full.

### **IX. Representations, Warranties and Covenants**

The General Partner shall make certain representations and warranties as to the Partnership, the General Partner and the Property to be set forth in the Partnership Agreement. The payment of each Capital Contribution shall be conditioned upon certification by the General Partner as to the continued accuracy of these representations and warranties.

**X. Accountants**

The Accountants for the Partnership shall be Novogradac & Co., CohnReznick, PricewaterhouseCoopers, DOZ or another firm approved by the Investor. The Accountants shall prepare tax and financial reports as set forth in the Partnership Agreement, and the Final Certification referred to in Section I.C. above.

**XI. Investment Partnership Rights**

The Partnership Agreement will provide certain approval rights as to major actions proposed to be taken by the General Partner. The Investor shall have the right to remove the General Partner and the Manager for cause which is not timely cured (if applicable). In lieu of removal, the General Partner shall have the option to repurchase the Investor's interest for an amount as contemplated in Section VII.D. above plus \$500,000.

**XII. Insurance**

At the closing, the General Partner shall provide for title insurance satisfactory to counsel to the Investor in an amount equal to the sum of all Capital Contributions, all mortgage loans and the amount of any Development Fee Note. Prior to the payment of any additional installment of the Capital Contribution, a "date down" of such policy shall be provided to the extent available in the jurisdiction of the Property.

*The General Partner shall provide for (i) liability (which may be provided as a combination of general and excess) insurance in an aggregate amount of at least \$6,000,000 per occurrence (increased biennially by the CPI Percentage), (ii) hazard insurance (including boiler and machinery coverage) and flood insurance in an amount of not less than the full replacement value of the Property, (iii) rental loss insurance for a period of 12 months after the date of loss and (iv) law and ordinance coverage with no sublimit, including changes in law and ordinances enacted during the course of reconstruction. Builder's risk insurance shall be provided during construction. Architects shall submit evidence of errors and omissions coverage with an annual aggregate limit of not less than \$3,000,000 per claim and in the aggregate. Workers compensation insurance shall be provided as to any entity with employees working at the Apartment Complex. All policies shall name the Investor as an additional insured and/or lender's loss payee (where applicable). Deductibles shall be consistent with Fairfield's portfolio insurance coverage, provided, however, to the extent any such deductible is materially higher than the affordable housing industry standard, the difference between the industry standard deductible and the Fairfield portfolio deductible shall be guaranteed by the Guarantor. Notwithstanding anything to the contrary contained herein, deductibles shall comply with Capital One's insurance guidelines.*

**XIII. Indemnity Agreement**

The General Partner shall indemnify the Investor, Hudson and its affiliates, and their respective officers and directors for any untrue statement of a material fact or omission to state a material fact necessary to make any such statement, in light of the circumstances under which they were made, not misleading, by the General Partner or its agents set forth in any document delivered by the General Partner or its agents in connection with the acquisition of the Property, the investment by the Investor in the Partnership and the execution of the Partnership Agreement. The General Partner will be required to provide an environmental indemnification.

**XIV. General Conditions**

Payment of the Second/Third/Fourth Capital Contributions shall be conditioned upon completion of an appropriate due diligence review by the Investor to confirm that there have been no changes in material circumstances affecting the Property, including (i) receipt of estoppel letter(s) from all lenders; (ii) review of title (including a “date-down” endorsement to the extent available in the jurisdiction in which the Property is located, or if not available, an updated title report), survey, environmental and other legal and regulatory matters, (iii) receipt of a “No Change” legal opinion from counsel to the Partnership for the Second Capital Contribution only, and (iv) certification by the General Partner as to the continued accuracy of representations and warranties made in the Partnership Agreement.

**XV. Conditions to Closing**

Hudson will perform, and will request the full cooperation of you and your professionals in, customary due diligence in connection with the acquisition of the Property and the Investor interest in the Partnership.

To facilitate the due diligence process, you agree to deliver to Hudson in a timely manner: (i) an appraisal; (ii) a Phase I environmental study of the Property site, prepared in accordance with ASTM standards, and any subsequent additional testing deemed necessary by Investor in its sole discretion; (iii) evidence that none of the buildings are located in the 100 year flood plain; (iv) evidence of the allocation/reservation of Tax Credits; (v) evidence of payment by the General Partner of any taxes imposed on the transfer of the limited partnership interest in the Partnership; (vi) evidence of the financial status of the Guarantor) by way of current financial statements prepared in accordance with GAAP standards; (vii) evidence that the proforma rents are at least at a 10% discount to market rents; and (viii) such other materials as are reasonably required by Investor as part of its customary financial and legal due diligence review. Such items shall be prepared and furnished at your own expense. Your execution of this Letter of Intent will also be deemed consent to perform background checks on the non-individual principal(s) of the General Partner and Developer, as well as any individual Guarantor. At closing, Hudson shall be reimbursed up to \$150,000 for its legal and due diligence expenses. The General Partner understands that any consultant, engineering, environmental or other, selected for the project shall be acceptable to the lender and to the equity investor and that the Partnership shall bear the cost of fees associated with pre-construction feasibility studies, structural analysis, and monthly inspections. In the

event this Letter of Intent is terminated or the transaction does not close, Hudson shall be reimbursed for its legal and due diligence expenses incurred to date.

By executing this proposal and in consideration of the substantial expenses to be incurred by Hudson and its affiliates in legal and accounting fees and for due diligence, you agree that you and your affiliates will not offer any interest in the Property to any other party unless this Letter of Intent is terminated by mutual consent or unless you are notified that, pursuant to its due diligence, the Investor will not complete its investment in the Partnership, which notification shall be given not later than 45 days from our receipt of this Letter of Intent executed by you, subject to extension in the event of any delay on your part in furnishing the requested due diligence materials.

This Proposal contains an outline of suggested terms only, and it does not represent a commitment by Hudson or create any obligation whatsoever on Hudson's part. It is for discussion purposes only, and the outlined terms have not received final approval by the appropriate Hudson's investment committee. This Proposal replaces and voids any and all previous financing proposals by Hudson for the Development.

Please note that our pricing is extremely sensitive to any changes in the financing sources, development budget or timing of the closing of the transaction or delivery of tax credits. Hence, we reserve the right to adjust pricing based on any material change to the proforma including but not limited to sources, depreciation and credit delivery.

This Letter of Intent will expire July 15, 2026 . The anticipated closing date is prior to March 31, 2027; the closing date is subject to change based on the ability to provide required due diligence.

**The terms of this proposal are confidential, and you have agreed not to share this proposal or its terms with any other party (other than your legal counsel and VHDA).** If the above proposal is acceptable, please indicate your acceptance by executing two copies of this Letter of Intent and returning one to Hudson at the above address. We look forward to working with you.

Sincerely,

**Hudson Housing Capital LLC**



By: \_\_\_\_\_  
W. Kimmel Cameron, Jr.  
Managing Director

cc: Sam Ganeshan, Hudson Housing Capital, LLC

ACCEPTED AND AGREED TO  
THIS \_\_\_\_ DAY OF \_\_\_\_, 2026

FRH Dulles Plaza LLC, a Delaware limited liability company

By: FRG GP II LLC, a Delaware limited liability company,  
Its Non-Member Manager

By: \_\_\_\_\_  
Name:

Title:

Exhibits:

- Exhibit A: Restrictions on Transfer of Limited Partners' Interests
- Exhibit B: Unconditional Lien waivers
- Exhibit C: Purchase Option



Exhibit A: Restrictions on Transfer of Limited Partners' Interests

Prior to the first to occur of (i) the making by the Investor of its final Capital Contribution pursuant to the Partnership Agreement or (ii) a repurchase or removal event under the Partnership Agreement (the period prior to the first to occur of the events described in such two clauses, the "Restricted Period"), no offer, sale, transfer, assignment, hypothecation or pledge of the Limited Partner Interest of the Investor shall be permitted unless the General Partner, in its reasonable discretion, shall have Consented thereto, and the Lender, if required, also shall have consented thereto and (if applicable) HUD shall have approved the Form 2530 associated with such transfer or unless the transferee is an Affiliate of such Limited Partner or a lender with a security interest as of the date of this Agreement in such Limited Partner's Partnership Interest.

After the Restricted Period, the Investor and the Special Limited Partner may at any time and without the Consent of any other Partner (but subject if applicable to obtaining any required Consent of the Lender and any required approval of HUD of the Form 2530 associated with such transfer) transfer, sell, assign or pledge its Limited Partner Interest to any third party; provided that such transfer shall not cause the Partnership to be treated as a publicly traded partnership taxable as a corporation. Notwithstanding any other provisions herein, the Investor and the Special Limited Partner agree that they will not transfer their respective Interests in the Partnership to an entity, or its affiliates, (i) who has been debarred by VHDA or otherwise prohibited by VHDA from participating in tax credit transactions for negative dealings with such entity relating to the exercise of a right of first refusal by a non-profit or quasi-governmental managing member or general partner, (ii) for which the General Partner provides reasonably detailed and specific examples of such entity's pattern or practice of impeding, denying, or unreasonably delaying the exercise of a right of first refusal by a non-profit sponsor as reasonably determined by the Investor, (iii) for which the Developer or any of its affiliates has or is in litigation with related to a tax credit project, (iv) that is not actively involved in direct or indirect investment in tax credit projects, or (v) unless the General Partner shall have Consented thereto in its sole and absolute discretion; provided, however, that nothing herein shall be construed as limiting the right of the Limited Partners to transfer their Interest in the Partnership, either directly or indirectly, to any one or more Affiliates of Hudson Housing Capital LLC or to any one or more Persons that is controlled by or under common control with Hudson Housing Capital LLC. The Investor and/or Special Limited Partner shall give Notice of such transfer, sale or assignment to the General Partner prior to or within a reasonable time after such transfer, sale or assignment (but no such notice shall be required in the case of a pledge or collateral assignment by the Investor of its Limited Partner Interest); provided that the Special Limited Partner or Investor shall pay for the cost of such transfer, including any transfer tax.

(a) After the Credit Period, the General Partner, only upon receiving Notice of a proposed transfer of the Limited Partners' interests ("Notice of LP Purchase") and so long as it is not in material default under the terms of the Partnership Agreement (it being understood that any monetary default is deemed material), may require that the Limited Partners sell its Interest to the General Partner or its Affiliate for the greater of the fair market value of the Limited Partners' interests as determined by a "Qualified Appraiser" and the sum of: (i) unpaid adjusters and fees due the Limited Partner pursuant to the Partnership Agreement, (ii) to the extent that the Limited Partners is projected to have a negative capital account at the end of the Compliance Period, the value of the projected tax losses assuming a 21% tax rate which would have been realized by the Limited Partners for the balance of the

Compliance Period discounted at the Investor IRR; and (iii) any projected distributions of Net Cash Flow (determined using the net operating income over the prior three (3) calendar years from the audited financial statements) which would have been distributed to the Limited Partners the balance of the Compliance Period discounted at the Investor IRR. Such calculation is to be prepared by the Accountants at the General Partner's expense and is subject to the Consent of the Limited Partners. The General Partner shall be required to post a \$10,000 good faith deposit within ten (10) days of issuance of the Notice of LP Purchase. The purchase of the Limited Partners' interests by the General Partner must occur within 30 days of the issuance of the Notice of LP Purchase. The exercise by the General Partner of its right to purchase the Limited Partners' interests prior to the end of the Compliance Period shall be subject to the General Partner's continuing obligation to operate the Project in accordance with the requirements of the Code and the Project Documents, including the Minimum Set-Aside Test and the Rent Restriction Test and shall include an indemnification of the Limited Partners by the Guarantor against any Tax Credit Recapture Amounts, including interest that accrues thereon or penalties as may be assessed by the IRS, and shall be conditioned upon there being no deterioration in the financial strength of the Guarantor as determined in the sole but reasonable discretion of the Special Limited Partner and no event of non-compliance with the requirements of Code Section 42 and the related Treasury Regulations during the five (5) years immediately preceding the exercise of the General Partner's rights under this Section 9.04(d). If those conditions are not satisfied, the General Partner shall provide a guarantee, a letter of credit, or similar security, for the benefit of the Limited Partners in an amount equal to the maximum potential liability for any Tax Credit Recapture Amounts, interest and penalties, which is acceptable to the Special Limited Partner, in its sole and absolute discretion. Failure to consummate the transaction contemplated herein shall result in the forfeiture of the good faith deposit and any future right to exercise the Notice of LP Purchase.

[Discuss GP right to transfer interest to an affiliate fund after 8609s.]

Exhibit B: Unconditional Lien waivers

## **<<< Company Letterhead >>>**

### **Contractor Payoff Letter**

[DATE]

Hudson Housing Capital LLC  
630 Fifth Ave, 28<sup>th</sup> Floor  
New York, New York 10111

**Re: [Property Name and Address]**

Dear Mr. Anbar:

This is to confirm the following:

1. [General Contractor] has been paid to date in the amount of [\$\_\_\_\_\_] as evidenced by the attached unconditional lien waivers from the Contractor and Subcontractors.
2. The outstanding balance, including punch list and retention on the abovementioned construction contract and including all pending change orders (as evidenced by the attached pending change order log) and all amounts owed to all Subcontractors and suppliers for the project, is [\$\_\_\_\_\_].
3. There will be no additional change orders.
4. Submitted with this letter are conditional lien waivers from the Contractor and Subcontractors for all amounts less retainage, punch list items, and/or other amounts owed.

Furthermore, the Contractor acknowledges that to the extent punch list items remain to be completed, such punch list shall be completed within ninety (90) days of the date of Substantial Completion, as such term is defined in the Amended and Restated Limited Partnership Agreement of [\_\_\_\_\_] dated December [\_\_\_], 2026.

Sincerely,

Name  
Title  
General Contractor

Exhibit C: Purchase Option

The General Partner, or its designee, shall have an option to either purchase the (a) Apartment Complex (the "Project Option") or (b) Investor and Special Limited Partner's partnership interests in the Partnership ("Interest Option") for a period of twenty four (24) months ("Option Period") immediately following the end of the Compliance Period. The exercise of the Project Option or Interest Option shall be conditioned upon the General Partner not having been removed and any monetary defaults accrued prior such date having been or being cured through payment of the purchase price.

The purchase price for the Project Option shall be the greater of (A) the sum of (i) an amount sufficient to pay all outstanding debt (including Limited Partner or General Partner Loans) and liabilities of the Partnership, and (ii) the Limited Partner's tax liability and (iii) unpaid adjusters due or (B) the sum of (i) all outstanding amounts owed the to the Limited Partners in connection with Limited Partner Loans and (ii) the fair market value of the Apartment Complex, subject to all applicable use restrictions and any other discounts typically applied to affordable housing. The parties will use their best effort to determine a value for the Project Option. If the parties cannot agree on a value, the General Partner shall select the appraiser with the prior consent of the Limited Partner, which consent shall not be unreasonably withheld. In the event that the parties are unable to agree upon an appraiser, the General Partner and the Special Limited Partner each shall select an appraiser. If either party fails to select an appraiser within ten days, the determination of the other appraiser shall control. If the difference between the appraised fair market values set forth in the two appraisals is not more than ten percent (10%) of the appraised fair market value set forth in the lower of the two appraisals, the fair market value shall be the average of the two appraisals. If the difference between the two appraisals is greater than ten percent (10%) of the lower of the two appraisals, then the two appraisers shall jointly select a third appraiser whose determination of appraised fair market value shall be deemed to be binding on all parties as long as the third determination is between the other two determinations. If the third determination is either lower or higher than both of the other two appraisers, then the average of all three appraisers shall be the fair market value. The Partnership and the General Partner shall each pay one-half of the fees and expenses of any appraisers selected. The appraiser shall be MAI-designated or similarly qualified with experience in appraising rent-restricted properties and shall assume that the Apartment Complex shall remain subject to the extended use agreement and any applicable regulatory agreement. The Project Option purchase price shall be payable by the General Partner by taking the Apartment Complex subject to the existing debt (but only to the extent permitted by all lenders), and if not permitted by any lender, or if the purchase price exceeds such debt, the Project Option purchase price (or the balance thereof) shall be payable in readily available funds which shall be distributed pursuant to the Partnership Agreement.

The purchase price for the Interest Option shall be the greater of (A) the fair market value of the Limited Partner's Partnership Interest, subject to all applicable use restrictions and any other discounts typically applied to affordable housing, and (B) (i) all amounts owed to the Limited Partners in connection with the Limited Partner Loans, (ii) the Limited Partner's tax liability and (iii) unpaid adjusters due to the Limited Partners. The parties will use their best effort to determine a value for the Interest Option. If the parties cannot agree on a value, the General Partner shall select the appraiser with the prior consent of the Limited Partner, which consent shall not be unreasonably withheld. In the event that the parties are unable to agree upon an appraiser, the selection of an appraiser and the determination of the fair market value of the Interest Option shall occur in accordance with the valuation process described in the immediately

preceding paragraph. Furthermore, the appraisal for the Interest Option shall consider factors the appraiser deems relevant in judging the fair market value of the interests in the Partnership, which may include whether the Apartment Complex shall continue to be operated as an ongoing affordable housing building and factor in customary costs of sale, continued use restrictions, and any additional factors the appraiser deems relevant in judging the fair market value of the interests in the Partnership including factors related to marketability, deed restrictions for affordable housing, and property needs.



June 29, 2026

Fairfield Dulles Plaza LP  
5355 Mira Sorrento Place, Suite 100  
San Diego, CA 92121  
Attn: Stephen Toyra

**Re: Fairfield at Dulles Plaza – Sponsor Loan Commitment**

Fairfield Affordable Housing Fund Tranche XV LLC or another designated entity (the "Lender"), commits, subject to the terms of this letter, to make a loan (the "Loan") to the Borrower on the following terms and conditions:

|                                                             |                                                                                                                                                                                                                                                                                                                           |
|-------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <u>Borrower:</u>                                            | Fairfield Dulles Plaza LP, a Delaware Limited Partnership                                                                                                                                                                                                                                                                 |
| <u>Collateral:</u>                                          | Subordinate Deed of Trust                                                                                                                                                                                                                                                                                                 |
| <u>Loan Amount:</u>                                         | Up to \$4,000,000                                                                                                                                                                                                                                                                                                         |
| <u>Disbursement of Loan:</u>                                | The entire Loan will be available for disbursement at construction loan closing and will be funded in draws if needed.                                                                                                                                                                                                    |
| <u>Term:</u>                                                | 30 years                                                                                                                                                                                                                                                                                                                  |
| <u>Annual Interest Payments During Construction Period:</u> | Interest will be capitalized and paid through construction draws                                                                                                                                                                                                                                                          |
| <u>Annual Interest Payments During Permanent Period:</u>    | Interest shall accrue and be payable from residual cash flow including deductions for the following:<br>deferred developer fee and partnership management fee, limited partner asset management fee, Loudon County soft debt payments                                                                                     |
| <u>Principal Payments:</u>                                  | Principal payments shall be paid during the Permanent Period of the loan should any remaining residual cash flow be available. If not paid with residual cash flow, any remaining unpaid portion of the Loan will be considered subject to repayment at the time of a capital event through the sales proceeds waterfall. |

Office +1 858-457-2123  
5355 Mira Sorrento Place  
Suite 100  
San Diego, CA 92121

[fairfieldresidential.com](http://fairfieldresidential.com)

Fairfield Classification: Internal

# FAIRFIELD.

|                                              |                                                                                                                  |
|----------------------------------------------|------------------------------------------------------------------------------------------------------------------|
| <u>Interest Rate:</u>                        | 7% compounding during the Construction and Permanent Periods.                                                    |
| <u>Non-Recourse:</u>                         | The Loan shall be non-recourse to Borrower and the partners of Borrower.                                         |
| <u>Prepayment Fee</u>                        | None.                                                                                                            |
| <u>Bond / LIHTC:</u>                         | The Loan will conform to any subordination and terms requirements of the Virginia Housing Development Authority. |
| <u>Loan Documents:</u>                       | The Loan shall be evidenced by a promissory note and a subordinate deed of trust.                                |
| <u>Commitment</u><br><u>Expiration Date:</u> | June 30, 2027                                                                                                    |

The Lender shall not be obligated to fund the Loan unless Borrower has reasonably satisfied or caused to be satisfied all of the conditions to close provided in this Commitment. The Lender may terminate this Commitment in the event the Loan has not closed on or before the Expiration Date referred to above.

This Commitment contains the entire understanding between Borrower and the Lender with respect to the Loan, supersedes all prior oral or written communications, and may not be modified or waived except in writing, and signed by the party to be bound thereby.

This Commitment and all Loan Documents shall be governed by Virginia law. This Commitment to make the Loan is personal to Borrower and is not assignable or transferable by Borrower.

Please indicate your acceptance of this Commitment by signing and returning the enclosed duplicate original copy.

# FAIRFIELD.

Sincerely,

LENDER:

Fairfield Affordable Housing Fund Tranche XV LLC,  
a Delaware limited liability company,

By: FRH Vehicle Manager II LLC,  
a Delaware limited liability company,  
its Non-Member Manager



By: \_\_\_\_\_  
Name: Paulius Kudirka  
Title: Executive Vice President

The foregoing Commitment by the Lender to make the Loan is hereby accepted, and the undersigned agrees to accept the Loan, and to borrow the funds thereunder, in accordance with all of the terms and conditions set forth in this Commitment and subject only to Borrower obtaining rights to acquire the Property, a tax credit allocation, proper financing and investor equity for the development of the Property.

BORROWER:

Fairfield Dulles Plaza LP,  
a Delaware limited partnership

By: FRH Dulles Plaza LLC,  
a Delaware limited liability company,  
its General Partner

By: FRH GP II LLC,  
a Delaware limited liability company,  
its Non-Member Manager



By: \_\_\_\_\_  
Name: Paulius Kudirka  
Title: Executive Vice President





## Loudoun County, Virginia

[www.loudoun.gov](http://www.loudoun.gov)

Office of the County Administrator

1 Harrison Street, S.E., 5th Floor, P.O. Box 7000, Leesburg, VA 20177-7000

Telephone (703) 777-0200 • Fax (703) 777-0325

At a business meeting of the Board of Supervisors of Loudoun County, Virginia, held in the County Government Center, Board of Supervisors' Meeting Room, 1 Harrison Street, S.E., Leesburg, Virginia, on Wednesday, February 18, 2026, at 4:00 p.m.

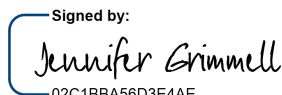
IN RE: Finance/Government Operations and Economic Development Committee Report:  
Attainable Housing Loan Program Application for Dulles Plaza Apartments (Sterling)

Chair Randall moved the recommendation of the Finance/Government Operations and Economic Development Committee that the Board of Supervisors approve a loan for Dulles Plaza Apartments in an amount not to exceed \$18,500,000 from the Housing Fund with the loan terms and conditions described in Attachment 1 to the February 18, 2026, Board of Supervisors Business Meeting Action Item, including the County Administrator's authority to make non-material modifications to the terms and conditions in Attachment 1 as long as the modifications do not materially increase the County's financial risk.

Seconded by Vice Chair Turner.

Voting on the Motion: Supervisors Briskman, Glass, Kershner, Letourneau, Randall, TeKrony, Turner, and Umstattd – Yes; None – No; Supervisor Saines – Absent.

A COPY TESTE:

Signed by:  
  
02C1BBA56D3E4AE...  
DEPUTY CLERK TO THE LOUDOUN  
COUNTY BOARD OF SUPERVISORS

COMMONWEALTH OF VIRGINIA  
**COUNTY OF LOUDOUN**  
BOARD OF SUPERVISORS



**RESOLUTION**  
**APPROVING A LOAN FOR DULLES PLAZA APARTMENTS**

**WHEREAS**, on August 12, 1997, the Board of Supervisors (Board) established the County of Loudoun Housing Trust (Trust), granting authority to the Board, as Trustee, to spend monies in the Trust to further the provision of Affordable Dwelling Units (ADUs) as set forth in Chapter 1450 of the Codified Ordinances of Loudoun County (Chapter 1450) and further authorizing the Board to amend the Trust as it deems necessary, provided such amendment is consistent with the purpose of the Trust to further the provision of affordable housing in Loudoun County; and

**WHEREAS**, on October 12, 2016, the Board amended Article 7 of the Loudoun County Zoning Ordinance (current Chapter 9) to allow a developer to satisfy ADU requirements by providing Affordable Housing Units in lieu of ADUs; pursuant to Article 8 (current Chapter 12) of the Zoning Ordinance, an “Affordable Housing Unit” (AHU) is defined as a unit for rent or for sale developed pursuant to certain specified Virginia Housing Development Authority (currently known as Virginia Housing or VHDA) or United States Department of Housing and Urban Development (HUD) programs; and

**WHEREAS**, on July 20, 2017, the Board amended the Trust to authorize the Board, as Trustee, to grant loans from the Trust to help finance AHUs in a particular development in excess of the minimum number of units necessary to satisfy ADU Program requirements pursuant to Article 7 (current Chapter 9) of the Zoning Ordinance; and

**WHEREAS**, on December 13, 2023, the Board adopted the Loudoun County Zoning Ordinance, to replace the previous Revised 1993 Zoning Ordinance, and to include a new definition of AHUs (current Chapter 12) to expand the list of funding programs; and

**WHEREAS**, the Board has transferred local tax revenue from the General Fund to the Housing Fund to be used for affordable housing needs in alignment with the Unmet Housing Needs Strategic Plan (UHNSP) during its annual budget processes since FY 2023 to assist with the provision of affordable housing in Loudoun County; and

**WHEREAS**, Dulles Plaza LP (Borrowers), represented by Fairfield Residential (Applicant), a for-profit housing developer, has requested the Board to approve a total loan amount not to exceed \$18,500,000 (Loan). The Loan will be subordinated financing and will be included as part of the VHDA application for Low Income Housing Tax Credits (LIHTC) under the 4 percent non-competitive VHDA LIHTC. The Loan will be used in order to construct and develop a multifamily rental development located in Sterling, Virginia, in the Sterling Election District, to be developed and operated as an affordable community (Development); and

**WHEREAS**, the Board has determined that the proposed Loan would further the stated goal of the Trust and the Housing Fund to advance the provision of affordable housing in Loudoun County.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF LOUDOUN COUNTY, VIRGINIA:**

1. The Board approves a loan amount with the following conditions:

|                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|--------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Total Loan Amount Not to Exceed</b>     | \$18,500,000                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Interest Rate</b>                       | Fixed rate of 1%, Simple interest                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Loan Term</b>                           | 40 Years                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>Repayment Term</b>                      | 40 Years                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>Estimated Total Development Costs</b>   | \$114,119,000                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>Loan Repayment</b>                      | <p>With Deferred Developer Fee:<br/>25% Certified Annual Cash Flow Split to repay the Loan</p> <p>After full repayment of Deferred Developer Fee:<br/>33% Certified Annual Cash Flow to repay the Loan</p> <p>The Loan shall require a balloon payment in the last year of the loan term if the Loan has not already been repaid.</p>                                                                                                                                                                                                        |
| <b>Additional Sources and Cost Savings</b> | The Borrower shall pursue additional non-County sources of funding to help fund the Development. If awarded additional non-County sources of funding that result in cost savings or additional funds secured in excess of what is required to complete the Development, including Developer Fee; the conversion of the Construction Loan to Permanent Financing; the Cost Certification has been completed; and Form 8609 has been issued, then 25 percent of excess sources and cost savings shall be applied to reduce or repay the Loans. |
| <b>Capital Transaction Waterfall</b>       | <p>If any capital transaction occurs during the term of the Loan, at least 25 percent of any net proceeds from the capital transaction shall be used to repay the Loan.</p> <p>To be negotiated further and finalized in the County loan documents.</p>                                                                                                                                                                                                                                                                                      |
| <b>Security</b>                            | <p>Promissory note<br/>Deed of Trust<br/>Deed of Restrictive Covenants</p> <p>Loan will be subordinate to the first trust mortgage, not lower than second lien position, subject to the County's discretion.</p>                                                                                                                                                                                                                                                                                                                             |
| <b>Right of First Refusal</b>              | Borrower to grant an assignable right of first refusal to the Board to purchase the Project in the event the Development, or a portion of it, is transferred, sold or refinanced. The County reserves the right to assign its right of first refusal to an outside, County-designated entity.                                                                                                                                                                                                                                                |

2. Estimated Sources:

| Sources                | 4 Percent LIHTC      |
|------------------------|----------------------|
| VHDA Tax-Exempt Bonds  | 41,907,000           |
| VHDA Reach             | 11,320,000           |
| General Partner Loan   | 2,921,000            |
| Developer Equity       | 4,373,000            |
| LIHTC Equity           | 32,392,000           |
| Deferred Developer Fee | 2,706,000            |
| Sub-Total              | \$95,619,000         |
| Loudoun County Loans   | 18,500,000           |
| <b>TOTAL</b>           | <b>\$114,119,000</b> |

3. The Loan shall be used to finance the Development as generally described (unit counts and AMI mixes are approximate and subject to final underwriting):

| Number of Units                         | 283       |            |           |            |
|-----------------------------------------|-----------|------------|-----------|------------|
|                                         | 1 BDRM    | 2 BDRM     | 3 BDRM    | TOTAL      |
| <b>Area Median Income Restrictions:</b> |           |            |           |            |
| 30%                                     | 2         | 6          | 3         | 11         |
| 50%                                     | 6         | 16         | 7         | 28         |
| 60%                                     | 51        | 134        | 58        | 244        |
| <b>Total</b>                            | <b>59</b> | <b>156</b> | <b>68</b> | <b>283</b> |
| <b>Affordability Period</b>             | 50 Years  |            |           |            |

4. **Conditions to Close.** The Loan closing shall be subject to the satisfaction of conditions customarily for transactions of this nature, to be determined at the sole discretion of the County Administrator or his designee, which may include but are not limited to:
- Execution of all necessary legal documents, including a Promissory Note, Deed of Trust, and Loan Agreement in forms approved by the County Attorney; and
  - Evidence of committed financing from all other sources necessary to complete the Development as outlined in Section 2.
5. The Board agrees to set aside from the Housing Fund a total amount not to exceed \$18,500,000 to be lent to Dulles Plaza LP, subject to compliance with all and each of the terms and conditions of this Resolution. The County Loan must not close later than August 18, 2028, after which date the amount approved in this Resolution will no longer be available unless approved by the Board. The County Administrator or his designee is authorized to execute the final Loan documents in conformance with the Loan conditions herein. Notwithstanding, the County Administrator may, as advised by the County Attorney, approve the modification of non-material terms and conditions above as long as such modifications do not materially increase the County's financial risk.

Signed by:

*Phyllis Randall*

88FA03F2D9EB4FA...

Phyllis J. Randall

Chair At-Large, Board of Supervisors

ATTEST:

DocuSigned by:

*Tim Hemstreet*

FE1FA8996D564E1...

Tim Hemstreet

Clerk to the Board

Adopted by the Board of Supervisors of Loudoun County, Virginia, this 18<sup>th</sup> day of February 2026.

# **Tab U:**

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

Fairfield Dulles Plaza LP  
5355 Mira Sorrento Place, Suite 100  
San Diego, CA 92121

Dulles Plaza  
45551 Dulles Plaza  
Sterling, VA 20166

RE: Virginia Housing Renter Education Acknowledgement

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

I understand that it is my responsibility to review the website link provided here  
[www.virginiahousing.com/renters](http://www.virginiahousing.com/renters).

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

Resident Name: \_\_\_\_\_

Resident Signature: \_\_\_\_\_

Date: \_\_\_\_\_

# **Tab V:**

Nonprofit or LHA Purchase Option or Right of First  
Refusal



This deal does not require information behind this tab.

# **Tab W:**

Internet Safety Plan and Resident Information Form

## Internet Security Plan & Use Guidelines

Fairfield at Dulles Plaza provides residents with Wi-Fi internet access in the community building free of charge to all residents.

To ensure safe and secure access for residents at Fairfield at Dulles Plaza, all users of internet services must adhere to the following Use Guidelines:

- Users follow all applicable laws, including federal, state, and local. Users utilizing Wi-Fi services for illegal activity will be reported to authorities.
- Using the Wi-Fi services to harm, attempt to harm, harass, or discriminate others is not permitted.
- Using the Wi-Fi services to access pornographic or illicit sites is not permitted.
- Residents may only use Wi-Fi service in a way that does not interfere with the ability of Fairfield at Dulles Plaza to provide Wi-Fi to all of its residents.
- Wi-Fi internet access is granted to residents only. Residents will not provide unauthorized access to non-residents.
- Residents are responsible for all activities that occur during Wi-Fi usage.
- Residents with children are responsible for their child's behavior while using Wi-Fi services.

Failure to follow all rules and procedures listed above may result in loss of Wi-Fi privileges or legal recourse.

## Resident Wi-Fi Internet Service Acknowledgement

By signing below, I \_\_\_\_\_, acknowledge that I thoroughly reviewed the Internet Security Plan and Use Guidelines for Wi-Fi internet service set forth by Fairfield Dulles Plaza LP. I understand the general rules of operation prior to use of Wi-Fi services. I understand my responsibility as a user of the Wi-Fi services and agree and abide by the Use Guidelines.

\_\_\_\_\_  
Resident Signature

\_\_\_\_\_  
Resident Name (Printed)

\_\_\_\_\_  
Date

## Resident Internet Education Information

Where can I access the internet?

- Residents can access Wi-Fi in the community room. Residents may subscribe and pay for internet services in their units.
- Property management is not responsible for providing and installing equipment in apartment units.

How can I connect to the Wi-Fi in the community room? Is it secure?

- The property management team will have a rotating password for Wi-Fi in the community building that is only accessible to residents. The network router will be in a secure area, which will be inaccessible to residents. The network router will have a secure firewall to prevent data breaches.
- To ensure network, the network router will be in a secure area, which will be inaccessible to residents. The network router will have a secure firewall to prevent data breaches.



# Internet Safety

Playing it safe while playing online



Hi there kids! I am Charlie Cardinal and this is Speedy the Crime Fighting Hamster. We are here to introduce you to the basics of Internet Safety and some of the villains you need to watch out for. There are some bad characters out there, so you have to protect yourself. Your parents won't always be there to watch out for you, so stay sharp, learn all you can, and stay safe!



# Privacy & Personal Information



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

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

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

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

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

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



Think before you click



Do you know who sent that email?





# Passwords

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

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

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



A great tool online that creates kid friendly passwords is the website, [www.dinopass.com](http://www.dinopass.com)

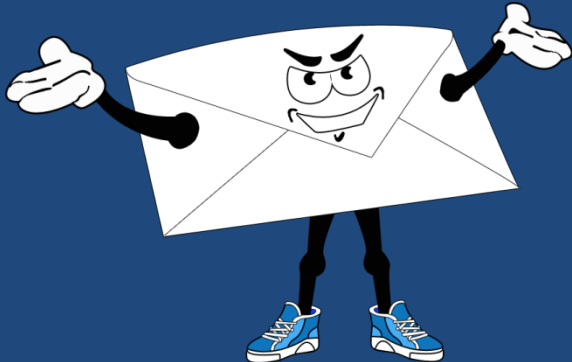
# Spam



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

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

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



How do you know it is spam?

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



# Malware



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

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

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

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



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

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

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

# Adware

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

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

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

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



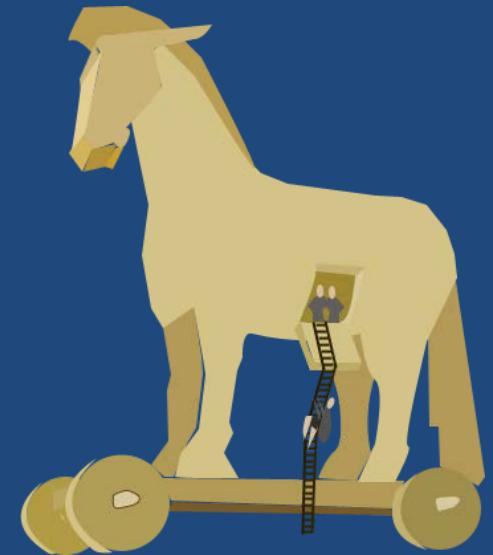
# Trojan Horse

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

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

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

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



# Worms

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

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

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





# Virus

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

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

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

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

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



# Social Media

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



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

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

# Geotagging



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

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

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

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

<http://www.nytimes.com/2010/08/13/technology/personaltech>



# Be Careful of What You Say!



Defamation: Defamation is the blanket word used for all types of untrue statements made about others. [Definition of Defamation on Law.com](http://www.law.com/definition/defamation)

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

[Definition of Slander on Law.com](http://www.law.com/definition/slander)

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



# Be Careful of What You Say!



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

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

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

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

# Stranger Danger Online



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

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

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

# How to Protect Yourself in Online Chats

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





# Cyberbullying

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



# Consequences of Cyberbullying

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

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

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

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

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



# Consequences of Cyberbullying

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

There are many websites designed to inform and decrease the number of bullying cases we see each year. The U.S. Department of Health and Human Services has created a website with lots of resources to help combat bullying of all kinds - [www.stopbullying.gov](http://www.stopbullying.gov)  
If you experience cyberbullying or witness it, tell someone such as a school counselor, teacher, or a parent.





# The Effects of Cyberbullying

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



# Dealing with Cyberbullying

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



# About Sexting



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

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

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

22% of teen girls

18% of teen boys

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

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

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



# About Sexting



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

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

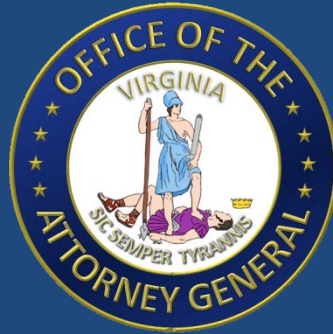
If you are sent something inappropriate, do not share it and don't delete it. Tell an adult immediately. You may feel like you are getting your friend into trouble, but you are protecting yourself and you are protecting them. They may not be thinking about the consequences or the effect this behavior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

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

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

# Legal Consequences of Sexting

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



Information Provided By:  
Office of the Attorney  
General

202 North Ninth Street  
Richmond, Virginia 23219  
(804) 786-2071  
[www.ag.virginia.gov](http://www.ag.virginia.gov)

# **Tab X:**

Marketing Plan for units meeting accessibility  
requirements of HUD section 504



# ***Fairfield at Dulles Plaza***

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

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

The Management Agent will be responsible for the management of Fairfield at Dulles Plaza. FF Properties L.P., the Management Agent, will be responsible for all the traditional management functions, including rent collection, maintenance, record keeping, reports, development of budgets, and monitoring resident income qualifications. Additionally, FF Properties L.P. will be responsible for the development and management of community and resident services program.

### **I. Affirmative Marketing**

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

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

### **II. Marketing and Outreach**

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

#### **1. Networking**

**FF Properties L.P. will contact local centers for independent living, disability services boards and other service organizations via phone and printed communication. The contacts will include the following organizations:**

- **Area Center for Independent Living (703-525-3268)**
- **Virginia Board for People with Disabilities (804-786-0016)**
- **Virginia Department for Aging and Rehabilitative Services (804-662-7000)**

### **Centers for Independent Living**

- **Disability Resource Center (540-373-2559)**
- **Access Independence, Inc. (540-662-4452)**
- **Horizon Behavior Health (434-477-5000)**

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

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

### **2. Internet Search**

Fairfield at Dulles Plaza will also be listed on the following websites:

[www.virginiahousingsearch.com](http://www.virginiahousingsearch.com)

[www.hud.gov](http://www.hud.gov)

[www.craigslist.org](http://www.craigslist.org)

[accessva.org](http://accessva.org)

[dbhds.virginia.gov](http://dbhds.virginia.gov)

### **3. Print Media**

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

### **4. Resident Referrals**

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

### **5. Marketing Materials**

Additional marketing materials are needed in order to further support the specific marketing effort to people with disabilities. All printed marketing materials will include the EHO logo. The marketing will also emphasize the physical and administrative compliance with Americans with Disabilities Act.

These marketing materials include:

- **Brochures or news media coverage**—A simple, two color brochure may be produced at low cost which will effectively sell the apartments and community. A brochure will include a listing of features and amenities. News media may include the local newspaper and/or the local television station coverage.
- **Flyers** - As mentioned earlier, a flyer campaign can be used effectively to market the community. Each flyer should incorporate graphics as well as a small amount of copy and should be designed to generate traffic.
- **Resident Referral** - The least expensive form of advertising is through Resident Referrals. A flyer should be created and distributed to all residents. (\$50 - \$100 per referral, paid upon move in). In addition to being distributed to all residents, the referral flyer should be left in the Management office and should be included in the move in packet. (People are most inclined to refer their friends in the first few weeks of their tenancy.) The flyers will be changed to reflect the season or any type of special referral program.

### **III. Public and Community Relations**

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

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

### **IV. Tenant Selection and Orientation**

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

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

Management staff will perform housekeeping/home visits, check previous landlord and personal references, perform criminal/sex offender and credit background checks and verify income for each application taken. Tenant Selection will include minimum income limits assigned by the Owner/HUD. New residents will be given an orientation to the property including a review of the rules and regulations,

information on the area, proper use of appliances, move-out procedures, maintenance procedures, rent payment procedures, energy conservation, grievance procedures and a review of the Lease documents.

### **Tenant Selection Criteria**

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

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

### **Application Processing**

Application processing will be done at the Management Office by the housing staff who are well versed in Fair Credit Law. As stated before, the processing will include a review of housekeeping/home visit, prior landlord references, personal references, criminal/sex offender and credit reporting and income verification. The housing staff will make further review for inaccuracies in the application. The annual income and family composition are the key factors for determining eligibility. However, the Housing Committee will also use the following criteria in selecting applicants for occupancy:

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

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

- ☐ We will process the Rental Application through a credit bureau to determine any possible criminal conduct. Convictions will be considered, regardless of whether "adjudication" was withheld. A criminal background check will be used as part of the qualifying criteria. An applicant will automatically be denied if;
  - There is a conviction for the manufacture, sale, distribution, or possession with the intent to manufacture, sell or distribute a controlled substance within the past five years.
  - There is evidence in the criminal history that reveals that the applicant has developed a pattern of criminal behavior, and such behavior presents a real or potential threat to residents and/or property.
  - The application will be suspended if an applicant or member of the applicant's family has been arrested for a crime but has not yet been tried. The application will be reconsidered, within the above guidelines, after such legal proceedings have been concluded at applicants' request.

- ☐ Applicants must provide complete and accurate verification of all income of all family members. The household's annual income may not exceed the applicable limit and the household must meet the subsidy or assisted Income Limits as established for the area in which Fairfield at Dulles Plaza is located. The annual income is compared to the area's Income Limits to determine eligibility.
- ☐ Family composition must be compatible for units available on the property.
- ☐ Applicants must receive satisfactory referrals from all previous Landlords.
- ☐ Applicants must provide verification of full-time student status for all individuals listed on the application as full-time student for tax credit units.
- ☐ Applicants must not receive a poor credit rating from the Credit Bureau and other credit reporting agencies and must demonstrate an ability to pay rent on time.
- ☐ Applicants must provide a doctor's statement and/or other proof of any handicap or disability.
- ☐ Applicants must provide a birth certificate or other acceptable HUD approved form of documentation for all household members.
- ☐ Applicants must complete the Application for Lease and all verification forms truthfully.
- ☐ Applicants must provide all information required by current Federal regulations and policies.
- ☐ Applicants must have the demonstrated ability to maintain acceptable housekeeping standards.
- ☐ Applicants must meet current Federal program eligibility requirements for tax credits and any other programs.
- ☐ Preference will be given to those households whose family members are handicapped or disabled for housing in the units specifically designated for the handicapped or disabled.
- ☐ Applicants who meet the above criteria will be placed on a waiting list based on the date and time of their application. If an applicant turns down a unit for any reason, the applicant will be moved to the bottom of the waiting list. If the applicant turns down a unit for any reason a second time, the applicant will be removed from the waiting list.

## **B 60 Day-Hold Unit –**

Units must be held vacant for 60 days during which active marketing efforts must be documented. However, if marketing to the 50-point special needs unit is deemed to be conducted satisfactorily on an ongoing basis throughout the year and management can provide sufficient documentation to Virginia Housing's Compliance Officer, management may request the ability to lease 50-point units to a household not in the special needs population without the unit remaining vacant for the 60- day timeframe. "Ongoing basis" means contact to at least two (2) resources at least monthly in the manner noted below at any time the required number of units is not actually occupied by the special needs population.

Properties that fail to document ongoing active marketing to the marketing plan network contacts to lease vacant leasing preference units, may be cited with non-compliance, and may be required to hold unit(s) vacant for up to 60 days to actively market unfilled leasing preference units. Non-compliance with the marketing requirement is subject to a penalty point deduction in future funding requests with the Authority.

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

# **Tab Y:**

Inducement Resolution for Tax Exempt Bonds

Virginia Housing Tax Credit Application

Fairfield at Dulles Plaza

Tab Y: Inducement Resolution

The Inducement Resolution for this project is not available as of the application submission date.

# **Tab Z:**

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



This deal does not require information behind this tab.

# **Tab AA:**

Priority Letter from Rural Development

This deal does not require information behind this tab.

# **TAB AB:**

Social Disadvantage Certification or Veteran  
Owned Small Business Certification

This deal does not require information behind this tab.