Thank You. The information detailed below has successfully submitted for processing

Success
Payment was successfully created

Transaction Date	**03/06/2026**
Post Date	**03/06/2026**
Tracking Number	**757707692**
Amount to Debit	**$1,000.00**

Done Print

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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 for access to Procorem or for the creation of a new deal workcenter. Do not submit any application materials to any email address unless specifically requested by the Virginia Housing LIHTC Allocation Department staff.

Disclaimer:

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

Entering Data:

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

Please Note:

► **VERY IMPORTANT! : Do not** use the copy/cut/paste functions within this document. Pasting fields will corrupt the application and may result in penalties. You may use links to other cells or other documents but do not paste data from one document or field to another. You may also use the drag function.

► Some fields provide a dropdown of options to select from, indicated by a down arrow that appears when the cell is selected. Click on the arrow to select a value within the dropdown for these fields.

► The spreadsheet contains multiple error checks to assist in identifying potential mistakes in the application. These may appear as data is entered but are dependent on values entered later in the application. Do not be concerned with these messages until all data within the application has been entered.

► Also note that some cells contain error messages such as "#DIV/0!" as you begin. These warnings will disappear as the numbers necessary for the calculation are entered.

Assistance:

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

Virginia Housing LIHTC Allocation Staff Contact Information

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

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3.	*Request Info*	Credit Request Type
4.	*Owner Information*	Owner Information and Developer Experience
5.	*Site and Seller Information*	Site Control, Identity of Interest and Seller info
6.	*Team Information*	Development Team Contact information
7.	*Rehabilitation Information*	Acquisition Credits and 10-Year Look Back Info
8.	*Non Profit*	Non Profit Involvement, Right of First Refusal
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27.	*Development Summary*	Summary of Key Application Points
28.	*Efficient Use of Resources (EUR)*	Calculates Points for Efficient Use of Resources
29.	*Mixed Construction - Cost Distribution*	For Mixed Construction type Applications only - indicates have costs are distributed across the different construction activities

2026 Low-Income Housing Tax Credit Application For Reservation

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

X	$1,000 Application Fee **(MANDATORY)** - Invoice information will be provided in your Procorem Workcenter
X	Electronic Copy of the Microsoft Excel Based Application **(MANDATORY)**
X	PDF Copy of the **Signed** Tax Credit Application with Attachments (Tabs A-AB) **(MANDATORY)**
X	Electronic Copy of the Market Study **(MANDATORY - Application will be disqualified if study is not submitted with application)**
X	Electronic Copy of the Plans **(MANDATORY)**
X	Electronic Copy of the Specifications **(MANDATORY)**
	Electronic Copy of the Existing Condition questionnaire **(MANDATORY if Rehab)**
	Electronic Copy of Unit by Unit Matrix and Scope of Work narrative **(MANDATORY if Rehab)**
	Electronic Copy of the Physical Needs Assessment (**MANDATORY at reservation for a 4% rehab request**)
	Electronic Copy of Appraisal (**MANDATORY** if acquisition credits requested)
	Electronic Copy of Environmental Site Assessment (Phase I) (**MANDATORY if 4% credits requested**)
X	Electronic Copy of Signed Previous Participation Agreement
X	Tab A: Chart of ownership structure with percentage of interests (see manual for details) (MANDATORY)
X	Tab B: Virginia State Corporation Commission Certification **(MANDATORY)**
X	Tab C: Syndicator's or Investor's Letter of Intent **(MANDATORY)**
X	Tab D: *Any supporting documentation related to List of LIHTC Developments or Previous Participation Agreement*
X	Tab E: Site Control Documentation & Most Recent Real Estate Tax Assessment **(MANDATORY)**
X	Tab F: Third Party RESNET Rater Certification and Sample HERS certificates **(MANDATORY)**
X	Tab G: Zoning Certification Letter **(MANDATORY)**
X	Tab H: Attorney's Opinion using Virgina Housing template **(MANDATORY)**
	Tab I: Nonprofit Questionnaire **(MANDATORY for points or pool)**

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

-Nonprofit Articles of Incorporation -IRS Documentation of Nonprofit Status

-Joint Venture Agreement (if applicable) -For-profit Consulting Agreement (if applicable)

	Tab J: Relocation Plan and Unit Delivery Schedule **(MANDATORY if Rehab)**
	Tab K: Documentation of Development Location:
X	K.1 Revitalization Area Certification
X	K.2 Surveyor's Certification of Proximity To Public Transportation using Virginia Housing template
X	Tab L: PHA / Section 8 Notification Letter
	Tab M: *(left intentionally blank)*
	Tab N: Homeownership Plan
X	Tab O: Plan of Development Certification Letter
X	Tab P: Zero Energy or Passive House documentation for prior allocation by this developer
X	Tab Q: Documentation of Rental Assistance, Tax Abatement and/or existing RD or HUD Property
X	Tab R: Documentation of Utility Allowance Calculation
	Tab S: Supportive Housing Certification
X	Tab T: Funding Documentation
X	Tab U: Acknowledgement by Tenant of the availability of Renter Education provided by Virginia Housing
	Tab V: Nonprofit or LHA Purchase Option or Right of First Refusal
X	Tab W: Internet Safety Plan and Resident Information Form
X	Tab X: Marketing Plan for units meeting accessibility requirements of HUD section 504
	Tab Y: Inducement Resolution for Tax Exempt Bonds
X	Tab Z: Documentation of team member's Veteran Owned Small Business certification
	Tab AA: Priority Letter from Rural Development
	Tab AB: Ownership's Veteran Owned Small Business Certification

2026 Low-Income Housing Tax Credit Application For Reservation v.2026.4

VHDA TRACKING NUMBER

A. GENERAL INFORMATION ABOUT PROPOSED DEVELOPMENT

Application Date: 3/12/2026

1. Development Name: Diamond District Phase 1 (9%)

2. Address (line 1): 2728 Hermitage Rd
   Address (line 2):
   City: Richmond State: VA Zip: 23220

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: -77.46358 Latitude: 37.56796
   (Only necessary if street address or street intersections are not available.)

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

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

6. Development is located in the census tract of: 517600402.02

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%
FALSE	FALSE	TRUE

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

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

Enter only Numeric Values below:

15.
Congressional District:	4
Planning District:	15
State Senate District:	14
State House District:	78

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

Diamond District Phase 1 (9%) will involve the new construction of a four-story rental apartment building containing 50 rental housing units that will be marketed to individuals and families earning up to 60% of area median income. This 50-unit Diamond District Phase 1 (9%) is envisioned as part of a twin/hybrid with another 111-unit Diamond District Phase 1 (4%).
Of the 50 rental units within Diamond District Phase 1 (9%), ten will be 1-bedroom units, thirty will be 2-bedroom units, and ten will be 3-bedroom units. Rents will be restricted for individuals or families making up to 30% AMI, 50% AMI, and 60% AMI, depending on the unit. Each unit will feature in-unit washers and dryers, as well as its own private balcony.

VHDA TRACKING NUMBER

A. GENERAL INFORMATION ABOUT PROPOSED DEVELOPMENT

Application Date: 3/12/2026

17. Local Needs and Support

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

Chief Executive Officer's Name:	Daniel Avula				
Chief Executive Officer's Title:	Mayor / CEO	Phone:	804-646-7970		
Street Address:	900 E. Broad Street, Suite 201				
City:	Richmond	State:	VA	Zip:	23219

Name and title of local official you have discussed this project with who could answer questions for the local CEO: Sharon Ebert, Deputy Chief Administrative Officer for Economic and Community D

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

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

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

B. RESERVATION REQUEST INFORMATION

1. **Requesting Credits From:**

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

   or

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

   For Tax Exempt Bonds, where are bonds being issued?

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

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

   Definitions of types:

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

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

3. **Select Building Allocation type:** New Construction

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

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

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

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

   If true, provide name of companion development: Diamond District Phase 1 (4%)

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

   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?	50
Total Units within 4% Tax Exempt allocation Request?	111
Total Units:	**161**
% of units in 4% Tax Exempt Allocation Request:	68.94%

6. **Extended Use Restriction**

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

   Must Select One: 50

   Definition of selection:

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

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

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

C. OWNERSHIP INFORMATION

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

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

a. Owner Name: Diamond District Phase 1 Nine, LLC

Developer Name: Pennrose, LLC

Contact: M/M ▶ Mr. First: Patrick MI: B Last: Stewart

Address: 1501 St. Paul Street, Suite 118

City: Baltimore St. ▶ MD Zip: 21202

Phone: (443) 423-1624 Ext. Fax: (877) 304-6999

Email address: pstewart@pennrose.com

Federal I.D. No. 333798176 (If not available, obtain prior to Carryover Allocation.)

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

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

Raymond Nix, raymond@nixdevco.com, 301.830.3732

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. TRUE 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? **Choice Neighborhood III-R**

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: 12/31/2026

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

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

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

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

2. Timing of Acquisition by Owner:
Only one of the following statement should be True.

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

b. TRUE Owner is to acquire property by deed (or lease for period no shorter than period property will be subject to occupancy restrictions) no later than 12/31/2026 .

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

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

D. SITE CONTROL

3. Seller Information:

Name: Diamond District Partners, LLC

Address: 11100 West Broad Street

City: Glen Allen St.: Virginia Zip: 23060

Contact Person: Jason Guillot Phone: (804) 248-6556

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:	Steven Berman	This is a Related Entity.	FALSE
	Firm Name:	Berman Indictor LLP		
	Address:	30 North 41st Street, Suite 450	Veteran Owned Small Bus?	FALSE
	City, State, Zip	Philadelphia, PA 19104		
	Email:	berman@bermanindictor.com	Phone:	215-825-9740
2.	Tax Accountant:	Karen Harris	This is a Related Entity.	FALSE
	Firm Name:	Cohn Reznick LLP		
	Address:	500 East Pratt Street, 4th Floor	Veteran Owned Small Bus?	FALSE
	City, State, Zip	Baltimore, MD 21202		
	Email:	karen.harris@cohnreznick.com	Phone:	410-783-4900
3.	Consultant:	Benton Blackburn	This is a Related Entity.	FALSE
	Firm Name:	Innova Services Corporation		
	Address:	1548 South 16th Street	Veteran Owned Small Bus?	FALSE
	City, State, Zip	Philadelphia, PA 19146	Role:	Design Review / Constructior
	Email:	bblackburn@innovaservices.com	Phone:	215-446-9950
4.	Management Entity:	Marsha Blunt	This is a Related Entity.	TRUE
	Firm Name:	Pennrose Management Company		
	Address:	1301 N 31st St	Veteran Owned Small Bus?	FALSE
	City, State, Zip	Philadelphia, PA 19121		
	Email:	mblunt@pennrose.com	Phone:	215.300.4814
5.	Contractor:	Mark Kelehan	This is a Related Entity.	FALSE
	Firm Name:	Harkins Builders Inc.		
	Address:	10490 Little Patuxent Parkway, Ste 400	Veteran Owned Small Bus?	FALSE
	City, State, Zip	Columbia, MD 21044		
	Email:	mkelehan@harkinsbuilders.com	Phone:	410-480-4215
6.	Architect:	Michael Poole	This is a Related Entity.	FALSE
	Firm Name:	Poole & Poole Architecture		
	Address:	4240 Park Place Court	Veteran Owned Small Bus?	FALSE
	City, State, Zip	Glen Allen, VA 23060		
	Email:	mpoole@2pa.net	Phone:	804-225-0215

E. DEVELOPMENT TEAM INFORMATION

7. Real Estate Attorney:	Doruk Onvural	This is a Related Entity.	FALSE	
Firm Name:	Klein Hornig LLP			
Address:	1325 G Street NW, Suite 770	Veteran Owned Small Bus?	FALSE	
City, State, Zip	Washington, DC 20005			
Email:	donvural@kleinhornig.com	Phone:	202-926-3457	
8. Mortgage Banker:	Costa Canavos	This is a Related Entity.	FALSE	
Firm Name:	Berkadia Commercial Mortgage			
Address:	3206 W. Broad Street	Veteran Owned Small Bus?	FALSE	
City, State, Zip	Richmond, VA 23230			
Email:	Costa.Canavos@Berkadia.com	Phone:	804-780-9235	
9. Other 1:	Raymond Nix	This is a Related Entity.	FALSE	
Firm Name:	Nix Development Company, LLC			
Address:	9103 Woodmore Centre Drive, #147	Veteran Owned Small Bus?	FALSE	
City, State, Zip	Lanham, MD 20706	Role:	Co-Developer	
Email:	raymond@nixdevco.com	Phone:	301-830-3732	
10. Other 2:	Benton Blackburn	This is a Related Entity.	FALSE	
Firm Name:	Innova Building Advisors			
Address:	1548 South 16th Street	Veteran Owned Small Bus?	FALSE	
City, State, Zip	Philadelphia, PA 19146	Role:	Green Certification / Energy	
Email:	bblackburn@innovaservices.com	Phone:	215-446-9950	
11. Other 3:	David Ellington	This is a Related Entity.	FALSE	
Firm Name:	Kimley Horn			
Address:	2035 Maywill Street, Suite 200	Veteran Owned Small Bus?	FALSE	
City, State, Zip	Richmond, Virginia 23230	Role:	Civil Engineer	
Email:	david.ellington@kimley-horn.com	Phone:	804-673-3882	
12. Other 4:	Tim Farinholt	This is a Related Entity.	FALSE	
Firm Name:	Tim's Garage & Consulting, LLC			
Address:	2308 Park Avenue	Veteran Owned Small Bus?	TRUE	
City, State, Zip	Richmond, VA 23220	Role:	Consultant	
Email:	tfarinholt@timsgarage.org	Phone:	804-412-5798	
13. Other 5:	George Nyfeler	This is a Related Entity.	FALSE	
Firm Name:	Nyfeler Associates, LLC			
Address:	619 W Cary St	Veteran Owned Small Bus?	TRUE	
City, State, Zip	Richmond, VA 23220	Role:	Ongoing Dev Svcs (Surveyor)	
Email:	gnyfeler@nyfelersurvey.com	Phone:	(804) 227-4231	

F. REHAB INFORMATION

1. **Acquisition Credit Information**

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

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

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

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

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

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

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

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

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

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

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

i Subsection (I) FALSE

ii. Subsection (II) FALSE

iii. Subsection (III) FALSE

iv. Subsection (IV) FALSE

v. Subsection (V) FALSE

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

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

F. REHAB INFORMATION

3. **Rehabilitation Credit Information**

a. Credits are being requested for rehabilitation expenditures. FALSE

b. **Minimum Expenditure Requirements**

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

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

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

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

G. NONPROFIT INVOLVEMENT

Applications for 9% Credits - Section 1 must be completed in order to compete in the Non Profit tax credit pool.
All Applicants - Section 2 must be completed to obtain points for nonprofit involvement.

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

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%

G. NONPROFIT INVOLVEMENT

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

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

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

Name of qualified nonprofit:

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

B. FALSE A qualified nonprofit or local housing authority submits a homeownership plan committing to sell the units in the development after the mandatory 15-year compliance period to tenants whose incomes shall not exceed the applicable income limit at the time of their initial occupancy.
Do not select if extended compliance is selected on Request Info Tab
Action: Provide Homeownership Plan **(TAB N)** and contact Virginia Housing for a Pre-Application Me

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

H. STRUCTURE AND UNITS INFORMATION

1. General Information

a. Total number of **all** units in development: 50 bedrooms 100
Total number of **rental** units in development: 50 bedrooms 100
Number of low-income rental units: 50 bedrooms 100
Percentage of rental units designated low-income: 100.00%

b. Number of new units: 50 bedrooms 100
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: 67,320.00 (Sq. ft.)

e. Unheated Floor Area (i.e. Breezeways, Balconies, Storage): 2,876.00 (Sq. ft.)

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

g. Total Usable Residential Heated Area: 64,444.00 (Sq. ft.)

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

i. Exact area of site in acres: 2.450

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

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

l. Development is eligible for Historic Rehab credits FALSE
Definition:

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

H. STRUCTURE AND UNITS INFORMATION

2. UNIT MIX

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

LIHTC Units can not be greater than Total Rental Units

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

Unit Type	Average Sq Foot		# of LIHTC Units	Total Rental Units
1 Story Eff - Elderly	0.00	SF	0	0
1 Story 1BR - Elderly	0.00	SF	0	0
1 Story 2BR - Elderly	0.00	SF	0	0
Eff - Elderly	0.00	SF	0	0
1BR Elderly	0.00	SF	0	0
2BR Elderly	0.00	SF	0	0
Eff - Garden	0.00	SF	0	0
1BR Garden	647.00	SF	10	10
2BR Garden	1016.00	SF	30	30
3BR Garden	1227.00	SF	10	10
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
			50	50

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: 4

d. The development is a scattered site development. FALSE

e. Commercial Area Intended Use: n/a

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

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

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

iii. High Rise Building(s) - (8 or more stories with no structural elements made of wood) FALSE

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

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

h. Development contains an elevator(s). TRUE

If true, # of Elevators. 1

Elevator Type (if known) MRL

H. STRUCTURE AND UNITS INFORMATION

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

4. Site Amenities (indicate all proposed)

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

l. Describe Community Facilities: Laundry in units; bldg access controls; 4% phase gym; adjacent park being bu

m. Number of Proposed Parking Spaces: 62
Parking is shared with another entity: TRUE

n. Development located within 1/2 mile of an existing commuter rail, light rail or subway station or 1/4 mile from existing or proffered public bus stop. TRUE
If **True**, Provide required documentation (**TAB K2**).

5. Plans and Specifications

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

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

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

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

J. ENHANCEMENTS

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

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

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

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

ACTION: Provide RESNET rater certification of Development Plans **(TAB F)**
ACTION: Provide Internet Safety Plan and Resident Information Form **(Tab W)** if corresponding options selected below.

REQUIRED:

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

TRUE	a.	A community/meeting room with a minimum of 749 square feet is provided with free WIFI access restricted to residents only.
50.00%	b1.	Percentage of brick covering the exterior walls.
50.00%	b2.	Percentage of Fiber Cement Board or other similar low-maintenance material approved by the Authority covering exterior walls. Community buildings are to be included in percentage calculations.
TRUE	c.	All kitchen light fixtures are LED and meet MDCR lighting guidelines.
TRUE	d.	Cooking surfaces are equipped with fire suppression features as defined in the manual
FALSE	e.	Full bath fans are wired to primary light with delayed timer or has continuous exhaust by ERV/DOAS.
or		
TRUE	f.	Full bath fans are equipped with a humidistat.
FALSE	g.	All faucets, toilets and showerheads in each bathroom are WaterSense labeled products.
FALSE	h.	Rehab Only: Each unit is provided with the necessary infrastructure for high-speed internet/broadband service where it does not already exist.
TRUE	i.	Each unit is provided free individual high-speed internet access. *(Must have a minimum 20Mbps upload/ 100Mbps download speed per manual.)*
TRUE	j.	Every kitchen, living room and bedroom contains, at minimum, one USB charging port.
FALSE	k.	Rehab only: Each unit has dedicated space, drain and electrical hook-ups to accept a permanently installed dehumidification system.
or		
TRUE	l.	All Construction types: each unit is equipped with a permanent dehumidification system.
TRUE	m.	All interior doors within units are solid core.
TRUE	n.	Installation of a renewable energy electric system in accordance with manufactorer's specifications and all applicable provisions of the National Electrical Code - Provide documentation at **Tab F**.
TRUE	o.	New construction only: Each unit to have balcony or patio with a minimum depth of 5 feet clear from face of building and a minimum size of 30 square feet.

J. ENHANCEMENTS

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

FALSE a. All cooking ranges have front controls.

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

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

FALSE d. Each unit has a shelf or ledge outside the primary entry door located in an interior hallway.

2. **Green Certification**

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

The applicant will also obtain one of the following:

FALSE Earthcraft Gold or higher certification

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

FALSE LEED Certification

FALSE Enterprise Green Communities (EGC) Certification

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

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

TRUE Zero Energy Ready Home Requirements

FALSE Passive House Standards

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

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

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

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

100% of Total Rental Units

No Market Units listed on Structure 1a.

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

If not, please explain:

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

I. UTILITIES

1. Utilities Types:

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

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

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

Utilities	Enter Allowances by Bedroom Size				
	0-BR	1-BR	2-BR	3-BR	4-BR
Heating	0	23	26	28	0
Air Conditioning	0	9	12	16	0
Cooking	0	6	9	11	0
Lighting	0	22	31	40	0
Hot Water	0	14	18	22	0
Water	0	0	0	0	0
Sewer	0	0	0	0	0
Trash	0	0	0	0	0
Total utility allowance for costs paid by tenant	$0	$75	$96	$118	$0

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

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

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

K. SPECIAL HOUSING NEEDS

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

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

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

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

MJP **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)**

K. SPECIAL HOUSING NEEDS

3. **Leasing Preferences**

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

Organization which holds waiting list: Richmond Redevelopment and Housing Authority

Contact person: Colene Orsini

Title: VP of Procurement and Contact Administration

Phone Number: (804) 517-6309

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

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

c. Specify the number of low-income units that will serve individuals and families with children by providing three or more bedrooms: 10
% of total Low Income Units 20%

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

Download Current CMA List from VirginiaHousing.com

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

4. **Target Population Leasing Preference**

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

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

First Name: Colene
Last Name: Orsini

Phone Number: (804) 517-6309 Email: colene.orsini@rrha.com

K. SPECIAL HOUSING NEEDS

5. **Rental Assistance**

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

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

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

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

i. If True above, how many of the 30% units will not have project based vouchers? 5

d. Number of units receiving assistance: 12
How many years in rental assistance contract? 20.00
Expiration date of contract: 1/1/2047
There is an Option to Renew. TRUE

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

6. **Public Housing Revitalization**

Is this development replacing or revitalizing Public Housing Units? 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
17	34.00%	30% Area Median
0	0.00%	40% Area Median
8	16.00%	50% Area Median
25	50.00%	60% Area Median
0	0.00%	70% Area Median
0	0.00%	80% Area Median
0	0.00%	Market Units
50	100.00%	**Total**

Rent Levels		
# of Units	**% of Units**	
0	0.00%	20% Area Median
17	34.00%	30% Area Median
0	0.00%	40% Area Median
8	16.00%	50% Area Median
25	50.00%	60% Area Median
0	0.00%	70% Area Median
0	0.00%	80% Area Median
0	0.00%	Market Units
50	100.00%	**Total**

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

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

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

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

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



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

	Unit Type (Select One)	Rent Target (Select One)	Number of Units	# of Units 504 compliant	Net Rentable Square Feet	Monthly Rent Per Unit	Total Monthly Rent
Mix 1	1 BR - 1 Bath	30% AMI	4	0	623.00	$563.20	$2,253
Mix 2	1 BR - 1 Bath	60% AMI	3	0	623.00	$1,202.20	$3,607
Mix 3	1 BR - 1 Bath	30% AMI	1	1	624.00	$563.20	$563
Mix 4	1 BR - 1 Bath	60% AMI	1	0	682.00	$1,202.20	$1,202
Mix 5	1 BR - 1 Bath	60% AMI	1	0	801.00	$1,202.20	$1,202
Mix 6	2 BR - 2 Bath	30% AMI	3	0	968.00	$1,725.00	$5,175
Mix 7	2 BR - 2 Bath	30% AMI	3	3	1021.00	$1,725.00	$5,175
Mix 8	2 BR - 2 Bath	50% AMI	8	0	1021.00	$1,181.00	$9,448
Mix 9	2 BR - 2 Bath	60% AMI	16	0	1021.00	$1,437.00	$22,992
Mix 10	3 BR - 2 Bath	30% AMI	1	1	1227.00	$2,161.20	$2,161

L. UNIT DETAILS

Mix 11	3 BR - 2 Bath	30% AMI	5	0	1227.00	$2,161.20	$10,806
Mix 12	3 BR - 2 Bath	60% AMI	4	0	1227.00	$1,652.20	$6,609
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
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Mix 63							$0
Mix 64							$0
Mix 65							$0
Mix 66							$0
Mix 67							$0

L. UNIT DETAILS

Mix 68							$0
Mix 69							$0
Mix 70							$0
Mix 71							$0
Mix 72							$0
Mix 73							$0
Mix 74							$0
Mix 75							$0
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Mix 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			50	5			$71,193

Total Units	**50**	**Net Rentable SF:**	**TC Units**	**49,209.00**
			MKT Units	**0.00**
			Total NR SF:	**49,209.00**

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

M. OPERATING EXPENSES

Administrative:				Use Whole Numbers Only!
1. Advertising/Marketing				$18,666
2. Office Salaries				$53,637
3. Office Supplies				$1,142
4. Office/Model Apartment		(type	)	$0
5. Management Fee				$53,682
6.74% of EGI	$1,073.64	Per Unit		
6. Manager Salaries				$26,962
7. Staff Unit (s)		(type	)	$0
8. Legal				$5,182
9. Auditing				$0
10. Bookkeeping/Accounting Fees				$22,672
11. Telephone & Answering Service				$7,255
12. Tax Credit Monitoring Fee				$1,500
13. Miscellaneous Administrative				$16,033
Total Administrative				$206,731
Utilities				
14. Fuel Oil				$0
15. Electricity				$17,250
16. Water				$27,000
17. Gas				$0
18. Sewer				$30,750
Total Utility				$75,000
Operating:				
19. Janitor/Cleaning Payroll				$0
20. Janitor/Cleaning Supplies				$5,262
21. Janitor/Cleaning Contract				$675
22. Exterminating				$2,024
23. Trash Removal				$2,137
24. Security Payroll/Contract				$428
25. Grounds Payroll				$0
26. Grounds Supplies				$0
27. Grounds Contract				$4,205
28. Maintenance/Repairs Payroll				$14,601
29. Repairs/Material				$0
30. Repairs Contract				$9,234
31. Elevator Maintenance/Contract				$0
32. Heating/Cooling Repairs & Maintenance				$1,619
33. Pool Maintenance/Contract/Staff				$0
34. Snow Removal				$2,043
35. Decorating/Payroll/Contract				$2,024
36. Decorating Supplies				$0
37. Miscellaneous				$25,279
Totals Operating & Maintenance				$69,531

M. OPERATING EXPENSES

Taxes & Insurance

38.	Real Estate Taxes			$21,360
39.	Payroll Taxes			$0
40.	Miscellaneous Taxes/Licenses/Permits			$0
41.	Property & Liability Insurance	*$1,456*	*per unit*	$72,798
42.	Fidelity Bond			$0
43.	Workman's Compensation			$0
44.	Health Insurance & Employee Benefits			$6,008
45.	Other Insurance			$0
	Total Taxes & Insurance			$100,166
	Total Operating Expense			$451,428

Total Operating Expenses Per Unit	$9,029	**C. Total Operating Expenses as % of EGI**	56.66%	

Replacement Reserves (Total # Units X $300 or $250 New Const./Elderly Minimum) $15,000

Total Expenses	$466,428

N. PROJECT BUDGET - HARD COSTS

Cost/Basis/Maximum Allowable Credit

Complete cost column and basis column(s) as appropriate

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

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

	Must Use Whole Numbers Only! Item	(A) Cost	Amount of Cost up to 100% Includable in Eligible Basis--Use Applicable Column(s): "30% Present Value Credit" (B) Acquisition	(C) Rehab/ New Construction	(D) "70 % Present Value Credit"
1.	**Contractor Cost**				
	a. Unit Structures (New)	10,267,567	0	0	10,267,567
	b. Unit Structures (Rehab)	0	0	0	0
	c. Non Residential Structures	0	0	0	0
	d. Commercial Space Costs	0	0	0	0
	e. Structured Parking Garage	0	0	0	0
	Total Structure	10,267,567	0	0	10,267,567
	f. Earthwork	115,708	0	0	0
	g. Site Utilities	232,550	0	0	232,550
X	h. Renewable Energy	50,000	0	0	50,000
	i. Roads & Walks	188,948	0	0	188,948
	j. Site Improvements	50,000	0	0	50,000
	k. Lawns & Planting	75,000	0	0	75,000
	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	47,335	0	0	0
	q. Hard Cost Contingency	551,000	0	0	551,000
	Total Land Improvements	1,310,541	0	0	1,147,498
	Total Structure and Land	11,578,108	0	0	11,415,065
	r. General Requirements	810,400	0	0	810,400
	s. Builder's Overhead	231,500	0	0	231,500
	(2.0% Contract)				
	t. Builder's Profit	578,900	0	0	578,900
	(5.0% Contract)				
	u. Bonds	101,949	0	0	101,949
	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
	Contractor Costs	$13,300,857	$0	$0	$13,137,814

Construction cost per unit: ***$265,017.14***

MAXIMUM COMBINED GR, OVERHEAD & PROFIT = **$1,620,935**

ACTUAL COMBINED GR, OVERHEAD & PROFIT = **$1,620,800**

O. PROJECT BUDGET - OWNER COSTS

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

MUST USE WHOLE NUMBERS ONLY! Item	(A) Cost	Amount of Cost up to 100% Includable in Eligible Basis--Use Applicable Column(s): "30% Present Value Credit" (B) Acquisition	"30% Present Value Credit" (C) Rehab/ New Construction	(D) "70 % Present Value Credit"
2. Owner Costs				
a. Building Permit	129,283	0	0	129,283
b. Architecture/Engineering Design Fee ($4,625 /Unit)	231,273	0	0	231,273
c. Architecture Supervision Fee ($1,152 /Unit)	57,609	0	0	57,609
d. Tap Fees	350,000	0	0	350,000
e. Environmental	40,623	0	0	40,623
f. Soil Borings	120,000	0	0	120,000
g. Green Building (Earthcraft, LEED, etc.)	80,000	0	0	80,000
h. Appraisal	10,000	0	0	0
i. Market Study	10,800	0	0	10,800
j. Site Engineering / Survey	446,213	0	0	446,213
k. Construction/Development Mgt	208,000	0	0	208,000
l. Structural/Mechanical Study	0	0	0	0
m. Construction Loan Origination Fee	234,375	0	0	210,900
n. Construction Interest (6.9% for 12 months)	717,067	0	0	717,067
o. Taxes During Construction	21,360	0	0	21,360
p. Insurance During Construction	155,352	0	0	155,352
q. Permanent Loan Fee (2.0%)	98,000			
r. Other Permanent Loan Fees	0			
s. Letter of Credit	0	0	0	0
t. Cost Certification Fee	10,000	0	0	4,500
u. Accounting	65,000	0	0	29,250
v. Title and Recording	140,000	0	0	0
w. Legal Fees for Closing	210,000	0	0	105,000
x. Mortgage Banker	35,000	0	0	0
y. Tax Credit Fee	76,500			
z. Tenant Relocation	0			
aa. Fixtures, Furnitures and Equipment	169,673	0	0	169,673
ab. Organization Costs	5,000			
ac. Operating Reserve	372,500			
ad. Soft Costs Contingency	75,000			
ae. Security	6,995	0	0	0
af. Utilities	95,150	0	0	95,150
ag. Supportive Service Reserves	50,000			

O. PROJECT BUDGET - OWNER COSTS

(1)	Other*	specify: syndicator due diligence	27,000	0	0	0
(2)	Other*	specify: syndication fee	40,000	0	0	0
(3)	Other*	specify: bridge loan fees	30,000	0	0	0
(4)	Other*	specify: start-up	70,000	0	0	0
(5)	Other *	specify: tax and insurance reserve	98,171	0	0	0
(6)	Other*	specify: bulk internet	400,000	0	0	0
(7)	Other*	specify:	0	0	0	0
(8)	Other*	specify:	0	0	0	0
(9)	Other*	specify:	0	0	0	0
	Owner Costs Subtotal (Sum 2A..2(10))		$4,885,944	$0	$0	$3,182,053
	Subtotal 1 + 2 (Owner + Contractor Costs)		$18,186,801	$0	$0	$16,319,867
3.	**Developer's Fees**		2,215,000	0	0	2,215,000
4.	**Owner's Acquisition Costs**					
	Land		1,610,000			
	Existing Improvements		0	0		
	Subtotal 4:		$1,610,000	$0		
5.	**Total Development Costs**					
	Subtotal 1+2+3+4:		$22,011,801	$0	$0	$18,534,867

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

(Provide documentation at **Tab E**)	$0	**Land**
	$0	**Building**
Maximum Developer Fee:	**$2,215,118**	

Proposed Development's Cost per Sq Foot	$302	**Meets Limits**
Applicable Cost Limit by Square Foot:	$556	
Proposed Development's Cost per Unit	$407,036	**Meets Limits**
Applicable Cost Limit per Unit:	$589,015	

P. ELIGIBLE BASIS CALCULATION

Item	(A) Cost	Amount of Cost up to 100% Includable in Eligible Basis--Use Applicable Column(s): "30 % Present Value Credit" (B) Acquisition	(C) Rehab/ New Construction	(D) "70 % Present Value Credit"
1. Total Development Costs	22,011,801	0	0	18,534,867
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	0	18,534,867
4. Adjustment(s) to Eligible Basis (For non-acquisition costs in eligible basis)				
a. For QCT or DDA (Eligible Basis x 30%)			0	0
State Designated Basis Boosts:				
b. For Revitalization or Supportive Housing (Eligible Basis x 30%)			0	5,560,460
c. For Green Certification (Eligible Basis x 10%)				0
Total Adjusted Eligible basis			0	24,095,327
5. Applicable Fraction		100.00000%	100.00000%	100.00000%
6. Total Qualified Basis (Eligible Basis x Applicable Fraction)		0	0	24,095,327
7. Applicable Percentage		4.00%	4.00%	9.00%
8. Maximum Allowable Credit under IRC §42 (Qualified Basis x Applicable Percentage)		$0	$0	$2,168,579
(Must be same as BIN total and equal to or less than credit amount allowed)		$2,168,579 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.	Virginia Housing	08/29/26	11/30/26	$8,750,000	Costa Canavos, Berkadia
2.	Virginia Housing REACH	08/29/26	11/30/26	$3,625,000	Costa Canavos, Berkadia
3.					
	Total Construction Funding:			$12,375,000	

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)* Amount of Funds	Annual Debt Service Cost	Interest Rate of Loan	Amortization Period IN YEARS	Term of Loan (years)
1.	VHDA	8/29/2026	11/30/2026	$1,275,000	$93,970	6.90%	40	40
2.	VHDA REACH	8/29/2026	11/30/2026	$3,625,000	$180,453	3.95%	40	40
3.	DHCD - VHTF	8/29/2026	11/30/2026	$2,000,000		0.00%	30	30
4.	DHCD - NHTF / HOME	8/29/2026	11/30/2026	$1,000,000		0.00%	30	30
5.	DHCD - HIEE	8/29/2026	11/30/2026	$2,000,000		0.00%	30	30
6.	Richmond EAHP	5/15/2025	1/29/2026	$1,625,000		0.00%	30	30
7.	4% Phase Ground Lease (D	3/1/2026	3/1/2026	$710,000		0.00%	99	99
8.								
9.								
10.								
11.								
12.								
13.								
14.								
15.								
16.								
17.								
18.								
19.								
20.								
	Total Permanent Funding:			$12,235,000	$274,423			

Q. SOURCES OF FUNDS

3. Grants: List all grants provided for the development:

	Source of Funds	Date of Application	Date of Commitment	Amount of Funds	Name of Contact Person
1.					
2.					
3.					
4.					
5.					
6.					
	Total Permanent Grants:			$0	

4. Subsidized Funding

	Source of Funds	Date of Commitment	Amount of Funds
1.	City of Richmond - EAHP	1/29/2026	$1,625,000
2.	City of Richmond - Performance Grant (3	1/20/2026	$4,326,000
3.	Diamond District Partners - Subsidized P	3/13/2025	$4,030,000
4.	EDA Infrastructure Funds	3/5/2026	$8,825,326
5.			
	Total Subsidized Funding		$18,806,326

5. Recap of Federal, State, and Local Funds

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

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

Below-Market Loans

a.	Tax Exempt Bonds	$0
b.	RD 515	$0
c.	Section 221(d)(3)	$0
d.	Section 312	$0
e.	Section 236	$0
f.	Virginia Housing REACH Funds	$3,625,000
g.	HOME Funds	$0
h.	Choice Neighborhood	$0
i	National Housing Trust Fund	$1,000,000
j	Virginia Housing Trust Fund	$2,000,000
k	Other:	$1,625,000
	City of Richmond - EAHP	
l	Other:	$2,000,000
	HIEE	

Market-Rate Loans

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

Q. SOURCES OF FUNDS

Grants*		Grants		
a. CDBG	$0	c. State		
b. UDAG	$0	d. Local		$4,326,000
		e. Other:	EDA Infrastru	$8,825,326

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

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

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

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

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

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

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

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

12 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	$599,085	(Note: Deferred Developer Fee cannot be negative.)
v.	Other:	$0	

ACTION: If Deferred Developer Fee is greater than 50% of overall Developer Fee, provide a cash flow statement showing payoff within 15 years at **TAB A.**

Equity Total $599,085

2. Equity Gap Calculation

a.	Total Development Cost		$22,011,801
b.	Total of Permanent Funding, Grants and Equity	-	$12,834,085
c.	Equity Gap		$9,177,716
d.	Developer Equity	-	$915
e.	Equity gap to be funded with low-income tax credit proceeds		$9,176,801

3. Syndication Information (If Applicable)

a. Actual or Anticipated Name of Syndicator: ▶ Hudson Housing Capital

Contact Person: Kimmel Cameron Phone: (212) 218-4436

Street Address: 630 Fifth Street, Suite 2850

City: New York State: New York Zip: 10111

b. Syndication Equity

i.	Anticipated Annual Credits	$1,078,463.00
ii.	Equity Dollars Per Credit (e.g., $0.85 per dollar of credit)	$0.851
iii.	Percent of ownership entity (e.g., 99% or 99.9%)	99.99000%
iv.	Syndication costs not included in Total Development Costs (e.g., advisory fees)	$0
v.	Net credit amount anticipated by user of credits	$1,078,355
vi.	Total to be paid by anticipated users of credit (e.g., limited partners)	$9,176,801

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

4. Net Syndication Amount $9,176,801

Which will be used to pay for Total Development Costs

5. Net Equity Factor 85.0999874069%

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		$22,011,801
2.	Less Total of Permanent Funding, Grants and Equity	-	$12,834,085
3.	Equals Equity Gap		$9,177,716
4.	Divided by Net Equity Factor (Percent of 10-year credit expected to be raised as equity investment)		85.0999874069%
5.	Equals Ten-Year Credit Amount Needed to Fund Gap		$10,784,627
	Divided by ten years		10
6.	Equals Annual Tax Credit Required to Fund the Equity Gap		$1,078,463
7.	Maximum Allowable Credit Amount (from Eligible Basis Calculation)		$2,168,579

8. Requested Credit Amount

		For 30% PV Credit:	$0
		For 70% PV Credit:	$1,078,463
Credit per LI Units	$21,569.2600		
Credit per LI Bedroom	$10,784.6300	**Combined 30% & 70% PV Credit Requested**	**$1,078,463**

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		$71,193
Plus Other Income Source (list):	Application Fees, Late Fees, etc.	$200
Equals Total Monthly Income:		$71,393
Twelve Months		x12
Equals Annual Gross Potential Income		$856,716
Less Vacancy Allowance	7.0%	$59,970
Equals Annual Effective Gross Income (EGI) - Low Income Units		$796,746

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

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

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

3. **Cash Flow (First Year)**

a.	Annual EGI Low-Income Units	$796,746
b.	Annual EGI Market Units	$0
c.	Total Effective Gross Income	$796,746
d.	Total Expenses	$466,428
e.	Net Operating Income	$330,318
f.	Total Annual Debt Service	$274,423
g.	Cash Flow Available for Distribution	$55,895

T. CASH FLOW

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

	Stabilized Year 1	Year 2	Year 3	Year 4	Year 5
Eff. Gross Income	796,746	812,681	828,934	845,513	862,423
Less Oper. Expenses	466,428	480,421	494,833	509,678	524,969
Net Income	330,318	332,260	334,101	335,835	337,455
Less Debt Service	274,423	274,423	274,423	274,423	274,423
Cash Flow	55,895	57,837	59,678	61,412	63,032
Debt Coverage Ratio	1.20	1.21	1.22	1.22	1.23

	Year 6	Year 7	Year 8	Year 9	Year 10
Eff. Gross Income	879,672	897,265	915,211	933,515	952,185
Less Oper. Expenses	540,718	556,939	573,648	590,857	608,583
Net Income	338,954	340,326	341,563	342,658	343,602
Less Debt Service	274,423	274,423	274,423	274,423	274,423
Cash Flow	64,531	65,903	67,140	68,235	69,179
Debt Coverage Ratio	1.24	1.24	1.24	1.25	1.25

	Year 11	Year 12	Year 13	Year 14	Year 15
Eff. Gross Income	971,229	990,653	1,010,466	1,030,676	1,051,289
Less Oper. Expenses	626,840	645,645	665,015	684,965	705,514
Net Income	344,389	345,008	345,452	345,711	345,775
Less Debt Service	274,423	274,423	274,423	274,423	274,423
Cash Flow	69,966	70,585	71,029	71,288	71,352
Debt Coverage Ratio	1.25	1.26	1.26	1.26	1.26

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

U. Building-by-Building Information

Must Complete

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

Number of BINS:	1

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

Bldg #	BIN if known	NUMBER OF TAX CREDIT UNITS	NUMBER OF MARKET RATE UNITS	Please help us with the process: DO NOT use the CUT feature DO NOT SKIP LINES BETWEEN BUILDINGS Street Address 1	Street Address 2	City	State	Zip	30% Present Value Credit for Acquisition: Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount	30% Present Value Credit for Rehab / New Construction: Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount	70% Present Value Credit: Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount
1.		50		2728 Hermitage Rd		Richmond	VA	23220				$0				$0	$24,095,327	07/01/28	9.00%	$2,168,579
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
		50	0	If development has more than 35 buildings, contact Virginia Housing.																	
				Totals from all buildings					$0			$0	$0			$0	$24,095,327			$2,168,579

Number of BINS:	1

V. STATEMENT OF OWNER

The undersigned hereby acknowledges the following:

1. that, to the best of its knowledge and belief, all factual information provided herein or in connection herewith is true and correct, and all estimates are reasonable.

2. that it will at all times indemnify and hold harmless Virginia Housing and its assigns against all losses, costs, damages, Virginia Housing's expenses, and liabilities of any nature directly or indirectly resulting from, arising out of, or relating to Virginia Housing's acceptance, consideration, approval, or disapproval of this reservation request and the issuance or nonissuance of an allocation of credits, grants and/or loan funds in connection herewith.

3. that points will be assigned only for representations made herein for which satisfactory documentation is submitted herewith and that no revised representations may be made in connection with this application once the deadline for applications has passed.

4. that this application form, provided by Virginia Housing to applicants for tax credits, including all sections herein relative to basis, credit calculations, and determination of the amount of the credit necessary to make the development financially feasible, is provided only for the convenience of Virginia Housing in reviewing reservation requests; that completion hereof in no way guarantees eligibility for the credits or ensures that the amount of credits applied for has been computed in accordance with IRC requirements; and that any notations herein describing IRC requirements are offered only as general guides and not as legal authority.

5. that the undersigned is responsible for ensuring that the proposed development will be comprised of qualified low-income buildings and that it will in all respects satisfy all applicable requirements of federal tax law and any other requirements imposed upon it by Virginia Housing prior to allocation, should one be issued.

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

7. that, for the purposes of reviewing this application, Virginia Housing is entitled to rely upon representations of the undersigned as to the inclusion of costs in eligible basis and as to all of the figures and calculations relative to the determination of qualified basis for the development as a whole and/or each building therein individually as well as the amounts and types of credit applicable thereof, but that the issuance of a reservation based on such representation in no way warrants their correctness or compliance with IRC requirements.

8. that Virginia Housing may request or require changes in the information submitted herewith, may substitute its own figures which it deems reasonable for any or all figures provided herein by the undersigned and may reserve credits, if any, in an amount significantly different from the amount requested.

9. that reservations of credits are not transferable without prior written approval by Virginia Housing at its sole discretion.

V. STATEMENT OF OWNER

10. that the requirements for applying for the credits and the terms of any reservation or allocation thereof are subject to change at any time by federal or state law, federal, state or Virginia Housing regulations, or other binding authority.

11. that reservations may be made subject to certain conditions to be satisfied prior to allocation and shall in all cases be contingent upon the receipt of a nonrefundable application fee of $1000 and a nonrefundable reservation fee equal to 7% of the annual credit amount reserved.

12. that a true, exact, and complete copy of this application, including all the supporting documentation enclosed herewith, has been provided to the tax attorney who has provided the required attorney's opinion accompanying this submission.

13. that the undersigned has provided a complete list of all residential real estate developments in which the general partner(s) has (have) or had a controlling ownership interest and, in the case of those projects allocated credits under Section 42 of the IRC, complete information on the status of compliance with Section 42 and an explanation of any noncompliance. The undersigned hereby authorizes the Housing Credit Agencies of states in which these projects are located to share compliance information with the Authority.

14. that any principal of undersigned has not participated in a planned foreclosure or Qualified Contract request in Virginia after January 1, 2019.

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

16. that undersigned waives the right to pursue a Qualified Contract on this development.

17. that the information in this application may be disseminated to others for purposes of verification or other purposes consistent with the Virginia Freedom of Information Act. However, all information will be maintained, used or disseminated in accordance with the Government Data Collection and Dissemination Practices Act. The undersigned may refuse to supply the information requested, however, such refusal will result in Virginia Housing's inability to process the application. The original or copy of this application may be retained by Virginia Housing, even if tax credits are not allocated to the undersigned.

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

Legal Name of Owner: Diamond District Phase 1 Nine, LLC

By: 

Its: Timothy I Henkel, Managing Member
(Title)

V. STATEMENT OF ARCHITECT

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

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

Legal Name of Architect:	Michael R Poole
Virginia License#:	#0401011493
Architecture Firm or Company:	Poole & Poole Architecture, LLC

By: Michael R Poole, AIA

Digitally signed by Michael R Poole, AIA
DN: C=US, E=mpoole@2pa.net, O=2PA Poole & Poole Architecture, CN="Michael R Poole, AIA"
Date: 2026.02.23 09:51:55-05'00'

Its: Principal, CEO

(Title)

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

V. Previous Participation Certification

Development Name: Diamond District Phase 1 (9%)

Name of Applicant (entity): Diamond District Phase 1 Nine, LLC

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

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

- "Principal" has the same meaning as defined within the QAP, but as applied to each specific property referenced within this Certification, it excludes individuals and entities whose ownership interest is solely vested in limited partnership interests of the ownership entity.

- "Participant" means all Principals of the Owner who are required to be individually listed within **the organizational chart attached hereto**.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

A. Supporting documentation sufficient to both outline the relevant facts and circumstances that necessitated each deletion and to explain why such deletion(s) should not result in disqualification; and

B. A draft of Virginia Housing's form Right of First Refusal, which the Applicant commits to properly execute and record as a condition of any reservation or allocation of low-income housing tax credits made with regard to the Development named above.

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



Signature

Timothy I Henkel

Printed Name

3/2/2026

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

V. Previous Participation Certification

Development Name: Diamond District Phase 1 (9%)

Name of Applicant (entity): Diamond District Phase 1 Nine, LLC

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

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

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

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

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.

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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).

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Signature

Raymond Nix

Printed Name

3/2/2026

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

V. Previous Participation Certification

Development Name: Diamond District Phase 1 (9%)

Name of Applicant (entity): Diamond District Phase 1 Nine, LLC

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

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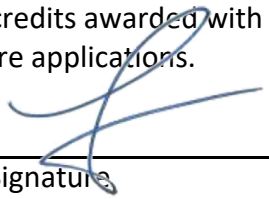
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Signature

Mark H Dambly

Printed Name

3/2/2026

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

V. Previous Participation Certification

Development Name: Diamond District Phase 1 (9%)

Name of Applicant (entity): Diamond District Phase 1 Nine, LLC

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

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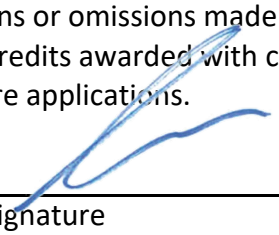
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Signature

Richard K Barnhart

Printed Name

3/2/2026

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

W. # LIHTC SELF SCORE SHEET

Self Scoring Process

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

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

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

1. READINESS:			
a. Virginia Housing notification letter to CEO (via Locality Notification Information App)	Y	0 or -50	0.00
b. Local CEO Opposition Letter	N	0 or -25	0.00
c. Plan of development	Y	0 to 10	10.00
d. Location in a revitalization area based on Qualified Census Tract	N	0 or 10	0.00
or e. Location in a revitalization area with resolution or by locality	Y	0 or 15	15.00
or f. Location in a Opportunity Zone	N	0 or 15	0.00
g. Location in a Medium to High level Economic Development Jurisdiction	N	0 or 5	0.00
h. Location on land owned by Tribal Nation	N	0 or 15	0.00
Total:			25.00

2. HOUSING NEEDS CHARACTERISTICS:			
a. Sec 8 or PHA waiting list preference	Y	0 or up to 5	3.80
b. Existing RD, HUD Section 8 or 236 program	N	0 or 20	0.00
c. Subsidized funding commitments	85.44%	Up to 60	60.00
d. Tax abatement on increase of property's value	Y	0 or 5	5.00
e. New project based rental subsidy) in Northern Virginia or New Construction pool	N	up to 40	0.00
f. Census tract with <12% poverty rate	12%	0, 20, 25 or 30	20.00
g. Development provided priority letter from Rural Development	N	0 or 15	0.00
h. Dev. located in area with increasing rent burdened population	Y	Up to 20	20.00
Total:			108.80

3. DEVELOPMENT CHARACTERISTICS:

a. Enhancements (See calculations below)				90.00
b. <removed for 2026>				0.00
c. HUD 504 accessibility for 10% of units		Y	0 or 20	20.00
d. Proximity to public transportation		Y10	0, 10 or 20	10.00
e. Development will be Green Certified		Y	0 or 10	10.00
f. Units constructed to meet Virginia Housing's Universal Design standards		100%	Up to 15	15.00
g. Developments with less than 100 low income units		Y	up to 20	20.00
h. Historic Structure eligible for Historic Rehab Credits		N	0 or 5	0.00
i. Meets Target Population Development Characteristics		N	0 or 10	0.00
	Total:			165.00

4. TENANT POPULATION CHARACTERISTICS:

Locality AMI	State AMI
$113,500	$78,100

a. Less than or equal to 20% of units having 1 or less bedrooms		Y	0 or 15	15.00
b. <plus> Percent of Low Income units with 3 or more bedrooms		20.00%	Up to 15	15.00
c. Units with rent and income at or below 30% of AMI and are not subsidized (up to 10% of LI units)		10.00%	Up to 10	10.00
d. Units with rents at or below 40% of AMI (up to 10% of LI units)		34.00%	Up to 10	10.00
e. Units in Higher Income Jurisdictions with rent and income at or below 50% of AMI		50.00%	Up to 50	50.00
f. Units in Higher Income Jurisdictions with rents <= 50% rented to tenants with <= 60% of AMI		50.00%	Up to 25	0.00
or g. Units in LI Jurisdictions with rents <= 50% rented to tenants with <= 60% of AMI		50.00%	Up to 50	0.00
	Total:			100.00

5. SPONSOR CHARACTERISTICS:

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

6. EFFICIENT USE OF RESOURCES:

a. Credit per unit			Up to 100	83.78
	Total:			83.78

7. BONUS POINTS:

a. Extended Use Restriction beyond 15 year compliance period	35 Years		40 or 70	70.00
or b. Nonprofit or LHA purchase option/ ROFR		N	0 or 60	0.00
or c. Nonprofit or LHA Home Ownership option		N	0 or 5	0.00
d. Combined 9% and 4% Tax Exempt Bond Site Plan		Y	10 or 15	15.00
e. RAD or PHA Conversion participation and competing in Local Housing Authority pool		N	0 or 10	0.00
f. Team member with Veteran Owned Small Business Certification		Y	up to 10	7.00
g. Commitment to electronic payment of fees		Y	0 or 5	5.00
h. Zero Ready or Passive House certification from prior allocation		Y	0, 10 or 20	10.00
	Total:			107.00

300 Point Threshold - all 9% Tax Credits

200 Point Threshold - Tax Exempt Bonds

TOTAL SCORE: **589.58**

Enhancements:

All units have:	Max Pts	Score
a. Community Room	5	5.00
b. Exterior walls constructed with brick and other low maintenance materials	40	40.00
c. LED Kitchen Light Fixtures	2	2.00
d. Cooking surfaces equipped with fire suppression features	2	2.00
e. Bath Fan - Delayed timer or continuous exhaust	3	0.00
f. Baths equipped with humidistat	3	3.00
g. Watersense labeled faucets, toilets and showerheads (without Green Certfication)	3	0.00
h. Rehab only: new infrastructure for high speed internet/broadband	5	0.00
i. Each unit provided free individual high speed internet access	15	15.00
j. USB in kitchen, living room and all bedrooms	1	1.00
k. Rehab only: dedicated space to accept permanent dehumidification system	2	0.00
l. Provides Permanently installed dehumidification system	5	5.00
m. All interior doors within units are solid core	3	3.00
n. Installation of Renewable Energy Electric system	10	10.00
o. New Construction: Balcony or patio	4	4.00
		90.00
All elderly units have:		
p. Front-control ranges	1	0.00
q. Independent/suppl. heat source	1	0.00
r. Two eye viewers	1	0.00
s. Shelf or Ledge at entrance within interior hallway	2	0.00
		0.00

Total amenities: **90.00**

X. # Development Summary

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

Deal Name:	**Diamond District Phase 1 (9%)**

Cycle Type:	9% Tax Credits		**Requested Credit Amount:**	$1,078,463	
Allocation Type:	New Construction		**Jurisdiction:**	Richmond City	
Total Units	50		**Population Target:**	General	
Total LI Units	50				
Project Gross Sq Ft:	67,320.00		**Owner Contact:**	Patrick	Stewart
Green Certified?	TRUE				

Total Score
589.58

Source of Funds	Amount	Per Unit	Per Sq Ft	Annual Debt Service
Permanent Financing	$12,235,000	$244,700	$182	$274,423
Grants	$0	$0		
Subsidized Funding	$18,806,326	$376,127		

Uses of Funds - Actual Costs				
Type of Uses	**Amount**	**Per Unit**	**Sq Ft**	**% of TDC**
Improvements	$11,578,108	$231,562	$172	52.60%
General Req/Overhead/Profit	$1,620,800	$32,416	$24	7.36%
Other Contract Costs	$101,949	$2,039	$2	0.46%
Owner Costs	$4,885,944	$97,719	$73	22.20%
Acquisition	$1,610,000	$32,200	$24	7.31%
Developer Fee	$2,215,000	$44,300	$33	10.06%
Total Uses	**$22,011,801**	$440,236		

Total Development Costs	
Total Improvements	$18,186,801
Land Acquisition	$1,610,000
Developer Fee	$2,215,000
Total Development Costs	**$22,011,801**

Proposed Cost Limit/Sq Ft:	$302
Applicable Cost Limit/Sq Ft:	$556
Proposed Cost Limit/Unit:	$407,036
Applicable Cost Limit/Unit:	$589,015

Income		
Gross Potential Income - LI Units		$856,716
Gross Potential Income - Mkt Units		$0
	Subtotal	$856,716
Less Vacancy %	7.00%	$59,970
Effective Gross Income		$796,746

Unit Breakdown	
# of Eff	0
# of 1BR	10
# of 2BR	30
# of 3BR	10
# of 4+ BR	0
Total Units	50

Rental Assistance? TRUE

Expenses		
Category	**Total**	**Per Unit**
Administrative	$206,731	$4,135
Utilities	$75,000	$1,500
Operating & Maintenance	$69,531	$1,391
Taxes & Insurance	$100,166	$2,003
Total Operating Expenses	$451,428	$9,029
Replacement Reserves	$15,000	$300
Total Expenses	$466,428	$9,329

	Income Levels	Rent Levels
	# of Units	# of Units
<=30% AMI	17	17
40% AMI	0	0
50% AMI	8	8
60% AMI	25	25
>60% AMI	0	0
Market	0	0

Cash Flow	
EGI	$796,746
Total Expenses	$466,428
Net Income	$330,318
Debt Service	$274,423
Debt Coverage Ratio (YR1):	1.20

Income Averaging? FALSE

Extended Use Restriction? 50

Y. Efficient Use of Resources

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

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

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

Combined Max	$2,168,579
Credit Requested	$1,078,463
% of Savings	50.27%
Sliding Scale Points	83.78

VIRGINIA HOUSING 2026 UNIVERSAL DESIGN CHECKLIST

New and Adaptive Re-use Unit, Pick 10 Optional Items
Rehab Unit, Pick 5 Optional Items

SUBMIT CHECKLIST TO VIRGINIA HOUSING PRIOR TO PRE-CONSTRUCTION MEETING

ESSENTIAL ELEMENTS	SHEET OR SPEC LOCATION
1. Route	To be provided prior to Pre-Construction meeting
1.1 Accessible Route	
1.2 Accessible Parking	
1.3 Garbage Collection	
1.4 Common Spaces	
1.5 Curb Cuts	
1.6 Ramps	
2. Movement	
2.1 Exterior Walkways	
2.2 Interior Passageways	
2.3 Level Space at Entryways	
2.4 Clear Space on Pull Side of All Doors	
2.5 Interior Passage Doorways	
2.6 Exterior Doorways and Unit Entry	
3. Approach	
3.1 Clear Floor Space	
3.2 Reach Range	
3.3 Operation	
3.4 Door Hardware	
3.5 Plumbing Fixtures	
4. Kitchens	
4.1 Clear Floor Space	
4.2 Range	
4.3 Refrigerator	
4.4 Sink	
4.5 Multiple Height Work Surfaces	
4.6 Cabinet Hardware	
5. Bathrooms	
5.1 Bathroom Type (# of Option A Baths)	
5.2 Bathing Area (# of Step-in and Roll-in Showers)	
5.3 Shower Fixtures	
6. Laundry	
6.1 Side by Side, Front Loading Equipment	
7. Technology	
7.1 Thermostats	

OPTIONAL ELEMENTS	Included (X)	SHEET OR SPEC LOCATION
1. Route		
1.1 Weather Sheltered Entryways	X	A3.1 & A3.0a
1.2 Signage	X	TBD Prior to Pre-Construction meeting
2. Movement		
2.1 Access to All Common Areas	X	A2.1a & A2.1b
2.2 Enhanced Site Lighting		
3. Approach		
3.1 Accessible Windows		
4. Kitchens		
4.1 Extra Floor Space	X	A1.1 & A1.2
4.2 Roll-Under Range		
4.3 Full Extension Drawers and Shelves		
4.4 Task Lighting		
4.5 Kitchen Pantry	X	A1.1 & A1.2
5. Bathrooms		
5.1 Extra Floor Space		
5.2 Roll-Under Vanity or Sink	X	A1.1 & A1.2
5.3 Tilt Mirror	X	A1.1 & A1.2 (General Notes)
5.4 Non-Glare Lighting	X	A1.1 & A1.2 (General Notes)
5.5 Solid In-Wall Blocking	X	A1.1 & A1.2 (General Notes)
5.6 Handheld Showerheads	X	A1.1 & A1.2 (General Notes)
6. Bedrooms		
6.1 Closets		
7. Audio/Visual		
7.1 Audio/Visual Doorbell		
7.2 Visual Alarm		
7.3 Closet Lighting		
8. Technology		
8.1 Keyless Entry		
8.2 Smart Home		
9. Innovation		
9.1 Innovation		

Provided that the development's architect of record is on Virginia Housing's list of Universal Design Certified Architects, and all essential elements and the required number of optional elements are incorporated into the design and construction of the qualified UD units:

- 15 points, if all the units in an elderly development meet this requirement.
- 15 points multiplied by the percentage of units meeting this requirement for non-elderly developments.

PROPERTY NAME: Diamond District Phase 1 (9%)

APPLICANT: 3/9/2026
Pre-Construction Signature / Date
Post-Construction Signature / Date

ARCH OF REC: 03/05/2026
(same as TC app)
Pre-Construction Signature / Date
Post-Construction Signature / Date

SITE ENGINEER: 03/09/2026
(if owner retained)
Pre-Construction Signature / Date
Post-Construction Signature / Date

Universal Design Certificate Holder Listing

(This is a list of attendees only as of 08/30/2023 & includes persons who are not registered Architects.)

Last Name	First Name	Affiliation	Course Date	Expire Date
Abrahamson	William	Grimm + Parker Architects	12/7/2020	12/31/2025
Adeyola	Jamiel	heart foundation	12/7/2020	12/31/2025
Altman	Jason	PCI Design Group, Inc.	12/7/2020	12/31/2025
Alverez	Christina	KGD Architeture	1/25/2018	12/31/2023
Arndt	Kolby		6/20/2021	12/31/2026
Arnold	Colin	Community Housing Partners	1/29/2023	12/31/2028
Astrin	Matt	RRMM Architects	8/29/2019	12/31/2024
Atar	Mehdi	Atar Design Group LLC	8/10/2023	12/31/2028
Banerjee	Soumitra	Theta Homes,LLC	1/25/2018	12/31/2023
Barone	Carmine	TS3 Architects PC	10/25/2018	12/31/2023
Barrios	Maria	ADS	2/3/2023	12/31/2028
Barstow	Martin		10/11/2021	12/31/2026
Baum	Kristin	Guernsey Tingle Architects	1/10/2023	12/31/2028
Becker	John	Perkins Eastman	4/16/2023	12/31/2028
Beckner	Justin	Jones and Jones Associates Architects	12/20/2018	12/31/2023
Berning	Monica Jo	PCI Design Group, Inc.	10/25/2018	12/31/2023
Bleile	Steve	VCDC	12/20/2018	12/31/2023
Blue	Clements	Glave and Holmes	10/25/2018	12/31/2023
Bolt	Erin	Steven Winter Associates	8/29/2019	12/31/2024
Bonilla-Verdesoto	Fernando	Soto Architecture & Urban Design, PLLC	12/7/2020	12/31/2025
Bonstra	Bill	Bonstra Haresign Architects	12/7/2020	12/31/2025
Borowska	Joanna	Davis, Carter, Scott Ltd	10/25/2018	12/31/2023
Boyd	James	100 Realty	3/6/2023	12/31/2028
Braswell	Kate	Hickok Cole	8/29/2019	12/31/2024
Bravo	Harold	Steven Winter Associates	8/29/2019	12/31/2024
Bricker	Michael	Balzer and Associates, Inc.	12/7/2020	12/31/2025
Burton	Matthew	Matthew G Burton Architect LLC	10/25/2018	12/31/2023
Calder	Kimberly	Edward H. Winks James D. Snowa Architects P.C.	10/17/2022	12/31/2027
Cambell	Scott	Via Design	2/24/2022	12/31/2027
Caughron	Robert	PCI Design Group, Inc.	12/7/2020	12/31/2025
Chapman	Elizabeth	G+P	12/7/2020	12/31/2025
Chen	Patricia	Grimm + Parker	12/7/2020	12/31/2025
Copeland	Andrea	James G Davis Construction Corporation	7/22/2022	12/31/2027
Corwin	Scott	Johannas Design Group	1/10/2023	12/31/2028
Craft	Timothy	AHC Inc.	10/25/2018	12/31/2023
Crawshaw	Robert	Work Program Architects	2/1/2022	12/31/2027
Crouse	John	Saunders+Crouse Architects	1/23/2020	12/31/2025
Crowder	Chris	Retnauer Baynes Architects	12/6/2022	12/31/2028
Davis	Christina	Urban Practice	1/23/2020	12/31/2025
deBettencourt	Dan	dBF Associates, Architects	12/7/2020	12/31/2025
Dekorte	Heather Jo	PCI Design Group, Inc.	10/25/2018	12/31/2023
Dietz	Erica	People Incorporated of Virginia	4/24/2023	12/31/2028
Dinkins	Mike	J. Price Architecture, Inc	10/25/2018	12/31/2023
Fallin	Kevin	Downey & Scott, LLC	7/5/2022	12/31/2027
Farrell	Stephanie	Torti Gallas + Partners	11/10/2022	12/31/2028
Ferguson	Palmer	CJMW Architecture	1/23/2020	12/31/2025
Fields	Richard J.	PCI DESIGN GROUP	12/7/2020	12/31/2025
Filges	Julie	Noelker and Hull Associates	1/23/2020	12/31/2025
Finta	Robert	Humphrey's & Partners Architects	1/25/2018	12/31/2023
Fleming	Scott		11/7/2021	12/31/2026
Font	Kerry	RPH Architecture, Ltd.	10/25/2018	12/31/2023
Forrest	Frazier	Architecture AF	10/25/2018	12/31/2023

Virginia Housing

Universal Design Certificate Holder Listing

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Last Name	First Name	Affiliation	Course Date	Expire Date
Funk	Richard	dBF Associates, Architects Inc.	12/7/2020	12/31/2025
Garcia	Zenairee	Bonstra Haresign Architects	12/7/2020	12/31/2025
Glenn	John	Bonstra Heresign Architects	12/7/2020	12/31/2025
Godbout	David	Downey & Scott, LLC	2/3/2023	12/31/2028
Gordon	Christopher	KGD Architecture	12/30/2021	12/31/2026
Greene	Hunter	Hill Studio	10/25/2018	12/31/2023
Greene	Wendell	Master Home & Building Inspections	2/8/2023	12/31/2028
Griffin	Mike	CJMW Architecture	1/23/2020	12/31/2025
Grizzle	Brent	Winks Snowa Architects	10/25/2018	12/31/2023
Hains	Susan	Grimm + Parker Architects	12/7/2020	12/31/2025
Haley	James	Urban Practice	1/23/2020	12/31/2025
Haresign	David	Bonstra Haresign Architects	12/7/2020	12/31/2025
HARRIS	JOSEPH	MEASURE ARCHITECTS	12/31/2022	12/31/2028
Hartsfield	Cameron		7/26/2021	12/31/2026
Harwood	Donald	Donald C Harwood Architect LLC	1/14/2022	12/31/2027
Hawley	Chuck	RPH Architecture, Ltd.	10/25/2018	12/31/2023
Hayes	Cynthia	PCI DESIGN GROUP	12/7/2020	12/31/2025
Healy	Joseph	Wallace Roberts & Todd, LLC	1/25/2018	12/31/2023
Heatwole	Thomas	Commonwealth Architects	8/31/2022	12/31/2027
Heffner	James	Heffner Architects	2/19/2022	12/31/2027
Henegar	Ashleigh	Cornerstone Architechture and Interior Design	5/15/2023	1/1/2029
Hickok	Dan	RRMM Architects	8/29/2019	12/31/2024
Hinton	Jim	Cope Architecture	10/27/2022	12/31/2027
Hornbaker	Tim	RBA Architects	6/1/2023	1/2/2029
Hosko	Matthew	Hickok Cole Architects	8/29/2019	12/31/2024
Howard	John	Virginia Supportive Housing	10/25/2018	12/31/2023
Huentelman	Jeffrey	LPS	1/25/2018	12/31/2023
Jamal Eddin	Sara		1/31/2023	12/31/2028
Johannas	David	Johannas Design Group	1/25/2018	12/31/2023
Johnson	Byron	Wesley Housing Development Corporation	8/29/2019	12/31/2024
Jones	Richard	Jones and Jones Associates Architects	12/20/2018	12/31/2023
Jung	Dongyoung		6/8/2021	12/31/2026
Kasdan	Benjamin	KTGY Architecture + Planning	3/15/2021	12/31/2026
Kay	Dora	Moseley Architects	12/20/2018	12/31/2023
Keesecker	Kurt	BRW Architects	1/23/2020	12/31/2025
Kehde	Christopher	LeMay Erickson Willcox Architects	10/25/2018	12/31/2023
Kelderhouse	Patrick	Hooker DeJong, Inc.	8/1/2022	12/31/2027
Keleher	Rosana	Moseley Architects	12/20/2018	12/31/2023
Kelly	Teresa	KGD Architeture	1/25/2018	12/31/2023
Kershner	John	ZA+D Architects	1/23/2020	12/31/2025
Ketchum	Joel	Associated Contracting	1/25/2018	12/31/2023
Kiel	Megan	Grimm & Parker	1/23/2020	12/31/2025
Kilbourne	Lauren		12/22/2021	12/31/2026
Kleffner	Mike	Wallace Architects, LLC	8/29/2019	12/31/2024
Kliewer	Lawrence	Cox Kliewer and Company	1/23/2020	12/31/2025
Knudson	Scott	Knu Design, LLC	12/13/2022	12/31/2028
Kristin	Moye	Arnold Design Studio	10/25/2018	12/31/2023
Kroll	Lauren	WRT	12/7/2020	12/31/2025
LaCorte	Jonathan	Consolidated Design Group	12/7/2020	12/31/2025
Lacy	Susan	Winks Snowa Architects	12/7/2020	12/31/2025
Larson	Phoebe	Cunningham Quill Architects	1/23/2020	12/31/2025
Latorre	Alda		1/5/2022	12/31/2027

Virginia Housing

Universal Design Certificate Holder Listing

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Last Name	First Name	Affiliation	Course Date	Expire Date
Lawrence	Antoine	Torti Gallas + Partners, Inc	3/16/2021	12/31/2026
Layman	David	Hooker DeJong Inc	2/21/2023	12/31/2028
LeGates	Fred	Poole and Poole Architecture	3/2/2021	12/31/2026
L'Heureux	Steven	Commonwealth Architects	1/25/2018	12/31/2023
Liebel	Thomas	Moseley Architects	12/20/2018	12/31/2023
Lifsey	Emmett	CJMW Architecture	8/29/2019	12/31/2024
Lloyd	Gregory	Wesley Housing Development Corporation	8/29/2019	12/31/2024
Lockwood	Jeffrey	Hickok Cole Architects	8/29/2019	12/31/2024
Marcus	Stephanie	SCG Development	12/20/2018	12/31/2023
Marlon	Moore	AHC Inc.	10/25/2018	12/31/2023
Martin	Jackie	Martin Riley Assoc - Architects, PC	8/29/2019	12/31/2024
Matties	Scott	Wiencek + Associates	8/3/2022	12/31/2027
Mayfield	Sheena	Baskervill & Son, P.C.	1/25/2018	12/31/2023
McCoy	Joseph		7/23/2021	12/31/2026
McCraw	Brittany	Elevation property management	12/7/2020	12/31/2025
McDaris	Mark	Winks Snowa Architects	12/7/2020	12/31/2025
McDermott	Whitney	BRW Architects, P.C.	12/7/2020	12/31/2025
McGregor	Billy	VCU	8/29/2019	12/31/2024
McKenley	Joseph	Bonstra Haresign Architects	12/7/2020	12/31/2025
McKinney	Wade	Bonstra Haresign Architects	12/7/2020	12/31/2025
Miller-Liggon	Crystal	Walter Parks	12/20/2018	12/31/2023
Miner	Alan	Miner Feinstein Architects	1/24/2022	12/31/2027
Mousavizadeh	Sarah	Lessard Design	7/14/2023	1/3/2029
Moye	Kristin	Arnold Design Studio	1/18/2023	12/31/2028
Newcomb	Jessamyn	Hughes Associates A&E	12/7/2020	12/31/2025
Niles	Thomas	Castle Development Partners	12/20/2018	12/31/2023
O'Hearn	Kathleen	Grimm + Parker	12/7/2020	12/31/2025
Parks	Walter	Walter Parks Architects	1/25/2018	12/31/2023
Patton	Michael	DBI Architects	12/7/2020	12/31/2025
Pearson	Damon		5/12/2021	12/31/2026
Petrie	Melissa	J. Price Architecture, Inc	10/25/2018	12/31/2023
Philo	Jeremy	Kramer + Marks Architects	1/4/2023	12/31/2028
Player	Orville	Parks-Player Architecture and Planning LLC	10/25/2018	12/31/2023
Ploskon	Walter	Niles Bolton Associates	8/29/2019	12/31/2024
Popkin	Forrest	ZA+D Architects	1/23/2020	12/31/2025
Powe	Gregory	Powe Studio Architects	10/25/2018	12/31/2023
Price	Jeff	J. Price Architecture, Inc	10/25/2018	12/31/2023
Ramirez	Natalie		10/6/2022	12/31/2027
Reilly	Sean	Kerns Group Architects	1/23/2020	12/31/2025
Retnauer	Thomas	RBA Architects	10/31/2022	12/31/2027
Riley	Kevin	S.L. Nusbaum Realty	12/7/2020	12/31/2025
Rodolfo	Rosas	Edward H. Winks James D. Snowa Architects P.C.	10/25/2018	12/31/2023
Rosanno	Donna	Zavos Architecture & Design	1/25/2018	12/31/2023
Rote	Chloe	Virginia Supportive Housing	8/29/2019	12/31/2024
Saville	Steve	Davis Carter Scott	12/20/2018	12/31/2023
Scandalis	Hannah	CJMW Architecture	1/23/2020	12/31/2025
Schnekser	Michael	Tymoff+Moss Architects	4/4/2023	12/31/2028
Schooley	Zachary	Grimm and Parker Architects	12/7/2020	12/31/2025
Schroth	Rhiannon	Rust/ Orling Architecture	4/28/2023	1/4/2029
Schultz	Brandon	Quinn Evans	2/8/2022	12/31/2027
Schwarz	Carl	Powe Studio Architects	10/25/2018	12/31/2023
Scudder	Andrew	Johannas Design Group	1/13/2023	12/31/2028

Virginia Housing

Universal Design Certificate Holder Listing

(This is a list of attendees only as of 08/30/2023 & includes persons who are not registered Architects.)

Last Name	First Name	Affiliation	Course Date	Expire Date
Selden	Charles	Cornerstone Architechture and Interior Design	6/1/2023	1/5/2029
Shartle	Herbert	Cox Kliewer and Company	1/23/2020	12/31/2025
Shope	Megan	Winks Snowa Architects	12/7/2020	12/31/2025
Silva	Kim	DCS Design	1/23/2020	12/31/2025
Skidmore	Victoria	Arnold Design Studio	2/2/2023	12/31/2028
Smith	Catherine	Grimm + Parker Architects	12/7/2020	12/31/2025
Smith	Thomas		10/28/2021	12/31/2026
Snellings	Hunter	People Incorporated	10/25/2018	12/31/2023
Solonga	Jomellie	Saunders+Crouse Architects	1/25/2018	12/31/2023
Stembel	David	Torti Gallas + Partners	3/17/2021	12/31/2026
Stern	Robert	Riddick Fiedler Stern, pc	8/29/2019	12/31/2024
Stevison	Matt	LeMay Erickson Willcox	10/25/2018	12/31/2023
Stinefelt	Michael	RPH Architecture, Ltd.	10/25/2018	12/31/2023
Striffler	Brett	Walter Parks Architect	12/20/2018	12/31/2023
Talley	Kathy	Community Housing Partners	1/25/2018	12/31/2023
Teass	Will	Teass \ Warren Architects	10/25/2018	12/31/2023
Teran	Mitchell	Winks Snowa Architects	10/25/2018	12/31/2023
Terrell	Darren	Bristol Redevelopment and Housing Authority	2/23/2023	12/31/2028
Thomas	Terryn	Flatiron Partners LLC	12/20/2018	12/31/2023
Thomas	Andrew	Andrew S. Thomas, Architect pllc	8/29/2019	12/31/2024
Thompson	D. Eugene	Ionic Dezigns	1/25/2018	12/31/2023
Torres	Rosana	GTM Architects DC	12/4/2022	12/31/2028
Tressler	Lawrence	Downey & Scott, LLC	3/15/2022	12/31/2027
Trumbo	Joanne		9/1/2021	12/31/2026
Turriago-Borrero	Felipe	DBI Architects, Inc.	12/7/2020	12/31/2025
Ukor	Ebong	DBI Architects Inc	12/7/2020	12/31/2025
Van Patten	Ryan	Loudoun County	2/8/2023	12/31/2028
Vieth	Jean		5/10/2021	12/31/2026
Vosbeck	Randall	DCS Design	1/23/2020	12/31/2025
Wardell	Bruce	BRW Architects	1/23/2020	12/31/2025
Watkins	Francis		10/19/2021	12/31/2026
Weatherby	Douglas	PCI DESIGN GROUP	12/7/2020	12/31/2025
Weaver	Kris	Blue Sky Action	12/7/2020	12/31/2025
Wheeler	Melody	Walter Parks Architect	12/20/2018	12/31/2023
Wheeler	Sean	Walter Parks Architect	12/20/2018	12/31/2023
Whitehead	Alison	Walter Parks Architect	12/20/2018	12/31/2023
Whitney	Richard	Fitzgerald Associates Architects	12/7/2020	12/31/2025
Williams	Doug	The Lane Group	3/6/2022	12/31/2027
Winks	Edward	Winks Snowa Architects, PC	8/29/2019	12/31/2024
Woder	Bryon	Urban Practice	1/23/2020	12/31/2025
Wolf	Brian	RRMM Architects	8/29/2019	12/31/2024
Zavos	Bruce	ZA+D, LLC	1/25/2018	12/31/2023

Certificate of Completion

is awarded to

Fred LeGates

for

Universal Design Certification

3/2/2026

Certificate of Completion

is awarded to

ryan sandlas

for

Universal Design Certification

3/9/2026

Details

Below is information about the course or test.

Name	Michael Poole
Current Date	3/18/2021
Title	Universal Design Certification Assessment
Type	SCORM 1.2
Credits	
Enrollment Date	3/2/2021
Start Date	3/18/2021
Completion Date	3/18/2021
Progress Status	Completed
Taken For:	credit
Score	100.00

Universal Design Certification Assessment - V6: passed - 0001:40:15.80 - score: 100

All Training

Close Window | Print

Current Date: 3/18/2021 Michael Poole

Title	Type	Status	Score	Start Date	Completion Date	Expiration Date	Credits
Universal Design Certification Assessment	Online	Completed	100.00	3/18/2021	3/18/2021		
Universal Design Essential Elements	Online	Completed		3/18/2021	3/18/2021		
Universal Design Optional Elements	Online	Completed		3/18/2021	3/18/2021		
Universal Design Overview	Online	Completed		3/18/2021	3/18/2021		
Virginia Housing's Tax Credit Application Submission	Online	Completed		3/18/2021	3/18/2021		

Tab A:

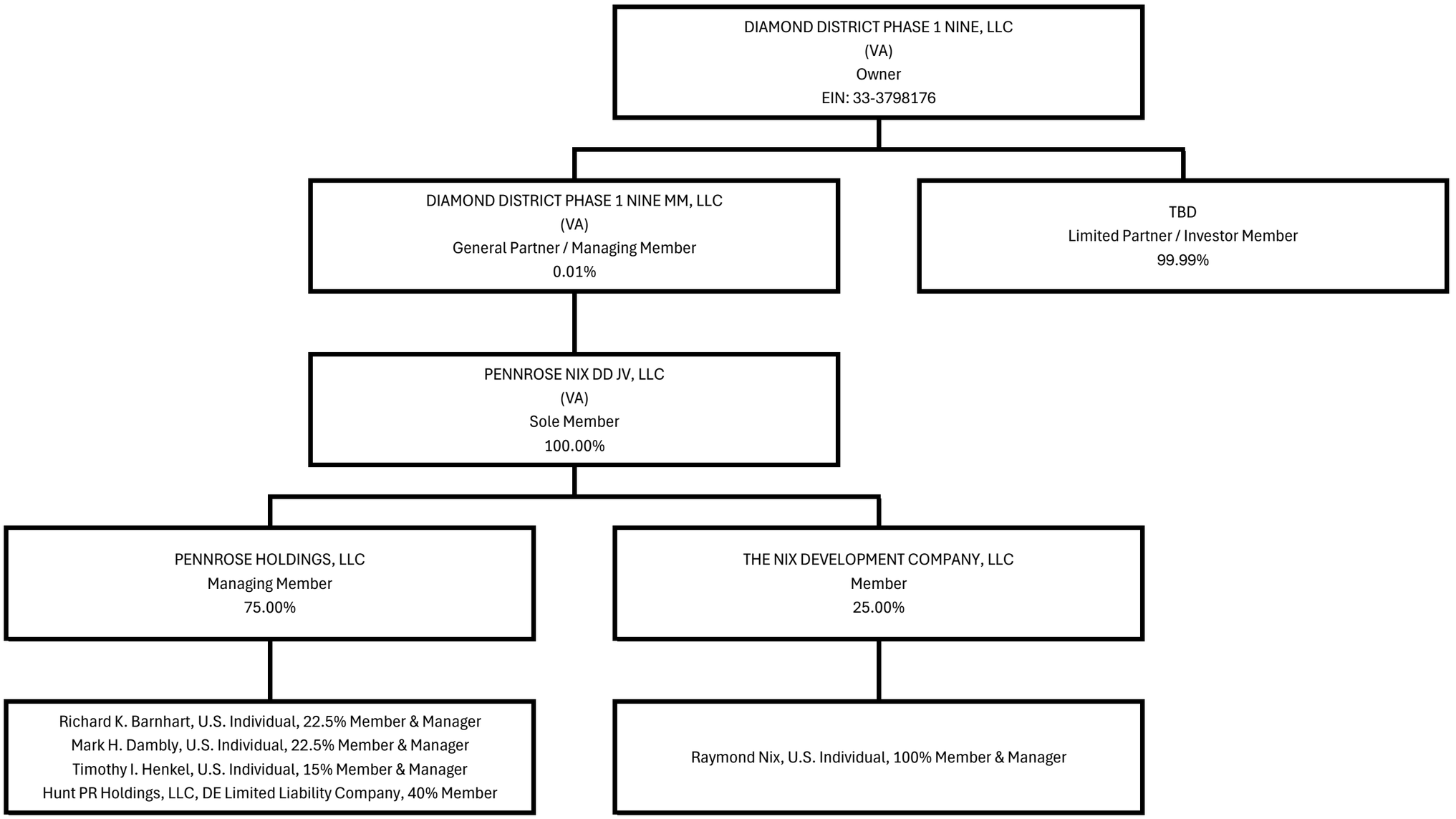
Partnership or Operating Agreement, including
Org Chart with percentages of ownership interest

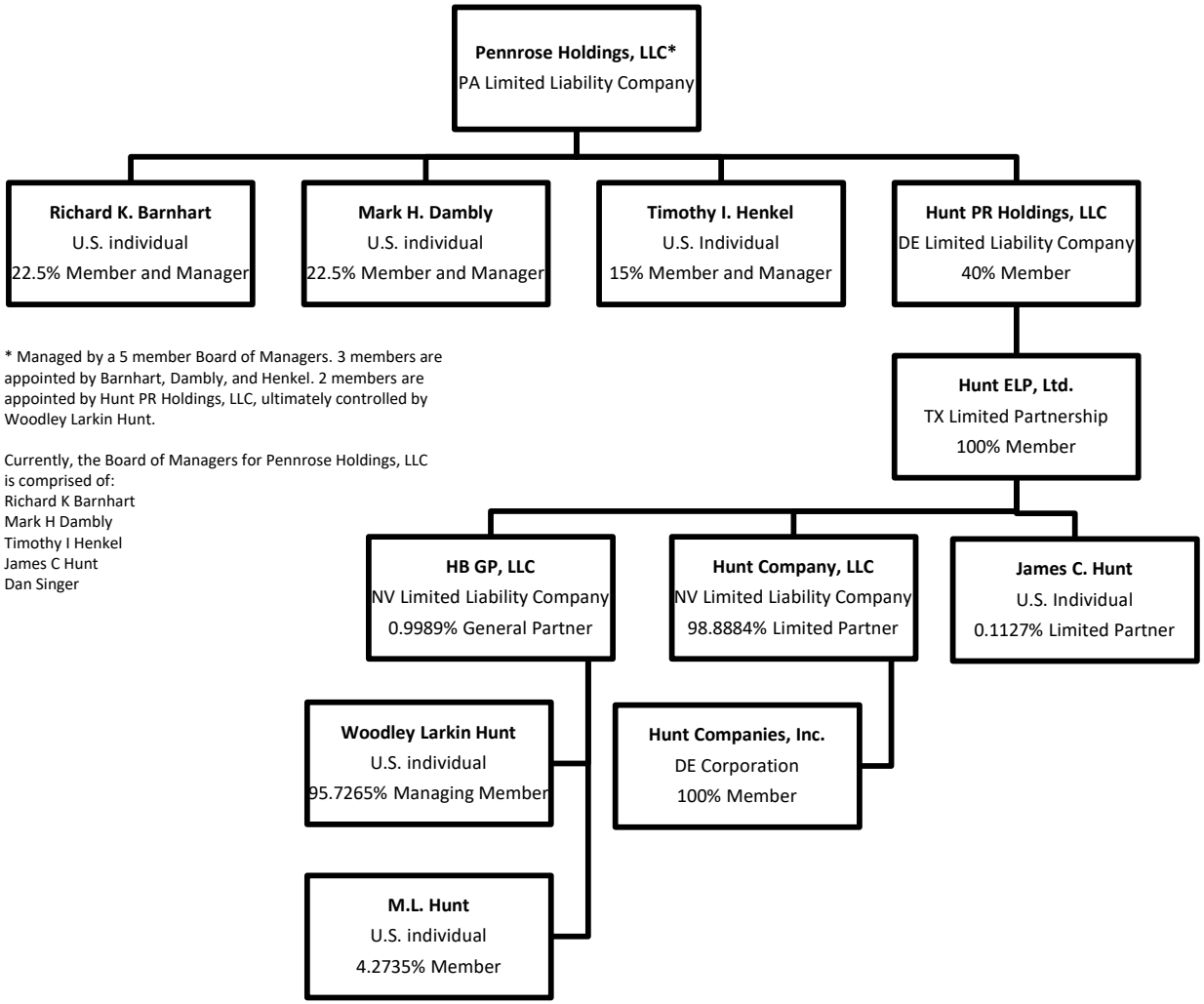
ORGANIZATIONAL CHART

PROJECT NAME: DIAMOND DISTRICT PHASE 1 (9%)

PROJECT LOCATION: RICHMOND, VIRGINIA

OWNERSHIP ENTITY: DIAMOND DISTRICT PHASE 1 NINE, LLC





* Managed by a 5 member Board of Managers. 3 members are appointed by Barnhart, Dambly, and Henkel. 2 members are appointed by Hunt PR Holdings, LLC, ultimately controlled by Woodley Larkin Hunt.

Currently, the Board of Managers for Pennrose Holdings, LLC is comprised of:
Richard K Barnhart
Mark H Dambly
Timothy I Henkel
James C Hunt
Dan Singer

DIAMOND DISTRICT PHASE 1 NINE, LLC

OPERATING AGREEMENT

This operating agreement of Diamond District Phase 1 Nine, LLC, a Virginia limited liability company, is entered into effective as of the 4th day of March 2025 by and among the parties whose names are set forth as Members on Exhibit A attached hereto.

B A C K G R O U N D:

The parties hereto have formed a limited liability company and desire to enter into this operating agreement to set forth their respective rights, duties, and obligations with respect thereto.

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

ARTICLE I

DEFINED TERMS; OPERATION OF COMPANY

Section 1.01 Definitions. Within the context of this Agreement, the following terms shall have the following meanings:

"Act" means the Virginia Limited Liability Company Act.

"Agreement" means this operating agreement, as the same may be amended from time to time.

"Bankruptcy" means, with respect to any Person, (i) the filing of any petition or answer by such Person seeking to adjudicate it a bankrupt or insolvent, or seeking for itself any liquidation, winding up, reorganization, arrangement, adjustment, protection, relief, or composition of such Person or such Person's debts under any law relating to bankruptcy, insolvency, or reorganization or relief of debtors, or seeking, consenting to, or acquiescing in the entry of an order for relief or the appointment of a receiver, trustee, custodian, or other similar official for such Person for any substantial part of its property, or (ii) without the consent or acquiescence of such Person, the entering of an order for relief or approving a petition for relief or reorganization or any other petition seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or other similar relief under any bankruptcy, liquidation, dissolution, or other similar statute, law, or regulation, or the filing of any such petition against such Person which petition shall not be dismissed within ninety (90) days, or, without the consent or acquiescence of such Person, the entering of an order appointing a trustee, custodian, receiver, or liquidator of such Person or of all or any substantial part of the property of such Person which order shall not be dismissed within sixty (60) days.

"Capital Account" means the account established and maintained for each Member in accordance with Section 2.04 of this Agreement.

"Capital Contribution" means the amount of money and the fair market value of any property contributed to the Company by a Member (net of any liabilities to which such property is subject or that are assumed by the Company in connection with such contribution).

"Certificate" means the certificate of formation for the Company, and any amendments thereto.

"Code" means the Internal Revenue Code of 1986, as amended.

"Company" means the limited liability company formed and operated pursuant to the terms of this Agreement.

"Incapacity" means (a) with respect to a natural Person, the Bankruptcy, death or determination of incompetency or insanity of such Person and (b) with respect to any other Person, the Bankruptcy, liquidation, or dissolution of such Person.

"Indemnified Party" means any Member and any officer, director, shareholder, partner, member, manager or agent of a Member.

"Interest" means an ownership interest in the Company, including all the rights and obligations in connection therewith under this Agreement and the Act.

"Members" means the Person or Persons designated as members on Exhibit A attached to this Agreement, and any Person subsequently admitted as a member in accordance with the terms of this Agreement.

"Net Distributable Proceeds" means the gross cash or property received by the Company from all sources other than Capital Contributions, increased by reductions in Reserves, and reduced by the portion used (i) to pay Company expenses, including debt service, (ii) to make investments and capital expenditures, and (iii) to fund Reserves.

"Percentage Interest" means the percentage determined in accordance with Section 2.03 of this Agreement.

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

"Profits" and **"Losses"** mean, for each year or other period, an amount equal to the Company's taxable income or loss for such year or period, determined in accordance with §703(a) of the Code (for this purpose, all items of income, gain, loss, or deduction required to be stated separately pursuant to §703(a)(1) of the Code shall be included in taxable income or loss), adjusted in accordance with the Regulations under §704(b) of the Code.

"Regulations" means the income tax regulations promulgated under the Code, as such regulations may be amended from time to time.

"Reserves" means amounts set aside to pay future costs or expenses that are anticipated to exceed cash available to pay such costs or expenses when due, as determined in the discretion of the Members.

Section 1.02 Formation; Name. The Company was formed by the filing of the Certificate by an authorized Person. The Members hereby agree to operate the Company as a limited liability company under the terms of this Agreement and the Act. Whenever the terms of this Agreement conflict with the Act, the terms of this Agreement shall control, except with respect to any matters contained in the Act that cannot be modified or waived by a limited liability company operating agreement. The Company shall be operated under the name "DIAMOND DISTRICT PHASE 1 NINE, LLC". The Members or an authorized Person shall file such other certificates and documents as are necessary to qualify the Company to conduct business in any jurisdiction in which the Company conducts business. A copy of the Certificate shall be provided to any Member on request. The employer identification number ("EIN") for the Company is 33-3798176.

Section 1.03 Registered Agent and Office; Principal Office. The registered agent and office of the Company required under the Act shall be as designated in the Certificate and may be changed by the Members in accordance with the Act. The principal business office of the Company shall be located at c/o Pennrose, LLC, 230 Wyoming Avenue, Kingston, Pennsylvania 18704, or such other address as shall be designated by the Members.

Section 1.04 Purpose. The purpose and business of the Company is to own, lease, develop, acquire, sell, market, rent and construct real estate, as well as any business or activity that may be engaged in by a limited liability company under the Act, and do any and all acts and things necessary, appropriate, incidental to, or convenient for the furtherance and accomplishment of its purposes.

Section 1.05 Term. The term of the Company commenced on the date of filing of the Certificate, and the Company shall continue until the Company is terminated in accordance with Article VIII of this Agreement.

Section 1.06 Title to Property. All real and personal property owned by the Company shall be owned by the Company as an entity and no Member shall have any ownership interest in such property in the Member's individual name or right, and each Member's Interest shall be personal property for all purposes. The Company shall hold all its real and personal property in the name of the Company and not in the name of any Member.

Section 1.07 Waiver of Partition. No Member shall either directly or indirectly take any action to require partition or appraisement of the Company or of any of its assets or properties or cause the sale of any Company property, and notwithstanding any provisions of applicable law to the contrary, each Member hereby irrevocably waives any and all right to maintain any action for partition or to compel any sale with respect to such Member's Interest, or with respect to any assets or properties of the Company, except as expressly provided in this Agreement.

ARTICLE II

CAPITAL CONTRIBUTIONS; INTERESTS; CAPITAL ACCOUNTS

Section 2.01 Capital Contributions. The Capital Contributions of the Members are set forth on Exhibit "A" attached hereto.

Section 2.02 Additional Capital Contributions and Loans. Except as set forth in Section 2.07, no Member shall be obligated to make any additional Capital Contributions or loans to the Company.

Section 2.03 Percentage Interests. Each Member shall have the Percentage Interest in the Company set forth next to such Member's name on Exhibit A attached hereto.

Section 2.04 Capital Accounts. A Capital Account shall be maintained and adjusted for each Member in accordance with §704(b) of the Code and the Regulations issued thereunder. Upon the happening of an event specified in Regulation §1.704-1(b)(2)(iv)(f)(5), Capital Accounts shall be adjusted in accordance with Regulation §1.704-1(b)(2)(iv)(g), unless the Members determine that such adjustment is not necessary to reflect the economic arrangement among the Members.

Section 2.05 No Interest. No interest shall be paid on any Capital Contributions or Capital Account balance of any Member.

Section 2.06 No Deficit Make-Up. No Member shall be obligated to the Company or to any other Member solely because of a deficit balance in such Member's Capital Account.

ARTICLE III

DISTRIBUTIONS

Section 3.01 Distributions of Net Distributable Proceeds. Net Distributable Proceeds shall be distributed to the Members in accordance with their Percentage Interests at such times as shall be determined by the Members.

Section 3.02 Property Distributions. The Members may authorize the distribution to the Members of property other than cash. All such distributions shall be included in Net Distributable Proceeds based upon the fair market value of such property at the time of distribution.

ARTICLE IV

PROFITS AND LOSSES

Section 4.01 General Allocation of Profits and Losses. After taking into account any special allocations pursuant to Section 4.02 and subject to any limitations contained therein,

Profits and Losses for any year or portion thereof shall be allocated among the Members in accordance with their Percentage Interests.

Section 4.02 Special Allocations. Prior to making allocations to the Members pursuant to Section 4.01, the Company shall make any allocations that are required in order to comply with the rules of Regulation §1.704-2 concerning allocations attributable to nonrecourse liabilities including the "chargeback" rules of Reg. §1.704-2(f) and Reg. §1.704-2(i)(4), and the "qualified income offset" rules of Regulation §1.704-1(b)(2)(ii)(d). "Nonrecourse deductions" as defined in Reg. §1.704-2(b)(1) shall be allocated among the Members in accordance with their Percentage Interests. No Losses or items of loss or deduction shall be allocated to a Member to the extent such allocation would cause such Member to have a negative Capital Account balance that exceeds the amount such Member is obligated to restore or treated as obligated to restore to the Company pursuant to Regulation §1.704-1(b)(2)(ii)(c), Regulation §1.704-2(g), and Regulation §1.704-2(i)(5).

Section 4.03 Allocation During Year. For purposes of determining Profits, Losses, or any other items allocable to any period ending on a date other than the last day of the Company's year, Profits, Losses, and any such other items shall be allocated among such periods using such method permitted by §706 of the Code and the Regulations thereunder as shall be chosen by the Members.

Section 4.04 Tax Allocations. Except as otherwise required by §704(c) of the Code or Regulation §1.704-1(b)(2)(iv)(g), items of income, gain, loss and deduction as determined for federal income tax purposes shall be allocated in the same manner as the related items of Profits, Losses, or specially allocated items.

ARTICLE V

MANAGEMENT OF COMPANY.

Section 5.01 General Provisions Concerning Management. The powers of the Company shall be exercised by or under the authority of, and the business and affairs of the Company shall be managed under the direction of, the Members. All actions by the Members on behalf of the Company shall require the consent all of the Members, provided, however, that the Members may delegate to any Person authority to act on behalf of the Company with respect to specific matters. The Members hereby designate Diamond District Phase 1 Nine Managing Member, LLC to be the Managing Member of the Company and Diamond District Phase 1 Nine Managing Member, LLC is hereby authorized to act on behalf of the Company in all matters.

Section 5.02 Contracts with Affiliates. The Company may enter into contracts and agreements for property or services in the ordinary course of business with any Member or any Person related to or affiliated with any Member, provided such contracts and agreements are on terms and conditions which are no less favorable to the Company than could be obtained by the Company in the same type of transaction with an independent third party.

Section 5.03 Company Expenses. All expenses of the Company shall be billed directly to and be paid by the Company. Each Member shall be reimbursed for all reasonable expenses incurred by the Member for or on behalf of the Company.

ARTICLE VI

BOOKS AND RECORDS; TAX AND FINANCIAL MATTERS

Section 6.01 Books and Records. Proper and complete records and books of account of the Company shall be maintained at the principal place of business of the Company. The Company books shall be closed and balanced at the end of each fiscal year. Each Member or duly authorized representative of a Member shall have access and the right to inspect such books and records during normal business hours, provided any information obtained thereby may be used solely for purposes related to the business of the Company or the Member's Interest in the Company.

Section 6.02 Fiscal Year. The year of the Company shall end on the last day of the month of December each year.

Section 6.03 Reports and Tax Returns. Within ninety (90) days after the end of each fiscal year (subject to reasonable delays in the event of difficulty in obtaining or compiling of tax information), the Company shall transmit to each Person who was a Member at any time during the fiscal year the Schedule K-1 (IRS Form 1065) for the Person for such year. The Member designated as the "tax matters partner" in accordance with Section 6.04 shall cause to be prepared and filed all tax returns for the Company, and all tax elections concerning the Company shall be made at the direction of such tax matters partner. Each Member agrees that it shall not take on any of its original or amended income tax returns or claims for refund any position with respect to any Company item of income, gain, loss, deduction, or credit that is inconsistent with the treatment of such item by the Company on the Schedule K-1.

Section 6.04 Tax Matters Partner. The Members hereby designate Diamond District Phase 1 Nine Managing Member, LLC to be the "tax matters partner" under §6231(a)(7) of the Code. The Members may designate a different Member to serve as the tax matters partner at any time.

Section 6.05 Banking. All funds of the Company shall be deposited in the name of the Company in such checking account or accounts as shall be designated by the Members. All withdrawals therefrom are to be made upon checks signed by a Person or Persons authorized by the Members.

ARTICLE VII

TRANSFERS, ADMISSIONS, AND WITHDRAWALS

Section 7.01 Transfers. Except as provided in this Agreement, no Member shall transfer, sell, assign, encumber, or otherwise dispose of all or any portion of the Member's Interest without the written consent of the non-transferring Members. The transferee shall pay all costs and expenses incurred by the Company in connection with such transfer. Any purported

transfer, sale, assignment, encumbrance, or other disposition in violation of this Agreement shall be null and void.

Section 7.02 Admissions. Except as provided in this Agreement, no transferee of an Interest shall be admitted as a Member of the Company without the written consent of the non-transferring Members, and only if the transferee agrees to be legally bound by this Agreement as a Member and executes and delivers to the Company such documents and instruments as are necessary or appropriate in connection with the transferee becoming a Member. The transferee shall pay all costs and expenses incurred by the Company in connection with such admission. Any transferee of an Interest who is not admitted as a Member shall have the rights of an assignee with respect to distributions and Profits, Losses, and other allocations attributable to the transferred Interest, but shall have no rights as a Member under this Agreement or the Act. Notwithstanding the foregoing, the Interest of the assignee shall be subject to the restrictions contained in this Agreement applicable to Interests held by a Member.

Section 7.03 No Withdrawal. No Member shall have the right to withdraw from the Company prior to the dissolution and winding up of the Company.

Section 7.04 Incapacity of Member. In the event of the Incapacity of a Member, the executor, administrator, guardian, trustee, or other personal representative of the Member affected by such Incapacity shall be deemed to be the assignee of such Member's Interest and may, subject to Section 7.02, become a substituted Member.

ARTICLE VIII

TERMINATION AND DISSOLUTION

Section 8.01 Dissolution Events. The existence of the Company shall be perpetual, and the Company shall be terminated and dissolved only upon (a) the election of all of the Members to dissolve the Company, or (b) the entry of a final decree of judicial dissolution under the Act.

Section 8.02 Liquidation.

(a) Winding Up. Upon the dissolution of the Company, the Company's business shall be liquidated in an orderly manner. The Members shall determine which Company property shall be distributed in-kind and which Company property shall be liquidated. The liquidation of Company property shall be carried out as promptly as is consistent with obtaining the fair value thereof.

(b) Payments and Distributions. Company property or the proceeds therefrom, to the extent sufficient therefor, shall be applied and distributed in the following order of priority, with no distribution being made in any category set forth below until each preceding category has been satisfied in full:

(i) To the payment and discharge of all of the Company's debts and liabilities, including any debts and liabilities owed to any Member, and to the expenses of liquidation;

(ii) To the establishment of Reserves (which Reserves, to the extent determined by the Members to be no longer needed by the Company, shall be distributed in accordance with the order of priority set forth in subsection (iii) below);

(iii) To and among the Members in accordance with Article III of this Agreement.

ARTICLE IX

EXCULPATION AND INDEMNIFICATION

Section 9.01 Exculpation. No Indemnified Party shall be liable, responsible, or accountable in damages or otherwise to the Company or the Members for any act or omission of the Indemnified Party on behalf of the Company, provided that the act or omission is not determined by a court to be due to such Indemnified Party's willful misconduct or recklessness.

Section 9.02 Indemnification. The Company shall indemnify and hold harmless each Indemnified Party against any loss or damage (including attorneys' and other professional fees) incurred by the Indemnified Party on behalf of the Company or in furtherance of the Company's interests, without relieving the Indemnified Party of liability for willful misconduct or recklessness. The satisfaction of any indemnification shall be from and limited to Company's assets and no Member shall have any liability on account thereof. The right to indemnification shall include the right to be paid or reimbursed by the Company the reasonable expenses incurred by the Indemnified Party in advance of the final disposition of any proceeding; provided, however, that the advance payment of such expenses shall be made only upon delivery to the Company of a written affirmation by such Indemnified Party of such Indemnified Party's good faith belief that the Indemnified Party has met the standard of conduct necessary for indemnification under this Agreement and a written undertaking, by or on behalf of such Indemnified Party, to repay all amounts so advanced if it shall ultimately be determined that such Indemnified Party is not entitled to be indemnified under this Agreement or otherwise.

ARTICLE X

REPRESENTATIONS

Section 10.01 Investment Representations. Each Member represents and warrants that it has acquired its Interest for its own account as part of a transaction exempt from registration under the Securities Act of 1933, as amended, and applicable state law for investment purposes and not with a view to the resale or distribution thereof, and that it has had access to any and all information necessary to arrive at its decision to acquire its Interest. In addition to the restrictions on transfer of Interests otherwise set forth in this Agreement, no Interest may be sold, transferred, assigned or otherwise disposed of by any Member in the absence of registration under the Securities Act of 1933, as amended, and applicable state law, or an opinion of counsel experienced in securities matters and satisfactory to the Members that such assignment or other disposition will not be in violation of said Act or state laws. No Member shall have any right to require registration of its Interest under said Securities Act or applicable state law and, in view of the nature of the Company and its business, such registration is neither contemplated nor likely.

Each Member further acknowledges that it understands that the effect of the foregoing representation and warranty and restriction on assignment or other disposition is generally to require that such Interest be held indefinitely unless it is registered or an exemption from registration is available.

ARTICLE XI

MISCELLANEOUS

Section 11.01 **Notices.** All notices, approvals, consents, requests, instructions, and other communications (collectively "Communications") required to be given in writing pursuant to this Agreement shall be validly given, made or served only when delivered personally or by registered or certified mail, return receipt requested, postage prepaid, or by a reputable overnight or same day courier, addressed to the Company or the Member at the address that is on record at the principal office of the Company, or by facsimile to the number that is on record at the principal office of the Company. Any such Communication shall be treated as given under this Agreement when the Communication is delivered to such address or received at such facsimile number. The designation of the Person to receive such Communication on behalf of a Member or the address of any such Person for the purposes of such Communication may be changed from time to time by written notice given to the Company pursuant to this Section.

Section 11.02 **Parties Bound; No Third Party Beneficiaries.** This Agreement shall inure to the benefit of and shall be binding upon all the parties and their respective heirs, successors, and assigns. No provision of this Agreement is intended to or shall be construed to grant or confer any right to enforce this Agreement or any remedy for breach of this Agreement to or upon any Person other than the parties hereto.

Section 11.03 **Applicable Law.** This Agreement and the rights of the parties hereunder shall be interpreted in accordance with the laws of the Commonwealth of Virginia without regard to its conflict of law rules.

Section 11.04 **Amendment.** No change or modification to this Agreement shall be valid unless the same is in writing and signed by all the Members.

Section 11.05 **Entire Agreement.** This Agreement contains the entire understanding among the parties and supersedes any prior understandings and agreements between them respecting the subject matter hereof. There are no representations, agreements, arrangements, or understandings, oral or written, between or among the parties hereto relating to the subject matter of this Agreement which are not fully expressed herein.

Section 11.06 **Severability.** If any provision of this Agreement or the application thereof to any Person or circumstance shall, for any reason and to any extent, be invalid or unenforceable, the remainder of this Agreement and the application of such provision to other Persons or circumstances shall not be affected thereby but rather shall be enforced to the greatest extent permitted by law.

Section 11.07 **Counterparts.** This Agreement may be executed in one or more counterparts with the same effect as if all the Members had signed the same document. All counterparts shall be construed together and shall constitute one and the same instrument.

Section 11.08 **Construction.** When from the context it appears appropriate, each term stated either in the singular or the plural shall include the singular and the plural and pronouns stated either in the masculine, the feminine or the neuter shall include the masculine, the feminine and the neuter.

Section 11.09 **Headings and Captions.** The headings and captions contained in this Agreement are inserted only as a matter of convenience and in no way define, limit, or extend the scope or intent of this Agreement or any provisions hereof.

Section 11.10 **No Waiver.** The failure of any Member to insist upon strict performance of a covenant hereunder or of any obligation hereunder or to exercise any right or remedy hereunder, regardless of how long such failure shall continue, shall not be a waiver of such Member's right to demand strict compliance therewith in the future unless such waiver is in writing and signed by the Member giving the same.

Section 11.11 **Other Business and Investment Ventures.** Except as otherwise provided in this Agreement or any other agreement to which a Member is a party, each Member may engage in other business or investment ventures, including business or investment ventures in competition with the Company, and neither the Company nor the other Members shall have any rights in such business or investment ventures.

Section 11.12 **Additional Instruments.** Each Member agrees to execute and deliver such additional agreements, certificates, and other documents as may be necessary or appropriate to carry out the intent and purposes of this Agreement.

[Signatures on following page]

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

MEMBERS:

Diamond District Phase 1 Nine Managing Member, LLC,
a Virginia limited liability company

By: _____
Name: Timothy I. Henkel
Title: Chief Executive Officer

PENNROSE LP, LLC,
a Pennsylvania limited liability company

By: _____
Name: Timothy I. Henkel
Title: President

EXHIBIT A

MEMBERS' CAPITAL CONTRIBUTIONS AND PERCENTAGE INTERESTS

Members	Capital Contribution	Percentage Interest
Diamond District Phase 1 Nine Managing Member, LLC 230 Wyoming Avenue Kingston, Pennsylvania 18704	$1.00	1.00%
Pennrose LP, LLC 230 Wyoming Avenue Kingston, Pennsylvania 18704	$99.00	99.00%

FIRST AMENDMENT TO OPERATING AGREEMENT
OF
DIAMOND DISTRICT PHASE 1 NINE, LLC

THIS FIRST AMENDMENT TO OPERATING AGREEMENT OF DIAMOND DISTRICT PHASE 1 NINE, LLC (the "Amendment") is made and entered into effective as of March 5, 2026, by and among the undersigned parties.

RECITALS

WHEREAS, on March 4, 2025, Diamond District Phase I Nine MM, LLC (the "Managing Member") and Pennrose LP, LLC entered into that certain Operating Agreement of Diamond District Phase 1 Nine, LLC (the "Initial Operating Agreement"); and

WHEREAS, the Managing Member hereby desires to amend the Initial Operating Agreement to reflect its correct name as Diamond District Phase 1 Nine MM, LLC.

Accordingly, in consideration of the foregoing, of the mutual promises of the parties hereto, and of other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending legally to be bound, hereby agree as follows:

1. Managing Member. The Initial Operating Agreement is revised so that any reference to "Diamond District Phase I Nine Managing Member, LLC" is hereby replaced with "Diamond District Phase I Nine MM, LLC".

2. No Further Amendment. Except as expressly provided above, the Initial Operating Agreement shall not be amended hereby and shall remain in full force and effect.

3. Defined Terms. Unless otherwise provided herein, the terms used in this Amendment with initial capital letters shall have the same meaning as set forth in the Initial Operating Agreement.

4. No Continuing Waiver. The waiver of either party of any breach of this Amendment shall not operate or be construed to be a waiver of any subsequent breach.

5. Counterparts. This Amendment may be executed in counterparts, all of which shall be treated as a single document.

[Signature Pages Immediately Follow]

IN WITNESS WHEREOF, this Amendment has been executed effective as of the day and year set forth above.

DIAMOND DISTRICT PHASE 1 NINE MM, LLC,
a Virginia limited liability company

By: Pennrose Nix DD JV, LLC, a Virginia limited liability company, its sole member

By: Pennrose Holdings, LLC, a Pennsylvania limited liability company, its managing member

By: _____
Name: Timothy I. Henkel
Title: Chief Executive Officer

Commonwealth of Virginia
State Corporation Commission
Office of the Clerk
Entity ID: 11813704
Filing Number: 2503048336653
Filing Date/Time: 03/04/2025 04:32 PM
Effective Date/Time: 03/04/2025 04:32 PM

Limited Liability Company - Articles of Organization

Entity Information

Entity Name: Diamond District Phase 1 Nine, LLC

Entity Type: Limited Liability Company

Business Type

Industry Code: 0 - General

Duration

Perpetual(forever)

Registered Agent Information

RA Type: Entity

Locality: Henrico

RA Qualification: BUSINESS ENTITY THAT IS AUTHORIZED TO TRANSACT BUSINESS IN VIRGINIA

Name: Registered Agents Inc.

Email Address: filings@registeredagentsinc.com

The company's registered office address, including the street and number, if any, which is identical to the business office of the registered agent, is:

Registered Office Address: 8401 Mayland Dr Ste S, Richmond, VA, 23294 - 4648, USA

Contact Number: N/A

Principal Office Address

Address: 230 Wyoming Ave, Kingston, PA, 18704, USA

Principal Information

Management Structure: Member-Managed

Signature Information

Date Signed: 03/04/2025

Executed in the name of the limited liability company by:

Printed Name	Signature	Title
Timothy I. Henkel	Timothy I. Henkel	Organizer

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION

AT RICHMOND, MARCH 4, 2025

The State Corporation Commission has found the accompanying articles of organization submitted on behalf of

Diamond District Phase 1 Nine, LLC

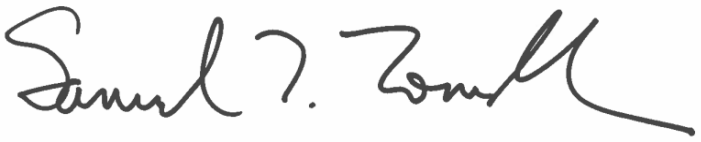
to comply with the requirements of law, and confirms payment of all required fees. Therefore, it is ORDERED that this

CERTIFICATE OF ORGANIZATION

be issued and admitted to record with the articles of organization in the Office of the Clerk of the Commission, effective March 4, 2025.

The limited liability company is granted the authority conferred on it by law in accordance with the articles of organization, subject to the conditions and restrictions imposed by law.

STATE CORPORATION COMMISSION

By 

Samuel T. Towell
Commissioner

IRS.gov

EIN Assistant

Your Progress: 1. Identity ✓ 2. Authenticate ✓ 3. Addresses ✓ 4. Details ✓ **5. EIN Confirmation**

Congratulations! The EIN has been successfully assigned.

EIN Assigned: **33-3798176**

Legal Name: **DIAMOND DISTRICT PHASE 1 NINE LLC**

The confirmation letter will be mailed to the applicant. This letter will be the applicant's official IRS notice and will contain important information regarding the EIN. Allow up to 4 weeks for the letter to arrive by mail.

We strongly recommend you print this page for your records.

Click "Continue" to get additional information about using the new EIN. Continue >>

Help Topics

Can the EIN be used before the confirmation letter is received?

DIAMOND DISTRICT PHASE 1 NINE MM, LLC

OPERATING AGREEMENT

Pennrose Nix DD JV, LLC, a Virginia limited liability company (the "Member"), being the sole member of Diamond District Phase 1 Nine MM, LLC (the "Company"), a Virginia limited liability company, hereby adopts this Operating Agreement as of March 5, 2026.

1. **General Character of Business.**

   The general character of the business of the Company is set forth in organized pursuant to Articles of Organization filed with the State Corporation Commission of the Commonwealth of Virginia on March 5, 2026 (the "Articles")

2. **Separateness.**

   The Company shall conduct its business and operations in its own name and shall maintain books and records and bank accounts separate from those of any other person.

3. **Management.**

   The Company will be managed by the Member, which shall exercise full and exclusive control over the affairs of the Company. The Member may appoint officers and agents for the Company and give them such titles and powers as the Member may choose. Any action taken by the Member in the name of the Company, and any action taken by an officer or agent of the Company in the name of the Company and with the proper authorization of the Member, shall be an action of the Company.

4. **Allocation of Profit and Loss.**

   All profits and losses of the Company (and items of income, deduction, gain, or loss) will be allocated 100% to the Member.

5. **Distributions.**

   All distributions with respect to the Member's interest in the Company will be made 100% to the Member.

6. **Capital Contribution.**

   The capital contribution of the Member to the Company is one hundred dollars ($100.00).

7. **Dissolution.**

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

8. **No Liability of Member and Others.**

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

9. **Indemnification.**

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

10. **Amendment.**

This Operating Agreement may be amended only by written instrument executed by the Member and indicating an express intention to amend this instrument.

[signature on following page]

IN WITNESS WHEREOF, the undersigned has executed this Operating Agreement under seal as of date first written above.

PENNROSE NIX DD JV, LLC, a Virginia limited liability company, its sole member

By: Pennrose Holdings, LLC, a Pennsylvania limited liability company, its managing member

By: _____
Name: Timothy I. Henkel
Title: Chief Executive Officer

Commonwealth of Virginia
State Corporation Commission
Office of the Clerk
Entity ID: 11980265
Filing Number: 2603059712248
Filing Date/Time: 03/05/2026 01:17 PM
Effective Date/Time: 03/05/2026 01:17 PM

Limited Liability Company - Articles of Organization

Entity Information

Entity Name: Diamond District Phase 1 Nine MM, LLC

Entity Type: Limited Liability Company

Business Type

Industry Code: 0 - General

Duration

Perpetual(forever)

Registered Agent Information

RA Type: Entity

Locality: Henrico

RA Qualification: BUSINESS ENTITY THAT IS AUTHORIZED TO TRANSACT BUSINESS IN VIRGINIA

Name: Registered Agents Inc.

Email Address: filings@registeredagentsinc.com

The company's registered office address, including the street and number, if any, which is identical to the business office of the registered agent, is:

Registered Office Address: 8401 Mayland Dr Ste S, Richmond, VA, 23294 - 4648, USA

Contact Number: N/A

Principal Office Address

Address: 230 Wyoming Ave, Kingston, PA, 18704 - 3535, USA

Principal Information

Management Structure: Member-Managed

Signature Information

Date Signed: 03/05/2026

Executed in the name of the limited liability company by:

Entity Name	Entity Type	Printed Name	Signature	Title
Pennrose Holdings, LLC	Limited Liability Company	Timothy I Henkel	Timothy I. Henkel	Organizer

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION

AT RICHMOND, MARCH 5, 2026

The State Corporation Commission has found the accompanying articles of organization submitted on behalf of

Diamond District Phase 1 Nine MM, LLC

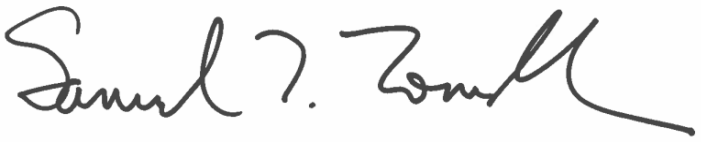
to comply with the requirements of law, and confirms payment of all required fees. Therefore, it is ORDERED that this

CERTIFICATE OF ORGANIZATION

be issued and admitted to record with the articles of organization in the Office of the Clerk of the Commission, effective March 5, 2026.

The limited liability company is granted the authority conferred on it by law in accordance with the articles of organization, subject to the conditions and restrictions imposed by law.

STATE CORPORATION COMMISSION

By 

Samuel T. Towell
Commissioner

An official website of the United States Government
Here's how you know

Apply for an Employer Identification Number (EIN)

Use this assistance to apply for and obtain an Employee Identification Number (EIN)



EIN Assignment

Congratulations! Your EIN has been successfully assigned.

Save and/or print this page and the confirmation letter below for your permanent records.

Print Page

The EIN

The EIN Details	
EIN assigned	**41-4674305**
Legal name	**DIAMOND DISTRICT PHASE I MM LLC**
Name control	**DIAM**

The confirmation letter will be mailed to the applicant. This letter will be the applicants official IRS notice and will contain important information regarding your EIN. Allow up to 4 weeks for your letter to arrive by mail.

Summary of your information

Legal Structure	
Organization Type	SINGLE MEMBER LIMITED LIABILITY COMPANY (LLC)

Limited Liability Company (LLC) Information	
Legal name	DIAMOND DISTRICT PHASE I MM LLC
County	LUZERNE
State/Territory	PA
Start date	March 2026

State/Territory where articles of organization are (or will be) filed	VA

Addresses

Physical Location	230 WYOMING AVENUE KINGSTON PA 18704
Phone Number	267-386-8691
Mail directed To	
TPD Name	BETHANY KOZLOSKY
TPD Address	101 ARCH STREET SUITE 1101 BOSTON MA 02110
TPD Phone Number	617-224-0634

Responsible Party of the LLC

Name	TIMOTHY I HENKEL SOLE MBR
SSN/ITIN	XXX-XX-5202

Principal Business Activity

What your business/organization does	REAL ESTATE

Principal product/service	AFFORDABLE HOUSING

Additional Limited Liability Company (LLC) Information

Owns a 55,000 pounds or greater highway motor vehicle	NO
Involves gambling/wagering	NO
Involves alcohol, tobacco, or firearms	NO
Files Form 720 (Quarterly Federal Excise Tax Return)	NO
Has employees who receive Forms W-2	NO
Reason for Applying	STARTED A NEW BUSINESS

Additional Information about your EIN

When can you use your EIN?

This EIN is your permanent number and can be used immediately for most of your business needs, including:

- Opening a bank account
- Applying for business licenses

- Filing a tax return by mail

However, it will take up to two weeks before your EIN becomes part of the IRS's permanent records. You must wait until this occurs before you can:

- File an electronic return
- Make an electronic payment
- Pass an IRS Taxpayer Identification Number (TIN) matching program

Next Steps (for LLC)?

If you do not wish to accept the default status of either partnership or disregarded entity, you can file:

- Form 8832 (Entity Classification Election). This form must be completed in a timely manner to receive corporation status. See the instructions for complete information.
- Form 2553 (Election by a Small Business Corporation). This form must be completed in a timely manner to receive S corporation status. See the instructions for complete information.

Acceptance or Non-Acceptance of Election

- The service center will notify the LLC as to the acceptance or non-acceptance of its election. The LLC should generally receive a determination on its election within 60 days after it has filed Form 8832 or Form 2553.
- Do not file Form 1120 (U.S. Corporation Income Tax Return) or Form 1120S (U.S. Income Tax Return for an S Corporation) until you receive notification of your acceptance.

You can download IRS forms, publications, and tax returns at https://www.irs.gov/formspubs.

Need to make a correction?

If you need to make changes to your organization's information, you must do so in writing and mail the information to the address provided at https://www.irs.gov/businesses/business-name-change

Print Page

Exit Application

Apply for another EIN

Privacy Policy

Accessibility

NIX DEVELOPMENT COMPANY LLC
PENNROSE NIX DD JV, LLC
DIAMOND DISTRICT PHASE 1 NINE MM, LLC
DIAMOND DISTRICT PHASE 1 NINE, LLC

Action by Consent of the Managing Member
March 5, 2026

The undersigned, being the Managing Member of NIX DEVELOPMENT COMPANY LLC, a Maryland limited liability company (the "**Company**"), hereby consents to the following actions and adopts the following resolutions:

WHEREAS, the Company is the non-managing member of Pennrose Nix DD JV, LLC., a Virginia limited liability company ("**Pennrose Nix**"), which is itself the sole member of Diamond District Phase 1 Nine MM, LLC, a Virginia limited liability company (the "**Managing Member**"), which is itself the managing member of Diamond District Phase 1 Nine, LLC, a Virginia limited liability company (the "**Owner**," and, collectively, with the Company, Pennrose Nix, and the Managing Member, collectively, the "**Project Entities**"); and

WHEREAS, the Owner will undertake the acquisition, financing, development, ownership and operation of a multi-family housing project commonly known as Diamond District Phase 1 (9%) (the "**Project**") located on the property identified as Parcel ID: N0001510013, Richmond, Virginia (the "**Property**"); and

WHEREAS, the Owner intends to submit certain applications related to low-income housing tax credit financing to Virginia Housing (collectively, the "**VH Applications**"); and

WHEREAS, pursuant to Section 4.1(b) of the Operating Agreement of the Company (the "**Operating Agreement**"), the Managing Member of the Company may act on behalf of the Company and has the authority to bind the Company; and

WHEREAS, the undersigned is the Managing Member of the Company.

NOW, THEREFORE, BE IT RESOLVED, that any one of the Authorized Officers of the Company (in its capacity as non-managing member of Pennrose Nix, in its capacity as the sole member of the Managing Member, in its capacity as the managing member of the Owner) is authorized, empowered, and directed to create and evidence obligations on behalf of themselves and, as applicable, Pennrose Nix, the Managing Member, and the Owner and to cause the performance of the obligations of, in the Company's capacity as non-managing member of Pennrose Nix, the sole member of the Managing Member, the managing member of the Owner, in connection with the VH Applications and any and all other transactions or agreements as the officers of the Company determine are necessary in connection with the foregoing, in furtherance of the development of the Property, or the completion of the Project;

FURTHER RESOLVED, that any one of the Authorized Officers of the Company (in its capacity as the non-managing member of Pennrose Nix, in its capacity as the sole member of the Managing Member, in its capacity as the managing member of the Owner) may sign and deliver on behalf of the Project Entities any and all documents evidencing the VH Applications, including, without limitation, such ground leases, options to ground lease, escrow, operating and regulatory agreements, declarations, assignments, program assistance agreements, rental subsidy agreements, subordination agreements and such other documents as may be required by any lender or investor of the Project, and including as any such documents as may contain provisions for confessing judgment against the Company or the Project Entities, which provisions

for confession of judgment are hereby specifically approved, as the officers of the Company deem necessary or appropriate; and

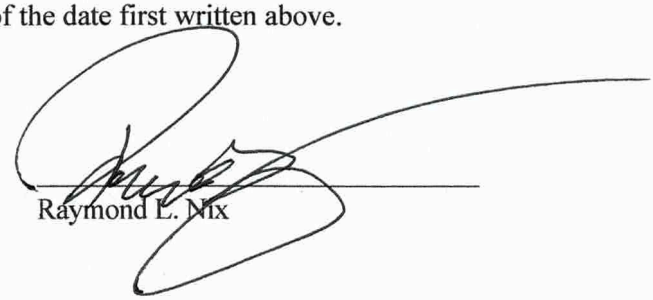
FURTHER RESOLVED, that the Company authorizes and directs Timothy I. Henkel as an "Authorized Officer" to take any and all such actions set forth in this Action by Consent of the Managing Member, and to execute, in the name and on behalf of each of the Project Entities, such documents authorized by this Action by Consent of the Managing Member of the Company; and

FURTHER RESOLVED, that all other actions previously taken by the Company or any Authorized Officer in connection with the Project or the VH Applications are hereby ratified and approved.

The undersigned below hereby certifies that (a) this Consent conforms with the Operating Agreement, (b) the Operating Agreement is in full force and effect, and (c) the undersigned has, and at the time of adoption of this Consent had, full power and full lawful authority to adopt this Consent, and to confer the powers thereby granted to the Company's officers, who have full power and lawful authority to exercise said powers.

[*Remainder of page intentionally left blank, Signatures on following page*]

IN WITNESS WHEREOF, the undersigned being the Managing Member of Nix Development Company LLC has executed this Consent as of the date first written above.



Raymond L. Nix

PENNROSE NIX DD JV, LLC

OPERATING AGREEMENT

This Operating Agreement (the "Agreement") is made as of March 18, 2025 by and between PENNROSE HOLDINGS, LLC ("Pennrose") and NIX DEVELOPMENT COMPANY, LLC ("Nix", and collectively referred to herein as the "Members" or each, individually, as a "Member") with reference to the following facts:

A. Pennrose and Nix filed Articles of Organization (the "Articles") for Pennrose Nix DD JV, LLC (the "Company"), a limited liability company organized under the laws of the Commonwealth of Virginia, with the Virginia State Corporation Commission.

B. The Members desire to enter into this Operating Agreement to provide for the organization and operation of the Company pursuant to Chapter 12 of Title 13.1 of the Code of Virginia (the "Act").

C. The parties hereto desire by this Agreement to continue the business of the Company and to provide for the management of the business and affairs of the Company in accordance with the Act, and as set forth herein.

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

ARTICLE I

DEFINED TERMS; OPERATION OF COMPANY

Section 1.01 Definitions. Within the context of this Agreement, the following terms shall have the following meanings:

"Act" means the Code of Virginia.

"Agreement" means this operating agreement, as the same may be amended from time to time.

"Bankruptcy" means, with respect to any Person, (i) the filing of any petition or answer by such Person seeking to adjudicate it a bankrupt or insolvent, or seeking for itself any liquidation, winding up, reorganization, arrangement, adjustment, protection, relief, or composition of such Person or such Person's debts under any law relating to bankruptcy, insolvency, or reorganization or relief of debtors, or seeking, consenting to, or acquiescing in the entry of an order for relief or the appointment of a receiver, trustee, custodian, or other similar official for such Person for any substantial part of its property, or (ii) without the consent or acquiescence of such Person, the entering of an order for relief or approving a petition for relief or reorganization or any other petition seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or other similar relief under any bankruptcy, liquidation, dissolution, or other similar statute, law, or regulation, or the filing of any such petition against such Person which petition shall not be dismissed within ninety (90) days, or, without the consent or acquiescence of such Person, the entering of an order appointing a trustee, custodian, receiver, or liquidator of such Person or of all or any substantial part of the property of such Person which order shall not be dismissed within sixty (60) days.

"Capital Account" means the account established and maintained for each Member in accordance with Section 2.04 of this Agreement.

"Capital Contribution" means the amount of money and the fair market value of any property contributed to the Company by a Member (net of any liabilities to which such property is subject or that are assumed by the Company in connection with such contribution).

"Certificate" means the certificate of formation for the Company, and any amendments thereto.

"Code" means the Internal Revenue Code of 1986, as amended.

"Company" means the limited liability company formed and operated pursuant to the terms of this Agreement.

"Incapacity" means (a) with respect to a natural Person, the Bankruptcy, death or determination of incompetency or insanity of such Person and (b) with respect to any other Person, the Bankruptcy, liquidation or dissolution of such Person.

"**Indemnified Party**" means any Member and any officer, director, shareholder, partner, member, manager or agent of a Member.

"**Interest**" or "**Interests**" means an ownership interest in the Company, including all of the rights and obligations in connection therewith under this Agreement and the Act.

"**Managing Member**" means Pennrose Holdings, LLC.

"Members" means the Person or Persons designated as members on Exhibit "A" attached to this Agreement, and any Person subsequently admitted as a member in accordance with the terms of this Agreement.

"Net Distributable Proceeds" means the gross cash or property received by the Company from all sources other than Capital Contributions increased by reductions in Reserves and reduced by the portion used (i) to pay Company expenses, including debt service, (ii) to make investments and capital expenditures, and (iii) to fund Reserves.

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

"Profits" and **"Losses"** mean, for each year or other period, an amount equal to the Company's taxable income or loss for such year or period, determined in accordance with §703(a) of the Code (for this purpose, all items of income, gain, loss, or deduction required to be stated separately pursuant to §703(a)(1) of the Code shall be included in taxable income or loss), adjusted in accordance with the Regulations under §704(b) of the Code.

"**Project Company**" means Diamond District Phase 1 Nine, LLC.

"**Project Company Operating Agreement**" means the Operating Agreement of Diamond District Phase 1 Nine, LLC, as may be amended from time to time.

"Regulations" means the income tax regulations promulgated under the Code, as such regulations may be amended from time to time.

"Reserves" means amounts set aside from time to time to pay future costs or expenses that are anticipated to exceed cash available to pay such costs or expenses when due, as determined in the discretion of the Members. Such amounts may include amounts to offset operating deficit(s), in the discretion of the Managing Member, after the replenishment of the operating reserve account.

Section 1.02 Formation; Name; EIN. The Company was formed by the filing of the Certificate by an authorized Person. The Members hereby agree to operate the Company as a limited liability company under the terms of this Agreement and the Act. Whenever the terms of this Agreement conflict with the Act, the terms of this Agreement shall control, except with respect to any matters contained in the Act that cannot be modified or waived by a limited liability company operating agreement. The Company shall be operated under the name "PENNROSE NIX DD JV, LLC". The Members or an authorized Person shall file such other certificates and documents as are necessary to qualify the Company to conduct business in any jurisdiction in which the Company conducts business. A copy of the Certificate shall be provided to any Member on request. The EIN of the Company is 33-4084607.

Section 1.03 Registered Agent and Office; Principal Office. The registered agent and office of the Company required under the Act shall be as designated in the Certificate and may be changed by the Members in accordance with the Act. The principal business office of the Company shall be located at c/o Pennrose Holdings, LLC, 230 Wyoming Avenue, Kingston, Pennsylvania 18704, or such other address as shall be designated by the Members.

Section 1.04 Purpose. The purpose and business of the Company is to own, an interest in the Project Company and do any and all acts and things necessary, appropriate, incidental to, or convenient for the furtherance and accomplishment of its purposes.

Section 1.05 Term. The term of the Company commenced on the date of filing of the Certificate, and the Company shall continue until the Company is terminated in accordance with Article VIII of this Agreement.

Section 1.06 Title to Property. All real and personal property owned by the Company shall be owned by the Company as an entity and no Member shall have any ownership interest in such property in the Member's individual name or right, and each Member's Interest shall be personal property for all purposes. The Company shall hold all of its real and personal property in the name of the Company and not in the name of any Member.

Section 1.07 Waiver of Partition. No Member shall either directly or indirectly take any action to require partition or appraisement of the Company or of any of its assets or properties or cause the sale of any Company property, and notwithstanding any provisions of applicable law to the contrary, each Member hereby irrevocably waives any and all right to maintain any action for partition or to compel any sale with respect to such Member's Interest, or with respect to any assets or properties of the Company, except as expressly provided in this Agreement.

ARTICLE II

CAPITAL CONTRIBUTIONS; INTERESTS; CAPITAL ACCOUNTS

Section 2.01 Capital Contributions. The Capital Contributions of the Members are set forth on Exhibit "A" attached hereto. Notwithstanding anything herein or elsewhere to the contrary all Capital Contributions shall in turn be contributed by the Company to the Project Company.

Section 2.02 **Additional Capital Contributions and Loans.** No Member shall be obligated to make any additional Capital Contributions or loans to the Company.

Section 2.03 **Percentage Interests.** Each Member shall have the Percentage Interest in the Company set forth next to such Member's name on Exhibit "A" attached hereto.

Section 2.04 **Capital Accounts.** A Capital Account shall be maintained and adjusted for each Member in accordance with §704(b) of the Code and the Regulations issued thereunder. Upon the happening of an event specified in Regulation §1.704-1(b)(2)(iv)(f)(5), Capital Accounts shall be adjusted in accordance with Regulation §1.704-1(b)(2)(iv)(g), unless the Members determine that such adjustment is not necessary to reflect the economic arrangement among the Members.

Section 2.05 **No Interest.** No interest shall be paid on any Capital Contributions or Capital Account balance of any Member.

Section 2.06 **No Deficit Make-Up.** No Member shall be obligated to the Company or to any other Member solely because of a deficit balance in such Member's Capital Account.

ARTICLE III

DISTRIBUTIONS

Section 3.01 **Distributions of Net Distributable Proceeds.** Net Distributable Proceeds shall be distributed to the Members in accordance with their Percentage Interests.

Section 3.02 **Amounts Withheld.** The Company is authorized to withhold from distributions or with respect to allocations and pay over to any federal, state, local or foreign government any amounts required to be withheld with respect to any Member pursuant to any provisions of federal, state, local or foreign law. All amounts so withheld shall be treated as amounts distributed to the Members pursuant to Section 3.01 of this Agreement. To the extent any amount withheld with respect to a Member pursuant to this Section 3.02 for any year exceeds the amount distributable to such Member for such year, such Member shall repay such excess to the Company within ten (10) days after such Member receives written notice from the Company of the amount of such excess.

Section 3.03 **Tax Distributions.** The Company shall distribute to each Member for each fiscal year of the Company an amount of cash which equals (i) the amount of taxable income allocable to the Member for such year, multiplied by (ii) the combined maximum individual federal and state income tax rate attributable to such taxable income (determined as if all Members were residents of Pennsylvania and taking into account the deductibility of state income taxes for federal income tax purposes). Such distributions shall be made no later than ninety (90) days after the end of the fiscal year and may be made quarterly or on any other basis during the year based upon estimates of the taxable income for the year. All amounts so distributed shall be treated as amounts distributed to the Member pursuant to Section 3.01 and shall be reduced by any other amounts distributed pursuant to Section 3.01 and any amounts withheld with respect to the Member pursuant to Section 3.02.

Section 3.04 **Property Distributions.** The Members may authorize the distribution to the Members of property other than cash. All such distributions shall be included in Net Distributable Proceeds based upon the fair market value of such property at the time of distribution.

ARTICLE IV

PROFITS AND LOSSES

Section 4.01 **General Allocation of Profits and Losses.** After taking into account any special allocations pursuant to Section 4.02 and subject to any limitations contained therein, Profits and Losses for any year or portion thereof shall be allocated among the Members in accordance with their Percentage Interests.

Section 4.02 **Special Allocations.** Prior to making allocations to the Members pursuant to Section 4.01, the Company shall make any allocations that are required in order to comply with the rules of Regulation §1.704-2 concerning allocations attributable to nonrecourse liabilities including the "chargeback" rules of Reg. §1.704-2(f) and Reg. §1.704-2(i)(4), and the "qualified income offset" rules of Regulation §1.704-1(b)(2)(ii)(d). "Nonrecourse deductions" as defined in Reg. §1.704-2(b)(1) shall be allocated among the Members in accordance with their Percentage Interests. No Losses or items of loss or deduction shall be allocated to a Member to the extent such allocation would cause such Member to have a negative Capital Account balance that exceeds the amount such Member is obligated to restore or treated as obligated to restore to the Company pursuant to Regulation §1.704-1(b)(2)(ii)(c), Regulation §1.704-2(g), and Regulation §1.704-2(i)(5).

ARTICLE V

MANAGEMENT OF COMPANY

Section 5.01 **General Provisions Concerning Management.** The powers of the Company shall be exercised by or under the authority of, and the business and affairs of the Company shall be managed under the direction of the Managing Member.

Section 5.02 **Meetings of Members; Written Consents.** Meetings of the Members may be called by or at the request of any Member. Any Member may participate in a meeting by means of conference telephone or similar communications equipment by means of which all Persons participating in the meeting can hear and speak to each other at the same time or in sequence, and participation in a meeting pursuant to this provision shall constitute presence at the meeting. Any action required or permitted to be taken at a meeting may be taken without a meeting if a consent, in writing, setting forth the action so taken shall be signed by the Members.

Section 5.03 **Contracts with Affiliates.** The Company may enter into contracts and agreements for property or services in the ordinary course of business with any Member or any Person related to or affiliated with any Member, provided such contracts and agreements are on terms and conditions which are no less favorable to the Company than could be obtained by the Company in the same type of transaction with an independent third party.

Section 5.04 **Company Expenses.** All expenses of the Company shall be billed directly to and be paid by the Company. Each Member shall be reimbursed for all reasonable expenses incurred by the Member for or on behalf of the Company.

ARTICLE VI

BOOKS AND RECORDS; TAX AND FINANCIAL MATTERS

Section 6.01 **Books and Records.** Proper and complete records and books of account of the Company shall be maintained at the principal place of business of the Company. The Company books shall be closed and balanced at the end of each fiscal year. Each Member or duly authorized representative of a Member shall have access and the right to inspect such books and records during normal business hours, provided any information obtained thereby may be used solely for purposes related to the business of the Company or the Member's Interest in the Company.

Section 6.02 **Fiscal Year.** The year of the Company shall end on the last day of the month of December each year.

Section 6.03 **Reports and Tax Returns.** Within ninety (90) days after the end of each fiscal year (subject to reasonable delays in the event of difficulty in obtaining or compiling of tax information), the Company shall transmit to each Person who was a Member at any time during the fiscal year the Schedule K-1 (IRS Form 1065) for the Person for such year. The Member designated as the "partnership representative" in accordance with Section 6.04 shall cause to be prepared and filed all tax returns for the Company, and all tax elections concerning the Company shall be made at the direction of such partnership representative. Each Member agrees that it shall not take on any of its original or amended income tax returns or claims for refund any position with respect to any Company item of income, gain, loss, deduction, or credit that is inconsistent with the treatment of such item by the Company on the Schedule K-1.

Section 6.04 **Partnership Representative.** Pennrose Holdings, LLC is hereby designated as the "partnership representative" for the Company, as that term is defined in Section 6223(a) of the Code and corresponding provisions of applicable state law and shall have all the rights and powers of the "partnership representative" pursuant to those provisions. Pennrose Holdings, LLC shall consult with and inform the other Members of any decision or action it takes as "partnership representative."

Section 6.05 **Banking.** All funds of the Company shall be deposited in the name of the Company in such checking account or accounts as shall be designated by the Members. All withdrawals therefrom are to be made upon checks signed by a Person or Persons authorized by the Members.

Section 6.06 **Special Elections**. Notwithstanding anything herein or elsewhere to the contrary, Nix, simultaneously with the filing of its tax return, shall elect not to be treated as a tax-exempt entity for purposes of Code Sections 168(h)(5) and (6) and shall maintain such election for the Term of the Project Company.

ARTICLE VII

TRANSFERS, ADMISSIONS, AND WITHDRAWALS

Section 7.01 **Transfers.** Members shall be permitted to transfer, sell, assign, encumber, or otherwise dispose of all or any portion of the Member's Interest only with the written consent of the non-transferring Members, and provided such transfer will not cause a default by the Company under any of its contractual or other obligations. The transferee shall pay all costs and expenses incurred by the Company in connection with such transfer.

Section 7.02 Admissions. Except as provided in this Agreement, no transferee of an Interest shall be admitted as a Member of the Company unless the transferee agrees to be legally bound by this Agreement as a Member and executes and delivers to the Company such documents and instruments as are necessary or appropriate in connection with the transferee becoming a Member. The transferee shall pay all costs and expenses incurred by the Company in connection with such admission. Any transferee of an Interest who is not admitted as a Member shall have the rights of an assignee with respect to distributions and Profits, Losses, and other allocations attributable to the transferred Interest, but shall have no rights as a Member under this Agreement or the Act. Notwithstanding the foregoing, the Interest of the assignee shall be subject to the restrictions contained in this Agreement applicable to Interests held by a Member.

Section 7.03 No Withdrawal. No Member shall have the right to withdraw from the Company prior to the dissolution and winding up of the Company without the approval of the other Members.

Section 7.04 Incapacity of Member. In the event of the Incapacity of a Member, the executor, administrator, guardian, trustee, or other personal representative of the Member affected by such Incapacity shall be deemed to be the assignee of such Member's Interest and may, subject to Section 7.02, become a substituted Member.

ARTICLE VIII

TERMINATION AND DISSOLUTION

Section 8.01 Dissolution Events. The existence of the Company shall be perpetual, and the Company shall be terminated and dissolved only upon (a) the election of the Members, (b) the entry of a final decree of judicial dissolution under the Act, or (c) the sale or other disposition by the Company of its interest in Project Company or the dissolution of the Project Company.

Section 8.02 Liquidation.

(a) Winding Up. Upon the dissolution of the Company, the Company's business shall be liquidated in an orderly manner. The Members shall determine which Company property shall be distributed in-kind and which Company property shall be liquidated. The liquidation of Company property shall be carried out as promptly as is consistent with obtaining the fair value thereof.

(b) Payments and Distributions. Company property or the proceeds therefrom, to the extent sufficient therefor, shall be applied and distributed in the following order of priority, with no distribution being made in any category set forth below until each preceding category has been satisfied in full:

(i) To the payment and discharge of all of the Company's debts and liabilities, including any debts and liabilities owed to any Member, and to the expenses of liquidation;

(ii) To the establishment of Reserves (which Reserves, to the extent determined by the Members to be no longer needed by the Company, shall be distributed in accordance with the order of priority set forth in subsection (iii) below);

(iii) To the Members in accordance with their positive Capital Account balances.

ARTICLE IX

EXCULPATION AND INDEMNIFICATION

Section 9.01 Exculpation. No Indemnified Party shall be liable, responsible, or accountable in damages or otherwise to the Company or the Members for any act or omission of the Indemnified Party on behalf of the Company, provided that the act or omission is not determined by a court to be due to such Indemnified Party's willful misconduct or recklessness.

Section 9.02 Indemnification. The Company shall indemnify and hold harmless each Indemnified Party against any loss or damage (including attorneys' and other professional fees) incurred by the Indemnified Party on behalf of the Company or in furtherance of the Company's interests, without relieving the Indemnified Party of liability for willful misconduct or recklessness. The satisfaction of any indemnification shall be from and limited to Company's assets and no Member shall have any liability on account thereof. The right to indemnification shall include the right to be paid or reimbursed by the Company the reasonable expenses incurred by the Indemnified Party in advance of the final disposition of any proceeding; provided, however, that the advance payment of such expenses shall be made only upon delivery to the Company of a written affirmation by such Indemnified Party of such Indemnified Party's good faith belief that the Indemnified Party has met the standard of conduct necessary for indemnification under this Agreement and a written undertaking, by or on behalf of such Indemnified Party, to repay all amounts so advanced if it shall ultimately be determined that such Indemnified Party is not entitled to be indemnified under this Agreement or otherwise.

ARTICLE X

REPRESENTATIONS

Section 10.01 Investment Representations. Each Member represents and warrants that it has acquired its Interest for its own account as part of a transaction exempt from registration under the Securities Act of 1933, as amended, and applicable state law for investment purposes and not with a view to the resale or distribution thereof, and that it has had access to any and all information necessary to arrive at its decision to acquire its Interest. In addition to the restrictions on transfer of Interests otherwise set forth in this Agreement, no Interest may be sold, transferred, assigned or otherwise disposed of by any Member in the absence of registration under the Securities Act of 1933, as amended, and applicable state law, or an opinion of counsel experienced in securities matters and satisfactory to the Members that such assignment or other disposition will not be in violation of said Act or state laws. No Member shall have any right to require registration of its Interest under said Securities Act or applicable state law and, in view of the nature of the Company and its business, such registration is neither contemplated nor likely. Each Member further acknowledges that it understands that the effect of the foregoing representation and warranty and restriction on assignment or other disposition is generally to require that such Interest be held indefinitely unless it is registered or an exemption from registration is available.

ARTICLE XI

MISCELLANEOUS

Section 11.01 Notices. All notices, approvals, consents, requests, instructions, and other communications (collectively "Communications") required to be given in writing pursuant to this Agreement shall be validly given, made or served only when delivered personally or by registered or certified mail, return receipt requested, postage prepaid, or by a reputable overnight or same day courier, addressed to the Company or the Member at the address that is on record at the principal office of the

Company, or by facsimile to the number that is on record at the principal office of the Company. Any such Communication shall be treated as given under this Agreement when the Communication is delivered to such address or received at such facsimile number. The designation of the Person to receive such Communication on behalf of a Member or the address of any such Person for the purposes of such Communication may be changed from time to time by written notice given to the Company pursuant to this Section.

Section 11.02 Parties Bound; No Third Party Beneficiaries. This Agreement shall inure to the benefit of and shall be binding upon all the parties and their respective heirs, successors and assigns. No provision of this Agreement is intended to or shall be construed to grant or confer any right to enforce this Agreement or any remedy for breach of this Agreement to or upon any Person other than the parties hereto.

Section 11.03 Applicable Law. This Agreement and the rights of the parties hereunder shall be interpreted in accordance with the laws of the State of Connecticut without regard to its conflict of law rules.

Section 11.04 Amendment. No change or modification to this Agreement shall be valid unless the same is in writing and signed by the Members.

Section 11.05 Entire Agreement. This Agreement contains the entire understanding among the parties and supersedes any prior understandings and agreements between them respecting the subject matter hereof. There are no representations, agreements, arrangements, or understandings, oral or written, between or among the parties hereto relating to the subject matter of this Agreement which are not fully expressed herein.

Section 11.06 Severability. If any provision of this Agreement or the application thereof to any Person or circumstance shall, for any reason and to any extent, be invalid or unenforceable, the remainder of this Agreement and the application of such provision to other Persons or circumstances shall not be affected thereby but rather shall be enforced to the greatest extent permitted by law.

Section 11.07 Counterparts. This Agreement may be executed in one or more counterparts with the same effect as if all of the Members had signed the same document. All counterparts shall be construed together and shall constitute one and the same instrument.

Section 11.08 Construction. When from the context it appears appropriate, each term stated either in the singular or the plural shall include the singular and the plural and pronouns stated either in the masculine, the feminine or the neuter shall include the masculine, the feminine and the neuter.

Section 11.09 Headings and Captions. The headings and captions contained in this Agreement are inserted only as a matter of convenience and in no way define, limit or extend the scope or intent of this Agreement or any provisions hereof.

Section 11.10 No Waiver. The failure of any Member to insist upon strict performance of a covenant hereunder or of any obligation hereunder or to exercise any right or remedy hereunder, regardless of how long such failure shall continue, shall not be a waiver of such Member's right to demand strict compliance therewith in the future unless such waiver is in writing and signed by the Member giving the same.

Section 11.11 Other Business and Investment Ventures. Except as otherwise provided in this Agreement or any other agreement to which a Member is a party, each Member may engage in other

business or investment ventures, including business or investment ventures in competition with the Company, and neither the Company nor the other Members shall have any rights in such business or investment ventures.

Section 11.12 Additional Instruments. Each Member agrees to execute and deliver such additional agreements, certificates, and other documents as may be necessary or appropriate to carry out the intent and purposes of this Agreement.

[Signatures on following page]

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

MEMBERS:

PENNROSE HOLDINGS, LLC, a Pennsylvania limited liability company, its managing member

By: _____
Name: Timothy I. Henkel
Title: Chief Executive Officer

NIX DEVELOPMENT COMPANY, LLC, a Maryland limited liability company

By: _____
Name: Raymond L. Nix
Title: President

EXHIBIT A

MEMBERS AND CAPITAL CONTRIBUTIONS

Members	**Capital Contribution**	**Percentage Interests**
Pennrose Holdings, LLC 230 Wyoming Avenue Kingston, Pennsylvania 18704	**$10.00**	**75%**
Nix Development Company, LLC 9103 Woodmore Centre Drive, #147 Lanham, MD. 20706	**$10.00**	**25%**

Commonwealth of Virginia

STATE CORPORATION COMMISSION

Richmond, March 19, 2025

This is to certify that the certificate of organization of

Pennrose Nix DD JV, LLC

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

Effective date: March 19, 2025

STATE CORPORATION COMMISSION
Attest:

Clerk of the Commission

IRS DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
CINCINNATI OH 45999-0023

Date of this notice: 03-19-2025

Employer Identification Number:
33-4084607

Form: SS-4

Number of this notice: CP 575 B

PENNROSE NIX DD JV LLC
TIMOTHY I HENKEL MBR
230 WYOMING AVE
KINGSTON, PA 18704

For assistance you may call us at:
1-800-829-4933

IF YOU WRITE, ATTACH THE
STUB AT THE END OF THIS NOTICE.

WE ASSIGNED YOU AN EMPLOYER IDENTIFICATION NUMBER

Thank you for applying for an Employer Identification Number (EIN). We assigned you EIN 33-4084607. This EIN will identify you, your business accounts, tax returns, and documents, even if you have no employees. Please keep this notice in your permanent records.

Taxpayers request an EIN for their business. Some taxpayers receive CP575 notices when another person has stolen their identity and are opening a business using their information. If you did **not** apply for this EIN, please contact us at the phone number or address listed on the top of this notice.

When filing tax documents, making payments, or replying to any related correspondence, it is very important that you use your EIN and complete name and address exactly as shown above. Any variation may cause a delay in processing, result in incorrect information in your account, or even cause you to be assigned more than one EIN. If the information is not correct as shown above, please make the correction using the attached tear-off stub and return it to us.

Based on the information received from you or your representative, you must file the following forms by the dates shown.

Form 1065	03/15/2026

If you have questions about the forms or the due dates shown, you can call us at the phone number or write to us at the address shown at the top of this notice. If you need help in determining your annual accounting period (tax year), see Publication 538, *Accounting Periods and Methods*.

We assigned you a tax classification (corporation, partnership, estate, trust, EPMF, etc.) based on information obtained from you or your representative. It is not a legal determination of your tax classification, and is not binding on the IRS. If you want a legal determination of your tax classification, you may request a private letter ruling from the IRS under the guidelines in Revenue Procedure 2020-1, 2020-1 I.R.B. 1 (or superseding Revenue Procedure for the year at issue). Note: Certain tax classification elections can be requested by filing Form 8832, *Entity Classification Election*. See Form 8832 and its instructions for additional information.

A limited liability company (LLC) may file Form 8832, *Entity Classification Election*, and elect to be classified as an association taxable as a corporation. If the LLC is eligible to be treated as a corporation that meets certain tests and it will be electing S corporation status, it must timely file Form 2553, *Election by a Small Business Corporation*. The LLC will be treated as a corporation as of the effective date of the S corporation election and does not need to file Form 8832.

(IRS USE ONLY) 575B 03-19-2025 PENN B 9999999999 SS-4

IMPORTANT REMINDERS:

* Keep a copy of this notice in your permanent records. This notice is issued only one time and the IRS will not be able to generate a duplicate copy for you. You may give a copy of this document to anyone asking for proof of your EIN.

* Use this EIN and your name exactly as they appear at the top of this notice on all your federal tax forms.

* Refer to this EIN on your tax-related correspondence and documents.

* Provide future officers of your organization with a copy of this notice.

Your name control associated with this EIN is PENN. You will need to provide this information along with your EIN, if you file your returns electronically.

Safeguard your EIN by referring to Publication 4557, Safeguarding Taxpayer Data: A Guide for Your Business.

You can get any of the forms or publications mentioned in this letter by visiting our website at www.irs.gov/forms-pubs or by calling 800-TAX-FORM (800-829-3676).

If you have questions about your EIN, you can contact us at the phone number or address listed at the top of this notice. If you write, please tear off the stub at the bottom of this notice and include it with your letter.

Thank you for your cooperation.

Keep this part for your records. CP 575 B (Rev. 7-2007)

Return this part with any correspondence so we may identify your account. Please correct any errors in your name or address.

CP 575 B

9999999999

Your Telephone Number
( ) -
_____

Best Time to Call
_____

DATE OF THIS NOTICE: 03-19-2025
EMPLOYER IDENTIFICATION NUMBER: 33-4084607
FORM: SS-4 NOBOD

INTERNAL REVENUE SERVICE
CINCINNATI OH 45999-0023

PENNROSE NIX DD JV LLC
TIMOTHY I HENKEL MBR
230 WYOMING AVE
KINGSTON, PA 18704

PENNROSE HOLDINGS, LLC
PENNROSE NIX DD JV, LLC
DIAMOND DISTRICT PHASE 1 NINE MM, LLC
DIAMOND DISTRICT PHASE 1 NINE, LLC

Action by Consent of the Board of Managers
March 5, 2026

The undersigned, being members of the Board of Managers of PENNROSE HOLDINGS, LLC, a Pennsylvania limited liability company ("**Holdings**"), hereby consent to the following actions and adopt the following resolutions:

WHEREAS, Holdings is the managing member of Pennrose Nix DD JV, LLC., a Virginia limited liability company ("**Pennrose Nix**"), which is itself the sole member of Diamond District Phase 1 Nine MM, LLC, a Virginia limited liability company (the "**Managing Member**"), which is itself the managing member of Diamond District Phase 1 Nine, LLC, a Virginia limited liability company (the "**Owner**," and, collectively, with Holdings, Pennrose Nix, and the Managing Member, collectively, the "**Project Entities**"); and

WHEREAS, the Owner will undertake the acquisition, financing, development, ownership and operation of a multi-family housing project commonly known as Diamond District Phase 1 (9%) (the "**Project**") located on the property identified as Parcel ID: N0001510013, Richmond, Virginia (the "**Property**"); and

WHEREAS, the Owner intends to submit certain applications related to low-income housing tax credit financing to Virginia Housing (collectively, the "**VH Applications**"); and

WHEREAS, pursuant to Article 3 of the Second Amended and Restated Limited Liability Company Operating Agreement of Holdings (the "**Holdings Operating Agreement**"), the Board of Managers of Holdings may act on behalf of Holdings with respect to most matters upon the written consent of four of the five members of the Board of Managers, so long as at least one Hunt Manager and at least two Pennrose Managers (as such terms are defined in the Holdings Operating Agreement) sign such consent; and

WHEREAS, the undersigned consist of one Hunt Manager and three Pennrose Managers for Holdings.

NOW, THEREFORE, BE IT RESOLVED, that any one of the Authorized Officers of Holdings (in its capacity as managing member of Pennrose Nix, in its capacity as the sole member of the Managing Member, in its capacity as the managing member of the Owner) is authorized, empowered, and directed to create and evidence obligations on behalf of themselves and, as applicable, Pennrose Nix, Managing Member, and Owner and to cause the performance of the obligations of, in Holdings' capacity as managing member of Pennrose Nix, the sole member of the Managing Member, the managing member of the Owner, in connection with the VH Applications and any and all other transactions or agreements as the officers of Holdings determine are necessary in connection with the foregoing, in furtherance of the development of the Property, or the completion of the Project;

FURTHER RESOLVED, that any one of the Authorized Officers of Holdings (in its capacity as the managing member of Pennrose Nix, in its capacity as the sole member of the Managing Member, in its capacity as the managing member of the Owner) may sign and deliver on behalf of the Project Entities any and all documents evidencing the VH Applications, including, without limitation, such ground leases,

options to ground lease, escrow, operating and regulatory agreements, declarations, assignments, program assistance agreements, rental subsidy agreements, subordination agreements and such other documents as may be required by any lender or investor of the Project, and including as any such documents as may contain provisions for confessing judgment against Holdings or the Project Entities, which provisions for confession of judgment are hereby specifically approved, as the officers of Holdings deem necessary or appropriate; and

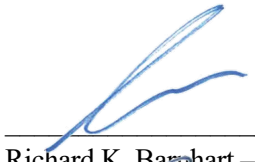
FURTHER RESOLVED, that Holdings authorizes Timothy I. Henkel as Chief Executive Officer of Holdings, as an "Authorized Signatory," is separately authorized and directed to take any and all such actions set forth in this Action by Consent of the Board of Managers, and to execute, in the name and on behalf of each of the Project Entities, such documents authorized by this Action by Consent of the Board of Managers of Holdings; and

FURTHER RESOLVED, that all other actions previously taken by Holdings or any Authorized Officer in connection with the Project or the VH Applications are hereby ratified and approved.

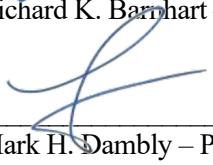
The undersigned below hereby certify that (a) this Consent conforms with the Holdings Operating Agreement, (b) the Holdings Operating Agreement is in full force and effect, and (c) the undersigned have, and at the time of adoption of this Consent had, full power and full lawful authority to adopt this Consent, and to confer the powers thereby granted to Holdings' officers, who have full power and lawful authority to exercise said powers.

[*Remainder of page intentionally left blank, Signatures on following page*]

IN WITNESS WHEREOF, the undersigned being members of the Board of Managers of Pennrose Holdings, LLC have executed this Consent as of the date first written above.



_____
Richard K. Barnhart – Pennrose Manager



_____
Mark H. Dambly – Pennrose Manager



_____
Timothy I. Henkel – Pennrose Manager

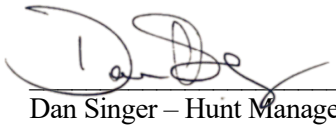
_____
Dan Singer – Hunt Manager

IN WITNESS WHEREOF, the undersigned being members of the Board of Managers of Pennrose Holdings, LLC have executed this Consent as of the date first written above.

_____
Richard K. Barnhart – Pennrose Manager

_____
Mark H. Dambly – Pennrose Manager

_____
Timothy I. Henkel – Pennrose Manager



_____
Dan Singer – Hunt Manager

2026 Low-Income Housing Tax Credit Application For Reservation

V. List of LIHTC Developments (Schedule A)

INSTRUCTIONS

1. A Schedule A is required for every individual that makes up the GP or Managing Member, except as follows:
   - For Principals organized as a corporation (public or private), nonprofit organization, or governmental entity, you are only required to list the names of any officers who are directly responsible to the Board of Directors (or equivalent) and any stockholder holding a 25% or more interest in said Principal.
   - For Principals organized as a limited liability company with more than 25 individual members, you are only required to list the names of any officers and any managing members responsible for managing the affairs of the company, along with the name of any individual members holding 25% or more interest in the Principal.
   - For Principals organized as a trust, you are only required to list the names of all trustees and any individuals possessing a 25% or more beneficial interest in the assets of the trust.
2. For each property for which an uncorrected 8823 has been issued, provide a detailed explanation of the nature of the non-compliance, as well as a status statement at **Tab D**.
3. List only tax credit development experience for the past 15 years.
4. Use separate forms as needed, for each principal. Five additional tabs are available at the end of the application. Contact Virginia Housing if you need more available within the application.

Development Name: Diamond District Phase 1 (9%)

Name of Applicant: Diamond District Phase 1 Nine, LLC

Principals' Name: Timothy I Henkel

#	Development Name	Location	Ownership Entity	Ownership Entity Phone	CGP or "Named" Managing Member at the time of deal?	Total Develop-ment Units	Total Low Income Units	Placed in Service Date	8609 Issued Date	Uncorrected 8823s? If Y, Explain at Tab D
1.	1721 Springdale Road - Weinberg Commons I	Cherry Hill, NJ	1721 Springdale Urban Renewal Associates, LLC	(267) 386-8600	Y	80	79	10/30/2019	12/6/2020	N
2.	50 Penn	Brooklyn NY	50 Penn LLC	(267) 386-8600	Y	218	218	9/15/2021	N/A - Not yet is	N
3.	A. Harry Moore 3	Jersey City NJ	AHM Housing Urban Renewal Associates LLC	(267) 386-8600	Y	60	49	11/23/2011	11/28/2012	N
4.	A. Harry Moore 4.	Jersey City NJ	AHM Housing Urban Renewal Associates IV LLC	(267) 386-8600	Y	70	59	5/3/2016	12/21/2016	N
5.	Academy Place Preservation	Trenton NJ	Associates, LLC	(267) 386-8600	Y	40	40	7/31/2014	12/23/2014	N
6.	Alexander Hamilton 1	Paterson NJ	Alexander Hamilton Associates LLC	(267) 386-8600	Y	80	80	8/31/2011	5/30/2014	N
7.	Alexander Hamilton 2	Paterson NJ	Alexander Hamilton II Associates LLC	(267) 386-8600	Y	50	50	6/1/2015	3/14/2016	N
8.	Alexander Hamilton 3	Paterson NJ	Alexander Hamilton Ill Associates LLC	(267) 386-8600	Y	50	50	5/16/2014	8/12/2015	N
9.	Apollo Dye 2	Paterson NJ	Apollo Dye II Associates LLC	(267) 386-8600	Y	63	63	7/1/2017	8/31/2018	N
10.	Apollo Dye I	Paterson Ni	Apollo Dye Associates LLC	(267) 386-8600	Y	70	70	7/31/2015	5/27/2016	N
11.	Bensalem Veterans Residences	Bensalem PA	BSV Housing LP	(267) 386-8600	Y	40	40	12/10/2020	7/13/2022	N
12.	Booth Street	Salisbury MD	Booth Street Phase I LLC	(267) 386-8600	Y	84	84	12/20/2016	6/30/2018	N
13.	Braddock Senior Housing	Braddock PA	Braddock Housing Initiative LP	(267) 386-8600	Y	53	53	2/17/2010	8/31/2010	N
14.	Branch Village	Camden NJ	Branch Village Housing Urban Renewal LLC	(267) 386-8600	Y	58	58	7/5/2011	5/29/2012	N
15.	Burwood Gardens	Glen Burnie MD	Burwood Gardens Senior LLC	(267) 386-8600	Y	100	100	11/18/2013	12/27/2014	N
16.	Bushwick Gardens	Brooklyn NY	Bushwick Gardens I LLC	(267) 386-8600	Y	372	0	4/26/2021	N/A - Not yet is	N
17.	C.W. Brooks	Hagerstown MD	C.W. Brooks LLC	(267) 386-8600	Y	60	60	6/30/2011	8/24/2012	N
18.	Campbell Purcell		Brackett Road Housing LLC	(267) 386-8600	Y	65	50	Various	12/4/2020	N
19.	Camp Kilmer A		Camp Kilmer A Urban Renewal Associates LLC	(267) 386-8600	Y	86	86	7/21/2020	12/4/2020	N
20.	Carl Miller Homes	Trenton NJ	Carl Miller Associates I LLC	(267) 386-8600	Y	204	204	7/31/2014	4/22/2015	N
21.	Cedar 2	Cleveland OH	Cedar Redevelopment Phase II LP	(267) 386-8600	Y	50	30	12/12/2016	4/30/2018	N
22.	Cedar I	Cleveland OH	Cedar Redevelopment Phase I LP	(267) 386-8600	Y	61	61	4/30/2017	4/30/2018	N
23.	Chapel Green	Baltimore MD	Pennrose East Baltimore Rental LLC	(267) 386-8600	Y	63	48	6/18/2009	9/13/2010	N

24.	Cottage Hill Place	Mobile AL	Cottage Hill Place LLC	(267) 386-8600	Y	80	80	7/30/2018	9/16/2019	N
25.	Crest Manor	Abington Twp. PA	Crest Manor Housing Partnership LP	(267) 386-8600	Y	46	46	11/30/2017	12/6/2019	N
26.	Cumberland Gardens 1	Allentown PA	Cumberland Gardens I Housing Partnership LP	(267) 386-8600	Y	74	74	10/31/2012	3/30/2016	N
27.	Cumberland Gardens 2	Allentown PA	Cumberland Gardens 2 Housing Partnership	(267) 386-8600	Y	70	70	10/9/2014	5/31/2016	N
28.	Deanwood Hills	Washington DC	Deanwood Hills LLC	(267) 386-8600	Y	150	150	8/31/2018	5/31/2019	N
29.	Delaware Terrace 1	Easton PA	Delaware Terrace Housing I LP	(267) 386-8600	Y	56	56	12/13/2010	8/17/2012	N
30.	Delaware Terrace 2	Easton PA	Delaware Terrace Housing II LP	(267) 386-8600	Y	40	40	12/7/2011	2/19/2013	N
31.	Fairgrounds 1	Chester Twp. PA	Fairgrounds Housing Partnership LP	(267) 386-8600	Y	73	73	12/1/2008	3/4/2010	N
32.	Fairgrounds 2	Chester Twp. PA	Fairgrounds Housing Partnership II LP	(267) 386-8600	Y	71	71	12/9/2010	6/24/2011	N
33.	Fairgrounds 3	Chester Twp. PA	Fairgrounds Housing Partnership tit LP	(267) 386-8600	Y	48	48	3/28/2012	12/27/2012	N
34.	Fairgrounds 4	Chester Twp. PA	Fairgrounds Housing Partnership IV LP	(267) 386-8600	Y	71	71	6/29/2013	12/4/2014	N
35.	Fairview Village	Phoenixville PA	Fairview Court Development LP	(267) 386-8600	Y	36	36	6/26/2013	12/17/2014	N
36.	Felton Lofts.	Steelton PA	Steelton Walnut Limited Partnership	(267) 386-8600	Y	63	63	5/31/2012	5/23/2013	N
37.	Garden Valley 2	Cleveland OH	Garden Valley Housing Partnership II LP	(267) 386-8600	Y	57	57	7/28/2011	1/18/2013	N
38.	Garden Valley 3	Cleveland OH	Garden Valley Housing Partnership III LP	(267) 386-8600	Y	69	69	12/30/2011	2/20/2014	N
39.	Garden Volley 1	Cleveland OH	Garden Valley Housing Partnership I LP	(267) 386-8600	Y	81	81	12/16/2010	3/7/2012	N
40.	Garden Volley 4	Cleveland OH	Garden Valley Housing Partnership IV LP	(267) 386-8600	Y	60	60	12/16/2016	10/27/2017	N
41.	Garfield Court 1	Long Branch NJ	LLC	(267) 386-8600	Y	67	61	12/11/2008	12/22/2009	N
42.	Garfield Court 2.	Long Branch NJ	Garfield Two Housing Urban Renewal LP	(267) 386-8600	Y	61	61	4/28/2010	6/14/2011	N
43.	Glenarden Phase I	Lanham MD	Glenarden Phase I, LLC	(267) 386-8600	Y	114	87	4/29/2020	8/14/2020	N
44.	Glenbrook at Oxmoor		Birmingham AL Glenbrook at Oxmoor 1 LLC	(267) 386-8600	Y	100	100	5/6/2009	6/11/2010	N
45.	Heritage Overlook	Glen Burnie MD	Heritage Overlook LLC	(267) 386-8600	Y	100	100	5/30/2018	12/7/2018	N
46.	Hickman Expansion	West Chester PA	326 N. Walnut Street LP	(267) 386-8600	Y	60	60	12/23/2010	12/15/2011	N
47.	Hope Gardens	Brooklyn NY	Hope Gardens I LLC	(267) 386-8600	Y	949	949	1/20/2022	8/23/2022	N
48.	Jefferson Heights	New Wan CT	Jefferson Heights Housing LLC	(267) 386-8600	Y	70	70	12/20/2013	3/5/2015	N
49.	Kinder Park 1	Ridley Twp. PA	Kinder Park Housing Partnership I LP	(267) 386-8600	Y	48	48	12/19/2015	8/4/2017	N
50.	Kinder Park 2	Ridley Twp. PA	Kinder Park Housing Partnership II LP	(267) 386-8600	Y	50	50	12/6/2016	9/25/2018	N
51.	Kinder Park 3	Ridley Twp. PA	Kinder Park Housing Partnership Ill LP	(267) 386-8600	Y	56	56	1/30/2018	3/23/2020	N
52.	Memphis Triangle 2	Memphis TN	Memphis Triangle Family LLC	(267) 386-8600	Y	106	86	11/21/2013	5/18/2015	N
53.	Memphis Triangle 3	Memphis TN	Memphis Triangle Phase III LLC	(267) 386-8600	Y	105	84	11/21/2014	2/23/2015	N
54.	Memphis Triangle 4	Memphis TN	Memphis Triangle Phase IV LLC	(267) 386-8600	Y	67	63	10/13/2015	12/31/2015	N
55.	Memphis Triangle I	Memphis TN	Memphis Triangle Senior LLC	(267) 386-8600	Y	84	84	12/13/2012	12/31/2012	N
56.	Meriden Commons I	Meriden CT	Meriden Mills I LLC	(267) 386-8600	Y	75	60	6/30/2018	12/17/2018	N
57.	I)	Griffin GA	Meriwether Redevelopment I LLC	(267) 386-8600	Y	84	84	11/20/2015	5/19/2016	N
58.	Iris at Park Pointe (Meriwether II)	Griffin GA	Meriwether Redevelopment II LLC	(267) 386-8600	Y	85	85	12/30/2017	3/7/2019	N
59.	Terraces at the Park (Meriwether III)	Griffin GA	Meriwether Redevelopment III LLC	(267) 386-8600	Y	68	68	12/3/2018	11/25/2019	N
60.	Merrit Mill Road	Salisbury MD	Merritt Mill Road LLC	(267) 386-8600	Y	75	67	Various	12/2/2020	N
61.	Montgomery Heights II	Newark NJ	Montgomery Two Housing Urban Renewal, LLC	(267) 386-8600	Y	154	153	2/4/2020	10/1/2021	N
62.	Montgomery Heights	Newark NJ	Montgomery Street Housing Urban Renewal LLC	(267) 386-8600	Y	80	80	8/31/2010	9/14/2011	N
63.	Moravia Park	Baltimore MO	Moravia Park Drive LLC	(267) 386-8600	Y	60	60	3/30/2009	5/12/2010	N
64.	New Brunswick Performing Arts Center	New Brunswick NJ	NBCCR Urban Renewal LLC	(267) 386-8600	Y	207	42	2/5/2020	4/14/2022	N
65.	North Hills 1	Ross Twp. PA	North Hills Housing ± LP	(267) 386-8600	Y	60	60	12/6/2010	8/26/2011	N
66.	North Hills 2	Ross Twp. PA	North Hills Housing II LP	(267) 386-8600	Y	37	37	2/4/2011	1/10/2012	N
67.	North Hills Manor	Glenside PA	NHM Housing LP	(267) 386-8600	Y	50	50	2/26/2021	N/A - Not yet is	N
68.	Oaks at Liberty	Baltimore MD	The Oaks at Liberty LLC	(267) 386-8600	Y	75	75	11/2/2001	6/19/2002	N
69.	Obery Court 1.	Annapolis MD	Obery Court Phase I LLC	(267) 386-8600	Y	50	50	5/5/2010	2/24/2011	N
70.	Obery Court 2	Annapolis MD	Obery Court/College Creek Phase 11 LLC	(267) 386-8600	Y	63	63	12/7/2012	4/9/2014	N
71.	Obery Court 3.	Annapolis MD	Obery Court/College Creek Phase 111 LLC	(267) 386-8600	Y	61	61	6/10/2016	3/31/2017	N
72.	Orchard Ridge 3	Baltimore MO	Orchard Ridge Rental III LLC	(267) 386-8600	Y	77	77	10/23/2009	1/24/2011	N
73.	Orchard Ridge 4	Baltimore MD	Orchard Ridge Rental IV LLC	(267) 386-8600	Y	64	64	10/30/2014	12/1/2015	N
74.	Orchard Ridge 5.	Baltimore MD	Orchard Ridge Rental V LLC	(267) 386-8600	Y	65	58	7/11/2017	5/30/2018	N
75.	Patriot's Cove	Barnegat NJ	patriot's Cove Urban Renewal Associates LLC	(267) 386-8600	Y	46	46	6/30/2009	10/20/2010	N
76.	Penn Hills	Ridley Twp. PA	Ridley Development Associates LP	(267) 386-8600	Y	49	49	4/16/2012	4/5/2013	N

77.	Pointe View at Aspen Hill	Aspen Hill MD	Parkview at Aspen Hill, LLC	(267) 386-8600	Y	120	108	9/30/2019	2/27/2020	N
78.	Prospect Plaza 1	New York NY	Ocean Hill LLC	(267) 386-8600	Y	110	110	6/16/2016	3/31/2017	N
79.	Prospect Plaza 2	New York NY	Ocean H1H II LLC	(267) 386-8600	Y	149	149	1/15/2017	7/6/2018	N
80.	Prospect Plaza 3	New York NY	Ocean Hill Ill LLC	(267) 386-8600	Y	135	135	11/30/2018	9/9/2019	N
81.	Providence Square 2.	New Brunswick NJ	Providence Square Housing Urban Renewal LLC	(267) 386-8600	Y	53	53	10/20/2010	6/1/2011	N
82.	Roosevelt Hospital	Edison NJ	Associates LLC	(267) 386-8600	Y	55	135	11/30/2017	10/23/2019	N
83.	Sacred Heart Residences	Allentown PA	Sacred Heart Residences LP	(267) 386-8600	Y	61	61	2/28/2017	12/13/2018	N
84.	St. Luke's 1.	Cleveland OH	St. Luke's Housing Partnership LLC	(267) 386-8600	Y	72	72	12/29/2011	5/29/2013	N
85.	South Greengate Commons	Hempfield Twp. PA	South Greengate Commons Housing LP	(267) 386-8600	Y	45	45	9/26/2013	9/5/2014	N
86.	St. Luke's 2	Cleveland OH	St. Luke's Housing Partnership II LLC	(267) 386-8600	Y	65	65	9/30/2012	12/17/2013	N
87.	St. Stephens.	Washington DC	4000 Benning Road LLC	(267) 386-8600	Y	71	71	12/31/2017	2/28/2019	N
88.	Stoneridge Villas Phase I	Madison AL	Balch Development LLC	(267) 386-8600	Y	80	80	7/18/2019	5/19/2020	N
89.	Uplands Rental.	Baltimore MD	Uplands Rental Phase I LLC	(267) 386-8600	Y	104	77	7/11/2012	4/11/2014	N
90.	Warner Robins Redevelopment	Warner Robins GA	WR Wall Street LLC	(267) 386-8600	Y	90	59	Various	9/28/2020	N
91.	Weinberg Commons II	Cherry Hill NJ	Springdale II Urban Renewal Associates LLC	(267) 386-8600	Y	80	80	11/20/2020	8/23/2022	N
92.	Westbrook Village I	Hartford CT	Westbrook I Housing LLC	(267) 386-8600	Y	75	60	12/16/2020	9/30/2021	N
93.	William Way	Philadelphia PA	Spruce Street Senior Residences LP	(267) 386-8600	Y	56	56	11/29/2013	3/18/2015	N
94.	Woodbridge Township	Avenel NJ	Cedar Meadows Housing Associates LLC	(267) 386-8600	Y	101	100	9/30/2019	12/10/2020	N
95.	Wyman House	Baltimore MD	Wyman House LLC	(267) 386-8600	Y	175	175	11/30/2017	6/30/2018	N
96.	Wynne Senior	Philadelphia PA	Wynne Senior Residences LP	(267) 386-8600	Y	51	51	3/31/2017	4/5/2019	N
97.	Dumplin Half	Wilkeinsburg PA	Dumplin Half Housing Partnership LP	(267) 386-8600	Y	46	46	12/19/2006	10/8/2007	N
98.	Westbrook Village Phase II		Westbrook II Housing LLC	(267) 386-8600	Y	60	45	4/15/2021	2/28/2022	N
99.	Yates Village	Schnenectady NY	Yates Village I LLC	(267) 386-8600	Y	89	74	7/1/2020	4/18/2022	N
100.	York Family Residences	York PA	York Family Residences LLC	(267) 386-8600	Y	56	56	6/30/2021	9/26/2022	N
101.	Fairmount-Nine	Griffin GA	Fairmont-Nine Oaks LLC	(267) 386-8600	Y	130	130	10/22/2021	N/A - Not yet is	N
102.	The Residences at North Hill Bond 47	Alexandria VA	The Residences at North Hill Bond 47 LLC	(267) 386-8600	Y	47	47	N/A - In constru	N/A - Not yet is	N
103.	The Residences at North Hill Bond 94	Alexandria VA	The Residences at North Hill Bond 94 LLC	(267) 386-8600	Y	94	94	N/A - In constru	N/A - Not yet is	N
104.	The Residences at North Hill 2	Alexandria VA	The Residences at North Hill 2 LLC	(267) 386-8600	Y	75	75	N/A - In constru	N/A - Not yet is	N
105.	The Senior Residences at North Hill	Alexandria VA	The Senior Residences at North Hill LLC	(267) 386-8600	Y	63	63	N/A - In constru	N/A - Not yet is	N
106.	Mary D Stone	Auburn MA	Mary D. Stone LLC	(267) 386-8600	Y	55	45	9/30/2021	7/29/2022	N
107.	Renaissance Row	Baltimore MD	Renaissance Row LLC	(267) 386-8600	Y	84	84	11/1/2021	N/A - Not yet is	N
108.	Dover Veterans	Dover NJ	Associates LLC	(267) 386-8600	Y	70	70	7/30/2021	12/13/2022	N
109.	Eastern Woods	Findlay OH	Eastern Woods Senior LLC	(267) 386-8600	Y	50	50	4/6/2021	2/2/2023	N
110.	Warner Robins Apartments	Warner Robins GA	WR Wall Street II LLC	(267) 386-8600	Y	90	75	9/30/2021	N/A - Not yet is	N
111.	Cedar Apartments	Cleveland OH	Cedar Redevelopment Phase III LLC	(267) 386-8600	Y	75	75	10/12/2021	N/A - Not yet is	N
112.	Kinder Park IV-A	Woodlyn PA	Kinder Park Housing Partnership IV-A LLC	(267) 386-8600	Y	39	39	8/16/2022	N/A - Not yet is	N
113.	Kinder Park IV-B	Woodlyn PA	Kinder Park Housing Partnership IV-B LLC	(267) 386-8600	Y	57	57	8/16/2022	N/A - Not yet is	N
114.	Riverside Housing	Wilmington DE	Riverside Housing Partnership I LLC	(267) 386-8600	Y	74	59	12/20/2022	N/A - Not yet is	N
115.	Tutu Phase 1)	St Thomas USVI	Donoe Redevelopment Partners LLC	(267) 386-8600	Y	84	84	N/A - In constru	N/A - Not yet is	N
116.	Newtowne 20	Annapolis MD	Newtowne 20, LLC	(267) 386-8600	Y	78	78	2/11/2022	N/A - Not yet is	N
117.	Westrbrook III	Hartford CT	Westbrook III Housing LLC	(267) 386-8600	Y	65	49	7/15/2022	N/A - Not yet is	N
118.	Julia Bancroft Apartments	Auburn MA	Julia Bancroft LLC	(267) 386-8600	Y	60	45	11/30/2022	N/A - Not yet is	N
119.	Residences at Glenarden Hills 2	Lanham MD	Residences at Glenarden Hills 2 LLC	(267) 386-8600	Y	55	55	10/30/2020	N/A - Not yet is	N
120.	Camp Kilmer Phase B	Edison NJ	Camp Kilmer B Urban Renewal Associates LLC	(267) 386-8600	Y	85	85	9/24/2020	N/A - Not yet is	N
121.	Haven at South Atlanta	Atlanta GA	Haven SA LLC	(267) 386-8600	Y	84	71	9/24/2020	N/A - Not yet is	N
122.	Patriot Place	El Paso TX	EP Patriot Place LP	(267) 386-8600	Y	110	110	11/21/2022	N/A - Not yet is	N
123.	Stoneridge Villas Phase II	Madison AL	Balch Development II LLC	(267) 386-8600	Y	65	65	12/31/2022	N/A - Not yet is	N
124.	Carrier Point I	Newport News VA	Choice Neighborhood I LLC	(267) 386-8600	Y	43	37	N/A - In constru	N/A - Not yet is	N
125.	Carrier Point II	Newport News VA	Choice Neighborhood II LLC	(267) 386-8600	Y	38	34	12/30/2022	N/A - Not yet is	N
126.	4145 Apple Street	Cincinnati OH	Apple Street Senior LLC	(267) 386-8600	Y	57	57	5/1/2022	N/A - Not yet is	N
127.	Torrington Riverfront	Torrington CT	Torrington Riverfront LLC	(267) 386-8600	Y	60	45	8/26/2022	N/A - Not yet is	N
128.	Glassboro Special Needs	Glassboro NJ	Lincoln Senior Urban Renewal I LP	(267) 386-8600	Y	65	65	1/31/2023	N/A - Not yet is	N
129.	Choice Neighborhood III-R	Newport News	Choice Neighborhood III-R LLC	(267) 386-8600	Y	71	58	N/A - In constru	N/A - Not yet is	N

130.	Choice Neighborhood IV-R	Newport News	Choice Neighborhood IV-R LLC	(267) 386-8600	Y	84	69	N/A - In constru	N/A - Not yet is	N
131.	Glenarden Hills Phase III Four	Lanham MD	Glenarden Hills Phase 3 Four LLC	(267) 386-8600	Y	114	94	N/A - In constru	N/A - Not yet is	N
132.	Glenarden Hills Phase III Nine	Lanham MD	Glenarden Hills Phase 3 Nine LLC	(267) 386-8600	Y	44	44	N/A - In constru	N/A - Not yet is	N
133.	Uplands Rental Phase IIA	Baltimore MD	Uplands Rental Phase IIA Four LLC	(267) 386-8600	Y	78	78	N/A - In constru	N/A - Not yet is	N
134.	Uplands Rental Phase IIB	Baltimore, MD	Uplands Rental Phase IIB Nine LLC	(267) 386-8600	Y	72	72	N/A - In constru	N/A - Not yet is	N
135.	Sharswood Phase I	Philadelphia, PA	Sharswood Phase I LLC	(267) 386-8600	Y	60	50	10/28/2022	N/A - Not yet is	N
136.	Sharswood Phase II	Philadelphia, PA	Sharswood Phase II LLC	(267) 386-8600	Y	59	59	N/A - In constru	N/A - Not yet is	N
137.	Riverside II	Wilmington, DE	Riverside Housing Partnership II LLC	(267) 386-8600	Y	67	50	N/A - In constru	N/A - Not yet is	N
138.	Hawkins Village	Rankin, PA	Hawkins Redevelopment I LLC	(267) 386-8600	Y	54	54	N/A - In constru	N/A - Not yet is	N
139.	Little Lehigh	Allentown, PA	Little Lehigh Redevelopment LLC	(267) 386-8600	Y	50	50	N/A - In constru	N/A - Not yet is	N
140.	Lincoln and Gilbert Nine	Cincinnati, OH	Lincoln & Gilbert Family LLC	(267) 386-8600	Y	86	86	N/A - In constru	N/A - Not yet is	N
141.	2700 Wewatta	Denver, CO	2700 Wewatta GP LLC	(267) 386-8600	Y	56	56	N/A - In constru	N/A - Not yet is	N
142.	William Barton Rogers School	Boston, MA	Rogers School LLC	(267) 386-8600	Y	74	50	N/A - In constru	N/A - Not yet is	N
143.	Westbrook IV	Hartford, CT	Westbrook IV Housing LLC	(267) 386-8600	Y	60	45	N/A - In constru	N/A - Not yet is	N
144.	Yates Village II	Schenectady, NY	Yates Village II LLC	(267) 386-8600	Y	68	68	N/A - In constru	N/A - Not yet is	N
145.	Taylor I	Troy, NY	Taylor I LLC	(267) 386-8600	Y	141	141	N/A - In constru	N/A - Not yet is	N
146.	McAuley Park Phase I	Atlanta, GA	McAuley Park I LLC	(267) 386-8600	Y	170	160	N/A - In constru	N/A - Not yet is	N
147.	West Point Village Phase I	West Point, GA	West Point Village Phase I LLC	(267) 386-8600	Y	72	42	N/A - In constru	N/A - Not yet is	N
148.	Sun Pointe	El Paso, TX	EP Sun Pointe LP	(267) 386-8600	Y	146	146	N/A - In constru	N/A - Not yet is	N
149.	Heritage Highlands Phase II	Rankin, PA	Hawkins Redevelopment II LLC	(267) 386-8600	Y	51	51	N/A - In constru	N/A - Not yet is	N
150.	Cherry Hill Senior Manor	Baltimore, MD	Cherry Hill Senior Housing Preservation LLC	(267) 386-8600	Y	54	54	N/A - In constru	N/A - Not yet is	N
151.	Wareham Littleton Drive Family	Wareham, MA	Littleton Drive LLC	(267) 386-8600	Y	49	39	N/A - In constru	N/A - Not yet is	N
152.	Wareham Littleton Drive Senior	Wareham, MA	Littleton Drive Senior LLC	(267) 386-8600	Y	44	44	N/A - In constru	N/A - Not yet is	N
153.	800 Vine Senior	Philadelphia, PA	800 Vine Senior Housing LLC	(267) 386-8600	Y	51	51	N/A - In constru	N/A - Not yet is	N
154.	Village at Park River Phase V	Hartford, CT	Westbrook V Housing LLC	(267) 386-8600	Y	58	46	N/A - In constru	N/A - Not yet is	N
155.	Providence Parcel 9 Phase I-4	Providence, RI	Parcel 9 Phase I-4 LLC	(267) 386-8600	Y	29	29	N/A - In constru	N/A - Not yet is	N
156.	Providence Parcel 9 Phase I-9	Providence, RI	Parcel 9 Phase I-9 LLC	(267) 386-8600	Y	37	16	N/A - In constru	N/A - Not yet is	N
157.	Sharswood III Part I	Philadelphia, PA	Sharswood III Part I LLC	(267) 386-8600	Y	57	43	N/A - In constru	N/A - Not yet is	N
158.	Sharswood III Part II	Philadelphia, PA	Sharswood III Part II LLC	(267) 386-8600	Y	104	83	N/A - In constru	N/A - Not yet is	N
159.	Sharswood III Part III	Philadelphia, PA	Sharswood III Part III LLC	(267) 386-8600	Y	63	63	N/A - In constru	N/A - Not yet is	N
160.	French Town Road 4%	East Greenwich, RI	655 Frenchtown Road 4 LLC	(267) 386-8600	Y	30	30	N/A - In constru	N/A - Not yet is	N
161.	French Town Road 9%	East Greenwich, RI	655 Frenchtown Road 9 LLC	(267) 386-8600	Y	33	16	N/A - In constru	N/A - Not yet is	N
162.	Garfield Veterans Housing	Phoenix, AZ	Garfield Veterans Housing II LLC	(267) 386-8600	Y	60	60	N/A - In constru	N/A - Not yet is	N
163.	Edgeview at Legends Park	Memphis, TN	Legends Park Senior LLC	(267) 386-8600	Y	99	99	N/A - In constru	N/A - Not yet is	N
164.	Village at Park River VI-A	Hartford, CT	Westbrook VI-A Housing LLC	(267) 386-8600	Y	32	28	N/A - In constru	N/A - Not yet is	N
165.	Village at Park River VI-B	Hartford, CT	Westbrook VI-B Housing LLC	(267) 386-8600	Y	44	35	N/A - In constru	N/A - Not yet is	N
166.	Orleans Cape Cod Five	Orleans, MA	West and Skaket LLC	(267) 386-8600	Y	62	62	N/A - In constru	N/A - Not yet is	N
167.	Harper Apartments	Moorestown, NJ	Moorestown Housing Associates LLC	(267) 386-8600	Y	76	76	N/A - In constru	N/A - Not yet is	N
168.	Liberty Housing Preservation	Phoenixvilla, PA	Liberty House LLC	(267) 386-8600	Y	50	50	N/A - In constru	N/A - Not yet is	N
169.	Perry Homes	Buffalo, NY	Perry Homes I LLC	(267) 386-8600	Y	405	405	N/A - In constru	N/A - Not yet is	N
170.	Phoenix at 36N	Tulsa, OK	Phoenix at 36N LP	(267) 386-8600	Y	100	80	N/A - In constru	N/A - Not yet is	N
171.	Good Shepherd Senior	Philadelphia, PA	Good Shepherd Senior LLC	(267) 386-8600	Y	55	55	N/A - In constru	N/A - Not yet is	N
172.	Forge	Lenox, MA	Brushwood Farm Housing LLC	(267) 386-8600	Y	65	50	N/A - In constru	N/A - Not yet is	N
173.	Golden Hill	Kingston, NY	Golden Hill Owner LLC	(267) 386-8600	Y	164	164	N/A - In constru	N/A - Not yet is	N
174.	FOP Senior	Philadelphia, PA	730 Byberry Road LP	(267) 386-8600	Y	106	106	N/A - In constru	N/A - Not yet is	N
175.	Ascent at Hover Crossing	Longmont, CO	Ascent at Hover Crossing LLLP	(267) 386-8600	Y	75	75	N/A - In constru	N/A - Not yet is	N
176.	Lincoln and Gilbert Family	Cincinnati, OH	Lincoln and Gilbert II LLC	(267) 386-8600	Y	36	36	N/A - In constru	N/A - Not yet is	N
177.	Cedar Phase IV	Cleveland, OH	Cedar Redevelopment Phase IV LLC	(267) 386-8600	Y	50	50	N/A - In constru	N/A - Not yet is	N
178.	Riverside III	Wilmington, DE	Riverside Housing Partnership III LLC	(267) 386-8600	Y	101	101	N/A - In constru	N/A - Not yet is	N
179.	Parcel 9 Phase II		Parcel 9 Phase II LLC	(267) 386-8600	Y	61	25	N/A - In constru	N/A - Not yet is	N
180.										

2026 Low-Income Housing Tax Credit Application For Reservation

V. List of LIHTC Developments (Schedule A)

INSTRUCTIONS

1. A Schedule A is required for every individual that makes up the GP or Managing Member, except as follows:
   - For Principals organized as a corporation (public or private), nonprofit organization, or governmental entity, you are only required to list the names of any officers who are directly responsible to the Board of Directors (or equivalent) and any stockholder holding a 25% or more interest in said Principal.
   - For Principals organized as a limited liability company with more than 25 individual members, you are only required to list the names of any officers and any managing members responsible for managing the affairs of the company, along with the name of any individual members holding 25% or more interest in the Principal.
   - For Principals organized as a trust, you are only required to list the names of all trustees and any individuals possessing a 25% or more beneficial interest in the assets of the trust.
2. For each property for which an uncorrected 8823 has been issued, provide a detailed explanation of the nature of the non-compliance, as well as a status statement at **Tab D**.
3. List only tax credit development experience for the past 15 years.
4. Use separate forms as needed, for each principal. Five additional tabs are available at the end of the application. Contact Virginia Housing if you need more available within the application.

Development Name: Diamond District Phase 1 (9%)

Name of Applicant: Diamond District Phase 1 Nine, LLC

Principals' Name: Richard K Barnhart

#	Development Name	Location	Ownership Entity	Ownership Entity Phone	CGP or "Named" Managing Member at the time of deal?	Total Develop-ment Units	Total Low Income Units	Placed in Service Date	8609 Issued Date	Uncorrected 8823s? If Y, Explain at Tab D
1.	1721 Springdale Road - Weinberg Commons I	Cherry Hill NJ	1721 Springdale Urban Renewal Associates, LLC	267) 386-8600	Y	80	79	10/30/2019	12/16/2020	N
2.	50 Penn	Brooklyn NY	50 Penn LLC	267) 386-8600	Y	218	218	9/15/2021	N/A - Not yet is	N
3.	A. Harry Moore 3	Jersey City NJ	AHM Housing Urban Renewal Associates LLC	267) 386-8600	Y	60	49	11/23/2011	11/28/2012	N
4.	A. Harry Moore 4.	Jersey City NJ	AHM Housing Urban Renewal Associates IV LLC	267) 386-8600	Y	70	59	5/3/2016	12/21/2016	N
5.	Academy Place Preservation	Trenton NJ	El Barrio Academy Place Urban Renewal Associates, LLC	267) 386-8600	Y	40	40	7/31/2014	12/23/2014	N
6.	Alexander Hamilton 1	Paterson NJ	Alexander Hamilton Associates LLC	267) 386-8600	Y	80	80	8/31/2011	5/30/2014	N
7.	Alexander Hamilton 2	Paterson NJ	Alexander Hamilton II Associates LLC	267) 386-8600	Y	50	50	6/1/2015	3/14/2016	N
8.	Alexander Hamilton 3	Paterson NJ	Alexander Hamilton Ill Associates LLC	267) 386-8600	Y	50	50	5/16/2014	8/12/2015	N
9.	Allentown Center Square	Allentown PA	Allentown Center Square Housing Partnership, LP	267) 386-8600	Y	63	63	12/20/2005	11/19/2007	N
10.	Apollo Dye 2	Paterson NJ	Apollo Dye II Associates LLC	267) 386-8600	Y	63	63	7/1/2017	8/31/2018	N
11.	Apollo Dye I	Paterson Ni	Apollo Dye Associates LLC	267) 386-8600	Y	70	70	7/31/2015	5/27/2016	N
12.	Baldwin's Run	Camden NJ	Westfield Acres Urban Renewal Associates LP	267) 386-8600	Y	78	78	6/1/2003	10/9/2007	N
13.	Bensalem Veterans Residences	Bensalem PA	BSV Housing LP	267) 386-8600	Y	40	40	12/10/2020	7/13/2022	N
14.	Booth Street	Salisbury MD	Booth Street Phase I LLC	267) 386-8600	Y	84	84	12/20/2016	6/30/2018	N
15.	Braddock Senior Housing	Braddock PA	Braddock Housing Initiative LP	267) 386-8600	Y	53	53	2/17/2010	8/31/2010	N
16.	Branch Village	Camden NJ	Branch Village Housing Urban Renewal LLC	267) 386-8600	Y	58	58	7/5/2011	5/29/2012	N
17.	Brownstones 2	Philadelphia PA	Diamond Street Housing Partnership 11 LP	267) 386-8600	Y	46	46	10/31/2016	2017	N
18.	Burwood Gardens	Glen Burnie MD	Burwood Gardens Senior LLC	267) 386-8600	Y	100	100	11/18/2013	12/27/2014	N
19.	Bushwick Gardens	Brooklyn NY	Bushwick Gardens I LLC	267) 386-8600	Y	372	0	4/26/2021	5/19/2023	N
20.	C.W. Brooks	Hagerstown MD	C.W. Brooks LLC	267) 386-8600	Y	60	60	6/30/2011	8/24/2012	N
21.	Campbell Purcell		Brackett Road Housing LLC	267) 386-8600	Y	65	50	Various	12/4/2020	N
22.	Camp Kilmer A		Camp Kilmer A Urban Renewal Associates LLC	267) 386-8600	Y	86	86	7/21/2020	4/28/2022	N
23.	Carl Miller Homes	Trenton NJ	Carl Miller Associates I LLC	267) 386-8600	Y	204	204	7/31/2014	4/22/2015	N
24.	Cedar 2	Cleveland OH	Cedar Redevelopment Phase II LP	267) 386-8600	Y	50	30	12/12/2016	4/30/2018	N
25.	Cedar I	Cleveland OH	Cedar Redevelopment Phase I LP	267) 386-8600	Y	61	61	4/30/2017	4/30/2018	N
26.	Centerville 12	Camden NJ	Centerville Urban Renewal 12 LLC	267) 386-8600	Y	70	70	6/1/2009	11/23/2009	N
27.	Centerville 7	Camden NJ	Centerville Housing Urban Renewal Associates LLC	267) 386-8600	Y	74	74	12/12/2008	8/3/2009	N

28.	Chapel Green	Baltimore MD	Pennrose East Baltimore Rental LLC	267) 386-8600	Y	63	48	6/18/2009	9/13/2010	N
29.	Chateau (The)	Baltimore MD	Chateau Housing Partnership LLC	267) 386-8600	Y	47	35	10/31/2002	2/18/2005	N
30.	Church Street/H.E. Kapp	Flemington NJ	Church Street Housing Urban Renewal Associates LP	267) 386-8600	Y	60	60	11/10/2005	1/4/2008	N
31.	City View Landing Family	Newark NJ	Scudder Flames Family Urban Renewal LP	267) 386-8600	Y	58	58	5/5/2008	4/22/2010	N
32.	City view Landing Senior	Newark NJ	Scudder Homes Senior Urban Renewal LP	267) 386-8600	Y	48	48	9/15/2008	3/19/2010	N
33.	Cloisters 3	Philadelphia PA	Cloisters III Housing Partnership LP	267) 386-8600	Y	50	50	3/22/2007	9/9/2008	N
34.	Costello Building	Old Bridge NJ	Old Bridge Housing Urban Renewal II LLC	267) 386-8600	Y	61	61	12/20/2006	10/10/2008	N
35.	Cottage Hill Place	Mobile AL	Cottage Hill Place LLC	267) 386-8600	Y	80	80	7/30/2018	9/16/2019	N
36.	Crest Manor	Abington Twp. PA	Crest Manor Housing Partnership LP	267) 386-8600	Y	46	46	11/30/2017	12/6/2019	N
37.	Cumberland Gardens 1	Allentown PA	Cumberland Gardens I Housing Partnership LP	267) 386-8600	Y	74	74	10/31/2012	3/30/2016	N
38.	Cumberland Gardens 2	Allentown PA	Cumberland Gardens 2 Housing Partnership	267) 386-8600	Y	70	70	10/9/2014	5/31/2016	N
39.	Deanwood Hills	Washington DC	Deanwood Hills LLC	267) 386-8600	Y	150	150	8/31/2018	5/31/2019	N
40.	Delaware Terrace 1	Easton PA	Delaware Terrace Housing I LP	267) 386-8600	Y	56	56	12/13/2010	8/17/2012	N
41.	Delaware Terrace 2	Easton PA	Delaware Terrace Housing II LP	267) 386-8600	Y	40	40	12/7/2011	2/19/2013	N
42.	East Hampton Town Center.	Eastampton Twp. NJ	Eastampton Urban Renewal Associates LP	267) 386-8600	Y	100	100	8/19/2002	4/28/2003	N
43.	Fairgrounds 1	Chester Twp. PA	Fairgrounds Housing Partnership LP	267) 386-8600	Y	73	73	12/1/2008	3/4/2010	N
44.	Fairgrounds 2	Chester Twp. PA	Fairgrounds Housing Partnership II LP	267) 386-8600	Y	71	71	12/9/2010	6/24/2011	N
45.	Fairgrounds 3	Chester Twp. PA	Fairgrounds Housing Partnership tit LP	267) 386-8600	Y	48	48	3/28/2012	12/27/2012	N
46.	Fairgrounds 4	Chester Twp. PA	Fairgrounds Housing Partnership IV LP	267) 386-8600	Y	71	71	6/29/2013	12/4/2014	N
47.	Fairview Village	Phoenixville PA	Fairview Court Development LP	267) 386-8600	Y	36	36	6/26/2013	12/17/2014	N
48.	Felton Lofts.	Steelton PA	Steelton Walnut Limited Partnership	267) 386-8600	Y	63	63	5/31/2012	5/23/2013	N
49.	French Creek Manor	Phoenixville PA	French Creek Housing Partnership LP	267) 386-8600	Y	70	70	11/9/2004	3/22/2005	N
50.	Garden Valley 2	Cleveland OH	Garden Valley Housing Partnership II LP	267) 386-8600	Y	57	57	7/28/2011	1/18/2013	N
51.	Garden Valley 3	Cleveland OH	Garden Valley Housing Partnership III LP	267) 386-8600	Y	69	69	12/30/2011	2/20/2014	N
52.	Garden Volley 1	Cleveland OH	Garden Valley Housing Partnership I LP	267) 386-8600	Y	81	81	12/16/2010	3/7/2012	N
53.	Garden Volley 4	Cleveland OH	Garden Valley Housing Partnership IV LP	267) 386-8600	Y	60	60	12/16/2016	10/27/2017	N
54.	Garfield Court 1	Long Branch NJ	Garfield Court Urban Renewal Housing Associates LLC	267) 386-8600	Y	67	61	12/11/2008	12/22/2009	N
55.	Garfield Court 2	Long Branch NJ	Garfield Two Housing Urban Renewal LP	267) 386-8600	Y	61	61	4/28/2010	6/14/2011	N
56.	Glenarden Phase I	Lanham MD	Glenarden Phase I, LLC	267) 386-8600	Y	114	87	4/29/2020	8/14/2020	N
57.	Glenbrook at Oxmoor		Birmingham AL Glenbrook at Oxmoor 1 LLC	267) 386-8600	Y	100	100	5/6/2009	6/11/2010	N
58.	Hamilton (The}	Poughkeepsie NY	400 Main LLC	267) 386-8600	Y	57	57	12/20/2005	9/7/2007	N
59.	HART 1A	Allentown PA	MART I Housing Partnership LP	267) 386-8600	Y	80	80	11/15/2007	10/9/2008	N
60.	HART 1B	Allentown PA	HART It Housing Partnership LP	267) 386-8600	Y	79	79	9/21/2007	4/14/2008	N
61.	HART 28	Allentown PA	HART IV Housing Partnership LP	267) 386-8600	Y	50	50	11/24/2009	2/8/2010	N
62.	HART 2A	Allentown PA	HART III Housing Partnership LP	267) 386-8600	Y	60	60	12/11/2008	8/20/2010	N
63.	Heritage Overlook	Glen Burnie MD	Heritage Overlook LLC	267) 386-8600	Y	100	100	5/30/2018	12/7/2018	N
64.	Hermitage Senior	Hermitage PA	Hermitage Senior Housing LP	267) 386-8600	Y	40	40	12/18/2006	8/27/2007	N
65.	Hickman Expansion	West Chester PA	326 N. Walnut Street LP	267) 386-8600	Y	60	60	12/23/2010	12/15/2011	N
66.	Hope Gardens	Brooklyn NY	Hope Gardens I LLC	267) 386-8600	Y	949	949	1/20/2022	8/23/2022	N
67.	Jefferson Heights	New Wan CT	Jefferson Heights Housing LLC	267) 386-8600	Y	70	70	12/20/2013	3/5/2015	N
68.	Kinder Park 1	Ridley Twp. PA	Kinder Park Housing Partnership I LP	267) 386-8600	Y	48	48	12/19/2015	8/4/2017	N
69.	Kinder Park 2	Ridley Twp. PA	Kinder Park Housing Partnership II LP	267) 386-8600	Y	50	50	12/6/2016	9/25/2018	N
70.	Kinder Park 3	Ridley Twp. PA	Kinder Park Housing Partnership Ill LP	267) 386-8600	Y	56	56	1/30/2018	3/23/2020	N
71.	Legacy Commons	Farrell PA	Legacy Commons Housing Partnership LP	267) 386-8600	Y	29	29	9/27/2004	8/30/2005	N
72.	Liberty Place	Fort Lee NJ	Fort Lee Housing Associates LP	267) 386-8600	Y	60	60	11/20/2003	10/15/2007	N
73.	Lofts/Master Street	Philadelphia PA	Master Street Housing Partnership LP	267) 386-8600	Y	62	62	12/16/2005	6/27/2007	N
74.	Maher Manor	Old Bridge NJ	Old Bridge Housing Urban Renewal Partnership LP	267) 386-8600	Y	100	100	3/7/2005	7/28/2008	N
75.	Maple Shade Mews	Maple Shade NJ	North Fork Landing Associates LP	267) 386-8600	Y	100	100	12/3/2004	12/10/2007	N
76.	Memphis Triangle 2	Memphis TN	Memphis Triangle Family LLC	267) 386-8600	Y	106	86	11/21/2013	5/18/2015	N
77.	Memphis Triangle 3	Memphis TN	Memphis Triangle Phase III LLC	267) 386-8600	Y	105	84	11/21/2014	2/23/2015	N
78.	Memphis Triangle 4	Memphis TN	Memphis Triangle Phase IV LLC	267) 386-8600	Y	67	63	10/13/2015	12/31/2015	N
79.	Memphis Triangle I	Memphis TN	Memphis Triangle Senior LLC	267) 386-8600	Y	84	84	12/13/2012	12/31/2012	N
80.	Meriden Commons I	Meriden CT	Meriden Mills I LLC	267) 386-8600	Y	75	60	6/30/2018	12/17/2018	N
81.	Oaks at Park Pointe (Meriwether Redevelopment I)	Griffin GA	Meriwether Redevelopment I LLC	267) 386-8600	Y	84	84	11/20/2015	5/19/2016	N
82.	Iris at Park Pointe (Meriwether II)	Griffin GA	Meriwether Redevelopment II LLC	267) 386-8600	Y	85	85	12/30/2017	3/7/2019	N
83.	Terraces at the Park (Meriwether III)	Griffin GA	Meriwether Redevelopment III LLC	267) 386-8600	Y	68	68	12/3/2018	11/25/2019	N
84.	Merrit Mill Road	Salisbury MD	Merritt Mill Road LLC	267) 386-8600	Y	75	67	Various	12/2/2020	N

85.	Montgomery Heights II	Newark NJ	Montgomery Two Housing Urban Renewal, LLC	267) 386-8600	Y	154	153	2/4/2020	10/1/2021	N
86.	Montgomery Heights	Newark NJ	Montgomery Street Housing Urban Renewal LLC	267) 386-8600	Y	80	80	8/31/2010	9/14/2011	N
87.	Moravia Park	Baltimore MO	Moravia Park Drive LLC	267) 386-8600	Y	60	60	3/30/2009	5/12/2010	N
88.	New Brunswick Performing Arts Center	New Brunswick NJ	NBCCR Urban Renewal LLC	267) 386-8600	Y	207	42	2/5/2020	4/14/2022	N
89.	North Hills 1	Ross Twp. PA	North Hills Housing ± LP	267) 386-8600	Y	60	60	12/6/2010	8/26/2011	N
90.	North Hills 2	Ross Twp. PA	North Hills Housing II LP	267) 386-8600	Y	37	37	2/4/2011	1/10/2012	N
91.	North Hills Manor	Glenside PA	NHM Housing LP	267) 386-8600	Y	50	50	2/26/2021	N/A - Not yet is	N
92.	Obery Court 1	Annapolis MD	Obery Court Phase I LLC	267) 386-8600	Y	50	50	5/5/2010	2/24/2011	N
93.	Obery Court 2	Annapolis MD	Obery Court/College Creek Phase 11 LLC	267) 386-8600	Y	63	63	12/7/2012	4/9/2014	N
94.	Obery Court 3	Annapolis MD	Obery Court/College Creek Phase 111 LLC	267) 386-8600	Y	61	61	6/10/2016	3/31/2017	N
95.	Orchard Ridge 2	Baltimore MD	Orchard Ridge Rental II LLC	267) 386-8600	Y	72	57	3/3/2009	8/26/2010	N
96.	Orchard Ridge 3	Baltimore MO	Orchard Ridge Rental III LLC	267) 386-8600	Y	77	77	10/23/2009	1/24/2011	N
97.	Orchard Ridge 4	Baltimore MD	Orchard Ridge Rental IV LLC	267) 386-8600	Y	64	64	10/30/2014	12/1/2015	N
98.	Orchard Ridge 5	Baltimore MD	Orchard Ridge Rental V LLC	267) 386-8600	Y	65	58	7/11/2017	5/30/2018	N
99.	Orchard Ridge I	Baltimore MD	Orchard Ridge Rental I LLC	267) 386-8600	Y	100	80	7/16/2008	9/14/2009	N
100.	Patriot's Cove	Barnegat NJ	patriot's Cove Urban Renewal Associates LLC	267) 386-8600	Y	46	46	6/30/2009	10/20/2010	N
101.	Pearlye Suiting	Camden NJ	Pearlye Urban Renewal Associates LP	267) 386-8600	Y	69	64	6/27/2006	6/29/2007	N
102.	Penn Hills	Ridley Twp. PA	Ridley Development Associates LP	267) 386-8600	Y	49	49	4/16/2012	4/5/2013	N
103.	Pointe View at Aspen Hill	Aspen Hill NJ	Parkview at Aspen Hill, LLC	267) 386-8600	Y	120	108	9/30/2019	2/27/2020	N
104.	Presidential Estates	Long Branch NJ	Grant Court Housing Urban Renewal Associates LP	267) 386-8600	Y	70	70	12/19/2007	8/3/2009	N
105.	Prospect Plaza 1	New York NY	Ocean Hill LLC	267) 386-8600	Y	110	110	6/16/2016	3/31/2017	N
106.	Prospect Plaza 2	New York NY	Ocean H1H II LLC	267) 386-8600	Y	149	149	1/15/2017	7/6/2018	N
107.	Prospect Plaza 3	New York NY	Ocean Hill Ill LLC	267) 386-8600	Y	135	135	11/30/2018	9/9/2019	N
108.	Providence Square 2	New Brunswick NJ	Providence Square Housing Urban Renewal LLC	267) 386-8600	Y	53	53	10/20/2010	6/1/2011	N
109.	Pusey Estates	Upland PA	Pusey Estates Housing Partnership LP	267) 386-8600	Y	77	77	7/22/2005	9/19/2006	N
110.	Regent Terrace	Philadelphia PA	Regent Terrace Housing Partnership LP	267) 386-8600	Y	80	80	12/9/2005	1/24/2007	N
111.	Reservoir Hill	Baltimore MD	Reservoir Hill Housing LLC	267) 386-8600	Y	64	64	12/20/2006	10/14/2008	N
112.	Roosevelt Hospital	Edison NJ	Roosevelt Hospital Housing Urban Renewal Associates LLC	267) 386-8600	Y	55	135	11/30/2017	10/23/2019	N
113.	Sacred Heart Residences	Allentown PA	Sacred Heart Residences LP	267) 386-8600	Y	61	61	2/28/2017	12/13/2018	N
114.	Seaview Manor	Long Branch NJ	Seaview Housing Urban Renewal Associates LLC	267) 386-8600	Y	40	40	12/14/2006	2/25/2009	N
115.	St. Luke's 1.	Cleveland OH	St. Luke's Housing Partnership LLC	267) 386-8600	Y	72	72	12/29/2011	5/29/2013	N
116.	St. Luke's 2	Cleveland OH	St. Luke's Housing Partnership II LLC	267) 386-8600	Y	65	65	9/30/2012	12/17/2013	N
117.	St. Stephens.	Washington DC	4000 Benning Road LLC	267) 386-8600	Y	71	71	12/31/2017	2/28/2019	N
118.	Stoneridge Villas Phase I	Madison AL	Balch Development LLC	267) 386-8600	Y	80	80	7/18/2019	5/19/2020	N
119.	Upland Estates	Upland PA	Upland Estates Housing Partnership LP	267) 386-8600	Y	50	50	12/27/2006	10/1/2008	N
120.	Upland Terrace	Upland PA	Upland Terrace Housing Partnership LP	267) 386-8600	Y	51	51	12/31/2004	12/12/2005	N
121.	Uplands Rental	Baltimore MD	Uplands Rental Phase I LLC	267) 386-8600	Y	104	77	7/11/2012	4/11/2014	N
122.	Vernon House	Philadelphia PA	Vernon House Housing Partnership LP	267) 386-8600	Y	68	68	9/2/2005	7/19/2006	N
123.	Warner Robins Redevelopment	Warner Robins GA	WR Wall Street LLC	267) 386-8600	Y	90	59	Various	9/28/2020	N
124.	Weinberg Commons II	Cherry Hill NJ	Springdale II Urban Renewal Associates LLC	267) 386-8600	Y	80	80	11/20/2020	8/23/2022	N
125.	Westbrook Village I	Hartford CT	Westbrook I Housing LLC	267) 386-8600	Y	75	60	12/16/2020	9/30/2021	N
126.	William Way	Philadelphia PA	Spruce Street Senior Residences LP	267) 386-8600	Y	56	56	11/29/2013	3/18/2015	N
127.	Woodbridge Township	Avenel NJ	Cedar Meadows Housing Associates LLC	267) 386-8600	Y	101	100	9/30/2019	12/10/2020	N
128.	Wyman House	Baltimore MD	Wyman House LLC	267) 386-8600	Y	175	175	11/30/2017	6/30/2018	N
129.	Wynne Senior	Philadelphia PA	Wynne Senior Residences LP	267) 386-8600	Y	51	51	3/31/2017	4/5/2019	N
130.	Yates Village Phase I	Schenectady NY	Yates Village I LLC	267) 386-8600	Y	89	74	7/1/2020	4/18/2022	N
131.	Dumplin Half.	Wilkinsburg PA	Dumplin Hall Housing Partnership LP	267) 386-8601	Y	46	46	12/19/2006	10/8/2007	N
132.	York Family Residences	York PA	York Family Residences LLC	267) 386-8602	Y	56	56	6/30/2021	9/26/2022	N
133.	Fairmount-Nine	Griffin GA	Fairmont-Nine Oaks LLC	267) 386-8603	Y	130	130	10/22/2021	9/29/2023	N
134.	The Residences at North Hill Bond 47	Alexandria VA	The Residences at North Hill Bond 47 LLC	267) 386-8604	Y	47	47	3/11/2025	N/A - Not yet is	N
135.	The Residences at North Hill Bond 94	Alexandria VA	The Residences at North Hill Bond 94 LLC	267) 386-8605	Y	94	94	3/11/2025	N/A - Not yet is	N
136.	The Residences at North Hill 2	Alexandria VA	The Residences at North Hill 2 LLC	267) 386-8606	Y	75	75	3/11/2025	N/A - Not yet is	N
137.	The Senior Residences at North Hill	Alexandria VA	The Senior Residences at North Hill LLC	267) 386-8607	Y	63	63	3/11/2025	N/A - Not yet is	N
138.	Mary D Stone	Auburn MA	Mary D. Stone LLC	267) 386-8608	Y	55	45	9/30/2021	7/29/2022	N
139.	Renaissance Row	Baltimore MD	Renaissance Row LLC	267) 386-8609	Y	84	84	11/1/2021	7/6/2023	N
140.	Dover Veterans	Dover NJ	Dover Veterans Urban Renewal Housing Associates LLC	267) 386-8610	Y	70	70	7/30/2021	12/13/2022	N
141.	Eastern Woods	Findlay OH	Eastern Woods Senior LLC	267) 386-8611	Y	50	50	4/6/2021	2/2/2023	N

142.	Warner Robins Apartments	Warner Robins GA	WR Wall Street II LLC	267) 386-8612	Y	90	75	9/30/2021	06/01/202	N
143.	Cedar Apartments	Cleveland OH	Cedar Redevelopment Phase III LLC	267) 386-8613	Y	75	75	10/12/2021	N/A - Not yet is	N
144.	Kinder Park IV-A	Woodlyn PA	Kinder Park Housing Partnership IV-A LLC	267) 386-8614	Y	39	39	8/16/2022	N/A - Not yet is	N
145.	Kinder Park IV-B	Woodlyn PA	Kinder Park Housing Partnership IV-B LLC	267) 386-8615	Y	57	57	8/16/2022	N/A - Not yet is	N
146.	Riverside Housing	Wilmington DE	Riverside Housing Partnership I LLC	267) 386-8616	Y	74	59	12/20/2022	N/A - Not yet is	N
147.	Estate Donoe Redevelopment Project (Estate Tutu Phase 1)	St Thomas USVI	Donoe Redevelopment Partners LLC	267) 386-8617	Y	84	84	N/A - In constr	N/A - Not yet is	N
148.	Newtowne 20	Annapolis MD	Newtowne 20, LLC	267) 386-8618	Y	78	78	2/11/2022	10/27/2023	N
149.	Westbrook Village Phase II	Hartford CT	Westbrook II Housing LLC	267) 386-8619	Y	60	45	4/15/2021	2/28/2022	N
150.	Westrbrook III	Hartford CT	Westbrook III Housing LLC	267) 386-8620	Y	65	49	7/15/2022	N/A - Not yet is	N
151.	Julia Bancroft Apartments	Auburn MA	Julia Bancroft LLC	267) 386-8621	Y	60	45	11/30/2022	12/21/2023	N
152.	Residences at Glenarden Hills 2	Lanham MD	Residences at Glenarden Hills 2 LLC	267) 386-8622	Y	55	55	10/30/2020	12/29/2021	N
153.	Camp Kilmer Phase B	Edison NJ	Camp Kilmer B Urban Renewal Associates LLC	267) 386-8623	Y	85	85	9/24/2020	8/30/2022	N
154.	Haven at South Atlanta	Atlanta GA	Haven SA LLC	267) 386-8624	Y	84	71	11/21/2022	8/1/2024	N
155.	Patriot Place	El Paso TX	EP Patriot Place LP	267) 386-8625	Y	110	110	9/1/2022	N/A - Not yet is	N
156.	Stoneridge Villas Phase II	Madison AL	Balch Development II LLC	267) 386-8626	Y	65	65	12/31/2022	10/26/2023	N
157.	Carrier Point I	Newport News VA	Choice Neighborhood I LLC	267) 386-8627	Y	43	37	12/29/2023	9/30/2024	N
158.	Carrier Point II	Newport News VA	Choice Neighborhood II LLC	267) 386-8628	Y	38	34	12/30/2022	9/30/2024	N
159.	4145 Apple Street	Cincinnati OH	Apple Street Senior LLC	267) 386-8629	Y	57	57	5/1/2022	2/29/2024	N
160.	Torrington Riverfront	Torrington CT	Torrington Riverfront LLC	267) 386-8630	Y	60	45	8/26/2022	8/4/2023	N
161.	Glassboro Special Needs	Glassboro NJ	Lincoln Senior Urban Renewal I LP	267) 386-8631	Y	65	65	1/31/2023	12/28/2023	N
162.	Choice Neighborhood III-R	Newport News	Choice Neighborhood III-R LLC	267) 386-8632	Y	71	58	N/A - In constr	N/A - Not yet is	N
163.	Choice Neighborhood IV-R	Newport News	Choice Neighborhood IV-R LLC	267) 386-8633	Y	84	69	N/A - In constr	N/A - Not yet is	N
164.	Glenarden Hills Phase III Four	Lanham MD	Glenarden Hills Phase 3 Four LLC	267) 386-8634	Y	114	94	N/A - In constr	N/A - Not yet is	N
165.	Glenarden Hills Phase III Nine	Lanham MD	Glenarden Hills Phase 3 Nine LLC	267) 386-8635	Y	44	44	N/A - In constr	N/A - Not yet is	N
166.	Uplands Rental Phase IIA	Baltimore MD	Uplands Rental Phase IIA Four LLC	267) 386-8636	Y	78	78	N/A - In constr	N/A - Not yet is	N
167.	Uplands Rental Phase IIB	Baltimore MD	Uplands Rental Phase IIB Nine LLC	267) 386-8637	Y	72	72	N/A - In constr	N/A - Not yet is	N
168.	Sharswood Phase I	Philadelphia PA	Sharswood Phase I LLC	267) 386-8638	Y	60	50	10/28/2022	N/A - Not yet is	N
169.	Sharswood Phase II	Philadelphia PA	Sharswood Phase II LLC	267) 386-8639	Y	59	59	N/A - In constr	N/A - Not yet is	N
170.	Riverside II	Wilmington, DE	Riverside Housing Partnership II LLC	267) 386-8640	Y	67	50	12/26/2023	3/27/2024	N
171.	Hawkins Village	Rankin, PA	Hawkins Redevelopment I LLC	267) 386-8641	Y	54	54	N/A - In constr	N/A - Not yet is	N
172.	Little Lehigh	Allentown, PA	Little Lehigh Redevelopment LLC	267) 386-8642	Y	50	50	N/A - In constr	N/A - Not yet is	N
173.	Lincoln and Gilbert Nine	Cincinnati, OH	Lincoln & Gilbert Family LLC	267) 386-8643	Y	86	86	N/A - In constr	N/A - Not yet is	N
174.	2700 Wewatta	Denver, CO	2700 Wewatta GP LLC	267) 386-8644	Y	56	56	N/A - In constr	N/A - Not yet is	N
175.	William Barton Rogers School	Boston, MA	Rogers School LLC	267) 386-8645	Y	74	50	N/A - In constr	N/A - Not yet is	N
176.	Westbrook IV	Hartford, CT	Westbrook IV Housing LLC	267) 386-8646	Y	60	45	N/A - In constr	N/A - Not yet is	N
177.	Yates Village II	Schenectady, NY	Yates Village II LLC	267) 386-8647	Y	68	68	N/A - In constr	N/A - Not yet is	N
178.	Taylor I	Troy, NY	Taylor I LLC	267) 386-8648	Y	141	141	N/A - In constr	N/A - Not yet is	N
179.	McAuley Park Phase I	Atlanta, GA	McAuley Park I LLC	267) 386-8649	Y	170	160	N/A - In constr	N/A - Not yet is	N
180.	West Point Village Phase I	West Point, GA	West Point Village Phase I LLC	267) 386-8650	Y	72	42	N/A - In constr	N/A - Not yet is	N
181.	Sun Pointe	El Paso, TX	EP Sun Pointe LP	267) 386-8651	Y	146	146	N/A - In constr	N/A - Not yet is	N
182.	Heritage Highlands Phase II	Rankin, PA	Hawkins Redevelopment II LLC	267) 386-8652	Y	51	51	N/A - In constr	N/A - Not yet is	N
183.	Cherry Hill Senior Manor	Baltimore, MD	Cherry Hill Senior Housing Preservation LLC	267) 386-8653	Y	54	54	N/A - In constr	N/A - Not yet is	N
184.	Wareham Littleton Drive Family	Wareham, MA	Littleton Drive LLC	267) 386-8654	Y	49	39	N/A - In constr	N/A - Not yet is	N
185.	Wareham Littleton Drive Senior	Wareham, MA	Littleton Drive Senior LLC	267) 386-8655	Y	44	44	N/A - In constr	N/A - Not yet is	N
186.	800 Vine Senior	Philadelphia, PA	800 Vine Senior Housing LLC	267) 386-8656	Y	51	51	N/A - In constr	N/A - Not yet is	N
187.	Village at Park River Phase V	Hartford, CT	Westbrook V Housing LLC	267) 386-8657	Y	58	46	N/A - In constr	N/A - Not yet is	N
188.	Providence Parcel 9 Phase I-4	Providence, RI	Parcel 9 Phase I-4 LLC	267) 386-8658	Y	29	29	N/A - In constr	N/A - Not yet is	N
189.	Providence Parcel 9 Phase I-9	Providence, RI	Parcel 9 Phase I-9 LLC	267) 386-8659	Y	37	16	N/A - In constr	N/A - Not yet is	N
190.	Sharswood III Part I	Philadelphia, PA	Sharswood III Part I LLC	267) 386-8660	Y	57	43	N/A - In constr	N/A - Not yet is	N
191.	Sharswood III Part II	Philadelphia, PA	Sharswood III Part II LLC	267) 386-8661	Y	104	83	N/A - In constr	N/A - Not yet is	N
192.	Sharswood III Part III	Philadelphia, PA	Sharswood III Part III LLC	267) 386-8662	Y	63	63	N/A - In constr	N/A - Not yet is	N
193.	French Town Road 4%	East Greenwich, RI	655 Frenchtown Road 4 LLC	267) 386-8663	Y	30	30	N/A - In constr	N/A - Not yet is	N
194.	French Town Road 9%	East Greenwich, RI	655 Frenchtown Road 9 LLC	267) 386-8664	Y	33	16	N/A - In constr	N/A - Not yet is	N
195.	Garfield Veterans Housing	Phoenix, AZ	Garfield Veterans Housing II LLC	267) 386-8665	Y	60	60	N/A - In constr	N/A - Not yet is	N
196.	Edgeview at Legends Park	Memphis, TN	Legends Park Senior LLC	267) 386-8666	Y	99	99	N/A - In constr	N/A - Not yet is	N
197.	Village at Park River VI-A	Hartford, CT	Westbrook VI-A Housing LLC	267) 386-8667	Y	32	28	N/A - In constr	N/A - Not yet is	N
198.	Village at Park River VI-B	Hartford, CT	Westbrook VI-B Housing LLC	267) 386-8668	Y	44	35	N/A - In constr	N/A - Not yet is	N

199.	Orleans Cape Cod Five	Orleans, MA	West and Skaket LLC	267) 386-8669	Y	62	62	N/A - In constr	N/A - Not yet is	N
200.	Harper Apartments	Moorestown, NJ	Moorestown Housing Associates LLC	267) 386-8670	Y	76	76	N/A - In constr	N/A - Not yet is	N
201.	Liberty Housing Preservation	Phoenixvilla, PA	Liberty House LLC	267) 386-8671	Y	50	50	N/A - In constr	N/A - Not yet is	N
202.	Perry Homes	Buffalo, NY	Perry Homes I LLC	267) 386-8672	Y	405	405	N/A - In constr	N/A - Not yet is	N
203.	Phoenix at 36N	Tulsa, OK	Phoenix at 36N LP	267) 386-8673	Y	100	80	N/A - In constr	N/A - Not yet is	N
204.	Good Shepherd Senior	Philadelphia, PA	Good Shepherd Senior LLC	267) 386-8674	Y	55	55	N/A - In constr	N/A - Not yet is	N
205.	Forge	Lenox, MA	Brushwood Farm Housing LLC	267) 386-8675	Y	65	50	N/A - In constr	N/A - Not yet is	N
206.	Golden Hill	Kingston, NY	Golden Hill Owner LLC	267) 386-8676	Y	164	164	N/A - In constr	N/A - Not yet is	N
207.	FOP Senior	Philadelphia, PA	730 Byberry Road LP	267) 386-8677	Y	106	106	N/A - In constr	N/A - Not yet is	N
208.	Ascent at Hover Crossing	Longmont, CO	Ascent at Hover Crossing LLLP	267) 386-8678	Y	75	75	N/A - In constr	N/A - Not yet is	N
209.	Lincoln and Gilbert Family	Cincinnati, OH	Lincoln and Gilbert II LLC	267) 386-8679	Y	36	36	N/A - In constr	N/A - Not yet is	N
210.	Cedar Phase IV	Cleveland, OH	Cedar Redevelopment Phase IV LLC	267) 386-8680	Y	50	50	N/A - In constr	N/A - Not yet is	N
211.	Riverside III	Wilmington, DE	Riverside Housing Partnership III LLC	267) 386-8681	Y	101	101	N/A - In constr	N/A - Not yet is	N
212.	Parcel 9 Phase II		Parcel 9 Phase II LLC	267) 386-8682	Y	61	25	N/A - In constr	N/A - Not yet is	N

2026 Low-Income Housing Tax Credit Application For Reservation

V. List of LIHTC Developments (Schedule A)

INSTRUCTIONS

1. A Schedule A is required for every individual that makes up the GP or Managing Member, except as follows:
   - For Principals organized as a corporation (public or private), nonprofit organization, or governmental entity, you are only required to list the names of any officers who are directly responsible to the Board of Directors (or equivalent) and any stockholder holding a 25% or more interest in said Principal.
   - For Principals organized as a limited liability company with more than 25 individual members, you are only required to list the names of any officers and any managing members responsible for managing the affairs of the company, along with the name of any individual members holding 25% or more interest in the Principal.
   - For Principals organized as a trust, you are only required to list the names of all trustees and any individuals possessing a 25% or more beneficial interest in the assets of the trust.
2. For each property for which an uncorrected 8823 has been issued, provide a detailed explanation of the nature of the non-compliance, as well as a status statement at **Tab D**.
3. List only tax credit development experience for the past 15 years.
4. Use separate forms as needed, for each principal. Five additional tabs are available at the end of the application. Contact Virginia Housing if you need more available within the application.

Development Name: Diamond District Phase 1 (9%)

Name of Applicant: Diamond District Phase 1 Nine, LLC

Principals' Name: Mark H Dambly

#	Development Name	Location	Ownership Entity	Ownership Entity Phone	CGP or "Named" Managing Member at the time of deal?	Total Develop-ment Units	Total Low Income Units	Placed in Service Date	8609 Issued Date	Uncorrected 8823s? If Y, Explain at Tab D
1.	1721 Springdale Road - Weinberg	Cherry Hill, NJ	1721 Springdale Urban Renewal Associates,	267- 386-8600	Y	80	79	10/30/2019	12/6/2020	N
2.	50 Penn - Brooklyn NY	Brooklyn NY	50 Penn LLC	267- 386-8600	Y	218	218	9/15/2021	I/A - Not yet issue	N
3.	A. Harry Moore 3	Jersey City NJ	AHM Housing Urban Renewal Associates LLC	267- 386-8600	Y	60	49	11/23/2011	11/28/2012	N
4.	A. Harry Moore 4. Jersey City NJ	Jersey City NJ	AHM Housing Urban Renewal Associates IV LLC	267- 386-8600	Y	70	59	5/3/2016	12/21/2016	N
5.	Academy Place Preservation	Trenton NJ	El Barrio Academy Place Urban Renewal	267- 386-8600	Y	40	40	7/31/2014	12/23/2014	N
6.	Alexander Hamilton 1 Paterson NJ	Paterson NJ	Alexander Hamilton Associates LLC	267- 386-8600	Y	80	80	8/31/2011	5/30/2014	N
7.	Alexander Hamilton 2	Paterson NJ	Alexander Hamilton II Associates LLC	267- 386-8600	Y	50	50	6/1/2015	3/14/2016	N
8.	Alexander Hamilton 3	Paterson NJ	Alexander Hamilton III Associates LLC	267- 386-8600	Y	50	50	5/16/2014	8/12/2015	N
9.	Allentown Center Square	Allentown PA	Allentown Center Square Housing Partnership, LP	267- 386-8600	Y	63	63	12/20/2005	11/19/2007	N
10.	Apollo Dye 2	Paterson NJ	Apollo Dye II Associates LLC	267- 386-8600	Y	63	63	7/1/2017	8/31/2018	N
11.	Apollo Dye I	Paterson NJ	Apollo Dye Associates LLC	267- 386-8600	Y	70	70	7/31/2015	5/27/2016	N
12.	Bensalem Veterans Residences	Bensalem PA	BSV Housing LP	267- 386-8600	Y	40	40	12/10/2020	7/13/2022	N
13.	Booth Street	Salisbury MD	Booth Street Phase I LLC	267- 386-8600	Y	84	84	12/20/2016	6/30/2018	N
14.	Braddock Senior Housing	Braddock PA	Braddock Housing Initiative LP	267- 386-8600	Y	53	53	2/17/2010	8/31/2010	N
15.	Branch Village	Camden NJ	Branch Village Housing Urban Renewal LLC	267- 386-8600	Y	58	58	7/5/2011	5/29/2012	N
16.	Brownstones 2	Philadelphia PA	Diamond Street Housing Partnership 11 LP	267- 386-8600	Y	46	46	10/31/2016	2017	N
17.	Burwood Gardens	Glen Burnie MD	Burwood Gardens Senior LLC	267- 386-8600	Y	100	100	11/18/2013	12/27/2014	N
18.	Bushwick Gardens	Brooklyn NY	Bushwick Gardens I LLC	267- 386-8600	Y	372	0	4/26/2021	I/A - Not yet issue	N
19.	C.W. Brooks	Hagerstown MD	C.W. Brooks LLC	267- 386-8600	Y	60	60	6/30/2011	8/24/2012	N
20.	Campbell Purcell		Brackett Road Housing LLC	267- 386-8600	Y	65	50	Various	12/4/2020	N

21.	Camp Kilmer A		Camp Kilmer A Urban Renewal Associates LLC	267- 386-8600	Y	86	86	7/21/2020	4/28/2022	N
22.	Carl Miller Homes	Trenton NJ	Carl Miller Associates I LLC	267- 386-8600	Y	204	204	7/31/2014	4/22/2015	N
23.	Cedar 2	Cleveland OH	Cedar Redevelopment Phase II LP	267- 386-8600	Y	50	30	12/12/2016	4/30/2018	N
24.	Cedar I	Cleveland OH	Cedar Redevelopment Phase I LP	267- 386-8600	Y	61	61	4/30/2017	4/30/2018	N
25.	Centerville 12	Camden NJ	Centerville Urban Renewal 12 LLC	267- 386-8600	Y	70	70	6/1/2009	11/23/2009	N
26.	Centerville 7	Camden NJ	Centerville Housing Urban Renewal Associates LL	267- 386-8600	Y	74	74	12/12/2008	8/3/2009	N
27.	Chapel Green	Baltimore MD	Pennrose East Baltimore Rental LLC	267- 386-8600	Y	63	48	6/18/2009	9/13/2010	N
28.	Chateau (The)	Baltimore MD	Chateau Housing Partnership LLC	267- 386-8600	Y	47	35	10/31/2002	2/18/2005	N
29.	Church Street/H.E. Kapp	Flemington NJ	Church Street Housing Urban Renewal Associates	267- 386-8600	Y	60	60	11/10/2005	1/4/2008	N
30.	City View Landing Family	Newark NJ	Scudder Flames Family Urban Renewal LP	267- 386-8600	Y	58	58	5/5/2008	4/22/2010	N
31.	City view Landing Senior	Newark NJ	Scudder Homes Senior Urban Renewal LP	267- 386-8600	Y	48	48	9/15/2008	3/19/2010	N
32.	Cloisters 3	Philadelphia PA	Cloisters III Housing Partnership LP	267- 386-8600	Y	50	50	3/22/2007	9/9/2008	N
33.	Costello Building	Old Bridge NJ	Old Bridge Housing Urban Renewal II LLC	267- 386-8600	Y	61	61	12/20/2006	10/10/2008	N
34.	Cottage Hill Place	Mobile, AL	Cottage Hill Place LLC	267- 386-8600	Y	80	80	7/30/2018	9/16/2019	N
35.	Crest Manor	Abington Twp. PA	Crest Manor Housing Partnership LP	267- 386-8600	Y	46	46	11/30/2017	12/6/2019	N
36.	Cumberland Gardens 1	Allentown PA	Cumberland Gardens I Housing Partnership LP	267- 386-8600	Y	74	74	10/31/2012	3/30/2016	N
37.	Cumberland Gardens 2	Allentown PA	Cumberland Gardens 2 Housing Partnership	267- 386-8600	Y	70	70	10/9/2014	5/31/2016	N
38.	Deanwood Hills	Washington DC	Deanwood Hills LLC	267- 386-8600	Y	150	150	8/31/2018	5/31/2019	N
39.	Delaware Terrace 1	Easton PA	Delaware Terrace Housing I LP	267- 386-8600	Y	56	56	12/13/2010	8/17/2012	N
40.	Delaware Terrace 2	Easton PA	Delaware Terrace Housing II LP	267- 386-8600	Y	40	40	12/7/2011	2/19/2013	N
41.	Fairgrounds 1	Chester Twp. PA	Fairgrounds Housing Partnership LP	267- 386-8600	Y	73	73	12/1/2008	3/4/2010	N
42.	Fairgrounds 2	Chester Twp. PA	Fairgrounds Housing Partnership II LP	267- 386-8600	Y	71	71	12/9/2010	6/24/2011	N
43.	Fairgrounds 3	Chester Twp. PA	Fairgrounds Housing Partnership tit LP	267- 386-8600	Y	48	48	3/28/2012	12/27/2012	N
44.	Fairgrounds 4	Chester Twp. PA	Fairgrounds Housing Partnership IV LP	267- 386-8600	Y	71	71	6/29/2013	12/4/2014	N
45.	Fairview Village	Phoenixville PA	Fairview Court Development LP	267- 386-8600	Y	36	36	6/26/2013	12/17/2014	N
46.	Felton Lofts. Steelton PA	Steelton, PA	Steelton Walnut Limited Partnership	267- 386-8600	Y	63	63	5/31/2012	5/23/2013	N
47.	French Creek Manor	Phoenixville PA	French Creek Housing Partnership LP	267- 386-8600	Y	70	70	11/9/2004	3/22/2005	N
48.	Garden Valley 2	Cleveland OH	Garden Valley Housing Partnership II LP	267- 386-8600	Y	57	57	7/28/2011	1/18/2013	N
49.	Garden Valley 3. Cleveland OH	Cleveland OH	Garden Valley Housing Partnership III LP	267- 386-8600	Y	69	69	12/30/2011	2/20/2014	N
50.	Garden Volley 1	Cleveland OH	Garden Valley Housing Partnership I LP	267- 386-8600	Y	81	81	12/16/2010	3/7/2012	N
51.	Garden Volley 4	Cleveland OH	Garden Valley Housing Partnership IV LP	267- 386-8600	Y	60	60	12/16/2016	10/27/2017	N
52.	Garfield Court 1	Long Branch NJ	Garfield Court Urban Renewal Housing Associates	267- 386-8600	Y	67	61	12/11/2008	12/22/2009	N
53.	Garfield Court 2. Long Branch NJ	Long Branch NJ	Garfield Two Housing Urban Renewal LP	267- 386-8600	Y	61	61	4/28/2010	6/14/2011	N
54.	Glenarden Phase I	Lanham	Glenarden Phase I, LLC	267- 386-8600	Y	114	87	4/29/2020	8/14/2020	N
55.	Glenbrook at Oxmoor		Birmingham AL Glenbrook at Oxmoor 1 LLC	267- 386-8600	Y	100	100	5/6/2009	6/11/2010	N
56.	Hamilton (The}	Poughkeepsie NY	400 Main LLC	267- 386-8600	Y	57	57	12/20/2005	9/7/2007	N
57.	HART 1A	Allentown PA	MART I Housing Partnership LP	267- 386-8600	Y	80	80	11/15/2007	10/9/2008	N
58.	HART 1B	Allentown PA	HART It Housing Partnership LP	267- 386-8600	Y	79	79	9/21/2007	4/14/2008	N
59.	HART 28	Allentown PA	HART IV Housing Partnership LP	267- 386-8600	Y	50	50	11/24/2009	2/8/2010	N
60.	HART 2A	Allentown PA	HART III Housing Partnership LP	267- 386-8600	Y	60	60	12/11/2008	8/20/2010	N
61.	Heritage Overlook	Glen Burnie MD	Heritage Overlook LLC	267- 386-8600	Y	100	100	5/30/2018	12/7/2018	N
62.	Hermitage Senior	Hermitage PA	Hermitage Senior Housing LP	267- 386-8600	Y	40	40	12/18/2006	8/27/2007	N
63.	Hickman Expansion	West Chester PA	326 N. Walnut Street LP	267- 386-8600	Y	60	60	12/23/2010	12/15/2011	N
64.	Hope Gardens	Brooklyn NY	Hope Gardens I LLC	267- 386-8600	Y	949	949	1/20/2022	8/23/2022	N
65.	Jefferson Heights	New Wan CT	Jefferson Heights Housing LLC	267- 386-8600	Y	70	70	12/20/2013	3/5/2015	N
66.	Kinder Park 1	Ridley Twp. PA	Kinder Park Housing Partnership I LP	267- 386-8600	Y	48	48	12/19/2015	8/4/2017	N
67.	Kinder Park 2	Ridley Twp. PA	Kinder Park Housing Partnership II LP	267- 386-8600	Y	50	50	12/6/2016	9/25/2018	N
68.	Kinder Park 3	Ridley Twp. PA	Kinder Park Housing Partnership Ill LP	267- 386-8600	Y	56	56	1/30/2018	3/23/2020	N
69.	Legacy Commons	Farrell PA	Legacy Commons Housing Partnership LP	267- 386-8600	Y	29	29	9/27/2004	8/30/2005	N
70.	Liberty Place	Fort Lee NJ	Fort Lee Housing Associates LP	267- 386-8600	Y	60	60	11/20/2003	10/15/2007	N

71.	Limerick Green	Limerick PA	limerick Green Housing Partnership LP	267- 386-8600	Y	80	80	4/27/2000	12/20/2000	N
72.	Lofts/Master Street	Philadelphia	Master Street Housing Partnership LP	267- 386-8600	Y	62	62	12/16/2005	6/27/2007	N
73.	Memphis Triangle 2	Memphis TN	Memphis Triangle Family LLC	267- 386-8600	Y	106	86	11/21/2013	5/18/2015	N
74.	Memphis Triangle 3	Memphis TN	Memphis Triangle Phase III LLC	267- 386-8600	Y	105	84	11/21/2014	2/23/2015	N
75.	Memphis Triangle 4	Memphis TN	Memphis Triangle Phase IV LLC	267- 386-8600	Y	67	63	10/13/2015	12/31/2015	N
76.	Memphis Triangle I	Memphis TN	Memphis Triangle Senior LLC	267- 386-8600	Y	84	84	12/13/2012	12/31/2012	N
77.	Meriden Commons I	Meriden, CT	Meriden Mills I LLC	267- 386-8600	Y	75	60	6/30/2018	12/17/2018	N
78.	Oaks at Park Pointe (Meriwether	Griffin GA	Meriwether Redevelopment I LLC	267- 386-8600	Y	84	84	11/20/2015	5/19/2016	N
79.	Iris at Park Pointe (Meriwether II)	Griffin GA	Meriwether Redevelopment II LLC	267- 386-8600	Y	85	85	12/30/2017	3/7/2019	N
80.	Terraces at the Park (Meriwether III)	Griffin GA	Meriwether Redevelopment III LLC	267- 386-8600	Y	68	68	12/3/2018	11/25/2019	N
81.	Merrit Mill Road	Salisbury, MD	Merritt Mill Road LLC	267- 386-8600	Y	75	67	Various	12/2/2020	N
82.	Montgomery Heights II	Newark, NJ	Montgomery Two Housing Urban Renewal, LLC	267- 386-8600	Y	154	153	2/4/2020	10/1/2021	N
83.	Montgomery Heights	Newark NJ	Montgomery Street Housing Urban Renewal LLC	267- 386-8600	Y	80	80	8/31/2010	9/14/2011	N
84.	Moravia Park	Baltimore MO	Moravia Park Drive LLC	267- 386-8600	Y	60	60	3/30/2009	5/12/2010	N
85.	New Brunswick Performing Arts Center	New Brunswick NJ	NBCCR Urban Renewal LLC	267- 386-8600	Y	207	42	2/5/2020	4/14/2022	N
86.	North Hills 1	Ross Twp. PA	North Hills Housing ± LP	267- 386-8600	Y	60	60	12/6/2010	8/26/2011	N
87.	North Hills 2	Ross Twp. PA	North Hills Housing II LP	267- 386-8600	Y	37	37	2/4/2011	1/10/2012	N
88.	North Hills Manor	Glenside	NHM Housing LP	267- 386-8600	Y	50	50	2/26/2021	I/A - Not yet issue	N
89.	Obery Court 1. Annapolis MD	Annapolis MD	Obery Court Phase I LLC	267- 386-8600	Y	50	50	5/5/2010	2/24/2011	N
90.	Obery Court 2	Annapolis MD	Obery Court/College Creek Phase 11 LLC	267- 386-8600	Y	63	63	12/7/2012	4/9/2014	N
91.	Obery Court 3. Annapolis MD	Annapolis MD	Obery Court/College Creek Phase 111 LLC	267- 386-8600	Y	61	61	6/10/2016	3/31/2017	N
92.	Orchard Ridge 2	Baltimore MD	Orchard Ridge Rental II LLC	267- 386-8600	Y	72	57	3/3/2009	8/26/2010	N
93.	Orchard Ridge 3	Baltimore MD	Orchard Ridge Rental III LLC	267- 386-8600	Y	77	77	10/23/2009	1/24/2011	N
94.	Orchard Ridge 4	Baltimore MD	Orchard Ridge Rental IV LLC	267- 386-8600	Y	64	64	10/30/2014	12/1/2015	N
95.	Orchard Ridge 5. Baltimore MD	Baltimore MD	Orchard Ridge Rental V LLC	267- 386-8600	Y	65	58	7/11/2017	5/30/2018	N
96.	Orchard Ridge I. Baltimore MD	Baltimore MD	Orchard Ridge Rental I LLC	267- 386-8600	Y	100	80	7/16/2008	9/14/2009	N
97.	Patriot's Cove	Barnegat NJ	patriot's Cove Urban Renewal Associates LLC	267- 386-8600	Y	46	46	6/30/2009	10/20/2010	N
98.	Pearlye Suiting	Camden NJ	Pearlye Urban Renewal Associates LP	267- 386-8600	Y	69	64	6/27/2006	6/29/2007	N
99.	Penn Hills	Ridley Twp. PA	Ridley Development Associates LP	267- 386-8600	Y	49	49	4/16/2012	4/5/2013	N
100.	Pointe View at Aspen Hill	Aspen Hill	Parkview at Aspen Hill, LLC	267- 386-8600	Y	120	108	9/30/2019	2/27/2020	N
101.	Presidential Estates	Long Branch NJ	Grant Court Housing Urban Renewal Associates LP	267- 386-8600	Y	70	70	12/19/2007	8/3/2009	N
102.	Prospect Plaza 1	New York NY	Ocean Hill LLC	267- 386-8600	Y	110	110	6/16/2016	3/31/2017	N
103.	Prospect Plaza 2	New York NY	Ocean H1H II LLC	267- 386-8600	Y	149	149	1/15/2017	7/6/2018	N
104.	Prospect Plaza 3	New York NY _	Ocean Hill Ill LLC	267- 386-8600	Y	135	135	11/30/2018	9/9/2019	N
105.	Providence Square 2. New Brunswick NJ	New Brunswick NJ	Providence Square Housing Urban Renewal LLC	267- 386-8600	Y	53	53	10/20/2010	6/1/2011	N
106.	Pusey Estates	Upland PA	Pusey Estates Housing Partnership LP	267- 386-8600	Y	77	77	7/22/2005	9/19/2006	N
107.	Regent Terrace	Philadelphia PA	Regent Terrace Housing Partnership LP	267- 386-8600	Y	80	80	12/9/2005	1/24/2007	N
108.	Reservoir Hill	Baltimore MD	Reservoir Hill Housing LLC	267- 386-8600	Y	64	64	12/20/2006	10/14/2008	N
109.	Roosevelt Hospital	Edison NJ	Roosevelt Hospital Housing Urban Renewal Associ	267- 386-8600	Y	55	135	11/30/2017	10/23/2019	N
110.	Sacred Heart Residences	Allentown	Sacred Heart Residences LP	267- 386-8600	Y	61	61	2/28/2017	12/13/2018	N
111.	Seaview Manor	Long Branch NJ	Seaview Housing Urban Renewal Associates LLC	267- 386-8600	Y	40	40	12/14/2006	2/25/2009	N
112.	St. Luke's 1. Cleveland OH	Cleveland OH	St. Luke's Housing Partnership LLC	267- 386-8600	Y	72	72	12/29/2011	5/29/2013	N
113.	St. Luke's 2	Cleveland OH	St. Luke's Housing Partnership II LLC	267- 386-8600	Y	65	65	9/30/2012	12/17/2013	N
114.	St. Stephens. Washington DC	Washington DC	4000 Benning Road LLC	267- 386-8600	Y	71	71	12/31/2017	2/28/2019	N
115.	Stoneridge Villas Phase I	Madison AL	Balch Development LLC	267- 386-8600	Y	80	80	7/18/2019	5/19/2020	N
116.	Upland Estates. Upland PA	Upland PA	Upland Estates Housing Partnership LP	267- 386-8600	Y	50	50	12/27/2006	10/1/2008	N
117.	Upland Terrace	Upland PA	Upland Terrace Housing Partnership LP	267- 386-8600	Y	51	51	12/31/2004	12/12/2005	N
118.	Uplands Rental. Baltimore MD	Baltimore MD	Uplands Rental Phase I LLC	267- 386-8600	Y	104	77	7/11/2012	4/11/2014	N
119.	Vernon House	Philadelphia PA	Vernon House Housing Partnership LP	267- 386-8600	Y	68	68	9/2/2005	7/19/2006	N
120.	Warner Robins Redevelopment - Warner	Warner Robins, GA	WR Wall Street LLC	267- 386-8600	Y	90	59	Various	9/28/2020	N

121.	Weinberg Commons II - Cherry Hill NJ	Cherry Hill, NJ	Springdale II Urban Renewal Associates LLC	267- 386-8600	Y	80	80	11/20/2020	8/23/2022	N
122.	Westbridge Apartments	Bridgewater PA	Westbridge Housing Partnership LP	267- 386-8600	Y	24	24	7/5/2000	12/14/2000	N
123.	Westbrook Village I	Hartford CT	Westbrook I Housing LLC	267- 386-8600	Y	75	60	12/16/2020	9/30/2021	N
124.	William Way	Philadelphia PA	Spruce Street Senior Residences LP	267- 386-8600	Y	56	56	11/29/2013	3/18/2015	N
125.	Woodbridge Township	Avenel, NJ	Cedar Meadows Housing Associates LLC	267- 386-8600	Y	101	100	9/30/2019	12/10/2020	N
126.	Wyman House	Baltimore MD	Wyman House LLC	267- 386-8600	Y	175	175	11/30/2017	6/30/2018	N
127.	Wynne Senior	Philadelphia PA	Wynne Senior Residences LP	267- 386-8600	Y	51	51	3/31/2017	4/5/2019	N
128.	York Family Residences York	York, PA	York Family Residences LLC	267- 386-8600	Y	56	56	6/30/2021	9/26/2022	N
129.	Fairmount-Nine Griffin	Griffin, GA	Fairmont-Nine Oaks LLC	267- 386-8600	Y	130	130	10/22/2021	/A - Not yet issue	N
130.	The Residences at North Hill Bond 47	Alexandria, VA	The Residences at North Hill Bond 47 LLC	267- 386-8600	Y	47	47	/A - In constructio	/A - Not yet issue	N
131.	The Residences at North Hill Bond 94	Alexandria, VA	The Residences at North Hill Bond 94 LLC	267- 386-8600	Y	94	94	/A - In constructio	/A - Not yet issue	N
132.	The Residences at North Hill 2 Alexandria	Alexandria, VA	The Residences at North Hill 2 LLC	267- 386-8600	Y	75	75	/A - In constructio	/A - Not yet issue	N
133.	The Senior Residences at North Hill	Alexandria, VA	The Senior Residences at North Hill LLC	267- 386-8600	Y	63	63	/A - In constructio	/A - Not yet issue	N
134.	Mary D Stone Auburn	Auburn, MA	Mary D. Stone LLC	267- 386-8600	Y	55	45	9/30/2021	7/29/2022	N
135.	Renaissance Row Baltimore	Baltimore MD	Renaissance Row LLC	267- 386-8600	Y	84	84	11/1/2021	/A - Not yet issue	N
136.	Dover Veterans Dover	Dover, NJ	Dover Veterans Urban Renewal Housing Associate	267- 386-8600	Y	70	70	7/30/2021	12/13/2022	N
137.	Eastern Woods Findlay	Findlay, OH	Eastern Woods Senior LLC	267- 386-8600	Y	50	50	4/6/2021	2/2/2023	N
138.	Warner Robins Apartments Warner	Warner Robins, GA	WR Wall Street II LLC	267- 386-8600	Y	90	75	9/30/2021	/A - Not yet issue	N
139.	Cedar Apartments Cleveland	Cleveland OH	Cedar Redevelopment Phase III LLC	267- 386-8600	Y	75	75	10/12/2021	/A - Not yet issue	N
140.	Kinder Park IV-A Woodlyn	Woodlyn, PA	Kinder Park Housing Partnership IV-A LLC	267- 386-8600	Y	39	39	8/16/2022	/A - Not yet issue	N
141.	Kinder Park IV-B Woodlyn	Woodlyn, PA	Kinder Park Housing Partnership IV-B LLC	267- 386-8600	Y	57	57	8/16/2022	/A - Not yet issue	N
142.	Riverside Housing Wilmington	Wilmington, DE	Riverside Housing Partnership I LLC	267- 386-8600	Y	74	59	12/20/2022	/A - Not yet issue	N
143.	Estate Donoe Redevelopment Project	St. Thomas, USVI	Donoe Redevelopment Partners LLC	267- 386-8600	Y	84	84	/A - In constructio	/A - Not yet issue	N
144.	Newtowne 20 Annapolis	Annapolis, MD	Newtowne 20, LLC	267- 386-8600	Y	78	78	2/11/2022	/A - Not yet issue	N
145.	Westbrook Village Phase II	Hartford CT	Westbrook II Housing LLC	267- 386-8600	Y	60	45	4/15/2021	2/28/2022	N
146.	Westrbrook III Hartford	Hartford CT	Westbrook III Housing LLC	267- 386-8600	Y	65	49	7/15/2022	/A - Not yet issue	N
147.	Julia Bancroft Apartments Auburn	Auburn, MA	Julia Bancroft LLC	267- 386-8600	Y	60	45	11/30/2022	/A - Not yet issue	N
148.	Residences at Glenarden Hills 2 Lanham	Lanham, MD	Residences at Glenarden Hills 2 LLC	267- 386-8600	Y	55	55	10/30/2020	12/29/2021	N
149.	Camp Kilmer Phase B Edison	Edison, NJ	Camp Kilmer B Urban Renewal Associates LLC	267- 386-8600	Y	85	85	9/24/2020	8/30/2022	N
150.	Haven at South Atlanta	Atlanta GA	Haven SA LLC	267- 386-8600	Y	84	71	11/21/2022	/A - Not yet issue	N
151.	Patriot Place	El Paso TX	EP Patriot Place LP	267- 386-8600	Y	110	110	9/1/2022	/A - Not yet issue	N
152.	Stoneridge Villas Phase II	Madison AL	Balch Development II LLC	267- 386-8600	Y	65	65	12/31/2022	/A - Not yet issue	N
153.	Carrier Point I	Newport News VA	Choice Neighborhood I LLC	267- 386-8600	Y	43	37	/A - In constructio	/A - Not yet issue	N
154.	Carrier Point II	Newport News VA	Choice Neighborhood II LLC	267- 386-8600	Y	38	34	12/30/2022	/A - Not yet issue	N
155.	4145 Apple Street	Cincinnati OH	Apple Street Senior LLC	267- 386-8600	Y	57	57	2/1/2022	/A - Not yet issue	N
156.	Torrington Riverfront	Torrington CT	Torrington Riverfront LLC	267- 386-8600	Y	60	45	8/26/2022	/A - Not yet issue	N
157.	Glassboro Special Needs	Glassboro NJ	Lincoln Senior Urban Renewal I LP	267- 386-8600	Y	65	65	1/31/2023	/A - Not yet issue	N
158.	Choice Neighborhood III-R	Newport News	Choice Neighborhood III-R LLC	267- 386-8600	Y	71	58	/A - In constructio	/A - Not yet issue	N
159.	Choice Neighborhood IV-R	Newport News	Choice Neighborhood IV-R LLC	267- 386-8600	Y	84	69	/A - In constructio	/A - Not yet issue	N
160.	Glenarden Hills Phase III	Lanham, MD	Glenarden Hills Phase 3 Four LLC	267- 386-8600	Y	114	94	/A - In constructio	/A - Not yet issue	N
161.	Glenarden Hills Phase III	Lanham, MD	Glenarden Hills Phase 3 Nine LLC	267- 386-8600	Y	44	44	/A - In constructio	/A - Not yet issue	N
162.	Uplands Rental Phase IIA. Baltimore	Baltimore MD	Uplands Rental Phase IIA Four LLC	267- 386-8600	Y	78	78	/A - In constructio	/A - Not yet issue	N
163.	Uplands Rental Phase IIB	Baltimore MD	Uplands Rental Phase IIB Nine LLC	267- 386-8600	Y	72	72	/A - In constructio	/A - Not yet issue	N
164.	Sharswood Phase I	Philadelphia PA	Sharswood Phase I LLC	267- 386-8600	Y	60	50	10/28/2022	/A - Not yet issue	N
165.	Sharswood Phase II	Philadelphia PA	Sharswood Phase II LLC	267- 386-8600	Y	59	59	/A - In constructio	/A - Not yet issue	N
166.	Riverside II	Wilmington, DE	Riverside Housing Partnership II LLC	267- 386-8600	Y	67	50	/A - In constructio	/A - Not yet issue	N
167.	Hawkins Village	Rankin, PA	Hawkins Redevelopment I LLC	267- 386-8600	Y	54	54	/A - In constructio	/A - Not yet issue	N
168.	Little Lehigh	Allentown, PA	Little Lehigh Redevelopment LLC	267- 386-8600	Y	50	50	/A - In constructio	/A - Not yet issue	N
169.	Lincoln and Gilbert	Cincinnati OH	Lincoln & Gilbert Family LLC	267- 386-8600	Y	86	86	/A - In constructio	/A - Not yet issue	N
170.	2700 Wewatta	Denver, CO	2700 Wewatta GP LLC	267- 386-8600	Y	56	56	/A - In constructio	/A - Not yet issue	N

171.	William Barton Rogers School	Boston, MA	Rogers School LLC	267- 386-8600	Y	74	50	/A - In constructio	/A - Not yet issue	N
172.	Westbrook IV	Hartford, CT	Westbrook IV Housing LLC	267- 386-8600	Y	60	45	/A - In constructio	/A - Not yet issue	N
173.	Yates Village II	Schenectady, NY	Yates Village II LLC	267- 386-8600	Y	68	68	/A - In constructio	/A - Not yet issue	N
174.	Taylor I	Troy, NY	Taylor I LLC	267- 386-8600	Y	141	141	/A - In constructio	/A - Not yet issue	N
175.	McAuley Park Phase I	Atlanta, GA	McAuley Park I LLC	267- 386-8600	Y	170	160	/A - In constructio	/A - Not yet issue	N
176.	West Point Village Phase I	West Point, GA	West Point Village Phase I LLC	267- 386-8600	Y	72	42	/A - In constructio	/A - Not yet issue	N
177.	Sun Pointe	El Paso, TX	EP Sun Pointe LP	267- 386-8600	Y	146	146	/A - In constructio	/A - Not yet issue	N
178.	Heritage Highlands Phase II	Rankin, PA	Hawkins Redevelopment II LLC	267- 386-8600	Y	51	51	/A - In constructio	/A - Not yet issue	N
179.	Cherry Hill Senior Manor	Baltimore, MD	Cherry Hill Senior Housing Preservation LLC	267- 386-8600	Y	54	54	/A - In constructio	/A - Not yet issue	N
180.	Wareham Littleton Drive Family	Wareham, MA	Littleton Drive LLC	267- 386-8600	Y	49	39	/A - In constructio	/A - Not yet issue	N
181.	Wareham Littleton Drive Senior	Wareham, MA	Littleton Drive Senior LLC	267- 386-8600	Y	44	44	/A - In constructio	/A - Not yet issue	N
182.	800 Vine Senior	Philadelphia, PA	800 Vine Senior Housing LLC	267- 386-8600	Y	51	51	/A - In constructio	/A - Not yet issue	N
183.	Village at Park River Phase V	Hartford, CT	Westbrook V Housing LLC	267- 386-8600	Y	58	46	/A - In constructio	/A - Not yet issue	N
184.	Providence Parcel 9 Phase I-4	Providence, RI	Parcel 9 Phase I-4 LLC	267- 386-8600	Y	29	29	/A - In constructio	/A - Not yet issue	N
185.	Providence Parcel 9 Phase I-9	Providence, RI	Parcel 9 Phase I-9 LLC	267- 386-8600	Y	37	16	/A - In constructio	/A - Not yet issue	N
186.	Sharswood III Part I	Philadelphia, PA	Sharswood III Part I LLC	267- 386-8600	Y	57	43	/A - In constructio	/A - Not yet issue	N
187.	Sharswood III Part II	Philadelphia, PA	Sharswood III Part II LLC	267- 386-8600	Y	104	83	/A - In constructio	/A - Not yet issue	N
188.	Sharswood III Part III	Philadelphia, PA	Sharswood III Part III LLC	267- 386-8600	Y	63	63	/A - In constructio	/A - Not yet issue	N
189.	French Town Road 4%	East Greenwich, RI	655 Frenchtown Road 4 LLC	267- 386-8600	Y	30	30	/A - In constructio	/A - Not yet issue	N
190.	French Town Road 9%	East Greenwich, RI	655 Frenchtown Road 9 LLC	267- 386-8600	Y	33	16	/A - In constructio	/A - Not yet issue	N
191.	Garfield Veterans Housing	Phoenix, AZ	Garfield Veterans Housing II LLC	267- 386-8600	Y	60	60	/A - In constructio	/A - Not yet issue	N
192.	Edgeview at Legends Park	Memphis, TN	Legends Park Senior LLC	267- 386-8600	Y	99	99	/A - In constructio	/A - Not yet issue	N
193.	Village at Park River VI-A	Hartford, CT	Westbrook VI-A Housing LLC	267- 386-8600	Y	32	28	/A - In constructio	/A - Not yet issue	N
194.	Village at Park River VI-B	Hartford, CT	Westbrook VI-B Housing LLC	267- 386-8600	Y	44	35	/A - In constructio	/A - Not yet issue	N
195.	Orleans Cape Cod Five	Orleans, MA	West and Skaket LLC	267- 386-8600	Y	62	62	/A - In constructio	/A - Not yet issue	N
196.	Harper Apartments	Moorestown, NJ	Moorestown Housing Associates LLC	267- 386-8600	Y	76	76	/A - In constructio	/A - Not yet issue	N
197.	Liberty Housing Preservation	Phoenixville, PA	Liberty House LLC	267- 386-8600	Y	50	50	/A - In constructio	/A - Not yet issue	N
198.	Perry Homes	Buffalo, NY	Perry Homes I LLC	267- 386-8600	Y	405	405	/A - In constructio	/A - Not yet issue	N
199.	Phoenix at 36N	Tulsa, OK	Phoenix at 36N LP	267- 386-8600	Y	100	80	/A - In constructio	/A - Not yet issue	N
200.	Good Shepherd Senior	Philadelphia, PA	Good Shepherd Senior LLC	267- 386-8600	Y	55	55	/A - In constructio	/A - Not yet issue	N
201.	Forge	Lenox, MA	Brushwood Farm Housing LLC	267- 386-8600	Y	65	50	/A - In constructio	/A - Not yet issue	N
202.	Golden Hill	Kingston, NY	Golden Hill Owner LLC	267- 386-8600	Y	164	164	/A - In constructio	/A - Not yet issue	N
203.	FOP Senior	Philadelphia, PA	730 Byberry Road LP	267- 386-8600	Y	106	106	/A - In constructio	/A - Not yet issue	N
204.	Ascent at Hover Crossing	Longmont, CO	Ascent at Hover Crossing LLLP	267- 386-8600	Y	75	75	/A - In constructio	/A - Not yet issue	N
205.	Lincoln and Gilbert Family	Cincinnati, OH	Lincoln and Gilbert II LLC	267- 386-8600	Y	36	36	/A - In constructio	/A - Not yet issue	N
206.	Cedar Phase IV	Cleveland, OH	Cedar Redevelopment Phase IV LLC	267- 386-8600	Y	50	50	/A - In constructio	/A - Not yet issue	N
207.	Riverside III	Wilmington, DE	Riverside Housing Partnership III LLC	267- 386-8600	Y	101	101	/A - In constructio	/A - Not yet issue	N
208.										
209.										
210.										

2026 Low-Income Housing Tax Credit Application For Reservation

V. List of LIHTC Developments (Schedule A)

INSTRUCTIONS

1. A Schedule A is required for every individual that makes up the GP or Managing Member, except as follows:

   - For Principals organized as a corporation (public or private), nonprofit organization, or governmental entity, you are only required to list the names of any officers who are directly responsible to the Board of Directors (or equivalent) and any stockholder holding a 25% or more interest in said Principal.
   - For Principals organized as a limited liability company with more than 25 individual members, you are only required to list the names of any officers and any managing members responsible for managing the affairs of the company, along with the name of any individual members holding 25% or more interest in the Principal.
   - For Principals organized as a trust, you are only required to list the names of all trustees and any individuals possessing a 25% or more beneficial interest in the assets of the trust.

2. For each property for which an uncorrected 8823 has been issued, provide a detailed explanation of the nature of the non-compliance, as well as a status statement at **Tab D**.

3. List only tax credit development experience for the past 15 years.

4. Use separate forms as needed, for each principal. Five additional tabs are available at the end of the application. Contact Virginia Housing if you need more available within the application.

Development Name: Diamond District Phase 1 (9%)

Name of Applicant: Diamond District Phase 1 Nine, LLC

Principals' Name: Raymond Nix

#	Development Name	Location	Ownership Entity	Ownership Entity Phone	CGP or "Named" Managing Member at the time of deal?	Total Develop-ment Units	Total Low Income Units	Placed in Service Date	8609 Issued Date	Uncorrected 8823s? If Y, Explain at Tab D
1.	Providence Place	Washington, DC	Providence Place I, LP	305-357-4713	CGP	93	93	1/6/2022	9/18/2023	N
2.	Brightwood Portfolio	Washington, DC	Hampstead Brightwood Partners, LLC	619-543-4200	CGP	140	123	8/31/2015	4/21/2017	N
3.	Homestead Apartments	Washington, DC	Hampstead Jefferson Partners, LLC	619-543-4200	CGP	55	45	5/31/2017	5/30/2018	N
4.	Woodlands at Reid Temple	Glendale, Maryland	Woodlands at Reid Temple, LP		CGP	252	252	1/8/2021	4/11/2022	N
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Tab B:

Virginia State Corporation Commission Certification
(MANDATORY)

Commonwealth of Virginia

State Corporation Commission

CERTIFICATE OF FACT

I Certify the Following from the Records of the Commission:

That Diamond District Phase 1 Nine, LLC is duly organized as a Limited Liability Company under the law of the Commonwealth of Virginia;

That the Limited Liability Company was formed on March 4, 2025; and

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

Nothing more is hereby certified.

Signed and Sealed at Richmond on this Date:

March 7, 2025

Bernard J. Logan, Clerk of the Commission

CERTIFICATE NUMBER : 2025030721504554

Entity ID	Entity Name	Name Type	Entity Type	Principal Office Address	RA Name	Status
11980265	Diamond District Phase 1 Nine MM, LLC	Legal Name	Limited Liability Company	230 Wyoming Ave, Kingston, PA, 18704 - 3535, USA	Registered Agents Inc.	Active
11813704	Diamond District Phase 1 Nine, LLC	Legal Name	Limited Liability Company	230 Wyoming Ave, Kingston, PA, 18704, USA	Registered Agents Inc.	Active

State Corporation Commission
Clerk's Information System

Entity Information

Entity Information

Entity Name:	Diamond District Phase 1 Nine, LLC	Entity ID:	11813704
Entity Type:	Limited Liability Company	Entity Status:	**Active**
Series LLC:	No	Reason for Status:	Active
Formation Date:	03/04/2025	Status Date:	03/04/2025
VA Qualification Date:	03/04/2025	Period of Duration:	Perpetual
Industry Code:	0 - General	Annual Report Due Date:	N/A
Jurisdiction:	VA	Charter Fee:	N/A
Registration Fee Due Date:	03/31/2026		

Registered Agent Information

RA Type:	Entity	Locality:	Henrico
RA Qualification:	BUSINESS ENTITY THAT IS AUTHORIZED TO TRANSACT BUSINESS IN VIRGINIA		
Name:	Registered Agents Inc.	Registered Office Address:	8401 Mayland Dr Ste S, Richmond, VA, 23294 - 4648, USA

Principal Office Address

Address:	230 Wyoming Ave, Kingston, PA, 18704, USA

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Entity Information

Entity Information

Entity Name:	Diamond District Phase 1 Nine MM, LLC	Entity ID:	11980265
Entity Type:	Limited Liability Company	Entity Status:	**Active**
Series LLC:	No	Reason for Status:	Active
Formation Date:	03/05/2026	Status Date:	03/05/2026
VA Qualification Date:	03/05/2026	Period of Duration:	Perpetual
Industry Code:	0 - General	Annual Report Due Date:	N/A
Jurisdiction:	VA	Charter Fee:	N/A
Registration Fee Due Date:	Not Required		

Registered Agent Information

RA Type:	Entity	Locality:	Henrico
RA Qualification:	BUSINESS ENTITY THAT IS AUTHORIZED TO TRANSACT BUSINESS IN VIRGINIA		
Name:	Registered Agents Inc.	Registered Office Address:	8401 Mayland Dr Ste S, Richmond, VA, 23294 - 4648, USA

Principal Office Address

Address: 230 Wyoming Ave, Kingston, PA, 18704 - 3535, USA

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Tab C:

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

HUDSON
HOUSING CAPITAL

March 10, 2026

Tricia Yarger
Executive Vice President Head of Capital Markets
Pennrose Holdings, LLC
One Brewery Park
1301 North 31st Street
Philadelphia, PA 19121-4495

Re: **Diamond District Phase 1 (9%), Richmond, VA**

Dear Tricia:

Thank you for providing Hudson Housing Capital LLC ("Hudson") with the opportunity to extend a purchase offer for the investment member interest in Diamond District Phase 1 Nine, LLC, the Limited Liability Company that will own Diamond District Phase 1 (9%) (the "Company").

Hudson is a Delaware limited liability company formed to directly acquire Investor Membership interests in limited liability companies and 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% investor member interest in the Company, which will own a 50-unit rental housing property in Richmond, VA (the "Property"). You have advised us that a Pennrose affiliate which may be a to-be-formed special purpose entity (the "Managing Member") will be the Managing Member of the Property. Pennrose, LLC, (the "Developer") will be the developer of the Property. Pennrose PHL, LLC and Pennrose, LLC, (the "Guarantors"), will jointly and severally guarantee the obligations of the Managing Member. Pennrose LLC and Pennrose PHL, LLC shall be required to maintain, in the aggregate a net worth of $5,000,000 and minimum liquidity of $1,000,000. An affiliate of the Investor will be admitted to the Company as a 0.01% special member (the "SLP") with limited supervisory rights.

You have advised us that the Property is applying for a 9% Tax Credit allocation in the annual amount of $1,078,463. You have advised that all 50 of the units will qualify for Tax Credits. Additionally, 12 units will receive Project Based Vouchers with a minimum contract term of the compliance period (the "Rental Subsidy Program").

630 FIFTH AVENUE, SUITE 2850 NEW YORK, NY 10111 TELEPHONE 212 218 4488 FACSIMILE 212 218 4467

I. Equity Investment

Assuming a closing no later than January 31, 2027 (for timing and credit purposes), the Investor will contribute to the Company a total of $9,176,801 (the "Total Equity"), or $0.851 (the "Federal Tax Credit Ratio") per Federal Tax Credit available to the Investor payable in the following installments:

Contribution	Contribution %	Timing
First	80%	At Closing and through Construction
Second	14%	100% Construction Completion/VHDA Conversion
Third	4.5%	Breakeven
Fourth	1.5%	8609s

A. ***First Capital Contribution.*** The Investor will fund the First Capital Contribution at closing and through construction as follows:

Contribution %	Timing
20%	Closing
20%	25% Completion
20%	50% Completion
20%	75% Completion

B. ***Second Capital Contribution.*** The Second Capital Contribution will be paid upon the satisfaction of the conditions set forth in the Operating 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; (ii) issuance of Certificates of Occupancy for 100% of the units in the Property or Temporary Certificate of Occupancy provided there is a hold back for 110% of the punch list items; (iii) receipt of a Tax Credit cost certification from independent accountants to the Partnership (the "Accountants") setting forth the eligible basis and the total available Tax Credits; (iv) receipt of a pay-off letter from the general contractor or sub-contractors, as applicable; (v)

satisfactory financial condition of the Guarantors (i.e., compliance with the Net Worth and Liquidity Covenant); (vi) if not received at the Initial Closing, receipt of a carry-over allocation; (vii) commencement of funding under the Rental Subsidy Program at no less than the underwritten rent levels; and (viii) closing of the VHDA permanent first mortgage loan ("Permanent Loan Closing").

C. ***Third Capital Contribution.*** The Third Capital Contribution will be paid upon the satisfaction of the conditions set forth in the Operating Agreement, which are principally as follows: (i) achievement of Breakeven Operations 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 2027/2028 and the amount allocable to each partner (the "Final Certification"); (iv) receipt of prior year's income tax returns in the event such returns are then due; (v) receipt and approval of initial tenant files; (vi) satisfactory financial condition of the Guarantors (i.e. compliance with the Net Worth and Liquidity Covenant); (vii) receipt of Permanent Certificates of Occupancy if not previously received; and (viii) evidence of continued funding under the Rental Subsidy Program at no less than the underwritten rent levels.

"Breakeven" shall mean that, for each such month, physical occupancy is at least 93% and that Property income (with rents not to exceed maximum allowed tax credit rents net of the applicable utility allowances for units not supported by the Rental Subsidy Program), exceeds the greater of underwritten expenses 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 assuming the greater of actual or a 7.00% vacancy rate on the residential income.

D. ***Fourth Capital Contribution.*** The Fourth Capital Contribution will be paid upon satisfaction of the conditions set forth in the Operating Agreement, which are principally as follows: (i) receipt of Form 8609 with respect to all buildings constituting the Property; (ii) receipt of a tax return and an audited financial statement for the year in which the Breakeven Date occurred; (iii) Permanent Certificate of Occupancy (if not already provided); (iv) Guarantor satisfying liquidity and net worth requirements; and (v) evidence of funding under the Rental Subsidy Program no less than the underwritten rent.

In the event such tax return and audited financial statement are not due at such time, $15,000 of the Fourth Capital Contribution shall be held back and released upon receipt of such items.

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

a. Construction loan in an amount to be determined and terms to be determined;

b. VHDA Permanent Loan in the amount of $1,275,000 with an interest rate of 6.90%, a term of 40 years, and payments based on a 40 year amortization;

c. VHDA REACH Loan in the amount of $3,625,000 with an interest rate of 3.95%, a term of 40 years, and payments based on a 40 year amortization;

d. DHCD VHTF Loan in the amount of $2,000,000 with terms to be determined;

e. DHCD NHTF/HOME Loan(s) in the amount of $1,000,000 with terms to be determined;

f. DHCD HIEE Loan in the amount of $2,000,000 with terms to be determined;

g. Richmond EAHP Loan in the amount of $1,625,000 with terms to be determined;

h. Diamond District Phase 1 Four, LLC ground lease payment in the amount of $710,000 with terms to be determined;

i. 12 units will be covered by project-based Section 8 HAP with a term of at least 15 years. An AHAP will be signed at Closing;

j. Our pricing assumes the Company will depreciate real property over 30 years and 60% bonus depreciation in the year the Property is placed in service on sitework (15-year property of no less than $750,000) and personal property (five-year property of no less than $500,000); and

k. Our proposal assumes that all of the debt will be structured as nonrecourse debt from a third party for tax purposes.

II. Developer Fee

The Developer shall receive a Developer Fee of approximately $2,215,000, of which a portion to be determined is expected to be paid from capital sources ("Cash Developer Fee") which shall be paid as follows: i) 30% of the estimated Cash Developer Fee (i.e. the non-deferred portion of the Developer Fee) shall be paid at closing; ii) 60% of the Cash Developer Fee (as recalculated at such time) less amounts previously paid, shall be paid at the time of the Second Capital Contribution; and iii) the balance shall be paid from the Third and Fourth Capital Contribution to the extent 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 allocating agency. Deferred developer fees shall be paid from available cash flow as detailed in Section V and shall not bear interest. Principal payments on the deferred developer fees shall commence with the funding of the Third Capital

Contribution. The Managing Member agrees to make a special capital contribution to the Company 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. If such payments are necessary, the Managing Member will be allocated an equal amount of the losses.

III. Property Management Fee

The Managing Member may retain one of its affiliates to be the managing agent for the Property on commercially reasonable terms. 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 8% of gross effective income, and shall otherwise be on commercially reasonable terms (including a termination right by the Managing Member in the event of fraud/gross negligence or material default by the managing agent). If the managing agent is affiliated with the Managing Member, the management agreement shall provide for a deferral of up to 100% of the management fee in the event that the property does not generate positive Cash Flow, which shall accrue and be payable as noted in sections IV and V.

IV. Cash Flow Distributions

Cash flow from the Property, after payment of operating expenses (including any current and deferred property management fees from prior years, debt service), replenishment of required reserves (including any reserve payments which were not made due to insufficient cash flow) and payment of any tax liability incurred by the Investor Member ("Cash Flow"), shall be distributed annually (subsequent to the Breakeven Date) as follows:

a. to maintain the Minimum Balance in the Operating Reserve;

b. to payment of any amounts owed to the Investor Member;

c. to payment of any Operating Deficit Loans, if any;

d. to the Developer Fees including interest until paid in full;

e. any amounts required to be paid with respect to any soft loans;

f. 90% of Cash Flow after IV(e) to the Managing Member as a preferred return with an equivalent allocation of income;

g. and the remainder to be split in accordance with Company interests.

V. Sale or Refinancing Proceeds

Net sale or refinancing proceeds (i.e., after payment of, outstanding debts, liabilities other than to the Managing Member and its affiliates and expenses of the Company and establishment of necessary reserves) shall be distributed as follows:

a. Repayment of outstanding loans by the Investor Members, if any;

b. Payment of amounts due to the Investor Members under the Tax Credit Adjuster;

c. Repayment of outstanding loans by the Managing Member including any Operating Deficit loans;

d. To payment of any accrued property management fees; and

e. 10% to the Investor and 90% to the Managing Member, with the investor share in no event being less than its tax liability from sale proceeds.

Option

The Managing Member shall have a non-assignable option, for a period of eighteen months subsequent to the expiration of the 15-year Tax Credit compliance period to either A) purchase the Property for the fair market value of the Property or B) purchase the interest of the Investor Members in the Company for the fair market value of the Investor Member's interest based on the fair market value of the Property, the net proceeds that would be realized from a sale at that fair market value and the Investor Member's 10% interest in the sale proceeds.

VI. Managing Member Commitments

a. ***Low Income Housing Tax Credit Adjustment.*** Our offer is based upon the assumption that the Company will qualify for and claim $140,184 of Federal Tax Credits in 2027, $1,078,355, the full amount of the Company's Federal Tax Credit allocation, for each year from 2028 through 2036, and $938,171 of Federal Tax Credits in 2037.

(i) Adjustments during equity payment (construction and lease-up) period

a. 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 Operating 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 Managing Member to the Investor sufficient to restore the Tax Credit Ratio as defined in Section I above. A similar adjustment shall be made in the amount of any unpaid Capital Contributions and/or a payment by the Managing Member to the Investor sufficient to restore the

b. Timing Adjuster

Notwithstanding the preceding paragraph, in the event that the Final Certification specifies that, while the aggregate amount of Tax Credit allocable to the Company is unchanged, the amount of Tax Credits allocable to the Company in 2027/2028 is less than the amounts specified above for the corresponding years, the Second, Third and Fourth Capital Contribution(s) will be reduced by $0.60 for each dollar by which such amounts exceed the amount of Tax Credits allocable to the Company for such period. If the in the event that the Final Certification specifies that the aggregate amount of Tax Credit allocable to the Company is less than projected, then the reduction will be based on the adjusted proportional amount of aggregate Tax Credits.

c. Upward Timing Adjuster

In the event that the amount of Tax Credits allocable to the Company in 2027 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) $0.55 for each dollar by which such amount is less than the actual amount of Tax Credits allocated to the Company for such period, up to a maximum of $100,000 (the "Upward Timing Adjuster Cap"). Any adjustment will be made to the Fourth Capital Contribution.

If the Investor chooses not to purchase additional credits in an amount which would be greater than 2% of the gross equity, the Investor's interest will be reduced pro rata with the credits purchased and the total credits available.

(ii) Adjustments during compliance period

Tax Credit Recapture shall be governed by the Bensalem provisions.

b. ***Development Deficit Guarantee***. The Managing Member 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 Breakeven Date exceed the amount of any funding by approved permanent third-party lenders, any unpaid Developer Fees and the amount of the Investor's capital commitment (adjusted as set forth above), the Managing Member shall pay all such costs and expenses connected with development and construction of the Property, including all operating expenses of the Property until the Breakeven Date has been achieved. The contractor will be required to provide a payment and performance bond or 15% letter of credit. Additionally, an "owner's" construction contingency in an amount equal to 5% of the construction contract amount shall be included in the development budget and shall be outside of the contractor's control.

c. ***Operating Deficit Guarantee and Operating Reserve***. The Managing Member shall make interest free loans to the Company (repayable from cash flow and/or sale and refinancing proceeds as described above) equal to any Operating Deficits (including the Minimum Deposit described in VI e. below) incurred during the period beginning on the Breakeven Date and ending on the third anniversary of Breakeven Date provided that for the previous 12 month period the property achieves Breakeven Operations, in an amount not to exceed 6 months of underwritten operating expenses and debt service (including deposits to the replacement reserve) in the aggregate.

An operating reserve (the "Operating Reserve") in an amount equal to six months of underwritten operating expenses including replacement reserve deposits and permanent loan debt service (the "Minimum Balance") shall be funded by the

Managing Member at the time of the Third Capital Contribution. The Managing Member shall be required to fund this reserve. The Operating Reserve shall be maintained for the duration of the compliance period and any draws from this Reserve shall require the consent of the SLP and shall be replenished from Cash Flow up to the Minimum Balance. Funds in excess of the Minimum Reserve may be withdrawn from the Operating Reserve during the Operating Deficit Guaranty Period to cover operating deficits. After the Operating Deficit Guaranty Period, the Operating Reserve may first be applied to cover operating cost overruns prior to any funding from the Managing Member.

d. ***Obligations of Managing Member***. Immediately following the occurrence of any of the following events, (x) the Managing Member shall admit the Special Investor Member or its designee as the Managing Member of the Company and, at the option of the Investor, withdraw from the Company; or, (y) at the option of the Investor with respect to any of the events described in clauses (i) through (vi) below, repurchase the Investor's interest in the Company: (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 later than underwritten construction completion; (iii) the permanent loan commitment is cancelled or substantially modified and a suitable replacement loan to be approved by the investor is not obtained or if the Property loan is not sufficient to balance the sources and uses of funds; (failure to achieve Breakeven is specifically not a trigger of Repurchase); (iv) the Company 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 Company 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 30 days; (Investor can only cause a repurchase in connection with this clause (v) if the default described in such clause prior to the requirements of All Capital Contributions have been met; or (vi) there is a material violation of the Operating Agreement by the Managing Member or if the property manager is an affiliate of the Managing Member, a material violation of the management agreement by the manager which causes material adverse harm to the Investor, the Company or the Property and is not cured within the applicable cure period. Item (vi) may only result in the removal of the Managing Member and not trigger a Repurchase.

If the Investor elects to have its interest repurchased by the Managing Member, the repurchase price shall be equal to 100% of the Total Equity plus interest at Prime + 1% on capital contributions made to date plus any tax liability incurred by the investor as a result of such repurchase, less any amounts of the Total Equity not funded to date.

e. ***Replacement Reserve***. Commencing with the month following Breakeven, the Company will make a minimum monthly replacement reserve deposit (the

"Minimum Deposit") equal to (on an annualized basis) the greater of (i) $300 per unit; and (ii) the amount required by the permanent lender. The amount of the minimum deposit shall be increased by 3%. Any interest earned on funds in the replacement reserve account shall become a part thereof.

f. ***Reporting***. The Company will be required to furnish Investor with (a) quarterly unaudited financial statements within 45 days after the end of each quarter of the fiscal year; (b) annual audited financial statements within 90 days after the end of each fiscal year; (c) an annual budget for each fiscal year of the Company, not later than November 1 of the preceding year; and (d) the Company's tax returns and K1 forms within 45 days after the end of each fiscal year. The penalty for any failure to deliver Company 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. The fiscal year for the Company shall be the same as the calendar year.

g. ***Loss Reallocation.*** Net Losses will be allocated 95% to the Managing Member and 5% to the Investor after the later to occur of: (1) the 10-year tax credit period has expired; and (2) the capital account of the Investor has been reduced to $0.

VII. Representations, Warranties and Covenants

The Managing Member shall make certain representations and warranties as to the Company, the Managing Member and the Property to be set forth in the Operating Agreement

VIII. Accountants

The Accountants for the Company shall be CohnReznick Group or another firm approved by the Investor. The Accountants shall prepare tax and financial reports as set forth in the Operating Agreement, and the Final Certification referred to in I.c., above.

IX. Investment Member Rights

The Operating Agreement will provide certain approval rights as to major actions proposed to be taken by the Managing Member. The Investor shall have the right to remove the Managing Member and the Manager for cause.

X. Insurance

At the closing, the Managing Member 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. The Managing Member shall provide for (i) liability (general and excess) insurance in an amount of at least $6,000,000 (adjusted periodically to maintain the coverage as adjusted for inflation), (ii)

hazard insurance (including boiler and machinery coverage) and flood insurance (to the extent that the property is in a 100 year flood zone) 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 and engineers shall submit evidence of errors and omissions coverage, in amounts reasonably satisfactory to the Investor. Workers compensation insurance shall be provided as to any entity with employees working at the Property. All policies shall name the Investor as an additional insured and shall otherwise be subject to Investor approval.

XI. Indemnity Agreement

The Managing Member shall indemnify the Investor, Hudson and its affiliates, and their respective officers, 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 Managing Member or its agents set forth in any document delivered by the Managing Member or its agents in connection with the acquisition of the Property, the investment by the Investor in the Company and the execution of the Operating Agreement. The Managing Member will be required to provide an environmental indemnification for the duration of the tax credit compliance period.

XII. 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 to the extent available, (ii) review of title (including a "date-down" search), survey, environmental and for the Third Contribution only other legal and regulatory matters, (iii) for the Third Capital Contribution only, receipt of a “date down” legal opinion from counsel to the Company and (iv) certification by the Managing Member as to the continued accuracy of representations and warranties made in the Operating Agreement.

XIII. Conditions to Closing

Your execution of this letter will also be deemed consent to perform background checks on the principal(s) of the Managing Member and Developer. The Managing Member understands that any consultant, engineering, environmental or other, selected for the project shall be acceptable to the equity investor and that the Company shall bear the cost of fees associated with pre-construction feasibility studies, structural analysis, and monthly inspections. At closing, Hudson shall be reimbursed up to $67,000 for its due diligence related expenses subject to approval of the tax credit allocating agency.

By executing this agreement 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 LOI is terminated by mutual consent. Additionally, approval of this transaction is subject to Investor's satisfactory completion of due diligence and receipt of Investment Committee approval in its sole and absolute discretion. Closing of this transaction shall also be subject to a simultaneous closing with our targeted investor and construction lender for this transaction. However, this letter may be terminated by Pennrose upon receipt of a written notification from Hudson that the Tax Credit Ratio will be reduced.

If the above proposal is acceptable, please indicate your acceptance by executing two copies 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.
Senior Vice President

ACCEPTED AND AGREED TO
THIS _____ DAY OF _____ , 2026

By: _____
Name: Tricia Yarger
Executive Vice President Head of Capital Markets
Pennrose Holdings, LLC

Tab D:

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

V. Previous Participation Certification

Development Name: Diamond District Phase 1 (9%)

Name of Applicant (entity): Diamond District Phase 1 Nine, LLC

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

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

- "Principal" has the same meaning as defined within the QAP, but as applied to each specific property referenced within this Certification, it excludes individuals and entities whose ownership interest is solely vested in limited partnership interests of the ownership entity.

- "Participant" means all Principals of the Owner who are required to be individually listed within **the organizational chart attached hereto**.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

A. Supporting documentation sufficient to both outline the relevant facts and circumstances that necessitated each deletion and to explain why such deletion(s) should not result in disqualification; and

B. A draft of Virginia Housing's form Right of First Refusal, which the Applicant commits to properly execute and record as a condition of any reservation or allocation of low-income housing tax credits made with regard to the Development named above.

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



Signature

Timothy I Henkel

Printed Name

3/2/2026

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

V. Previous Participation Certification

Development Name: Diamond District Phase 1 (9%)

Name of Applicant (entity): Diamond District Phase 1 Nine, LLC

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

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

- "Principal" has the same meaning as defined within the QAP, but as applied to each specific property referenced within this Certification, it excludes individuals and entities whose ownership interest is solely vested in limited partnership interests of the ownership entity.

- "Participant" means all Principals of the Owner who are required to be individually listed within **the organizational chart attached hereto**.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

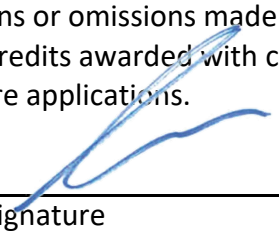
15. No Participant has pursued a Qualified Contract or planned foreclosure in Virginia after January 1, 2019.

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

A. Supporting documentation sufficient to both outline the relevant facts and circumstances that necessitated each deletion and to explain why such deletion(s) should not result in disqualification; and

B. A draft of Virginia Housing's form Right of First Refusal, which the Applicant commits to properly execute and record as a condition of any reservation or allocation of low-income housing tax credits made with regard to the Development named above.

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



Signature

Richard K Barnhart

Printed Name

3/2/2026

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

V. Previous Participation Certification

Development Name: Diamond District Phase 1 (9%)

Name of Applicant (entity): Diamond District Phase 1 Nine, LLC

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

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

- "Principal" has the same meaning as defined within the QAP, but as applied to each specific property referenced within this Certification, it excludes individuals and entities whose ownership interest is solely vested in limited partnership interests of the ownership entity.

- "Participant" means all Principals of the Owner who are required to be individually listed within **the organizational chart attached hereto**.

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

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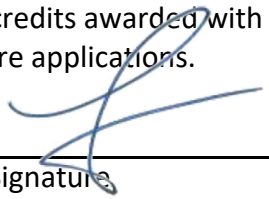
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Signature

Mark H Dambly

Printed Name

3/2/2026

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

V. Previous Participation Certification

Development Name: Diamond District Phase 1 (9%)

Name of Applicant (entity): Diamond District Phase 1 Nine, LLC

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

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

Signature

Raymond Nix

Printed Name

3/2/2026

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

2026 Low-Income Housing Tax Credit Application For Reservation

V. List of LIHTC Developments (Schedule A)

INSTRUCTIONS

1. A Schedule A is required for every individual that makes up the GP or Managing Member, except as follows:
   - For Principals organized as a corporation (public or private), nonprofit organization, or governmental entity, you are only required to list the names of any officers who are directly responsible to the Board of Directors (or equivalent) and any stockholder holding a 25% or more interest in said Principal.
   - For Principals organized as a limited liability company with more than 25 individual members, you are only required to list the names of any officers and any managing members responsible for managing the affairs of the company, along with the name of any individual members holding 25% or more interest in the Principal.
   - For Principals organized as a trust, you are only required to list the names of all trustees and any individuals possessing a 25% or more beneficial interest in the assets of the trust.
2. For each property for which an uncorrected 8823 has been issued, provide a detailed explanation of the nature of the non-compliance, as well as a status statement at **Tab D**.
3. List only tax credit development experience for the past 15 years.
4. Use separate forms as needed, for each principal. Five additional tabs are available at the end of the application. Contact Virginia Housing if you need more available within the application.

Development Name: Diamond District Phase 1 (9%)

Name of Applicant: Diamond District Phase 1 Nine, LLC

Principals' Name: Timothy I Henkel

#	Development Name	Location	Ownership Entity	Ownership Entity Phone	CGP or "Named" Managing Member at the time of deal?	Total Develop-ment Units	Total Low Income Units	Placed in Service Date	8609 Issued Date	Uncorrected 8823s? If Y, Explain at Tab D
1.	1721 Springdale Road - Weinberg Commons I	Cherry Hill, NJ	1721 Springdale Urban Renewal Associates, LLC	(267) 386-8600	Y	80	79	10/30/2019	12/6/2020	N
2.	50 Penn	Brooklyn NY	50 Penn LLC	(267) 386-8600	Y	218	218	9/15/2021	N/A - Not yet is	N
3.	A. Harry Moore 3	Jersey City NJ	AHM Housing Urban Renewal Associates LLC	(267) 386-8600	Y	60	49	11/23/2011	11/28/2012	N
4.	A. Harry Moore 4.	Jersey City NJ	AHM Housing Urban Renewal Associates IV LLC	(267) 386-8600	Y	70	59	5/3/2016	12/21/2016	N
5.	Academy Place Preservation	Trenton NJ	Associates, LLC	(267) 386-8600	Y	40	40	7/31/2014	12/23/2014	N
6.	Alexander Hamilton 1	Paterson NJ	Alexander Hamilton Associates LLC	(267) 386-8600	Y	80	80	8/31/2011	5/30/2014	N
7.	Alexander Hamilton 2	Paterson NJ	Alexander Hamilton II Associates LLC	(267) 386-8600	Y	50	50	6/1/2015	3/14/2016	N
8.	Alexander Hamilton 3	Paterson NJ	Alexander Hamilton Ill Associates LLC	(267) 386-8600	Y	50	50	5/16/2014	8/12/2015	N
9.	Apollo Dye 2	Paterson NJ	Apollo Dye II Associates LLC	(267) 386-8600	Y	63	63	7/1/2017	8/31/2018	N
10.	Apollo Dye I	Paterson Ni	Apollo Dye Associates LLC	(267) 386-8600	Y	70	70	7/31/2015	5/27/2016	N
11.	Bensalem Veterans Residences	Bensalem PA	BSV Housing LP	(267) 386-8600	Y	40	40	12/10/2020	7/13/2022	N
12.	Booth Street	Salisbury MD	Booth Street Phase I LLC	(267) 386-8600	Y	84	84	12/20/2016	6/30/2018	N
13.	Braddock Senior Housing	Braddock PA	Braddock Housing Initiative LP	(267) 386-8600	Y	53	53	2/17/2010	8/31/2010	N
14.	Branch Village	Camden NJ	Branch Village Housing Urban Renewal LLC	(267) 386-8600	Y	58	58	7/5/2011	5/29/2012	N
15.	Burwood Gardens	Glen Burnie MD	Burwood Gardens Senior LLC	(267) 386-8600	Y	100	100	11/18/2013	12/27/2014	N
16.	Bushwick Gardens	Brooklyn NY	Bushwick Gardens I LLC	(267) 386-8600	Y	372	0	4/26/2021	N/A - Not yet is	N
17.	C.W. Brooks	Hagerstown MD	C.W. Brooks LLC	(267) 386-8600	Y	60	60	6/30/2011	8/24/2012	N
18.	Campbell Purcell		Brackett Road Housing LLC	(267) 386-8600	Y	65	50	Various	12/4/2020	N
19.	Camp Kilmer A		Camp Kilmer A Urban Renewal Associates LLC	(267) 386-8600	Y	86	86	7/21/2020	12/4/2020	N
20.	Carl Miller Homes	Trenton NJ	Carl Miller Associates I LLC	(267) 386-8600	Y	204	204	7/31/2014	4/22/2015	N
21.	Cedar 2	Cleveland OH	Cedar Redevelopment Phase II LP	(267) 386-8600	Y	50	30	12/12/2016	4/30/2018	N
22.	Cedar I	Cleveland OH	Cedar Redevelopment Phase I LP	(267) 386-8600	Y	61	61	4/30/2017	4/30/2018	N
23.	Chapel Green	Baltimore MD	Pennrose East Baltimore Rental LLC	(267) 386-8600	Y	63	48	6/18/2009	9/13/2010	N

24.	Cottage Hill Place	Mobile AL	Cottage Hill Place LLC	(267) 386-8600	Y	80	80	7/30/2018	9/16/2019	N
25.	Crest Manor	Abington Twp. PA	Crest Manor Housing Partnership LP	(267) 386-8600	Y	46	46	11/30/2017	12/6/2019	N
26.	Cumberland Gardens 1	Allentown PA	Cumberland Gardens I Housing Partnership LP	(267) 386-8600	Y	74	74	10/31/2012	3/30/2016	N
27.	Cumberland Gardens 2	Allentown PA	Cumberland Gardens 2 Housing Partnership	(267) 386-8600	Y	70	70	10/9/2014	5/31/2016	N
28.	Deanwood Hills	Washington DC	Deanwood Hills LLC	(267) 386-8600	Y	150	150	8/31/2018	5/31/2019	N
29.	Delaware Terrace 1	Easton PA	Delaware Terrace Housing I LP	(267) 386-8600	Y	56	56	12/13/2010	8/17/2012	N
30.	Delaware Terrace 2	Easton PA	Delaware Terrace Housing II LP	(267) 386-8600	Y	40	40	12/7/2011	2/19/2013	N
31.	Fairgrounds 1	Chester Twp. PA	Fairgrounds Housing Partnership LP	(267) 386-8600	Y	73	73	12/1/2008	3/4/2010	N
32.	Fairgrounds 2	Chester Twp. PA	Fairgrounds Housing Partnership II LP	(267) 386-8600	Y	71	71	12/9/2010	6/24/2011	N
33.	Fairgrounds 3	Chester Twp. PA	Fairgrounds Housing Partnership tit LP	(267) 386-8600	Y	48	48	3/28/2012	12/27/2012	N
34.	Fairgrounds 4	Chester Twp. PA	Fairgrounds Housing Partnership IV LP	(267) 386-8600	Y	71	71	6/29/2013	12/4/2014	N
35.	Fairview Village	Phoenixville PA	Fairview Court Development LP	(267) 386-8600	Y	36	36	6/26/2013	12/17/2014	N
36.	Felton Lofts.	Steelton PA	Steelton Walnut Limited Partnership	(267) 386-8600	Y	63	63	5/31/2012	5/23/2013	N
37.	Garden Valley 2	Cleveland OH	Garden Valley Housing Partnership II LP	(267) 386-8600	Y	57	57	7/28/2011	1/18/2013	N
38.	Garden Valley 3	Cleveland OH	Garden Valley Housing Partnership III LP	(267) 386-8600	Y	69	69	12/30/2011	2/20/2014	N
39.	Garden Volley 1	Cleveland OH	Garden Valley Housing Partnership I LP	(267) 386-8600	Y	81	81	12/16/2010	3/7/2012	N
40.	Garden Volley 4	Cleveland OH	Garden Valley Housing Partnership IV LP	(267) 386-8600	Y	60	60	12/16/2016	10/27/2017	N
41.	Garfield Court 1	Long Branch NJ	LLC	(267) 386-8600	Y	67	61	12/11/2008	12/22/2009	N
42.	Garfield Court 2.	Long Branch NJ	Garfield Two Housing Urban Renewal LP	(267) 386-8600	Y	61	61	4/28/2010	6/14/2011	N
43.	Glenarden Phase I	Lanham MD	Glenarden Phase I, LLC	(267) 386-8600	Y	114	87	4/29/2020	8/14/2020	N
44.	Glenbrook at Oxmoor		Birmingham AL Glenbrook at Oxmoor 1 LLC	(267) 386-8600	Y	100	100	5/6/2009	6/11/2010	N
45.	Heritage Overlook	Glen Burnie MD	Heritage Overlook LLC	(267) 386-8600	Y	100	100	5/30/2018	12/7/2018	N
46.	Hickman Expansion	West Chester PA	326 N. Walnut Street LP	(267) 386-8600	Y	60	60	12/23/2010	12/15/2011	N
47.	Hope Gardens	Brooklyn NY	Hope Gardens I LLC	(267) 386-8600	Y	949	949	1/20/2022	8/23/2022	N
48.	Jefferson Heights	New Wan CT	Jefferson Heights Housing LLC	(267) 386-8600	Y	70	70	12/20/2013	3/5/2015	N
49.	Kinder Park 1	Ridley Twp. PA	Kinder Park Housing Partnership I LP	(267) 386-8600	Y	48	48	12/19/2015	8/4/2017	N
50.	Kinder Park 2	Ridley Twp. PA	Kinder Park Housing Partnership II LP	(267) 386-8600	Y	50	50	12/6/2016	9/25/2018	N
51.	Kinder Park 3	Ridley Twp. PA	Kinder Park Housing Partnership Ill LP	(267) 386-8600	Y	56	56	1/30/2018	3/23/2020	N
52.	Memphis Triangle 2	Memphis TN	Memphis Triangle Family LLC	(267) 386-8600	Y	106	86	11/21/2013	5/18/2015	N
53.	Memphis Triangle 3	Memphis TN	Memphis Triangle Phase III LLC	(267) 386-8600	Y	105	84	11/21/2014	2/23/2015	N
54.	Memphis Triangle 4	Memphis TN	Memphis Triangle Phase IV LLC	(267) 386-8600	Y	67	63	10/13/2015	12/31/2015	N
55.	Memphis Triangle I	Memphis TN	Memphis Triangle Senior LLC	(267) 386-8600	Y	84	84	12/13/2012	12/31/2012	N
56.	Meriden Commons I	Meriden CT	Meriden Mills I LLC	(267) 386-8600	Y	75	60	6/30/2018	12/17/2018	N
57.	I)	Griffin GA	Meriwether Redevelopment I LLC	(267) 386-8600	Y	84	84	11/20/2015	5/19/2016	N
58.	Iris at Park Pointe (Meriwether II)	Griffin GA	Meriwether Redevelopment II LLC	(267) 386-8600	Y	85	85	12/30/2017	3/7/2019	N
59.	Terraces at the Park (Meriwether III)	Griffin GA	Meriwether Redevelopment III LLC	(267) 386-8600	Y	68	68	12/3/2018	11/25/2019	N
60.	Merrit Mill Road	Salisbury MD	Merritt Mill Road LLC	(267) 386-8600	Y	75	67	Various	12/2/2020	N
61.	Montgomery Heights II	Newark NJ	Montgomery Two Housing Urban Renewal, LLC	(267) 386-8600	Y	154	153	2/4/2020	10/1/2021	N
62.	Montgomery Heights	Newark NJ	Montgomery Street Housing Urban Renewal LLC	(267) 386-8600	Y	80	80	8/31/2010	9/14/2011	N
63.	Moravia Park	Baltimore MO	Moravia Park Drive LLC	(267) 386-8600	Y	60	60	3/30/2009	5/12/2010	N
64.	New Brunswick Performing Arts Center	New Brunswick NJ	NBCCR Urban Renewal LLC	(267) 386-8600	Y	207	42	2/5/2020	4/14/2022	N
65.	North Hills 1	Ross Twp. PA	North Hills Housing ± LP	(267) 386-8600	Y	60	60	12/6/2010	8/26/2011	N
66.	North Hills 2	Ross Twp. PA	North Hills Housing II LP	(267) 386-8600	Y	37	37	2/4/2011	1/10/2012	N
67.	North Hills Manor	Glenside PA	NHM Housing LP	(267) 386-8600	Y	50	50	2/26/2021	N/A - Not yet is	N
68.	Oaks at Liberty	Baltimore MD	The Oaks at Liberty LLC	(267) 386-8600	Y	75	75	11/2/2001	6/19/2002	N
69.	Obery Court 1.	Annapolis MD	Obery Court Phase I LLC	(267) 386-8600	Y	50	50	5/5/2010	2/24/2011	N
70.	Obery Court 2	Annapolis MD	Obery Court/College Creek Phase 11 LLC	(267) 386-8600	Y	63	63	12/7/2012	4/9/2014	N
71.	Obery Court 3.	Annapolis MD	Obery Court/College Creek Phase 111 LLC	(267) 386-8600	Y	61	61	6/10/2016	3/31/2017	N
72.	Orchard Ridge 3	Baltimore MO	Orchard Ridge Rental III LLC	(267) 386-8600	Y	77	77	10/23/2009	1/24/2011	N
73.	Orchard Ridge 4	Baltimore MD	Orchard Ridge Rental IV LLC	(267) 386-8600	Y	64	64	10/30/2014	12/1/2015	N
74.	Orchard Ridge 5.	Baltimore MD	Orchard Ridge Rental V LLC	(267) 386-8600	Y	65	58	7/11/2017	5/30/2018	N
75.	Patriot's Cove	Barnegat NJ	patriot's Cove Urban Renewal Associates LLC	(267) 386-8600	Y	46	46	6/30/2009	10/20/2010	N
76.	Penn Hills	Ridley Twp. PA	Ridley Development Associates LP	(267) 386-8600	Y	49	49	4/16/2012	4/5/2013	N

77.	Pointe View at Aspen Hill	Aspen Hill MD	Parkview at Aspen Hill, LLC	(267) 386-8600	Y	120	108	9/30/2019	2/27/2020	N
78.	Prospect Plaza 1	New York NY	Ocean Hill LLC	(267) 386-8600	Y	110	110	6/16/2016	3/31/2017	N
79.	Prospect Plaza 2	New York NY	Ocean H1H II LLC	(267) 386-8600	Y	149	149	1/15/2017	7/6/2018	N
80.	Prospect Plaza 3	New York NY	Ocean Hill Ill LLC	(267) 386-8600	Y	135	135	11/30/2018	9/9/2019	N
81.	Providence Square 2.	New Brunswick NJ	Providence Square Housing Urban Renewal LLC	(267) 386-8600	Y	53	53	10/20/2010	6/1/2011	N
82.	Roosevelt Hospital	Edison NJ	Associates LLC	(267) 386-8600	Y	55	135	11/30/2017	10/23/2019	N
83.	Sacred Heart Residences	Allentown PA	Sacred Heart Residences LP	(267) 386-8600	Y	61	61	2/28/2017	12/13/2018	N
84.	St. Luke's 1.	Cleveland OH	St. Luke's Housing Partnership LLC	(267) 386-8600	Y	72	72	12/29/2011	5/29/2013	N
85.	South Greengate Commons	Hempfield Twp. PA	South Greengate Commons Housing LP	(267) 386-8600	Y	45	45	9/26/2013	9/5/2014	N
86.	St. Luke's 2	Cleveland OH	St. Luke's Housing Partnership II LLC	(267) 386-8600	Y	65	65	9/30/2012	12/17/2013	N
87.	St. Stephens.	Washington DC	4000 Benning Road LLC	(267) 386-8600	Y	71	71	12/31/2017	2/28/2019	N
88.	Stoneridge Villas Phase I	Madison AL	Balch Development LLC	(267) 386-8600	Y	80	80	7/18/2019	5/19/2020	N
89.	Uplands Rental.	Baltimore MD	Uplands Rental Phase I LLC	(267) 386-8600	Y	104	77	7/11/2012	4/11/2014	N
90.	Warner Robins Redevelopment	Warner Robins GA	WR Wall Street LLC	(267) 386-8600	Y	90	59	Various	9/28/2020	N
91.	Weinberg Commons II	Cherry Hill NJ	Springdale II Urban Renewal Associates LLC	(267) 386-8600	Y	80	80	11/20/2020	8/23/2022	N
92.	Westbrook Village I	Hartford CT	Westbrook I Housing LLC	(267) 386-8600	Y	75	60	12/16/2020	9/30/2021	N
93.	William Way	Philadelphia PA	Spruce Street Senior Residences LP	(267) 386-8600	Y	56	56	11/29/2013	3/18/2015	N
94.	Woodbridge Township	Avenel NJ	Cedar Meadows Housing Associates LLC	(267) 386-8600	Y	101	100	9/30/2019	12/10/2020	N
95.	Wyman House	Baltimore MD	Wyman House LLC	(267) 386-8600	Y	175	175	11/30/2017	6/30/2018	N
96.	Wynne Senior	Philadelphia PA	Wynne Senior Residences LP	(267) 386-8600	Y	51	51	3/31/2017	4/5/2019	N
97.	Dumplin Half	Wilkeinsburg PA	Dumplin Half Housing Partnership LP	(267) 386-8600	Y	46	46	12/19/2006	10/8/2007	N
98.	Westbrook Village Phase II		Westbrook II Housing LLC	(267) 386-8600	Y	60	45	4/15/2021	2/28/2022	N
99.	Yates Village	Schnenectady NY	Yates Village I LLC	(267) 386-8600	Y	89	74	7/1/2020	4/18/2022	N
100.	York Family Residences	York PA	York Family Residences LLC	(267) 386-8600	Y	56	56	6/30/2021	9/26/2022	N
101.	Fairmount-Nine	Griffin GA	Fairmont-Nine Oaks LLC	(267) 386-8600	Y	130	130	10/22/2021	N/A - Not yet is	N
102.	The Residences at North Hill Bond 47	Alexandria VA	The Residences at North Hill Bond 47 LLC	(267) 386-8600	Y	47	47	N/A - In constru	N/A - Not yet is	N
103.	The Residences at North Hill Bond 94	Alexandria VA	The Residences at North Hill Bond 94 LLC	(267) 386-8600	Y	94	94	N/A - In constru	N/A - Not yet is	N
104.	The Residences at North Hill 2	Alexandria VA	The Residences at North Hill 2 LLC	(267) 386-8600	Y	75	75	N/A - In constru	N/A - Not yet is	N
105.	The Senior Residences at North Hill	Alexandria VA	The Senior Residences at North Hill LLC	(267) 386-8600	Y	63	63	N/A - In constru	N/A - Not yet is	N
106.	Mary D Stone	Auburn MA	Mary D. Stone LLC	(267) 386-8600	Y	55	45	9/30/2021	7/29/2022	N
107.	Renaissance Row	Baltimore MD	Renaissance Row LLC	(267) 386-8600	Y	84	84	11/1/2021	N/A - Not yet is	N
108.	Dover Veterans	Dover NJ	Associates LLC	(267) 386-8600	Y	70	70	7/30/2021	12/13/2022	N
109.	Eastern Woods	Findlay OH	Eastern Woods Senior LLC	(267) 386-8600	Y	50	50	4/6/2021	2/2/2023	N
110.	Warner Robins Apartments	Warner Robins GA	WR Wall Street II LLC	(267) 386-8600	Y	90	75	9/30/2021	N/A - Not yet is	N
111.	Cedar Apartments	Cleveland OH	Cedar Redevelopment Phase III LLC	(267) 386-8600	Y	75	75	10/12/2021	N/A - Not yet is	N
112.	Kinder Park IV-A	Woodlyn PA	Kinder Park Housing Partnership IV-A LLC	(267) 386-8600	Y	39	39	8/16/2022	N/A - Not yet is	N
113.	Kinder Park IV-B	Woodlyn PA	Kinder Park Housing Partnership IV-B LLC	(267) 386-8600	Y	57	57	8/16/2022	N/A - Not yet is	N
114.	Riverside Housing	Wilmington DE	Riverside Housing Partnership I LLC	(267) 386-8600	Y	74	59	12/20/2022	N/A - Not yet is	N
115.	Tutu Phase 1)	St Thomas USVI	Donoe Redevelopment Partners LLC	(267) 386-8600	Y	84	84	N/A - In constru	N/A - Not yet is	N
116.	Newtowne 20	Annapolis MD	Newtowne 20, LLC	(267) 386-8600	Y	78	78	2/11/2022	N/A - Not yet is	N
117.	Westrbrook III	Hartford CT	Westbrook III Housing LLC	(267) 386-8600	Y	65	49	7/15/2022	N/A - Not yet is	N
118.	Julia Bancroft Apartments	Auburn MA	Julia Bancroft LLC	(267) 386-8600	Y	60	45	11/30/2022	N/A - Not yet is	N
119.	Residences at Glenarden Hills 2	Lanham MD	Residences at Glenarden Hills 2 LLC	(267) 386-8600	Y	55	55	10/30/2020	N/A - Not yet is	N
120.	Camp Kilmer Phase B	Edison NJ	Camp Kilmer B Urban Renewal Associates LLC	(267) 386-8600	Y	85	85	9/24/2020	N/A - Not yet is	N
121.	Haven at South Atlanta	Atlanta GA	Haven SA LLC	(267) 386-8600	Y	84	71	9/24/2020	N/A - Not yet is	N
122.	Patriot Place	El Paso TX	EP Patriot Place LP	(267) 386-8600	Y	110	110	11/21/2022	N/A - Not yet is	N
123.	Stoneridge Villas Phase II	Madison AL	Balch Development II LLC	(267) 386-8600	Y	65	65	12/31/2022	N/A - Not yet is	N
124.	Carrier Point I	Newport News VA	Choice Neighborhood I LLC	(267) 386-8600	Y	43	37	N/A - In constru	N/A - Not yet is	N
125.	Carrier Point II	Newport News VA	Choice Neighborhood II LLC	(267) 386-8600	Y	38	34	12/30/2022	N/A - Not yet is	N
126.	4145 Apple Street	Cincinnati OH	Apple Street Senior LLC	(267) 386-8600	Y	57	57	5/1/2022	N/A - Not yet is	N
127.	Torrington Riverfront	Torrington CT	Torrington Riverfront LLC	(267) 386-8600	Y	60	45	8/26/2022	N/A - Not yet is	N
128.	Glassboro Special Needs	Glassboro NJ	Lincoln Senior Urban Renewal I LP	(267) 386-8600	Y	65	65	1/31/2023	N/A - Not yet is	N
129.	Choice Neighborhood III-R	Newport News	Choice Neighborhood III-R LLC	(267) 386-8600	Y	71	58	N/A - In constru	N/A - Not yet is	N

130.	Choice Neighborhood IV-R	Newport News	Choice Neighborhood IV-R LLC	(267) 386-8600	Y	84	69	N/A - In constru	N/A - Not yet is	N
131.	Glenarden Hills Phase III Four	Lanham MD	Glenarden Hills Phase 3 Four LLC	(267) 386-8600	Y	114	94	N/A - In constru	N/A - Not yet is	N
132.	Glenarden Hills Phase III Nine	Lanham MD	Glenarden Hills Phase 3 Nine LLC	(267) 386-8600	Y	44	44	N/A - In constru	N/A - Not yet is	N
133.	Uplands Rental Phase IIA	Baltimore MD	Uplands Rental Phase IIA Four LLC	(267) 386-8600	Y	78	78	N/A - In constru	N/A - Not yet is	N
134.	Uplands Rental Phase IIB	Baltimore, MD	Uplands Rental Phase IIB Nine LLC	(267) 386-8600	Y	72	72	N/A - In constru	N/A - Not yet is	N
135.	Sharswood Phase I	Philadelphia, PA	Sharswood Phase I LLC	(267) 386-8600	Y	60	50	10/28/2022	N/A - Not yet is	N
136.	Sharswood Phase II	Philadelphia, PA	Sharswood Phase II LLC	(267) 386-8600	Y	59	59	N/A - In constru	N/A - Not yet is	N
137.	Riverside II	Wilmington, DE	Riverside Housing Partnership II LLC	(267) 386-8600	Y	67	50	N/A - In constru	N/A - Not yet is	N
138.	Hawkins Village	Rankin, PA	Hawkins Redevelopment I LLC	(267) 386-8600	Y	54	54	N/A - In constru	N/A - Not yet is	N
139.	Little Lehigh	Allentown, PA	Little Lehigh Redevelopment LLC	(267) 386-8600	Y	50	50	N/A - In constru	N/A - Not yet is	N
140.	Lincoln and Gilbert Nine	Cincinnati, OH	Lincoln & Gilbert Family LLC	(267) 386-8600	Y	86	86	N/A - In constru	N/A - Not yet is	N
141.	2700 Wewatta	Denver, CO	2700 Wewatta GP LLC	(267) 386-8600	Y	56	56	N/A - In constru	N/A - Not yet is	N
142.	William Barton Rogers School	Boston, MA	Rogers School LLC	(267) 386-8600	Y	74	50	N/A - In constru	N/A - Not yet is	N
143.	Westbrook IV	Hartford, CT	Westbrook IV Housing LLC	(267) 386-8600	Y	60	45	N/A - In constru	N/A - Not yet is	N
144.	Yates Village II	Schenectady, NY	Yates Village II LLC	(267) 386-8600	Y	68	68	N/A - In constru	N/A - Not yet is	N
145.	Taylor I	Troy, NY	Taylor I LLC	(267) 386-8600	Y	141	141	N/A - In constru	N/A - Not yet is	N
146.	McAuley Park Phase I	Atlanta, GA	McAuley Park I LLC	(267) 386-8600	Y	170	160	N/A - In constru	N/A - Not yet is	N
147.	West Point Village Phase I	West Point, GA	West Point Village Phase I LLC	(267) 386-8600	Y	72	42	N/A - In constru	N/A - Not yet is	N
148.	Sun Pointe	El Paso, TX	EP Sun Pointe LP	(267) 386-8600	Y	146	146	N/A - In constru	N/A - Not yet is	N
149.	Heritage Highlands Phase II	Rankin, PA	Hawkins Redevelopment II LLC	(267) 386-8600	Y	51	51	N/A - In constru	N/A - Not yet is	N
150.	Cherry Hill Senior Manor	Baltimore, MD	Cherry Hill Senior Housing Preservation LLC	(267) 386-8600	Y	54	54	N/A - In constru	N/A - Not yet is	N
151.	Wareham Littleton Drive Family	Wareham, MA	Littleton Drive LLC	(267) 386-8600	Y	49	39	N/A - In constru	N/A - Not yet is	N
152.	Wareham Littleton Drive Senior	Wareham, MA	Littleton Drive Senior LLC	(267) 386-8600	Y	44	44	N/A - In constru	N/A - Not yet is	N
153.	800 Vine Senior	Philadelphia, PA	800 Vine Senior Housing LLC	(267) 386-8600	Y	51	51	N/A - In constru	N/A - Not yet is	N
154.	Village at Park River Phase V	Hartford, CT	Westbrook V Housing LLC	(267) 386-8600	Y	58	46	N/A - In constru	N/A - Not yet is	N
155.	Providence Parcel 9 Phase I-4	Providence, RI	Parcel 9 Phase I-4 LLC	(267) 386-8600	Y	29	29	N/A - In constru	N/A - Not yet is	N
156.	Providence Parcel 9 Phase I-9	Providence, RI	Parcel 9 Phase I-9 LLC	(267) 386-8600	Y	37	16	N/A - In constru	N/A - Not yet is	N
157.	Sharswood III Part I	Philadelphia, PA	Sharswood III Part I LLC	(267) 386-8600	Y	57	43	N/A - In constru	N/A - Not yet is	N
158.	Sharswood III Part II	Philadelphia, PA	Sharswood III Part II LLC	(267) 386-8600	Y	104	83	N/A - In constru	N/A - Not yet is	N
159.	Sharswood III Part III	Philadelphia, PA	Sharswood III Part III LLC	(267) 386-8600	Y	63	63	N/A - In constru	N/A - Not yet is	N
160.	French Town Road 4%	East Greenwich, RI	655 Frenchtown Road 4 LLC	(267) 386-8600	Y	30	30	N/A - In constru	N/A - Not yet is	N
161.	French Town Road 9%	East Greenwich, RI	655 Frenchtown Road 9 LLC	(267) 386-8600	Y	33	16	N/A - In constru	N/A - Not yet is	N
162.	Garfield Veterans Housing	Phoenix, AZ	Garfield Veterans Housing II LLC	(267) 386-8600	Y	60	60	N/A - In constru	N/A - Not yet is	N
163.	Edgeview at Legends Park	Memphis, TN	Legends Park Senior LLC	(267) 386-8600	Y	99	99	N/A - In constru	N/A - Not yet is	N
164.	Village at Park River VI-A	Hartford, CT	Westbrook VI-A Housing LLC	(267) 386-8600	Y	32	28	N/A - In constru	N/A - Not yet is	N
165.	Village at Park River VI-B	Hartford, CT	Westbrook VI-B Housing LLC	(267) 386-8600	Y	44	35	N/A - In constru	N/A - Not yet is	N
166.	Orleans Cape Cod Five	Orleans, MA	West and Skaket LLC	(267) 386-8600	Y	62	62	N/A - In constru	N/A - Not yet is	N
167.	Harper Apartments	Moorestown, NJ	Moorestown Housing Associates LLC	(267) 386-8600	Y	76	76	N/A - In constru	N/A - Not yet is	N
168.	Liberty Housing Preservation	Phoenixvilla, PA	Liberty House LLC	(267) 386-8600	Y	50	50	N/A - In constru	N/A - Not yet is	N
169.	Perry Homes	Buffalo, NY	Perry Homes I LLC	(267) 386-8600	Y	405	405	N/A - In constru	N/A - Not yet is	N
170.	Phoenix at 36N	Tulsa, OK	Phoenix at 36N LP	(267) 386-8600	Y	100	80	N/A - In constru	N/A - Not yet is	N
171.	Good Shepherd Senior	Philadelphia, PA	Good Shepherd Senior LLC	(267) 386-8600	Y	55	55	N/A - In constru	N/A - Not yet is	N
172.	Forge	Lenox, MA	Brushwood Farm Housing LLC	(267) 386-8600	Y	65	50	N/A - In constru	N/A - Not yet is	N
173.	Golden Hill	Kingston, NY	Golden Hill Owner LLC	(267) 386-8600	Y	164	164	N/A - In constru	N/A - Not yet is	N
174.	FOP Senior	Philadelphia, PA	730 Byberry Road LP	(267) 386-8600	Y	106	106	N/A - In constru	N/A - Not yet is	N
175.	Ascent at Hover Crossing	Longmont, CO	Ascent at Hover Crossing LLLP	(267) 386-8600	Y	75	75	N/A - In constru	N/A - Not yet is	N
176.	Lincoln and Gilbert Family	Cincinnati, OH	Lincoln and Gilbert II LLC	(267) 386-8600	Y	36	36	N/A - In constru	N/A - Not yet is	N
177.	Cedar Phase IV	Cleveland, OH	Cedar Redevelopment Phase IV LLC	(267) 386-8600	Y	50	50	N/A - In constru	N/A - Not yet is	N
178.	Riverside III	Wilmington, DE	Riverside Housing Partnership III LLC	(267) 386-8600	Y	101	101	N/A - In constru	N/A - Not yet is	N
179.	Parcel 9 Phase II		Parcel 9 Phase II LLC	(267) 386-8600	Y	61	25	N/A - In constru	N/A - Not yet is	N
180.										

2026 Low-Income Housing Tax Credit Application For Reservation

V. List of LIHTC Developments (Schedule A)

INSTRUCTIONS

1. A Schedule A is required for every individual that makes up the GP or Managing Member, except as follows:
   - For Principals organized as a corporation (public or private), nonprofit organization, or governmental entity, you are only required to list the names of any officers who are directly responsible to the Board of Directors (or equivalent) and any stockholder holding a 25% or more interest in said Principal.
   - For Principals organized as a limited liability company with more than 25 individual members, you are only required to list the names of any officers and any managing members responsible for managing the affairs of the company, along with the name of any individual members holding 25% or more interest in the Principal.
   - For Principals organized as a trust, you are only required to list the names of all trustees and any individuals possessing a 25% or more beneficial interest in the assets of the trust.
2. For each property for which an uncorrected 8823 has been issued, provide a detailed explanation of the nature of the non-compliance, as well as a status statement at **Tab D**.
3. List only tax credit development experience for the past 15 years.
4. Use separate forms as needed, for each principal. Five additional tabs are available at the end of the application. Contact Virginia Housing if you need more available within the application.

Development Name: Diamond District Phase 1 (9%)

Name of Applicant: Diamond District Phase 1 Nine, LLC

Principals' Name: Richard K Barnhart

#	Development Name	Location	Ownership Entity	Ownership Entity Phone	CGP or "Named" Managing Member at the time of deal?	Total Develop-ment Units	Total Low Income Units	Placed in Service Date	8609 Issued Date	Uncorrected 8823s? If Y, Explain at Tab D
1.	1721 Springdale Road - Weinberg Commons I	Cherry Hill NJ	1721 Springdale Urban Renewal Associates, LLC	267) 386-8600	Y	80	79	10/30/2019	12/16/2020	N
2.	50 Penn	Brooklyn NY	50 Penn LLC	267) 386-8600	Y	218	218	9/15/2021	N/A - Not yet is	N
3.	A. Harry Moore 3	Jersey City NJ	AHM Housing Urban Renewal Associates LLC	267) 386-8600	Y	60	49	11/23/2011	11/28/2012	N
4.	A. Harry Moore 4.	Jersey City NJ	AHM Housing Urban Renewal Associates IV LLC	267) 386-8600	Y	70	59	5/3/2016	12/21/2016	N
5.	Academy Place Preservation	Trenton NJ	El Barrio Academy Place Urban Renewal Associates, LLC	267) 386-8600	Y	40	40	7/31/2014	12/23/2014	N
6.	Alexander Hamilton 1	Paterson NJ	Alexander Hamilton Associates LLC	267) 386-8600	Y	80	80	8/31/2011	5/30/2014	N
7.	Alexander Hamilton 2	Paterson NJ	Alexander Hamilton II Associates LLC	267) 386-8600	Y	50	50	6/1/2015	3/14/2016	N
8.	Alexander Hamilton 3	Paterson NJ	Alexander Hamilton Ill Associates LLC	267) 386-8600	Y	50	50	5/16/2014	8/12/2015	N
9.	Allentown Center Square	Allentown PA	Allentown Center Square Housing Partnership, LP	267) 386-8600	Y	63	63	12/20/2005	11/19/2007	N
10.	Apollo Dye 2	Paterson NJ	Apollo Dye II Associates LLC	267) 386-8600	Y	63	63	7/1/2017	8/31/2018	N
11.	Apollo Dye I	Paterson Ni	Apollo Dye Associates LLC	267) 386-8600	Y	70	70	7/31/2015	5/27/2016	N
12.	Baldwin's Run	Camden NJ	Westfield Acres Urban Renewal Associates LP	267) 386-8600	Y	78	78	6/1/2003	10/9/2007	N
13.	Bensalem Veterans Residences	Bensalem PA	BSV Housing LP	267) 386-8600	Y	40	40	12/10/2020	7/13/2022	N
14.	Booth Street	Salisbury MD	Booth Street Phase I LLC	267) 386-8600	Y	84	84	12/20/2016	6/30/2018	N
15.	Braddock Senior Housing	Braddock PA	Braddock Housing Initiative LP	267) 386-8600	Y	53	53	2/17/2010	8/31/2010	N
16.	Branch Village	Camden NJ	Branch Village Housing Urban Renewal LLC	267) 386-8600	Y	58	58	7/5/2011	5/29/2012	N
17.	Brownstones 2	Philadelphia PA	Diamond Street Housing Partnership 11 LP	267) 386-8600	Y	46	46	10/31/2016	2017	N
18.	Burwood Gardens	Glen Burnie MD	Burwood Gardens Senior LLC	267) 386-8600	Y	100	100	11/18/2013	12/27/2014	N
19.	Bushwick Gardens	Brooklyn NY	Bushwick Gardens I LLC	267) 386-8600	Y	372	0	4/26/2021	5/19/2023	N
20.	C.W. Brooks	Hagerstown MD	C.W. Brooks LLC	267) 386-8600	Y	60	60	6/30/2011	8/24/2012	N
21.	Campbell Purcell		Brackett Road Housing LLC	267) 386-8600	Y	65	50	Various	12/4/2020	N
22.	Camp Kilmer A		Camp Kilmer A Urban Renewal Associates LLC	267) 386-8600	Y	86	86	7/21/2020	4/28/2022	N
23.	Carl Miller Homes	Trenton NJ	Carl Miller Associates I LLC	267) 386-8600	Y	204	204	7/31/2014	4/22/2015	N
24.	Cedar 2	Cleveland OH	Cedar Redevelopment Phase II LP	267) 386-8600	Y	50	30	12/12/2016	4/30/2018	N
25.	Cedar I	Cleveland OH	Cedar Redevelopment Phase I LP	267) 386-8600	Y	61	61	4/30/2017	4/30/2018	N
26.	Centerville 12	Camden NJ	Centerville Urban Renewal 12 LLC	267) 386-8600	Y	70	70	6/1/2009	11/23/2009	N
27.	Centerville 7	Camden NJ	Centerville Housing Urban Renewal Associates LLC	267) 386-8600	Y	74	74	12/12/2008	8/3/2009	N

28.	Chapel Green	Baltimore MD	Pennrose East Baltimore Rental LLC	267) 386-8600	Y	63	48	6/18/2009	9/13/2010	N
29.	Chateau (The)	Baltimore MD	Chateau Housing Partnership LLC	267) 386-8600	Y	47	35	10/31/2002	2/18/2005	N
30.	Church Street/H.E. Kapp	Flemington NJ	Church Street Housing Urban Renewal Associates LP	267) 386-8600	Y	60	60	11/10/2005	1/4/2008	N
31.	City View Landing Family	Newark NJ	Scudder Flames Family Urban Renewal LP	267) 386-8600	Y	58	58	5/5/2008	4/22/2010	N
32.	City view Landing Senior	Newark NJ	Scudder Homes Senior Urban Renewal LP	267) 386-8600	Y	48	48	9/15/2008	3/19/2010	N
33.	Cloisters 3	Philadelphia PA	Cloisters III Housing Partnership LP	267) 386-8600	Y	50	50	3/22/2007	9/9/2008	N
34.	Costello Building	Old Bridge NJ	Old Bridge Housing Urban Renewal II LLC	267) 386-8600	Y	61	61	12/20/2006	10/10/2008	N
35.	Cottage Hill Place	Mobile AL	Cottage Hill Place LLC	267) 386-8600	Y	80	80	7/30/2018	9/16/2019	N
36.	Crest Manor	Abington Twp. PA	Crest Manor Housing Partnership LP	267) 386-8600	Y	46	46	11/30/2017	12/6/2019	N
37.	Cumberland Gardens 1	Allentown PA	Cumberland Gardens I Housing Partnership LP	267) 386-8600	Y	74	74	10/31/2012	3/30/2016	N
38.	Cumberland Gardens 2	Allentown PA	Cumberland Gardens 2 Housing Partnership	267) 386-8600	Y	70	70	10/9/2014	5/31/2016	N
39.	Deanwood Hills	Washington DC	Deanwood Hills LLC	267) 386-8600	Y	150	150	8/31/2018	5/31/2019	N
40.	Delaware Terrace 1	Easton PA	Delaware Terrace Housing I LP	267) 386-8600	Y	56	56	12/13/2010	8/17/2012	N
41.	Delaware Terrace 2	Easton PA	Delaware Terrace Housing II LP	267) 386-8600	Y	40	40	12/7/2011	2/19/2013	N
42.	East Hampton Town Center.	Eastampton Twp. NJ	Eastampton Urban Renewal Associates LP	267) 386-8600	Y	100	100	8/19/2002	4/28/2003	N
43.	Fairgrounds 1	Chester Twp. PA	Fairgrounds Housing Partnership LP	267) 386-8600	Y	73	73	12/1/2008	3/4/2010	N
44.	Fairgrounds 2	Chester Twp. PA	Fairgrounds Housing Partnership II LP	267) 386-8600	Y	71	71	12/9/2010	6/24/2011	N
45.	Fairgrounds 3	Chester Twp. PA	Fairgrounds Housing Partnership tit LP	267) 386-8600	Y	48	48	3/28/2012	12/27/2012	N
46.	Fairgrounds 4	Chester Twp. PA	Fairgrounds Housing Partnership IV LP	267) 386-8600	Y	71	71	6/29/2013	12/4/2014	N
47.	Fairview Village	Phoenixville PA	Fairview Court Development LP	267) 386-8600	Y	36	36	6/26/2013	12/17/2014	N
48.	Felton Lofts.	Steelton PA	Steelton Walnut Limited Partnership	267) 386-8600	Y	63	63	5/31/2012	5/23/2013	N
49.	French Creek Manor	Phoenixville PA	French Creek Housing Partnership LP	267) 386-8600	Y	70	70	11/9/2004	3/22/2005	N
50.	Garden Valley 2	Cleveland OH	Garden Valley Housing Partnership II LP	267) 386-8600	Y	57	57	7/28/2011	1/18/2013	N
51.	Garden Valley 3	Cleveland OH	Garden Valley Housing Partnership III LP	267) 386-8600	Y	69	69	12/30/2011	2/20/2014	N
52.	Garden Volley 1	Cleveland OH	Garden Valley Housing Partnership I LP	267) 386-8600	Y	81	81	12/16/2010	3/7/2012	N
53.	Garden Volley 4	Cleveland OH	Garden Valley Housing Partnership IV LP	267) 386-8600	Y	60	60	12/16/2016	10/27/2017	N
54.	Garfield Court 1	Long Branch NJ	Garfield Court Urban Renewal Housing Associates LLC	267) 386-8600	Y	67	61	12/11/2008	12/22/2009	N
55.	Garfield Court 2	Long Branch NJ	Garfield Two Housing Urban Renewal LP	267) 386-8600	Y	61	61	4/28/2010	6/14/2011	N
56.	Glenarden Phase I	Lanham MD	Glenarden Phase I, LLC	267) 386-8600	Y	114	87	4/29/2020	8/14/2020	N
57.	Glenbrook at Oxmoor		Birmingham AL Glenbrook at Oxmoor 1 LLC	267) 386-8600	Y	100	100	5/6/2009	6/11/2010	N
58.	Hamilton (The}	Poughkeepsie NY	400 Main LLC	267) 386-8600	Y	57	57	12/20/2005	9/7/2007	N
59.	HART 1A	Allentown PA	MART I Housing Partnership LP	267) 386-8600	Y	80	80	11/15/2007	10/9/2008	N
60.	HART 1B	Allentown PA	HART It Housing Partnership LP	267) 386-8600	Y	79	79	9/21/2007	4/14/2008	N
61.	HART 28	Allentown PA	HART IV Housing Partnership LP	267) 386-8600	Y	50	50	11/24/2009	2/8/2010	N
62.	HART 2A	Allentown PA	HART III Housing Partnership LP	267) 386-8600	Y	60	60	12/11/2008	8/20/2010	N
63.	Heritage Overlook	Glen Burnie MD	Heritage Overlook LLC	267) 386-8600	Y	100	100	5/30/2018	12/7/2018	N
64.	Hermitage Senior	Hermitage PA	Hermitage Senior Housing LP	267) 386-8600	Y	40	40	12/18/2006	8/27/2007	N
65.	Hickman Expansion	West Chester PA	326 N. Walnut Street LP	267) 386-8600	Y	60	60	12/23/2010	12/15/2011	N
66.	Hope Gardens	Brooklyn NY	Hope Gardens I LLC	267) 386-8600	Y	949	949	1/20/2022	8/23/2022	N
67.	Jefferson Heights	New Wan CT	Jefferson Heights Housing LLC	267) 386-8600	Y	70	70	12/20/2013	3/5/2015	N
68.	Kinder Park 1	Ridley Twp. PA	Kinder Park Housing Partnership I LP	267) 386-8600	Y	48	48	12/19/2015	8/4/2017	N
69.	Kinder Park 2	Ridley Twp. PA	Kinder Park Housing Partnership II LP	267) 386-8600	Y	50	50	12/6/2016	9/25/2018	N
70.	Kinder Park 3	Ridley Twp. PA	Kinder Park Housing Partnership Ill LP	267) 386-8600	Y	56	56	1/30/2018	3/23/2020	N
71.	Legacy Commons	Farrell PA	Legacy Commons Housing Partnership LP	267) 386-8600	Y	29	29	9/27/2004	8/30/2005	N
72.	Liberty Place	Fort Lee NJ	Fort Lee Housing Associates LP	267) 386-8600	Y	60	60	11/20/2003	10/15/2007	N
73.	Lofts/Master Street	Philadelphia PA	Master Street Housing Partnership LP	267) 386-8600	Y	62	62	12/16/2005	6/27/2007	N
74.	Maher Manor	Old Bridge NJ	Old Bridge Housing Urban Renewal Partnership LP	267) 386-8600	Y	100	100	3/7/2005	7/28/2008	N
75.	Maple Shade Mews	Maple Shade NJ	North Fork Landing Associates LP	267) 386-8600	Y	100	100	12/3/2004	12/10/2007	N
76.	Memphis Triangle 2	Memphis TN	Memphis Triangle Family LLC	267) 386-8600	Y	106	86	11/21/2013	5/18/2015	N
77.	Memphis Triangle 3	Memphis TN	Memphis Triangle Phase III LLC	267) 386-8600	Y	105	84	11/21/2014	2/23/2015	N
78.	Memphis Triangle 4	Memphis TN	Memphis Triangle Phase IV LLC	267) 386-8600	Y	67	63	10/13/2015	12/31/2015	N
79.	Memphis Triangle I	Memphis TN	Memphis Triangle Senior LLC	267) 386-8600	Y	84	84	12/13/2012	12/31/2012	N
80.	Meriden Commons I	Meriden CT	Meriden Mills I LLC	267) 386-8600	Y	75	60	6/30/2018	12/17/2018	N
81.	Oaks at Park Pointe (Meriwether Redevelopment I)	Griffin GA	Meriwether Redevelopment I LLC	267) 386-8600	Y	84	84	11/20/2015	5/19/2016	N
82.	Iris at Park Pointe (Meriwether II)	Griffin GA	Meriwether Redevelopment II LLC	267) 386-8600	Y	85	85	12/30/2017	3/7/2019	N
83.	Terraces at the Park (Meriwether III)	Griffin GA	Meriwether Redevelopment III LLC	267) 386-8600	Y	68	68	12/3/2018	11/25/2019	N
84.	Merrit Mill Road	Salisbury MD	Merritt Mill Road LLC	267) 386-8600	Y	75	67	Various	12/2/2020	N

85.	Montgomery Heights II	Newark NJ	Montgomery Two Housing Urban Renewal, LLC	267) 386-8600	Y	154	153	2/4/2020	10/1/2021	N
86.	Montgomery Heights	Newark NJ	Montgomery Street Housing Urban Renewal LLC	267) 386-8600	Y	80	80	8/31/2010	9/14/2011	N
87.	Moravia Park	Baltimore MO	Moravia Park Drive LLC	267) 386-8600	Y	60	60	3/30/2009	5/12/2010	N
88.	New Brunswick Performing Arts Center	New Brunswick NJ	NBCCR Urban Renewal LLC	267) 386-8600	Y	207	42	2/5/2020	4/14/2022	N
89.	North Hills 1	Ross Twp. PA	North Hills Housing ± LP	267) 386-8600	Y	60	60	12/6/2010	8/26/2011	N
90.	North Hills 2	Ross Twp. PA	North Hills Housing II LP	267) 386-8600	Y	37	37	2/4/2011	1/10/2012	N
91.	North Hills Manor	Glenside PA	NHM Housing LP	267) 386-8600	Y	50	50	2/26/2021	N/A - Not yet is	N
92.	Obery Court 1	Annapolis MD	Obery Court Phase I LLC	267) 386-8600	Y	50	50	5/5/2010	2/24/2011	N
93.	Obery Court 2	Annapolis MD	Obery Court/College Creek Phase 11 LLC	267) 386-8600	Y	63	63	12/7/2012	4/9/2014	N
94.	Obery Court 3	Annapolis MD	Obery Court/College Creek Phase 111 LLC	267) 386-8600	Y	61	61	6/10/2016	3/31/2017	N
95.	Orchard Ridge 2	Baltimore MD	Orchard Ridge Rental II LLC	267) 386-8600	Y	72	57	3/3/2009	8/26/2010	N
96.	Orchard Ridge 3	Baltimore MO	Orchard Ridge Rental III LLC	267) 386-8600	Y	77	77	10/23/2009	1/24/2011	N
97.	Orchard Ridge 4	Baltimore MD	Orchard Ridge Rental IV LLC	267) 386-8600	Y	64	64	10/30/2014	12/1/2015	N
98.	Orchard Ridge 5	Baltimore MD	Orchard Ridge Rental V LLC	267) 386-8600	Y	65	58	7/11/2017	5/30/2018	N
99.	Orchard Ridge I	Baltimore MD	Orchard Ridge Rental I LLC	267) 386-8600	Y	100	80	7/16/2008	9/14/2009	N
100.	Patriot's Cove	Barnegat NJ	patriot's Cove Urban Renewal Associates LLC	267) 386-8600	Y	46	46	6/30/2009	10/20/2010	N
101.	Pearlye Suiting	Camden NJ	Pearlye Urban Renewal Associates LP	267) 386-8600	Y	69	64	6/27/2006	6/29/2007	N
102.	Penn Hills	Ridley Twp. PA	Ridley Development Associates LP	267) 386-8600	Y	49	49	4/16/2012	4/5/2013	N
103.	Pointe View at Aspen Hill	Aspen Hill NJ	Parkview at Aspen Hill, LLC	267) 386-8600	Y	120	108	9/30/2019	2/27/2020	N
104.	Presidential Estates	Long Branch NJ	Grant Court Housing Urban Renewal Associates LP	267) 386-8600	Y	70	70	12/19/2007	8/3/2009	N
105.	Prospect Plaza 1	New York NY	Ocean Hill LLC	267) 386-8600	Y	110	110	6/16/2016	3/31/2017	N
106.	Prospect Plaza 2	New York NY	Ocean H1H II LLC	267) 386-8600	Y	149	149	1/15/2017	7/6/2018	N
107.	Prospect Plaza 3	New York NY	Ocean Hill Ill LLC	267) 386-8600	Y	135	135	11/30/2018	9/9/2019	N
108.	Providence Square 2	New Brunswick NJ	Providence Square Housing Urban Renewal LLC	267) 386-8600	Y	53	53	10/20/2010	6/1/2011	N
109.	Pusey Estates	Upland PA	Pusey Estates Housing Partnership LP	267) 386-8600	Y	77	77	7/22/2005	9/19/2006	N
110.	Regent Terrace	Philadelphia PA	Regent Terrace Housing Partnership LP	267) 386-8600	Y	80	80	12/9/2005	1/24/2007	N
111.	Reservoir Hill	Baltimore MD	Reservoir Hill Housing LLC	267) 386-8600	Y	64	64	12/20/2006	10/14/2008	N
112.	Roosevelt Hospital	Edison NJ	Roosevelt Hospital Housing Urban Renewal Associates LLC	267) 386-8600	Y	55	135	11/30/2017	10/23/2019	N
113.	Sacred Heart Residences	Allentown PA	Sacred Heart Residences LP	267) 386-8600	Y	61	61	2/28/2017	12/13/2018	N
114.	Seaview Manor	Long Branch NJ	Seaview Housing Urban Renewal Associates LLC	267) 386-8600	Y	40	40	12/14/2006	2/25/2009	N
115.	St. Luke's 1.	Cleveland OH	St. Luke's Housing Partnership LLC	267) 386-8600	Y	72	72	12/29/2011	5/29/2013	N
116.	St. Luke's 2	Cleveland OH	St. Luke's Housing Partnership II LLC	267) 386-8600	Y	65	65	9/30/2012	12/17/2013	N
117.	St. Stephens.	Washington DC	4000 Benning Road LLC	267) 386-8600	Y	71	71	12/31/2017	2/28/2019	N
118.	Stoneridge Villas Phase I	Madison AL	Balch Development LLC	267) 386-8600	Y	80	80	7/18/2019	5/19/2020	N
119.	Upland Estates	Upland PA	Upland Estates Housing Partnership LP	267) 386-8600	Y	50	50	12/27/2006	10/1/2008	N
120.	Upland Terrace	Upland PA	Upland Terrace Housing Partnership LP	267) 386-8600	Y	51	51	12/31/2004	12/12/2005	N
121.	Uplands Rental	Baltimore MD	Uplands Rental Phase I LLC	267) 386-8600	Y	104	77	7/11/2012	4/11/2014	N
122.	Vernon House	Philadelphia PA	Vernon House Housing Partnership LP	267) 386-8600	Y	68	68	9/2/2005	7/19/2006	N
123.	Warner Robins Redevelopment	Warner Robins GA	WR Wall Street LLC	267) 386-8600	Y	90	59	Various	9/28/2020	N
124.	Weinberg Commons II	Cherry Hill NJ	Springdale II Urban Renewal Associates LLC	267) 386-8600	Y	80	80	11/20/2020	8/23/2022	N
125.	Westbrook Village I	Hartford CT	Westbrook I Housing LLC	267) 386-8600	Y	75	60	12/16/2020	9/30/2021	N
126.	William Way	Philadelphia PA	Spruce Street Senior Residences LP	267) 386-8600	Y	56	56	11/29/2013	3/18/2015	N
127.	Woodbridge Township	Avenel NJ	Cedar Meadows Housing Associates LLC	267) 386-8600	Y	101	100	9/30/2019	12/10/2020	N
128.	Wyman House	Baltimore MD	Wyman House LLC	267) 386-8600	Y	175	175	11/30/2017	6/30/2018	N
129.	Wynne Senior	Philadelphia PA	Wynne Senior Residences LP	267) 386-8600	Y	51	51	3/31/2017	4/5/2019	N
130.	Yates Village Phase I	Schenectady NY	Yates Village I LLC	267) 386-8600	Y	89	74	7/1/2020	4/18/2022	N
131.	Dumplin Half.	Wilkinsburg PA	Dumplin Hall Housing Partnership LP	267) 386-8601	Y	46	46	12/19/2006	10/8/2007	N
132.	York Family Residences	York PA	York Family Residences LLC	267) 386-8602	Y	56	56	6/30/2021	9/26/2022	N
133.	Fairmount-Nine	Griffin GA	Fairmont-Nine Oaks LLC	267) 386-8603	Y	130	130	10/22/2021	9/29/2023	N
134.	The Residences at North Hill Bond 47	Alexandria VA	The Residences at North Hill Bond 47 LLC	267) 386-8604	Y	47	47	3/11/2025	N/A - Not yet is	N
135.	The Residences at North Hill Bond 94	Alexandria VA	The Residences at North Hill Bond 94 LLC	267) 386-8605	Y	94	94	3/11/2025	N/A - Not yet is	N
136.	The Residences at North Hill 2	Alexandria VA	The Residences at North Hill 2 LLC	267) 386-8606	Y	75	75	3/11/2025	N/A - Not yet is	N
137.	The Senior Residences at North Hill	Alexandria VA	The Senior Residences at North Hill LLC	267) 386-8607	Y	63	63	3/11/2025	N/A - Not yet is	N
138.	Mary D Stone	Auburn MA	Mary D. Stone LLC	267) 386-8608	Y	55	45	9/30/2021	7/29/2022	N
139.	Renaissance Row	Baltimore MD	Renaissance Row LLC	267) 386-8609	Y	84	84	11/1/2021	7/6/2023	N
140.	Dover Veterans	Dover NJ	Dover Veterans Urban Renewal Housing Associates LLC	267) 386-8610	Y	70	70	7/30/2021	12/13/2022	N
141.	Eastern Woods	Findlay OH	Eastern Woods Senior LLC	267) 386-8611	Y	50	50	4/6/2021	2/2/2023	N

142.	Warner Robins Apartments	Warner Robins GA	WR Wall Street II LLC	267) 386-8612	Y	90	75	9/30/2021	06/01/202	N
143.	Cedar Apartments	Cleveland OH	Cedar Redevelopment Phase III LLC	267) 386-8613	Y	75	75	10/12/2021	N/A - Not yet is	N
144.	Kinder Park IV-A	Woodlyn PA	Kinder Park Housing Partnership IV-A LLC	267) 386-8614	Y	39	39	8/16/2022	N/A - Not yet is	N
145.	Kinder Park IV-B	Woodlyn PA	Kinder Park Housing Partnership IV-B LLC	267) 386-8615	Y	57	57	8/16/2022	N/A - Not yet is	N
146.	Riverside Housing	Wilmington DE	Riverside Housing Partnership I LLC	267) 386-8616	Y	74	59	12/20/2022	N/A - Not yet is	N
147.	Estate Donoe Redevelopment Project (Estate Tutu Phase 1)	St Thomas USVI	Donoe Redevelopment Partners LLC	267) 386-8617	Y	84	84	N/A - In constr	N/A - Not yet is	N
148.	Newtowne 20	Annapolis MD	Newtowne 20, LLC	267) 386-8618	Y	78	78	2/11/2022	10/27/2023	N
149.	Westbrook Village Phase II	Hartford CT	Westbrook II Housing LLC	267) 386-8619	Y	60	45	4/15/2021	2/28/2022	N
150.	Westrbrook III	Hartford CT	Westbrook III Housing LLC	267) 386-8620	Y	65	49	7/15/2022	N/A - Not yet is	N
151.	Julia Bancroft Apartments	Auburn MA	Julia Bancroft LLC	267) 386-8621	Y	60	45	11/30/2022	12/21/2023	N
152.	Residences at Glenarden Hills 2	Lanham MD	Residences at Glenarden Hills 2 LLC	267) 386-8622	Y	55	55	10/30/2020	12/29/2021	N
153.	Camp Kilmer Phase B	Edison NJ	Camp Kilmer B Urban Renewal Associates LLC	267) 386-8623	Y	85	85	9/24/2020	8/30/2022	N
154.	Haven at South Atlanta	Atlanta GA	Haven SA LLC	267) 386-8624	Y	84	71	11/21/2022	8/1/2024	N
155.	Patriot Place	El Paso TX	EP Patriot Place LP	267) 386-8625	Y	110	110	9/1/2022	N/A - Not yet is	N
156.	Stoneridge Villas Phase II	Madison AL	Balch Development II LLC	267) 386-8626	Y	65	65	12/31/2022	10/26/2023	N
157.	Carrier Point I	Newport News VA	Choice Neighborhood I LLC	267) 386-8627	Y	43	37	12/29/2023	9/30/2024	N
158.	Carrier Point II	Newport News VA	Choice Neighborhood II LLC	267) 386-8628	Y	38	34	12/30/2022	9/30/2024	N
159.	4145 Apple Street	Cincinnati OH	Apple Street Senior LLC	267) 386-8629	Y	57	57	5/1/2022	2/29/2024	N
160.	Torrington Riverfront	Torrington CT	Torrington Riverfront LLC	267) 386-8630	Y	60	45	8/26/2022	8/4/2023	N
161.	Glassboro Special Needs	Glassboro NJ	Lincoln Senior Urban Renewal I LP	267) 386-8631	Y	65	65	1/31/2023	12/28/2023	N
162.	Choice Neighborhood III-R	Newport News	Choice Neighborhood III-R LLC	267) 386-8632	Y	71	58	N/A - In constr	N/A - Not yet is	N
163.	Choice Neighborhood IV-R	Newport News	Choice Neighborhood IV-R LLC	267) 386-8633	Y	84	69	N/A - In constr	N/A - Not yet is	N
164.	Glenarden Hills Phase III Four	Lanham MD	Glenarden Hills Phase 3 Four LLC	267) 386-8634	Y	114	94	N/A - In constr	N/A - Not yet is	N
165.	Glenarden Hills Phase III Nine	Lanham MD	Glenarden Hills Phase 3 Nine LLC	267) 386-8635	Y	44	44	N/A - In constr	N/A - Not yet is	N
166.	Uplands Rental Phase IIA	Baltimore MD	Uplands Rental Phase IIA Four LLC	267) 386-8636	Y	78	78	N/A - In constr	N/A - Not yet is	N
167.	Uplands Rental Phase IIB	Baltimore MD	Uplands Rental Phase IIB Nine LLC	267) 386-8637	Y	72	72	N/A - In constr	N/A - Not yet is	N
168.	Sharswood Phase I	Philadelphia PA	Sharswood Phase I LLC	267) 386-8638	Y	60	50	10/28/2022	N/A - Not yet is	N
169.	Sharswood Phase II	Philadelphia PA	Sharswood Phase II LLC	267) 386-8639	Y	59	59	N/A - In constr	N/A - Not yet is	N
170.	Riverside II	Wilmington, DE	Riverside Housing Partnership II LLC	267) 386-8640	Y	67	50	12/26/2023	3/27/2024	N
171.	Hawkins Village	Rankin, PA	Hawkins Redevelopment I LLC	267) 386-8641	Y	54	54	N/A - In constr	N/A - Not yet is	N
172.	Little Lehigh	Allentown, PA	Little Lehigh Redevelopment LLC	267) 386-8642	Y	50	50	N/A - In constr	N/A - Not yet is	N
173.	Lincoln and Gilbert Nine	Cincinnati, OH	Lincoln & Gilbert Family LLC	267) 386-8643	Y	86	86	N/A - In constr	N/A - Not yet is	N
174.	2700 Wewatta	Denver, CO	2700 Wewatta GP LLC	267) 386-8644	Y	56	56	N/A - In constr	N/A - Not yet is	N
175.	William Barton Rogers School	Boston, MA	Rogers School LLC	267) 386-8645	Y	74	50	N/A - In constr	N/A - Not yet is	N
176.	Westbrook IV	Hartford, CT	Westbrook IV Housing LLC	267) 386-8646	Y	60	45	N/A - In constr	N/A - Not yet is	N
177.	Yates Village II	Schenectady, NY	Yates Village II LLC	267) 386-8647	Y	68	68	N/A - In constr	N/A - Not yet is	N
178.	Taylor I	Troy, NY	Taylor I LLC	267) 386-8648	Y	141	141	N/A - In constr	N/A - Not yet is	N
179.	McAuley Park Phase I	Atlanta, GA	McAuley Park I LLC	267) 386-8649	Y	170	160	N/A - In constr	N/A - Not yet is	N
180.	West Point Village Phase I	West Point, GA	West Point Village Phase I LLC	267) 386-8650	Y	72	42	N/A - In constr	N/A - Not yet is	N
181.	Sun Pointe	El Paso, TX	EP Sun Pointe LP	267) 386-8651	Y	146	146	N/A - In constr	N/A - Not yet is	N
182.	Heritage Highlands Phase II	Rankin, PA	Hawkins Redevelopment II LLC	267) 386-8652	Y	51	51	N/A - In constr	N/A - Not yet is	N
183.	Cherry Hill Senior Manor	Baltimore, MD	Cherry Hill Senior Housing Preservation LLC	267) 386-8653	Y	54	54	N/A - In constr	N/A - Not yet is	N
184.	Wareham Littleton Drive Family	Wareham, MA	Littleton Drive LLC	267) 386-8654	Y	49	39	N/A - In constr	N/A - Not yet is	N
185.	Wareham Littleton Drive Senior	Wareham, MA	Littleton Drive Senior LLC	267) 386-8655	Y	44	44	N/A - In constr	N/A - Not yet is	N
186.	800 Vine Senior	Philadelphia, PA	800 Vine Senior Housing LLC	267) 386-8656	Y	51	51	N/A - In constr	N/A - Not yet is	N
187.	Village at Park River Phase V	Hartford, CT	Westbrook V Housing LLC	267) 386-8657	Y	58	46	N/A - In constr	N/A - Not yet is	N
188.	Providence Parcel 9 Phase I-4	Providence, RI	Parcel 9 Phase I-4 LLC	267) 386-8658	Y	29	29	N/A - In constr	N/A - Not yet is	N
189.	Providence Parcel 9 Phase I-9	Providence, RI	Parcel 9 Phase I-9 LLC	267) 386-8659	Y	37	16	N/A - In constr	N/A - Not yet is	N
190.	Sharswood III Part I	Philadelphia, PA	Sharswood III Part I LLC	267) 386-8660	Y	57	43	N/A - In constr	N/A - Not yet is	N
191.	Sharswood III Part II	Philadelphia, PA	Sharswood III Part II LLC	267) 386-8661	Y	104	83	N/A - In constr	N/A - Not yet is	N
192.	Sharswood III Part III	Philadelphia, PA	Sharswood III Part III LLC	267) 386-8662	Y	63	63	N/A - In constr	N/A - Not yet is	N
193.	French Town Road 4%	East Greenwich, RI	655 Frenchtown Road 4 LLC	267) 386-8663	Y	30	30	N/A - In constr	N/A - Not yet is	N
194.	French Town Road 9%	East Greenwich, RI	655 Frenchtown Road 9 LLC	267) 386-8664	Y	33	16	N/A - In constr	N/A - Not yet is	N
195.	Garfield Veterans Housing	Phoenix, AZ	Garfield Veterans Housing II LLC	267) 386-8665	Y	60	60	N/A - In constr	N/A - Not yet is	N
196.	Edgeview at Legends Park	Memphis, TN	Legends Park Senior LLC	267) 386-8666	Y	99	99	N/A - In constr	N/A - Not yet is	N
197.	Village at Park River VI-A	Hartford, CT	Westbrook VI-A Housing LLC	267) 386-8667	Y	32	28	N/A - In constr	N/A - Not yet is	N
198.	Village at Park River VI-B	Hartford, CT	Westbrook VI-B Housing LLC	267) 386-8668	Y	44	35	N/A - In constr	N/A - Not yet is	N

199.	Orleans Cape Cod Five	Orleans, MA	West and Skaket LLC	267) 386-8669	Y	62	62	N/A - In constr	N/A - Not yet is	N
200.	Harper Apartments	Moorestown, NJ	Moorestown Housing Associates LLC	267) 386-8670	Y	76	76	N/A - In constr	N/A - Not yet is	N
201.	Liberty Housing Preservation	Phoenixvilla, PA	Liberty House LLC	267) 386-8671	Y	50	50	N/A - In constr	N/A - Not yet is	N
202.	Perry Homes	Buffalo, NY	Perry Homes I LLC	267) 386-8672	Y	405	405	N/A - In constr	N/A - Not yet is	N
203.	Phoenix at 36N	Tulsa, OK	Phoenix at 36N LP	267) 386-8673	Y	100	80	N/A - In constr	N/A - Not yet is	N
204.	Good Shepherd Senior	Philadelphia, PA	Good Shepherd Senior LLC	267) 386-8674	Y	55	55	N/A - In constr	N/A - Not yet is	N
205.	Forge	Lenox, MA	Brushwood Farm Housing LLC	267) 386-8675	Y	65	50	N/A - In constr	N/A - Not yet is	N
206.	Golden Hill	Kingston, NY	Golden Hill Owner LLC	267) 386-8676	Y	164	164	N/A - In constr	N/A - Not yet is	N
207.	FOP Senior	Philadelphia, PA	730 Byberry Road LP	267) 386-8677	Y	106	106	N/A - In constr	N/A - Not yet is	N
208.	Ascent at Hover Crossing	Longmont, CO	Ascent at Hover Crossing LLLP	267) 386-8678	Y	75	75	N/A - In constr	N/A - Not yet is	N
209.	Lincoln and Gilbert Family	Cincinnati, OH	Lincoln and Gilbert II LLC	267) 386-8679	Y	36	36	N/A - In constr	N/A - Not yet is	N
210.	Cedar Phase IV	Cleveland, OH	Cedar Redevelopment Phase IV LLC	267) 386-8680	Y	50	50	N/A - In constr	N/A - Not yet is	N
211.	Riverside III	Wilmington, DE	Riverside Housing Partnership III LLC	267) 386-8681	Y	101	101	N/A - In constr	N/A - Not yet is	N
212.	Parcel 9 Phase II		Parcel 9 Phase II LLC	267) 386-8682	Y	61	25	N/A - In constr	N/A - Not yet is	N

2026 Low-Income Housing Tax Credit Application For Reservation

V. List of LIHTC Developments (Schedule A)

INSTRUCTIONS

1. A Schedule A is required for every individual that makes up the GP or Managing Member, except as follows:
   - For Principals organized as a corporation (public or private), nonprofit organization, or governmental entity, you are only required to list the names of any officers who are directly responsible to the Board of Directors (or equivalent) and any stockholder holding a 25% or more interest in said Principal.
   - For Principals organized as a limited liability company with more than 25 individual members, you are only required to list the names of any officers and any managing members responsible for managing the affairs of the company, along with the name of any individual members holding 25% or more interest in the Principal.
   - For Principals organized as a trust, you are only required to list the names of all trustees and any individuals possessing a 25% or more beneficial interest in the assets of the trust.
2. For each property for which an uncorrected 8823 has been issued, provide a detailed explanation of the nature of the non-compliance, as well as a status statement at **Tab D**.
3. List only tax credit development experience for the past 15 years.
4. Use separate forms as needed, for each principal. Five additional tabs are available at the end of the application. Contact Virginia Housing if you need more available within the application.

Development Name: Diamond District Phase 1 (9%)

Name of Applicant: Diamond District Phase 1 Nine, LLC

Principals' Name: Mark H Dambly

#	Development Name	Location	Ownership Entity	Ownership Entity Phone	CGP or "Named" Managing Member at the time of deal?	Total Develop-ment Units	Total Low Income Units	Placed in Service Date	8609 Issued Date	Uncorrected 8823s? If Y, Explain at Tab D
1.	1721 Springdale Road - Weinberg	Cherry Hill, NJ	1721 Springdale Urban Renewal Associates,	267- 386-8600	Y	80	79	10/30/2019	12/6/2020	N
2.	50 Penn - Brooklyn NY	Brooklyn NY	50 Penn LLC	267- 386-8600	Y	218	218	9/15/2021	I/A - Not yet issue	N
3.	A. Harry Moore 3	Jersey City NJ	AHM Housing Urban Renewal Associates LLC	267- 386-8600	Y	60	49	11/23/2011	11/28/2012	N
4.	A. Harry Moore 4. Jersey City NJ	Jersey City NJ	AHM Housing Urban Renewal Associates IV LLC	267- 386-8600	Y	70	59	5/3/2016	12/21/2016	N
5.	Academy Place Preservation	Trenton NJ	El Barrio Academy Place Urban Renewal	267- 386-8600	Y	40	40	7/31/2014	12/23/2014	N
6.	Alexander Hamilton 1 Paterson NJ	Paterson NJ	Alexander Hamilton Associates LLC	267- 386-8600	Y	80	80	8/31/2011	5/30/2014	N
7.	Alexander Hamilton 2	Paterson NJ	Alexander Hamilton II Associates LLC	267- 386-8600	Y	50	50	6/1/2015	3/14/2016	N
8.	Alexander Hamilton 3	Paterson NJ	Alexander Hamilton III Associates LLC	267- 386-8600	Y	50	50	5/16/2014	8/12/2015	N
9.	Allentown Center Square	Allentown PA	Allentown Center Square Housing Partnership, LP	267- 386-8600	Y	63	63	12/20/2005	11/19/2007	N
10.	Apollo Dye 2	Paterson NJ	Apollo Dye II Associates LLC	267- 386-8600	Y	63	63	7/1/2017	8/31/2018	N
11.	Apollo Dye I	Paterson NJ	Apollo Dye Associates LLC	267- 386-8600	Y	70	70	7/31/2015	5/27/2016	N
12.	Bensalem Veterans Residences	Bensalem PA	BSV Housing LP	267- 386-8600	Y	40	40	12/10/2020	7/13/2022	N
13.	Booth Street	Salisbury MD	Booth Street Phase I LLC	267- 386-8600	Y	84	84	12/20/2016	6/30/2018	N
14.	Braddock Senior Housing	Braddock PA	Braddock Housing Initiative LP	267- 386-8600	Y	53	53	2/17/2010	8/31/2010	N
15.	Branch Village	Camden NJ	Branch Village Housing Urban Renewal LLC	267- 386-8600	Y	58	58	7/5/2011	5/29/2012	N
16.	Brownstones 2	Philadelphia PA	Diamond Street Housing Partnership 11 LP	267- 386-8600	Y	46	46	10/31/2016	2017	N
17.	Burwood Gardens	Glen Burnie MD	Burwood Gardens Senior LLC	267- 386-8600	Y	100	100	11/18/2013	12/27/2014	N
18.	Bushwick Gardens	Brooklyn NY	Bushwick Gardens I LLC	267- 386-8600	Y	372	0	4/26/2021	I/A - Not yet issue	N
19.	C.W. Brooks	Hagerstown MD	C.W. Brooks LLC	267- 386-8600	Y	60	60	6/30/2011	8/24/2012	N
20.	Campbell Purcell		Brackett Road Housing LLC	267- 386-8600	Y	65	50	Various	12/4/2020	N

21.	Camp Kilmer A		Camp Kilmer A Urban Renewal Associates LLC	267- 386-8600	Y	86	86	7/21/2020	4/28/2022	N
22.	Carl Miller Homes	Trenton NJ	Carl Miller Associates I LLC	267- 386-8600	Y	204	204	7/31/2014	4/22/2015	N
23.	Cedar 2	Cleveland OH	Cedar Redevelopment Phase II LP	267- 386-8600	Y	50	30	12/12/2016	4/30/2018	N
24.	Cedar I	Cleveland OH	Cedar Redevelopment Phase I LP	267- 386-8600	Y	61	61	4/30/2017	4/30/2018	N
25.	Centerville 12	Camden NJ	Centerville Urban Renewal 12 LLC	267- 386-8600	Y	70	70	6/1/2009	11/23/2009	N
26.	Centerville 7	Camden NJ	Centerville Housing Urban Renewal Associates LL	267- 386-8600	Y	74	74	12/12/2008	8/3/2009	N
27.	Chapel Green	Baltimore MD	Pennrose East Baltimore Rental LLC	267- 386-8600	Y	63	48	6/18/2009	9/13/2010	N
28.	Chateau (The)	Baltimore MD	Chateau Housing Partnership LLC	267- 386-8600	Y	47	35	10/31/2002	2/18/2005	N
29.	Church Street/H.E. Kapp	Flemington NJ	Church Street Housing Urban Renewal Associates	267- 386-8600	Y	60	60	11/10/2005	1/4/2008	N
30.	City View Landing Family	Newark NJ	Scudder Flames Family Urban Renewal LP	267- 386-8600	Y	58	58	5/5/2008	4/22/2010	N
31.	City view Landing Senior	Newark NJ	Scudder Homes Senior Urban Renewal LP	267- 386-8600	Y	48	48	9/15/2008	3/19/2010	N
32.	Cloisters 3	Philadelphia PA	Cloisters III Housing Partnership LP	267- 386-8600	Y	50	50	3/22/2007	9/9/2008	N
33.	Costello Building	Old Bridge NJ	Old Bridge Housing Urban Renewal II LLC	267- 386-8600	Y	61	61	12/20/2006	10/10/2008	N
34.	Cottage Hill Place	Mobile, AL	Cottage Hill Place LLC	267- 386-8600	Y	80	80	7/30/2018	9/16/2019	N
35.	Crest Manor	Abington Twp. PA	Crest Manor Housing Partnership LP	267- 386-8600	Y	46	46	11/30/2017	12/6/2019	N
36.	Cumberland Gardens 1	Allentown PA	Cumberland Gardens I Housing Partnership LP	267- 386-8600	Y	74	74	10/31/2012	3/30/2016	N
37.	Cumberland Gardens 2	Allentown PA	Cumberland Gardens 2 Housing Partnership	267- 386-8600	Y	70	70	10/9/2014	5/31/2016	N
38.	Deanwood Hills	Washington DC	Deanwood Hills LLC	267- 386-8600	Y	150	150	8/31/2018	5/31/2019	N
39.	Delaware Terrace 1	Easton PA	Delaware Terrace Housing I LP	267- 386-8600	Y	56	56	12/13/2010	8/17/2012	N
40.	Delaware Terrace 2	Easton PA	Delaware Terrace Housing II LP	267- 386-8600	Y	40	40	12/7/2011	2/19/2013	N
41.	Fairgrounds 1	Chester Twp. PA	Fairgrounds Housing Partnership LP	267- 386-8600	Y	73	73	12/1/2008	3/4/2010	N
42.	Fairgrounds 2	Chester Twp. PA	Fairgrounds Housing Partnership II LP	267- 386-8600	Y	71	71	12/9/2010	6/24/2011	N
43.	Fairgrounds 3	Chester Twp. PA	Fairgrounds Housing Partnership tit LP	267- 386-8600	Y	48	48	3/28/2012	12/27/2012	N
44.	Fairgrounds 4	Chester Twp. PA	Fairgrounds Housing Partnership IV LP	267- 386-8600	Y	71	71	6/29/2013	12/4/2014	N
45.	Fairview Village	Phoenixville PA	Fairview Court Development LP	267- 386-8600	Y	36	36	6/26/2013	12/17/2014	N
46.	Felton Lofts. Steelton PA	Steelton, PA	Steelton Walnut Limited Partnership	267- 386-8600	Y	63	63	5/31/2012	5/23/2013	N
47.	French Creek Manor	Phoenixville PA	French Creek Housing Partnership LP	267- 386-8600	Y	70	70	11/9/2004	3/22/2005	N
48.	Garden Valley 2	Cleveland OH	Garden Valley Housing Partnership II LP	267- 386-8600	Y	57	57	7/28/2011	1/18/2013	N
49.	Garden Valley 3. Cleveland OH	Cleveland OH	Garden Valley Housing Partnership III LP	267- 386-8600	Y	69	69	12/30/2011	2/20/2014	N
50.	Garden Volley 1	Cleveland OH	Garden Valley Housing Partnership I LP	267- 386-8600	Y	81	81	12/16/2010	3/7/2012	N
51.	Garden Volley 4	Cleveland OH	Garden Valley Housing Partnership IV LP	267- 386-8600	Y	60	60	12/16/2016	10/27/2017	N
52.	Garfield Court 1	Long Branch NJ	Garfield Court Urban Renewal Housing Associates	267- 386-8600	Y	67	61	12/11/2008	12/22/2009	N
53.	Garfield Court 2. Long Branch NJ	Long Branch NJ	Garfield Two Housing Urban Renewal LP	267- 386-8600	Y	61	61	4/28/2010	6/14/2011	N
54.	Glenarden Phase I	Lanham	Glenarden Phase I, LLC	267- 386-8600	Y	114	87	4/29/2020	8/14/2020	N
55.	Glenbrook at Oxmoor		Birmingham AL Glenbrook at Oxmoor 1 LLC	267- 386-8600	Y	100	100	5/6/2009	6/11/2010	N
56.	Hamilton (The}	Poughkeepsie NY	400 Main LLC	267- 386-8600	Y	57	57	12/20/2005	9/7/2007	N
57.	HART 1A	Allentown PA	MART I Housing Partnership LP	267- 386-8600	Y	80	80	11/15/2007	10/9/2008	N
58.	HART 1B	Allentown PA	HART It Housing Partnership LP	267- 386-8600	Y	79	79	9/21/2007	4/14/2008	N
59.	HART 28	Allentown PA	HART IV Housing Partnership LP	267- 386-8600	Y	50	50	11/24/2009	2/8/2010	N
60.	HART 2A	Allentown PA	HART III Housing Partnership LP	267- 386-8600	Y	60	60	12/11/2008	8/20/2010	N
61.	Heritage Overlook	Glen Burnie MD	Heritage Overlook LLC	267- 386-8600	Y	100	100	5/30/2018	12/7/2018	N
62.	Hermitage Senior	Hermitage PA	Hermitage Senior Housing LP	267- 386-8600	Y	40	40	12/18/2006	8/27/2007	N
63.	Hickman Expansion	West Chester PA	326 N. Walnut Street LP	267- 386-8600	Y	60	60	12/23/2010	12/15/2011	N
64.	Hope Gardens	Brooklyn NY	Hope Gardens I LLC	267- 386-8600	Y	949	949	1/20/2022	8/23/2022	N
65.	Jefferson Heights	New Wan CT	Jefferson Heights Housing LLC	267- 386-8600	Y	70	70	12/20/2013	3/5/2015	N
66.	Kinder Park 1	Ridley Twp. PA	Kinder Park Housing Partnership I LP	267- 386-8600	Y	48	48	12/19/2015	8/4/2017	N
67.	Kinder Park 2	Ridley Twp. PA	Kinder Park Housing Partnership II LP	267- 386-8600	Y	50	50	12/6/2016	9/25/2018	N
68.	Kinder Park 3	Ridley Twp. PA	Kinder Park Housing Partnership Ill LP	267- 386-8600	Y	56	56	1/30/2018	3/23/2020	N
69.	Legacy Commons	Farrell PA	Legacy Commons Housing Partnership LP	267- 386-8600	Y	29	29	9/27/2004	8/30/2005	N
70.	Liberty Place	Fort Lee NJ	Fort Lee Housing Associates LP	267- 386-8600	Y	60	60	11/20/2003	10/15/2007	N

71.	Limerick Green	Limerick PA	limerick Green Housing Partnership LP	267- 386-8600	Y	80	80	4/27/2000	12/20/2000	N
72.	Lofts/Master Street	Philadelphia	Master Street Housing Partnership LP	267- 386-8600	Y	62	62	12/16/2005	6/27/2007	N
73.	Memphis Triangle 2	Memphis TN	Memphis Triangle Family LLC	267- 386-8600	Y	106	86	11/21/2013	5/18/2015	N
74.	Memphis Triangle 3	Memphis TN	Memphis Triangle Phase III LLC	267- 386-8600	Y	105	84	11/21/2014	2/23/2015	N
75.	Memphis Triangle 4	Memphis TN	Memphis Triangle Phase IV LLC	267- 386-8600	Y	67	63	10/13/2015	12/31/2015	N
76.	Memphis Triangle I	Memphis TN	Memphis Triangle Senior LLC	267- 386-8600	Y	84	84	12/13/2012	12/31/2012	N
77.	Meriden Commons I	Meriden, CT	Meriden Mills I LLC	267- 386-8600	Y	75	60	6/30/2018	12/17/2018	N
78.	Oaks at Park Pointe (Meriwether	Griffin GA	Meriwether Redevelopment I LLC	267- 386-8600	Y	84	84	11/20/2015	5/19/2016	N
79.	Iris at Park Pointe (Meriwether II)	Griffin GA	Meriwether Redevelopment II LLC	267- 386-8600	Y	85	85	12/30/2017	3/7/2019	N
80.	Terraces at the Park (Meriwether III)	Griffin GA	Meriwether Redevelopment III LLC	267- 386-8600	Y	68	68	12/3/2018	11/25/2019	N
81.	Merrit Mill Road	Salisbury, MD	Merritt Mill Road LLC	267- 386-8600	Y	75	67	Various	12/2/2020	N
82.	Montgomery Heights II	Newark, NJ	Montgomery Two Housing Urban Renewal, LLC	267- 386-8600	Y	154	153	2/4/2020	10/1/2021	N
83.	Montgomery Heights	Newark NJ	Montgomery Street Housing Urban Renewal LLC	267- 386-8600	Y	80	80	8/31/2010	9/14/2011	N
84.	Moravia Park	Baltimore MO	Moravia Park Drive LLC	267- 386-8600	Y	60	60	3/30/2009	5/12/2010	N
85.	New Brunswick Performing Arts Center	New Brunswick NJ	NBCCR Urban Renewal LLC	267- 386-8600	Y	207	42	2/5/2020	4/14/2022	N
86.	North Hills 1	Ross Twp. PA	North Hills Housing ± LP	267- 386-8600	Y	60	60	12/6/2010	8/26/2011	N
87.	North Hills 2	Ross Twp. PA	North Hills Housing II LP	267- 386-8600	Y	37	37	2/4/2011	1/10/2012	N
88.	North Hills Manor	Glenside	NHM Housing LP	267- 386-8600	Y	50	50	2/26/2021	I/A - Not yet issue	N
89.	Obery Court 1. Annapolis MD	Annapolis MD	Obery Court Phase I LLC	267- 386-8600	Y	50	50	5/5/2010	2/24/2011	N
90.	Obery Court 2	Annapolis MD	Obery Court/College Creek Phase 11 LLC	267- 386-8600	Y	63	63	12/7/2012	4/9/2014	N
91.	Obery Court 3. Annapolis MD	Annapolis MD	Obery Court/College Creek Phase 111 LLC	267- 386-8600	Y	61	61	6/10/2016	3/31/2017	N
92.	Orchard Ridge 2	Baltimore MD	Orchard Ridge Rental II LLC	267- 386-8600	Y	72	57	3/3/2009	8/26/2010	N
93.	Orchard Ridge 3	Baltimore MD	Orchard Ridge Rental III LLC	267- 386-8600	Y	77	77	10/23/2009	1/24/2011	N
94.	Orchard Ridge 4	Baltimore MD	Orchard Ridge Rental IV LLC	267- 386-8600	Y	64	64	10/30/2014	12/1/2015	N
95.	Orchard Ridge 5. Baltimore MD	Baltimore MD	Orchard Ridge Rental V LLC	267- 386-8600	Y	65	58	7/11/2017	5/30/2018	N
96.	Orchard Ridge I. Baltimore MD	Baltimore MD	Orchard Ridge Rental I LLC	267- 386-8600	Y	100	80	7/16/2008	9/14/2009	N
97.	Patriot's Cove	Barnegat NJ	patriot's Cove Urban Renewal Associates LLC	267- 386-8600	Y	46	46	6/30/2009	10/20/2010	N
98.	Pearlye Suiting	Camden NJ	Pearlye Urban Renewal Associates LP	267- 386-8600	Y	69	64	6/27/2006	6/29/2007	N
99.	Penn Hills	Ridley Twp. PA	Ridley Development Associates LP	267- 386-8600	Y	49	49	4/16/2012	4/5/2013	N
100.	Pointe View at Aspen Hill	Aspen Hill	Parkview at Aspen Hill, LLC	267- 386-8600	Y	120	108	9/30/2019	2/27/2020	N
101.	Presidential Estates	Long Branch NJ	Grant Court Housing Urban Renewal Associates LP	267- 386-8600	Y	70	70	12/19/2007	8/3/2009	N
102.	Prospect Plaza 1	New York NY	Ocean Hill LLC	267- 386-8600	Y	110	110	6/16/2016	3/31/2017	N
103.	Prospect Plaza 2	New York NY	Ocean H1H II LLC	267- 386-8600	Y	149	149	1/15/2017	7/6/2018	N
104.	Prospect Plaza 3	New York NY _	Ocean Hill Ill LLC	267- 386-8600	Y	135	135	11/30/2018	9/9/2019	N
105.	Providence Square 2. New Brunswick NJ	New Brunswick NJ	Providence Square Housing Urban Renewal LLC	267- 386-8600	Y	53	53	10/20/2010	6/1/2011	N
106.	Pusey Estates	Upland PA	Pusey Estates Housing Partnership LP	267- 386-8600	Y	77	77	7/22/2005	9/19/2006	N
107.	Regent Terrace	Philadelphia PA	Regent Terrace Housing Partnership LP	267- 386-8600	Y	80	80	12/9/2005	1/24/2007	N
108.	Reservoir Hill	Baltimore MD	Reservoir Hill Housing LLC	267- 386-8600	Y	64	64	12/20/2006	10/14/2008	N
109.	Roosevelt Hospital	Edison NJ	Roosevelt Hospital Housing Urban Renewal Associ	267- 386-8600	Y	55	135	11/30/2017	10/23/2019	N
110.	Sacred Heart Residences	Allentown	Sacred Heart Residences LP	267- 386-8600	Y	61	61	2/28/2017	12/13/2018	N
111.	Seaview Manor	Long Branch NJ	Seaview Housing Urban Renewal Associates LLC	267- 386-8600	Y	40	40	12/14/2006	2/25/2009	N
112.	St. Luke's 1. Cleveland OH	Cleveland OH	St. Luke's Housing Partnership LLC	267- 386-8600	Y	72	72	12/29/2011	5/29/2013	N
113.	St. Luke's 2	Cleveland OH	St. Luke's Housing Partnership II LLC	267- 386-8600	Y	65	65	9/30/2012	12/17/2013	N
114.	St. Stephens. Washington DC	Washington DC	4000 Benning Road LLC	267- 386-8600	Y	71	71	12/31/2017	2/28/2019	N
115.	Stoneridge Villas Phase I	Madison AL	Balch Development LLC	267- 386-8600	Y	80	80	7/18/2019	5/19/2020	N
116.	Upland Estates. Upland PA	Upland PA	Upland Estates Housing Partnership LP	267- 386-8600	Y	50	50	12/27/2006	10/1/2008	N
117.	Upland Terrace	Upland PA	Upland Terrace Housing Partnership LP	267- 386-8600	Y	51	51	12/31/2004	12/12/2005	N
118.	Uplands Rental. Baltimore MD	Baltimore MD	Uplands Rental Phase I LLC	267- 386-8600	Y	104	77	7/11/2012	4/11/2014	N
119.	Vernon House	Philadelphia PA	Vernon House Housing Partnership LP	267- 386-8600	Y	68	68	9/2/2005	7/19/2006	N
120.	Warner Robins Redevelopment - Warner	Warner Robins, GA	WR Wall Street LLC	267- 386-8600	Y	90	59	Various	9/28/2020	N

121.	Weinberg Commons II - Cherry Hill NJ	Cherry Hill, NJ	Springdale II Urban Renewal Associates LLC	267- 386-8600	Y	80	80	11/20/2020	8/23/2022	N
122.	Westbridge Apartments	Bridgewater PA	Westbridge Housing Partnership LP	267- 386-8600	Y	24	24	7/5/2000	12/14/2000	N
123.	Westbrook Village I	Hartford CT	Westbrook I Housing LLC	267- 386-8600	Y	75	60	12/16/2020	9/30/2021	N
124.	William Way	Philadelphia PA	Spruce Street Senior Residences LP	267- 386-8600	Y	56	56	11/29/2013	3/18/2015	N
125.	Woodbridge Township	Avenel, NJ	Cedar Meadows Housing Associates LLC	267- 386-8600	Y	101	100	9/30/2019	12/10/2020	N
126.	Wyman House	Baltimore MD	Wyman House LLC	267- 386-8600	Y	175	175	11/30/2017	6/30/2018	N
127.	Wynne Senior	Philadelphia PA	Wynne Senior Residences LP	267- 386-8600	Y	51	51	3/31/2017	4/5/2019	N
128.	York Family Residences York	York, PA	York Family Residences LLC	267- 386-8600	Y	56	56	6/30/2021	9/26/2022	N
129.	Fairmount-Nine Griffin	Griffin, GA	Fairmont-Nine Oaks LLC	267- 386-8600	Y	130	130	10/22/2021	/A - Not yet issue	N
130.	The Residences at North Hill Bond 47	Alexandria, VA	The Residences at North Hill Bond 47 LLC	267- 386-8600	Y	47	47	/A - In constructio	/A - Not yet issue	N
131.	The Residences at North Hill Bond 94	Alexandria, VA	The Residences at North Hill Bond 94 LLC	267- 386-8600	Y	94	94	/A - In constructio	/A - Not yet issue	N
132.	The Residences at North Hill 2 Alexandria	Alexandria, VA	The Residences at North Hill 2 LLC	267- 386-8600	Y	75	75	/A - In constructio	/A - Not yet issue	N
133.	The Senior Residences at North Hill	Alexandria, VA	The Senior Residences at North Hill LLC	267- 386-8600	Y	63	63	/A - In constructio	/A - Not yet issue	N
134.	Mary D Stone Auburn	Auburn, MA	Mary D. Stone LLC	267- 386-8600	Y	55	45	9/30/2021	7/29/2022	N
135.	Renaissance Row Baltimore	Baltimore MD	Renaissance Row LLC	267- 386-8600	Y	84	84	11/1/2021	/A - Not yet issue	N
136.	Dover Veterans Dover	Dover, NJ	Dover Veterans Urban Renewal Housing Associate	267- 386-8600	Y	70	70	7/30/2021	12/13/2022	N
137.	Eastern Woods Findlay	Findlay, OH	Eastern Woods Senior LLC	267- 386-8600	Y	50	50	4/6/2021	2/2/2023	N
138.	Warner Robins Apartments Warner	Warner Robins, GA	WR Wall Street II LLC	267- 386-8600	Y	90	75	9/30/2021	/A - Not yet issue	N
139.	Cedar Apartments Cleveland	Cleveland OH	Cedar Redevelopment Phase III LLC	267- 386-8600	Y	75	75	10/12/2021	/A - Not yet issue	N
140.	Kinder Park IV-A Woodlyn	Woodlyn, PA	Kinder Park Housing Partnership IV-A LLC	267- 386-8600	Y	39	39	8/16/2022	/A - Not yet issue	N
141.	Kinder Park IV-B Woodlyn	Woodlyn, PA	Kinder Park Housing Partnership IV-B LLC	267- 386-8600	Y	57	57	8/16/2022	/A - Not yet issue	N
142.	Riverside Housing Wilmington	Wilmington, DE	Riverside Housing Partnership I LLC	267- 386-8600	Y	74	59	12/20/2022	/A - Not yet issue	N
143.	Estate Donoe Redevelopment Project	St. Thomas, USVI	Donoe Redevelopment Partners LLC	267- 386-8600	Y	84	84	/A - In constructio	/A - Not yet issue	N
144.	Newtowne 20 Annapolis	Annapolis, MD	Newtowne 20, LLC	267- 386-8600	Y	78	78	2/11/2022	/A - Not yet issue	N
145.	Westbrook Village Phase II	Hartford CT	Westbrook II Housing LLC	267- 386-8600	Y	60	45	4/15/2021	2/28/2022	N
146.	Westrbrook III Hartford	Hartford CT	Westbrook III Housing LLC	267- 386-8600	Y	65	49	7/15/2022	/A - Not yet issue	N
147.	Julia Bancroft Apartments Auburn	Auburn, MA	Julia Bancroft LLC	267- 386-8600	Y	60	45	11/30/2022	/A - Not yet issue	N
148.	Residences at Glenarden Hills 2 Lanham	Lanham, MD	Residences at Glenarden Hills 2 LLC	267- 386-8600	Y	55	55	10/30/2020	12/29/2021	N
149.	Camp Kilmer Phase B Edison	Edison, NJ	Camp Kilmer B Urban Renewal Associates LLC	267- 386-8600	Y	85	85	9/24/2020	8/30/2022	N
150.	Haven at South Atlanta	Atlanta GA	Haven SA LLC	267- 386-8600	Y	84	71	11/21/2022	/A - Not yet issue	N
151.	Patriot Place	El Paso TX	EP Patriot Place LP	267- 386-8600	Y	110	110	9/1/2022	/A - Not yet issue	N
152.	Stoneridge Villas Phase II	Madison AL	Balch Development II LLC	267- 386-8600	Y	65	65	12/31/2022	/A - Not yet issue	N
153.	Carrier Point I	Newport News VA	Choice Neighborhood I LLC	267- 386-8600	Y	43	37	/A - In constructio	/A - Not yet issue	N
154.	Carrier Point II	Newport News VA	Choice Neighborhood II LLC	267- 386-8600	Y	38	34	12/30/2022	/A - Not yet issue	N
155.	4145 Apple Street	Cincinnati OH	Apple Street Senior LLC	267- 386-8600	Y	57	57	2/1/2022	/A - Not yet issue	N
156.	Torrington Riverfront	Torrington CT	Torrington Riverfront LLC	267- 386-8600	Y	60	45	8/26/2022	/A - Not yet issue	N
157.	Glassboro Special Needs	Glassboro NJ	Lincoln Senior Urban Renewal I LP	267- 386-8600	Y	65	65	1/31/2023	/A - Not yet issue	N
158.	Choice Neighborhood III-R	Newport News	Choice Neighborhood III-R LLC	267- 386-8600	Y	71	58	/A - In constructio	/A - Not yet issue	N
159.	Choice Neighborhood IV-R	Newport News	Choice Neighborhood IV-R LLC	267- 386-8600	Y	84	69	/A - In constructio	/A - Not yet issue	N
160.	Glenarden Hills Phase III	Lanham, MD	Glenarden Hills Phase 3 Four LLC	267- 386-8600	Y	114	94	/A - In constructio	/A - Not yet issue	N
161.	Glenarden Hills Phase III	Lanham, MD	Glenarden Hills Phase 3 Nine LLC	267- 386-8600	Y	44	44	/A - In constructio	/A - Not yet issue	N
162.	Uplands Rental Phase IIA. Baltimore	Baltimore MD	Uplands Rental Phase IIA Four LLC	267- 386-8600	Y	78	78	/A - In constructio	/A - Not yet issue	N
163.	Uplands Rental Phase IIB	Baltimore MD	Uplands Rental Phase IIB Nine LLC	267- 386-8600	Y	72	72	/A - In constructio	/A - Not yet issue	N
164.	Sharswood Phase I	Philadelphia PA	Sharswood Phase I LLC	267- 386-8600	Y	60	50	10/28/2022	/A - Not yet issue	N
165.	Sharswood Phase II	Philadelphia PA	Sharswood Phase II LLC	267- 386-8600	Y	59	59	/A - In constructio	/A - Not yet issue	N
166.	Riverside II	Wilmington, DE	Riverside Housing Partnership II LLC	267- 386-8600	Y	67	50	/A - In constructio	/A - Not yet issue	N
167.	Hawkins Village	Rankin, PA	Hawkins Redevelopment I LLC	267- 386-8600	Y	54	54	/A - In constructio	/A - Not yet issue	N
168.	Little Lehigh	Allentown, PA	Little Lehigh Redevelopment LLC	267- 386-8600	Y	50	50	/A - In constructio	/A - Not yet issue	N
169.	Lincoln and Gilbert	Cincinnati OH	Lincoln & Gilbert Family LLC	267- 386-8600	Y	86	86	/A - In constructio	/A - Not yet issue	N
170.	2700 Wewatta	Denver, CO	2700 Wewatta GP LLC	267- 386-8600	Y	56	56	/A - In constructio	/A - Not yet issue	N

171.	William Barton Rogers School	Boston, MA	Rogers School LLC	267- 386-8600	Y	74	50	/A - In constructio	/A - Not yet issue	N
172.	Westbrook IV	Hartford, CT	Westbrook IV Housing LLC	267- 386-8600	Y	60	45	/A - In constructio	/A - Not yet issue	N
173.	Yates Village II	Schenectady, NY	Yates Village II LLC	267- 386-8600	Y	68	68	/A - In constructio	/A - Not yet issue	N
174.	Taylor I	Troy, NY	Taylor I LLC	267- 386-8600	Y	141	141	/A - In constructio	/A - Not yet issue	N
175.	McAuley Park Phase I	Atlanta, GA	McAuley Park I LLC	267- 386-8600	Y	170	160	/A - In constructio	/A - Not yet issue	N
176.	West Point Village Phase I	West Point, GA	West Point Village Phase I LLC	267- 386-8600	Y	72	42	/A - In constructio	/A - Not yet issue	N
177.	Sun Pointe	El Paso, TX	EP Sun Pointe LP	267- 386-8600	Y	146	146	/A - In constructio	/A - Not yet issue	N
178.	Heritage Highlands Phase II	Rankin, PA	Hawkins Redevelopment II LLC	267- 386-8600	Y	51	51	/A - In constructio	/A - Not yet issue	N
179.	Cherry Hill Senior Manor	Baltimore, MD	Cherry Hill Senior Housing Preservation LLC	267- 386-8600	Y	54	54	/A - In constructio	/A - Not yet issue	N
180.	Wareham Littleton Drive Family	Wareham, MA	Littleton Drive LLC	267- 386-8600	Y	49	39	/A - In constructio	/A - Not yet issue	N
181.	Wareham Littleton Drive Senior	Wareham, MA	Littleton Drive Senior LLC	267- 386-8600	Y	44	44	/A - In constructio	/A - Not yet issue	N
182.	800 Vine Senior	Philadelphia, PA	800 Vine Senior Housing LLC	267- 386-8600	Y	51	51	/A - In constructio	/A - Not yet issue	N
183.	Village at Park River Phase V	Hartford, CT	Westbrook V Housing LLC	267- 386-8600	Y	58	46	/A - In constructio	/A - Not yet issue	N
184.	Providence Parcel 9 Phase I-4	Providence, RI	Parcel 9 Phase I-4 LLC	267- 386-8600	Y	29	29	/A - In constructio	/A - Not yet issue	N
185.	Providence Parcel 9 Phase I-9	Providence, RI	Parcel 9 Phase I-9 LLC	267- 386-8600	Y	37	16	/A - In constructio	/A - Not yet issue	N
186.	Sharswood III Part I	Philadelphia, PA	Sharswood III Part I LLC	267- 386-8600	Y	57	43	/A - In constructio	/A - Not yet issue	N
187.	Sharswood III Part II	Philadelphia, PA	Sharswood III Part II LLC	267- 386-8600	Y	104	83	/A - In constructio	/A - Not yet issue	N
188.	Sharswood III Part III	Philadelphia, PA	Sharswood III Part III LLC	267- 386-8600	Y	63	63	/A - In constructio	/A - Not yet issue	N
189.	French Town Road 4%	East Greenwich, RI	655 Frenchtown Road 4 LLC	267- 386-8600	Y	30	30	/A - In constructio	/A - Not yet issue	N
190.	French Town Road 9%	East Greenwich, RI	655 Frenchtown Road 9 LLC	267- 386-8600	Y	33	16	/A - In constructio	/A - Not yet issue	N
191.	Garfield Veterans Housing	Phoenix, AZ	Garfield Veterans Housing II LLC	267- 386-8600	Y	60	60	/A - In constructio	/A - Not yet issue	N
192.	Edgeview at Legends Park	Memphis, TN	Legends Park Senior LLC	267- 386-8600	Y	99	99	/A - In constructio	/A - Not yet issue	N
193.	Village at Park River VI-A	Hartford, CT	Westbrook VI-A Housing LLC	267- 386-8600	Y	32	28	/A - In constructio	/A - Not yet issue	N
194.	Village at Park River VI-B	Hartford, CT	Westbrook VI-B Housing LLC	267- 386-8600	Y	44	35	/A - In constructio	/A - Not yet issue	N
195.	Orleans Cape Cod Five	Orleans, MA	West and Skaket LLC	267- 386-8600	Y	62	62	/A - In constructio	/A - Not yet issue	N
196.	Harper Apartments	Moorestown, NJ	Moorestown Housing Associates LLC	267- 386-8600	Y	76	76	/A - In constructio	/A - Not yet issue	N
197.	Liberty Housing Preservation	Phoenixville, PA	Liberty House LLC	267- 386-8600	Y	50	50	/A - In constructio	/A - Not yet issue	N
198.	Perry Homes	Buffalo, NY	Perry Homes I LLC	267- 386-8600	Y	405	405	/A - In constructio	/A - Not yet issue	N
199.	Phoenix at 36N	Tulsa, OK	Phoenix at 36N LP	267- 386-8600	Y	100	80	/A - In constructio	/A - Not yet issue	N
200.	Good Shepherd Senior	Philadelphia, PA	Good Shepherd Senior LLC	267- 386-8600	Y	55	55	/A - In constructio	/A - Not yet issue	N
201.	Forge	Lenox, MA	Brushwood Farm Housing LLC	267- 386-8600	Y	65	50	/A - In constructio	/A - Not yet issue	N
202.	Golden Hill	Kingston, NY	Golden Hill Owner LLC	267- 386-8600	Y	164	164	/A - In constructio	/A - Not yet issue	N
203.	FOP Senior	Philadelphia, PA	730 Byberry Road LP	267- 386-8600	Y	106	106	/A - In constructio	/A - Not yet issue	N
204.	Ascent at Hover Crossing	Longmont, CO	Ascent at Hover Crossing LLLP	267- 386-8600	Y	75	75	/A - In constructio	/A - Not yet issue	N
205.	Lincoln and Gilbert Family	Cincinnati, OH	Lincoln and Gilbert II LLC	267- 386-8600	Y	36	36	/A - In constructio	/A - Not yet issue	N
206.	Cedar Phase IV	Cleveland, OH	Cedar Redevelopment Phase IV LLC	267- 386-8600	Y	50	50	/A - In constructio	/A - Not yet issue	N
207.	Riverside III	Wilmington, DE	Riverside Housing Partnership III LLC	267- 386-8600	Y	101	101	/A - In constructio	/A - Not yet issue	N
208.										
209.										
210.										

2026 Low-Income Housing Tax Credit Application For Reservation

V. List of LIHTC Developments (Schedule A)

INSTRUCTIONS

1. A Schedule A is required for every individual that makes up the GP or Managing Member, except as follows:

   - For Principals organized as a corporation (public or private), nonprofit organization, or governmental entity, you are only required to list the names of any officers who are directly responsible to the Board of Directors (or equivalent) and any stockholder holding a 25% or more interest in said Principal.
   - For Principals organized as a limited liability company with more than 25 individual members, you are only required to list the names of any officers and any managing members responsible for managing the affairs of the company, along with the name of any individual members holding 25% or more interest in the Principal.
   - For Principals organized as a trust, you are only required to list the names of all trustees and any individuals possessing a 25% or more beneficial interest in the assets of the trust.

2. For each property for which an uncorrected 8823 has been issued, provide a detailed explanation of the nature of the non-compliance, as well as a status statement at **Tab D**.

3. List only tax credit development experience for the past 15 years.

4. Use separate forms as needed, for each principal. Five additional tabs are available at the end of the application. Contact Virginia Housing if you need more available within the application.

Development Name: Diamond District Phase 1 (9%)

Name of Applicant: Diamond District Phase 1 Nine, LLC

Principals' Name: Raymond Nix

#	Development Name	Location	Ownership Entity	Ownership Entity Phone	CGP or "Named" Managing Member at the time of deal?	Total Develop-ment Units	Total Low Income Units	Placed in Service Date	8609 Issued Date	Uncorrected 8823s? If Y, Explain at Tab D
1.	Providence Place	Washington, DC	Providence Place I, LP	305-357-4713	CGP	93	93	1/6/2022	9/18/2023	N
2.	Brightwood Portfolio	Washington, DC	Hampstead Brightwood Partners, LLC	619-543-4200	CGP	140	123	8/31/2015	4/21/2017	N
3.	Homestead Apartments	Washington, DC	Hampstead Jefferson Partners, LLC	619-543-4200	CGP	55	45	5/31/2017	5/30/2018	N
4.	Woodlands at Reid Temple	Glendale, Maryland	Woodlands at Reid Temple, LP		CGP	252	252	1/8/2021	4/11/2022	N
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Current Certified Management Agents

as of 01/27/2026

Name	Direct Phone	Website
AAMCI-Management, Inc.	(865) 525-7500	www.aamci.com
AGPM Virginia, LLC	(407) 447-1780	www.agpmonline.com/virginia
AHC Management Limited Liability Company	(703) 271-8400	www.ahcmgmt.com
Albemarle Housing Improvement Program, Inc. (AHIP)	(434) 817-2447	www.ahipva.org
Alexandria Redevelopment and Housing Authority	(703) 549-7115	www.arha.us
Allegheny Partners, LLC		www.alleghenypartners.com
Altus Group, Inc.	(540) 400-6288	www.altusconstruction.com
American Multifamily Management, LLC	(207) 772-8896	www.libertycompanies.com
Amurcon Realty Company		www.amurcon.com
Arbor Management, LLC	(302) 761-7309	www.arbormanagement.com
Arco Management of Virginia LLC (VA) / Arco Management Corp. (NY)	(845) 368-2400	www.mmsgroup.com
Armiger Management Corporation	(301) 776-4333	www.armigermanagement.com
Artcraft Management Inc.	(804) 433-1000	www.artcraftmanagement.com
Asset Living Southeast, LLC		
Atrium Management Company LLC	(407) 585-2721	www.atriummanagement.com
Barkan Management, LLC	(703) 388-1005	www.barkanco.com
Bay Aging		www.bayaging.org
Beacon Property Services, LLC		
Beyond Housing	(276) 642-2001	www.brha.com
BHC Management Company	(804) 644-0546	www.betterhousingcoalition.org
BMR Investments, Inc.	(757) 497-2878	
Bonaventure Property Management Services, LLC		www.bonaventure.com
Bozzuto Management Company	(703) 567-4590	
Burlington Capital Properties, LLC	(402) 444-1630	www.burlingtoncapital.com
Cambridge Management, Inc.		
CapAtlantic, LLC	(757) 490-8580	
Capital Realty Group Inc	(845) 356-7773	
CAPREIT Residential Management, LLC	(301) 231-8700	www.capreit.com
Centurion Residential	(703) 745-5537	www.centurionresidential.com
CF Real Estate Services LLC	(404) 459-6100	www.cfres.com
Chapman Management Group LLC		
Charlottesville Redevelopment and Housing Authority		
Chesapeake Redevelopment and Housing Authority	(757) 523-0401	www.crhava.org
City Space, LLC	(540) 815-7506	
Coastal Properties of Virginia, Inc.	(804) 453-4974	www.cpova.com
Colony Asset Management LLC	(804) 740-4700	www.colonyapartments.com
Colony Management Corporation	(804) 740-4700	
Community Builders, Inc	(617) 695-9595	www.tcbinc.org
Community Housing Partners Corporation		www.communityhousingpartners.org
Community Services Housing, Inc.	(434) 978-2007	www.communityserviceshousing.org
Coordinated Services Management, Inc.	(540) 366-0622	www.csmmanagement.com
Crestline Realty Corporation	(757) 490-9187	www.crestline-realty.com
Cross River Communities, LLC		
Dalcor Management, Inc.	(256) 533-1727	www.dalcormgt.com

Current Certified Management Agents

as of 01/27/2026

Name	Direct Phone	Website
Drucker & Falk, LLC	(757) 245-1541	www.druckerandfalk.com
E & G Group	(703) 891-2408	www.eandggroup.com
Eagle Point Management, LLC	(207) 780-8050	www.eaglepointco.com
East Coast Property Management, Inc.	(302) 628-7682	www.eastcoastmgt.com
Enterprise Residential, LLC	(443) 451-6821	
Envolve Client Services Group, LLC	(901) 435-7718	
Envolve Community Management, LLC	(334) 954-4458	
Epoch Properties, Inc.	(804) 897-9161	
Evergreen Real Estate Services, LLC	(312) 234-9400	www.evergreenreg.com
Excel Property Management, Inc.	(919) 878-0522	www.excelpropertymanagement.com
F & W Management, L.C.	(540) 774-1641	www.fwrealestategroup.com
Fairfax County Redevelopment and Housing Authority/HCDC	(703) 246-5000	www.fairfaxcounty.gov/housing
Fairmark Properties of Virginia L.P.	(858) 457-2123	
Fairstead Communities, LLC		
Fairstead Management LLC	(646) 973-5539	www.fairstead.com
Fitch Irick Management, LLC		
Foundation Property Management, Inc.	(562) 257-5100	www.rhf.org
Franklin Group Companies, LLC	(757) 965-6200	https://fgcompanies.com/
Franklin Redevelopment and Housing Authority	(757) 562-0384	www.frhaonline.org
Frye Properties, Inc.	(757) 627-1980	www.fryeproperties.com
Full Occupancy LLC	(804) 325-3795	www.fulloccupancy.net
Gates, Hudson, & Associates, Inc.		
Gateway Management Services, LLC	(301) 412-7383	
Genesis Properties, Inc.	(804) 230-1220	www.genesisproperties.com
Grady Management, Inc	(301) 587-3330	www.gradymgt.com
Great Richmond Rentals	(804) 282-1877	
Greenbrier Management Company	(757) 874-7255	www.greenbriermc.com
Greystar	(843) 579-9400	www.greystar.com
Grubb Management, Inc.	(919) 388-5761	www.grubbproperties.com
Habitat America LLC	(443) 716-2588	www.habitatamerica.com
Hampton Redevelopment and Housing Authority	(757) 727-1111	www.hamptonrha.com
Hampton-Newport News Community Services Board Property Company, Inc.	(757) 788-0066	www.hnncsb.org
Harbor Group Management Co., LLC	(757) 640-0800	www.hgliving.com
Harrisonburg Redevelopment and Housing Authority	(540) 434-7386	www.harrisonburgrha.com
Hercules Real Estate Services, Inc.	(757) 473-3709	www.herculesliving.com
Highmark Residential, LLC	(214) 561-1200	www.highmarkres.com
Hopewell Redevelopment and Housing Authority	(804) 458-5160	www.hopewellrha.org
Housing Alexandria Management Company, LLC		
Housing Management Resources, Inc.	(617) 471-0300	www.hmrproperties.com
Humphrey Management	(443) 259-4900	
Hunt & Associates Elderly Housing Corporation	(276) 628-5000	www.huntelderlyhousing.com
Intermark Management Corporation	(803) 744-9200	www.intermarkmgt.com
JDC Management, LLC	(843) 353-0980	www.jamesdoranco.com
KCG Residential, LLC		

Current Certified Management Agents

as of 01/27/2026

Name	Direct Phone	Website
Kettler Management Inc.	(703) 641-9000	www.kettler.com
Lakeside Property Management Services, LLC		
Landmark Property Management Company	(336) 722-9871	www.landmarkdevelopment.biz
Landmark Property Services, Inc.	(804) 673-1978	www.landmark-property.com
Landura Management Associates Limited Partnership	(336) 760-8100	www.landura.com
Lawson Realty Corporation	(757) 499-6161	www.lawsoncompanies.com
LHP Management, LLC	(865) 244-4300	www.lhp.net
Liberty Management, Inc	(281) 997-7696	
Locust Hill Realty, L.L.C.	(814) 466-9222	www.locusthillinc.com
Lynchburg Covenant Fellowship, Incorporated	(434) 847-9059	www.lcfhousing.org
Management Services Corporation	(434) 977-4181	www.msc-rents.com
Mark-Dana Management, LLC	(281) 292-1940	www.markdanava.com
McCormack Baron Management, Inc.	(314) 421-1160	www.mccormackbaron.com
Michaels Management-Affordable, LLC	(856) 596-0500	
Millennia Housing Management, Ltd.	(216) 520-1250	
Monroe Properties LLC	(804) 643-3098	www.monroeproperties.com
Morton G. Thalhimer, Inc	(804) 648-5881	www.thalhimer.com
NDC Real Estate Management, LLC	(412) 647-7404	www.ndcrealestate.com
Neighborhood Partners, LLC	(240) 554-6500	www.npllc.org
Newport News Redevelopment and Housing Authority	(757) 928-2620	www.nnrha.com
Norfolk Redevelopment and Housing Authority	(757) 623-1111	www.nrha.com
Orion Real Estate Services, Inc.	(713) 622-5844	
Paradigm Management II, L.P.	(703) 527-7500	www.paradigmcos.com
Park Properties Management Company L.L.C.	(434) 979-2900	www.goparkproperties.com
Partnership Property Management, LLC	(336) 544-2300	www.partnershippm.com
Pedcor Management Corporation	(317) 587-0320	www.pedcormanagement.com
Pennrose Management Company	(267) 386-8622	www.pennrose.com
People Incorporated of Virginia		
Perrel Management Company, Inc.	(757) 925-4738	www.perrelapartments.com
Petersburg Redevelopment and Housing Authority	(804) 733-2200	www.petersburgrha.org
Piedmont Housing Alliance-Alliance Management, LLC		
Piedmont Housing Alliance-Alliance Senior Management, LLC	(434) 817-2436	www.piedmonthousingalliance.org
PK Management, LLC	(216) 472-1870	
Portsmouth Redevelopment and Housing Authority	(757) 399-5261	www.prha.org
Pratum Companies – Management and Advisory Services	(301) 562-1600	www.edgewoodmgmt.com
Premier Realty	(757) 271-0078	
Preservation Management, Inc.	(207) 774-0501	www.preservationmanagement.com
PRG Real Estate Management, Inc.	(215) 744-2926	www.prgrealestate.com
Property Management of Roanoke, LLC	(540) 989-3623	
Quantum Real Estate Management, LLC	(301) 941-8040	www.qpmgmt.com
Reliant Realty Services, LLC	(646) 502-7188	www.reliantrs.com
Residential One, LLC	(301) 939-4483	www.res1.net
Richman Property Services, Inc.		
Ripley Heatwole Company, Inc.	(757) 473-8575	www.ripleyheatwole.com

Current Certified Management Agents

as of 01/27/2026

Name	Direct Phone	Website
Roanoke Redevelopment and Housing Authority	(540) 983-9281	www.rkehousing.org
Rose Community Management, LLC	(216) 393-8000	www.rosecompanies.com
Ross Management Services, LLC	(804) 424-2600	www.ross-companies.com
RPM Living, LLC	(512) 480-9886	www.rpmliving.com
Rush Homes	(434) 455-2120	www.rushhomes.org
S. L. Nusbaum Realty Co.	(757) 627-8611	www.slnusbaum.com
Security Properties Residential LLC		www.securityproperties.com
Severn Management of Virginia, LLC	(410) 269-0900	www.severncompanies.com
Shelter Properties, LLC	(410) 962-0595	www.thesheltergroup.com
SHP Management Corp.	(207) 829-9200	www.shpmanagement.com
South River Development Corporation, Inc.	(540) 946-9230	www.southriverdevelopment.org
Steelhead Management, LLC	(804) 201-9618	www.steelheadmanagement.com
SupportWorks Housing	(804) 788-6825	www.VirginiaSupportiveHousing.org
The Alexander Company, Inc.	(608) 258-5580	
The Breeden Company, Inc.	(757) 486-1000	www.thebreedencompany.com
The CT Group	(240) 554-6500	www.thectgroupllc.com
TM Associates Management, Inc.		www.tmamgroup.com
U.S. Residential Group LLC	(469) 546-6400	
United Property Associates	(757) 499-5633	www.unitedpropertyassociates.com
Virginia Affordable Housing Management Corporation	(804) 482-8152	www.vacdc.org
Virginia Beach Community Development Corporation	(757) 681-1000	www.vbcdc.org
Vista Capital Management Group, Inc.	(864) 404-3500	www.vistacapitalmanagementgroup.com
W.H.H. Trice & Co. of Williamsburg	(757) 220-2874	www.whhtrice.com
Waldvogel Commerical Properties, Inc.	(540) 342-0800	www.waldvogelcommercial.com
Wellworth Properties, Inc.	(703) 517-2113	
Wesley Property Management Company, LLC		
Weston Associates Management Co., Inc.	(617) 266-0044	www.waboston.com
Whitmore Management, L.L.C.	(757) 967-9500	www.whitmoremanagementllc.com
Wingate Management Company, LLC		
Winn Managed Properties, LLC	(617) 742-4500	www.winncompanies.com
Winn Management Company LLC	(614) 742-4500	https://www.winncompanies.com/
Wise County Redevelopment and Housing Authority	(276) 395-6104	www.wcrha.org
Woda Management & Real Estate, LLC	(614) 396-3200	www.wcrha.org
Wytheville Redevelopment and Housing Authority	(276) 228-6515	www.thewrha.com

April 25, 2023
Dear Pennrose,

Congratulations on becoming a CORES certified organization!
The Certified Organization for Resident Engagement & Services (CORES) Certification recognizes owners that have developed a robust commitment, capacity, and competency in providing resident services coordination in affordable rental homes. The CORES Certification is applicable across the entire portfolio and is inclusive of family, senior and supportive housing communities.

The CORES Certification recognizes Pennrose's investment in and development of the tools necessary to implement a robust system of resident services coordination under the Hybrid model.

We have provided a version of the CORES logo which recognizes your organization as CORES certified. Please feel free to use this logo on your website or any other promotional materials.

The CORES certification lasts **five years** and will expire on **April 25, 2028**. For guidance and requirements regarding the CORES recertification process, please visit https://CORESonline.org/apply#Recertification

Please Note: Certified organizations have an affirmative obligation to notify SAHF of any significant changes to their organizational structure or operations that materially changes their capacity or approach in providing resident services coordination. Certified organizations should notify SAHF within 60 days of the effective date of such changes. Failure to provide this notification could result in a suspension of certification.

If you have any further questions, please contact us at cores@sahfnet.org.

Sincerely,



Andrea Ponsor
President and CEO
Stewards of Affordable Housing for the Future

CORES
Certified Organization for Resident Engagement & Services

April 25, 2023

Dear Pennrose,

CORES Certification is one requirement (among others) in order for an owner to qualify for Fannie Mae's Healthy Housing Rewards™ - Enhanced Resident Services (ERS) financing incentives. This product enhancement benefits borrowers that incorporate resident services coordination systems in their newly constructed, rehabilitated or refinanced multifamily affordable rental properties.

To qualify for ERS financing incentives, the organization will also be required to submit an ERS Property Certification Proposal through the CORES application portal. Please consult with your Fannie Mae Delegated Underwriting and Servicing DUS™ lender for further guidance.

To learn more about Fannie Mae's Health Housing Rewards Initiative, please visit: https://www.fanniemae.com/multifamily/healthy-housing-rewards

Sincerely,



Andrea Ponsor
President and CEO
Stewards of Affordable Housing for the Future

Tab E:

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

PURCHASE AND SALE AND DEVELOPMENT AGREEMENT

THIS PURCHASE AND SALE AND DEVELOPMENT AGREEMENT (this "Agreement") is made and entered into this 13th day of March, 2025, by and between **DIAMOND DISTRICT PARTNERS, LLC**, a Virginia limited liability company ("Seller"), and **DIAMOND DISTRICT PHASE 1 NINE, LLC**, a Virginia limited liability company ("Purchaser").

W I T N E S E T H:

WHEREAS, Seller desires to sell the Property (as such term is hereinafter defined) and Purchaser desires to purchase the Property; and

WHEREAS, the parties hereto desire to provide for said sale and purchase on the terms and conditions set forth in this Agreement;

NOW, THEREFORE, for and in consideration of the premises, the mutual covenants and agreements hereinafter set forth, and for other good and valuable consideration, the receipt, adequacy, and sufficiency of which are hereby acknowledged by the parties hereto, the parties hereto hereby covenant and agree as follows:

ARTICLE 1.
DEFINITIONS

For purposes of this Agreement, each of the following capitalized terms shall have the meaning ascribed to such terms as set forth below:

"Additional Deposit" shall mean the sum of One Hundred Thousand and No/100 Dollars ($100,000.00 U.S.) to be paid by Purchaser to Escrow Agent hereunder in accordance with the provisions of Section 2.3(b) hereof, together with all interest which accrues thereon as provided in Section 2.3(c) hereof.

"Affiliate" or "Affiliates" shall mean any person or entity which directly or indirectly through one or more intermediaries controls, is controlled by or is under common control with a specified person or entity. For purposes of this Agreement, the terms "control", "controlled", or "controlling" with respect to a specified person or entity shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such person or entity, whether through the ownership or voting securities, by contract or otherwise.

"Affordable Housing Covenant" shall mean that certain Declaration of Affordable Dwelling Units Covenants entered into by Seller, as Declarant thereunder, in the form attached to the Master Development Agreement as Exhibit I thereto.

"Affordable Housing Development" shall mean the development of at least one hundred sixty-one (161) Affordable Housing Units pursuant to the terms of the Master Development Agreement.

"Affordable Housing Units" shall mean Affordable Housing Units as such term is defined in the Master Development Agreement.

"Approvals" shall mean final approvals for the Final Site Plan and Building Permits from the applicable governing authorities at the City.

"Association" shall have the meaning ascribed thereto in Section 4.2(g) hereof.

"BSA" shall have the meaning ascribed thereto in Section 4.1(m) hereof.

"Building Permits" shall have the meaning ascribed thereto in Section 4.3(a) hereof.

"Business Day" shall mean any day other than a Saturday, Sunday or other day on which banking institutions in the Commonwealth of Virginia.

"City of Richmond" shall mean the City of Richmond, Virginia.

"Closing" shall mean the consummation of the purchase and sale of the Property pursuant to the terms of this Agreement.

"Closing Date" shall have the meaning ascribed thereto in Section 2.6 hereof.

"Current Tax Liens" shall mean, collectively, as to Seller's Land, liens for taxes, assessments and governmental charges not yet due and payable or due and payable but not yet delinquent.

"Due Diligence Material" shall have the meaning ascribed thereto in Section 3.5 hereof.

"Earnest Money" shall mean, collectively, the Initial Deposit, the Additional Deposit, if applicable, and the Extension Deposit(s), if applicable.

"EDA" shall mean the Economic Development Authority of the City of Richmond, Virginia.

"Effective Date" shall mean the last date upon which Purchaser and Seller shall have executed and delivered at least one (1) fully executed counterpart of this Agreement.

"Environmental Law" shall mean any law, ordinance, rule, regulation, order, judgment, injunction or decree relating to pollution or substances or materials which are considered to be hazardous or toxic, including, without limitation, the Resource Conservation and Recovery Act, the Comprehensive Environmental Response, Compensation and Liability Act, the Hazardous Materials Transportation Act, the Clean Water Act, the Toxic Substances Control Act, the Emergency Planning and Community Right to Know Act, any state and local environmental law, all amendments and supplements to any of the foregoing and all regulations and publications promulgated or issued pursuant thereto.

"Escrow Agent" shall mean the Title Company.

"Escrow Agreement" shall have the meaning ascribed thereto in Section 2.3(a) hereof.

"Extension Deposit" shall mean the sum of Fifteen Thousand and No/100 Dollars ($15,000.00 U.S.) to be paid by Purchaser to Escrow Agent hereunder in accordance with the provisions of Section 2.6 hereof, together with all interest which accrues thereon as provided in Section 2.3(c) hereof.

"FATF" shall have the meaning ascribed thereto in Section 4.1(n) hereof.

"Final Site Plan" shall have the meaning ascribed thereto in Section 4.3(a) hereof.

"FIRPTA Affidavit" shall mean the form of FIRPTA Affidavit to be executed and delivered by Seller to Purchaser at Closing in the form attached hereto as **SCHEDULE 4.**

"Grading and Infrastructure Work" shall have the meaning ascribed thereto in Section 6.1(b) hereof.

"Hazardous Substances" shall mean any and all pollutants, contaminants, toxic or hazardous wastes or any other substances that might pose a hazard to health or safety, the removal of which may be required or the generation, manufacture, refining, production, processing, treatment, storage, handling, transportation, transfer, use, disposal, release, discharge, spillage, seepage or filtration of which is or shall be restricted, prohibited or penalized under any Environmental Law (including, without limitation, lead paint, asbestos, urea formaldehyde foam insulation, petroleum and polychlorinated biphenyls).

"Improvements" shall mean all buildings, structures and improvements now or on the Closing Date situated on or under the Land, including, without limitation, the Grading and Infrastructure Work, all facilities, improvements and fixtures located on or under the Land.

"Independent Consideration" shall have the meaning ascribed thereto in Section 2.5 hereof.

"Initial Deposit" shall mean the sum of Fifty Thousand and No/100 Dollars ($50,000.00 U.S.) to be paid by Purchaser to Escrow Agent hereunder in accordance with the provisions of Section 2.3(a) hereof, together with all interest which accrues thereon as provided in Section 2.3(c) hereof.

"Inspection Period" shall mean the period expiring at 5:00 P.M. Eastern Standard Time on the date that is ninety (90) days after the Effective Date.

"Land" shall mean that certain to-be subdivided tract or parcel of real property, which parcel is more particularly shown as "Parcel: E3 2.45 AC" on **EXHIBIT "A"** attached hereto and made a part hereof, together with all rights, privileges and easements appurtenant to said real property, and all right, title and interest of Seller, if any, in and to any land lying in the bed of any street, road, alley or right-of-way, open or closed, adjacent to or abutting the Land.

"Loading Dock Easement" shall mean that certain Deed of Loading Dock, Access and Temporary Construction Easement dated March 3, 2025 by and among Seller, the EDA, Navigators Baseball LP, a Delaware limited partnership, and Navigators Baseball Stadium Developer LLC, a Delaware limited liability company, and recorded March 3, 2025 in the Clerk's Office, Circuit Court, City of Richmond, Virginia, as Instrument Number 250003212.

"Master Declaration" shall have the meaning ascribed thereto in Section 4.2(g) hereof.

"Master Development Agreement" shall mean that certain Diamond District Redevelopment Project Purchase and Sale and Development Agreement by and among the City of Richmond, Seller, and the EDA, dated as of May 15, 2024, as amended from time to time.

"Milestone Schedule" shall have the meaning ascribed thereto in Section 4.3(d) hereof.

"Monetary Objection" or "Monetary Objections" shall mean (a) any mortgage, deed to secure debt, deed of trust or similar security instrument in the name of Seller that is encumbering all or any part of the Property, (b) any mechanic's, materialman's, broker's or similar lien (unless resulting from any act or omission of Purchaser or any of its agents, contractors, representatives, or employees) for work contracted by or on behalf of Seller (c) the lien of ad valorem real or personal property taxes, assessments and governmental charges affecting all or any portion of the Property which are delinquent, and (d) any judgment of record against the Property.

"Navigators" shall have the meaning ascribed thereto in Section 2.6 hereof.

"No-Build Easement" shall mean the final version of the No-Build Easement as approved by Seller, Purchaser and the EDA.

"OFAC" shall have the meaning ascribed thereto in Section 4.1(n) hereof.

"Outside Closing Date" shall have the meaning ascribed thereto in Section 2.6 hereof.

"Parking Easement" shall mean that certain Deed of Parking and Access Easement dated March 3, 2025 by and among Seller, the EDA, Navigators Baseball LP, a Delaware limited partnership, and Navigators Baseball Stadium Developer LLC, a Delaware limited liability company, and recorded March 3, 2025 in the Clerk's Office, Circuit Court, City of Richmond, Virginia, as Instrument Number 250003213.

"Partial Assignment of Master Development Agreement" shall have the meaning ascribed thereto in Section 5.1(c) hereof.

"Permitted Exceptions" shall mean, collectively, as to the Land, (a) current tax liens, (b) the Master Development Agreement, (c) the Affordable Housing Covenant, (d) the Parking Easement, (e) the Loading Dock Easement, (f) the Sight Line Easement, (g) Master Declaration, (h) No-Build Easement, and (i) such other easements, restrictions and encumbrances of record as of the Effective Date that do not constitute Monetary Objections and to which Purchaser has not objected pursuant to Section 3.4 hereof.

"Property" shall have the meaning ascribed thereto in Section 2.1.

"Project" shall have the meaning ascribed thereto in Section 4.2(g) hereof.

"Purchase Price" shall be the amount specified in Section 2.4 hereof.

"Seller's Affidavit" shall mean the form of owner's affidavit to be given by Seller at Closing to the Title Company in the form attached hereto as **SCHEDULE 3**.

"Sight Line Easement" shall mean that certain Deed of Sight Distance Easement dated March 3, 2025 by and among the Seller, the EDA, and Navigators Baseball LP, a Delaware limited partnership, and recorded March 3, 2025 in the Clerk's Office, Circuit Court, City of Richmond, Virginia, as Instrument Number 250003211.

"Subdivision" shall have the meaning ascribed thereto in Section 6.1(a) hereof.

"Subdivision Plat" shall mean the final subdivision plat that creates a newly subdivided parcel of the Land substantially consistent with the area of Land depicted on **EXHIBIT "A"** attached hereto, as reasonably approved by Purchaser, provided that Purchaser may not withhold its approval if the final subdivision plat establishes a newly subdivided parcel of the Land substantially similar to the area of Land depicted on **EXHIBIT "A"** attached hereto.

"Subordination Agreement" shall have the meaning ascribed thereto in Section 4.3(f) hereof.

"Survey" shall have the meaning ascribed thereto in Section 3.3 hereof.

"Tax Credit Application" shall have the meaning ascribed thereto in Section 4.3(b) hereof.

"Taxes" shall have the meaning ascribed thereto in Section 5.4(a) hereof.

"Termination Notice" shall have the meaning ascribed thereto in Section 3.4 hereof.

"Title Company" shall mean Safe Harbor Title Company, Attention: Melissa McPherson, 4900 Augusta Avenue, Suite 150, Richmond, Virginia 23230, Email: mmcpherson@safeharbortc.com.

"Title Commitment" shall have the meaning ascribed thereto in Section 3.3 hereof.

"Title Notice" shall have the meaning ascribed thereto in Section 3.3 hereof.

"Title Objection Period" shall have the meaning ascribed thereto in Section 3.3 hereof.

"USA Patriot Act" shall have the meaning ascribed thereto in Section 4.1(m) hereof.

"Virginia 9% Tax Credits" shall have the meaning ascribed thereto in Section 2.3(b) hereof.

"VHDA" shall have the meaning ascribed thereto in Section 2.3(b) hereof

"Warranty Deed" shall mean the form of deed attached hereto as **Schedule 1**.

ARTICLE 2.
PURCHASE AND SALE

2.1 Agreement to Sell and Purchase. Subject to and in accordance with the terms and provisions of this Agreement, Seller agrees to sell and Purchaser agrees to purchase, the following property (collectively, the "Property"):

(a) the Land;

(b) all leases, licenses or other occupancy agreements between Seller and any tenant or occupant that are in effect with respect to any portion of the Land as of the Closing (including, without limitation, all amendments to or modifications of the foregoing and all new leases entered after the Effective Date, if any;

(c) all tangible personal property owned by Seller that is located on the Land and the Improvements and used in the ownership, operation and maintenance of the Land and the Improvements, including all books, records and files of Seller relating to the Land and the Improvements, but specifically excluding any protected information and any computer software that is licensed to Seller, if any;

(d) any contracts, equipment leases, and other agreements relating to the Land and the Improvements, and all use, occupancy, building and operating permits, licenses, or approvals, if any, in effect with respect to the Land and the Improvements, as of the Effective Date, and any plans and specifications for the Land and Improvements, including without limitation construction drawings, blueprints, design schematics and shop drawings; and

(e) the Improvements.

2.2 Permitted Exceptions. The Property shall be conveyed subject to the matters which are, or are deemed to be, Permitted Exceptions.

2.3 Earnest Money.

(a) Within three (3) Business Days after Purchaser's and Seller's execution and delivery of this Agreement, Purchaser shall deliver the Initial Deposit by federal wire transfer, payable to Escrow Agent, which Initial Deposit shall be held and released by Escrow Agent in accordance with the terms of this Agreement or a separate escrow agreement entered into by Seller, Purchaser and the Escrow Agent (the "Escrow Agreement"). In the event that Purchaser has not terminated this Agreement upon the expiration of the Inspection Period, the Initial Deposit shall be non-refundable to Purchaser except in the event of a Seller default hereunder.

(b) Within thirty (30) days after Purchaser receives a reservation of competitive 9% low-income housing tax credits for the 2025 tax credit cycle ("Virginia 9% Tax Credits") from the Virginia Housing Development Authority ("VHDA"), Purchaser shall deliver the Additional Deposit by federal wire transfer, payable to Escrow Agent, which Additional Deposit shall be held and released by Escrow Agent in accordance with the terms of this Agreement or the Escrow Agreement. Upon its payment, the Additional Deposit shall be non-refundable to Purchaser except in the event of a Seller default hereunder.

(c) The Earnest Money shall be applied to the Purchase Price at the Closing and shall otherwise be held, refunded, or disbursed in accordance with the terms of the Escrow Agreement and this Agreement. All interest and other income from time to time earned on the Earnest Money shall be earned for the account of Purchaser, and shall be a part of the Earnest Money; and the Earnest Money hereunder shall be comprised of the Earnest Money and all such interest and other income.

2.4 Purchase Price. Subject to adjustment and credits as otherwise specified in this Section 2.4 and elsewhere in this Agreement, the purchase price (the "Purchase Price") to be paid by Purchaser to Seller for the Property shall be the total amount equal to Ten Thousand and No/100 Dollars ($10,000.00 U.S.) per multi-family residential unit as shown on the Final Site Plan; provided however, in no event shall the Purchase Price be less than One Million Six Hundred Ten Thousand and No/100 Dollars ($1,610,000.00 U.S.). The Purchase Price shall be paid by Purchaser to Seller at the Closing as follows:

(a) The Earnest Money shall be paid by Escrow Agent to Seller at Closing; and

(b) An amount equal to the Purchase Price shall be paid by Purchaser to Escrow Agent for payment by Escrow Agent to Seller at the Closing by wire transfer of immediately available federal funds to one or more accounts designated by Seller, less the amount of the Earnest Money paid by Escrow Agent to Seller at Closing, and subject to prorations, adjustments and credits as otherwise specified in this Agreement.

2.5 Independent Contract Consideration. In the event of termination of this Agreement pursuant to Section 3.6 below, Escrow Agent shall pay to Seller the amount of One Hundred and No/100 Dollars ($100.00) (the "Independent Consideration") for the Earnest Money. Seller and Purchaser hereby mutually acknowledge and agree that said sum represents adequate bargained for consideration for Seller's execution and delivery of this Agreement and Purchaser's right to inspect the Property pursuant to Article III. Said sum is in addition to and independent of any other consideration or payment provided for in this Agreement and is nonrefundable in all events.

2.6 Closing. The consummation of the sale by Seller and purchase by Purchaser of the Property (the "Closing") shall be held the first Business Day after all conditions to closing set forth in Article 6 hereof have been satisfied or waived by the applicable benefitted party thereunder, but no later than June 30, 2026 (the "Closing Date"); provided however, Purchaser may extend the Closing Date for additional periods of thirty (30) days each, by providing written notice to Seller at least ten (10) days prior to the then current Closing Date and delivering an Extension Deposit for each extension by federal wire transfer, payable to Escrow Agent within two (2) Business Days after delivering each extension notice,

which Extension Deposit shall be non-refundable upon payment except in the event of a Seller default hereunder and shall be held and released by Escrow Agent in accordance with the terms of this Agreement or the Escrow Agreement. Notwithstanding the foregoing, in the event that Closing has not occurred by December 31, 2026 (the "Outside Closing Date"), Seller may terminate this Agreement by providing written notice to Purchaser at any time after the Outside Closing Date, in which case the Escrow Agent shall pay the Earnest Money to Seller, whereupon except for those provisions of this Agreement which by their express terms survive the termination of this Agreement, no party hereto shall have any other or further rights or obligations under this Agreement. Seller and Purchaser agree to close the transaction through an escrow with the Escrow Agent, whereby the documents to be executed by each party are delivered to Escrow Agent, thereby obviating the need for the representatives of Seller and Purchaser to attend the Closing.

ARTICLE 3.
PURCHASER'S INSPECTIONS AND REVIEW

3.1 Due Diligence Inspection.

(a) Subject to Section 3.1(b) below, from and after the Effective Date until the Closing Date or earlier termination of this Agreement, Seller shall permit Purchaser and its authorized representatives to inspect the Property to perform due diligence, soil analysis and environmental investigations. All such inspections shall be performed in such a manner to minimize any interference with the business at the Property to extent reasonably practicable. All inspection fees, appraisal fees, engineering fees and all other costs and expenses of any kind incurred by Purchaser relating to the inspection of the Property shall be solely Purchaser's expense. Seller reserves the right to have a representative present at the time of making any such inspection, provided that such representative minimizes any interference with such inspection. Purchaser shall notify Seller not less than two (2) Business Days in advance of making any such inspection.

(b) If Purchaser's basic due diligence demonstrates to Purchaser the need for invasive testing of the Property (such as, for example core-drilling in a wall or a so-called "Phase II" environmental examination), then Purchaser shall give notice to Seller requesting Seller's approval to conduct such invasive testing and describing in reasonable detail the invasive testing that Purchaser desires to conduct. Seller shall promptly consider such request and shall not unreasonably withhold, condition, or delay Seller's approval of Purchaser's request. If Seller shall have given Seller's approval of such invasive testing then, subject to Purchaser's duties and indemnities under this Section 3.1 hereof, Purchaser may conduct such invasive test or tests, provided that:

(i) Purchaser shall provide Seller not less than two (2) days' prior written notice of the date and time when Purchaser desires to perform such testing;

(ii) Purchaser shall provide such additional information concerning such testing as Seller may reasonably require; and

(iii) at Seller's written request thereafter, Purchaser shall deliver to Seller copies of any non-privileged written materials provided to Purchaser from such test or tests.

(c) To the extent that Purchaser or any of its representatives, agents or contractors damages or disturbs the Property or any portion thereof, Purchaser shall return the same to substantially the same condition which existed immediately prior to such damage or disturbance, unless such damage or disturbance was due to the act or omission of Seller or any of its representatives, agents or contractors. Purchaser hereby agrees to and shall indemnify, defend and hold harmless Seller from and against any and all expense, loss or damage which Seller may incur (including, without limitation, reasonable

attorney's fees actually incurred) as a result of any act or omission of Purchaser or its representatives, agents or contractors, other than any expense, loss or damage to the extent arising from any act or omission of Seller during any such inspection and other than any expense, loss or damage resulting from the discovery or release of any Hazardous Substances at the Property (other than Hazardous Substances brought on to or released upon the Property by Purchaser or its representatives, agents or contractors). Said indemnification agreement shall survive the Closing and any earlier termination of this Agreement. Purchaser shall maintain commercial general liability insurance in an amount not less than Three Million and No/100 Dollars ($3,000,000.00 U.S.), combined single limit, and in form and substance adequate to insure against all liability of Purchaser and its agents, employees and contractors, arising out of inspections and testing of the Property or any part thereof made on Purchaser's behalf and shall provide Seller with evidence thereof prior to entering or inspecting the Property. Notwithstanding anything to the contrary contained herein Purchaser shall not be liable for the discovery or any existing condition on the Property provided the actions of Purchaser or its agents, contractors, or other representatives do not exacerbate or aggravate such conditions.

3.2 Condition of the Property. PURCHASER HEREBY EXPRESSLY ACKNOWLEDGES, REPRESENTS AND WARRANTS THAT IT HAS INSPECTED AND EXAMINED OR WILL INSPECT AND EXAMINE THE PROPERTY TO THE EXTENT DEEMED NECESSARY BY PURCHASER IN ORDER TO ENABLE PURCHASER TO EVALUATE THE PURCHASE OF THE PROPERTY. PURCHASER REPRESENTS THAT IT IS A KNOWLEDGEABLE PURCHASER OF REAL ESTATE GENERALLY AND THAT, EXCEPT AS SET FORTH IN THIS AGREEMENT OR IN DOCUMENTS DELIVERED AT CLOSING, IT IS RELYING SOLELY ON THE REPRESENTATIONS AND WARRANTIES IN THIS AGREEMENT, ITS OWN EXPERTISE AND THAT OF PURCHASER'S CONSULTANTS, AND THAT PURCHASER HAS CONDUCTED OR WILL CONDUCT SUCH INSPECTIONS AND INVESTIGATIONS OF THE PROPERTY, INCLUDING, BUT NOT LIMITED TO, THE PHYSICAL AND ENVIRONMENTAL CONDITIONS THEREOF. PURCHASER FURTHER ACKNOWLEDGES AND AGREES THAT PURCHASER IS ACQUIRING THE PROPERTY ON AN "AS IS, WHERE IS, WITH ALL FAULTS" BASIS WITHOUT REPRESENTATIONS OR WARRANTIES OTHER THAN THOSE SET FORTH HEREIN OR IN DOCUMENTS DELIVERED BY SELLER AT CLOSING. EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT OR IN DOCUMENTS DELIVERED BY SELLER AT CLOSING NO REPRESENTATIONS OR WARRANTIES HAVE BEEN MADE OR ARE MADE AND NO RESPONSIBILITY HAS BEEN OR IS ASSUMED BY SELLER OR BY ANY PARTNER, OFFICER, PERSON, FIRM, AGENT OR REPRESENTATIVE ACTING OR PURPORTING TO ACT ON BEHALF OF SELLER AS TO THE CONDITION OR REPAIR OF THE PROPERTY OR THE VALUE, EXPENSE OF OPERATION OR INCOME POTENTIAL THEREOF OR AS TO ANY OTHER FACT OR CONDITION WHICH HAS OR MIGHT AFFECT THE PROPERTY OR THE CONDITION, REPAIR, VALUE, EXPENSE OF OPERATION OR INCOME POTENTIAL OF THE PROPERTY OR ANY PORTION THEREOF. THE PROVISIONS OF THIS SECTION 3.2 SHALL SURVIVE THE CLOSING HEREUNDER OR ANY TERMINATION OR RESCISSION OF THIS AGREEMENT.

3.3 Title and Survey. Purchaser shall order from the Title Company a current ALTA title insurance commitment with respect to the Property (the "Title Commitment"). Purchaser may arrange, at Purchaser's expense, for the preparation of an ALTA survey of the Property (the "Survey"). Purchaser shall have until the date that is sixty (60) days after the Effective Date (the "Title Objection Period") to give written notice (the "Title Notice") to Seller of such objections as Purchaser may have to any exceptions to title disclosed in the Title Commitment or in the Survey or otherwise in Purchaser's examination of title, other than the Current Tax Liens, Master Development Agreement, Affordable Housing Covenant, the Parking Easement, the Loading Dock Easement, and the Sight Line Easement, all of which Purchaser hereby acknowledges and agrees shall burden the Property at Closing and Purchaser agrees to take title to the Property subject to the same. From time to time at any time after the Title Notice and prior to the

Closing Date, Purchaser may give written notice of exceptions to title first appearing of record after the effective date of any Title Commitment or matters of survey showing up subsequent to the effective date of the Survey (and to the extent such exceptions are not permitted by the terms of this Agreement and are caused by Seller without the approval of Purchaser hereunder, Seller shall be obligated to remove, satisfy or otherwise cure such exceptions of title. Any matter shown on the Title Commitment and/or Survey with respect to which Purchaser fails to object on or before the expiration of the Title Objection Period (other than any Monetary Objections) shall be deemed a Permitted Exception. Purchaser shall be deemed to have approved and to have agreed to purchase the Property subject to the Permitted Exceptions. Seller shall have the right, but not the obligation (except as to Monetary Objections), to attempt to remove, satisfy or otherwise cure any exceptions to title to which Purchaser so objects. Within five (5) Business Days after receipt of Purchaser's Title Notice, Seller shall give written notice to Purchaser informing Purchaser of Seller's election with respect to such objections. If Seller fails to give written notice of election within such five (5) Business Day period, Seller shall be deemed to have declined to attempt to cure the objections (other than Monetary Objections). If Seller elects to attempt to cure any objections, Seller shall be entitled to a reasonable adjournment of the Closing of up to but not beyond the thirtieth (30th) day following the initial date set for the Closing to cure such defects, provided, except for Monetary Objections, Seller shall not be obligated to expend any sums, commence any suits or take any other action to effect such cure. Except as to Monetary Objections, if Seller declines, or is deemed to have declined, to cure any exceptions to title to which Purchaser has objected or if, after electing to attempt to cure, Seller determines that it is unable to remove, satisfy or otherwise cure any such exceptions, Purchaser's sole remedy hereunder in such event shall be either (i) to accept title to the Property subject to such exceptions as if Purchaser had not objected thereto and without reduction of the Purchase Price, or (ii) to terminate this Agreement within five (5) Business Days after receipt of written notice from Seller declining to cure any objection or of Seller's determination, having previously elected to attempt to cure, that Seller is unable to do so (and upon any such termination under clause (ii) above, Escrow Agent shall return the Earnest Money to Purchaser). Notwithstanding anything to the contrary contained elsewhere in this Agreement, Seller shall be obligated to cure or satisfy all Monetary Objections at or prior to Closing, and may use the proceeds of the Purchase Price at Closing for such purpose.

3.4 Termination of Agreement. Purchaser shall have until the expiration of the Inspection Period to determine, in Purchaser's sole opinion and discretion, the suitability of the Property for acquisition by Purchaser. If, at any time on or prior to the expiration of the Inspection Period, Purchaser, in its sole and absolute discretion, determines that the results of any inspection, test or examination do not meet Purchaser's criteria for the purchase, financing or operation of the Property in the manner contemplated by Purchaser or Purchaser otherwise elects not to acquire the Property for any reason or no reason in the exercise of its sole discretion, Purchaser may send written notice to Seller terminating this Agreement (a "Termination Notice") on or prior to 5:00 P.M. Eastern Standard Time on the expiration of the Inspection Period, in which event this Agreement shall terminate and the Escrow Agent shall pay the Earnest Money less the Independent Consideration (which shall be paid to Seller) to Purchaser, whereupon except for those provisions of this Agreement which by their express terms survive the termination of this Agreement, no party hereto shall have any other or further rights or obligations under this Agreement. In the event that Purchaser fails for any or no reason to send a Termination Notice on or prior to 5:00 P.M. Eastern Standard Time on the expiration of the Inspection Period, the Initial Deposit shall become non-refundable and Purchaser and Seller shall proceed to Closing on and subject to the terms and conditions contained herein.

3.5 Confidentiality. All information acquired by Purchaser or any of its designated representatives (including by way of example, but not in limitation, the officers, directors, shareholders and employees of Purchaser, and Purchaser's engineers, consultants, counsel and potential lenders, and the officers, directors, shareholders and employees of each of them) with respect to the Property, whether delivered by Seller or any of Seller's representatives or obtained by Purchaser as a result of its inspection and investigation of the Property, examination of Seller's books, records and files in respect of the Property,

or otherwise (collectively, the "Due Diligence Material") shall be used solely for the purpose of determining whether the Property is suitable for Purchaser's acquisition and ownership thereof and for no other purpose whatsoever. The terms and conditions which are contained in this Agreement and all Due Diligence Material which is not published as public knowledge or which is not generally available in the public domain or which is not otherwise independently known by Purchaser, shall be kept in confidence by Purchaser and shall not be disclosed to any individual or entity other than to those authorized representatives of Purchaser and their agents for the purpose of assisting Purchaser in evaluating the Property for Purchaser's potential acquisition thereof; provided however, that Purchaser shall have the right to disclose any such information and this Agreement to its lenders, investors, housing authorities, and advisors in connection with the acquisition, financing, ownership, operation and sale of the Property or if required by applicable law or as may be necessary in connection with any court action or proceeding with respect to this Agreement. Purchaser covenants and agrees to provide copies of all Due Diligence Materials to Seller within five (5) Business Days after the termination of this Agreement not due to a Seller default under this Agreement, without representation or warranty of any sort. The provisions of this Section shall survive the Closing and any earlier termination of this Agreement.

ARTICLE 4.
REPRESENTATIONS, WARRANTIES AND OTHER AGREEMENTS

4.1 Representations and Warranties of Seller. Seller hereby makes the following representations and warranties to Purchaser with respect to itself and to the Property which shall be deemed ratified and confirmed by Seller at Closing.

(a) Organization, Authorization and Consents. Seller is a duly organized and validly existing limited liability company under the laws of the Commonwealth of Virginia. Seller has the right, power and authority to enter into this Agreement and to convey the Property in accordance with the terms and conditions of this Agreement, to engage in the transactions contemplated in this Agreement and to perform and observe the terms and provisions hereof.

(b) Action of Seller, Etc. Seller has taken all necessary action to authorize the execution, delivery and performance of this Agreement, and upon the execution and delivery of any document to be delivered by Seller on or prior to the Closing, this Agreement and such document shall constitute the valid and binding obligation and agreement of Seller, enforceable against Seller in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws of general application affecting the rights and remedies of creditors.

(c) No Violations of Agreements. Neither the execution, delivery or performance of this Agreement by Seller, nor compliance with the terms and provisions hereof, will result in any breach of the terms, conditions or provisions of, or conflict with or constitute a default under, or result in the creation of any lien, charge or encumbrance upon the Property or any portion thereof pursuant to the terms of any indenture, deed to secure debt, mortgage, deed of trust, note, evidence of indebtedness or any other agreement or instrument by which Seller is bound.

(d) Litigation. Except for the current litigation with Republic Projects, LLC, copies of which complaints Seller has provided to Purchaser, no investigation, action or proceeding is pending and to Seller's knowledge no investigation, action or proceeding is threatened, with respect to the Property or this Agreement or any action taken or to be taken pursuant hereto.

(e) Taxes and Assessments. Seller has not filed, and has not retained anyone to file, notices of protests against, or to commence action to review, real property tax assessments against the Property.

(f) Environmental Matters. Except as disclosed in writing by Seller, Seller has received no written notice regarding the presence of any Hazardous Substances at or about its Land and/or Improvements and has received no written notification from any governmental or quasi-governmental authority of any possible violations of any Environmental Law with respect to its Land and/or Improvements.

(g) Compliance with Laws. Seller has not received written notice of any violations of law, municipal or county ordinances, or other legal requirements with respect to the Property or any portion thereof.

(h) Other Agreements. Except for the Permitted Exceptions, there are no service contracts, leases, management agreements, brokerage agreements, leasing agreements or other agreements or instruments in force or effect that grant to any person or any entity any right, title, interest or benefit in and to all or any part of the Property or any rights relating to the use, operation, management, maintenance or repair of all or any part of the Property which will survive the Closing or be binding upon Purchaser. As of the Effective Date, Seller has not received any notice of default by Seller under the terms of the Master Development Agreement, the Affordable Housing Covenant, the Parking Easement, the Loading Dock Easement, or the Sight Line Easement.

(i) Third-Party Rights. Seller has not entered into any agreements currently in effect pursuant to which Seller has granted any rights of first refusal to purchase all or any part of the Property, options to purchase all or any part of the Property or other rights whereby any individual or entity has the right to purchase all or any part of the Property, except for the repurchase rights set forth in the Master Development Agreement. Seller has not received any written notice of default under the Master Development Agreement from the EDA alleging a Seller default which would trigger the EDA's repurchase right thereunder.

(j) Seller Not a Foreign Person. Seller is not a "foreign person" which would subject Purchaser to the withholding tax provisions of Section 1445 of the Internal Revenue Code of 1986, as amended.

(k) Condemnation. Seller has received no written notice of the commencement of any proceedings for taking by condemnation or eminent domain or similar proceeding of any part of the Property and to Seller's knowledge no such proceedings are contemplated.

(l) Employees. Seller has no employees to whom by virtue of such employment Purchaser will have any obligation after the Closing.

(m) Prohibited Transactions. Seller is not a person or entity described by Section 1 of the Executive Order (No. 13,224) Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism, 66 Fed. Reg. 49,079 (September 24, 2001), and Seller does not knowingly engage in any dealings or transactions, and is not otherwise associated, with any such persons or entities.

(n) USA Patriot Act. To Seller's knowledge, Seller is in compliance and shall comply with any applicable anti-money laundering and terrorist financing laws, including the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (the "USA Patriot Act") and the U.S. Bank Secrecy Act (the "BSA") and applicable regulations adopted to implement the provisions of such laws, including policies and procedures that can be reasonably expected to detect and cause the reporting of transactions under Section 5318 of the BSA.

(o) OFAC. Seller is not a person or entity that and shall not be a person or entity that: (i) is acting, directly or indirectly, on behalf of terrorists or terrorist organizations, including those persons or entities that are included on any of the applicable lists issued by the U.S. Office of Foreign Assets Control ("OFAC"); (ii) resides or has a place of business in a country or territory named on any of such lists or which is designated as a Non-Cooperative Jurisdiction by the Financial Action Task Force on Money Laundering ("FATF") (iii) is a "Foreign Shell Bank" within the meaning of the USA Patriot Act; or (iv) resides in or are organized under the laws of a jurisdiction designated by the U.S. Secretary of the Treasury under Sections 311 or 312 of the USA Patriot Act as warranting special measures due to money laundering concerns.

The representations and warranties made in this Agreement by Seller shall be continuing and shall be deemed remade by Seller as of the Closing Date, with the same force and effect as if made on, and as of, such date. All representations and warranties made in this Agreement by Seller shall survive the Closing for a period of nine (9) months after Closing.

References herein to "Seller's knowledge" shall refer only to the actual knowledge of Jason Guillot, and shall not be construed to refer to the knowledge of any other officer, director, member, agent or employee of Purchaser or to impose upon Jason Guillot any duty to investigate the matter to which such actual knowledge, or the absence thereof, pertains.

Except as otherwise expressly provided in this Agreement or in any documents to be executed and delivered by Seller to Purchaser at the Closing, Seller has not made, and Purchaser has not relied on, any information, promise, representation or warranty, express or implied, regarding the Property.

4.2 Covenants and Agreements of Seller.

(a) Leasing Arrangements. During the pendency of this Agreement, Seller will not enter into any lease affecting the Property without Purchaser's prior written consent in each instance.

(b) New Operating Agreements. During the pendency of this Agreement, Seller will not enter into any contract, or modify, amend, renew or extend any existing contract, that will be an obligation affecting the Property or any part thereof subsequent to the Closing without Purchaser's prior written consent in each instance.

(c) Operation of Property. During the pendency of this Agreement, Seller shall continue to operate the Property in a manner consistent with Seller's past practices.

(d) Insurance. During the pendency of this Agreement, Seller shall, at its expense, continue to maintain general liability insurance and other insurance currently in force and effect.

(e) Exclusivity. Seller agrees not to solicit, discuss or accept offers to purchase the Property from other prospective purchasers unless this Agreement is terminated by either party in accordance with the terms hereof.

(f) Title Documents. From and after the Effective Date until the Closing or earlier termination of this Agreement, Seller shall not take any actions that would (i) create any additional, or modify, amend or terminate any existing, covenants, conditions, restrictions, easements, liens, rights, rights of way or other encumbrances affecting title to the Property, or (ii) modify the current zoning, land use entitlements or permits affecting the Property, without in each case obtaining Purchaser's prior written consent thereto, which consent shall not be unreasonably withheld, delayed or conditioned, except that Seller shall be permitted to record the Affordable Housing Covenant, the No-Build Easement,

and the Master Declaration (subject to the terms of Section 4.2(g) below), all of which shall be binding on current and future owners of the Property and shall run with the land of the Property. The parties acknowledge that prior to the Effective Date, Seller recorded the Parking Easement, the Loading Dock Easement, and the Sight Line Easement, all of which shall be binding on current and future owners of the Property and shall run with the land of the Property.

(g) Master Declaration. Seller shall be permitted to record a Master Declaration (the "Master Declaration") that will govern the Project (as defined in the Master Development Agreement) (the "Project"), including the Property before Closing. Under the Master Declaration, Seller shall organize and establish an owner's association ("Association") that shall be responsible for maintaining common areas of the Project, and each parcel owner within the Project shall maintain voting rights within the Association. Purchaser and the Property shall be subject to the Master Declaration upon its recordation in the applicable land records. Seller shall use commercially reasonable efforts to submit a draft of the Master Declaration within sixty (60) days after the Effective Date so that Purchaser can review the terms prior to the expiration of the Inspection Period. Provided that Seller has provided a draft of the Master Declaration to Purchaser prior to the expiration of the Inspection Period, Seller may record a final Master Declaration without Purchaser's prior consent except to the extent that the final Master Declaration is in a form materially different than that provided to Purchaser during the Inspection Period and such change could have a material detrimental monetary impact on the Property. Each parcel within the Project shall contribute based on a pre-determined formula taking into account site area, traffic generation, and other factors and the parties shall use good faith efforts to minimize each property owner's required contribution thereunder. The terms of this Section shall survive Closing.

(h) Grading and Infrastructure Work. During the pendency of this Agreement and prior to Closing, Seller shall use good faith commercially reasonable efforts to complete the Grading and Infrastructure Work pursuant to the terms hereof and the Master Development Agreement.

(i) No-Build Easement. During the Inspection Period, Seller and Purchaser shall cooperate and negotiate the form of an easement that prohibits the construction of improvements within that certain portion of Seller's real property (which shall be conveyed back to the EDA pursuant to the Master Development Agreement) shown on the plat attached hereto as **EXHIBIT "D"** as the "No-Build Area" (the "No-Build Easement"). After Seller and Purchaser have approved the form of the No-Build Easement, Seller shall use commercially reasonable efforts to obtain the EDA's approval of the No-Build Easement during the Inspection Period, and upon such approval by the EDA, Seller shall record the No-Build Easement at or prior to Closing.

4.3 Covenants and Agreements of Purchaser.

(a) Entitlements; Approvals. Seller and Purchaser acknowledge that the Property is currently zoned TOD-1 which expressly permits multi-family housing. Purchaser shall be responsible, at its sole cost and expense, for designing and submitting the site plan and/or plan of development and building permits for the Affordable Housing Development to the governing authorities at the City for approval, pursuant to the terms of this Section. Promptly after the expiration of the Inspection Period, Purchaser shall submit applications with the applicable governing authorities at the City for, and pursue to completion in good faith and with due diligence, (i) the approval of a final site plan or plan or development, as applicable, for the development of the Property for at least one hundred sixty-one (161) Affordable Housing Units as required pursuant to the Master Development Agreement ("Final Site Plan"), and (ii) all applicable building permits required for the construction of the Affordable Housing Development pursuant to such Final Site Plan (collectively, "Building Permits"). Seller shall cooperate reasonably in Purchaser's efforts to obtain the Approvals and shall execute all reasonably requested documents required in conjunction with such Approvals; provided, however, that Purchaser shall pay all

costs related to seeking and obtaining such Approvals. Purchaser shall provide Seller with regularly scheduled status updates regarding the Approvals of the Final Site Plan and Building Permits at least once per month during the pendency of this Agreement. In the event that Purchaser is unable to obtain the Approvals and intends to terminate this Agreement, Purchaser shall provide written notice to Seller of such election, and Seller may, but shall not be obligated hereunder to, pursue such Approvals on Purchaser's behalf for a period of ninety (90) days after receipt of Purchaser's notice. In the event that (i) Purchaser is unable to obtain the Approvals and Seller does not elect to pursue such Approvals on Purchaser's behalf pursuant hereto, or (ii) Seller is unable to obtain the Approvals on Purchaser's behalf during said ninety (90) day period pursuant hereto, Purchaser may elect to terminate this Agreement by providing written notice to Seller on or before the Closing Date, in which case the Escrow Agent shall pay the Earnest Money to Seller, whereupon except for those provisions of this Agreement which by their express terms survive the termination of this Agreement, no party hereto shall have any other or further rights or obligations under this Agreement.

(b) Virginia 9% Tax Credits. After the Effective Date, Purchaser shall promptly submit to VHDA, prior to the applicable deadline for the 2025 tax credit cycle, an application for reservation of the Virginia 9% Tax Credits (the "Tax Credit Application"). Purchaser shall use commercially reasonable efforts to apply for and diligently pursue a reservation of the Virginia 9% Tax Credits. In the event that (i) Purchaser does not timely submit the Tax Credit Application, or (ii) Purchaser is unable to obtain a reservation for the Virginia 9% Tax Credits in 2025, Purchaser may elect to terminate this Agreement by providing written notice to Seller on or before July 31, 2025 or the later date that VHDA announces the recipients of the Virginia 9% Tax Credits for the 2025 tax credit cycle, in which case the Escrow Agent shall pay the Earnest Money to Seller (unless such termination occurs within the Inspection Period, in which case Escrow Agent shall pay the Earnest Money to Purchaser), whereupon except for those provisions of this Agreement which by their express terms survive the termination of this Agreement, no party hereto shall have any other or further rights or obligations under this Agreement.

(c) Master Development Agreement. Purchaser acknowledges and agrees that (i) it has been provided a copy of the Master Development Agreement, and (ii) Purchaser shall be subject to the terms of the Master Development Agreement that relate to the Affordable Housing Development after Closing. During the pendency of this Agreement and continuing after Closing, Purchaser shall comply with all terms and conditions under the Master Development Agreement to the extent they relate to the Affordable Housing Development, including, without limitation, adhering to the Project Schedule and satisfying the Minimum Development Milestones on or before the applicable Minimum Development Milestone Deadline (as such terms are defined in the Master Development Agreement). During the pendency of this Agreement and continuing after Closing, Purchaser shall comply with the community benefits sections of the Master Development Agreement to the extent that they pertain to the Property that is subject to the Master Development Agreement, including, without limitation, satisfaction of the requirements in Sections 3.11.g.ii (MBE/ESB), 4.18 (Sustainability), 4.19 (Jobs for Richmonders), 4.20 (Union Labor), 4.22 (Private Development Design Standards, 10.3 (MBE/ESB), 10.4 (MBE/ESB Compliance), 10.5 (Jobs and Training), and 10.10.d (Public Art) of the Master Development Agreement as well for the Minority Business Enterprise (MBE) and Emerging Small Business (ESB) and Workforce programs that apply to the greater project. Purchaser shall adhere to the terms of the Master Development Agreement with respect to entering into a separate contract with a master MBE and workforce consultant as approved by the EDA and starting at least six months prior to breaking ground on the Affordable Housing Units. Purchaser's obligations under this subsection shall survive Closing.

(d) Affordable Housing Development; Milestones Through Closing. Promptly after the Effective Date, Purchaser shall commence design work for the Affordable Housing Development and during the pendency of this Agreement, shall satisfy the development milestone schedule set forth on

EXHIBIT "B" attached hereto (the "Milestone Schedule"). Purchaser shall provide Seller with monthly status updates regarding its progress related to the Milestone Schedule during the pendency of this Agreement. In the event that Purchaser fails to satisfy one or more target dates set forth on the Milestone Schedule, within thirty (30) days after receipt of notice by Seller to Purchaser of such failure, Seller and Purchaser shall work together and mutually agree upon a remedial plan to be implemented by Purchaser which may update certain milestone dates on the Milestone Schedule provided that Closing is not delayed.

(e) Affordable Housing Development After Closing. After Closing, Purchaser shall (i) assume and be responsible for Seller's obligations as Developer under the Master Development Agreement as they relate to the Affordable Housing Development pursuant to the Partial Assignment of Master Development Agreement to be signed at Closing, (ii) satisfy the Minimum Development Milestones (as defined in the Master Development Agreement) as they relate to the Affordable Housing Development on or before the applicable Minimum Development Milestone Deadline (as defined in the Master Development Agreement), and (iii) commence, diligently and continuously pursue the construction of the Affordable Housing Units through completion per the terms of the Master Development Agreement. In the event that Purchaser breaches such obligations and/or causes a default by Seller under the Master Development Agreement, (A) Purchaser hereby agrees to and shall indemnify, defend and hold harmless Seller from and against any and all expense, loss or damage which Seller may incur (including, without limitation, reasonable attorney's fees actually incurred) as a result of any such act or omission of Purchaser or its representatives, agents or contractors; and (B) Seller may, at Seller's election, repurchase the Property from Purchaser and require Purchaser to reconvey the Property to Seller or Seller's designee within thirty (30) days after sending written notice to Purchaser, for the Purchase Price hereunder less any third party costs incurred by Seller in connection with such repurchase. Purchaser's obligations under this subsection shall survive Closing and shall be incorporated into the Warranty Deed.

(f) Repurchase Right. The parties acknowledge that Section 11.3(f) of the Master Development Agreement allows the EDA to repurchase the Property in the event of a default by Seller as Developer thereunder. In the event that Purchaser causes a default by Seller under the Master Development Agreement which may allow the EDA to exercise such repurchase right, Seller may elect to (i) if Closing has not yet occurred, terminate this Agreement one hundred twenty (120) days prior to the date on which the EDA could exercise its repurchase right under Section 11.3(f) of the Master Development Agreement by providing written notice of such election to Purchaser, in which case the Escrow Agent shall pay the Earnest Money to Seller, whereupon except for those provisions of this Agreement which by their express terms survive the termination of this Agreement, no party hereto shall have any other or further rights or obligations under this Agreement, or (ii) after Closing, repurchase the Property from Purchaser and require Purchaser to reconvey the Property to Seller or Seller's designee within thirty (30) days after sending written notice to Purchaser, for the Purchase Price hereunder less any third party costs incurred by Seller in connection with such repurchase. Seller shall use commercially reasonable efforts to obtain from the EDA an estoppel certificate and subordination of the EDA's repurchase right under the Master Development Agreement to Purchaser's construction lender in a form reasonably acceptable to Purchaser and the EDA (the "Subordination Agreement") on or before Closing; provided however, receipt of the Subordination Agreement shall not be a closing condition under this Agreement and failure to obtain the Subordination Agreement shall not be default by Seller under this Agreement.

4.4 Representations and Warranties of Purchaser.

(a) Organization, Authorization and Consents. Purchaser is a duly organized and validly existing limited liability company under the laws of the Commonwealth of Virginia. Purchaser has the

right, power and authority to enter into this Agreement and to purchase the Property in accordance with the terms and conditions of this Agreement, to engage in the transactions contemplated in this Agreement and to perform and observe the terms and provisions hereof.

(b) Action of Purchaser, Etc. Purchaser has taken all necessary action to authorize the execution, delivery and performance of this Agreement, and upon the execution and delivery of any document to be delivered by Purchaser on or prior to the Closing, this Agreement and such document shall constitute the valid and binding obligation and agreement of Purchaser, enforceable against Purchaser in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws of general application affecting the rights and remedies of creditors.

(c) No Violations of Agreements. Neither the execution, delivery or performance of this Agreement by Purchaser, nor compliance with the terms and provisions hereof, will result in any breach of the terms, conditions or provisions of, or conflict with or constitute a default under the terms of any indenture, deed to secure debt, mortgage, deed of trust, note, evidence of indebtedness or any other agreement or instrument by which Purchaser is bound.

(d) Prohibited Transactions. Purchaser is not a person or entity described by Section 1 of the Executive Order (No. 13,224) Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism, 66 Fed. Reg. 49,079 (September 24, 2001), and Purchaser does not engage in any dealings or transactions, and is not otherwise associated, with any such persons or entities.

(e) Patriot Act. To Purchaser's knowledge, Purchaser is in compliance and shall comply with any applicable anti-money laundering and terrorist financing laws, including the USA Patriot Act and the BSA and applicable regulations adopted to implement the provisions of such laws, including policies and procedures that can be reasonably expected to detect and cause the reporting of transactions under Section 5318 of the BSA.

(f) OFAC. Purchaser is not a person or entity that and shall not be a person or entity that: (i) is acting, directly or indirectly, on behalf of terrorists or terrorist organizations, including those persons or entities that are included on any of the applicable lists issued by the OFAC; (ii) resides or has a place of business in a country or territory named on any of such lists or which is designated as a Non-Cooperative Jurisdiction by FATF; (iii) is a "Foreign Shell Bank" within the meaning of the USA Patriot Act; or (iv) resides in or are organized under the laws of a jurisdiction designated by the U.S. Secretary of the Treasury under Sections 311 or 312 of the USA Patriot Act as warranting special measures due to money laundering concerns.

The representations and warranties made in this Agreement by Purchaser shall be continuing and shall be deemed remade by Purchaser as of the Closing Date, with the same force and effect as if made on, and as of, such date. All representations and warranties made in this Agreement by Purchaser shall survive Closing for a period of nine (9) months after Closing.

References herein to "Purchaser's knowledge" shall refer only to the actual knowledge of Patrick Stewart, and shall not be construed to refer to the knowledge of any other officer, director, member, agent or employee of Purchaser or to impose upon Patrick Stewart any duty to investigate the matter to which such actual knowledge, or the absence thereof, pertains.

ARTICLE 5.
CLOSING DELIVERIES, CLOSING COSTS AND PRORATIONS

5.1 Seller's Closing Deliveries. For and in consideration of Purchaser's delivery to Seller of the Purchase Price, Seller shall obtain or execute and deliver to Purchaser at Closing the following documents, all of which shall be duly executed, acknowledged and notarized where required:

(a) Subdivision Plat. The Subdivision Plat to be recorded in the Clerk's Office, Circuit Court of the City of Richmond, Virginia.

(b) Warranty Deed. A special warranty deed in the form attached hereto as **SCHEDULE 1** (the "Warranty Deed"), subject only to the Permitted Exceptions, and executed by Seller. The legal description of the Land set forth in said special warranty deed shall be based upon and conform to the Subdivision Plat.

(c) Partial Assignment of Master Development Agreement. A partial assignment and assumption of the Master Development Agreement whereby Seller assigns its obligations as Developer under the Master Development Agreement as they relate to the Affordable Housing Development and Purchaser assumes such obligations (the "Partial Assignment of Master Development Agreement"), pursuant to the terms set forth in Section 4.3(d) and in a form reasonably acceptable to Seller, Purchaser and the EDA.

(d) No-Build Easement. The No-Build Easement, subject to the EDA's approval.

(e) FIRPTA Certificate. A FIRPTA Certificate in the form attached hereto as **SCHEDULE 2**, executed by Seller;

(f) Seller's Affidavit. An owner's affidavit in the form attached hereto as **SCHEDULE 3**, executed by Seller;

(g) Evidence of Authority. Such documentation as may reasonably be required by the Title Company to establish that this Agreement, the transactions contemplated herein, and the execution and delivery of the documents required hereunder, are duly authorized, executed and delivered;

(h) Settlement Statement. A settlement statement setting forth the amounts paid by or on behalf of and/or credited to each of Purchaser and Seller pursuant to this Agreement; and

(i) Other Documents. Such other documents as shall be reasonably requested by the Title Company to effectuate the purposes and intent of this Agreement.

5.2 Purchaser's Closing Deliveries. Purchaser shall obtain or execute and deliver to Seller at Closing the following, all of which shall be duly executed, acknowledged and notarized where required:

(a) Partial Assignment of Master Development Agreement. The Partial Assignment of Master Development Agreement.

(b) Settlement Statement. A settlement statement setting forth the amounts paid by or on behalf of and/or credited to each of Purchaser and Seller pursuant to this Agreement;

(c) Other Documents. Such other documents as shall be reasonably requested by the Title Company to effectuate the purposes and intent of this Agreement; and

(d) Purchase Price. The balance of the Purchase Price set forth in accordance with Section 2.4 above.

5.3 **Closing Costs**. At Closing, Seller shall pay (a) the fees of any counsel representing Seller in connection with this transaction; (b) the costs and fees related to the preparation and recordation of the Subdivision Plat; (c) one-half (1/2) of the escrow fee charged by Escrow Agent; and (d) Grantor's tax on the Warranty Deed. Purchaser shall pay (i) the fees of any counsel representing Purchaser in connection with this transaction; (ii) the fees (not including Grantor's tax) for recording the Warranty Deed conveying the Property to Purchaser; (iii) the cost of the Title Commitment and Purchaser's ALTA Owner's Policy of Title Insurance; (iv) the cost of the Survey; and (v) one-half (1/2) of the escrow fee charged by Escrow Agent. Any other costs or expenses incident to this transaction and the closing thereof not expressly provided for above shall be allocated between and paid by the parties in accordance with custom and practice in the County in which the Property is located.

5.4 **Prorations and Credits**. Subject to the terms of this Section 5.4, the items in this Section 5.4 shall be prorated or credited, as specified, between Seller and Purchaser as of midnight of the day prior to Closing, so that Seller shall receive all income and pay all expenses through the day prior to the date of Closing, and Purchaser shall receive all income and pay all expenses from and after the date of Closing. Real estate and personal property taxes and any special assessments (collectively "Taxes") shall be prorated as of the Closing Date. Seller shall pay Taxes due and payable as of the Closing Date. If the real estate and/or personal property tax rate and assessments have not been set for the year in which the Closing occurs, then the proration of such Taxes shall be estimated based upon the Land's proportionate share of the parent tract for the prior year's Taxes of such parent tract. Such Taxes shall be re-prorated upon issuance of the final tax bill. The parties shall make the appropriate adjusting payment between them within thirty (30) days after presentment by either Seller or Purchaser of such calculation and appropriate back-up information, which presentment shall occur, if at all, no later than December 31 of the year in which the Closing occurs.

ARTICLE 6.
CONDITIONS TO CLOSING

6.1 **Purchaser's Conditions to Closing**. The obligations of Purchaser hereunder to consummate the transaction contemplated hereunder shall in all respects be conditioned upon the satisfaction of each of the following conditions prior to or simultaneously with the Closing, any of which may be waived by Purchaser in its sole discretion by written notice to Seller at or prior to the Closing Date:

(a) Seller shall have caused, at its sole cost and expense, the Land to constitute a separately subdivided, legally distinct parcel of land (consistent with the location and configuration of the Land as depicted on **EXHIBIT "A"** attached hereto) as shown on the Subdivision Plat and to be in compliance with all applicable laws, ordinances, regulations, statutes, rules and restrictions pertaining to and affecting the Property which relate to such subdivision (collectively, the "Subdivision"), all as reasonably evidenced to Purchaser. Seller hereby agrees to use diligent, good faith efforts to complete the Subdivision by no later than the expiration of the Inspection Period, provided that, so long as all consents and approvals (including signatures to all certifications required to be shown on the Subdivision Plat) have been obtained, and all that remains to be done in order to complete the Subdivision is the ministerial act of recording said Subdivision Plat, Seller may wait to record the Subdivision Plat until and in connection with the Closing;

(b) Seller shall have substantially completed construction of the rough graded pad (without soils improvement) and certain infrastructure, all pursuant to the draft plans and summary thereof attached hereto as **EXHIBIT "C"** which remains subject to review and approval by the City (collectively, the "Grading and Infrastructure Work") and Purchaser shall have inspected such Grading and Infrastructure Work prior to Closing. Seller shall use commercially reasonable efforts to provide Purchaser with at least thirty (30) days prior notice of the anticipated date of substantial completion of

the Grading and Infrastructure Work. For purposes hereof, "substantially completed" means that in the reasonable opinion of Seller's design professional, the Grading and Infrastructure Work required to be made by Seller pursuant hereto has been completed substantially and is in good and satisfactory condition, subject only to punch list items that do not prevent Purchaser from using the Property for its intended use;

(c) Seller shall have delivered to Purchaser all of the items required to be delivered to Purchaser pursuant to the terms of Section 5.1 hereof;

(d) Seller shall have performed, in all material respects, all covenants, agreements and undertakings of Seller contained in this Agreement;

(e) All representations and warranties of Seller as set forth in this Agreement shall be true and correct in all material respects as of the date of this Agreement and as of Closing;

(f) Purchaser shall have obtained all Approvals sufficient to construct the Affordable Housing Development; and

(g) Purchaser shall have received a reservation of Virginia 9% Tax Credits by VHDA.

In the event any of the conditions set forth in Sections 6.1(a), (b), (c), (d), or (e) have not been satisfied (or otherwise waived in writing by Purchaser) prior to or on the Closing Date (as same may be extended or postponed as provided in this Agreement), due to a Seller default hereunder, Purchaser shall have the right to terminate this Agreement by written notice to Seller given prior to the Closing Date, whereupon the Earnest Money shall be returned to Purchaser and except for those provisions of this Agreement which by their express terms survive the termination of this Agreement, no party hereto shall have any other or further rights or obligations under this Agreement. In the event any of the conditions set forth in Sections 6.1(f) or (g) have not been satisfied (or otherwise waived in writing by Purchaser) prior to or on the Closing Date (as same may be extended or postponed as provided in this Agreement), Purchaser shall have the right to terminate this Agreement by written notice to Seller given prior to the Closing Date, whereupon the Earnest Money shall be paid to Seller and except for those provisions of this Agreement which by their express terms survive the termination of this Agreement, no party hereto shall have any other or further rights or obligations under this Agreement.

6.2 Seller's Conditions to Closing. The obligations of Seller hereunder to consummate the transaction contemplated hereunder shall in all respects be conditioned upon the satisfaction of each of the following conditions prior to or simultaneously with the Closing, any of which may be waived by Seller in its sole discretion by written notice to Purchaser at or prior to the Closing Date:

(a) Seller shall have caused, at its sole cost and expense, the Subdivision, all as reasonably evidenced to Purchaser. Seller hereby agrees to use diligent, good faith efforts to complete the Subdivision by no later than the expiration of the Inspection Period, provided that, so long as all consents and approvals (including signatures to all certifications required to be shown on the Subdivision Plat) have been obtained, and all that remains to be done in order to complete the Subdivision is the ministerial act of recording said Subdivision Plat, Seller may wait to record the Subdivision Plat until and in connection with the Closing.

(b) Purchaser shall have delivered to Seller all of the items required to be delivered to Purchaser pursuant to the terms of Section 5.2 hereof;

(c) Purchaser shall have performed, in all material respects, all covenants, agreements and undertakings of Purchaser contained in this Agreement;

(d) All representations and warranties of Purchaser as set forth in this Agreement shall be true and correct in all material respects as of the date of this Agreement and as of Closing;

(e) Purchaser shall close simultaneously at Closing on its construction financing in connection with the Affordable Housing Development; and

(f) Purchaser shall have obtained all Approvals sufficient to construct the Affordable Housing Development.

In the event any of the conditions in this Section 6.2 have not been satisfied (or otherwise waived in writing by Seller) prior to or on the Closing Date (as same may be extended or postponed as provided in this Agreement), Seller shall have the right to terminate this Agreement by written notice to Purchaser given prior to the Closing, whereupon the Earnest Money shall be paid to Seller (except under subsection (a) to the extent caused by a Seller default hereunder in which case the Earnest Money shall be returned to Purchaser), and except for those provisions of this Agreement which by their express terms survive the termination of this Agreement, no party hereto shall have any other or further rights or obligations under this Agreement.

ARTICLE 7.
CASUALTY AND CONDEMNATION

7.1 Condemnation. If, prior to the Closing, all or any part of the Property is taken by eminent domain or condemnation (or sale in lieu thereof), or if Seller has received written notice that any condemnation action or proceeding with respect to the Property is contemplated by a body having the power of eminent domain, Seller shall give Purchaser immediate written notice of such contemplated condemnation or of such taking or sale, and Purchaser may by written notice to Seller given within fifteen (15) days after the receipt of such notice from Seller, elect to cancel this Agreement. If Purchaser chooses to cancel this Agreement in accordance with this Section 7.1, then the Earnest Money shall be paid to Seller by Escrow Agent and the rights, duties, obligations, and liabilities of the parties hereunder shall immediately terminate and be of no further force and effect, except for those provisions of this Agreement which by their express terms survive the termination of this Agreement. If Purchaser does not elect to cancel this Agreement in accordance herewith, this Agreement shall remain in full force and effect and the sale of the Property contemplated by this Agreement, less any interest taken by eminent domain or condemnation, or sale in lieu thereof, shall be effected with no further adjustment and without reduction of the Purchase Price, and at the Closing, Seller shall assign, transfer, and set over to Purchaser all of the right, title, and interest of Seller in and to any awards applicable to the Property that have been or that may thereafter be made for such taking. At such time as all or a part of the Property is subjected to a bona fide threat of condemnation and Purchaser shall not have elected to terminate this Agreement as provided in this Section 7.2, the Seller shall not settle or agree to any award or payment pursuant to condemnation, eminent domain, or sale in lieu thereof without obtaining Purchaser's prior written consent thereto in each case.

ARTICLE 8.
DEFAULT AND REMEDIES

8.1 Purchaser's Default. IF PURCHASER FAILS TO CONSUMMATE THIS TRANSACTION FOR ANY REASON OTHER THAN SELLER'S DEFAULT, FAILURE OF A CONDITION TO PURCHASER'S OBLIGATION TO CLOSE WHICH HAS NOT BEEN WAIVED IN WRITING BY PURCHASER, OR THE EXERCISE BY PURCHASER OF AN EXPRESS RIGHT OF

TERMINATION GRANTED HEREIN, SELLER SHALL BE RELEASED FROM ALL OBLIGATIONS AT LAW OR IN EQUITY TO CONVEY THE PROPERTY TO PURCHASER AND SELLER SHALL BE ENTITLED, AS ITS SOLE REMEDY FOR SUCH FAILURE, TO TERMINATE THIS AGREEMENT AND TO RECEIVE AND RETAIN THE EARNEST MONEY AS FULL LIQUIDATED DAMAGES FOR SUCH FAILURE OF PURCHASER, THE PARTIES HERETO ACKNOWLEDGING THAT IT IS IMPOSSIBLE TO ESTIMATE MORE PRECISELY THE DAMAGES WHICH MIGHT BE SUFFERED BY SELLER UPON SUCH PURCHASER'S FAILURE, AND THAT SAID EARNEST MONEY IS A REASONABLE ESTIMATE OF SELLER'S PROBABLE LOSS IN THE EVENT OF SUCH FAILURE BY PURCHASER. SELLER'S RETENTION OF SAID EARNEST MONEY IS INTENDED NOT AS A PENALTY, BUT AS FULL LIQUIDATED DAMAGES. THE RIGHT TO RETAIN THE EARNEST MONEY AS FULL LIQUIDATED DAMAGES IS SELLER'S SOLE AND EXCLUSIVE REMEDY IN THE EVENT OF SUCH FAILURE HEREUNDER BY PURCHASER WITH RESPECT TO THE CONSUMMATION OF THIS TRANSACTION, AND SELLER HEREBY WAIVES AND RELEASES ANY RIGHT TO (AND HEREBY COVENANTS THAT IT SHALL NOT) SUE PURCHASER: (A) FOR SPECIFIC PERFORMANCE OF THIS AGREEMENT, OR (B) TO RECOVER ACTUAL OR OTHER DAMAGES IN ADDITION TO RETURN OF THE EARNEST MONEY. IN NO EVENT SHALL SELLER BE ENTITLED TO RECOVER PUNITIVE OR CONSEQUENTIAL DAMAGES FROM PURCHASER.

8.2 **Seller's Default**. IF SELLER FAILS TO CONSUMMATE THIS TRANSACTION FOR ANY REASON OTHER THAN PURCHASER'S DEFAULT, FAILURE OF A CONDITION TO SELLER'S OBLIGATION TO CLOSE, OR THE PERMITTED TERMINATION OF THIS AGREEMENT BY SELLER OR PURCHASER AS EXPRESSLY PROVIDED HEREIN, THEN PURCHASER MAY MAKE WRITTEN DEMAND TO SELLER FOR PERFORMANCE OF THIS AGREEMENT. IF SELLER FAILS TO COMPLY WITH PURCHASER'S WRITTEN DEMAND WITHIN THIRTY (30) DAYS AFTER RECEIPT OF SUCH WRITTEN DEMAND FOR PERFORMANCE, PURCHASER SHALL HAVE THE EXCLUSIVE RIGHT TO (I) WAIVE SUCH DEFAULT, (II) SEEK SPECIFIC PERFORMANCE OF SELLER'S OBLIGATIONS TO SELL THE PROPERTY PURSUANT TO THIS AGREEMENT, OR (III) TERMINATE THIS AGREEMENT AND PROMPTLY RECEIVE A FULL REFUND OF THE EARNEST MONEY AND ALL INTEREST THEREON, AND RECOVERY OF PURCHASER'S OUT-OF-POCKET COSTS AND EXPENSES INCURRED IN CONNECTION WITH THE TRANSACTION CONTEMPLATED BY THIS AGREEMENT, NOT TO EXCEED $50,000.00, BUT WITHOUT FURTHER LIABILITY ON SELLER'S PART. SELLER AGREES THAT THE PROPERTY IS UNIQUE AND THAT DAMAGES FOR FAILURE BY SELLER TO CONSUMMATE THE TRANSACTION WILL BE IMPRACTICABLE AND EXTREMELY DIFFICULT TO DETERMINE. THEREFORE, IF SELLER FAILS OR REFUSES TO CONSUMMATE THE TRANSACTION AND PURCHASER SEEKS SPECIFIC PERFORMANCE, SELLER SPECIFICALLY AGREES THAT THE REMEDY OF SPECIFIC PERFORMANCE IS AN APPROPRIATE REMEDY FOR PURCHASER, AND SELLER WAIVES AND AGREES NOT TO ASSERT ANY CLAIM OR DEFENSE THAT SPECIFIC PERFORMANCE IS NOT AN APPROPRIATE REMEDY FOR PURCHASER WITH RESPECT TO THE SALE OF THE PROPERTY. PURCHASER HEREBY WAIVES, RELINQUISHES AND RELEASES ANY AND ALL OTHER RIGHTS AND REMEDIES, FOR FAILURE TO CONSUMMATE THIS TRANSACTION INCLUDING, BUT NOT LIMITED TO; (I) ANY RIGHT TO SUE SELLER FOR ANY DAMAGES OR OTHER RELIEF EXCEPT AS DESCRIBED ABOVE IN THIS ARTICLE 8 OR (II) EXCEPT AS PROVIDED BELOW ANY OTHER RIGHT OR REMEDY WHICH PURCHASER MAY OTHERWISE HAVE AGAINST SELLER, EITHER AT LAW, IN EQUITY OR OTHERWISE. NOTWITHSTANDING THE FOREGOING, IN THE EVENT SPECIFIC PERFORMANCE IS NOT AVAILABLE TO PURCHASER AS A RESULT OF SELLER'S INTENTIONAL BREACH OR WRONGFUL CONDUCT, PURCHASER MAY PURSUE ANY RIGHT OR REMEDY WHICH PURCHASER MAY OTHERWISE HAVE AT LAW OR IN EQUITY AGAINST SELLER.

8.3 **Cure Period**. Notwithstanding anything to the contrary contained in this Agreement, Purchaser shall not be deemed in default in any non-monetary obligation hereunder unless Purchaser's breach of such non-monetary obligation continues for a period of ten (10) days after notice of default is given to Purchaser by Seller.

ARTICLE 9.
ASSIGNMENT

9.1 **Assignment**. This Agreement and all rights and obligations hereunder shall not be assignable by Purchaser without the prior written consent of Seller, which may be withheld in its sole discretion; provided however all rights and obligations hereunder shall be assignable by Purchaser to any Affiliate of Purchaser upon written notice to, but without the prior written consent of, Seller. Any assignee or transferee under any such assignment or transfer by Purchaser shall expressly assume all of Purchaser's duties, liabilities and obligations under this Agreement by written instrument delivered to Seller as a condition to the effectiveness of such assignment or transfer. No assignment or transfer shall relieve the original Purchaser of any duties or obligations hereunder, and the written assignment and assumption instrument shall expressly so provide. Subject to the foregoing, this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective legal representatives, successors and assigns. This Agreement is not intended and shall not be construed to create any rights in or to be enforceable in any part by any other persons.

ARTICLE 10.
BROKERAGE COMMISSIONS

10.1 **Broker**. Purchaser and Seller each represent and warrant to the other that they have not dealt with any agent, salesman, or broker in connection with the transaction contemplated by this Agreement. Purchaser shall and does hereby indemnify and hold Seller free and harmless from and against any and all liability, loss, cost, damage, and expense, including reasonable attorneys' fees actually incurred and costs of litigation, Seller shall ever suffer or incur because of breach of the foregoing representation of Purchaser. Seller shall and does hereby indemnify and hold Purchaser free and harmless from and against any and all liability, loss, cost, damage, and expense, including reasonable attorneys' fees actually incurred and costs of litigation, Purchaser shall ever suffer or incur because of breach of the foregoing representation of Seller. This Section 10.1 shall survive the Closing or any earlier termination of this Agreement.

ARTICLE 11.
MISCELLANEOUS

11.1 **Notices**. Wherever any notice or other communication is required or permitted hereunder, such notice or other communication shall be in writing and shall be delivered by overnight courier, hand, or email transmission, or sent by U.S. registered or certified mail, return receipt requested, postage prepaid, to the addresses or email addresses set out below or at such other addresses as are specified by written notice delivered in accordance herewith:

TO PURCHASER:	Diamond District Phase 1 Nine, LLC c/o Pennrose, LLC 230 Wyoming Avenue Kingston, PA 18704 Attention: Timothy I. Henkel Email: thenkel@pennrose.com and c/o Nix Development Company 9103 Woodmore Centre Drive, #147 Lanham, MD 20706 Attention: Ray Nix Email: raymond@nixdevco.com
WITH A COPY TO:	Klein Hornig LLP Attention: Doruk Onvural 1325 G Street, NW, Suite 770 Washington DC 20005 Email: donvural@kleinhornig.com
TO SELLER:	Diamond District Partners, LLC Attention: Jason Guillot 11100 West Broad Street Glen Allen, VA 23060 Email: jason.guillot@thalhimer.com
WITH A COPY TO:	Williams Mullen Attention: R. Joseph Noble 200 South 10th Street, Suite 1600 Richmond, VA 23219 Email: jnoble@williamsmullen.com
TO ESCROW AGENT/ TITLE COMPANY:	Safe Harbor Title Company Attention: Melissa McPherson 4900 Augusta Avenue, Suite 150 Richmond, VA 23230 Email: mmcpherson@safeharbortc.com.

Any notice or other communication (i) mailed as hereinabove provided shall be deemed effectively given or received on the date indicated on the duly completed United States Postal Service return receipt, (ii) sent by overnight courier or by hand shall be deemed effectively given or received as indicated on the records or certificates provided by the overnight delivery or courier services, and (iii) sent by email shall be deemed effectively given or received on the Business Day of transmission of such notice.

11.2 **Possession**. Full and exclusive possession of the Property, subject to the Permitted Exceptions, shall be delivered by Seller to Purchaser on the Closing Date.

11.3 **Time Periods**. If the time period by which any right, option, or election provided under this Agreement must be exercised, or by which any act required hereunder must be performed, or by which

the Closing must be held, expires on a Saturday, Sunday, or holiday, then such time period shall be automatically extended through the close of business on the next regularly scheduled Business Day.

11.4 Publicity. The parties agree that, prior to Closing, no party shall, with respect to this Agreement and the transactions contemplated hereby, contact or conduct negotiations with public officials, make any public announcements or issue press releases regarding this Agreement or the transactions contemplated hereby to any third party without the prior written consent of the other party hereto. Seller and Purchaser shall each have the right to approve the press release of the other party issued in connection with the Closing, which approval shall not be unreasonably withheld provided in no event shall any such press release or public disclosure specify the Purchase Price or terms and conditions of this Agreement. No party shall record this Agreement or any notice hereof.

11.5 Severability. This Agreement is intended to be performed in accordance with, and only to the extent permitted by, all applicable laws, ordinances, rules and regulations. If any provision of this Agreement, or the application thereof to any person or circumstance, shall, for any reason and to any extent be invalid or unenforceable, the remainder of this Agreement and the application of such provision to other persons or circumstances shall not be affected thereby but rather shall be enforced to the greatest extent permitted by law.

11.6 Construction. This Agreement shall not be construed more strictly against one party than against the other merely by virtue of the fact that this Agreement may have been prepared by counsel for one of the parties, it being mutually acknowledged and agreed that Seller and Purchaser and their respective counsel have contributed substantially and materially to the preparation and negotiation of this Agreement. Accordingly, the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or any exhibits or amendments hereto.

11.7 General Provisions. No failure of either party to exercise any power given hereunder or to insist upon strict compliance with any obligation specified herein, and no custom or practice at variance with the terms hereof, shall constitute a waiver of either party's right to demand exact compliance with the terms hereof. This Agreement contains the entire agreement of the parties hereto, and no representations, inducements, promises, or agreements, oral or otherwise, between the parties not embodied herein shall be of any force or effect. Any amendment to this Agreement shall not be binding upon Seller or Purchaser unless such amendment is in writing and executed by Seller and Purchaser. Subject to the provisions of Section 9.1 hereof, the provisions of this Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective heirs, legal representatives, successors, and permitted assigns. Time is of the essence in this Agreement. The headings inserted at the beginning of each paragraph are for convenience only, and do not add to or subtract from the meaning of the contents of each paragraph. This Agreement shall be construed and interpreted under the laws of the Commonwealth of Virginia. Except as otherwise provided herein, all rights, powers, and privileges conferred hereunder upon the parties shall be cumulative but not restrictive to those given by law. All personal pronouns used in this Agreement, whether used in the masculine, feminine, or neuter gender shall include all genders, and all references herein to the singular shall include the plural and vice versa.

11.8 Attorney's Fees. If Purchaser or Seller brings an action at law or equity against the other in order to enforce the provisions of this Agreement or as a result of an alleged default under this Agreement, the prevailing party in such action shall be entitled to recover court costs and reasonable attorney's fees actually incurred from the other.

11.9 Counterparts. This Agreement may be executed in one or more counterparts, each of which when taken together shall constitute one and the same original. To facilitate the execution and

delivery of this Agreement, the parties may execute and exchange counterparts of the signature pages in PDF format, and the signature page of either party to any counterpart may be appended to any other counterpart.

[*Signatures on the following pages*]

IN WITNESS WHERE OF, the parties hereto have executed this Agreement as of the day, month and year first above written.

SELLER:

DIAMOND DISTRICT PARTNERS, LLC,
a Virginia limited liability company

By: _____
Name: Jason Guillot
Title: Manager

Date: March 13, 2025

PURCHASER:

DIAMOND DISTRICT PHASE 1 NINE, LLC,
a Virginia limited liability company

By: Diamond District Phase 1 Nine Managing Member, LLC,
a Virginia limited liability company,
its managing member

By: Pennrose Nix DD JV, LLC,
a Virginia limited liability company,
its sole member

By: Pennrose Holdings, LLC,
its managing member

By: _____
Name: Timothy I. Henkel
Title: Chief Executive Officer

Date: March 13, 2025

EXHIBIT "A"

DEPICTION OF LAND

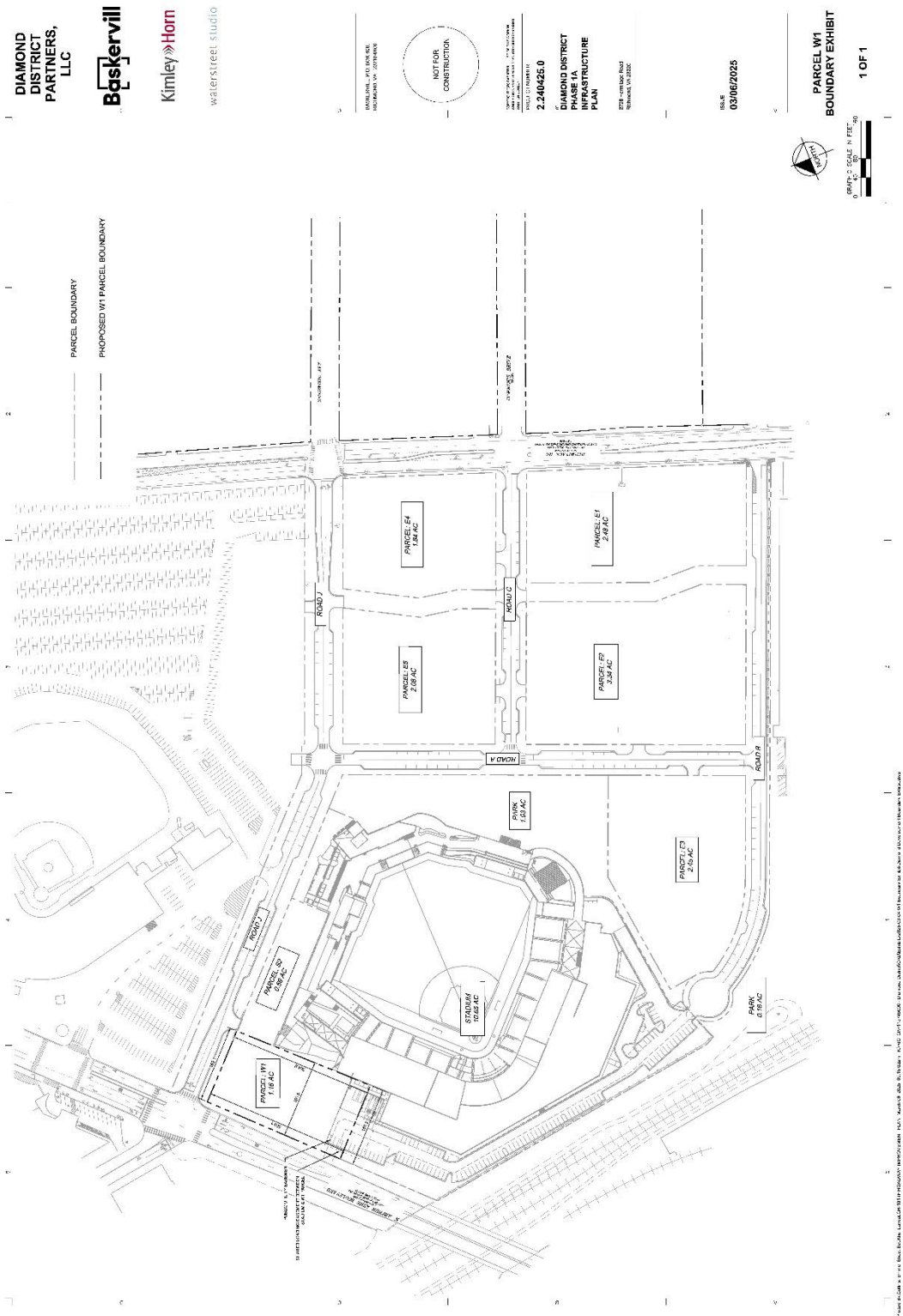
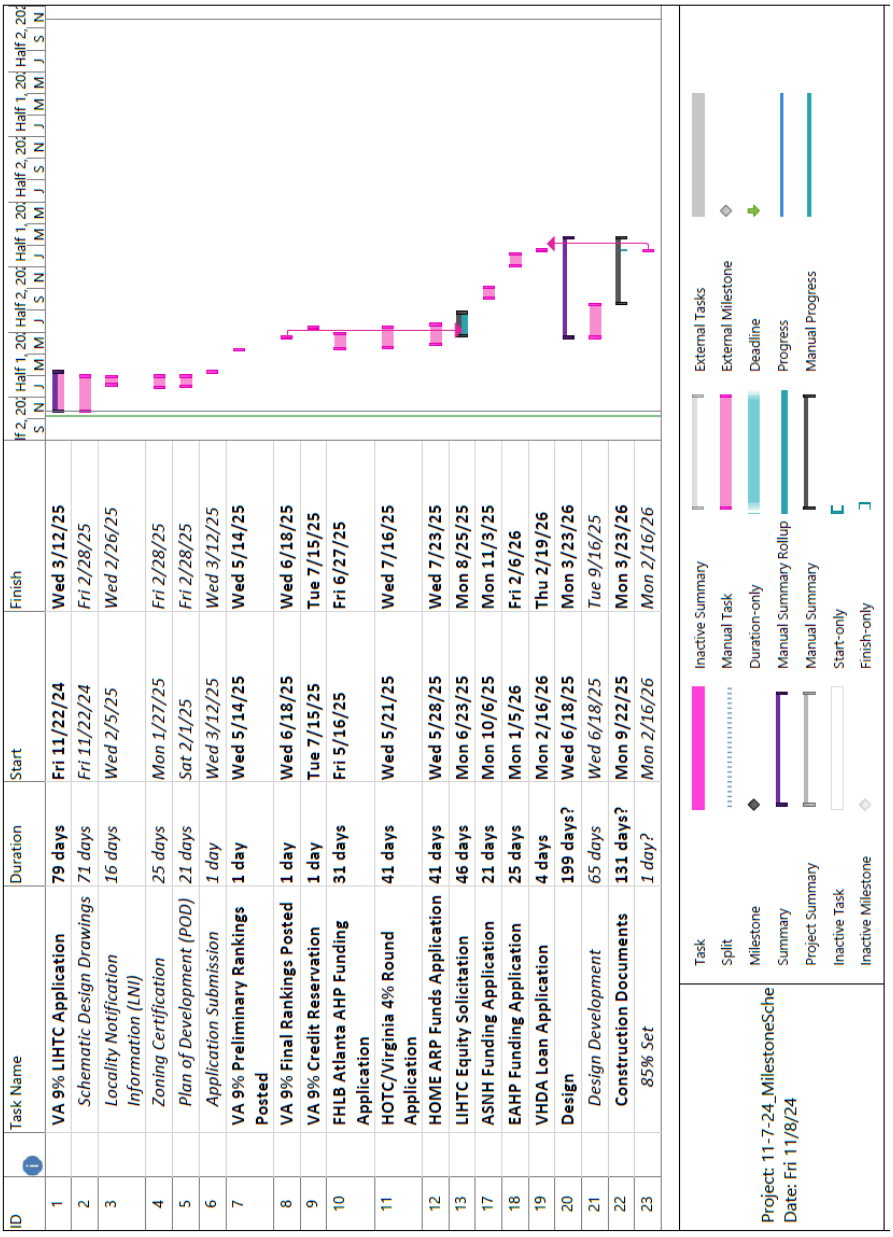


Exhibit "A"

EXHIBIT "B"

MILESTONE SCHEDULE



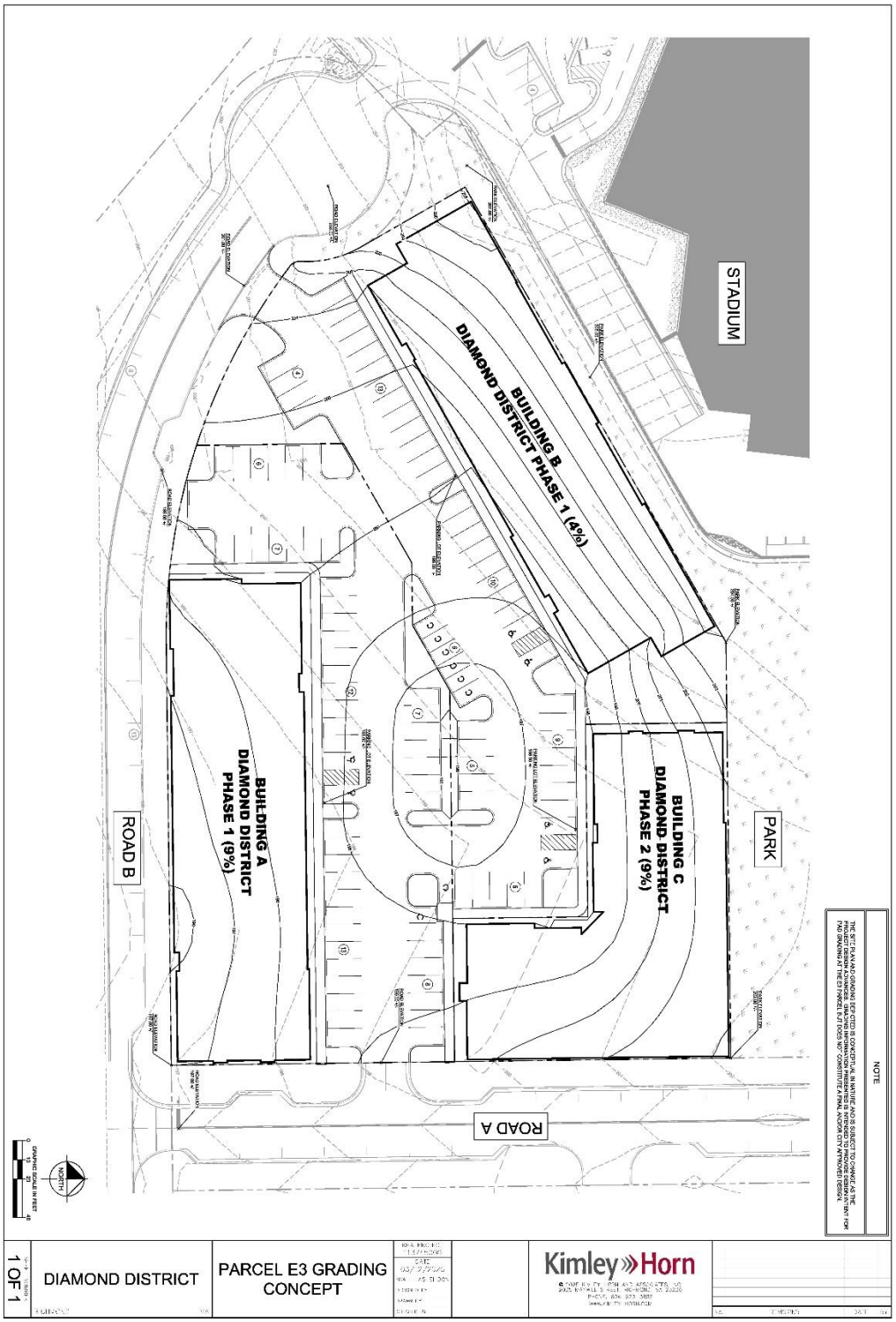
ID	Task Name	Duration	Start	Finish
1	**VA 9% LIHTC Application**	**79 days**	**Fri 11/22/24**	**Wed 3/12/25**
2	*Schematic Design Drawings*	*71 days*	*Fri 11/22/24*	*Fri 2/28/25*
3	*Locality Notification Information (LNI)*	*16 days*	*Wed 2/5/25*	*Wed 2/26/25*
4	*Zoning Certification*	*25 days*	*Mon 1/27/25*	*Fri 2/28/25*
5	*Plan of Development (POD)*	*21 days*	*Sat 2/1/25*	*Fri 2/28/25*
6	*Application Submission*	*1 day*	*Wed 3/12/25*	*Wed 3/12/25*
7	**VA 9% Preliminary Rankings Posted**	**1 day**	**Wed 5/14/25**	**Wed 5/14/25**
8	**VA 9% Final Rankings Posted**	**1 day**	**Wed 6/18/25**	**Wed 6/18/25**
9	**VA 9% Credit Reservation**	**1 day**	**Tue 7/15/25**	**Tue 7/15/25**
10	**FHLB Atlanta AHP Funding Application**	**31 days**	**Fri 5/16/25**	**Fri 6/27/25**
11	**HOTC/Virginia 4% Round Application**	**41 days**	**Wed 5/21/25**	**Wed 7/16/25**
12	**HOME ARP Funds Application**	**41 days**	**Wed 5/28/25**	**Wed 7/23/25**
13	**LIHTC Equity Solicitation**	**46 days**	**Mon 6/23/25**	**Mon 8/25/25**
17	**ASNH Funding Application**	**21 days**	**Mon 10/6/25**	**Mon 11/3/25**
18	**EAHP Funding Application**	**25 days**	**Mon 1/5/26**	**Fri 2/6/26**
19	**VHDA Loan Application**	**4 days**	**Mon 2/16/26**	**Thu 2/19/26**
20	**Design**	**199 days?**	**Wed 6/18/25**	**Mon 3/23/26**
21	*Design Development*	*65 days*	*Wed 6/18/25*	*Tue 9/16/25*
22	**Construction Documents**	**131 days?**	**Mon 9/22/25**	**Mon 3/23/26**
23	*85% Set*	*1 day?*	*Mon 2/16/26*	*Mon 2/16/26*

ID
Task Name
Duration
Start
Finish
Half 2, 20
Half 1, 20
Half 2, 20
Half 1, 20
Half 2, 20
24
Site becomes Buildable/Pre-Closing Conditions Satisfied
1 day
Wed 4/1/26
Wed 4/1/26
25
Building Permits
73 days
Tue 3/17/26
Thu 6/25/26
26
Online Submittal
5 days
Tue 3/17/26
Mon 3/23/26
27
Initial Plan Review
30 days
Tue 3/24/26
Mon 5/4/26
28
Comment and Review Period
26 days
Tue 5/5/26
Tue 6/9/26
29
Closing Coordination
87 days
Mon 3/2/26
Tue 6/30/26
30
Finance Closing
1 day
Tue 6/30/26
Tue 6/30/26
31
Notice to Proceed
10 days
Tue 6/30/26
Mon 7/13/26
32
Construction Period
18 mons
Mon 7/13/26
Fri 11/26/27
Project: 11-7-24_MilestoneSche
Date: Fri 11/8/24
Task
Split
Milestone
Summary
Project Summary
Inactive Task
Inactive Milestone
Inactive Summary
Manual Task
Duration-only
Manual Summary Rollup
Manual Summary
Start-only
Finish-only
External Tasks
External Milestone
Deadline
Progress
Manual Progress

Exhibit “B”

EXHIBIT "C"

PLANS FOR GRADING AND INFRASTRUCTURE WORK



Diamond District
Phase 1A Eligible Mass Grading Scope

Prepared by Diamond District Partners, LLC
with assistance from Kimley Horn, TRC and Whiting-Turner Construction.
December 20, 2024

The Purchase and Sale and Development Agreement (DA) between the City of Richmond, Richmond Economic Development Authority (EDA) and Diamond Development Partners, LLC (DDP) signed on May 15, 2024, includes language that authorizes the Eligible Mass Grading of Phase 1 of the Diamond District to be paid from EDA Funding Sources (see DA excerpts below). This document and the provisions below define the scope of the work that will be considered "Eligible Mass Grading" and therefore, to be paid using EDA Funding Sources, per the DA.

1. Clearing and rough grading of the Diamond District's Phase 1A, which shall include, if not previously discovered during the demolition phase, any and all unknown or unforeseen conditions including without limitation, demolition of any foundations, removal of any underground structures, if any, removal of underground storage tanks, in accordance with applicable laws, and the disconnection and removal/capping of any existing or abandoned utilities in the Diamond District Phase 1A Premises.

2. The mass grading scope begins with site preparation, which involves installing erosion and sediment controls per City of Richmond regulations, clearing and grubbing, vegetation stripping, and off-site removal of waste materials to ready the site for grading. During and after demolition, third-party inspections are conducted by certified professionals to ensure compliance with environmental and safety regulations, including dust, air quality, and hazardous materials control. A stabilized construction entrance will be installed to prevent mud and debris from tracking onto public roads. The entrance will consist of crushed stone over geotextile fabric, enabling vehicle access while minimizing erosion, and will be inspected and maintained regularly to uphold compliance with erosion and sediment (E&S) control standards. Erosion and sediment controls are critical to the grading process and can include the installation of silt fencing, sediment basins, and other measures to contain runoff and prevent soil erosion during grading activities. Site clearing and grubbing will remove remaining vegetation, roots, and organic materials before bulk earthwork begins, allowing for efficient grading and compaction. Bulk earthwork will involve excavation, grading, compaction, and soil stabilization as necessary to meet subgrade stability requirements, with particular attention to areas of difficult excavation or rock removal. Throughout the grading process, third-party testing for soil compaction, slope stabilization, and soil treatment will be performed to verify soil conditions and ensure that all work meets project specifications and regulatory standards. Erosion and sediment control of the Phase 1A Premises, where applicable, shall be in

accordance with DDP approvals. The contractor must grade the Phase 1A Premises as needed to maintain positive drainage of the Phase 1A Premises during construction.

3. DDP shall grade and stabilize the project site in accordance with the following criteria:

    a. On portions of the project site where either roads, buildings or other improvements are imminently planned to commence construction (12 months or less) a minimum of 98% compaction under all building or roadway areas where new fill is required and a minimum of 95% compaction under all other areas with new fill with exception of park, landscaped and other vegetated areas; such compaction percentages should be based upon maximum dry density with moisture contents maintained within two percent of the optimum moisture content as established by Standard Proctor, ASTM D698. To the extent necessary to comply with any geotechnical report obtained by DDP, DDP shall remove all unsuitable material discovered during construction activities associated with the mass grading of the project site on the Phase 1A Premises as determined by the geotechnical engineer in order to meet the compaction percentages set forth above. Replacement of soils may be needed if the geotechnical engineer determines in its professional opinion that there is unsuitable material present. DDP shall cause its geotechnical engineer to collect soil samples and to obtain compaction testing results confirming that the above-referenced compaction requirements have been satisfied, with all associated reports and findings furnished in a timely manner to the EDA. In the event that DDP encounters any rock that impacts the ability to perform the mass grading, DDP shall excavate such rock and pay for any blasting and rock removal.

    b. On portions of the project site that are not planned for imminent development (where commencement of construction would start after 12 months), the contractor shall grade these sites to maintain positive drainage and stabilize the ground with vegetative cover in accordance with all applicable erosion and sediment control regulations by the City of Richmond. The elevation of the building site should be set by the civil engineer slightly above the expected slab subgrade finish elevation to allow for future grubbing of organic material. As part of the grading scope, DDP shall proof roll using a 5-ton drum roller or a loaded tandem axle dump truck having an axle weight of at least ten tons to aid in identifying localized soft, foreign or unsuitable fill that should be substituted with suitable fill, as certified by the geotechnical engineer.

4. In the event that DDP encounters Contaminated or Hazardous Substances during mass grading, DDP shall follow the protocols set forth in the Materials Management Plan and the Development Agreement.

5. At all times during mass grading, DDP will provide the EDA with any change orders associated with unforeseen issues and seek approval of such costs prior to proceeding with any such remedial actions or additional scopes of work, provided that, in the case of an emergency, the Developer may take all reasonable actions necessary to stabilize and contain the release without prior submission of such cost estimates.

6. Any and all applicable third-party testing, geotechnical analysis, surveying and inspections for the activities set forth above shall be funded as part of the eligible mass grading scope of work and all associated reports shall be provided to the EDA promptly after issuance.

7. DDP and its contractor shall use commercially reasonable efforts to re-use as much on- site, native soil as reasonably possible to meet the requirements outlined above. Once a final grading plan is approved, DDP and its contractor shall establish a plan for either import or export of soils as may be required.

Excerpt of Eligible Mass Grading References in the Development Agreement between the City of Richmond and Diamond District Partners LLC (dated May 15, 2024)
If there is any discrepancy between the text below and the official Development Agreement, the text in the Development Agreement shall prevail.

Definitions
"*Eligible Mass Grading*" means any mass grading of the Phase 1 Property that the EDA and the Developer have agreed will be paid from EDA Funding Sources pursuant to the terms of Section 3.13 (*Additional Phase 1A Property Closing Conditions*) and Section 3.14 (*Additional Closing Conditions for Subsequent Blocks of Phase 1 Property*).

3.13 Additional Phase 1A Property Closing Conditions.
(a) The following additional conditions must be satisfied at (or simultaneously with) the Closing for the Phase 1A-1 Property or Closing shall not occur and the Phase 1A-1 Property shall not be conveyed to the Developer:…and (iv) the Developer and the EDA shall have agreed upon the scope of Eligible Mass Grading to be payable from EDA Funding Sources.

6.2 Project Funding
(a) Subject to appropriation of sufficient amounts for such purpose by the City Council, the City agrees that it will pay the agreed-upon costs of the Public Infrastructure for the Project and the Eligible Mass Grading of the Phase 1 Property from EDA Funding Sources pursuant to a customary requisition process.

EXHIBIT "D"

NO-BUILD EASEMENT AREA DEPICTION

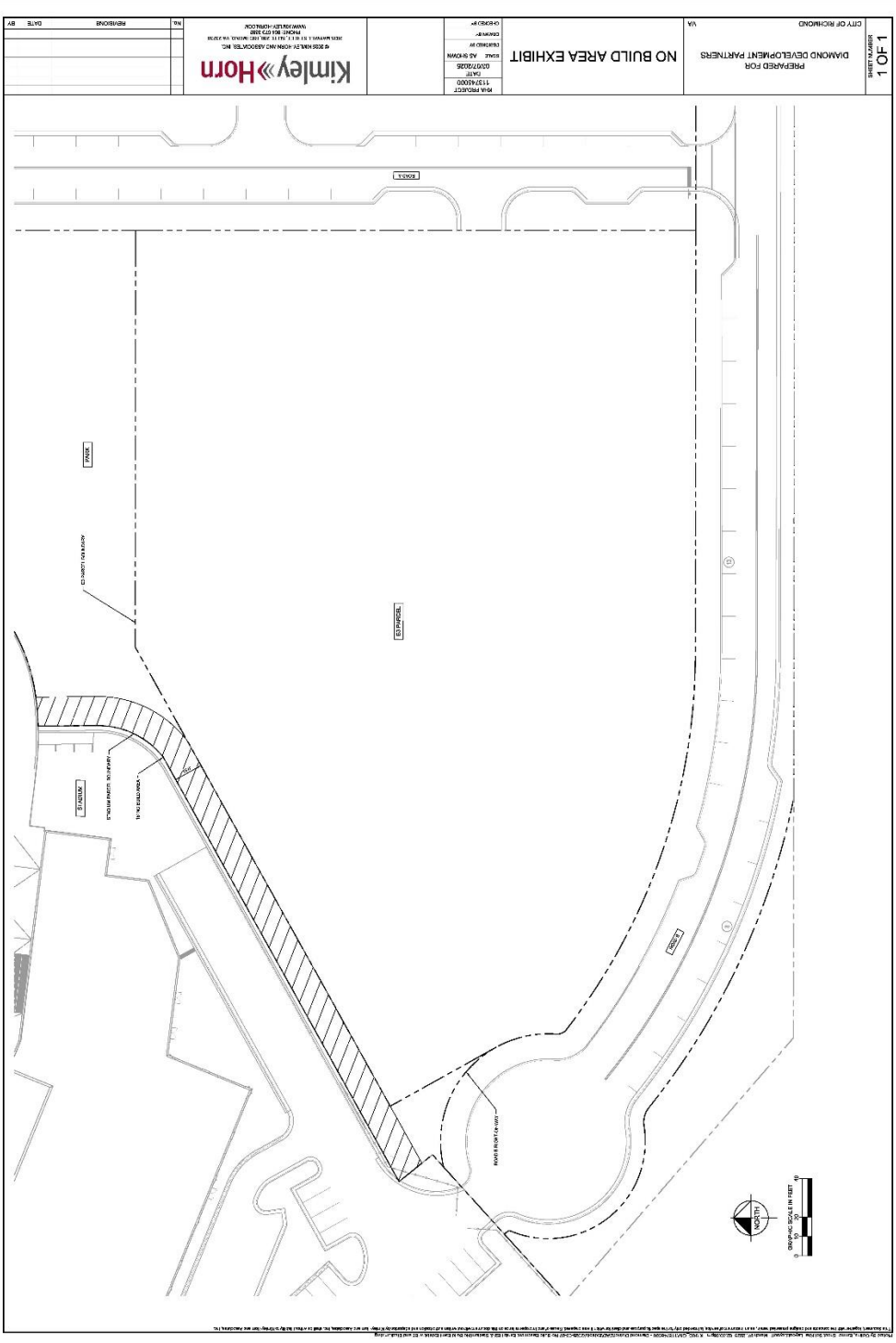


Exhibit "D"

KH 1204971.7

SCHEDULE 1

FORM OF WARRANTY DEED

Document Prepared By:

R. Joseph Noble (VSB No. 77138)
Williams Mullen
200 South 10th Street, Suite 1600
Richmond, VA 23219

Tax Parcel No.: _____

Consideration:
Assessed Value:

SPECIAL WARRANTY DEED

THIS SPECIAL WARRANTY DEED, made this _____ day of _____, 20___, between **DIAMOND DISTRICT PARTNERS, LLC**, a Virginia limited liability company ("Grantor"), and _____, a _____ limited liability company ("Grantee").

W I T N E S S E T H :

THAT FOR AND IN CONSIDERATION of the sum of TEN AND NO/100 DOLLARS ($10.00), and other good and valuable consideration not set forth herein, the receipt and sufficiency of which are hereby acknowledged, Grantor does hereby GRANT, BARGAIN, SELL AND CONVEY unto Grantee, in fee simple WITH SPECIAL WARRANTY OF TITLE, the following described real estate, to-wit:

SEE EXHIBIT A ATTACHED HERETO AND MADE A PART HEREOF

The conveyance of the real estate described in Exhibit A (the "Property") is made expressly subject to such recorded restrictions, conditions and easements as may lawfully apply to the Property, taxes accrued but not yet due and payable, and to such state of facts as would be shown by a current survey and inspection thereof.

TO HAVE AND TO HOLD the Property unto the said Grantee, its successors and assigns forever, in fee simple.

This conveyance of the Property is also made subject to the terms and conditions of that certain Declaration of Affordable Dwelling Units Covenants dated as of _____ and recorded in the Clerk's Office, Circuit Court, City of Richmond, Virginia as Instrument _____.

[Signatures on Following Page]

IN WITNESS WHEREOF, the Grantor has caused this Deed to be executed on its behalf by its duly authorized representative.

DIAMOND DISTRICT PARTNERS, LLC, a Virginia limited liability company

By: _____
Name: _____
Title: _____

COMMONWEALTH OF VIRGINIA:

CITY OF RICHMOND, to-wit:

The foregoing Deed was acknowledged before me on the ____ day of _____, 20___, by Jason Guillot, Manager of Diamond District Partners, LLC, on behalf of such company.

_____
Notary Public

Notary Registration Number: _____
My Commission expires: _____

[Notary Seal]

Prepared and approved as to form:

_____

GRANTEE'S ADDRESS
_____
_____
_____

EXHIBIT A - TO DEED
LEGAL DESCRIPTION

[To Be Inserted]

SCHEDULE 2

FORM OF SELLER'S FIRPTA AFFIDAVIT

STATE OF _____

COUNTY OF _____

NON-FOREIGN AFFIDAVIT

Section 1445 of the Internal Revenue Code provides that a transferee of a U.S. real property interest must withhold tax if the transferor is a foreign person. To inform _____ _____, a _____ (hereinafter the "Transferee"), that withholding tax is not required upon the disposition of certain real property being more particularly described on Exhibit "A" attached hereto and made a part hereof by this reference, by _____, a _____ limited liability company (hereinafter the "Transferor"), Transferor hereby certifies the following:

1. Transferor is not a foreign person, foreign corporation, foreign partnership, foreign trust, or foreign estate (as those terms are defined in the Internal Revenue Code and Income Tax Regulations);

2. Transferor's federal tax identification number is _____; and

3. Transferor's office address is _____; and

4. Transferor is not a disregarded entity as defined in § 1.445-2(b)(2)(iii).

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.

Under penalties of perjury, I declare that I have examined this certification and, to the best of my knowledge and belief, it is true, correct, and complete.

_____

Date: _____

By: _____
Name: _____
Title: _____

EXHIBIT "A"

LEGAL DESCRIPTION

(to be attached)

SCHEDULE 3

FORM OF SELLER'S AFFIDAVIT

Chicago Title Insurance Company
OWNER'S AFFIDAVIT AND AGREEMENT

THE UNDERSIGNED, having been duly sworn on oath, states the following, to its actual knowledge:

a. That I/We have been the owner(s) of the property described below for at least 123 days prior to the date hereof:

_____
___

b. That there has been no work, services or labor performed or material furnished in connection with repairs or improvements on the property within one hundred twenty-three (123) days prior to the date of this Affidavit; or, that in the event work has been performed, services rendered, or materials furnished in connection with construction, repair, or improvement on the property during such 123-day period, that all such work performed, services rendered, or materials furnished have been completed and are acceptable to the Owner(s); the Owner(s) have paid in full all contractors, laborers, and materialmen for such work performed, services rendered, or material furnished in connection with construction, repairs, or improvements on the property during such 123-day period, except the following:

NONE _____ SEE ATTACHMENT HERETO _____

c. That no adverse claims have been made as to the title to the said property;

d. That the undersigned has done no act to adversely affect the title to said property except matters of record as of the date hereof;

e. That there are no easements or claims of easements not shown by the public records;

f. That there are no parties in possession of said property;

g. That no agreement or contract for conveyance, deed, written lease, or writing whatsoever, is in existence, adversely affecting the title to said property, except those in connection with which this Affidavit is given;

h. That there are no unpaid or delinquent water and/or sewer bills for said property nor are there any delinquent real estate taxes or assessments against said property; that the undersigned has/have not received notice, or know of any recent or future planned improvements (such as street paving, sidewalks, etc.) that will or might result in a special assessment against this property;

i. That there are no judgment liens entered against the undersigned in any court;

j. THAT NO PROCEEDINGS IN BANKRUPTCY HAVE BEEN INSTITUTED BY OR AGAINST THE UNDERSIGNED IN ANY COURT IN ANY STATE.

The Owner of the property, (as seller or borrower in the transaction for which this affidavit is being executed), recognizing that funding may occur prior to the Deed or Deed of Trust being officially filed for record in the appropriate Clerk's Office: agrees that in consideration of Chicago Title Insurance Company (hereinafter the "Company") issuing said policy without exception to any matters which may arise between the effective date of the commitment for title insurance and the date the documents creating the interest being insured are filed for record, (which matters may constitute an encumbrance on or affect the title) (the "GAP"), to promptly defend, remove, bond or otherwise dispose of any encumbrance, lien or objectionable matter to title caused by it and which may arise or be filed, as the case may be, against said property during the GAP. The Owner further agrees to hold harmless and indemnify the Company against all losses, expenses, costs and fees (including, but not limited to, attorney fees) which may arise out of the Owner's failure to so remove, bond or otherwise dispose of any said liens, encumbrances or objectionable matters.

This Affidavit is given to induce the Company to issue its policy or policies of title insurance with full knowledge that the Company will rely upon the accuracy of same. That undersigned further state(s) that he/she/they is/are familiar with the nature of an oath; and with the penalties as provided by the laws of the State in which the property is located for falsely swearing to statements made in an instrument of this nature. The undersigned further certifies that he/she/they has/have read and understand(s) the full facts of this Affidavit. The undersigned do/does hereby jointly and severally agree to indemnify and hold the Company harmless of and from any and all loss, cost, damage, and expense of every kind, including attorneys' fees, which said Company shall or may suffer or incur or become liable for under its said policy or policies directly or indirectly, due to its reliance on the accuracy of the foregoing statements or in connection with its enforcement of its rights under this Agreement.

(Date) _____ _____ (Seal)

(Date) _____ _____ (Seal)

Commonwealth of Virginia
County/City of _____

Sworn, subscribed to and acknowledged before me this _____ day of _____, _____.

_____
Notary Public

My commission expires: _____

Document Prepared By:
Richmond City Attorney's Office
900 East Broad Street, Suite 400
Richmond, Virginia 23219

Tax Parcel No. N000-1510/013

Consideration: $11,407,499.00
Assessed Value: Approx. $8,450,562.77 (18.274 acres of 20.046 acres unimproved parcel, the land for which is valued at $9,270,000.00)

Title Insurer: Chicago Title Insurance Company

NOTICE TO CLERK: THIS CONVEYANCE IS EXEMPT FROM THE VIRGINIA GRANTOR'S TAX, PURSUANT TO SECTION 58.1-811(C)(4) OF THE CODE OF VIRGINIA (1950), AS AMENDED.

DEED

THIS DEED, made this 3 day of March, 2025, between **THE ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF RICHMOND, VIRGINIA**, a political subdivision of the Commonwealth of Virginia ("Grantor"), and **DIAMOND DISTRICT PARTNERS, LLC**, a Virginia limited liability company ("Grantee").

WITNESSETH:

WHEREAS, by recordation of this Deed, Grantee represents that the conveyance of the Property (hereinafter defined) upon the terms and conditions specified is acceptable to Grantee;

NOW, THEREFORE, for consideration of the sum of Ten Dollars ($10.00), cash in hand paid, and other good and valuable consideration, the receipt of which is hereby acknowledged, Grantor hereby remises, releases and forever quitclaims unto Grantee, all Grantor's right, title and interest in and to the following real property more particularly described on Exhibit A attached hereto and incorporated herein by this reference, including all Grantor's right, title and interest in

and to any and all appurtenances pertaining thereto and any and all buildings and other improvements situated thereon, if any (collectively, the "Property").

This conveyance is made subject to applicable zoning regulations and ordinances and to all easements, conditions and restrictions of record, as the same may lawfully apply to the Property.

The Property is transferred to Grantee further subject to the terms and conditions set forth in Section 3.20 of that certain Purchase and Sale and Development Agreement dated May 15, 2024, by and between Grantor, the City of Richmond, Virginia, and Grantee, a copy of which is located with the City Attorney's Office for the City of Richmond, Virginia and which Section 3.20 is in the form of the Purchase and Sale and Development Agreement attached to Ordinance No. 2024-113, adopted by the City Council of the City of Richmond on May 8, 2024. Said conditions shall be for the benefit of Grantor and shall operate as a covenant binding Grantee, its successors and assigns hereunder, and shall run with title to the Property.

It shall be lawful for Grantor to prosecute any proceedings at law or in equity for violations or attempted violations of the covenants, conditions, and restrictions described in this Deed. In the event of any litigation for the enforcement of the covenants, conditions, or restrictions described in this Deed, Grantor shall be entitled to be reimbursed by Grantee for reasonable attorney's fees and costs incurred in seeking such enforcement. Failure to enforce any covenant, condition, or restriction contained in this Deed shall in no event be deemed a waiver of the right to do so thereafter.

Invalidation of any covenant, condition, or restriction described in this Deed by judgment or court order shall in no way affect any of the other provisions of this Deed, which shall remain in full force and effect.

[Signatures on Following Page]

IN WITNESS WHEREOF, the Grantor has caused this Deed to be executed on its behalf by its duly authorized representative.

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

By: _____
Name: John Molster
Title: Chairman

COMMONWEALTH OF VIRGINIA:

CITY OF RICHMOND, to-wit:

The foregoing Deed was acknowledged before me on the 31st day of January, 2025, by John Molster, as Chairman of the Economic Development Authority of the City of Richmond, a political subdivision of the Commonwealth of Virginia, on behalf of such entity.

_____
Notary Public

Notary Registration Number: 276161
My Commission expires: 11-30-2028

[Notary Seal]

Prepared and approved as to form:

Bonnie M. Ashley

Christie B. Hamlin
Commonwealth of Virginia
Notary Public
Commission No. 276161
My Commission Expires 11/30/2028

GRANTEE'S ADDRESS
1500 E. Main Street Suite 400
Richmond, Virginia 23219

EXHIBIT A
LEGAL DESCRIPTION

ALL that certain piece or parcel of land situate, lying and being in the City of Richmond, Virginia, known and designated as "LOT 2, 18.274 ACRES, 796,034 SQ. FT." as shown on that certain plat prepared by Timmons Group, dated October 24, 2024, last revised December 9, 2024, entitled "BOUNDARY LINE ADJUSTMENT DIAMOND DISTRICT DIAMOND PARCEL," and recorded in the Clerk's Office, Circuit Court, City of Richmond, Virginia, as Instrument No. 250001605, and being more particularly described as follows:

BEGINNING AT A POINT ON THE EAST LINE OF ARTHUR ASHE BOULEVARD, SAID POINT LYING 1,146.37 FEET SOUTH 22°56'38" WEST FROM THE SOUTHEAST INTERSECTION OF ARTHUR ASHE BOULEVARD AND ROBIN HOOD ROAD AND LABELED AS 'POB' ON THE ALTA SURVEY BY TRC ENGINEERS, INC. DATED SEPTEMBER 25TH, 2024; THENCE, DEPARTING THE EAST LINE OF ARTHUR ASHE BOULEVARD SOUTH 68°00'00" EAST A DISTANCE OF 625.28 FEET TO A POINT; THENCE, SOUTH 51°36'52" WEST A DISTANCE OF 16.98 FEET TO A POINT; THENCE, SOUTH 06°36'52" WEST A DISTANCE OF 47.38 FEET TO A POINT; THENCE, WITH A CURVE TO THE RIGHT WITH AN ARC LENGTH OF 147.80 FEET, A RADIUS OF 101.22 FEET, A DELTA ANGLE OF 83°39'36", A CHORD BEARING OF SOUTH 30°14'36" EAST, AND A CHORD LENGTH OF 135.01 FEET TO A POINT; THENCE, SOUTH 11°35'19" WEST A DISTANCE OF 270.69 FEET TO A POINT; THENCE, WITH A CURVE TO THE LEFT WITH AN ARC LENGTH OF 13.94 FEET, A RADIUS OF 9.00 FEET, A DELTA ANGLE OF 88°45'54", A CHORD BEARING OF SOUTH 32°47'24" EAST, AND A CHORD LENGTH OF 12.59 FEET TO A POINT; THENCE, SOUTH 77°10'08" EAST A DISTANCE OF 267.78 FEET TO A POINT; THENCE, WITH A CURVE TO THE LEFT WITH AN ARC LENGTH OF 178.82 FEET, A RADIUS OF 236.54 FEET, A DELTA ANGLE OF 43°18'51", A CHORD BEARING OF NORTH 81°10'26" EAST, AND A CHORD LENGTH OF 174.59 FEET TO A POINT; THENCE, NORTH 06°36'52" EAST A DISTANCE OF 441.82 FEET TO A POINT; THENCE, SOUTH 83°23'08" EAST A DISTANCE OF 76.00 FEET TO A POINT; THENCE, NORTH 06°36'52" EAST A DISTANCE OF 15.47 FEET TO A POINT; THENCE, NORTH 89°38'08" EAST A DISTANCE OF 142.57 FEET TO A POINT ON THE WEST LINE OF HERMITAGE ROAD; THENCE, CONTINUING ALONG THE WEST LINE OF HERMITAGE ROAD SOUTH 04°20'12" EAST A DISTANCE OF 25.89 FEET TO A POINT; THENCE, SOUTH 03°30'40" EAST A DISTANCE OF 40.00 FEET TO A POINT; THENCE, SOUTH 02°32'36" EAST A DISTANCE OF 917.78 FEET TO A POINT; THENCE, DEPARTING THE WEST LINE OF HERMITAGE ROAD SOUTH 89°45'49" WEST A DISTANCE OF 1,080.54 FEET TO A POINT; THENCE, NORTH 49°24'13" WEST A DISTANCE OF 180.49 FEET TO A POINT; THENCE, NORTH 47°32'31" EAST A DISTANCE OF 102.43 FEET TO A POINT; THENCE, NORTH 39°07'46" WEST A DISTANCE OF 22.21 FEET TO A POINT; THENCE, NORTH 60°37'11" EAST A DISTANCE OF 251.15 FEET TO A POINT; THENCE, WITH A CURVE TO THE LEFT WITH AN ARC LENGTH OF 39.07 FEET, A RADIUS OF 43.00 FEET, A DELTA ANGLE OF 52°03'37", A CHORD BEARING OF NORTH 25°18'39" EAST, AND A CHORD LENGTH OF 37.74 FEET TO A POINT; THENCE, NORTH 00°43'10" WEST A DISTANCE OF 30.74 FEET TO A POINT; THENCE, WITH A CURVE TO THE LEFT WITH AN ARC LENGTH OF 13.94 FEET, A RADIUS OF 161.61 FEET, A DELTA ANGLE OF

04°56'37", A CHORD BEARING OF NORTH 85°30'35" EAST, AND A CHORD LENGTH OF 13.94 FEET TO A POINT; THENCE, WITH A COMPOUND CURVE TO THE LEFT WITH AN ARC LENGTH OF 56.74 FEET, A RADIUS OF 94.39 FEET, A DELTA ANGLE OF 34°26'26", A CHORD BEARING OF NORTH 65°49'04" EAST, AND A CHORD LENGTH OF 55.89 FEET TO A POINT; THENCE, WITH A COMPOUND CURVE TO THE LEFT WITH AN ARC LENGTH OF 44.19 FEET, A RADIUS OF 122.70 FEET, A DELTA ANGLE OF 20°38'07", A CHORD BEARING OF NORTH 38°16'48" EAST, AND A CHORD LENGTH OF 43.95 FEET TO A POINT; THENCE, WITH A COMPOUND CURVE TO THE LEFT WITH AN ARC LENGTH OF 62.40 FEET, A RADIUS OF 61.08 FEET, A DELTA ANGLE OF 58°32'02", A CHORD BEARING OF NORTH 03°01'05" EAST, AND A CHORD LENGTH OF 59.72 FEET TO A POINT; THENCE, NORTH 16°49'01" EAST A DISTANCE OF 19.95 FEET TO A POINT; THENCE, SOUTH 73°10'56" EAST A DISTANCE OF 14.36 FEET TO A POINT; THENCE, NORTH 16°49'04" EAST A DISTANCE OF 44.06 FEET TO A POINT; THENCE, NORTH 73°10'56" WEST A DISTANCE OF 14.36 FEET TO A POINT; THENCE, NORTH 16°49'01" EAST A DISTANCE OF 117.14 FEET TO A POINT; THENCE, WITH A CURVE TO THE LEFT WITH AN ARC LENGTH OF 3.64 FEET, A RADIUS OF 41.67 FEET, A DELTA ANGLE OF 05°00'09", A CHORD BEARING OF NORTH 44°35'58" EAST, AND A CHORD LENGTH OF 3.64 FEET TO A POINT; THENCE, WITH A COMPOUND CURVE TO THE LEFT WITH AN ARC LENGTH OF 20.71 FEET, A RADIUS OF 113.50 FEET, A DELTA ANGLE OF 10°27'10", A CHORD BEARING OF NORTH 36°52'19" EAST, AND A CHORD LENGTH OF 20.68 FEET TO A POINT; THENCE, WITH A COMPOUND CURVE TO THE LEFT WITH AN ARC LENGTH OF 19.39 FEET, A RADIUS OF 63.69 FEET, A DELTA ANGLE OF 17°26'22", A CHORD BEARING OF NORTH 22°55'33" EAST, AND A CHORD LENGTH OF 19.31 FEET TO A POINT; THENCE, WITH A COMPOUND CURVE TO THE LEFT WITH AN ARC LENGTH OF 23.66 FEET, A RADIUS OF 80.28 FEET, A DELTA ANGLE OF 16°53'09", A CHORD BEARING OF NORTH 08°14'14" EAST, AND A CHORD LENGTH OF 23.57 FEET TO A POINT; THENCE, NORTH 23°10'56" WEST A DISTANCE OF 113.95 FEET TO A POINT; THENCE, NORTH 48°49'10" EAST A DISTANCE OF 40.84 FEET TO A POINT; THENCE, NORTH 22°05'14" EAST A DISTANCE OF 61.35 FEET TO A POINT; THENCE, NORTH 68°00'00" WEST A DISTANCE OF 205.74 FEET TO A POINT; THENCE, SOUTH 21°49'04" WEST A DISTANCE OF 84.61 FEET TO A POINT; THENCE, NORTH 68°10'56" WEST A DISTANCE OF 304.06 FEET TO A POINT; THENCE, SOUTH 21°49'04" WEST A DISTANCE OF 219.16 FEET TO A POINT; THENCE, NORTH 68°10'56" WEST A DISTANCE OF 168.27 FEET TO A POINT ON THE EAST LINE OF ARTHUR ASHE BOULEVARD; THENCE, ALONG THE EAST LINE OF ARTHUR ASHE BOULEVARD NORTH 22°56'38" EAST A DISTANCE OF 385.32 FEET TO A POINT; SAID POINT BEING THE POINT OF BEGINNING, HAVING AN AREA OF 18.274 ACRES OR 796,034 SQUARE FEET.

TOGETHER WITH AND SUBJECT TO the easement(s) contained in the Deed of Loading Dock, Access, and Temporary Construction Easement by and between the Economic Development Authority of the City of Richmond, Virginia, a political subdivision of the Commonwealth of Virginia, Navigators Baseball Stadium Developer LLC, a Delaware limited liability company, Navigators Baseball LP, a Delaware limited partnership, and Diamond District Partners, LLC, a Virginia limited liability company dated as of even date herewith and recorded simultaneously herewith in the Clerk's Office, Circuit Court, City of Richmond, Virginia.

TOGETHER WITH AND SUBJECT TO the easement(s) contained in the Deed of Parking and Access Easement by and between the Economic Development Authority of the City of Richmond, Virginia, a political subdivision of the Commonwealth of Virginia, Diamond District Partners, LLC, a Virginia limited liability company, and Navigators Baseball LP, a Delaware limited partnership, dated as of even date herewith and recorded simultaneously herewith in the Clerk's Office, Circuit Court, City of Richmond, Virginia.

TOGETHER WITH AND SUBJECT TO the easement(s) contained in the Deed of Sight Distance Easement by and between the Economic Development Authority of the City of Richmond, Virginia, a political subdivision of the Commonwealth of Virginia, Diamond District Partners, LLC, a Virginia limited liability company, and Navigators Baseball LP, a Delaware limited liability company, dated as of even date herewith and recorded simultaneously herewith in the Clerk's Office, Circuit Court, City of Richmond, Virginia.

BEING a part of the same real estate conveyed to The Economic Development Authority of the City of Richmond, Virginia, a political subdivision of the Commonwealth of Virginia, by Quitclaim Deed from City of Richmond, a municipal corporation of the Commonwealth of Virginia (the "City"), dated January 29, 2024, recorded February 1, 2024 in the Clerk's Office, Circuit Court, City of Richmond, Virginia (the "Clerk's Office") as Instrument No. 240001521, and by Quitclaim Deed and Deed of Correction and Confirmation of Boundary Line Adjustment from the City, dated January 30, 2025, recorded January 31, 2025, in the Clerk's Office as instrument No. 250001605.

FOR INFORMATIONAL PURPOSES ONLY: PART OF GPIN NUMBERS N0001510012, N0001510013, N0001510020B AND N0001510011

250003207

INSTRUMENT 250003207
RECORDED IN THE CLERK'S OFFICE OF
RICHMOND CITY CIRCUIT COURT ON
MARCH 3, 2025 AT 12:44 PM
EDWARD F. JEWETT, CLERK
RECORDED BY: ATH

PIN: N0001510013 PID: 35720
As of: 2/19/2026 9:40:35 PM

City of Richmond, VA Report

Property Owner

Name:	DIAMOND DISTRICT PARTNERS LLC
Mailing Address:	11100 W BROAD ST GLEN ALLEN, VA 23060
Parcel Use:	B Industrial Vacant Land
Neighborhood:	435

Property Information

Property Address:	2903 N Arthur Ashe Blvd 2728 Hermitage Road 2722 Hermitage Road 2710 Hermitage Road 2760 Hermitage Road 2740 Hermitage Road 2802 Hermitage Road 2720 Hermitage Road 2700 Hermitage Road 2750 Hermitage Road 2804 Hermitage Road 2730 Hermitage Road 2712 Hermitage Road 2800 Hermitage Road 2929 N Arthur Ashe Blvd 2707 Diamond View Dr
PIN	N0001510013
Size:	18.274 Acres, 63562.000 Square Feet
Property Description:	DIAMOND DISTRICT SUBDIVISION PHASE 1A-1 L11

Current Assessment

Year	Land	Improvements	Total
2026	$13,243,000	$0	$13,243,000

Deed Transfers

Recordation Date	Book	Page	Deed Type	Consideration	Grantee
3/3/2025	ID2025	3207	BS	$11,407,499	DIAMOND DISTRICT PARTNERS LLC
2/1/2024	ID2024	1521	QC	$0	ECONOMIC DEVELOPMENT AUTHORITY
1/1/1776	ID2024	1521	QC	$0	CITY OF RICHMOND

Assessment History

Year	Land	Improvements	Total
2025	$9,270,000	$0	$9,270,000
2024	$7,722,000	$0	$7,722,000
2023	$5,461,000	$0	$5,461,000
2022	$5,461,000	$0	$5,461,000
2021	$7,122,000	$0	$7,122,000
2020	$7,122,000	$0	$7,122,000
2019	$7,122,000	$0	$7,122,000
2018	$7,122,000	$0	$7,122,000
2017	$5,342,000	$0	$5,342,000
2016	$2,374,000	$2,506,000	$4,880,000
2015	$2,189,000	$2,506,000	$4,695,000
2014	$2,189,000	$2,506,000	$4,695,000
2013	$2,189,000	$2,506,000	$4,695,000
2012	$2,189,000	$2,881,000	$5,070,000
2011	$2,189,000	$2,881,000	$5,070,000
2010	$2,189,000	$2,881,000	$5,070,000
2009	$2,188,900	$3,281,400	$5,470,300
2008	$2,188,900	$3,281,400	$5,470,300
2007	$2,084,700	$3,125,100	$5,209,800
2006	$2,024,000	$2,841,000	$4,865,000
2005	$1,720,400	$471,200	$2,191,600

Not a Legal Document

Subject to terms and conditions

www.actDataScout.com

PIN: N0001510025 PID: 84959
As of: 2/19/2026 9:40:35 PM

City of Richmond, VA Report

Property Owner

Name:	DIAMOND DISTRICT PARTNERS LLC
Mailing Address:	11100 W BROAD ST GLEN ALLEN, VA 23060
Parcel Use:	B Industrial Vacant Land
Neighborhood:	435

Property Information

Property Address:	2903 N Arthur Ashe Blvd
PIN	N0001510025
Size:	2.450 Acres, 106732.000 Square Feet
Property Description:	DIAMOND DISTRICT PHASE 1A-1 L5

Deed Transfers

Recordation Date	Book	Page	Deed Type	Consideration	Grantee
3/3/2025	ID2025	3207	BS	$11,407,499	DIAMOND DISTRICT PARTNERS LLC

Virginia Housing
Attn: Low-Income Housing Tax Credit Allocation Committee
601 South Belvidere Street
Richmond, VA 23220

Re: Diamond District Phase 1 (9%) – Clarification of Real Estate Tax Assessment and Address Records

Dear Allocation Committee,

Please accept this letter as clarification regarding the real estate tax assessment documentation and address information associated with the Diamond District Phase 1 (9%) development.

The proposed development site is Parcel E3, a 2.45-acre parcel that was created through a subdivision recorded in November 2025 from a larger 18.274-acre parent parcel. The real estate tax assessment available from the City of Richmond's Office of the Assessor of Real Estate currently reflects the 18.274-acre parent parcel, which contains the project site. The assessor's office has recently begun updating parcel mapping and assessment records to reflect the recorded subdivision, and these updates appear to still be in progress.

As a result of this transition, certain inconsistencies currently appear in the City's online assessment records. The development application and related documentation consistently reference the project address as 2728 Hermitage Road, which is one of the listed addresses associated with the parent 18.274-acre parcel reflected in the attached assessment record. The newly created 2.45-acre parcel assessment record, however, currently displays 2903 N Arthur Ashe Boulevard as the primary address, which is also associated with the same parent parcel. The addresses shown in the 18.274-acre parent parcel are as follows:

2903 N Arthur Ashe Blvd	2700 Hermitage Road
2728 Hermitage Road	2750 Hermitage Road
2722 Hermitage Road	2804 Hermitage Road
2710 Hermitage Road	2730 Hermitage Road
2760 Hermitage Road	2712 Hermitage Road
2740 Hermitage Road	2800 Hermitage Road
2802 Hermitage Road	2929 N Arthur Ashe Blvd
2720 Hermitage Road	2707 Diamond View Dr

Additionally, although the 2.45-acre Parcel E3 has been created through subdivision, the City's assessment records still reflect the full 18.274-acre parent parcel in the existing assessment documentation. The 2.45-acre parcel record also reflects the same recorded purchase transaction of $11,407,499, which represents the acquisition price for the full 18.274-acre property prior to subdivision. This further confirms that the newly created parcel record is administratively linked to the parent parcel assessment while the City completes updates to its parcel mapping and assessment records. Administrative timing differences of this type are common for large redevelopment sites undergoing phased subdivision and reassessment.

We have also been informed that the project parcel may ultimately be assigned a new street address of 2700 Diamond View Drive once the City completes its address and parcel updates for the Diamond District redevelopment area. That address has not yet been reflected in the City's assessment records or other official documentation.

Accordingly, the attached tax assessment documentation represents the most recent real estate tax assessment issued by the City that encompasses the project site. The parcel and address records associated with the newly created parcel are expected to be updated by the City as its internal mapping and assessment systems are revised to reflect the recorded subdivision.

Please let us know if any additional clarification or documentation would be helpful.

Sincerely,

(signature on following page)

DIAMOND DISTRICT PHASE 1 NINE, LLC,
a Virginia limited liability company

By: Diamond District Phase 1 Nine MM, LLC,
a Virginia limited liability company,
its managing member

By: Pennrose Nix DD JV, LLC,
a Virginia limited liability company,
its sole member

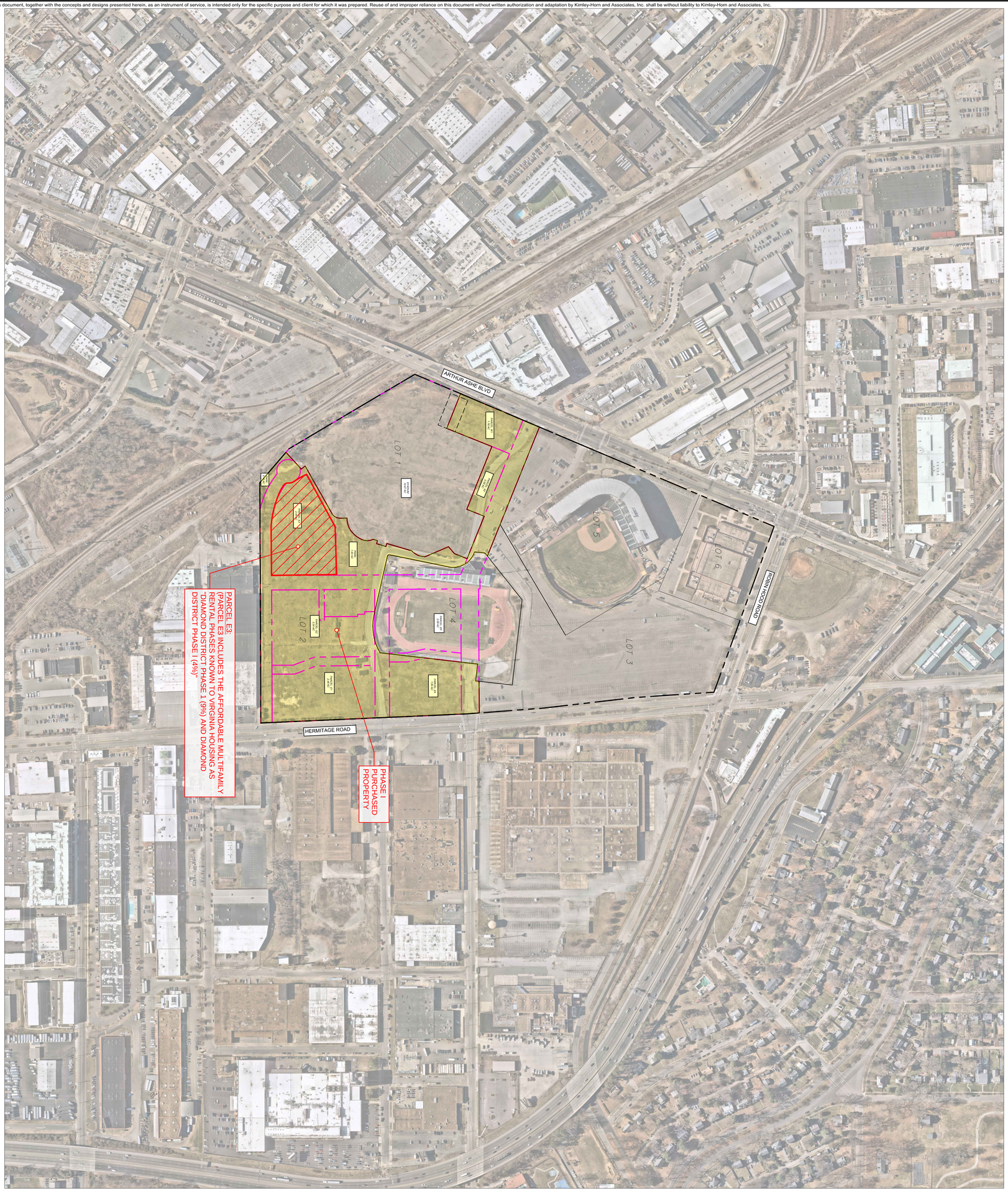
By: Pennrose Holdings, LLC,
its managing member

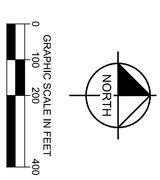
By: 

Name: Timothy I. Henkel
Title: Chief Executive Officer

Plotted By:Collins, Emme Sheet Set:Kha Layout:CA-102-IF PROPERTY EXHIBIT March 11, 2026 11:51:58am K:\RIC_CIV\113560000 - Diamond District E3 Parcel - Richmond, VA\CAD\Exhibits\2025-5-7 ESA Exhibit\ESA EXHIBIT.dwg

This document, together with the concepts and designs presented herein, as an instrument of service, is intended only for the specific purpose and client for which it was prepared. Reuse of and improper reliance on this document without written authorization and adaptation by Kimley-Horn and Associates, Inc. shall be without liability to Kimley-Horn and Associates, Inc.





SHEET NUMBER

DIAMOND DISTRICT PARCEL E3
MULTIFAMILY RESIDENTIAL
PREPARED FOR
PENNROSE, LLC
CITY OF RICHMOND VA

PHASE I LAND PURCHASED PROPERTY BOUNDARIES

KHA PROJECT	113560000
DATE	03/11/2026
SCALE	AS SHOWN
DESIGNED BY	EKC
DRAWN BY	EKC
CHECKED BY	BRD

Kimley»Horn

© 2026 KIMLEY-HORN AND ASSOCIATES, INC.

6806 PARAGON PLACE, SUITE 310, RICHMOND, VA 23230
PHONE: 804-673-3882
WWW.KIMLEY-HORN.COM

No.	REVISIONS	DATE	BY

Outlook

[External] DD - Subdivision - Phase 1A-1

Organizer	Maritza Pechin <maritza.pechin@thalhimer.com>
Meeting time	Fri 3/7/2025 1:00 PM - 2:00 PM
Location	Microsoft Teams Meeting
Recurrence	Occurs every first Friday from 1:00 PM to 2:00 PM effective Fri 3/7/2025 until Sat 3/7/2026
My response	Not yet responded
Required attendees	Maritza Pechin, John Michels, Jason Guillot, raymond@nixdevco.com, Patrick Stewart, Ditzler, Brian
Message sent	Fri 12/5/2025 12:51 PM

1 attachment (5 MB)

Lot2_Plat_DeedNo25-19258_20251121.pdf;

Hi Pennrose/Nix Team,

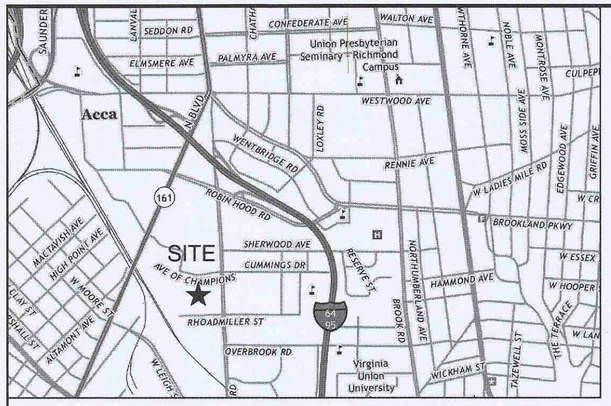
Just a note to say that we recorded the subdivision plat for Phase 1A-1 on November 21. The City is currently processing the plat to develop parcel numbers and street addresses. Parcel E3 will be at the corner of Slider Way (formerly Road B) and Diamond View Drive (formerly, Road A).

See attached recorded plat.

Maritza

Maritza Pechin
Director of Development
Thalhimer Realty Partners

T +1 804 554 3830
M + 1 804 938 9703
maritza.pechin@thalhimer.com



VICINITY MAP

SCALE: 1"=2,000'

NOTES:

1.) USE: COMMERCIAL
2.) ZONING TOD-1 (TRANSIT-ORIENTED NODAL DISTRICT).
3.) ADDRESS: 2728 HERMITAGE ROAD, RICHMOND, VA 23220
4.) TAX MAP REFERENCE NUMBER: N0001510013
5.) WATER: PUBLIC - CITY OF RICHMOND, VIRGINIA
6.) SEWER: PUBLIC - CITY OF RICHMOND, VIRGINIA
7.) DRAINAGE: CURBS & GUTTERS
8.) PUBLIC UTILITIES: UNDERGROUND & OVERHEAD
9.) OWNERS: DIAMOND DISTRICT PARTNERS, LLC.
10.) DEVELOPER: DIAMOND DISTRICT PARTNERS, LLC.
11.) TOTAL AREA: 18.274 AC / 796,034 S.F.
AREA IN LOTS FOR ROADS: 4.463 AC / 194,418 S.F.
AREA IN LOTS FOR DEVELOPMENT: 13.811 AC / 601617 S.F.
12.) TOTAL NUMBER OF LOTS AFTER SUBDIVISION - 17
NUMBER OF LOTS FOR ROADS - 6
NUMBER OF LOTS FOR DEVELOPMENT - 11
13.) LOTS DESIGNATED AS "PRIVATE RIGHT OF WAY" WILL BE CONVEYED TO THE CITY OF RICHMOND, VIRGINIA, BY DEED, AT SUCH TIME AS DESIGNATED BY THE CITY OF RICHMOND, AND WILL BECOME PUBLIC RIGHT OF WAY. RIGHTS OF WAY WILL BE MONUMENTED PER CITY CODE FOR PUBLIC R/W MONUMENTATION, PRIOR TO CONVEYANCE.
14.) PROPERTY WITHIN THE LIMITS OF THIS SUBDIVISION IS LOCATED IN FLOOD ZONE 'X' AS SHOWN ON FLOOD INSURANCE RATE MAP PANEL #51012900290, EFFECTIVE DATE 04/02/2009. THIS FLOOD DETERMINATION IS NOT A RECOMMENDATION BY TRC TO NOT PURCHASE OR PURCHASE FLOOD INSURANCE COVERAGE AND DOES NOT IMPLY THAT THE REFERENCED PROPERTY WILL OR WILL NOT BE FREE FROM FLOOD DAMAGE.
15.) PROPERTY WITHIN THE LIMITS OF THIS SUBDIVISION DOES NOT CONTAIN WETLANDS IDENTIFIED ON THE NATIONAL WETLANDS INVENTORY MAPS.
16.) PROPERTY WITHIN THE LIMITS OF THIS SUBDIVISION IS LOCATED IN CHESAPEAKE BAY PRESERVATION AREAS DESIGNATED BY THE CITY OF RICHMOND, VIRGINIA PURSUANT TO CHAPTER 50 OF THE CITY CODE OF 2004.
17.) PROPERTY TO BE SUBDIVIDED IS LOT 2 AS SHOWN ON PLAT PREPARED BY TIMMONS GROUP, DATED 10/24/2024, LAST REVISED 12/9/2024, ENTITLED "BOUNDARY LINE ADJUSTMENT DIAMOND DISTRICT DIAMOND PARCEL" RECORDED IN CLERK'S OFFICE, CIRCUIT COURT, CITY OF RICHMOND AS INST. NO. 250001605.

SOURCE OF TITLE:

THE PROPERTY EMBRACED WITHIN THE LIMITS OF THIS SUBDIVISION IS THAT PROPERTY CONVEYED TO DIAMOND DISTRICT PARTNERS, LLC. FROM THE ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF RICHMOND, VIRGINIA BY DEED DATED MARCH 3, 2025, RECORDED MARCH 3, 2025 IN THE CLERK'S OFFICE, CIRCUIT COURT, CITY OF RICHMOND, VIRGINIA AS INSTRUMENT NO.: 250003207.

11/20/2025

DONALD F CHANDLER, L.S. #2754
TRC ENGINEERS

SURVEYOR'S CERTIFICATE

TO THE BEST OF MY KNOWLEDGE AND BELIEF ALL OF THE REQUIREMENTS AS SET FORTH IN THE ORDINANCE FOR APPROVING PLATS OF SUBDIVISION IN THE CITY OF RICHMOND, VIRGINIA HAVE BEEN COMPLIED WITH. ALL MONUMENTS HAVE BEEN PREVIOUSLY SET OR WILL BE SET AT THE COMPLETION OF FINAL GRADING OF THE SITE. (DATE YET TO BE DETERMINED)

DONALD F CHANDLER, L.S. #2754

DATED: 11/20/2025

COMMONWEALTH OF VIRGINIA
DONALD F. CHANDLER II
Lic. No. 2754
11/20/2025
LAND SURVEYOR

PLAT 25- 49 A
DATE RECORDED: NOV 21 2025
SEE DEED 25-19258
FILED: DC

SUBDIVISION CERTIFICATE:

THE SUBDIVISION OF LAND SHOWN HEREON, DESIGNATED AS DIAMOND DISTRICT DEVELOPMENT ~ PHASE 1A-1, IS WITH THE FREE CONSENT AND IN ACCORDANCE WITH THE DESIRES OF THE UNDERSIGNED OWNERS, MORTGAGEES AND TRUSTEES THEREOF. THERE ARE NO DEEDS OF TRUST OR MORTGAGES ON THIS PROPERTY. ALL STREETS, ALLEYS AND EASEMENTS ARE OF THE WIDTH AND EXTENT SHOWN HEREON AND ARE DEDICATED TO THE CITY OF RICHMOND, VIRGINIA FREE AND UNRESTRICTED BY ANY PREVIOUS AGREEMENTS OR EASEMENTS, EXCEPT AS NOTED ON THIS PLAT AT THE TIME OF RECORDATION. ALL EASEMENTS ARE FOR SURFACE AND UNDERGROUND DRAINAGE AND FOR UNDERGROUND UTILITIES, UNLESS NOTED OTHERWISE. ALL UNRESTRICTED EASEMENTS ARE SUBJECT TO THE RIGHT OF THE CITY OF RICHMOND, VIRGINIA TO ESTABLISH ALLEYS ON SAID EASEMENTS AT A FUTURE TIME WITHOUT COST OF THE PROPERTY INVOLVED. THE DEDICATION OF EASEMENTS TO THE CITY INCLUDES THE RIGHT TO MAKE REASONABLE USE OF THE ADJOINING LAND FOR CONSTRUCTION AND MAINTENANCE OF PUBLIC FACILITIES WITHIN THE BOUNDARIES OF THE EASEMENTS SHOWN HEREON. ALL DEDICATION OF LAND ARE SUBJECT TO THE RIGHT OF THE CITY OF RICHMOND, VIRGINIA TO ESTABLISH STREETS, ALLEYS, OR EASEMENTS ON SUCH PROPERTY AT A FUTURE TIME WITHOUT COST OF THE PROPERTY INVOLVED.

IN WITNESS WHEREOF, THE OWNERS, MORTGAGEES, AND TRUSTEES HAVE/HAS AFFIXED THEIR SIGNATURE AND SEAL AS OF THIS 20 DAY OF November, 2025.

OWNER / MORTGAGEE / TRUSTEE

(CITY) OR COUNTY OF: Richmond
STATE OR COMMONWEALTH OF: VA

TO WIT: Jason Gullot

THE FOREGOING OWNER'S CONSENT WAS ACKNOWLEDGED BEFORE ME THIS 20 DAY OF November, 2025
BY: Eliza Corbin Leitch
NOTARY REGISTRATION NO. 7780078

NOTARY PUBLIC SIGNATURE

MY COMMISSION EXPIRES: 2/28/2026

ELIZA CORBIN LEITCH
Notary Public
Commonwealth of Virginia
Registration No. 7780078
My Commission Expires Feb 28, 2026

GENERAL SURVEY NOTES:

1.) HORIZONTAL DATUM IS NAD83 VIRGINIA STATE PLANE SOUTH ZONE U.S. SURVEY FOOT PER GPS.
2.) THIS SUBDIVISION IS BASED ON AN ALTA/ACSM LAND TITLE SURVEY FOR LOT 2, DIAMOND DISTRICT DEVELOPMENT, DATED DECEMBER 10, 2024.
3.) NO BUILDINGS EXIST ON THE SUBJECT PROPERTY.
4.) NEW CORNER MONUMENTS WILL BE SET AT MAJOR CORNERS OF BOUNDARY OF THE SURVEYED PROPERTIES ONCE ALL FINAL GRADING IS FINISHED ON ACTIVE CONSTRUCTION.
5.) ITEMS DENOTED IN *ITALIC TEXT* ARE EXISTING PRIOR TO RECORDATION OF THIS PLAT. ITEMS DENOTED IN STANDARD TEXT ARE PROPOSED.

LOT NUMBER CONVERSION TABLE	
CITY LOT NO.	DEVELOPER LOT NO.
1	E1
2	E1/E2 MEWS
3	E2-1
4	ROAD A
5	E3
6	ROAD B
7	ROAD C
8	E4
9	E3/E4 MEWS
10	ROAD J
11	PARK
12	S2
13	ROAD J
14	W1
15	ROAD C
16	E2-2
17	E2-3

ROAD NAMES:

ROAD J = ENCORE AVENUE
ROAD A = DIAMOND VIEW DRIVE
ROAD B = SLIDER WAY
ROAD C = RALLY ROAD

Approved by the
City of Richmond
Department of Planning
and Development Review
A. Olivier 11/21/2025
Date

1030 Wilmer Avenue, Suite 100
Richmond, VA 23227
804-264-2228 Fax: 804-264-8773
www.trccompanies.com

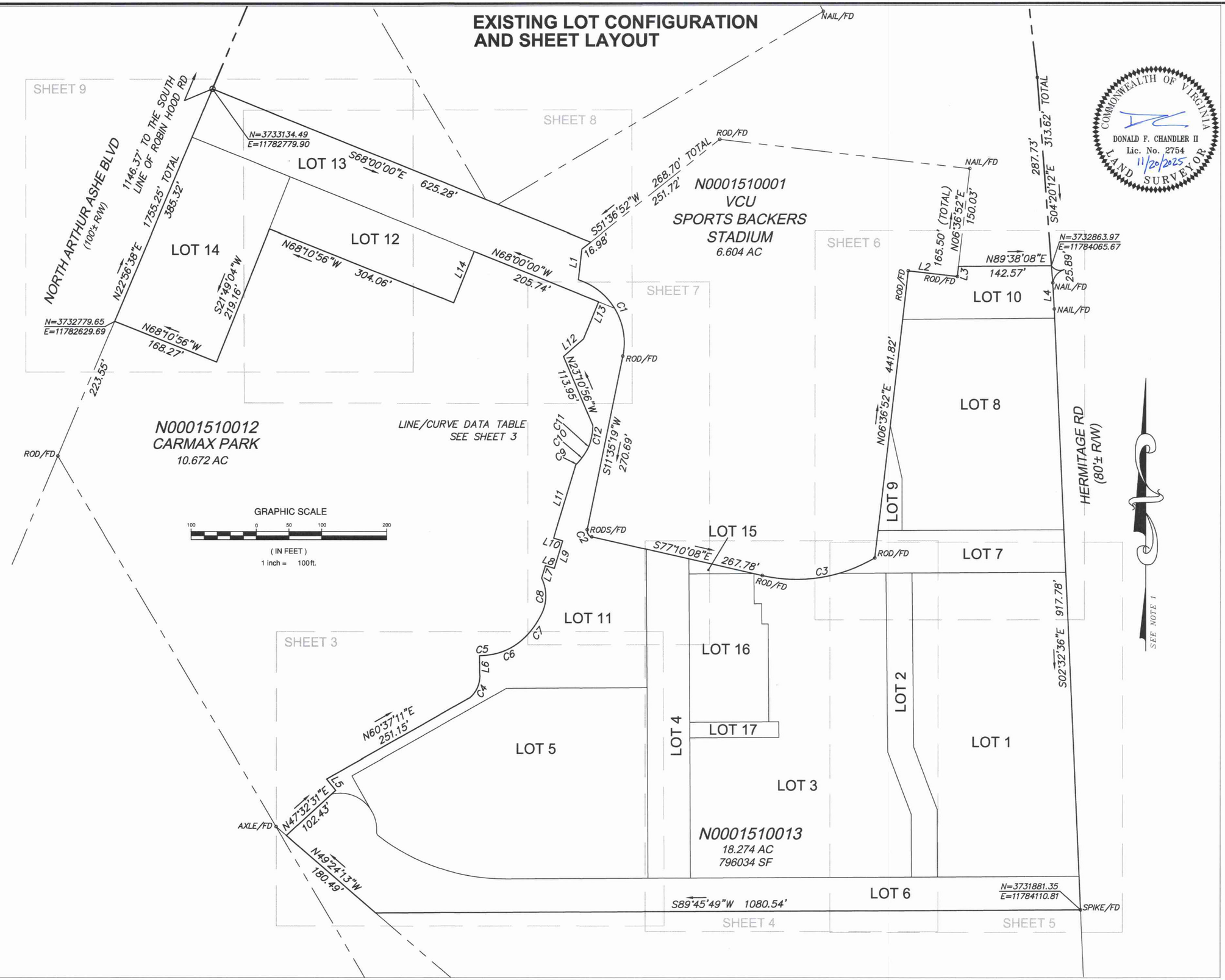
TRC ENGINEERS, INC.

SUBDIVISION OF PARCEL NUMBER N0001510013 DIAMOND DISTRICT DEVELOPMENT PHASE 1A-1

CITY OF RICHMOND ~ VIRGINIA

DESIGNED BY:	KH - BD
DRAWN BY:	DC
CHECKED BY:	TRC
SCALE:	N/A
DATE:	11/18/2025
PROJECT NUMBER:	513001

EXISTING LOT CONFIGURATION AND SHEET LAYOUT



LINE/CURVE DATA TABLE
SEE SHEET 3

GRAPHIC SCALE

100 0 50 100 200

(IN FEET)

1 inch = 100 ft.

COMMONWEALTH OF VIRGINIA
DONALD F. CHANDLER II
Lic. No. 2754
11/20/2025
LAND SURVEYOR

1030 Wilmer Avenue, Suite 100
Richmond, VA 23227
804-264-2228 Fax: 804-264-8773
www.trccompanies.com

TRC ENGINEERS, INC.

SUBDIVISION OF
PARCEL NUMBER N0001510013
DIAMOND DISTRICT DEVELOPMENT
PHASE 1A-1

CITY OF RICHMOND ~ VIRGINIA

DESIGNED BY:	KH - BD
DRAWN BY:	DC
CHECKED BY:	TRC
SCALE:	1" = 100'
DATE:	11/18/2025
PROJECT NUMBER:	513001

2 OF 9

PLAT 25- 498
DATE RECORDED: NOV 21 2025
SEE DEED 25- 19258
FILED: DC

LOT 5, PART OF LOT 11 AND PART OF LOT 6

CURVE TABLE						
CURVE	RADIUS	ARC LENGTH	DELTA ANGLE	CHORD LENGTH	CHORD BEARING	TANGENT
C1	101.22'	147.80'	83°39'36"	135.01'	S30°14'36"E	90.60'
C2	9.00'	13.94'	88°45'54"	12.59'	S32°47'24"E	8.81'
C3	236.54'	178.82'	43°18'51"	174.59'	N81°10'26"E	93.93'
C4	43.00'	39.07'	52°03'37"	37.74'	N25°18'39"E	21.00'
C5	161.61'	13.94'	4°56'37"	13.94'	N85°30'35"E	6.98'
C6	94.39'	56.74'	34°26'26"	55.89'	N65°49'04"E	29.25'
C7	122.70'	44.19'	20°38'07"	43.95'	N38°16'48"E	22.34'
C8	61.08'	62.40'	58°32'02"	59.72'	N03°01'05"E	34.23'
C9	41.67'	3.64'	5°00'09"	3.64'	N44°35'58"E	1.82'
C10	113.50'	20.71'	10°27'10"	20.68'	N36°52'19"E	10.38'
C11	63.69'	19.39'	17°26'22"	19.31'	N22°55'33"E	9.77'
C12	80.28'	23.66'	16°53'09"	23.57'	N08°14'14"E	11.92'

LINE TABLE		
LINE	BEARING	DISTANCE
L1	S06°36'52"W	47.38'
L2	S83°23'08"E	76.00'
L3	N06°36'52"E	15.47'
L4	S03°30'40"E	40.00'
L5	N39°07'46"W	22.21'
L6	N00°43'10"W	30.74'
L7	N16°49'01"E	19.95'
L8	S73°10'56"E	14.36'
L9	N16°49'04"E	44.06'
L10	N73°10'56"W	14.36'
L11	N16°49'01"E	117.14'
L12	N48°49'10"E	40.84'
L13	N22°05'14"E	61.35'
L14	S21°49'04"W	84.61'

LOT 11
63562 S.F. / 1.459 AC

P.O.B. LOT 11
&
P.O.B. LOT 5

N=3732219.61
E=11783445.93

N89°45'49"E 215.46'

211.63'

N/F
ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF RICHMOND, VIRGINIA
CARMAX PARK
PARCEL N0001510012
2907 N. ARTHUR ASHE BLVD.
INST.#: 240001521

COMMONWEALTH OF VIRGINIA
DONALD F. CHANDLER II
Lic. No. 2754
11/20/2025
LAND SURVEYOR

LOT 5
106732 S.F. / 2.450 AC

501.63' (TOTAL)

LOT 5 LEGAL DESCRIPTION:
BEGINNING AT A POINT ON THE WESTERN LINE OF LOT 4;
THENCE S 00°17'53" E A DISTANCE OF 290.00' TO A POINT;
THENCE S 89°45'49" W A DISTANCE OF 218.57' TO A POINT;
THENCE WITH A CURVE TURNING TO THE RIGHT WITH AN ARC LENGTH OF 209.43', WITH A RADIUS OF 318.25', WITH A CHORD BEARING OF N 71°23'03" W, WITH A CHORD LENGTH OF 205.67', TO A POINT;
THENCE WITH A COMPOUND CURVE TURNING TO THE RIGHT WITH AN ARC LENGTH OF 6.16', WITH A RADIUS OF 6.25', WITH A CHORD BEARING OF N 24°17'33" W, WITH A CHORD LENGTH OF 5.91', TO A POINT;
THENCE WITH A REVERSE CURVE TURNING TO THE LEFT WITH AN ARC LENGTH OF 32.21', WITH A RADIUS OF 55.75', WITH A CHORD BEARING OF N 12°38'08" W, WITH A CHORD LENGTH OF 31.77', TO A POINT;
THENCE N 29°22'49" W A DISTANCE OF 62.78' TO A POINT;
THENCE N 60°37'11" E A DISTANCE OF 271.63' TO A POINT;
THENCE N 89°45'49" E A DISTANCE OF 215.46' TO A POINT;
WHICH IS THE POINT OF BEGINNING,
HAVING AN AREA OF 106732 SQUARE FEET, 2.450 ACRES

SEE NOTE 1

S00°17'53"E 290.00'

LOT 4

A=72.78'
R=55.75'
D=74°48'08"
CB=N66°35'24"W
CH=67.72'
T=42.63'

N60°37'11"E

251.15'

N60°37'11"E 271.63'

L5
8.63'

N29°22'49"W
62.78'

(TOTAL)
A=105.00'
R=55.75'
D=107°54'33"
CB=N50°02'12"W
CH=90.15'
T=76.61'

A=32.21'
R=55.75'
D=33°06'25"
CB=N12°38'08"W
CH=31.77'
T=16.57'

A=6.16'
R=6.25'
D=56°28'43"
CB=N24°17'33"W
CH=5.91'
T=3.36'

N47°32'31"E
102.43'
93.80'

N=3731994.34
E=11782893.22

GRAPHIC SCALE
30 0 15 30 60
(IN FEET)
1 inch = 30ft.

A=209.43'
R=318.25'
D=37°42'17"
CB=N71°23'03"W
CH=205.67'
T=108.67'

N49°24'13"W

180.49'

S89°45'49"W 218.57'
879.68' (TOTAL)

LOT 6
PRIVATE RIGHT OF WAY (ROAD B)
73484 S.F. / 1.687 AC

51.00'

EXIST. 15' ELEC. ESMT.
(APPROXIMATE LOCATION)

S89°45'49"W 1080.54'

N/F
CSX TRANSPORTATION INC
PARCEL N0001292027
2504 HERMITAGE RD.
INST.#: 001021913

N/F
ELI N FUTERMAN
PARCEL N0001292011
1740 RHOADMILLER ST.
D.B. 364 PG. 1288

PLAT 25- 496
DATE RECORDED: NOV 21 2025
SEE DEED 25- 19258
FILED: dc DC

1030 Wilmer Avenue, Suite 100
Richmond, VA 23227
804-264-2228 Fax: 804-264-8773
www.trccompanies.com

TRC ENGINEERS, INC.

SUBDIVISION OF
PARCEL NUMBER N0001510013
DIAMOND DISTRICT DEVELOPMENT
PHASE 1A-1
CITY OF RICHMOND ~ VIRGINIA

DESIGNED BY:	KH - BD
DRAWN BY:	DC
CHECKED BY:	TRC
SCALE:	1" = 30'
DATE:	11/18/2025
PROJECT NUMBER:	513001

LOT 2, LOT 3, LOT 4, LOT 15, LOT 16, LOT 17 AND PART OF LOT 6

LOT 1

LOT 7

N=3732394.60
E=11783851.91

N89°46'21"E 347.44' (TOTAL)

S00°32'37"E 265.23'

S20°56'58"E 101.67'

S00°14'20"E 102.99'

40.00'

N=3731931.28
E=11783851.21

P.O.B. LOT 2

S00°14'20"E 95.68'

P.O.B. LOT 3

40.00'

LOT 2
18795 S.F. / 0.431 AC

S20°56'58"E 101.56'

S00°32'37"E 272.65'

ROD/FD

71.38'

LOT 2 LEGAL DESCRIPTION
BEGINNING AT A POINT ON THE NORTH LINE OF LOT 6;
THENCE N 00°14'20" W A DISTANCE OF 95.68' TO A POINT;
THENCE N 20°56'58" W A DISTANCE OF 101.56' TO A POINT;
THENCE N 00°32'37" W A DISTANCE OF 272.65' TO A POINT;
THENCE N 89°46'21" E A DISTANCE OF 40.00' TO A POINT;
THENCE S 00°32'37" E A DISTANCE OF 265.23' TO A POINT;
THENCE S 20°56'58" E A DISTANCE OF 101.67' TO A POINT;
THENCE S 00°14'20" E A DISTANCE OF 102.99' TO A POINT;
THENCE S 89°45'49" W A DISTANCE OF 40.00' TO A POINT;
WHICH IS THE POINT OF BEGINNING,
HAVING AN AREA OF 18795 SQUARE FEET, 0.431 ACRES

LOT 3 LEGAL DESCRIPTION:
BEGINNING AT A POINT ON THE NORTHERN LINE OF LOT 6;
THENCE S 89°45'49" W A DISTANCE OF 338.77' TO A ;
THENCE N 00°17'53" W A DISTANCE OF 212.95' TO A POINT;
THENCE N 89°42'07" E A DISTANCE OF 136.60' TO A POINT;
THENCE N 00°17'53" W A DISTANCE OF 23.98' TO A POINT;
THENCE S 89°42'07" W A DISTANCE OF 15.30' TO A POINT;
THENCE N 00°17'53" W A DISTANCE OF 149.62' TO A POINT;
THENCE S 89°42'07" W A DISTANCE OF 9.75' TO A POINT;
THENCE N 00°17'53" W A DISTANCE OF 30.93' TO A POINT;
THENCE S 89°42'07" W A DISTANCE OF 11.54' TO A POINT;
THENCE N 00°27'53" W A DISTANCE OF 45.75' TO A POINT;
THENCE S 77°10'08" E A DISTANCE OF 12.83' TO A POINT;
THENCE WITH A CURVE TURNING TO THE LEFT WITH AN ARC LENGTH OF 119.43', WITH A RADIUS OF 236.54', WITH A CHORD BEARING OF N 88°22'00" E, WITH A CHORD LENGTH OF 118.16', TO A POINT;
THENCE N 89°46'21" E A DISTANCE OF 71.38' TO A POINT;
THENCE S 00°32'37" E A DISTANCE OF 272.65' TO A POINT;
THENCE S 20°56'58" E A DISTANCE OF 101.56' TO A POINT;
THENCE S 00°14'20" E A DISTANCE OF 95.68' TO A POINT;
WHICH IS THE POINT OF BEGINNING,
HAVING AN AREA OF 115146 SQUARE FEET, 2.643 ACRES

LOT 15 LEGAL DESCRIPTION:
BEGINNING AT A POINT ON THE EAST LINE OF LOT 4;
THENCE N 00°17'53" W A DISTANCE OF 23.17' TO A POINT;
THENCE S 77°10'08" E A DISTANCE OF 102.56' TO A POINT;
THENCE S 89°46'21" W A DISTANCE OF 99.88' TO A POINT;
WHICH IS THE POINT OF BEGINNING,
HAVING AN AREA OF 1157 SQUARE FEET, 0.027 ACRES

(TOTAL) C3
A=119.43'
R=236.54'
D=28°55'43"
CB=N88°22'00"E
CH=118.16'
T=61.02'

FUTURE PARCEL LINE (TYP)

N/F
VIRGINIA COMMONWEALTH UNIVERSITY
SPORTS BACKERS STADIUM
PARCEL N0001510001
2900 HERMITAGE RD
INST.# 980020854

LOT 3
115146 S.F. / 2.643 AC

SEE NOTE 1

338.77'

S89°45'49"W 879.68' (TOTAL)

51.00'

S89°45'49"W 1080.54'

LOT 6
PRIVATE RIGHT OF WAY (ROAD B)
73484 S.F. / 1.687 AC

N/F
ELI N FUTERMAN
PARCEL N0001292011
1740 RHOADMILLER ST.
D.B. 364 PG. 1288

N00°17'53"W
23.98'

15.30'

N00°17'53"W
149.62'

S89°42'07"W
9.75'

ROD/FD

12.83'
S77°10'08"E

S89°42'07"W
11.54'

N00°27'53"W
30.93'

N00°27'53"W
45.75'

GRAPHIC SCALE
30 0 15 30 60
(IN FEET)
1 inch = 30ft.

LOT 16 LEGAL DESCRIPTION:
BEGINNING AT A POINT ON THE EAST LINE OF LOT 4;
THENCE N 89°46'21" E A DISTANCE OF 99.88' TO A POINT;
THENCE S 00°27'53" E A DISTANCE OF 45.75' TO A POINT;
THENCE N 89°42'07" E A DISTANCE OF 11.54' TO A POINT;
THENCE S 00°17'53" E A DISTANCE OF 30.93' TO A POINT;
THENCE N 89°42'07" E A DISTANCE OF 9.75' TO A POINT;
THENCE S 00°17'53" E A DISTANCE OF 149.62' TO A POINT;
THENCE S 89°42'07" W A DISTANCE OF 121.30' TO A POINT;
THENCE N 00°17'53" W A DISTANCE OF 226.44' TO A POINT;
WHICH IS THE POINT OF BEGINNING,
HAVING AN AREA OF 26178 SQUARE FEET, 0.601 ACRES

LOT 16
26178 S.F. / 0.601 AC

LOT 15
PRIVATE RIGHT OF WAY (ROAD C)
1157 S.F. / 0.02656 AC

N89°46'21"E
99.88'

121.30'

LOT 17
3276 S.F. / 0.075 AC

136.60'

136.60'

N89°42'07"E

N89°42'07"E

LOT 17 LEGAL DESCRIPTION:
BEGINNING AT A POINT ON THE EAST LINE OF LOT 4;
THENCE N 89°42'07" E A DISTANCE OF 136.60' TO A POINT;
THENCE S 00°17'53" E A DISTANCE OF 23.98' TO A POINT;
THENCE S 89°42'07" W A DISTANCE OF 136.60' TO A POINT;
THENCE N 00°17'53" W A DISTANCE OF 23.98' TO A POINT;
WHICH IS THE POINT OF BEGINNING,
HAVING AN AREA OF 3276 SQUARE FEET, 0.075 ACRES

COMMONWEALTH OF VIRGINIA
DONALD F. CHANDLER II
Lic. No. 2754
11/20/2025
LAND SURVEYOR

267.78' (TOTAL)

102.56'

23.17'

N=3732393.24
E=11783510.03

226.44'

N00°17'53"W

23.98'

212.95'

P.O.B. LOTS 15 & 16

486.54' (TOTAL)

P.O.B. LOT 17

P.O.B. LOT 4

S77°10'08"E
66.74'

LOT 4
PRIVATE RIGHT OF WAY (ROAD A)
32115 S.F. / 0.737 AC

LOT 4 LEGAL DESCRIPTION:
BEGINNING AT A POINT ON THE NORTH LINE OF LOT 6;
THENCE S 89°45'49" W A DISTANCE OF 65.00' TO A POINT;
THENCE N 00°17'53" W A DISTANCE OF 501.63' TO A POINT;
THENCE S 77°10'08" E A DISTANCE OF 66.74' TO A POINT;
THENCE S 00°17'53" E A DISTANCE OF 486.54' TO A POINT;
WHICH IS THE POINT OF BEGINNING,
HAVING AN AREA OF 32115 SQUARE FEET, 0.737 ACRES

65.00'

N00°17'53"W 501.63'

PLAT 25- 99 D
DATE RECORDED: NOV 21 2025
SEE DEED 25- 19858
FILED: DC

1030 Wilmer Avenue, Suite 100
Richmond, VA 23227
804-264-2228 Fax: 804-264-8773
www.trccompanies.com

TRC ENGINEERS, INC.

SUBDIVISION OF
PARCEL NUMBER N0001510013
DIAMOND DISTRICT DEVELOPMENT
PHASE 1A-1
CITY OF RICHMOND ~ VIRGINIA

DESIGNED BY:	KH - BD
DRAWN BY:	DC
CHECKED BY:	TRC
SCALE:	1" = 30'
DATE:	11/18/2025
PROJECT NUMBER:	513001

LOT 1 AND PART OF LOT 6

COMMONWEALTH OF VIRGINIA
DONALD F. CHANDLER II
Lic. No. 2754
11/20/2025
LAND SURVEYOR

HERMITAGE ROAD
80' R/W

N=3731881.35
E=11784110.81
SPIKE/FD

P.O.B. LOT 1
P.O.B. LOT 6

S02°32'36"E 917.78' (TOTAL)

463.65'

51.04'

65.05'

GRAPHIC SCALE
30 0 15 30 60
(IN FEET)
1 inch = 30 ft.

SEE NOTE 1

LOT 6 LEGAL DESCRIPTION:
BEGINNING AT A POINT ON THE WEST LINE OF HERMITAGE ROAD;
THENCE S 02°32'36" E A DISTANCE OF 51.04' TO A POINT;
THENCE S 89°45'49" W A DISTANCE OF 1080.54' TO A POINT;
THENCE N 49°24'13" W A DISTANCE OF 180.49' TO A POINT;
THENCE N 47°32'31" E A DISTANCE OF 93.80' TO A POINT;
THENCE WITH A CURVE TURNING TO THE RIGHT WITH AN ARC LENGTH OF 105.00', WITH A RADIUS OF 55.75', WITH A CHORD BEARING OF S 50°02'12" E, WITH A CHORD LENGTH OF 90.15', TO A POINT;
THENCE WITH A REVERSE CURVE TURNING TO THE LEFT WITH AN ARC LENGTH OF 6.16', WITH A RADIUS OF 6.25', WITH A CHORD BEARING OF S 24°17'33" E, WITH A CHORD LENGTH OF 5.91', TO A POINT;
THENCE WITH A COMPOUND CURVE TURNING TO THE LEFT WITH AN ARC LENGTH OF 209.43', WITH A RADIUS OF 318.25', WITH A CHORD BEARING OF S 71°23'03" E, WITH A CHORD LENGTH OF 205.67', TO A POINT;
THENCE N 89°45'49" E A DISTANCE OF 879.68' TO A POINT;
WHICH IS THE POINT OF BEGINNING,
HAVING AN AREA OF 73484 SQUARE FEET, 1.687 ACRES

LOT 1
107803 S.F. / 2.475 AC

LOT 1 LEGAL DESCRIPTION:
BEGINNING AT A POINT ON THE WESTERN LINE OF HERMITAGE ROAD;
THENCE S 89°45'49" W A DISTANCE OF 217.34' TO A POINT;
THENCE N 00°14'20" W A DISTANCE OF 102.99' TO A POINT;
THENCE N 20°56'58" W A DISTANCE OF 101.67' TO A POINT;
THENCE N 00°32'37" W A DISTANCE OF 265.23' TO A POINT;
THENCE N 89°46'21" E A DISTANCE OF 236.06' TO A POINT;
THENCE S 02°32'36" E A DISTANCE OF 463.65' TO A POINT;
WHICH IS THE POINT OF BEGINNING,
HAVING AN AREA OF 107803 SQUARE FEET, 2.475 ACRES

LOT 7

N89°46'21"E 347.44' (TOTAL)

236.06'

217.34'

S89°45'49"W 879.68' (TOTAL)

LOT 6
PRIVATE RIGHT OF WAY (ROAD B)
73484 S.F. / 1.687 AC

N00°14'20"W 102.99'

N20°56'58"W 101.67'

N=3732394.60
E=11783851.91

N00°32'37"W 265.23'

40.00'

LOT 2

S89°45'49"W 1080.54'

N/F
ELI N FUTERMAN
PARCEL N0001292011
1740 RHOADMILLER ST.
D.B. 364 PG. 1288

ROD/FD

N/F
VIRGINIA COMMONWEALTH UNIVERSITY
SPORTS BACKERS STADIUM
PARCEL N0001510001
2900 HERMITAGE RD
INST.#: 980020854

LOT 3

1030 Wilmer Avenue, Suite 100
Richmond, VA 23227
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TRC ENGINEERS, INC.

SUBDIVISION OF PARCEL NUMBER N0001510013 DIAMOND DISTRICT DEVELOPMENT PHASE 1A-1

CITY OF RICHMOND ~ VIRGINIA

DESIGNED BY:	KH - BD
DRAWN BY:	DC
CHECKED BY:	TRC
SCALE:	1" = 30'
DATE:	11/18/2025
PROJECT NUMBER:	513001

PLAT 25- 49 E
DATE RECORDED: NOV 21 2025
SEE DEED 25- 19258
FILED: DC

LOT 7, LOT 8, LOT 9 AND LOT 10

HERMITAGE ROAD
80' R/W

N=3732863.97
E=11784065.67

S04°20'12"E 313.62' (TOTAL)

P.O.B. LOT 10

25.89'

L4

NAIL/FD

NAIL/FD

14.24'

S02°32'36"E 917.78' (TOTAL)

323.80'

P.O.B. LOT 7
P.O.B. LOT 8

N=3732460.52
E=11784085.08

65.05'

N/F
ECONOMIC DEVELOPMENT AUTHORITY
OF THE CITY OF RICHMOND VIRGINIA
PARCEL N0001510011
2909 N. ARTHUR ASHE BLVD.
INST.#: 240001521

N89°38'08"E 142.57'

LOT 10
PRIVATE RIGHT OF WAY (ROAD J)
17300 S.F. / 0.397 AC

N89°38'08"E 233.46'

LOT 8
80186 S.F. / 1.841 AC

LOT 8 LEGAL DESCRIPTION:
BEGINNING AT A POINT ON THE WESTERN LINE OF HERMITAGE ROAD;
THENCE S 89°46'21" W A DISTANCE OF 248.74' TO A POINT;
THENCE N 00°00'00" W A DISTANCE OF 80.22' TO A POINT;
THENCE N 12°33'22" W A DISTANCE OF 82.39' TO A POINT;
THENCE N 06°36'52" E A DISTANCE OF 163.42' TO A POINT;
THENCE N 89°38'08" E A DISTANCE OF 233.46' TO A POINT;
THENCE S 02°32'36" E A DISTANCE OF 323.80' TO A POINT;
WHICH IS THE POINT OF BEGINNING,
HAVING AN AREA OF 80186 SQUARE FEET, 1.841 ACRES

LOT 7 LEGAL DESCRIPTION:
BEGINNING AT A POINT ON THE WESTERN LINE OF HERMITAGE ROAD;
THENCE S 02°32'36" E A DISTANCE OF 65.05' TO A POINT;
THENCE S 89°46'21" W A DISTANCE OF 347.44' TO A POINT;
THENCE WITH A CURVE TURNING TO THE LEFT WITH AN ARC LENGTH OF 59.39', WITH A RADIUS OF 236.54', WITH A CHORD BEARING OF N 66°42'35" E, WITH A CHORD LENGTH OF 59.23', TO A POINT;
THENCE N 06°36'52" E A DISTANCE OF 42.10' TO A POINT;
THENCE N 89°46'21" E A DISTANCE OF 285.30' TO A POINT;
WHICH IS THE POINT OF BEGINNING,
HAVING AN AREA OF 19410 SQUARE FEET, 0.446 ACRES

248.74'

S89°46'21"W 285.30' (TOTAL)

LOT 7
PRIVATE RIGHT OF WAY (ROAD C)
19410 S.F. / 0.446 AC

N89°46'21"E 347.44' (TOTAL)

LOT 1

L3

ROD/FD

L2

SEE NOTE 1

LOT 9 LEGAL DESCRIPTION:
BEGINNING AT A POINT ON THE NORTHERN LINE OF LOT 7;
THENCE S 89°46'21" W A DISTANCE OF 36.56' TO A POINT;
THENCE N 06°36'52" E A DISTANCE OF 161.87' TO A POINT;
THENCE S 12°33'22" E A DISTANCE OF 82.39' TO A POINT;
THENCE S 00°00'00" E A DISTANCE OF 80.22' TO A POINT;
WHICH IS THE POINT OF BEGINNING,
HAVING AN AREA OF 3656 SQUARE FEET, 0.084 ACRES

N=3732459.54
E=11783836.34

N00°00'00"W 80.22'

P.O.B. LOT 9

ROD/FD

74.43'

163.42'

N12°33'22"W 82.39'

N06°36'52"E 441.82' (TOTAL)

LOT 9
3656 S.F. / 0.084 AC

36.56'

161.87'

42.10'

ROD/FD

LOT 2

FUTURE PARCEL LINE (TYP)

LOT 10 LEGAL DESCRIPTION:
BEGINNING AT A POINT ON THE WESTERN LINE OF HERMITAGE ROAD;
THENCE S 04°20'12" E A DISTANCE OF 25.89' TO A POINT;
THENCE S 03°30'40" E A DISTANCE OF 40.00' TO A POINT;
THENCE S 02°32'36" E A DISTANCE OF 14.24' TO A POINT;
THENCE S 89°38'08" W A DISTANCE OF 233.46' TO A POINT;
THENCE N 06°36'52" E A DISTANCE OF 74.43' TO A POINT;
THENCE S 83°23'08" E A DISTANCE OF 76.00' TO A POINT;
THENCE N 06°36'52" E A DISTANCE OF 15.47' TO A POINT;
THENCE N 89°38'08" E A DISTANCE OF 142.57' TO A POINT;
WHICH IS THE POINT OF BEGINNING,
HAVING AN AREA OF 17300 SQUARE FEET, 0.397 ACRES

N/F
VIRGINIA COMMONWEALTH
UNIVERSITY
SPORTS BACKERS STADIUM
PARCEL N0001510001
2900 HERMITAGE RD
INST.#: 980020854

A=59.39'
R=236.54'
D=14°23'08"
CB=N66°42'35"E
CH=59.23'
T=29.85'

LOT 3

(TOTAL)
C3

GRAPHIC SCALE
30 0 15 30 60
(IN FEET)
1 inch = 30 ft.

COMMONWEALTH OF VIRGINIA
DONALD F. CHANDLER II
Lic. No. 2754
11/20/2025
LAND SURVEYOR

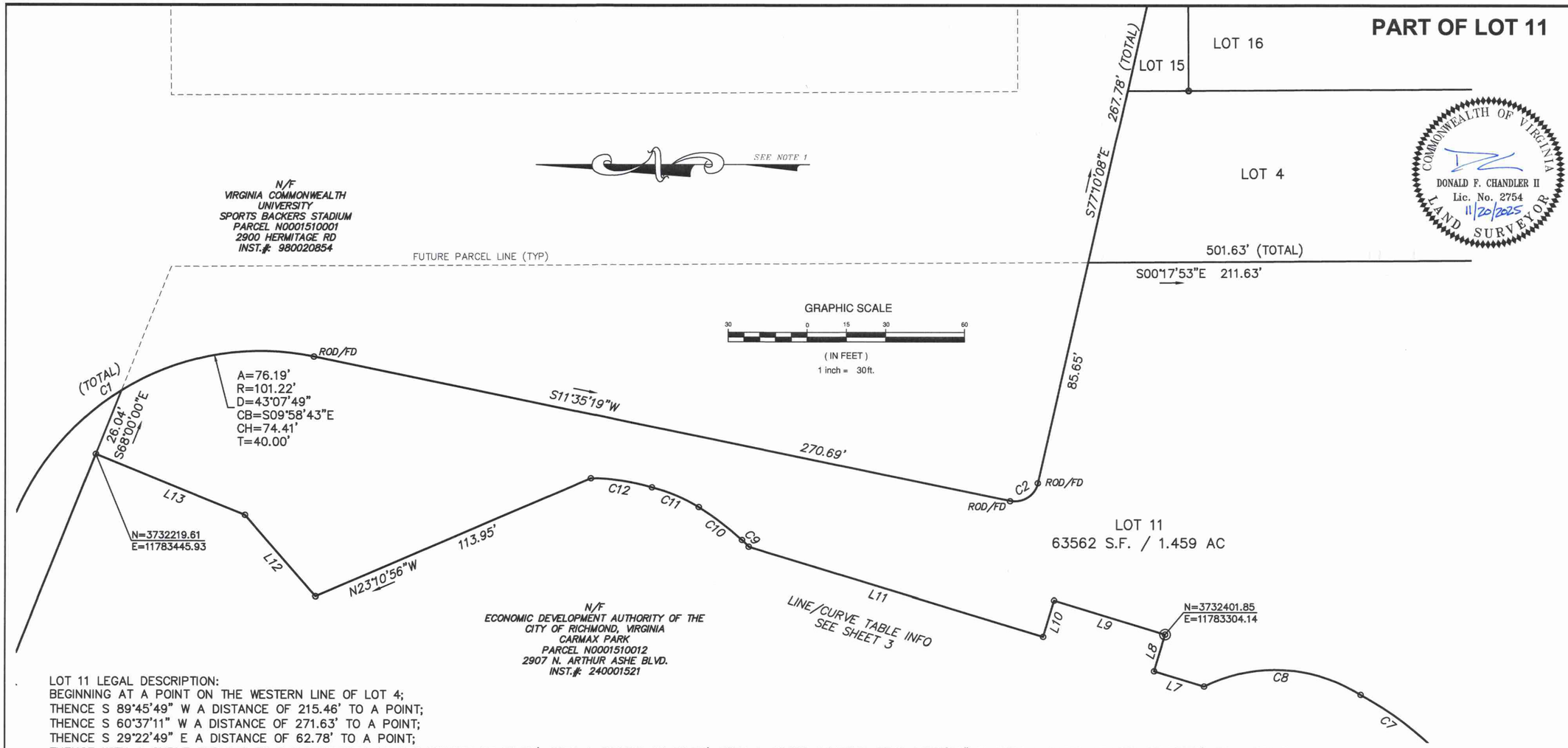
PLAT 25- 491 F
DATE RECORDED: NOV 21 2025
SEE DEED 25- 193258
FILED: _____ DC

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Richmond, VA 23227
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TRC ENGINEERS, INC.

SUBDIVISION OF
PARCEL NUMBER N0001510013
DIAMOND DISTRICT DEVELOPMENT
PHASE 1A-1
CITY OF RICHMOND ~ VIRGINIA

DESIGNED BY:	KH - BD
DRAWN BY:	DC
CHECKED BY:	TRC
SCALE:	1" = 30'
DATE:	11/18/2025
PROJECT NUMBER:	513001



LOT 11 LEGAL DESCRIPTION:
BEGINNING AT A POINT ON THE WESTERN LINE OF LOT 4;
THENCE S 89°45'49" W A DISTANCE OF 215.46' TO A POINT;
THENCE S 60°37'11" W A DISTANCE OF 271.63' TO A POINT;
THENCE S 29°22'49" E A DISTANCE OF 62.78' TO A POINT;
THENCE WITH A CURVE TURNING TO THE LEFT WITH AN ARC LENGTH OF 72.78', WITH A RADIUS OF 55.75', WITH A CHORD BEARING OF N 66°35'24" W, WITH A CHORD LENGTH OF 67.72', TO A POINT;
THENCE N 47°32'31" E A DISTANCE OF 8.63' TO A POINT;
THENCE N 39°07'46" W A DISTANCE OF 22.21' TO A POINT;
THENCE N 60°37'11" E A DISTANCE OF 251.15' TO A POINT;
THENCE WITH A CURVE TURNING TO THE LEFT WITH AN ARC LENGTH OF 39.07', WITH A RADIUS OF 43.00', WITH A CHORD BEARING OF N 25°18'39" E, WITH A CHORD LENGTH OF 37.74', TO A POINT;
THENCE N 00°43'10" W A DISTANCE OF 30.74' TO A POINT;
THENCE WITH A CURVE TURNING TO THE LEFT WITH AN ARC LENGTH OF 13.94', WITH A RADIUS OF 161.61', WITH A CHORD BEARING OF N 85°30'35" E, WITH A CHORD LENGTH OF 13.94', TO A POINT;
THENCE WITH A COMPOUND CURVE TURNING TO THE LEFT WITH AN ARC LENGTH OF 56.74', WITH A RADIUS OF 94.39', WITH A CHORD BEARING OF N 65°49'04" E, WITH A CHORD LENGTH OF 55.89', TO A POINT;
THENCE WITH A COMPOUND CURVE TURNING TO THE LEFT WITH AN ARC LENGTH OF 44.19', WITH A RADIUS OF 122.70', WITH A CHORD BEARING OF N 38°16'48" E, WITH A CHORD LENGTH OF 43.95', TO A POINT;
THENCE WITH A COMPOUND CURVE TURNING TO THE LEFT WITH AN ARC LENGTH OF 62.40', WITH A RADIUS OF 61.08', WITH A CHORD BEARING OF N 03°01'05" E, WITH A CHORD LENGTH OF 59.72', TO A POINT;
THENCE N 16°49'01" E A DISTANCE OF 19.95' TO A POINT;
THENCE S 73°10'56" E A DISTANCE OF 14.36' TO A POINT;
THENCE N 16°49'04" E A DISTANCE OF 44.06' TO A POINT;
THENCE N 73°10'56" W A DISTANCE OF 14.36' TO A POINT;
THENCE N 16°49'01" E A DISTANCE OF 117.14' TO A POINT;
THENCE WITH A CURVE TURNING TO THE LEFT WITH AN ARC LENGTH OF 3.64', WITH A RADIUS OF 41.67', WITH A CHORD BEARING OF N 44°35'58" E, WITH A CHORD LENGTH OF 3.64', TO A POINT;
THENCE WITH A COMPOUND CURVE TURNING TO THE LEFT WITH AN ARC LENGTH OF 20.71', WITH A RADIUS OF 113.50', WITH A CHORD BEARING OF N 36°52'19" E, WITH A CHORD LENGTH OF 20.68', TO A POINT;
THENCE WITH A COMPOUND CURVE TURNING TO THE LEFT WITH AN ARC LENGTH OF 19.39', WITH A RADIUS OF 63.69', WITH A CHORD BEARING OF N 22°55'33" E, WITH A CHORD LENGTH OF 19.31', TO A POINT;
THENCE WITH A COMPOUND CURVE TURNING TO THE LEFT WITH AN ARC LENGTH OF 23.66', WITH A RADIUS OF 80.28', WITH A CHORD BEARING OF N 08°14'14" E, WITH A CHORD LENGTH OF 23.57', TO A POINT;
THENCE N 23°10'56" W A DISTANCE OF 113.95' TO A POINT;
THENCE N 48°49'10" E A DISTANCE OF 40.84' TO A POINT;
THENCE N 22°05'14" E A DISTANCE OF 61.35' TO A POINT;
THENCE S 68°00'00" E A DISTANCE OF 26.04' TO A POINT;
THENCE WITH A CURVE TURNING TO THE RIGHT WITH AN ARC LENGTH OF 76.19', WITH A RADIUS OF 101.22', WITH A CHORD BEARING OF S 09°58'43" E, WITH A CHORD LENGTH OF 74.41', TO A POINT;
THENCE S 11°35'19" W A DISTANCE OF 270.69' TO A POINT;
THENCE WITH A CURVE TURNING TO THE LEFT WITH AN ARC LENGTH OF 13.94', WITH A RADIUS OF 9.00', WITH A CHORD BEARING OF S 32°47'24" E, WITH A CHORD LENGTH OF 12.59', TO A POINT;
THENCE S 77°10'08" E A DISTANCE OF 85.65' TO A POINT;
THENCE S 00°17'53" E A DISTANCE OF 211.63' TO A POINT;
WHICH IS THE POINT OF BEGINNING,
HAVING AN AREA OF 63562 SQUARE FEET, 1.459 ACRES

PLAT 25- 49 G
DATE RECORDED: NOV 21 2025
SEE DEED 25- 19258
FILED: _____ DC

COMMONWEALTH OF VIRGINIA
DONALD F. CHANDLER II
Lic. No. 2754
11/20/2025
LAND SURVEYOR

1030 Wilmer Avenue, Suite 100
Richmond, VA 23227
804-264-2228 Fax: 804-264-8773
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TRC ENGINEERS, INC.

SUBDIVISION OF
PARCEL NUMBER N0001510013
DIAMOND DISTRICT DEVELOPMENT
PHASE 1A-1
CITY OF RICHMOND ~ VIRGINIA

DESIGNED BY:	KH - BD
DRAWN BY:	DC
CHECKED BY:	TRC
SCALE:	1" = 30'
DATE:	11/18/2025
PROJECT NUMBER:	513001

LOT 12 AND PART OF LOT 13

N/F
ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF RICHMOND VIRGINIA
PARCEL N0001510011
2909 N. ARTHUR ASHE BLVD.
INST.#: 240001521

S68°00'00"E 625.28'

N/F
CITY OF RICHMOND
PARCEL N0001510020B
3001 N. ARTHUR ASHE BLVD.
INST.#: 140021788

N/F
ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF RICHMOND VIRGINIA
PARCEL N0001510011
2909 N. ARTHUR ASHE BLVD.
INST.#: 240001521

N=3733000.02
E=11782899.16

P.O.B. LOT 12

LOT 14

N68°00'00"W 698.11' (TOTAL)
304.06'

LOT 13
PRIVATE RIGHT OF WAY
(ROAD J)
50952 S.F. / 1.170 AC

N21°49'04"E 85.58'

304.74' (TOTAL)

219.16'

S21°49'04"W

LOT 12
25874 S.F. / 0.594 AC

N68°10'56"W 304.06'

L14

205.74'

N=3732807.57
E=11783149.64

268.70' (TOTAL)

S51°36'52"W 16.98'

FUTURE PARCEL LINE (TYP)

L1

N/F
VIRGINIA COMMONWEALTH UNIVERSITY
SPORTS BACKERS STADIUM
PARCEL N0001510001
2900 HERMITAGE RD
INST.#: 980020854

A=71.60'
R=101.22'
D=40°31'47"
CB=N51°48'31"W
CH=70.12'
T=37.37'

C1 (TOTAL)

26.04'

L13

L12

LOT 11

ROD/FD

N23°10'56"W 113.95'

LOT 12 LEGAL DESCRIPTION:
BEGINNING AT A POINT ON THE SOUTHERN LINE OF LOT 13;
THENCE S 68°00'00" E A DISTANCE OF 304.06' TO A POINT;
THENCE S 21°49'04" W A DISTANCE OF 84.61' TO A POINT;
THENCE N 68°10'56" W A DISTANCE OF 304.06' TO A POINT;
THENCE N 21°49'04" E A DISTANCE OF 85.58' TO A POINT;
WHICH IS THE POINT OF BEGINNING,
HAVING AN AREA OF 25874 SQUARE FEET, 0.594 ACRES

N/F
ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF RICHMOND, VIRGINIA
CARMAX PARK
PARCEL N0001510012
2907 N. ARTHUR ASHE BLVD.
INST.#: 240001521

SEE NOTE 1

GRAPHIC SCALE
30 0 15 30 60
(IN FEET)
1 inch = 30 ft.

COMMONWEALTH OF VIRGINIA
DONALD F. CHANDLER II
Lic. No. 2754
11/20/2025
LAND SURVEYOR

PLAT 25- 49 H
DATE RECORDED: NOV 21 2025
SEE DEED 25- 19258
FILED: DC

1030 Wilmer Avenue, Suite 100
Richmond, VA 23227
804-264-2228 Fax: 804-264-8773
www.trccompanies.com

TRC ENGINEERS, INC.

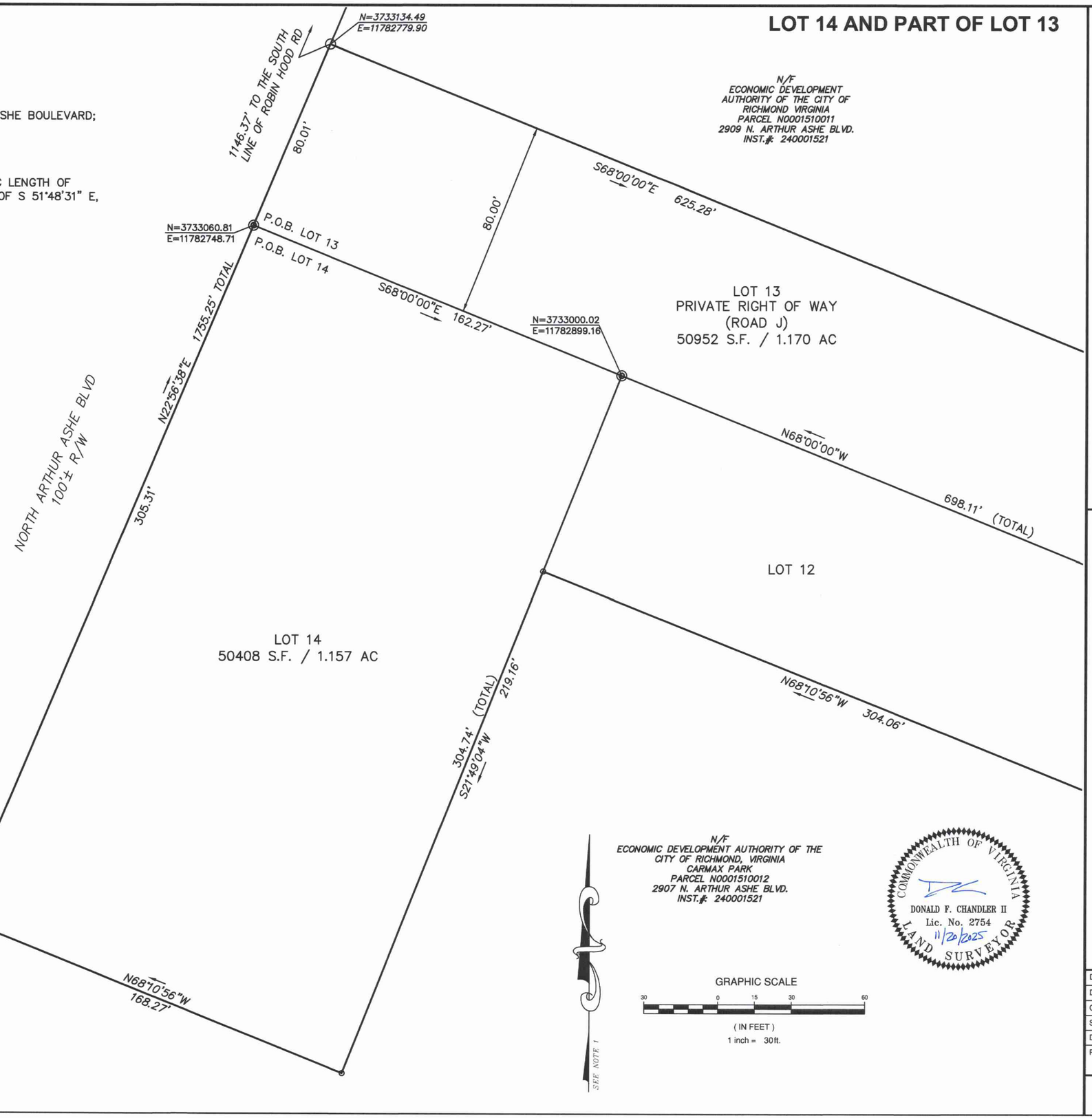
SUBDIVISION OF
PARCEL NUMBER N0001510013
DIAMOND DISTRICT DEVELOPMENT
PHASE 1A-1
CITY OF RICHMOND ~ VIRGINIA

DESIGNED BY:	KH - BD
DRAWN BY:	DC
CHECKED BY:	TRC
SCALE:	1" = 30'
DATE:	11/18/2025
PROJECT NUMBER:	513001

LOT 14 AND PART OF LOT 13

LOT 13 LEGAL DESCRIPTION:
BEGINNING AT A POINT ON THE EASTERN LINE OF ARTHUR ASHE BOULEVARD;
THENCE N 22°56'38" E A DISTANCE OF 80.01' TO A POINT;
THENCE S 68°00'00" E A DISTANCE OF 625.28' TO A POINT;
THENCE S 51°36'52" W A DISTANCE OF 16.98' TO A POINT;
THENCE S 06°36'52" W A DISTANCE OF 47.38' TO A POINT;
THENCE WITH A CURVE TURNING TO THE RIGHT WITH AN ARC LENGTH OF 71.60', WITH A RADIUS OF 101.22', WITH A CHORD BEARING OF S 51°48'31" E, WITH A CHORD LENGTH OF 70.12', TO A POINT;
THENCE N 68°00'00" W A DISTANCE OF 698.11' TO A POINT;
WHICH IS THE POINT OF BEGINNING,
HAVING AN AREA OF 50952 SQUARE FEET, 1.170 ACRES

LOT 14 LEGAL DESCRIPTION:
BEGINNING AT A POINT ON THE EAST LINE OF ARTHUR ASHE BOULEVARD;
THENCE S 68°00'00" E A DISTANCE OF 162.27' TO A POINT;
THENCE S 21°49'04" W A DISTANCE OF 304.74' TO A POINT;
THENCE N 68°10'56" W A DISTANCE OF 168.27' TO A POINT;
THENCE N 22°56'38" E A DISTANCE OF 305.31' TO A POINT;
WHICH IS THE POINT OF BEGINNING,
HAVING AN AREA OF 50408 SQUARE FEET, 1.157 ACRES



GRAPHIC SCALE
30 0 15 30 60
(IN FEET)
1 inch = 30 ft.

COMMONWEALTH OF VIRGINIA
DONALD F. CHANDLER II
Lic. No. 2754
11/20/2025
LAND SURVEYOR

PLAT 25- 401
DATE RECORDED: NOV 21 2025
SEE DEED 25- 19258
FILED: _____ DC

1030 Wilmer Avenue, Suite 100
Richmond, VA 23227
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TRC ENGINEERS, INC.

SUBDIVISION OF
PARCEL NUMBER N0001510013
DIAMOND DISTRICT DEVELOPMENT
PHASE 1A-1
CITY OF RICHMOND ~ VIRGINIA

DESIGNED BY:	KH - BD
DRAWN BY:	DC
CHECKED BY:	TRC
SCALE:	1" = 30'
DATE:	11/18/2025
PROJECT NUMBER:	513001

OPTION TO GROUND LEASE

This Option to Ground Lease (this "***Option***") effective March 9, 2026, is made by and between Diamond District Phase 1 Nine, LLC ("***Optionor***"), and Diamond District Phase 1 Four, LLC or its assignee ("***Optionee***").

RECITALS

A. Optionor owns a portion of that approximately 18.274-acre parcel of land located in Richmond, Virginia and having the street address of Parcel ID: N0001510013, Richmond, VA, as more particularly described on the attached Exhibit A ("***Land***"), which Land is improved by certain buildings that are anticipated to be demolished.

B. Optionee intends to apply to the Virginia Housing Development Authority ("***VHDA***") for an allocation of low-income housing tax credits and other financing to assist in the development of a multifamily rental housing development and other improvements on the Land ("***Project***").

C. The Land is anticipated to be subjected to a land condominium regime, and the Project is expected to be located on a portion of the Land as outlined on the site plan attached as Exhibit B (the "***Ground Leasehold Parcel***"), and a portion of the remainder of the Land is to be developed for supporting parking, drives, landscaping, stormwater management, sanitary sewer and utilities infrastructure, and a building site for later construction by Optionor (collectively the "***Site Development***").

D. In connection with the process of applying for low-income housing tax credits, Optionee must demonstrate that it has "site control" over the Ground Leasehold Parcel.

E. Optionor will lease the Ground Leasehold Parcel to Optionee under a long-term ground lease ("***Ground Lease***"), in a form that the parties have determined is agreeable to both such parties.

F. Optionor and Optionee desire to enter into this Option describing their mutual intention to enter into the Ground Lease.

Therefore, the parties agree as follows:

AGREEMENT

1. **Deposit:** On the date hereof, Optionee shall deposit with Chicago Title Insurance Company a deposit in the amount of $100.00 (the "***Deposit***"). The Deposit shall be refundable in the event of Optionee's good faith failure to exercise the Option or enter into the Ground Lease. If Optionee exercises the Option and enters into the Ground Lease, the Deposit will be applied to the Initial Rent Payment (as defined below).

2. **Option**: At any time beginning the date hereof and ending two years from the date hereof on February __, 2028, with any extension periods provided for herein or otherwise agreed to by the parties in writing ("***Option Period***"), Optionee will have the right and option to lease the Ground Leasehold Parcel pursuant to the Ground Lease.

    2.1. Exercise. Optionee may exercise satisfied granted herein at any time during the Option Period by notifying Optionor in writing, provided that all conditions precedent pursuant to

Paragraph 6 have been satisfied, or waived by the party for whose benefit the condition is imposed.

2.2. Closing. Closing will occur, and the Ground Lease will become effective, within sixty (60) days following Optionee's delivery of the written notice to Optionor exercising the Option, or such other period agreed to in writing by the Optionee and Optionor (the "***Closing Date***"). Closing will be accomplished through the escrowed delivery of all documents and funds required by this Option to Optionee's selected title company (the "***Title Company***").

2.3. Items to be Delivered by Optionor at Closing. At Closing, Optionor will execute, deliver and/or provide to the Title Company, or will cause to be executed, delivered and/or provided to Title Company, the following closing documents:

2.3.1. The Ground Lease conveying to Optionee the leasehold interest to the Ground Leasehold Parcel, free and clear of any liens or encumbrances other than encumbrances permitted by Optionee, in its as-is, where-is condition, and without representation or warranty;

2.3.2. a FIRPTA certificate signed by Optionor containing the following: (i) Optionor's U.S. Taxpayer Identification Number, (ii) the business address of Optionor and (iii) a statement that Optionor is not a foreign person within the meaning of Sections 1445 and 7701 of the Internal Revenue Code;

2.3.3. evidence reasonably satisfactory to the Title Company authorizing the consummation by Optionor of the transactions contemplated hereby and the execution and delivery of all documents and instruments in connection herewith;

2.3.4. all such other documents and instruments customarily executed and delivered by a landlord of a ground leasehold similar to the leasehold interest in the Ground Leasehold Parcel conveyed by the Ground Lease in the jurisdiction in which the Land is located, consistent with the terms and provisions of this Option; and

2.3.5. the customary form of affidavit certifying to the Title Company, among other things: (i) the absence of claims which would give rise to mechanic's and materialmen's liens, (ii) that Optionor is the only party in possession of the Ground Leasehold Parcel, and (iii) that there are no pending suits or outstanding judgments against either Optionor or the Land.

2.4. Funds. At Closing, Optionee will provide to the Title Company or cause to be provided to Title Company the immediately available funds payable to the Title Company representing the Initial Capitalized Rent Payment due in accordance with the Ground Lease;

2.5. Prorations. Real estate taxes and assessments on the Land will be prorated at closing in accordance with normal practices.

3. **Terms and Conditions of Ground Lease**: The terms of the Ground Lease will be as set forth in the form of the Ground Lease to be agreed upon by the parties.

The parties agree to make such reasonable revisions, including but not limited to attaching riders or addenda, to the agreed-upon form of Ground Lease as may be required by VHDA or any other

investors or lenders for the Project. Unless waived by VHDA and/or the Project lenders, the Ground Leasehold Parcel and the Ground Lease will be senior to the lien of such lenders and the Project loans. If the Optionee seeks financing from other institutional lenders or investors, the Landlord will agree to the reasonable revisions to the Ground Lease required by such parties and acknowledges such requirements in the Ground lease, including the riders and addendum required by HUD-FHA, and the requirements from Fannie Mae and Freddie Mac.

4. **Initial Rent Payment**: The initial rent payment to be made under the Ground Lease (the "***Initial Rent Payment***") will be equal to: Seven Hundred Ten Housand Dollars ($710,000.00).

5. **Recording**: This Option will not be recorded, but the Ground Lease or a memorandum of the Ground Lease is expected to be recorded in the appropriate office of public records. All taxes and other costs of transfer and recordation will be borne by Optionee.

6. **Conditions Precedent to Exercise of Option; Covenants**: Optionee shall not be entitled to exercise this Option to enter into the Ground Lease until the following conditions have been satisfied:

    6.1. Optionee shall have obtained final approval, which cannot be appealed, of any required or necessary land use approvals or permits to perform the Site Development and construct the Project, provided that Optionor shall reasonably assist with and execute related documents to facilitate such approvals, but at no out-of-pocket expense to the Optionor;

    6.2. Optionee shall have obtained committed financing sufficient to complete the Site Development and the Project as designed;

    6.3. Optionee shall have provided reasonable, acceptable forms for all easements, covenants and restrictions necessary to the Site Development and the construction and operation of the Project;

7. **Conditions Precedent to Entering into Ground Lease**: Following Optionee's exercise of the Option by written instrument signed by the members of the Optionee, the obligation of Optionee to enter into the Ground Lease will be conditioned upon the following:

    7.1. Optionor's title to the Ground Leasehold Parcel shall be good and marketable, and free and clear of all liens, charges, encumbrances, encroachments, easements, restrictions, leases, tenancies, occupancies or agreements or other matters unduly burdening the development of the Project, and the leasehold interest of Optionee under the Ground Lease shall be marketable, fully insurable by a recognized title insurance company at its regular rates on terms acceptable to Optionee, and free and clear of any liens or encumbrances other than encumbrances permitted by Optionee;

    7.2. Optionor shall have completely vacated any buildings on the Land at its sole cost and expense at least thirty (30) days prior to the Closing Date; and

    7.3. All conditions for closing of financing sufficient to complete the Project as designed shall have been satisfied.

8. **Access to Books and Records; Tests and Surveys**: During the Option Period, and, if Optionee exercises its option, until the Closing Date, Optionee or its agents or affiliates shall have the unlimited right to enter upon the Land for the purpose of making such design and engineering analysis,

inspections, investigations, surveys, market studies, economic feasibility studies, and tests (including but not limited to soil boring, environmental or engineering tests) as it may deem necessary or desirable, at its sole cost and expense, and shall be given unlimited access to all books and records, including but not limited to all existing environmental reports, engineering reports, maintenance records, title policies and surveys, site plans, and plans and specifications, related to the Land; notwithstanding the foregoing, Optionor shall provide copies of such books and records as are within Optionor's possession or control to Optionee within ten (10) days of executing this Option. Any such entry to the Land or access to books and records may be at all reasonable times and upon reasonable advance notice to Optionor and shall be at the Optionee's sole risk and expense. Optionee shall exercise good faith efforts to minimize disruption of Optionor's activities on the Land. All damage to the Land resulting from any access by or at the direction of Optionee or its contractors will be promptly repaired by Optionee, at its sole cost and expense, so that the Land will be restored to the same condition in which it existed immediately prior to such access, unless otherwise agreed by the parties (for example, if the damages property will be demolished or repairs as part of the eventual projects). To the extent not covered by the applicable insurance policies required hereunder, Optionee shall indemnify, save and hold harmless Optionor from and against any merited claims, actual, documented damages, losses, suits or other liabilities arising from investigations made pursuant to this Section, provided that Optionee shall have the right to control the defense of any related litigation, and provided further that Optionee has been provided with reasonable notice of such litigation; and prior to entry on the Land by Optionee or by any agent or contractor of Optionee to conduct inspections or intrusive testing of the Land or any building on the Land, Optionor shall be provided reasonable evidence of Optionee's liability insurance in effect, naming Optionor as an additional insured, with a per occurrence limit of not less than $1,000,000, and a general aggregate limit of not less than $2,000,000. Optionee shall adequately protect the Land and agrees to promptly repair and restore any damage to the Land resulting from Optionee's activities on the Land, all at Optionee's sole cost and expense.

9. **Termination**: This Option may be terminated in accordance with the following provisions:

9.1. This Option will automatically terminate if Optionee does not exercise its option to lease the Land during the Option Period, as may be extended, or cannot exercise its option during the Option Period as a consequence of the failure of any condition precedent set forth in Section 7.

9.2. Optionee may at its election by providing written notice to Optionor terminate this Option as follows:

9.2.1. For its convenience;

9.2.2. If any condition set forth in Section 7 is not or cannot reasonably or practically be satisfied; or

9.2.3. If Optionee determines that the Project is not feasible for any reason or if any investigations, inspections, studies or tests of the Land are unsatisfactory to Optionee.

9.3. Notwithstanding the foregoing, under no circumstances will this Option expire prior to 180 days following the date on which Optionee submits an application to VHDA for Project financing if delays in closing on the Ground Lease are due to circumstances outside of the reasonable control of the Optionee.

10. **Exclusive Option**: Until such time as this Option is terminated, Optionor shall not market, sell, offer for sale, negotiate with respect to, or otherwise deal in, the sale, lease or other transfer of the Land or of any interest therein, or of any interest in the Optionor or any other entity holding a legal or beneficial interest in the Land.

11. **Time of Essence**: Time is of the essence in this Option.

12. **Representations and Warranties**

12.1. Optionor's Representations and Warranties regarding Optionor and Land. Optionor represents and warrants to Optionee that:

12.1.1. Authority. Optionor has the full right and authority and has obtained any and all consents required to enter into this Option and to consummate or cause to be consummated the transactions contemplated hereby. This Option has been, and all of the documents to be delivered by Optionor at the Closing will be, authorized and properly executed and constitutes, or will constitute, as appropriate, the valid and binding obligation of Optionee, enforceable in accordance with their terms.

12.1.2. Conflicts and Pending Action. There is no agreement to which Optionor is a party or to the best of Optionor's knowledge binding on Optionor which is in conflict with this Option.

12.1.3. Service Contracts and Equipment Leases. There are no Service Contracts and Equipment Leases related to the Land that will survive the Closing.

12.1.4. Violations. Optionor has not received Notice from any Governmental Authority of any violation by Optionor of any law, rule or regulation affecting the Land or its use including any environmental law or regulation, health and public safety law, nor has Optionor received notice from any Governmental Authority that the Land is in violation of any applicable land use law, building or zoning code or ordinance, except for any such matters which may have been previously cured by Optionor or which have been disclosed to and accepted by Optionee. Optionor makes no representation or warranty about the existence of any asbestos or lead based paint in any buildings or improvements on the Land, but notes that the existing building on the Land was constructed during the time when both asbestos and lead based paint were often used as construction materials.

12.1.5. Anti-Terrorism Laws. Optionor is not a person or an entity described by Section 1 of the Executive Order (No. 13,224) Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism, 66 Fed. Reg. 49,079 (September 24, 2001) (a "Prohibited Person"), and does not engage in any dealings or transactions, and is not otherwise associated, with any Prohibited Person.

12.1.6. Tenant Leases. There are no tenant leases or tenancies of the Property that will survive the Closing.

12.1.7. Non-Foreign Status. Optionor is not a "foreign person" as defined in Section 1445 of the Internal Revenue Code.

12.1.8. No Bankruptcy. Optionor has not (a) commenced a voluntary case, or had entered against it a petition, for relief under any federal bankruptcy act or any similar petition, order or decree under any federal or state law with respect to bankruptcy, insolvency or other relief for debtors, or (b) caused, suffered or consented to the appointment of a receiver, trustee, administrator, conservator, liquidator or similar official in any federal, state or foreign judicial or non-judicial proceeding to hold, administer and/or liquidate all or substantially all of its assets.

12.1.9. The Ground Leasehold Parcel is leased "AS-IS," "WHERE-IS." Except as specifically provided for herein, the Optionor disavows any oral statements or representations made by its agents, employees or third parties unless said statement or representation is specifically incorporated herein.

All of the representations and warranties contained in Section 14.1 shall survive the Closing.

12.2. Optionee's Representations and Warranties. As a material inducement to Optionor to execute this Option and consummate this transaction, Optionee represents and warrants to Optionor that:

12.2.1. Organization and Authority. Optionee has been duly organized and validly exists, as a nonstock corporation in good standing in the Commonwealth of Virginia. Optionee has the full right and authority and has obtained any and all consents required to enter into this Option and to consummate or cause to be consummated the transactions contemplated hereby. This Option has been, and all of the documents to be delivered by Optionee at the Closing will be, authorized and properly executed and constitutes, or will constitute, as appropriate, the valid and binding obligation of Optionee, enforceable in accordance with their terms.

12.2.2. Conflicts and Pending Action. There is no agreement to which Optionee is a party or to Optionee's knowledge binding on Optionee which is in conflict with this Option. There is no action or proceeding pending or, to Optionee's knowledge, threatened against Optionee which challenges or impairs Optionee's ability to execute or perform its obligations under this Option.

12.2.3. Anti-Terrorism Laws. Optionee is not a Prohibited Person, and does not engage in any dealings or transactions, and is not otherwise associated, with any Prohibited Person.

12.2.4. Survival. The provisions of this Section shall survive the Closing.

13. **Notices**: Any and all notices, elections, demands or communications permitted or required to be made under this Option will be in writing, signed by the party giving such notice, and will be delivered in person or sent by registered or certified mail to the other party hereto. The date of personal delivery or the date of such mailing, as the case may be, will be the date that such notice or election will be deemed to have been given. For the purpose of this Option:

The address of Optionor is:

Diamond District Phase 1 Nine, LLC
c/o Pennrose, LLC
1301 North 31st Street
Philadelphia, PA 19121
Attention: Maria Rodriguez, Esq.
Email: mrodriguez@pennrose.com

and

c/o Nix Development Company
9103 Woodmore Centre Drive, #147
Lanham, MD 20706
Attention: Ray Nix
Email: raymond@nixdevco.com

With a copy to:

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

The address of Optionee is:

Diamond District Phase 1 Four, LLC
c/o Pennrose, LLC
1301 North 31st Street
Philadelphia, PA 19121
Attention: Maria Rodriguez, Esq.
Email: mrodriguez@pennrose.com

and

c/o Nix Development Company
9103 Woodmore Centre Drive, #147
Lanham, MD 20706
Attention: Ray Nix
Email: raymond@nixdevco.com

And with a copy to:
Klein Hornig LLP
1325 G Street NW, Suite 770
Washington, DC 20005
Attn: Doruk Onvural
Email: donvural@kleinhornig.com

14. **Risk of Loss; Condemnation or Casualty**: Risk of loss will remain with the Optionor until Closing. The Optionor will notify Optionee of any (i) condemnation or taking by eminent domain of any portions of the Land or (ii) casualty event affecting the Land. Optionor and Optionee agree that the Optionee has no obligation to restore the Land in the event of a condemnation or casualty event. Optionee will have the right, but not the obligation, to terminate this Option if there has been casualty or condemnation event.

15. **No Brokers, Finders, Etc.**: Neither Party has engaged any agent, broker, finder or investment or commercial banker in connection with the negotiation, execution or performance of this Option, or the transactions contemplated hereby.

16. **Expenses**: Except as specifically set forth herein, whether or not the transaction contemplated by this Option is consummated, each of the Parties will pay their own fees and expenses incident to the negotiation, preparation, execution, delivery and performance of this Option.

17. **Complete Agreement; Waiver and Modification, Etc.** This Option constitutes the entire agreement between the Parties pertaining to the subject matter hereof and thereof and supersedes all prior and contemporaneous agreements and understandings of the Parties. There are no representations, warranties, covenants or conditions by or benefiting any Party except those expressly stated or provided for in this Option, any implied representations, warranties, covenants or conditions being hereby expressly disclaimed. No person or entity other than the Parties to this Option have any rights or remedies under or in connection with this Option, except rights or remedies validly assigned hereunder. No amendment, supplement or termination of or to this Option, and no waiver of any of the provisions hereof, will require the consent of any person or entity other than the Parties hereto, nor will any such amendment, supplement, termination or waiver be binding on a Party to this Option unless made in a writing signed by such Party. To the extent any provision of the Option conflicts with, or is inconsistent with, this Option, then this Option will govern and control.

18. **Further Assurances**: From time to time and at any time after the execution and delivery hereof, each of the Parties, at their own expense, will execute, acknowledge and deliver any further instruments, documents and other assurances reasonably requested by another Party, and will take any other action consistent with the terms of this Option that may reasonably be requested by another Party to evidence or carry out the intent of or to implement this Option.

19. **Incorporation of Recitals**: The Recitals set forth above are hereby incorporated into this Option.

20. **Estoppel Certificates**: Each Party will, from time to time upon 15 days' prior written request by the other Party, execute, acknowledge and deliver to the requesting Party a certificate signed by an authorized representative of such Party stating whether to the actual knowledge of such Party (without investigation) (a) this Option is or is not in full force and effect, (b) this Option is or is not unmodified (and, if modified, the details of the modification(s)), and (c) the requesting Party is in default in performance of any covenant, agreement or condition contained in this Option, and, if so, specifying each such default of which the non-requesting Party may have actual knowledge.

21. **Choice of Law**: This Option will be governed by, enforced, and construed in accordance with the internal laws of the Commonwealth of Virginia.

22. **Assignment**: The Optionee may, without the prior written consent of Optionor, assign its interest in the Option to an entity controlled, operated or managed by Pennrose Holdings, LLC ("***Permitted Assignment***"). Other than a Permitted Assignment, Optionee will not assign its interest in the Option

without the prior written consent of Optionor. This Option shall be binding on the successors and assigns of the parties hereto.

23. **Counterparts**: This Option may be executed in multiple original counterparts, each of which will constitute an original document binding upon the party or parties signing the same. It will not be necessary that all parties sign all counterparts and this Option will be binding if each party will have executed at least one counterpart. PDF, TIF, facsimile, or other electronic signatures will be deemed originals for all purposes.

(*signature page follows*)

The parties have executed this Option to Ground Lease as of the date first above written.

OPTIONOR:

DIAMOND DISTRICT PHASE 1 NINE, LLC,
a Virginia limited liability company

By: Diamond District Phase 1 Nine MM, LLC,
a Virginia limited liability company,
its managing member

By: Pennrose Nix DD JV, LLC,
a Virginia limited liability company,
its sole member

By: Pennrose Holdings, LLC,
its managing member

By: _____
Name: Timothy I. Henkel
Title: Chief Executive Officer

OPTIONEE:

DIAMOND DISTRICT PHASE 1 FOUR, LLC,
a Virginia limited liability company

By: Diamond District Phase 1 Four MM, LLC,
a Virginia limited liability company,
its managing member

By: Pennrose Nix DD JV, LLC,
a Virginia limited liability company,
its sole member

By: Pennrose Holdings, LLC,
its managing member

By: _____
Name: Timothy I. Henkel
Title: Chief Executive Officer

Exhibit A

Legal Description of Land

A PORTION OF:

ALL that certain piece or parcel of land situate, lying and being in the City of Richmond, Virginia, known and designated as "LOT 2, 18.274 ACRES, 796,034 SQ. FT." as shown on that certain plat prepared by Timmons Group, dated October 24, 2024, last revised December 9, 2024, entitled "BOUNDARYLINE ADJUSTMENT DIAMOND DISTRICT DIAMOND PARCEL," and recorded in the Clerk's Office, Circuit Court, City of Richmond, Virginia, as Instrument No. 250001605, and being more particularly described as follows:

Beginning at a point on the east line of Arthur Ashe Boulevard, said point lying 1,146.37 feet south 22° 56'38" west from the southeast intersection of Arthur Ashe Boulevard and Robin Hood Road and Labeled as 'POB' on the Alta Survey by TRC Engineers, Inc. Dated September 25th, 2024; thence, departing the east line of Arthur Ashe Boulevard South 68°00'00" east a distance of 625.28 feet to a point; thence, south 51°36'52" west a distance of 16.98 feet to a point; thence, south 06°36'52" west a distance of 47.38 feet to a point; thence, with a curve to the right with an arc length of 147.80 feet, a radius of 101.22 feet', a delta angle of 83°39'36", a chord bearing of south 30°14'36" east, and a chord length of 135.01 feet to a point; thence, south 11°35'9" west a distance of 270.69 feet to a point; thence, with a curve to the left with an arc length of 13.94 feet', a radius of 9.00 feet, a delta angle of 88°45'54", a chord bearing of south 32°47'24" east, and a chord length of 2.59 feet to a point; thence, south 77°10'08" east a distance of 267.78 feet to a point; thence, with a curve to the left with an arc length of 178.82 feet, a radius of 236.54 feet, a delta angle of 43°1 8'51", a chord bearing of north 81°10'26" east, and a chord length of 174.59 feet to a point; thence, north 06°36'52" east a distance of 441.82 feet to a point; thence, south 83°23'08" east a distance of 76.00 feet to a point; thence, north 06°36'52" east a distance of 15.47 feet to a point; thence, north 89°38'08" east a distance of 142.57 feet to a point on the west line of hermitage road; thence, continuing along the west line of hermitage road south 04°20'12" east a distance of 25.89 feet to a point; thence, south 03°30'40" east a distance of 40.00 feet to a point; thence, south 02°32'36" east a distance of 917.78 feet to a point; thence, departing the west line of hermitage road south 89°45'49" west a distance of 1,080.54 feet to a point; thence, north 49°24'3" west a distance of 180.49 feet to a point; thence, north 47°32'31" east a distance of 102.43 feet to a point; thence, north 39°07'46" west a distance of 22.21 feet to a point; thence, north 60°37'11" east a distance of 251.15 feet to a point; thence, with a curve to the left with an arc length of 39.07 feet, a radius of 43.00 feet, a delta angle of 52°03'37", a chord bearing of north 25°18'39" east, and a chord length of 37.74 feet to a point; thence, north 00°43'10" west a distance of 30.74 feet to a point; thence, with a curve to the left with an arc length of 13.94 feet , a radius of 161.61 feet, a delta angle of 04°56'37", a chord bearing of north 85°30'35" east, and a chord length of 13.94 feet to a point; thence, with a compound curve to the left with an arc length of 56.74 feet, a radius of 94.39 feet, a delta angle of 34°26'26", a chord bearing of north 65°49'04" east, and a chord length of 55.89 feet to a point; thence, with a compound curve to the left with an arc length of 44.19 feet, a radius of 122.70 feet, a delta angle of 20°38'07", a chord bearing of north 38°16'48" east, and a chord length of 43.95 feet to a point; thence, with a compound curve to the left with an arc length of 62.40 feet, a radius of 61.08 feet, a delta angle of 58°32'02", a chord bearing of north 03°01'05" east, and a chord length of 59.72 feet to a point; thence, north 16°49'01" east a distance of 19.95 feet to a point; thence, south 7301 0'56" east a distance of 14.36 feet to a point; thence, north 16°49'04" east a distance of 44.06 feet to a point; thence, north 73°10'56" west a distance of 14.36 feet to a point; thence, north 16°49'01" east a distance of 117.14 feet to a point; thence, with a curve to the left with an arc length of 3.64 feet, a radius of 41.67 feet, a delta angle of 05°00'09", a chord bearing of north 44°35'58" east, and a chord length of 3.64 feet to a point; thence, with a compound curve to the left with an arc length of 20.71 feet, a radius of 1 13.50 feet, a delta angle of 10°27'10", a chord bearing of north 36°52'19" east, and a chord length of 20.68 feet to a point; thence, with a compound curve to the left with an arc length of 19.39

feet, a radius of 63.69 feet, a delta angle of 17°26,22" a chord bearing of north 22°55'33" east, and a chord length of 19.31 feet to a point; thence, with a compound curve to the left with an arc length of 23.66 feet, a radius of 80.28 feet, a delta angle of a chord bearing of north 08°14'14" east, and a chord length of 23.57 feet to a point; thence, north 23°10'56" n west a distance of 113.95 feet to a point; thence, north 48°49'10" east a distance of 40.84 feet to a point; 1'hence, north 22°05'14" east a distance of 61.35 feet to a point; thence, north 68°00'00" west a distance of 205.74 feet to a point; thence, south 21°49'04" west a distance of 84.61 feet to a point; thence, north 68°10'56" west a distance of 304.06 feet to a point; thence, south 21°49'04" west a distance of 219.16 feet to a point; thence, north 68°10'56" west a distance of 1 68.27 feet to a point on the east line of Arthur Ashe Boulevard; thence, along the east line of Arthur Ashe Boulevard north 22°56'38" east a distance of 385.32 feet to a point; said point being the point of beginning, having an area of 18.274 acres or 796,034 square feet.

TOGETHER WITHAND SUBJECT TO the easement(s) contained in the Deed of Loading Dock, Access, and Temporary Construction Easement by and between the Economic Development Authority of the City of Richmond, Virginia, a political subdivision of the Commonwealth of Virginia, Navigators Baseball Stadium Developer LLC, a Delaware limited liability company, Navigators Baseball LP, a Delaware limited partnership, and Diamond District Partners, LLC, a Virginia limited liability company dated as of even date herewith and recorded simultaneously herewith in the Clerk's Office, Circuit Court, City of Richmond, Virginia.

TOGETHER WITHAND SUBJECT TO the easement(s) contained in the Deed of Parking and Access Easement by and between the Economic Development Authority of the City of Richmond, Virginia, a political subdivision of the Commonwealth of Virginia, Diamond District Partners, LLC, a Virginia limited liability company, and Navigators Baseball LP, a Delaware limited partnership, dated as of even date herewith and recorded simultaneously herewith in the Clerk's Office, Circuit Court, City of Richmond, Virginia.

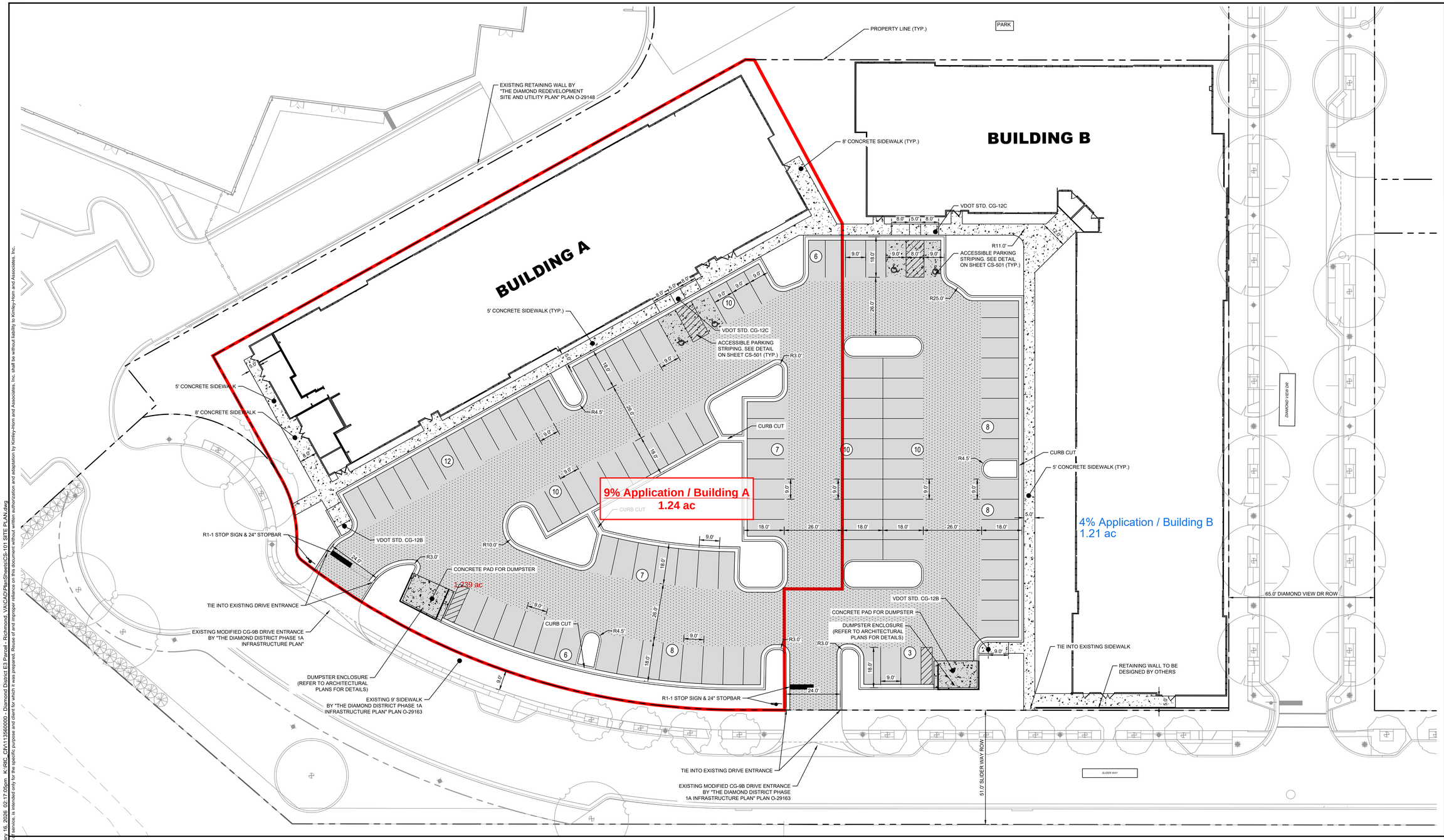
TOGETHER WITHAND SUBJECT TO the easement(s) contained in the Deed of Sight Distance Easement by and between the Economic Development Authority of the City of Richmond, Virginia, a political subdivision of the Commonwealth of Virginia, Diamond District Partners, LLC, a Virginia limited liability company, and Navigators Baseball LP, a Delaware limited liability company, dated as of even date herewith and recorded simultaneously herewith in the Clerk's Office, Circuit Court, City of Richmond, Virginia.

BEING a portion of the same property conveyed to Diamond District Partners, LLC, a Virginia limited liability company, by Deed from The Economic Development Authority of the City of Richmond, Virginia, dated March 3, 2025, recorded March 3, 2025, in the Clerk's Office, Circuit Court, City of Richmond, Virginia as Instrument No. 250003207.

Exhibit B

Site Plan Depiction of Ground Leasehold Parcel

(see attached)



SITE LEGEND

- CONCRETE. SEE DETAIL ON SHEET CS-501
- (X) PARKING COUNT
- HEAVY DUTY ASPHALT PAVING, SEE DETAIL ON SHEET CS-501
- STANDARD DUTY ASPHALT PAVING SEE DETAIL ON SHEET CS-501
- HEAVY DUTY CONCRETE, SEE DETAIL ON SHEET CS-501

SITE NOTES

1. ALL CURB RADII ARE 5.0' UNLESS OTHERWISE NOTED.
2. ALL DIMENSIONS ARE TO FACE OF CURB UNLESS OTHERWISE NOTED.
3. THE CONTRACTOR IS RESPONSIBLE FOR INSTALLING ALL STOP SIGNS, DIRECTIONAL SIGNS, AND STRIPING SHOWN ON THE PLANS.
4. CONTRACTOR SHALL REPLACE ALL PERMANENT PAVEMENT MARKINGS IMPACTED BY CONSTRUCTION IN KIND UNLESS OTHERWISE INDICATED ON THIS PLAN SET. ALL PROPOSED PAVEMENT MARKINGS SHALL TIE IN TO EXISTING PAVEMENT MARKINGS AT WORK LIMITS.

NORTH

GRAPHIC SCALE IN FEET
0 10 20 40

No.	REVISIONS	DATE	BY

Kimley»Horn
© 2026 KIMLEY-HORN AND ASSOCIATES, INC.
6806 PARAGON PLACE, SUITE 310, RICHMOND, VA 23230
PHONE: 804-673-3882
WWW.KIMLEY-HORN.COM

NOT FOR CONSTRUCTION

KHA PROJECT	113560000
DATE	01/16/2026
SCALE	AS SHOWN
DESIGNED BY	EKC
DRAWN BY	EKC
CHECKED BY	BRD

SITE PLAN

DIAMOND DISTRICT PARCEL E3
MULTIFAMILY RESIDENTIAL
PREPARED FOR
PENNROSE, LLC
CITY OF RICHMOND VA

SHEET NUMBER
CS-101

Plotted By: Pearson, Thomas Sheet Set: Kha Layout: CS-101 SITE PLAN January 16, 2026 02:17:09pm K:\RIC_C\011356000 - Diamond District E3 Parcel\Richmond, VA\CAD\PlanSheets\CS-101 SITE PLAN.dwg
This document, together with the concepts and designs presented herein, as an instrument of service, is intended only for the specific purpose and client for which it was prepared. Reuse of and improper reliance on this document without written authorization and adaptation by Kimley-Horn and Associates, Inc. shall be without liability to Kimley-Horn and Associates, Inc.

DIAMOND DISTRICT PHASE 1 FOUR, LLC

OPERATING AGREEMENT

This operating agreement of Diamond District Phase 1 Four, LLC, a Virginia limited liability company, is entered into effective as of the 4th day of March 2025 by and among the parties whose names are set forth as Members on Exhibit A attached hereto.

B A C K G R O U N D:

The parties hereto have formed a limited liability company and desire to enter into this operating agreement to set forth their respective rights, duties, and obligations with respect thereto.

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

ARTICLE I

DEFINED TERMS; OPERATION OF COMPANY

Section 1.01 Definitions. Within the context of this Agreement, the following terms shall have the following meanings:

"Act" means the Virginia Limited Liability Company Act.

"Agreement" means this operating agreement, as the same may be amended from time to time.

"Bankruptcy" means, with respect to any Person, (i) the filing of any petition or answer by such Person seeking to adjudicate it a bankrupt or insolvent, or seeking for itself any liquidation, winding up, reorganization, arrangement, adjustment, protection, relief, or composition of such Person or such Person's debts under any law relating to bankruptcy, insolvency, or reorganization or relief of debtors, or seeking, consenting to, or acquiescing in the entry of an order for relief or the appointment of a receiver, trustee, custodian, or other similar official for such Person for any substantial part of its property, or (ii) without the consent or acquiescence of such Person, the entering of an order for relief or approving a petition for relief or reorganization or any other petition seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or other similar relief under any bankruptcy, liquidation, dissolution, or other similar statute, law, or regulation, or the filing of any such petition against such Person which petition shall not be dismissed within ninety (90) days, or, without the consent or acquiescence of such Person, the entering of an order appointing a trustee, custodian, receiver, or liquidator of such Person or of all or any substantial part of the property of such Person which order shall not be dismissed within sixty (60) days.

"Capital Account" means the account established and maintained for each Member in accordance with Section 2.04 of this Agreement.

"Capital Contribution" means the amount of money and the fair market value of any property contributed to the Company by a Member (net of any liabilities to which such property is subject or that are assumed by the Company in connection with such contribution).

"Certificate" means the certificate of formation for the Company, and any amendments thereto.

"Code" means the Internal Revenue Code of 1986, as amended.

"Company" means the limited liability company formed and operated pursuant to the terms of this Agreement.

"Incapacity" means (a) with respect to a natural Person, the Bankruptcy, death or determination of incompetency or insanity of such Person and (b) with respect to any other Person, the Bankruptcy, liquidation, or dissolution of such Person.

"Indemnified Party" means any Member and any officer, director, shareholder, partner, member, manager or agent of a Member.

"Interest" means an ownership interest in the Company, including all the rights and obligations in connection therewith under this Agreement and the Act.

"Members" means the Person or Persons designated as members on Exhibit A attached to this Agreement, and any Person subsequently admitted as a member in accordance with the terms of this Agreement.

"Net Distributable Proceeds" means the gross cash or property received by the Company from all sources other than Capital Contributions, increased by reductions in Reserves, and reduced by the portion used (i) to pay Company expenses, including debt service, (ii) to make investments and capital expenditures, and (iii) to fund Reserves.

"Percentage Interest" means the percentage determined in accordance with Section 2.03 of this Agreement.

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

"Profits" and **"Losses"** mean, for each year or other period, an amount equal to the Company's taxable income or loss for such year or period, determined in accordance with §703(a) of the Code (for this purpose, all items of income, gain, loss, or deduction required to be stated separately pursuant to §703(a)(1) of the Code shall be included in taxable income or loss), adjusted in accordance with the Regulations under §704(b) of the Code.

"Regulations" means the income tax regulations promulgated under the Code, as such regulations may be amended from time to time.

"Reserves" means amounts set aside to pay future costs or expenses that are anticipated to exceed cash available to pay such costs or expenses when due, as determined in the discretion of the Members.

Section 1.02 Formation; Name. The Company was formed by the filing of the Certificate by an authorized Person. The Members hereby agree to operate the Company as a limited liability company under the terms of this Agreement and the Act. Whenever the terms of this Agreement conflict with the Act, the terms of this Agreement shall control, except with respect to any matters contained in the Act that cannot be modified or waived by a limited liability company operating agreement. The Company shall be operated under the name "DIAMOND DISTRICT PHASE 1 FOUR, LLC". The Members or an authorized Person shall file such other certificates and documents as are necessary to qualify the Company to conduct business in any jurisdiction in which the Company conducts business. A copy of the Certificate shall be provided to any Member on request. The employer identification number ("EIN") for the Company is 33-3825946.

Section 1.03 Registered Agent and Office; Principal Office. The registered agent and office of the Company required under the Act shall be as designated in the Certificate and may be changed by the Members in accordance with the Act. The principal business office of the Company shall be located at c/o Pennrose, LLC, 230 Wyoming Avenue, Kingston, Pennsylvania 18704, or such other address as shall be designated by the Members.

Section 1.04 Purpose. The purpose and business of the Company is to own, lease, develop, acquire, sell, market, rent and construct real estate, as well as any business or activity that may be engaged in by a limited liability company under the Act, and do any and all acts and things necessary, appropriate, incidental to, or convenient for the furtherance and accomplishment of its purposes.

Section 1.05 Term. The term of the Company commenced on the date of filing of the Certificate, and the Company shall continue until the Company is terminated in accordance with Article VIII of this Agreement.

Section 1.06 Title to Property. All real and personal property owned by the Company shall be owned by the Company as an entity and no Member shall have any ownership interest in such property in the Member's individual name or right, and each Member's Interest shall be personal property for all purposes. The Company shall hold all of its real and personal property in the name of the Company and not in the name of any Member.

Section 1.07 Waiver of Partition. No Member shall either directly or indirectly take any action to require partition or appraisement of the Company or of any of its assets or properties or cause the sale of any Company property, and notwithstanding any provisions of applicable law to the contrary, each Member hereby irrevocably waives any and all right to maintain any action for partition or to compel any sale with respect to such Member's Interest, or with respect to any assets or properties of the Company, except as expressly provided in this Agreement.

ARTICLE II

CAPITAL CONTRIBUTIONS; INTERESTS; CAPITAL ACCOUNTS

Section 2.01 Capital Contributions. The Capital Contributions of the Members are set forth on Exhibit "A" attached hereto.

Section 2.02 Additional Capital Contributions and Loans. Except as set forth in Section 2.07, no Member shall be obligated to make any additional Capital Contributions or loans to the Company.

Section 2.03 Percentage Interests. Each Member shall have the Percentage Interest in the Company set forth next to such Member's name on Exhibit A attached hereto.

Section 2.04 Capital Accounts. A Capital Account shall be maintained and adjusted for each Member in accordance with §704(b) of the Code and the Regulations issued thereunder. Upon the happening of an event specified in Regulation §1.704-1(b)(2)(iv)(f)(5), Capital Accounts shall be adjusted in accordance with Regulation §1.704-1(b)(2)(iv)(g), unless the Members determine that such adjustment is not necessary to reflect the economic arrangement among the Members.

Section 2.05 No Interest. No interest shall be paid on any Capital Contributions or Capital Account balance of any Member.

Section 2.06 No Deficit Make-Up. No Member shall be obligated to the Company or to any other Member solely because of a deficit balance in such Member's Capital Account.

ARTICLE III

DISTRIBUTIONS

Section 3.01 Distributions of Net Distributable Proceeds. Net Distributable Proceeds shall be distributed to the Members in accordance with their Percentage Interests at such times as shall be determined by the Members.

Section 3.02 Property Distributions. The Members may authorize the distribution to the Members of property other than cash. All such distributions shall be included in Net Distributable Proceeds based upon the fair market value of such property at the time of distribution.

ARTICLE IV

PROFITS AND LOSSES

Section 4.01 General Allocation of Profits and Losses. After taking into account any special allocations pursuant to Section 4.02 and subject to any limitations contained therein,

Profits and Losses for any year or portion thereof shall be allocated among the Members in accordance with their Percentage Interests.

Section 4.02 Special Allocations. Prior to making allocations to the Members pursuant to Section 4.01, the Company shall make any allocations that are required in order to comply with the rules of Regulation §1.704-2 concerning allocations attributable to nonrecourse liabilities including the "chargeback" rules of Reg. §1.704-2(f) and Reg. §1.704-2(i)(4), and the "qualified income offset" rules of Regulation §1.704-1(b)(2)(ii)(d). "Nonrecourse deductions" as defined in Reg. §1.704-2(b)(1) shall be allocated among the Members in accordance with their Percentage Interests. No Losses or items of loss or deduction shall be allocated to a Member to the extent such allocation would cause such Member to have a negative Capital Account balance that exceeds the amount such Member is obligated to restore or treated as obligated to restore to the Company pursuant to Regulation §1.704-1(b)(2)(ii)(c), Regulation §1.704-2(g), and Regulation §1.704-2(i)(5).

Section 4.03 Allocation During Year. For purposes of determining Profits, Losses, or any other items allocable to any period ending on a date other than the last day of the Company's year, Profits, Losses, and any such other items shall be allocated among such periods using such method permitted by §706 of the Code and the Regulations thereunder as shall be chosen by the Members.

Section 4.04 Tax Allocations. Except as otherwise required by §704(c) of the Code or Regulation §1.704-1(b)(2)(iv)(g), items of income, gain, loss, and deduction as determined for federal income tax purposes shall be allocated in the same manner as the related items of Profits, Losses, or specially allocated items.

ARTICLE V

MANAGEMENT OF COMPANY.

Section 5.01 General Provisions Concerning Management. The powers of the Company shall be exercised by or under the authority of, and the business and affairs of the Company shall be managed under the direction of, the Members. All actions by the Members on behalf of the Company shall require the consent all the Members, provided, however, that the Members may delegate to any Person authority to act on behalf of the Company with respect to specific matters. The Members hereby designate Diamond District Phase 1 Four Managing Member, LLC to be the Managing Member of the Company and Diamond District Phase 1 Four Managing Member, LLC is hereby authorized to act on behalf of the Company in all matters.

Section 5.02 Contracts with Affiliates. The Company may enter into contracts and agreements for property or services in the ordinary course of business with any Member or any Person related to or affiliated with any Member, provided such contracts and agreements are on terms and conditions which are no less favorable to the Company than could be obtained by the Company in the same type of transaction with an independent third party.

Section 5.03 Company Expenses. All expenses of the Company shall be billed directly to and be paid by the Company. Each Member shall be reimbursed for all reasonable expenses incurred by the Member for or on behalf of the Company.

ARTICLE VI

BOOKS AND RECORDS; TAX AND FINANCIAL MATTERS

Section 6.01 Books and Records. Proper and complete records and books of account of the Company shall be maintained at the principal place of business of the Company. The Company books shall be closed and balanced at the end of each fiscal year. Each Member or duly authorized representative of a Member shall have access and the right to inspect such books and records during normal business hours, provided any information obtained thereby may be used solely for purposes related to the business of the Company or the Member's Interest in the Company.

Section 6.02 Fiscal Year. The year of the Company shall end on the last day of the month of December each year.

Section 6.03 Reports and Tax Returns. Within ninety (90) days after the end of each fiscal year (subject to reasonable delays in the event of difficulty in obtaining or compiling of tax information), the Company shall transmit to each Person who was a Member at any time during the fiscal year the Schedule K-1 (IRS Form 1065) for the Person for such year. The Member designated as the "tax matters partner" in accordance with Section 6.04 shall cause to be prepared and filed all tax returns for the Company, and all tax elections concerning the Company shall be made at the direction of such tax matters partner. Each Member agrees that it shall not take on any of its original or amended income tax returns or claims for refund any position with respect to any Company item of income, gain, loss, deduction, or credit that is inconsistent with the treatment of such item by the Company on the Schedule K-1.

Section 6.04 Tax Matters Partner. The Members hereby designate Diamond District Phase 1 Four Managing Member, LLC to be the "tax matters partner" under §6231(a)(7) of the Code. The Members may designate a different Member to serve as the tax matters partner at any time.

Section 6.05 Banking. All funds of the Company shall be deposited in the name of the Company in such checking account or accounts as shall be designated by the Members. All withdrawals therefrom are to be made upon checks signed by a Person or Persons authorized by the Members.

ARTICLE VII

TRANSFERS, ADMISSIONS, AND WITHDRAWALS

Section 7.01 Transfers. Except as provided in this Agreement, no Member shall transfer, sell, assign, encumber, or otherwise dispose of all or any portion of the Member's Interest without the written consent of the non-transferring Members. The transferee shall pay all costs and expenses incurred by the Company in connection with such transfer. Any purported

transfer, sale, assignment, encumbrance, or other disposition in violation of this Agreement shall be null and void.

Section 7.02 Admissions. Except as provided in this Agreement, no transferee of an Interest shall be admitted as a Member of the Company without the written consent of the non-transferring Members, and only if the transferee agrees to be legally bound by this Agreement as a Member and executes and delivers to the Company such documents and instruments as are necessary or appropriate in connection with the transferee becoming a Member. The transferee shall pay all costs and expenses incurred by the Company in connection with such admission. Any transferee of an Interest who is not admitted as a Member shall have the rights of an assignee with respect to distributions and Profits, Losses, and other allocations attributable to the transferred Interest, but shall have no rights as a Member under this Agreement or the Act. Notwithstanding the foregoing, the Interest of the assignee shall be subject to the restrictions contained in this Agreement applicable to Interests held by a Member.

Section 7.03 No Withdrawal. No Member shall have the right to withdraw from the Company prior to the dissolution and winding up of the Company.

Section 7.04 Incapacity of Member. In the event of the Incapacity of a Member, the executor, administrator, guardian, trustee, or other personal representative of the Member affected by such Incapacity shall be deemed to be the assignee of such Member's Interest and may, subject to Section 7.02, become a substituted Member.

ARTICLE VIII

TERMINATION AND DISSOLUTION

Section 8.01 Dissolution Events. The existence of the Company shall be perpetual, and the Company shall be terminated and dissolved only upon (a) the election of all the Members to dissolve the Company, or (b) the entry of a final decree of judicial dissolution under the Act.

Section 8.02 Liquidation.

(a) Winding Up. Upon the dissolution of the Company, the Company's business shall be liquidated in an orderly manner. The Members shall determine which Company property shall be distributed in-kind and which Company property shall be liquidated. The liquidation of Company property shall be carried out as promptly as is consistent with obtaining the fair value thereof.

(b) Payments and Distributions. Company property or the proceeds therefrom, to the extent sufficient therefor, shall be applied and distributed in the following order of priority, with no distribution being made in any category set forth below until each preceding category has been satisfied in full:

(i) To the payment and discharge of all of the Company's debts and liabilities, including any debts and liabilities owed to any Member, and to the expenses of liquidation;

(ii) To the establishment of Reserves (which Reserves, to the extent determined by the Members to be no longer needed by the Company, shall be distributed in accordance with the order of priority set forth in subsection (iii) below);

(iii) To and among the Members in accordance with Article III of this Agreement.

ARTICLE IX

EXCULPATION AND INDEMNIFICATION

Section 9.01 Exculpation. No Indemnified Party shall be liable, responsible, or accountable in damages or otherwise to the Company or the Members for any act or omission of the Indemnified Party on behalf of the Company, provided that the act or omission is not determined by a court to be due to such Indemnified Party's willful misconduct or recklessness.

Section 9.02 Indemnification. The Company shall indemnify and hold harmless each Indemnified Party against any loss or damage (including attorneys' and other professional fees) incurred by the Indemnified Party on behalf of the Company or in furtherance of the Company's interests, without relieving the Indemnified Party of liability for willful misconduct or recklessness. The satisfaction of any indemnification shall be from and limited to Company's assets and no Member shall have any liability on account thereof. The right to indemnification shall include the right to be paid or reimbursed by the Company the reasonable expenses incurred by the Indemnified Party in advance of the final disposition of any proceeding; provided, however, that the advance payment of such expenses shall be made only upon delivery to the Company of a written affirmation by such Indemnified Party of such Indemnified Party's good faith belief that the Indemnified Party has met the standard of conduct necessary for indemnification under this Agreement and a written undertaking, by or on behalf of such Indemnified Party, to repay all amounts so advanced if it shall ultimately be determined that such Indemnified Party is not entitled to be indemnified under this Agreement or otherwise.

ARTICLE X

REPRESENTATIONS

Section 10.01 Investment Representations. Each Member represents and warrants that it has acquired its Interest for its own account as part of a transaction exempt from registration under the Securities Act of 1933, as amended, and applicable state law for investment purposes and not with a view to the resale or distribution thereof, and that it has had access to any and all information necessary to arrive at its decision to acquire its Interest. In addition to the restrictions on transfer of Interests otherwise set forth in this Agreement, no Interest may be sold, transferred, assigned or otherwise disposed of by any Member in the absence of registration under the Securities Act of 1933, as amended, and applicable state law, or an opinion of counsel experienced in securities matters and satisfactory to the Members that such assignment or other disposition will not be in violation of said Act or state laws. No Member shall have any right to require registration of its Interest under said Securities Act or applicable state law and, in view of the nature of the Company and its business, such registration is neither contemplated nor likely.

Each Member further acknowledges that it understands that the effect of the foregoing representation and warranty and restriction on assignment or other disposition is generally to require that such Interest be held indefinitely unless it is registered or an exemption from registration is available.

ARTICLE XI

MISCELLANEOUS

Section 11.01 **Notices.** All notices, approvals, consents, requests, instructions, and other communications (collectively "Communications") required to be given in writing pursuant to this Agreement shall be validly given, made or served only when delivered personally or by registered or certified mail, return receipt requested, postage prepaid, or by a reputable overnight or same day courier, addressed to the Company or the Member at the address that is on record at the principal office of the Company, or by facsimile to the number that is on record at the principal office of the Company. Any such Communication shall be treated as given under this Agreement when the Communication is delivered to such address or received at such facsimile number. The designation of the Person to receive such Communication on behalf of a Member or the address of any such Person for the purposes of such Communication may be changed from time to time by written notice given to the Company pursuant to this Section.

Section 11.02 **Parties Bound; No Third Party Beneficiaries.** This Agreement shall inure to the benefit of and shall be binding upon all the parties and their respective heirs, successors, and assigns. No provision of this Agreement is intended to or shall be construed to grant or confer any right to enforce this Agreement or any remedy for breach of this Agreement to or upon any Person other than the parties hereto.

Section 11.03 **Applicable Law.** This Agreement and the rights of the parties hereunder shall be interpreted in accordance with the laws of the Commonwealth of Virginia without regard to its conflict of law rules.

Section 11.04 **Amendment.** No change or modification to this Agreement shall be valid unless the same is in writing and signed by all the Members.

Section 11.05 **Entire Agreement.** This Agreement contains the entire understanding among the parties and supersedes any prior understandings and agreements between them respecting the subject matter hereof. There are no representations, agreements, arrangements, or understandings, oral or written, between or among the parties hereto relating to the subject matter of this Agreement which are not fully expressed herein.

Section 11.06 **Severability.** If any provision of this Agreement or the application thereof to any Person or circumstance shall, for any reason and to any extent, be invalid or unenforceable, the remainder of this Agreement and the application of such provision to other Persons or circumstances shall not be affected thereby but rather shall be enforced to the greatest extent permitted by law.

Section 11.07 **Counterparts.** This Agreement may be executed in one or more counterparts with the same effect as if all of the Members had signed the same document. All counterparts shall be construed together and shall constitute one and the same instrument.

Section 11.08 **Construction.** When from the context it appears appropriate, each term stated either in the singular or the plural shall include the singular and the plural and pronouns stated either in the masculine, the feminine or the neuter shall include the masculine, the feminine and the neuter.

Section 11.09 **Headings and Captions.** The headings and captions contained in this Agreement are inserted only as a matter of convenience and in no way define, limit, or extend the scope or intent of this Agreement or any provisions hereof.

Section 11.10 **No Waiver.** The failure of any Member to insist upon strict performance of a covenant hereunder or of any obligation hereunder or to exercise any right or remedy hereunder, regardless of how long such failure shall continue, shall not be a waiver of such Member's right to demand strict compliance therewith in the future unless such waiver is in writing and signed by the Member giving the same.

Section 11.11 **Other Business and Investment Ventures.** Except as otherwise provided in this Agreement or any other agreement to which a Member is a party, each Member may engage in other business or investment ventures, including business or investment ventures in competition with the Company, and neither the Company nor the other Members shall have any rights in such business or investment ventures.

Section 11.12 **Additional Instruments.** Each Member agrees to execute and deliver such additional agreements, certificates, and other documents as may be necessary or appropriate to carry out the intent and purposes of this Agreement.

[Signatures on following page]

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

MEMBERS:

DIAMOND DISTRICT PHASE 1 FOUR MANAGING MEMBER, LLC, a Virginia limited liability company

By: _____
Name: Timothy I. Henkel
Title: Chief Executive Officer

PENNROSE LP, LLC, a Pennsylvania limited liability company

By: _____
Name: Timothy I. Henkel
Title: Vice President

EXHIBIT A

MEMBERS' CAPITAL CONTRIBUTIONS AND PERCENTAGE INTERESTS

Members	Capital Contribution	Percentage Interest
Diamond District Phase 1 Four Managing Member, LLC 230 Wyoming Avenue Kingston, Pennsylvania 18704	$1.00	1.00%
Pennrose LP, LLC 230 Wyoming Avenue Kingston, Pennsylvania 18704	$99.00	99.00%

CITY OF RICHMOND

Housing &
Community Development

March 5, 2026

Patrick Stewart
Regional Vice President
Pennrose, LLC
Diamond District Phase 1 Nine, LLC
2728 Hermitage Rd
Richmond, Virginia 23220 pstewart@pennrose.com

Project Name: Diamond District 9% (50 units)

Dear Mr. Stewart:

This Letter is to confirm that the City of Richmond ("City") is in receipt of the Affordable Housing Performance Grant ("AHPG") application for the above-referenced project. Initial review indicates that the project meets the requirements of the program.

As a 100% affordable development, the project qualifies for a 30-year performance grant tax rebate on the real estate tax increase above the base real estate tax amount prior to construction.

Thanks for providing affordable housing in the City of Richmond.

Sincerely,

Merrick T. Malone

Merrick Malone, Esq.
Director, Housing & Community Development

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*****

Digitally signed by Adam Blackburn
DN: C=US, E=ablackburn@innovaservices.com, O="Innova Building Advisors, LLC", CN=Adam Blackburn
Date: 2026.02.23 16:44:38-05'00'

RESNET Rater Signature	Printed Name	Date
	Adam Blackburn	2/23/2026

RESNET Provider Agency	Provider Contact Name
Performance Systems Development of New York, Inc.	William S Deters

Contact Signature	Email	Phone
	wdeters@psdconsulting.com	(681) 283-5645

innova
BUILDING ADVISORS
1548 S. 16TH STREET | PHILADELPHIA PA 19146

March 2, 2026

John Michels
Pennrose, LLC

VIA EMAIL

Re: DOE Efficient New Homes (ENH) Compliance Letter:
Diamond District Phase 1 (9%) (Building A)
Richmond, VA 23220 *Revision 2*

Mr. Michels:

This letter is provided to document the projected HERS Indexes and compliance with DOE Efficient New Homes Multifamily Version 2 program (formerly known as Zero Energy Ready Homes)(ENH) for the above-referenced project. The following assumptions and ratings are based on the 9% Application set of drawings, prepared by Poole & Poole Architecture, LLC (the "Architect"), dated February 27, 2026.

Per RESNET guidelines, a RESNET-accredited Home Energy Rating software program is used to determine the ENH MF V2 HERS Index Target. Using the same software program, a preferred set of energy efficiency measures is configured for the home, and the resulting HERS Index is verified to meet or exceed the aforementioned Index Target.

1. *General*. The project consists of (1) mid-rise building containing a total of (50) units composed of 1- , 2- and 3-bedroom flats. Each dwelling will have its own heating, cooling and domestic water heating equipment. As a prerequisite for ENH certification, apartment dwellings within the Project must be certified under the ENERGY STAR for Multifamily New Construction, v. 1.2 program ("MFNC") and all units must be certified the EPA Indoor AirPLUS ("IAP") program.
   1.1. Each individual unit must receive an ENERGY STAR label. Please note that the project will follow RESNET Sampling Protocols for energy modeling (HERS Ratings) as well as inspections and testing. Under the RESNET Sampling Protocol, not every unit is modeled or tested for compliance, but provision is made to ensure compliance of all units.
   1.2. The Project will be certified under MFNC following the ERI Path. This will require that RESNET-approved energy modeling methods be completed for all units, subject to the RESNET Sampling Protocols noted above. The modeling software used for the HERS ratings referenced herein is Ekotrope v. 4.2.3.
   1.3. The General Contractor or Developer will be required to sign an ENERGY STAR Partnership Agreement AND complete the online Builder Orientation and must further be an accredited DOE ENH Builder Partner.
      1.3.1. The HVAC contractor must hold valid credentialing from an H-QUITO.
2. *HERS Indexes.* Projected HERS Indexes were generated using Ekotrope v. 4.2.3 energy modeling software. In order to meet ENH performance requirements, the units are projected to achieve a range of HERS Indexes are as follows:

   - 1BR Flats: 40-44
   - 2BR Flats: 35-38
   - 3BR Flats: 35-38

- *Weighted Average HERS Index of all units:* 38

3. *Design Assumptions.* For typical units in this project modeled to achieve the Projected HERS Indexes noted above, the following energy conservation and design elements were used:
   3.1. Software: Ekotrope v. 4.2.3.3809
   3.2. Climate normalized for Richmond International Airport, Richmond, VA (IECC Climate Zone 4)
   3.3. The Design Documents used to construct the Energy Models are as follows:
      3.3.1. 9% Application Set Documents dated 2/27/2026 provided by Poole & Poole Architecture, LLC.
   3.4. Enclosure:
      3.4.1. Slab insulation: R-10 rigid insulation for full height of slab edge; R-10 rigid insulation extending horizontally 48" from inside face of foundation wall; installed per RESNET Grade I guidelines;
      3.4.2. Above-grade wall insulation: ZIP-R 1.5" (R-6) insulated sheathing and R-21 high density fiberglass batt insulation in wall cavities; installed per RESNET Grade I guidelines;
      3.4.3. Rim joists and roof cavity walls: ZIP-R 1.5" (R-6) insulated sheathing and 5.5" open cell spray foam (R-21) at rimboards and joist pockets; installed per RESNET Grade I guidelines
      3.4.4. Roof insulation: sealed attic, R-30 rigid polyiso insulation installed above roof deck and R-19 open cell foam applied to underside of roof deck; installed per RESNET Grade I guidelines;
      3.4.5. Windows: double-glazed vinyl, low-e, argon-filled, U-0.27, SHGC-0.30, ENERGY STAR certified.
   3.5. Mechanical Systems:
      3.5.1. Heating and cooling (units): 12 kBTU inverter-driven ducted air-source heat pump, 16.10 SEER2, 9.3 HSPF2, 2.3 kW electric resistance backup; ENERGY STAR certified.
         3.5.1.1. Total duct leakage: 80 CFM25 maximum.
      3.5.2. Ventilation (units): individual energy recovery ventilators, 64% ATRE.
         3.5.2.1. Kitchens: 50 CFM continuous
         3.5.2.2. Bathrooms: 20 CFM continuous
      3.5.3. In-wall dehumidifier: 33 pints/day, 2.0 IEF
   3.6. Domestic Hot Water:
      3.6.1. Individual 40-gallon heat pump water heaters, 3.83 UEF
      3.6.2. All fixtures 2.0 GPF or less
   3.7. Infiltration (blower door test): 0.25 CFM50 per sf of enclosure area.
   3.8. Lighting: 100% LED
   3.9. Appliances:
      3.9.1. Dishwashers: ENERGY STAR-qualified, 270 kWh/yr
      3.9.2. Refrigerator: ENERGY STAR qualified, 379 kWh/yr
      3.9.3. Clothes Washer: ENERGY STAR-qualified, 129 kWh/yr
      3.9.4. Clothes Dryer: electric, 3.01 CEF
   3.10. Certification under EPA Indoor airPLUS including checklists for moisture control, radon, pests, HVAC systems, combustion pollutants, materials and filtration.
   3.11. Checklists: compliance with all mandatory provisions of:
      3.11.1. MFNC HVAC Design Report, Rater Design Review Checklist, Rater Field Checklist, HVAC Functional Testing Checklists and Water Management System Requirements;
      3.11.2. SFNH HVAC Design Report, Rater Field Checklist, HVAC Commissioning Checklist and Water Management System Requirements;
      3.11.3. ENH MF V2 Rater Field Checklist, PV-Ready Checklist and EV-Ready Checklist;

3.11.4. ENH SF V2 Rater Field Checklist, PV-Ready Checklist and EV-Ready Checklist;
3.11.5. EPA Indoor airPLUS Verification Checklist v. 1.04.

4. *Inspections and Testing*. On-site inspections must take place throughout the construction process and documented in accordance with the ENERGY STAR and ENH-mandated checklists. The following inspections will be performed to ensure compliance with the checklists and the project design prior to the next phase of construction, as indicated:
   4.1. Contractor Orientation Meeting: prior to the start of construction, Innova will convene a meeting onsite with the GC's Project Manager, Superintendent and as many key subcontractors as available to review the energy and sustainability requirements and processes, inspection protocols and to review key design details. Up to two (2) such meetings may be conducted.
   4.2. Enclosure/Framing Inspection: for all construction types, Innova will perform an inspection of the building shell to identify areas of potential air infiltration that require attention in addition to verify duct installation quality. This inspection is also an opportunity to review the insulation process with the contractors to ensure a compliant install and that hidden components of the air distribution system will pass the leakage test before they are inaccessible. Recommendations may be made to remedy non-complying conditions with respect to air sealing of the building enclosure including the drainage plane, exterior wall penetrations, window installation, compartmentalization and ductwork. Non-compliant conditions will be documented and submitted to the Owner.
   4.3. Close-In Inspection: the Close-In inspection will be performed by Innova and will identify whether insulation methods and materials, fenestration, ductwork, air sealing and water management systems comply with ENERGY STAR requirements. Recommendations may be made to remedy non-complying conditions with respect to the installation of exterior and interior above-grade wall insulation, frame floor, attic or roof insulation. This inspection will be performed in 100% of the dwellings/modules. Non-compliant conditions will be documented and submitted to the Owner.
   4.4. Final Air Sealing Inspection: the Final Air Sealing Inspection will be performed by Innova to confirm that post-drywall air sealing details have been implemented at each unit type. In addition, one day's worth of blower door testing will be performed in unit(s) of the contractor's choosing to verify the effectiveness of the air sealing. Recommendations may be made to remedy non-complying conditions with respect to air sealing of windows and doors, penetrations through the interior air barrier and ductwork. Non-compliant conditions will be documented and submitted to the Owner.
   4.5. Foundation and Crawlspace Inspection: an inspection of sub-slab and foundation wall insulation, vapor barrier and water management measures will be performed prior to pouring of the slab in the crawlspace and prior to setting of the modules, as appropriate. This inspection will be performed by Innova as part of the Rater Field Checklist. In addition, Innova may offer guidance to the contractor(s) to ensure compliance with the Water Management System Builder Requirements. Non-compliant conditions will be documented and submitted to the Owner.
   4.6. Final Test-Out: upon completion of construction and permanent energizing of all utilities, Innova will perform the Final Inspection to confirm Program compliance with by a series of diagnostic tests including blower-door testing, duct leakage testing and ventilation airflow testing, equipment, appliance and lighting inventory in addition to verification of the HVAC Functional Testing Checklist (completed and submitted by the HVAC contractor's functional testing agent or commissioning agent). Successful completion of final testing determines ENERGY STAR and ENH eligibility; therefore, it is very important for all stakeholders to understand the testing requirements from the outset.
   4.7. Re-inspection: should any of the units in the sample set fail inspections or testing, additional testing and inspections must be performed in order to satisfy RESNET sampling protocols and additional charges will apply. Should a given rated feature, such as the blower door test, fail to

meet RESNET sampling guidelines, that feature will be rendered ineligible for sampling and must be verified *in all units* at additional expense.

4.8. ENERGY STAR Rater Field Checklist: under ENERGY STAR guidelines there is a multi-point inspection checklist with which all inspected units must comply to be eligible to earn the ENERGY STAR. The inspection will address the following building systems and features:

- Thermal Enclosure System
  - Windows & doors
  - Air barriers
  - Thermal bridging
  - Air sealing
- HVAC System
  - Heating & cooling equipment
  - Duct insulation, sealing & leakage
  - Whole-house ventilation
  - Local ventilation
- Other Systems
  - Domestic Hot Water
  - Lighting
  - Appliances, Ceiling Fans and Plumbing Fixtures
  - Whole Building Energy Consumption Data Acquisition Strategy: for buildings 50,000 sf and larger, a strategy that enables the collection of monthly or annual building-level energy consumption data (electricity, natural gas, chilled water, steam, fuel oil, propane, etc.) must be been confirmed.

4.9. ENERGY STAR HVAC Functional Testing and Commissioning Checklists: as with the HVAC Design Report, the ENERGY STAR HVAC Functional Testing Checklist must be completed and submitted to the General Contractor and Innova. This checklist is completed by the HVAC contractor or commissioning agent, if present, *for every unit.*

4.10. ENERGY STAR Water Management System Requirements: while not a checklist, the ENERGY STAR Water Management System Builder Requirements is a guidance document that must be reviewed by the Factory/General Contractor and with which all units must comply. Innova's inspectors will review the project's compliance with these requirements per RESNET Sampling Protocols and non-compliant conditions will be documented and submitted to Owner.

4.11. ENH PV-Ready Checklist: under ENH guidelines, Rater is required to complete this checklist, with which all inspected units must comply to be eligible to earn ENH certification. The Design Team and Factory/General Contractor should familiarize themselves with the requirements of this checklist. Please note that this project is exempt from the provisions of the PV-Ready checklist due to insufficient annual solar radiation.

4.12. ENH EV-Ready Checklist: under ENH guidelines, the Rater is required to complete this checklist, with which the project must comply to be eligible to earn ENH certification. Please note that at least 10% of the allocated (i.e. off-street) parking spaces must be equipped with EV charging stations; a further 10% must be prepared as EV-Ready or EV-Capable. The subject property will have 9 allocated parking spaces; according (1) must be EV-equipped and (1) must e EV-equipped, EV-ready or EV-capable.

4.13. ENH Rater Checklist: similar to the ENERGY STAR Checklists, the ENH Rater Checklist is design review and multi-point inspection checklist with which all inspected units must comply to be eligible to earn ENH Certification.

4.14. Indoor airPLUS Verification Checklist: under ENH guidelines, Rater is required to complete this checklist, with which all inspected units must comply to be eligible to earn ENH certification.

While this project is required to be MFNC-certified under ENH guidelines, IAP guidelines independently require MFNC certification as a prerequisite, as well.

Please do not hesitate to contact the undersigned with any questions or concerns.

Sincerely,



Adam Blackburn
Vice President and Principal
Innova Building Advisors, LLC
HERS Rater RTIN #9608274

Att:

Table 1: Design Stage HERS Ratings

Adam Blackburn – HERS Rater Certification

ENH Certificates, various units

Table 1: Design Stage HERS Ratings

Unit	Target HERS Index	Projected HERS Index
A1/A4: lowest level, inside	51	44
A1: top floor, inside	50	42
A1_ mid level, inside	49	40
B1: lowest level, inside	50	38
B1: mid level, end	47	35
B1: mid level, inside	48	36
B1: top floor, inside	50	38
B1: top floor, end	49	38
C: lowest level end	50	38
C: mid level, end	48	35
C: top floor, end	49	37
	Weighted Average, All Units:	**38**

January 29, 2026

Adam Blackburn
Innova Building Advisors LLC
1548 South 16th Street
Philadelphia, PA 19146

Re: Letter of Good Standing

To Whom It May Concern:

Be it known that Adam Blackburn, Innova Building Advisors LLC, is an active Rater in accordance with the national standards administered through Residential Energy Services Network (RESNET). Adam Blacmburn has entered into an agreement, and is in good standing, with Performance Systems Development as their Rating Provider. This Agreement expires on 7/1/2026 and is renewed annually.

Performance Systems Development is a nationally accredited Home Energy Rating System Provider.

Adam Blackburn has performed all his preliminary ratings, having been initially certified 3/23/2013. RESNET certifications renew every three (3) years. Their current certification expires 4/3/2028.

Sincerely,



Adam Smith
Manager, Provider Services
Performance Systems Development
950 Danby Road
Suite 201P
Ithaca, NY 14850
267.761.0148

U.S. DEPARTMENT OF ENERGY

Certified Efficient New Home

SPECIFICATION

Multifamily Version 2

U.S. DEPARTMENT of ENERGY

UNCONFIRMED

ADDRESS

Diamond District - A1_LI, Richmond, VA 23220

CERTIFICATION ID NUMBER (OPTIONAL ENTRY)

BUILDER OR DEVELOPER OF RECORD

Pennrose, LLC

PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO

RESNET

DATE UNIT CERTIFIED

2026-03-02

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.3.3812

	UNIT'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	UNIT'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	TARGET ERI SCORE
SCORES	44	N/A	51

U.S. DEPARTMENT OF ENERGY

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	UNIT'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	UNIT'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	TARGET ERI SCORE
SCORES	40	N/A	49

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	UNIT'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	UNIT'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	TARGET ERI SCORE
SCORES	42	N/A	50

U.S. DEPARTMENT OF ENERGY

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	UNIT'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	UNIT'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	TARGET ERI SCORE
SCORES	38	N/A	49

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	UNIT'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	UNIT'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	TARGET ERI SCORE
SCORES	38	N/A	50

U.S. DEPARTMENT OF ENERGY

Certified Efficient New Home

SPECIFICATION

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ADDRESS

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SCORES	35	N/A	47

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SCORES	36	N/A	48

U.S. DEPARTMENT OF ENERGY

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PARTNER ID

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RATER OF RECORD

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SCORES	38	N/A	49

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SCORES	38	N/A	50

U.S. DEPARTMENT OF ENERGY

Certified Efficient New Home

SPECIFICATION

Multifamily Version 2

U.S. DEPARTMENT of ENERGY

UNCONFIRMED

ADDRESS

Diamond District - C2_LE, Richmond, VA 23220

CERTIFICATION ID NUMBER (OPTIONAL ENTRY)

BUILDER OR DEVELOPER OF RECORD

Pennrose, LLC

PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO

RESNET

DATE UNIT CERTIFIED

2026-03-02

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.3.3812

	UNIT'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	UNIT'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	TARGET ERI SCORE
SCORES	38	N/A	50

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SCORES	35	N/A	48

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SCORES	37	N/A	49

U.S. DEPARTMENT OF ENERGY

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SCORES	43	N/A	51

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SCORES	41	N/A	50

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SCORES	41	N/A	50

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Overview (Design Phase)

Batch Submission:	☐
Builder Name:	Pennrose, LLC
Physical Address of Home:	2728 Hermitage Road
Community/Lot #:	
City:	Richmond
State:	Virginia
County:	Richmond City
Zip:	23220
Single-Family or Multifamily:	Multifamily
Number of Units:	50
Building includes commercial space pursuing Commercial Space certification?	No
Project Name:	Diamond District Phase 1 (9%)
Total conditioned floor area:	67320 s.f.
Average conditioned floor area:	1346 s.f./unit
Stories above grade:	4
Project Elevation (ft. above sea level):	201 ft.
Project Description (optional):	
Foundation Type:	Slab on grade
Type of Heating System (main system):	Heat Pump
Type of Heating System (system 2):	
Type of Heating System (system 3):	
Primary Heating Fuel:	Electricity
Heating Ducts:	Ducted
Type of Cooling System (main system):	Heat Pump
Type of Cooling System (system 2):	
Type of Cooling System (system 3):	
Cooling Ducts:	Ducted
Maximum window and door SHGC:	0.3
Maximum skylight SHGC:	
Maximum window and door U-value:	0.27
Maximum skylight U-value:	
Renewable Energy:	None
Thermal Envelope Insulation:	Fiberglass & Rigid Foam
Attic Type:	Sealed
Attached Garage:	No
Recessed Lighting:	No
Special Design Features:	
Passive Solar:	No
Mass Walls:	No
Radiant/Hydronic:	No
Tankless Water Heater:	No
Composting Toilet:	No
Local Energy Code:	2018 IECC
Local Building Code:	2018 IBC
Who completed this information?	Adam Blackburn

Exclude south-facing glass if part of "Sun-tempered" design (703.7.1).

Table 703.2.5.2(a), 703.2.5.2(b), 703.2.5.2(c)

Climate Zone:
4 Moist

Radon
3

CLICK TO PROCEED TO CHAPTER 5 >>

Vaughan Piccolo
NGBS Green Verifier

	Current Chapter level: Silver	**Total Points: 83**				
	Points away from: Bronze: 0, Silver: 0, Gold: 10, Emerald: 38					
	Add'l pts earned above: Bronze: 33, Silver: 19, Gold: 0, Emerald: 0					
	Total Chapter Points needed for: Bronze: 50, Silver: 64, Gold: 93, Emerald: 121					
	Revision Date: 12/11/2025					

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Coding

Practice #	Chapter 5: Lot Design, Preparation, and Development	Points Available	Points Claimed	Status	Notes
500 LOT DESIGN, PREPARATION AND DEVELOPMENT					
500.0	**500.0 Intent**. This section applies to lot development for the eventual construction of residential buildings, multifamily buildings, or additions thereto that contain dwelling units or sleeping units.				
501 LOT SELECTION					
501.1	**501.1 Lot.** Lot is selected in accordance with § 501.1(1) or § 501.1(2).		0	Certified Site:	
(1)	A lot is selected within a site certified to this Standard or equivalent	**15**		☐	
(2)	A lot is selected to minimize environmental impact by one or more of the following:				
(a)	An infill lot is selected.	**10**		☐	
(b)	A lot is selected that is a greyfield.	**10**		☐	
(c)	An EPA-recognized brownfield lot is selected.	**15**		☐	
501.2	**501.2 Multi-modal transportation.** A range of multi-modal transportation choices are promoted by one or more of the following:				
(1)	A lot is selected within one-half mile (805 m) of pedestrian access to a mass transit system	**6**	6	☑	Bus Routes 14, 20, 24 and 26
(2)	A lot is selected within five miles (8,046 m) of a mass transit station with provisions for parking.	**3**	3	☑	Greyhound Bus Station
(3)	Walkways, street crossings, and entrances designed to promote pedestrian activity are provided. New buildings are connected to existing sidewalks and areas of development.	**5**	5	☑	
(4)	A lot is selected within one-half mile (805 m) of six or more community resources No more than two each of the following use category can be counted toward the total: Recreation, Retail, Civic, and Services. Examples of resources in each category include, but are not limited to the following:			☐	
	Recreation: recreational facilities (such as pools, tennis courts, basketball courts), parks.	**4**	0		
	Retail: grocery store, restaurant, retail store.				
	Civic: post office, place of worship, community center.				
	Services: bank, daycare center, school, medical/dental office, laundromat/dry cleaners.				
	NOTE: List the 6 community resources in the Notes field.				
	OR				
	A lot is selected within a census block group that, compared to its region, has above-average neighborhood walkability using an index within the EPA's Smart Location Database:		0		
	(a) Walkability is within the top quartile for the region.	**5**			
	(b) Walkability is within the second quartile for the region.	**2**			
(5)	Bicycle use is promoted by building on a lot located within a community that has rights-of-way specifically dedicated to bicycle use in the form of paved paths or bicycle lanes, or on an infill lot located within 1/2 mile of a bicycle lane designated by the jurisdiction.	**5**	0	☐	
(6)	Dedicated bicycle parking and racks are indicated on the site plan and constructed for mixed-use and multifamily buildings:		0		
(a)	Minimum of 1 bicycle parking space per 3 residential units	**2**			
(b)	Minimum of 1 bicycle parking space per 2 residential units	**4**			
(c)	Minimum of 1 bicycle parking space per 1 residential unit.	**6**			
(d)	Bicycle enclosed storage is provided or parking spaces are covered or otherwise protected from the elements	**2 per (a)-(c)**	0	☐	
(7)	Select a lot in a community where there is access to shared vehicle usage such as carpool drop-off areas, car-share services, and shuttle services to mass transit.	**5**	0	☐	
	NOTE: Enter name of car sharing program.				
(8)	Lot is within 1/2 mile walking distance of where a bike sharing program is provided.	**5**	0	☐	
	NOTE: Enter name of bike sharing program.				
502 PROJECT TEAM, MISSION STATEMENT, AND GOALS					
502.1	**502.1 Project team, mission statement, and goals.** A knowledgeable team is established and team member roles are identified with respect to green lot design, preparation, and development. The project's green goals and objectives are written into a mission statement.	**4**	4	☑	
503 LOT DESIGN					
503.0	**503.0 Intent.** The lot is designed to avoid detrimental environmental impacts first, to minimize any unavoidable impacts, and to mitigate for those impacts that do occur. The project is designed to minimize environmental impacts and to protect, restore, and enhance the natural features and environmental quality of the lot.				
	(Points awarded only if the intent of the design is implemented.)				
503.1	**503.1 Natural resources.** Natural resources are conserved by one or more of the following:				
(1)	A natural resources inventory is completed under the direction of a qualified professional.	**5**	0	☐	
(2)	A plan is implemented to conserve the elements identified by the natural resource inventory as high-priority resources.	**6**	0	☐	
(3)	Items listed for protection in the natural resource inventory plan are protected under the direction of a qualified professional.	**4**	0	☐	
(4)	Basic training in tree or other natural resource protection is provided for the on-site supervisor.	**4**	0	☐	
(5)	All tree pruning on-site is conducted by a certified arborist or other qualified professional.	**3**	0	☐	
(6)	Ongoing maintenance of vegetation on the lot during construction is in accordance with TCIA A300 or locally accepted best practices.	**4**	0	☐	
(7)	Where a lot adjoins a landscaped common area, a protection plan from construction activities next to the common area is implemented.	**5**	0	☐	
(8)	Developer has a plan to design and construct the lot in accordance with the International Wildland-Urban Interface Code (IWUIC). *[Only applicable where the AHJ has not declared a wildland-urban interface area, but a fire protection engineer, certified fire marshal, or other qualified party has determined and documented the site as hazarded per the IWUIC].*	**6**	0	☐	
503.2	**503.2 Slope disturbance.** Slope disturbance is minimized by one or more of the following:			Max Slope in Const. Zn:	
	Note: Points are only available for lots with slopes of 25% or greater.				
(1)	The use of terrain adaptive architecture.	**5**	0	☐	
(2)	Hydrological/soil stability study is completed and used to guide the design of all buildings on the lot.	**5**	0	☐	
(3)	All or a percentage of driveways and parking are aligned with natural topography to reduce cut and fill.		0		
(a)	10 percent to < 25 percent	**1**			
(b)	25 percent to 75 percent	**4**			
(c)	greater than 75 percent	**6**			
(4)	Long-term erosion effects are reduced through the design and implementation of clustering, terracing, retaining walls, landscaping, or restabilization techniques.	**6**	0	☐	
(5)	Underground parking uses the natural slope for parking entrances.	**5**	0	☐	

503.3		**503.3 Soil disturbance and erosion.** Soil disturbance and erosion are minimized by one or more of the following: (also see Section 504.3)				
		Note: Points must be earned in 503.3 in order for points in 504.1 to be available				
	(1)	Construction activities are scheduled such that disturbed soil that is to be left unworked for more than 21 days is stabilized within 14 days..	**5**	0	☐	
	(2)	At least 75% of total length of the utilities on the lot are designed to use one or more alternative means:				
	(a)	tunneling instead of trenching			☐	
	(b)	use of smaller (low ground pressure) equipment or geomats to spread the weight of construction equipment	**5**	5	☐	
	(c)	shared utility trenches or easements			☑	
	(d)	placement of utilities under paved surfaces instead of yards			☐	
	(3)	Limits of clearing and grading are demarcated on the lot plan.	**5**	0	☐	
503.4		**503.4 Stormwater Management.** The stormwater management system is designed to use low impact development/green infrastructure practices to preserve, restore or mitigate changes in site hydrology due to land disturbance and the construction of impermeable surfaces through the use of one or more of the following techniques:				
		NOTE: For lots in a development, the points for 503.4 may be awarded for the lot when there is a community storm water management plan implemented and the builder does not violate that plan with respect to water leaving the lot.				
	(1)	A site assessment is conducted and a plan prepared and implemented that identifies important existing permeable soils, natural drainage ways and other water features, e.g., depressional storage, onsite to be preserved in order to maintain site hydrology.	**7**	0	☐	
	(2)	A hydrologic analysis is conducted that results in the design of a stormwater management system that maintains the pre-development (stable, natural) runoff hydrology of the site through the development or redevelopment process. Ensure that post construction runoff rate, volume and duration do not exceed predevelopment rates, volume and duration.	**10**	0	☐	
	(3)	Low Impact Development/Green infrastructure stormwater management practices to promote infiltration and evapotranspiration are used to manage rainfall on the lot and prevent the off-lot discharge of runoff from all storms up to and including the volume of following storm events:		0		Check with Civil Engineer
	(a)	80th percentile storm event	**5**			
	(b)	90th percentile storm event	**8**			
	(c)	95th percentile storm event	**10**			
	(4)	Permeable materials are used for driveways, parking areas, walkways, patios, and recreational surfaces and the like according to the following percentages:		0		
	(a)	10 percent to less than 25 percent (add 2 points for use of vegetative paving system)	**5**			
	(b)	25-50 percent (add 4 points for use of vegetative paving system)	**8**			
	(c)	Greater than 50 percent (add 6 points for use of vegetative paving system)	**10**			
		[Points for vegetative paving systems are only awarded for locations receiving more than 20 inches per year of annual average precipitation]	**0**	0	☐	
	(5)	Complete gutter and downspout system directs storm water away from foundation to vegetated landscape area, a raingarden, or catchment system that provides for water infiltration.	**3**	0	☐	
503.5		**503.5 Landscape plan.** A plan for the lot is developed to limit water and energy use while preserving or enhancing the natural environment.				
		(Where "front" only or "rear" only plan is implemented, only half of the points (rounding down to a whole number) are awarded for Items (1)-(9))			full	
	(1)	A plan is formulated and implemented that protects, restores, or enhances natural vegetation on the lot.		0		
	(a)	100 percent of the natural area	**4**			
	(b)	50 percent of the natural area	**3**			
	(c)	25 percent of the natural area	**2**			
	(d)	12 percent of the natural area	**1**			
	(2)	Non-invasive vegetation that is native or regionally appropriate for local growing conditions is selected to promote biodiversity.	**7**	7	☑	
	(3)	To improve pollinator habitat, at least 10 percent of planted areas are composed of native or regionally appropriate flowering and nectar producing plant species. Invasive plant species shall not be utilized.	**3**	0	☐	
	(4)	EPA WaterSense Water Budget Tool or equivalent is used when implementing the site vegetative design.	**5**	0	☐	
	(5)	Where turf is being planted, Turfgrass Water Conservation Alliance (TWCA) or equivalent as determined by the adopting entity third party qualified water efficient grasses are used.	**3**	0	☐	
	(6)	For landscaped vegetated areas, the maximum percentage of turf area is:		0		
	(a)	0 percent	**5**			
	(b)	Greater than 0 percent to less than 20 percent	**4**			
	(c)	20 percent to less than 40 percent	**3**			
	(d)	40 percent to 60 percent	**2**			
	(7)	Plants with similar watering needs are grouped (hydrozoning) and shown on the lot plan.	**5**	0	☐	
	(8)	Summer shading by planting installed to shade a minimum of 30 percent of building walls. To conform to summer shading, the effective shade coverage (five years after planting) is the arithmetic mean of the shade coverage calculated at 10 am for eastward facing walls, noon for southward facing walls, and 3 pm for westward facing walls on the summer solstice.	**5**	0	☐	
	(9)	Vegetative wind breaks or channels are designed to protect the lot and immediate surrounding lots as appropriate for local conditions.	**5**	0	☐	
	(10)	Site or community generated tree trimmings or stump grinding of regionally appropriate trees are used on the lot to provide protective mulch during construction or for landscaping.	**3**	0	☐	
	(11)	An integrated pest management plan is developed to minimize chemical use in pesticides and fertilizers.	**4**	4	☑	
	(12)	Developer has a plan for removal or containment of invasive plants from the disturbed areas of the site.	**3**	0	☐	
	(13)	Developer implements a plan for removal or containment of invasive plants on the undisturbed areas of the site.	**6**	0	☐	
503.6		**503.6 Wildlife habitat.** Measures are planned to support wildlife habitat and include at least two of the following:		0		
	(1)	Plants and gardens that encourage wildlife, such as bird and butterfly gardens.	**3**		☐	
	(2)	Inclusion of a certified "backyard wildlife" program.	**3**		☐	
	(3)	The lot is adjacent to a wildlife corridor, fish and game park, or preserved areas and is designed with regard for this relationship.	**3**		☐	
	(4)	Outdoor lighting techniques are utilized with regard for wildlife.	**3**		☐	
503.7		**503.7 Environmentally sensitive areas.** The lot is in accordance with one or both of the following:		4	(1)	
	(1)	The lot does not contain any environmentally sensitive areas that are disturbed by the construction.	**4**			
	(2)	On lots with environmentally sensitive areas, mitigation and/or restoration is conducted to preserve ecosystem functions lost through development and construction activities.	**4**			
503.8		**503.8 Demolition of existing building.** A demolition waste management plan is developed, posted at the jobsite, and implemented to recycle and/or salvage with a goal of recycling or salvaging a minimum of 50 percent of the nonhazardous demolition waste.	**5**	0		
		(One additional point awarded for every 10 percent of nonhazardous demolition waste recycled and/or salvaged beyond 50 percent).	**1 additional**			

504 LOT CONSTRUCTION

504.0		**504.0 Intent.** Environmental impact during construction is avoided to the extent possible; impacts that do occur are minimized and any significant impacts are mitigated.				
504.1		**504.1 On-site supervision and coordination.** On-site supervision and coordination is provided during on-the-lot clearing, grading, trenching, paving, and installation of utilities to ensure that specified green development practices are implemented. (also see Section 503.3) NOTE: Points must be taken in 503.3 to claim points in 504.1.	4	4	☑	
504.2		**504.2 Trees and vegetation.** Designated trees and vegetation are preserved by one or more of the following:				
	(1)	Fencing or equivalent is installed to protect trees and other vegetation.	3	0	☐	
	(2)	Trenching, significant changes in grade, and compaction of soil and critical root zones in all "tree save" areas as shown on the lot plan are avoided.	5	0	☐	
	(3)	Damage to designated existing trees and vegetation is mitigated during construction through pruning, root pruning, fertilizing, and watering.	4	0	☐	
504.3		**504.3 Soil disturbance and erosion implementation.** On-site soil disturbance and erosion are minimized by one or more of the following in accordance with the SWPPP or applicable plan: (also see Section 503.3)				
	(1)	Sediment and erosion controls are installed on the lot and maintained in accordance with the stormwater pollution prevention plan, where required.	5	5	☑	
	(2)	Limits of clearing and grading are staked out on the lot.	5	5	☑	
	(3)	"No disturbance" zones are created using fencing or flagging to protect vegetation and sensitive areas on the lot from construction activity.	5	0	☐	
	(4)	Topsoil from either the lot or the site development is stockpiled and stabilized for later use and used to establish landscape plantings on the lot.	5	0	☐	
	(5)	Soil compaction from construction equipment is reduced by distributing the weight of the equipment over a larger area (laying lightweight geogrids, mulch, chipped wood, plywood, OSB, metal plates, or other materials capable of weight distribution in the pathway of the equipment).	4	0	☐	
	(6)	Disturbed areas on the lot that are complete or to be left unworked for 21 days or more are stabilized within 14 days using methods as recommended by the EPA or in the approved SWPPP, where required.	3	0	☐	
	(7)	Soil is improved with organic amendments or mulch.	3	0	☐	
	(8)	Utilities on the lot are installed using one or more alternative means: tunneling instead of trenching, use of smaller equipment, use of low ground pressure equipment, use of geomats, shared utility trenches or easements, other. NOTE: List "other" means of installing utilities in the assigned Notes area.	5	5	☐ ☐ ☐ ☐ ☑ ☐	
	(9)	Inspection reports of stormwater best management practices are available.	3	0	☐	

505 INNOVATIVE PRACTICES

505.0		**505.0 Intent.** Innovative lot design, preparation, and development practices are used to enhance environmental performance. Waivers or variances from local development regulations are obtained and innovative zoning is used to implement such practices.				
505.1		**505.1 Driveways and parking areas.** Driveways and parking areas are minimized or mitigated by one or more of the following:				
	(1)	Off-street parking areas are shared or driveways are shared. Waivers or variances from local development regulations are obtained to implement such practices, if required.	5	0	☐	
	(2)	In a multifamily project, parking capacity does not exceed the local minimum requirements.	5	0	☐	
	(3)	Structured parking is utilized to reduce the footprint of surface parking areas.		0		
	(a)	25 percent to less than 50 percent	4			
	(b)	50 percent to 75 percent	5			
	(c)	greater than 75 percent	6			
505.2		**505.2 Heat island mitigation.** Heat island effect is mitigated by the following.				
	(1)	Hardscape: Not less than 50 percent of the surface area of the hardscape on the lot meets one or a combination of the following methods.	5	0		
	(a)	Shading of hardscaping: Shade is provided from existing or new vegetation (within five years) or from trellises. Shade of hardscaping is to be measured on the summer solstice at noon.			☐	
	(b)	Light-colored hardscaping: Horizontal hardscaping materials are installed with a solar reflectance index (SRI) of 29 or greater. The SRI is calculated in accordance with ASTM E1980. A default SRI value of 35 for new concrete without added color pigment is permitted to be used instead of measurements.			☐	
	(c)	Permeable hardscaping: Permeable hardscaping materials are installed.			☐	
	(2)	Roofs: Not less than 75 percent of the exposed surface of the roof is vegetated using technology capable of withstanding the climate conditions of the jurisdiction and the microclimate conditions of the building lot. Invasive plant species are not permitted.	5	0	☐	
505.3		**505.3 Density.** The average density on the lot on a net developable area basis is:		7	(4)	140 units on 2.34 acres = 59.8 units/acre
	(1)	7 to less than 14 dwelling units/sleeping units per acre (per 4,047 m2)	4			
	(2)	14 to less than 21 dwelling units/sleeping units per acre (per 4,047 m2)	5			
	(3)	21 to less than 35 dwelling units/sleeping units per acre (per 4,047 m2)	6			
	(4)	35 to less than 70 dwelling units/sleeping units per acre (per 4,047 m2)	7			
	(5)	70 or greater dwelling units/sleeping units per acre (per 4,047 m2)	8			
505.4		**505.4 Mixed-use development.**				
	(1)	The lot contains a mixed-use building.	8	0	☐	
505.5		**505.5 Multifamily & mixed-use community garden(s).** A portion of the lot is established as a community garden(s), available to residents of the lot, to provide for local food production to residents or area consumers.			Community Garden (sf):	
	(a)	A portion of the lot of at least 250 sq ft is established as community garden(s) for the residents of the site. [*3 points per 250 sq ft]	9 max	0		
	(b)	Locate the project within a 0.5-mile walking distance of an existing or planned farmers market/ farm stand that is open or will operate at least once a week for at least five months of the year.	3	0	☐	
	(c)	Areas and physical provisions are provided for composting.	1	0	☐	
	(d)	Signs designating the garden area are posted.	1	0	☐	
505.6		**505.6 Multi-Unit Plug-In Electric Vehicle Charging.** Plug-in electric vehicle charging capability is provided for not fewer than 2 percent of parking stalls. [An additional 2 points can be earned for each percentage point above 2% for a maximum of 10 points] Fractional values shall be rounded up to the nearest whole number. Electrical capacity in main electric panels supports Level 2 charging (208/240V- up to 80 amps or in accordance with SAE J1772). Each stall is provided with conduit and wiring infrastructure from the electric panel to support Level 2 charging (208/240V- up to 80 amps or in accordance with SAE J1772) service to the designated stalls, and stalls are equipped with either Level 2 charging AC grounded outlets (208/240V- up to 80 amps or in accordance with SAE J1772) or Level 2 charging stations (208/240V- up to 80 amps or in accordance with SAE J1772) by a third party charging station. NOTE: SF/BTR homes are also eligible if 2% or more of the total of shared/communal/visitor parking stalls in the development/community have plug-in electric vehicle charging capability.	4 (10 max)	10	10.0%	

505.7		**505.7 Multi-unit residential CNG vehicle fueling.** CNG vehicle residential fueling appliances are provided for at least 1 percent of the parking stalls. The CNG fueling appliances shall be listed in accordance with ANSI/CSA NGV 5.1 and installed in accordance with the appliance manufacturer's installation instructions. NOTE: Single-Family/Build-to-Rent homes are also eligible if 1% of the shared/communal/visitor parking stalls in the development have residential CNG vehicle refueling.	**4**	0	☐	
505.8		**505.8 Street network.** Locate the project in an area of high intersection density.	**5**	0	☐	
505.9		**505.9 Smoking prohibitions.** Signs are provided on multifamily and mixed-use lots prohibiting smoking at the following locations: NOTE: Build-to-rent homes are also eligible for (a), (b) and (c) if smoking is prohibited and signs posted for all homes in the development/community. SF homes for sale are not eligible.			Build-to-Rent? ☐	
	(a)	Smoking is prohibited within 25 feet (7.5 m) of all building exterior doors and operable windows or building air intakes within 15 (4.5 m) vertical feet of grade or a walking surface.	**3**	3	☑	
	(b)	Smoking is prohibited on decks, balconies, patios and other occupied exterior spaces.	**3**	3	☑	
	(c)	Smoking is prohibited at all parks, playgrounds, and community activity or recreational spaces.	**3**	3	☑	
505.10		**505.10 Exercise & Recreation Area.** For multifamily buildings, on-site dedicated recreation space for exercise or play opportunities for adults and/or children open and accessible to residents is provided.				
	(a)	A dedicated area of at least 400 square feet is provided inside the building with adult exercise and/or children's play equipment.	**3**	0	☐	
	(b)	A courtyard, garden, terrace, or roof space at least 10% of the lot area that can serve as outdoor space for children's play and /or adult activities is provided.	**3**	0	☐	
	(c)	Active play/recreation areas are illuminated at night to extend opportunities for physical activity into the evening.	**3**	0	☐	
END OF CHAPTER 5						CLICK TO PROCEED TO CHAPTER 6 >>

	Current Chapter level: Silver	**Total Points: 76**				
	Points away from: Bronze: 0, Silver: 0, Gold: 13, Emerald: 43					
	Add'l pts earned above: Bronze: 33, Silver: 17, Gold: 0, Emerald: 0					
	Total Chapter Points needed for: Bronze: 43, Silver: 59, Gold: 89, Emerald: 119					© Home Innovation Research Labs, Inc., 2020. All rights reserved.
	Revision Date: 12/11/2025					
Coding	Practice #	Chapter 6: Resource Efficiency	Points Available	Points Claimed	Status	Notes
	601 QUALITY OF CONSTRUCTION MATERIALS AND WASTE					
601.0		**601.0 Intent.** Design and construction practices that minimize the environmental impact of the building materials are incorporated, environmentally efficient building systems and materials are incorporated, and waste generated during construction is reduced.				
601.1		**601.1 Conditioned floor area.** Finished floor area of a dwelling unit or sleeping unit is limited. Finished floor area is calculated in accordance with ANSI Z765 for single family and ANSI/BOMA Z65.4 for multifamily buildings. Only the finished floor area for stories above grade plane is included in the calculation. [For every 100 square feet (9.29 m2) over 4,000 square feet (372 m2), one point is to be added to rating level points shown in Table 303, Category 7 for each rating level.]		9		
	(1)	less than or equal to 700 square feet (65 m^2)	**14**			
	(2)	less than or equal to 1,000 square feet (93 m^2)	**12**			
	(3)	less than or equal to 1,500 square feet (139 m^2)	**9**			
	(4)	less than or equal to 2,000 square feet (186 m^2)	**6**			
	(5)	less than or equal to 2,500 square feet (232 m^2)	**3**			
	(6)	greater than 4,000 square feet (372 m^2)	**N/A**			
		(For every 100 square feet (9.29 m^2) over 4,000 square feet (372 m^2), one point is to be added to rating level points shown in Table 303, Category 7 for each rating level.)				
		Multifamily Building Note: For a multifamily building, a weighted average of the individual unit sizes is used for this practice.				
601.2		**601.2 Material usage.** Structural systems are designed or construction techniques are implemented that reduce and optimize material usage.				
	(1)	Minimum structural member or element sizes necessary for strength and stiffness in accordance with advanced framing techniques or structural design standards are selected.	**3**	0	☐	
	(2)	Higher-grade or higher-strength of the same materials than commonly specified for structural elements and components in the building are used and element or component sizes are reduced accordingly.	**3**	0	☐	
	(3)	Performance-based structural design is used to optimize lateral force-resisting systems.	**3**	0	☐	
601.3		**601.3 Building dimensions and layouts.** Building dimensions and layouts are designed to reduce material cuts and waste. This practice is used for a minimum of 80 percent of the following areas:				
	(1)	floor area	**3**	0	☐	
	(2)	wall area	**3**	0	☐	
	(3)	roof area	**3**	0	☐	
	(4)	cladding or siding area	**3**	0	☐	
	(5)	penetrations or trim area	**1**	0	☐	
601.4		**601.4 Framing and structural plans.** Detailed framing or structural plans, material quantity lists and on-site cut lists for framing, structural materials, and sheathing materials are provided.	**4**	0	☐	
601.5		**601.5 Prefabricated components.** Precut or preassembled components, or panelized or precast assemblies are utilized for a minimum of 90 percent for the following system or building:	**13 Max**			
	(1)	floor system	**4**	4	☑	Prefabricated floor trusses
	(2)	wall system	**4**	0	☐	
	(3)	roof system	**4**	4	☑	Prefabricated roof trusses
	(4)	modular construction for the entire building located above grade	**13**	0	☐	
	(5)	manufactured home construction for the entire building located above grade	**13**	0	☐	
601.6		**601.6 Stacked stories.** Stories above grade are stacked, such as in 1½-story, 2-story, or greater structures. The area of the upper story is a minimum of 50 percent of the area of the story below based on areas with a minimum ceiling height of 7 feet (2,134 mm).	**8 Max**	8	from overview: 4+ story bldg.	
	(1)	first stacked story	**4**			
	(2)	for each additional stacked story	**2**			
601.7		**601.7 Prefinished materials. Prefinished building** materials or assemblies listed below have no additional site-applied finishing material are installed.	**12 Max**	12		
		(Points awarded for each type of material or assembly.)				
	(a)	interior trim not requiring paint or stain				
	(b)	exterior trim not requiring paint or stain			90% or more	
	(c)	window, skylight, and door assemblies not requiring paint or stain on one of the following surfaces: i. exterior surfaces ii. interior surfaces			90% or more	
	(d)	interior wall coverings or systems, floor systems, and/or ceiling systems not requiring paint or stain or other type of finishing application				
	(e)	exterior wall coverings or systems, floor system, and/or ceiling systems not requiring paint or stain or other type of finishing application			90% or more	
	(1)	90 percent or more of the installed building materials or assemblies listed above:	**5**			
	(2)	50 percent to less than 90 percent of the installed building material or assembly listed above:	**2**			
	(3)	35 percent to less than 50 percent of the installed building material or assembly listed above:	**1**			
601.8		**601.8 Foundations.** A foundation system that minimizes soil disturbance, excavation quantities, and material usage, such as frost-protected shallow foundations, isolated pier and pad foundations, deep foundations, post foundations, or helical piles is selected, designed, and constructed. The foundation is used on 50 percent or more of the building footprint.	**3**	0	☐	
		NOTE: Indicate in the assigned Notes area the type designed and constructed: frost-protected shallow foundations, pier and pad foundations, post foundations, or other similar foundation type.				

602 ENHANCED DURABILITY AND REDUCED MAINTENANCE

602.0		**602.0 Intent.** Design and construction practices are implemented that enhance the durability of materials and reduce in-service maintenance.				
602.1		**602.1 Moisture Management – Building Envelope**				
602.1.1		**602.1.1 Capillary breaks**				
602.1.1.1		**602.1.1.1** A capillary break and vapor retarder are installed at concrete slabs in accordance with ICC IRC Sections R506.2.2 and R506.2.3 or ICC IBC Sections 1907 and 1805.4.1.	**Mandatory**		Met	
602.1.1.2		**602.1.1.2** A capillary break between the footing and the foundation wall is provided to prevent moisture migration into foundation wall.	**3**	0	☐	
602.1.2		**602.1.2 Foundation waterproofing.** Enhanced foundation waterproofing is installed using one or both of the following:	**4**	0		
	(1)	rubberized coating, or			☐	
	(2)	drainage mat			☐	
602.1.3		**602.1.3 Foundation drainage**				
602.1.3.1		**602.1.3.1** Where required by the ICC IRC or IBC for habitable and usable spaces below grade, exterior drain tile is installed.	**N/A**		☐	
602.1.3.2		**602.1.3.2** Interior and exterior foundation perimeter drains are installed and sloped to discharge to daylight, dry well, or sump pit.	**4**	0	☐	
602.1.4		**602.1.4 Crawlspaces**				
602.1.4.1		**602.1.4.1** Vapor retarder in unconditioned vented crawlspace is in accordance with the following, as applicable. Joints of vapor retarder overlap a minimum of 6 inches (152 mm) and are taped.				
	(1)	Floors. Minimum 6 mil vapor retarder installed on the crawlspace floor and extended at least 6 inches up the wall and is attached and sealed to the wall.	**6**	0	☐	
	(2)	Walls. Dampproof walls are provided below finished grade.	**N/A**			
602.1.4.2		**602.1.4.2** Crawlspace that is built as a conditioned area is sealed to prevent outside air infiltration and provided with conditioned air at a rate not less than 0.02 cfm (.009 L/s) per square foot of horizontal area and one of the following is implemented:				
	(1)	a concrete slab over 6 mil polyethylene sheeting. Or other Class I vapor retarder installed in accordance with Section 408.3 or Section 506 of the International Residential Code	**8**	0	☐	
	(2)	6 mil polyethylene sheeting, or other Class I vapor retarder installed in accordance with Section 408.3 or Section 506 of the International Residential Code	**N/A**			
602.1.5		**602.1.5 Termite barrier.** Continuous physical foundation termite barrier provided: See Figure 6(3)			termite infest. prob.: Moderate to heavy	
	(1)	In geographic areas that have moderate to heavy infestation potential in accordance with figure 6(3), a no or low toxicity treatment is also installed.	**4**	4	☑	
	(2)	In geographic areas that have a very heavy infestation potential in accordance with figure 6(3), in addition a low toxicity bait and kill termite treatment plan is selected and implemented.	**4**	0	☐	
602.1.6		**602.1.6 Termite-resistant materials.** In areas of termite infestation probability as defined by Figure 6(3), termite-resistant materials are used as follows: See Figure 6(3)				
	(1)	In areas of slight to moderate termite infestation probability: for the foundation, all structural walls, floors, concealed roof spaces not accessible for inspection, exterior decks, and exterior claddings within the first 2 feet (610 mm) above the top of the foundation.	**2**	0	☐	
	(2)	In areas of moderate to heavy termite infestation probability: for the foundation, all structural walls, floors, concealed roof spaces not accessible for inspection, exterior decks, and exterior claddings within the first 3 feet (914 mm) above the top of the foundation.	**4**	4	☑	
	(3)	In areas of very heavy termite infestation probability: for the foundation, all structural walls, floors, concealed roof spaces not accessible for inspection, exterior decks, and exterior claddings.	**6**	0	☐	
602.1.7		**602.1.7 Moisture control measures**				
602.1.7.1		**602.1.7.1** Moisture control measures are in accordance with the following:				
	(1)	Building materials with visible mold are not installed or are cleaned or encapsulated prior to concealment and closing.	**2**	2	☑	
	(2)	Insulation in cavities is dry in accordance with manufacturer's instructions when enclosed (e.g., with drywall). NOTE: if "N/A" is selected, explain why in the assigned Notes area.	**Mandatory 2**	2	Met	
	(3)	The moisture content of lumber is sampled to ensure it does not exceed 19 percent prior to the surface and/or cavity enclosure.	**4**	0	☐	
602.1.7.2		**602.1.7.2** Moisture content of subfloor, substrate, or concrete slabs is in accordance with the appropriate industry standard for the finish flooring to be applied.	**2**	2	☑	
602.1.7.3		**602.1.7.3** Building envelope assemblies are designed for moisture control based on documented hygrothermal simulation or field study analysis. Hygrothermal analysis is required to incorporate representative climatic conditions, interior conditions and include heating and cooling seasonal variation.	**4**	0	☐	
602.1.8		**602.1.8 Water-resistive barrier.** Where required by the ICC, IRC, or IBC, a water-resistive barrier and/or drainage plane system is installed behind exterior veneer and/or siding. NOTE: If "N/A" is selected, explain why in the assigned Notes area.	**Mandatory**		Met	
602.1.9		**602.1.9 Flashing.** Flashing is provided as follows to minimize water entry into wall and roof assemblies and to direct water to exterior surfaces or exterior water-resistive barriers for drainage. Flashing details are provided in the construction documents and are in accordance with the fenestration manufacturer's instructions, the flashing manufacturer's instructions, or as detailed by a registered design professional.				
	(1)	Flashing is installed at all of the following locations, as applicable: **(a)** around exterior fenestrations, skylights, and doors **(b)** at roof valleys **(c)** at all building-to-deck, -balcony, -porch, and -stair intersections **(d)** at roof-to-wall intersections, at roof-to-chimney intersections, at wall-to-chimney intersections, and at parapets **(e)** at ends of and under masonry, wood, or metal copings and sills **(f)** above projecting wood trim **(g)** at built-in roof gutters, and **(h)** drip edge is installed at eave and rake edges.	**Mandatory**		☑	
	(2)	All window and door head and jamb flashing is either self-adhered flashing complying with AAMA 711-13 or liquid applied flashing complying with AAMA 714-15 and installed in accordance with fenestration or flashing manufacturer's installation instructions.	**2**	2	☑	
	(3)	Pan flashing is installed at sills of all exterior windows and doors.	**3**	3	☑	
	(4)	Seamless, preformed kickout flashing, or prefabricated metal with soldered seams is provided at all roof-to-wall intersections. The type and thickness of the material used for roof flashing including but not limited kickout and step flashing is commensurate with the anticipated service life of the roofing material.	**3**	3	☑	
	(5)	A rainscreen wall design as follows is used for exterior wall assemblies		4	(a)	
	(a)	a system designed with minimum 1/4-inch air space exterior to the water-resistive barrier, vented to the exterior at top and bottom of the wall, and integrated with flashing details. OR	**4**			
	(b)	a cladding material or a water-resistive barrier with enhanced drainage, meeting 75 percent drainage efficiency determined in accordance with ASTM E2273.	**2**			
	(6)	Through-wall flashing is installed at transitions between wall cladding materials or wall construction types.	**2**	2	☑	
	(7)	Flashing is installed at expansion joints in stucco walls.	**2**	0	☐	

602.1.10		**602.1.10 Exterior doors.** Entries at exterior door assemblies, inclusive of side lights (if any), are covered by one of the following methods to protect the building from the effects of precipitation and solar radiation. Either a storm door or a projection factor of 0.375 minimum is provided. Eastern- and western-facing entries in Climate Zones 1, 2, and 3, as determined in accordance with Figure 6(1) or Appendix A, have either a storm door or a projection factor of 1.0 minimum, unless protected from direct solar radiation by other means (e.g., screen wall, vegetation). This Project's Climate Zone: 4	**2 per exterior door** **6 Max**	0		
	(a)	installing a porch roof or awning				
	(b)	extending the roof overhang				
	(c)	recessing the exterior door				
	(d)	Installing a storm door				
		Note: The pedestrian door protected in a garage leading to living space does not qualify for points.				
602.1.11		**602.1.11 Tile backing materials.** Tile backing materials installed under tiled surfaces in wet areas are in accordance with ASTM C1178, C1278, C1288, or C1325.	**Mandatory**		Met	
602.1.12		**602.1.12 Roof overhangs.** Roof overhangs, in accordance with Table 602.1.12, are provided over a minimum of 90 percent of exterior walls to protect the building envelope. See Table 602.1.12	**4**	0	☐	
602.1.13		**602.1.13 Ice barrier.** In areas where there has been a history of ice forming along the eaves causing a backup of water, an ice barrier is installed in accordance with the ICC IRC or IBC at roof eaves of pitched roofs and extends a minimum of 24 inches (610 mm) inside the exterior wall line of the building.	**Mandatory**		N/A	
602.1.14		**602.1.14 Architectural features**. Architectural features that increase the potential for water intrusion are avoided:				
	(1)	All horizontal ledgers are sloped away to provide gravity drainage as appropriate for the application.	**Mandatory** **1**	1	Met	
	(2)	No roof configurations that create horizontal valleys in roof design.	**2**	2	☑	
	(3)	No recessed windows and architectural features that trap water on horizontal surfaces.	**2**	0	☐	
602.1.15		**602.1.15 Kitchen and vanity cabinets.** All kitchen and vanity cabinets are certified in accordance with the ANSI/KCMA A161.1 performance standard or equivalent. NOTE: Identify what product was used in the assigned Notes area.	**2**	2	☑	Advanta cabinets
602.2		**602.2 Roof surfaces.** A minimum of 90 percent of roof surfaces, not used for roof penetrations and associated equipment, on-site renewable energy systems such as photovoltaics or solar thermal energy collectors, or rooftop decks, amenities and walkways, are constructed of one or more of the following:	**3**	0		
	(1)	products that are in accordance with the ENERGY STAR® cool roof certification or equivalent			☐	
	(2)	a vegetated roof system			☐	
	(3)	Minimum initial SRI of 78 for low-sloped roof (a slope less than 2:12) and a minimum initial SRI of 29 for a steep-sloped roof (a slope equal to or greater than 2:12). The SRI is calculated in accordance with ASTM E1980. Roof products are certified and labeled.			☐	
602.3		**602.3 Roof water discharge.** A gutter and downspout system or splash blocks and effective grading are provided to carry water a minimum of 5 feet (1524 mm) away from perimeter foundation walls.	**4**	0	☐	
602.4		**602.4 Finished grade.**				
602.4.1		**602.4.1** Finished grade at all sides of a building is sloped to provide a minimum of 6 inches (150 mm) of fall within 10 feet (3048 mm) of the edge of the building. Where lot lines, walls, slopes, or other physical barriers prohibit 6 inches (152 mm) of fall within 10 feet (3048 mm), the final grade is sloped away from the edge of the building at a minimum slope of 2 percent.	**Mandatory**		☑	
602.4.2		**602.4.2** The final grade is sloped away from the edge of the building at a minimum slope of 5 percent.	**1**	0	☐	
602.4.3		**602.4.3** Water is directed to drains or swales to ensure drainage away from the structure.	**1**	1	☑	
603 REUSED OR SALVAGED MATERIALS						
603.0		**603.0 Intent.** Practices that reuse or modify existing structures, salvage materials for other uses, or use salvaged materials in the building's construction are implemented.				
603.1		**603.1 Reuse of existing building.** Major elements or components of existing buildings and structures are reused, modified, or deconstructed for later use. **(Points awarded for every 200 square feet (18.5 m^2) of floor area.)** NOTE: Describe materials used in the assigned Notes area. Materials, elements, or components awarded points under Section 603.1 shall not be awarded points under Section 603.2.	**1** **12 Max**	0		
603.2		**603.2 Salvaged materials.** Reclaimed and/or salvaged materials and components are used. The total material value and labor cost of salvaged materials is equal to or exceeds 1 percent of the total construction cost. **(Points awarded per 1% of salvaged materials used based on the total construction cost.)** NOTE: Describe materials used in the assigned Notes area. Materials, elements, or components awarded points under Section 603.1 shall not be awarded points under Section 603.2.	**1** **9 Max**	0		
603.3		**603.3 Scrap materials.** Sorting and reuse of scrap building material is facilitated (e.g., a central storage area or dedicated bins are provided). NOTE: Indicate in the assigned Notes area what salvage materials were sorted for reuse.	**4**	0	☐	
604 RECYCLED-CONTENT BUILDING MATERIALS						
604.1		**604.1 Recycled content.** Building materials with recycled content are used for two minor and/or two major components of the building. Enter material percent recycled content. See Table 604.1 NOTE: In the assigned Notes area, list materials used for minor and/or major building components.	**per Table 604.1**	0	First Minor Comp.: Second Minor Comp.: First Major Comp.: Second Major Comp.:	
605 RECYCLED CONSTRUCTION WASTE						
605.0		**605.0 Intent.** Waste generated during construction is recycled.				
605.1		**605.1 Hazardous waste.** The construction and waste management plan shall include information on the proper handling and disposal of hazardous waste. Hazardous waste is properly handled and disposed.	**Mandatory**		☑	
605.2		**605.2 Construction waste management plan.** A construction waste management plan is developed, posted at the jobsite, and implemented diverting, through reuse, salvage, recycling, or manufacturer reclamation, a minimum of 50 percent (by weight) of nonhazardous construction and demolition waste from disposal. For this practice, land clearing debris is not considered construction waste. Materials used as alternative daily cover are considered construction waste and do not count toward recycling or salvaging. For buildings following the new construction path that also have a renovation component, the waste management plan includes the recycling of 95 percent of electronic waste components (such as printed circuit boards from computers, building automation systems, HVAC, fire and security control boards) by an E-Waste recycling facility. **Exceptions:**	**6**	0	☐	
	(1)	Waste materials generated from land clearing, soil and sub-grade excavation and vegetative debris shall not be in the calculations.				
	(2)	A recycling facility (traditional or E-Waste) offering material receipt documentation is not available within 50 miles of the jobsite.			☐	

605.3		**605.3 On-site recycling.** On-site recycling measures following applicable regulations and codes are implemented, such as the following:	7	0	☐	
	(a)	Materials are ground or otherwise safely applied on-site as soil amendment or fill. A minimum of 50 percent (by weight) of construction and land-clearing waste is diverted from landfill.				
	(b)	Alternative compliance methods approved by the Adopting Entity.				
	(c)	Compatible untreated biomass material (lumber, posts, beams, etc.) are set aside for combustion if a solid fuel-burning appliance per Section 901.2.1(2) will be available for on-site renewable energy.				
605.4		**605.4 Recycled construction materials.** Construction materials (e.g., wood, cardboard, metals, drywall, plastic, asphalt roofing shingles, or concrete) are recycled offsite.	**6 Max**	0		
	(1)	a minimum of two types of materials are recycled	**3**			
	(2)	for each additional recycled material type	**1**			
	(a)	wood			☐	
	(b)	cardboard			☐	
	(c)	metals			☐	
	(d)	drywall			☐	
	(e)	plastic			☐	
	(f)	asphalt roofing shingles			☐	
	(g)	concrete			☐	
	(h)	other			☐	
	(i)	other			☐	
		NOTE: List "other" types of materials recycled in the assigned Notes area.				

606 RENEWABLE MATERIALS

606.0		**606.0 Intent.** Building materials derived from renewable resources are used.				
606.1		**606.1 Biobased products.** The following biobased products are used:				
	(a)	certified solid wood in accordance with Section 606.2				
	(b)	engineered wood				
	(c)	bamboo				
	(d)	cotton				
	(e)	cork		0		
	(f)	straw				
	(g)	natural fiber products made from crops (soy-based, corn-based)				
	(h)	other biobased materials with a minimum of 50 percent biobased content (by weight or volume)				
		Note: Please list "other biobased materials" used in the Notes field				
	(1)	Two types of biobased materials are used, each for more than 0.5 percent of the project's projected building material cost.	**3**			
	(2)	Two types of biobased materials are used, each for more than 1 percent of the project's projected building material cost.	**6**			
	(3)	For each additional biobased material used for more than 0.5 percent of the project's projected building material cost.	**1 2 Max**			
606.2		**606.2 Wood-based products.** Wood or wood-based products are certified to the requirements of one of the following:				
	(a)	American Forest Foundation's *American Tree Farm System®* (ATFS)				
	(b)	Canadian Standards Association's *Sustainable Forest Management System Standards* (CSA Z809)				
	(c)	*Forest Stewardship Council* (FSC)				
	(d)	*Program for Endorsement of Forest Certification Systems* (PEFC)				
	(e)	*Sustainable Forestry Initiative ® Program (SFI)*				
	(f)	National Wood Flooring Association's Responsible Procurement Program (RPP)				
	(g)	other product programs mutually recognized by PEFC				
	(h)	A manufacturer's fiber procurement system that has been audited by an approved agency as compliant with the provisions of ASTM D7612 as a responsible or certified source. Government or tribal forestlands whose water protection programs have been evaluated by an approved agency as compliant with the responsible source designation of ASTM D7612 are exempt from auditing in the manufacturers' fiber procurement system.			Program(s):	
	(1)	A minimum of two responsible or certified wood-based products are used for minor components of the building.	**3**	0		
		Note: Please list products and components in the Notes fields				
	(2)	A minimum of two responsible or certified wood-based products are used in major components of the building.	**4**	0		
		Note: Please list products and components in the Notes fields				
606.3		**606.3 Manufacturing energy.** Materials manufactured using a minimum of 33 percent of the primary manufacturing process energy derived from (1) renewable sources, (2) combustible waste sources, or (3) renewable energy credits (RECs) are used for major components of the building. **(2 points awarded per material.)**	**6 Max**	0		
		Note: Please list materials in the Notes field				

607 RECYCLING AND WASTE REDUCTION

607.1		**607.1 Recycling and composting.** Recycling and composting by the occupant are facilitated by one or more of the following methods:				
	(1)	A readily accessible space(s) for recyclable material containers is provided and identified on the floorplan of the house or dwelling unit or a readily accessible area(s) outside the living space is provided for recyclable material containers and identified on the site plan for the house or building. The area outside the living space shall accommodate recycling bin(s) for recyclable materials accepted in local recycling programs.	**2**	2	☑	
	(2)	A readily accessible space(s) for compostable material containers is provided and identified on the floorplan of the house or dwelling unit or a readily accessible area(s) outside the living space is provided for compostable material containers and identified on the site plan for the house or building. The area outside the living space shall accommodate composting container(s) for locally accepted materials, or, accommodate composting container(s) for on-site composting.	**4**	0	☐	
607.2		**607.2 Food waste disposers.** A minimum of one food waste disposer is installed at the primary kitchen sink.	**1**	0	☐	

608 RESOURCE-EFFICIENT MATERIALS

608.1		**608.1 Resource-efficient materials.** Products containing fewer materials are used to achieve the same end-use requirements as conventional products, including but not limited to:				
	(1)	lighter, thinner brick with bed depth less than 3 inches and/or brick with coring of more that 25 percent	**9 Max 3 per material**	0		
	(2)	engineered wood or engineered steel products				
	(3)	roof or floor trusses				
		NOTE: In the assigned Notes area, describe the types of products that comply with 608.1.				

609 REGIONAL MATERIALS

609.1 **609.1 Regional materials.** Regional materials are used for major and/or minor components of the building. — **10 Max**

(1) Major component — **2 per each component** — 0 — # of major components:

(2) Minor component — **1 per each component** — # of minor components:

For a component to comply with this practice, a minimum of 75 percent of all products in that component category must be sourced regionally, e.g., stone veneer category – 75 percent or more of the stone veneer on a project must be sourced regionally.

NOTE: In the assigned Notes areas, list major and minor materials used that comply with 609.1.

610 LIFE CYCLE ASSESSMENT

610.1 **610.1 Life cycle assessment.** A life cycle assessment (LCA) tool is used to select environmentally preferable products, assemblies, or, entire building designs. Points are awarded in accordance with Section 610.1.1 or 610.1.2. Only one method of analysis or tool may be utilized. The reference service life for the building is 60 years for any life cycle analysis tool. Results of the LCA are reported in the manual required in Section 1001.1 or 1002.1(1) of this Standard in terms of the environmental impacts listed in this practice and it is stated if [illegible]

NOTE: Identify the LCA tool utilized and the person who completed the analysis.

610.1.1 **610.1.1 Whole-building life cycle assessment.** A whole-building LCA is performed in conformance with ASTM E2921 using ISO14044 compliant life cycle assessment.

(1) Execute LCA at the whole building level through a comparative analysis between the final and reference building designs as set forth under Standard Practice, ASTM E2921. The assessment criteria includes the following environmental impact categories:

- **(a)** Primary energy use
- **(b)** Global warming potential
- **(c)** Acidification potential
- **(d)** Eutrophication potential
- **(e)** Ozone depletion potential
- **(f)** Smog potential

8 — 0 — ☐

(2) Execute LCA on regulated loads throughout the building operations life cycle stage. Conduct simulated energy performance analyses in accordance with Section 702.2.1 ICC IECC analysis (IECC Section 405) in establishing the comparative performance of final versus reference building designs. Primary energy use savings and global warming potential avoidance from simulation analyses results are determined using energy supplier, utility, or EPA electricity generation and other fuels energy conversion factors and electricity generation and other fuels emission rates for the locality or Sub-Region in which the building is located — **5** — 0 — ☐

(3) Execute full LCA, including use-phase, through calculation of operating energy impacts (c) – (f) using local or regional emissions factors from energy supplier, utility, or EPA. — **2** — 0 — ☐

610.1.2 **610.1.2 Life cycle assessment for a product or assembly.** An environmentally preferable product or assembly is selected for an application based upon the use of an LCA tool that incorporates data methods compliant with ISO 14044 or other recognized standards that compare the environmental impact of products or assemblies. — **10 Max** — 0

610.1.2.1 **610.1.2.1 Product LCA.** A product with improved environmental impact measures compared to another product(s) intended for the same use is selected. The environmental impact measures used in the assessment are selected from the following:

- **(a)** Primary energy use
- **(b)** Global warming potential
- **(c)** Acidification potential
- **(d)** Eutrophication potential
- **(e)** Ozone depletion potential
- **(f)** Smog potential

(Points are awarded for each product/system comparison where the selected product/system improved upon the environmental impact measures by an average of 15 percent.)

NOTE: List products/systems compared & impact measures considered in the assigned Notes area.

per Table 610.1.2.1 — **10 Max**

of comparisons with 4 measures:

of comparisons with 5 measures:

610.1.2.2 **610.1.2.2 Building assembly LCA.** A building assembly with improved environmental impact measures compared to an alternative assembly of the same function is selected. The full life cycle, from resource extraction to demolition and disposal (including but not limited to on-site construction, maintenance and replacement, material and product embodied acquisition, and process and transportation energy), is assessed. The assessment includes all structural elements, insulation, and wall coverings of the assembly. The assessment does not include electrical and mechanical equipment and controls, plumbing products, fire detection and alarm systems, elevators, and conveying systems. The following types of building assemblies are eligible for points under this practice:

- **(a)** exterior walls
- **(b)** roof/ceiling
- **(c)** interior walls or ceilings
- **(d)** intermediate floors

The environmental impact measures used in the assessment are selected from the following:

- **(a)** Primary energy use
- **(b)** Global warming potential
- **(c)** Acidification potential
- **(d)** Eutrophication potential
- **(e)** Ozone depletion potential
- **(f)** Smog potential

(Points are awarded based on the number of types of building assemblies that improve upon environmental impact measures by an average of 15 percent.)

NOTE: List assemblies compared & impact measures considered in the assigned Notes area.

per Table 610.1.2.2 — **10 Max**

exterior walls:

roof/ceiling:

int. walls or ceilings:

intermediate floors:

611 PRODUCT DECLARATIONS

611.1	**611.1 Product declarations.** A minimum of 10 different products installed in the building project, at the time of certificate of occupancy, comply with one of the following sub-sections. Declarations, reports, and assessments are submitted and contain documentation of the critical peer review by an independent third party, results from the review, the reviewer's name, company name, contact information, and date of the review.	**5**	0		
611.1.1	**611.1.1 Industry-wide declaration.** A Type III industry-wide environmental product declaration (EPD) is submitted for each product. Where the program operator explicitly recognizes the EPD as representative of the product group on a National level, it is considered industry-wide. In the case where an industry-wide EPD represents only a subset of an industry group, as opposed to being industry-wide, the manufacturer is required be explicitly recognized as a participant by the EPD program operator. All EPDs are required to be consistent with ISO Standards 14025 and 21930 with at least a cradle-to-gate scope. **(Each product complying with Section 611.1.1 shall be counted as one product for compliance with Section 611.1.)** NOTE: List products in the assigned Notes area.			# of products:	
611.1.2	**611.1.2 Product Specific Declaration.** A product specific Type III EPD are submitted for each product. The product specific declaration shall be manufacturer specific for an individual product or product family. All Type III EPDs are required to be certified as complying, at a minimum, with the goal and scope for the cradle-to-gate requirements in accordance with ISO Standards 14025 and 21930. **(Each product complying with Section 611.1.2 shall be counted as two products for compliance with Section 611.1.)** NOTE: List products in the assigned Notes area.			# of products (not effective number):	

612 INNOVATIVE PRACTICES

612.1	**612.1 Manufacturer's environmental management system concepts.** Product manufacturer's operations and business practices include environmental management system concepts, and the production facility is registered to ISO 14001 or equivalent. The aggregate value of building products from registered ISO 14001 or equivalent production facilities is 1 percent or more of the estimated total building materials cost. **(1 point awarded per percent.)** NOTE: In the assigned Notes area, list products that comply with manufacturers and ISO registrars.	**10 Max**	0		
612.2	**612.2 Sustainable products.** One or more of the following products are used for at least 30% of the floor or wall area of the entire dwelling unit or the sleeping unit, as applicable. Products are certified by a third-party agency accredited to ISO 17065.	**9 Max**	0		
(1)	50% or more of carpet installed (by square feet) is certified to NSF 140 or equivalent.	**3**		☐	
(2)	50% or more of resilient flooring installed (by square feet) is certified to NSF 332 or equivalent.	**3**		☐	
(3)	50% or more of the insulation installed (by square feet) is certified to UL 2985 or equivalent.	**3**		☐	
(4)	50% or more of interior wall coverings installed (by square feet) is certified to NSF 342 or equivalent.	**3**		☐	
(5)	50% or more of the gypsum board installed (by square feet) is certified to UL 100 or equivalent.	**3**		☐	
(6)	50% or more of the door leafs installed (by number of door leafs) is certified to UL 102 or equivalent.	**3**		☐	
(7)	50% or more of the tile installed (by square feet) is certified to TCNA A138.1 Specifications for Sustainable Ceramic Tiles, Glass Tiles and Tile Installation Materials or equivalent.	**3**		☐	
612.3	**612.3 Universal design elements.** Dwelling incorporates one or more of the following universal design elements. Conventional industry construction tolerances are permitted.	**12 Max**	1		
(1)	Any no-step entrance into the dwelling which (1) is accessible from a substantially level parking or drop-off area (no more than 2%) via an accessible path which has no individual change in elevation or other obstruction of more than 1-1/2 inches in height with the pitch not exceeding 1 in 12 and (2) provides a minimum 32-inch wide clearance into the dwelling.	**3**		☐	
(2)	Minimum 36-inch wide accessible route from the no-step entrance into at least one visiting room in the dwelling and into at least one full or half bathroom which has a minimum 32-inch clear door width and a 30-inch by 48-inch clear area inside the bathroom outside the door swing.	**3**		☐	
(3)	Minimum 36-inch wide accessible route from the no-step entrance into at least one bedroom which has a minimum 32-inch clear door width.	**3**		☐	
(4)	Blocking or equivalent installed in the accessible bathroom walls for future installation of grab bars at water closet and bathing fixture, if applicable.	**1**		☐	
(5)	All interior and exterior door handles are levers rather than knobs.	**1**		☑	
(6)	All sink, lavatory and showering controls that comply with ICC A117.1.	**1**		☐	
(7)	Interior convenience Power receptacles, communication connections (for cable, phone, Ethernet, etc.) and switches are placed between 15" and 48" above the finished floor. Additional switches to control devices and systems (such as alarms, home theaters and other equipment) not required by the local building code may be installed as desired.	**1**		☐	
(8)	All light switches are rocker-type switches or other similar switches that can be operated by pressing them (with assistive devices). Toggle-type switches may not be used.	**1**		☐	
(9)	Any of the following can be controlled with a (wireless) mobile device such as a smartphone, tablet or laptop computer: HVAC, lighting, alarm system or door locks	**1 per system [5 max]**			

613 RESILIENT CONSTRUCTION

613.1	**613.1 Intent.** Design and construction practices developed by a licensed design professional or equivalent are implemented that enhance the resilience and durability of the structure (above building code minimum design loads) so the structure can better withstand forces generated by; flooding, snow, wind or seismic activity (as applicable) and reduce the potential for the loss of life and property.		2	base	
(a)	**Minimum structural requirements (base design).** The building is designed and constructed in compliance with structural requirements in the IBC or IRC as applicable.	**2**			
(b)	**Enhanced resilience – 10% above base design.** Design and construction practices are implemented that enhance the resilience and durability of the structure by designing and building to forces generated by; flooding, snow, wind or seismic (as applicable) that are 10% higher than the base design.	**3**			
(c)	**Enhanced resilience – 20% above base design.**	**5**			
(d)	**Enhanced resilience – 30% above base design.**	**10**			
(e)	**Enhanced resilience – 40% above base design.**	**12**			
(f)	**Enhanced resilience – 50% above base design.**	**15**			

END OF CHAPTER 6

CLICK TO PROCEED TO CHAPTER 7 >>

Current Chapter level: Silver	**Total Points: 67**
Points away from: Bronze: 0, Silver: 0, Gold: N/A, Emerald: N/A	
Add'l pts earned above: Bronze: 37, Silver: 22, Gold: N/A, Emerald: N/A	
Total Chapter Points needed for: Bronze: 30, Silver: 45, Gold: N/A, Emerald: N/A	
Revision Date: 12/11/2025	

NGBS GREEN
Home Innovation Research Labs

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Coding

Practice #	Chapter 7: Energy Efficiency	Points Available	Points Claimed	Status	Notes
701 MINIMUM ENERGY EFFICIENCY REQUIREMENTS					
701.1	**701.1 Mandatory requirements.** The building shall comply with Section 702 (Performance Path), Section 703 (Prescriptive Path), or Section 704 (ERI Target Path). Items listed as "mandatory" in Section 701.4 apply to all Paths. Unless otherwise noted, buildings in the Tropical Climate Zone shall comply with Climate Zone 1 requirements.			Select Path: Alt Bronze, Silver, Gold	
	Please indicate energy modeler's professional credential and, in the notes field, their name. When selecting "Other," enter professional credentials (e.g., engineer, architect) within the notes field.			Modeler's Credential: HERS Rater	Adam Blackburn, RTIN# 9608274
701.1.1	**701.1.1 Minimum Performance Path requirements.** A building complying with § 702 shall include a minimum of two practices from § 705, or a minimum of one practice from § 705 and a minimum of one practice from § 706.				
701.1.2	**701.1.2 Minimum Prescriptive Path requirements.** A building complying with § 703 shall obtain a minimum of 30 points from § 703 and shall include a minimum of two practices from § 705, or a minimum of one practice from § 705 and a minimum of one practice from § 706.				
701.1.3	**701.1.3 ERI Target Path requirements.** A building complying with § 704 shall obtain a minimum of 30 points from § 704 and shall include a minimum of two practices from § 705, or a minimum of one practice from § 705 and a minimum of one practice from § 706.				
701.1.4	**701.1.4 Alternative bronze and silver level compliance**. As an alternative, any building that qualifies as an ENERGY STAR Version 3.0 Certified Home or ENERGY STAR Multifamily High Rise Version 1.0 Rev. 03 building or demonstrates compliance with the 2018 IECC or Chapter 11 of the 2018 IRC achieves the bronze level for Chapter 7. As an alternative, any building that qualifies as an ENERGY STAR Version 3.1 Certified Home or ENERGY STAR Multifamily High Rise Version 1.0 Rev. 03 (with the baseline at ASHRAE 90.1-2010) building achieves the silver level for Chapter 7. As an alternative in the Tropical Climate Zone, any building that meets all of the requirements in IECC Section R401.2.1 (Tropical Zone) achieves the silver level for Chapter 7. The buildings achieving compliance under Section 701.1.4 are not eligible for achieving a rating level above silver.	45		Alternative: Alt Silver Option: ES MFNC v1.1 Per interpretation, HI recognizes ES MFNC v1.1 for Alt Silver and ES MFNC v1.2 for Alt Gold.	ZERH + MFNC v. 1.2.
701.1.6	**701.1.6 Alternative gold level compliance for tropical zones**. One- or two-family dwelling in the tropical zone at an elevation less than 2,400 feet (731.5 m) above sea level that complies with the following shall achieve the gold level for chapter 7:				
(1)	The residence complies with IECC Tropical Zone than section R401.2.1.	N/A		☐	
(2)	The residence includes a minimum of 2 kW of PV and a minimum of 6 kWh of battery storage.	N/A		☐	
(3)	Any air conditioning has a minimum of 18 SEER.	N/A			
(4)	Solar, wind or other renewable energy source supplies not less than 90 percent of the energy for service water heating.	N/A		☐	
(5)	Glazing in conditioned spaces has a solar heat gain coefficient of less than or equal to 0.25, or has an overhang with a projection factor equal to or greater than 0.30.	N/A			
(6)	The exterior roof/ceiling complies with at least two of the following:				
(a)	Minimum roof reflectance and emittance in IECC Table C402.3	N/A		☐	
(b)	Roof or ceiling has insulation with an R-value of R-15 or greater	N/A		☐	
(c)	Includes a radiant barrier	N/A		☐	
(7)	Walls comply with at least one of the following:				
(a)	Walls have an overhang with a projection factor equal to or greater than 0.30	N/A		☐	
(b)	Walls have insulation with an R-value of R-13 or greater	N/A		☐	
(c)	Walls have a solar reflectance of 0.64	N/A		☐	
(8)	A ceiling fan is provided for bedrooms and the largest space that is not used as a bedroom; alternately a whole house fan is provided.	N/A		☐	
(9)	Wiring sufficient for a Level 2 (208/240V 40-80 amp) electric vehicle charging station is installed on the building site.	N/A		☐	
701.2	**701.2 Emerald level points.** The Performance Path (Section 702) or the ERI Target Path (Section 704) shall be used to achieve the emerald level.	**Emerald Not Available**			
701.3	**701.3 Adopting Entity review.** A review by the Adopting Entity or designated third party shall be conducted to verify design and compliance with Chapter 7.			☐	
	NOTE: List the reviewer in the assigned Notes field.				
701.4	**701.4 Mandatory practices.**				
701.4.1	**701.4.1 HVAC systems.**				
701.4.1.1	**701.4.1.1 HVAC system sizing.** Space heating and cooling system is sized according to heating and cooling loads calculated using ACCA Manual J, or equivalent. Equipment is selected using ACCA Manual S or equivalent.	N/A		☐	
701.4.1.2	**701.4.1.2 Radiant and hydronic space heating.** Where installed as a primary heat source in the building, radiant or hydronic space heating system is designed, installed, and documented, using industry-approved guidelines and standards (e.g., ACCA Manual J, AHRI I=B=R, ACCA 5 QI-2010, or an accredited design professional's and manufacturer's recommendations).	N/A			
701.4.2	**701.4.2 Duct systems.**				
701.4.2.1	**701.4.2.1 Duct air sealing.** Ducts are air sealed. All duct sealing materials are in conformance with UL 181A or UL 181B specifications and are installed in accordance with manufacturer's instructions.	N/A		☐	
701.4.2.2	**701.4.2.2 Ducts and Plenums.** Building framing cavities are not used as ducts or plenums.	N/A		☐	
701.4.2.3	**701.4.2.3 Duct system sizing.** Duct system is sized and designed in accordance with ACCA Manual D or equivalent.	N/A		☐	

701.4.3		**701.4.3 Insulation and air sealing.**			
701.4.3.1		**701.4.3.1 Building Thermal Envelope Air Sealing.** The building thermal envelope is durably sealed to limit infiltration. The sealing methods between dissimilar materials allow for differential expansion and contraction. The following are caulked, gasketed, weather-stripped or otherwise sealed with an air barrier material, suitable film, or solid material:		701.4.3.3 Exception: ☐	
	(a)	All joints, seams and penetrations.	N/A		
	(b)	Site-built windows, doors, and skylights.			
	(c)	Openings between window and door assemblies and their respective jambs and framing.			
	(d)	Utility penetrations.			
	(e)	Dropped ceilings or chases adjacent to the thermal envelope.			
	(f)	Knee walls.			
	(g)	Walls, ceilings, and floors separating conditioned spaces from unconditioned.			
	(h)	Behind tubs and showers on exterior walls.			
	(i)	Common walls between dwelling units or sleeping units.			
	(j)	Attic access openings.			
	(k)	Joints of framing members at rim joists.			
	(l)	Top and bottom plates.			
	(m)	Other sources of infiltration.			
701.4.3.2		**701.4.3.2 Air barrier, air sealing, building envelope testing, and insulation.** Building envelope air barrier, air sealing envelope tightness, and insulation installation is verified to be in accordance with this Section and Section 701.4.3.2.1. Insulation installation other than Grade 1 is not permitted.	N/A		
	(1)	**Testing.** Building envelope tightness is tested. Testing is conducted in accordance with ASTM E-779 using a blower door at a test pressure of 1.04 psf (50 Pa). Testing is conducted after rough-in and after installation of penetrations of the building envelope, including penetrations for utilities, plumbing, electrical, ventilation, and combustion appliances. Testing is conducted under the following conditions:		ACH50: ELR:	
	(a)	Exterior windows and doors, fireplace and stove doors are closed, but not sealed;			
	(b)	Dampers are closed, but not sealed, including exhaust, intake, makeup air, backdraft and flue dampers;			
	(c)	Interior doors are open;			
	(d)	Exterior openings for continuous ventilation systems and heat recovery ventilators are closed and sealed;			
	(e)	Heating and cooling systems are turned off;			
	(f)	HVAC duct terminations are not sealed; and			
	(g)	Supply and return registers are not sealed.			
		Multifamily Building Note: Testing by dwelling units, sleeping units, groups of dwelling units, groups of sleeping units, or the building as a whole is acceptable.			
	(2)	**Visual inspection.** The air barrier and insulation items listed in Table 701.4.3.2(2) are field verified by visual inspection. See Table 701.4.3.2(2)		☐	
701.4.3.2.1		**701.4.3.2.1 Grade I insulation installations.** Field-installed insulation products to ceilings, walls, floors, band joists, rim joists, conditioned attics, basements, and crawlspaces, except as specifically noted, are verified as Grade I by a third-party are in accordance with the following:	N/A		
	(1)	Inspection is conducted before insulation is covered.			
	(2)	Air-permeable insulation is enclosed on all six sides and is in substantial contact with the sheathing material on one or more sides (interior or exterior) of the cavity. Air permeable insulation in ceilings is not required to be enclosed when the insulation is installed in substantial contact with the surfaces it is intended to insulate.			
	(3)	Cavity insulation uniformly fills each cavity side-to-side and top-to-bottom, without substantial gaps or voids around obstructions (such as blocking or bridging).			
	(4)	Cavity insulation compression or incomplete fill amounts to 2 percent or less, presuming the compressed or incomplete areas are a minimum of 70 percent of the intended fill thickness; occasional small gaps are acceptable.			
	(5)	Exterior rigid insulation has substantial contact with the structural framing members or sheathing materials and is tightly fitted at joints.			
	(6)	Cavity insulation is split, installed, and/or fitted tightly around wiring and other services.			
	(7)	Exterior sheathing is not visible from the interior through gaps in the cavity insulation.			
	(8)	Faced batt insulation is permitted to have side-stapled tabs, provided the tabs are stapled neatly with no buckling, and provided the batt is compressed only at the edges of each cavity, to the depth of the tab itself.			
	(9)	Where properly installed, ICFs, SIPs, and other wall systems that provide integral insulation are deemed in compliance with this section.			
701.4.3.3		**701.4.3.3 Multifamily air leakage alternative.** Multifamily buildings four or more stories in height and in compliance with IECC section C402.5 (Air leakage-thermal envelope) are deemed to comply with Sections 701.4.3.1 and 701.4.3.2.		See 701.4.3.1	
701.4.3.4		**701.4.3.4 Fenestration air leakage.** Windows, skylights and sliding glass doors have an air infiltration rate of no more than 0.3 cfm per square foot (1.5 L/s/m2), and swinging doors no more than 0.5 cfm per square foot (2.6 L/s/m2), when tested in accordance with NFRC 400 or AAMA/WDMA/CSA 101/I.S.2/A440 by an accredited, independent laboratory and listed and labeled. For site-built fenestration, a test report by an accredited, independent laboratory verifying compliance with the applicable infiltration rate shall be submitted to demonstrate compliance with this practice. This practice does not apply to field-fabricated fenestration products. **Exception:** For Tropical Zones Only, Jalousie windows are permitted to be used as a conditioned space boundary and shall have an air infiltration rate of not more than 1.3 cfm per square foot.	N/A	☐	
701.4.3.5		**701.4.3.5 Lighting in building thermal envelope.** Luminaires installed in the building thermal envelope which penetrate the air barrier are sealed to limit air leakage between conditioned and unconditioned spaces. All luminaires installed in the building thermal envelope which penetrate the air barrier are IC-rated and labeled as meeting ASTM E283 when tested at 1.57 psf (75 Pa) pressure differential with no more than 2.0 cfm (0.944 L/s) of air movement from the conditioned space to the ceiling cavity. All luminaires installed in the building thermal envelope which penetrate the air barrier are sealed with a gasket or caulk between the housing and the interior of the wall or ceiling covering.	N/A		
701.4.4		**701.4.4 High-efficacy lighting.** Lighting efficacy in dwelling units or sleeping units is in accordance with one of the following:	N/A		
	(1)	A minimum of 75 percent of the total hard-wired lighting fixtures or the bulbs in those fixtures qualify as high efficacy or equivalent		☐	
	(2)	Lighting power density, measured in watts/square foot, is 1.1 or less.		☐	
701.4.5		**701.4.5 Boiler piping.** Boiler piping in unconditioned space supplying and returning heated water or steam is insulated.	N/A	☐	

702 PERFORMANCE PATH

702.1	**702.1 Point allocation.** Points from Section 702 (Performance Path) shall not be combined with points from Section 703 (Prescriptive Path) or Section 704 (ERI Target Path).				
702.2	**702.2 Energy performance levels.**				
702.2.1	**702.2.1 ICC IECC analysis.** Energy efficiency features are implemented to achieve energy cost or source energy performance that meets the ICC IECC. A documented analysis using software in accordance with ICC IECC, Section R405, or ICC IECC Section C407.2 through C407.5, applied as defined in the ICC IECC, is required.	N/A		☐	
702.2.2	**702.2.2 Energy performance analysis.** Energy savings levels above the ICC IECC are determined through an analysis that includes improvements in building envelope, air infiltration, heating system efficiencies, cooling system efficiencies, duct sealing, water heating system efficiencies, lighting, appliances, and on-site renewable energy. Points are assigned using the following formula: **Points = 30 + (percent above NGBS Reference Home) * 2** Multifamily Building Note: Modeling is completed building-wide using one of the following methods: whole building energy modeling, a unit-by-unit approach, or a building average of a unit-by-unit approach.	**Points per formula**	0	Percent above NGBS Reference Home:	
702.2.3	**702.2.3 Tropical standard reference design.** For the Tropical Climate Zone, the standard reference design shall use the specifications in IECC Section R401.2.1 (Tropical Zone).				

703 PRESCRIPTIVE PATH

703.1	**703.1 Mandatory practices.**	**30**	**0**		
703.1.1	**703.1.1 Building thermal envelope compliance.** The building thermal envelope is in compliance with Section 703.1.1.1 or 703.1.1.2. Exception: Section 703.1.1 is not required for Tropical Climate Zone.	N/A		☐	
703.1.1.1	**703.1.1.1 Maximum UA and SHGC.** For IECC residential buildings, the total building UA is less than or equal to the total maximum UA as computed by ICC IECC Section R402.1.5. The SHGC requirements for fenestration in Table R402.1.2 are also met. For IECC commercial buildings, the total UA is less than or equal to the sum of the UA for ICC IECC Tables C402.1.4 and C402.4, including the U-factor times the area and C-factor or F-factor times the perimeter. The SHGC requirements for fenestration in Table C402.4 are also met. The total UA proposed and baseline calculations are documented. REScheck or COMcheck is deemed to provide UA calculation documentation.				
703.1.1.2	**703.1.1.2 Prescriptive R-values and fenestration requirements**. The building thermal envelope is in accordance with the insulation and fenestration requirements of ICC IECC Table R402.1.2 or Tables C402.1.3. The fenestration U-factors and SHGC's are in accordance with Table 703.2.5.1 or ICC IECC Table C402.4.				
703.1.2	**703.1.2 Building envelope leakage.** The building thermal envelope is in accordance with ICC IECC R402.4.1.2 or C402.5 as applicable. Exception: Section 703.1.2 is not required for Tropical Climate Zone	N/A		☐	
703.1.3	**703.1.3 Duct Testing.** The duct system is in accordance with ICC IECC R403.3.2 through R403.3.5 as applicable.	N/A		Rough-In Test: Postconstruction Test:	
703.2	**703.2 Building envelope**				
703.2.1	**703.2.1 UA improvement.** The total building thermal envelope UA is less than or equal to the baseline total UA resulting from the U-factors provided in Table 703.2.1(a) or ICC IECC Tables C402.1.4 and C402.4, as applicable. Where insulation is used to achieve the UA improvement, the insulation installation is in accordance with Grade 1 meeting Section 701.4.3.2.1 as verified by a third-party. Total UA is documented using a RESCheck, COMCheck, or equivalent report to verify the baseline and the UA improvement. See Table 703.2.1(a)	Per Table 703.2.1(b)	0	☐ UA Improvement:	
703.2.2	**703.2.2 Mass walls.** More than 75 percent of the above-grade exterior opaque wall area of the building is mass walls.	Per Table 703.2.2	0	Mass thickness:	
703.2.3	**703.2.3** A radiant barrier with an emittance of 0.05 or less is used in the attic. The product is tested in accordance with ASTM C1371 and installed in accordance with the manufacturer's instructions.	**1**	0	☐	
703.2.4	**703.2.4 Building envelope leakage**. The maximum building envelope leakage rate is in accordance with Table 703.2.4a or Table 703.2.4b and whole building ventilation is provided in accordance with Section 902.2.1.	Per Table 703.2.4a or 703.2.4b	0	Air leakage from 701.4.3.2 or 705.6.2.1: 0.00	
703.2.5	**703.2.5 Fenestration**				
703.2.5.1	**703.2.5.1** NFRC-certified (or equivalent) U-factor and SHGC of windows, exterior doors, skylights, and tubular daylighting devices (TDDs) on an area-weighted average basis do not exceed the values in Table 703.2.5.1. Area weighted averages are calculated separately for the categories of 1) windows and exterior doors and 2) skylights and tubular daylighting devices (TDDs). Decorative fenestration elements with a combined total maximum area of 15 square feet (1.39 m2) or 10 percent of the total glazing area, whichever is less, are not required to comply with this practice. See Table 703.2.5.1	N/A			
703.2.5.1.1	**703.2.5.1.1 Dynamic glazing.** Dynamic glazing is permitted to satisfy the SHGC requirements of Table 703.2.5.1 provided the ratio of the higher to lower labeled SHGC is greater than or equal to 2.4 and the dynamic glazing is automatically controlled to modulate the amount of solar gain into the space in multiple steps. Fenestration with dynamic glazing is considered separately from other fenestration and area-weighted averaging with fenestration that does not use dynamic glazing is not permitted. Dynamic glazing is not required to be automatically controlled or comply with minimum SHGC ratio when both the lower and higher labeled SHGC already comply with the requirements of Table 703.2.5.1.				
703.2.5.2	**703.2.5.2** The NFRC-certified (or equivalent) U-factor and SHGC of windows, exterior doors, skylights, and tubular daylighting devices (TDDs) are in accordance with Table 703.2.5.2(a), (b), or (c). Decorative fenestration elements with a combined total maximum area of 15 square feet (1.39 m^2) or 10 percent of the total glazing area, whichever is less, are not required to comply with this practice. **(a)** Table 703.2.5.2(a) **(b)** Table 703.2.5.2(b) **(c)** Table 703.2.5.2(c)	Per Table 703.2.5.2(a) or 703.2.5.2(b) or 703.2.5.2(c) **3** **4** **18**	0		
703.2.5.2.1	**703.2.5.2.1 Dynamic glazing.** Dynamic glazing is permitted to satisfy the SHGC requirements of Tables 703.2.5.2(a), 703.2.5.2(b), and 703.2.5.2(c) provided the ratio of the higher to lower labeled SHGC is greater than or equal to 2.4, and the dynamic glazing is automatically controlled to modulate the amount of solar gain into the space in multiple steps. Fenestration with dynamic glazing is considered separately from other fenestration, and area-weighted averaging with fenestration that does not use dynamic glazing is not permitted. Dynamic glazing is not required to be automatically controlled or comply with minimum SHGC ratio when both the lower and higher labeled SHGC already comply with the requirements of Tables 703.2.5.2(a), 703.2.5.2(b), and 703.2.5.2(c).				

703.3		**HVAC equipment efficiency**				
703.3.0		**703.3.0 Multiple heating and cooling systems.** For multiple heating or cooling systems in one home, practices 703.3.1 through 703.3.6 apply to the system that supplies 80% or more of the total installed heating or cooling capacity. Where multiple systems each serve less than 80% of the total installed heating or cooling capacity, points under Sections 703.3.1 through 703.3.6 are awarded either for the system eligible for the fewest points or the weighted average of the systems. The weighted average shall be calculated in accordance with the following equation and be based upon the efficiency and capacity of the equipment as selected in accordance with ACCA Manual S with it loads calculated in accordance with ACCA Manual J. Weighted Average = $[(E_{unit\,1}*C_{unit\,1})+(E_{unit\,2}*C_{unit\,2})+\ldots+(E_{unit\,n}*C_{unit\,n})] / (C_{unit\,1}+C_{unit\,2}+\ldots+C_{unit\,n})$ where: E = Rated AHRI efficiency for unit C = Rated heating or cooling capacity for unit *n* = Unit count			multiple heating sys.? multiple cooling sys.?	
703.3.1		**703.3.1** Combination space heating and water heating system (combo system) is installed using either a coil from the water heater connected to an air handler to provide heat for the building, dwelling unit or sleeping unit, or a space heating boiler using an indirect-fired water heater. Devices have a minimum combined annual efficiency of 0.80 and a minimum water heating recovery efficiency of 0.87.	**4**	0	☐	
703.3.2		**703.3.2** Furnace and/or boiler efficiency is in accordance with one of the following:				
	(1)	Gas and propane heaters:		0	Min. or Average AFUE:	
		≥90% AFUE	**8**			
		≥92% AFUE	**9**			
		≥94% AFUE	**10**			
		≥96% AFUE	**12**			
		≥98% AFUE	**13**			
	(2)	Oil furnace:		0	Min. or Average AFUE:	
		≥85% AFUE	**3**			
		≥90% AFUE	**6**			
	(3)	Gas boiler:		0	Min. or Average AFUE:	
		≥85% AFUE	**2**			
		≥90% AFUE	**4**			
		≥94% AFUE	**5**			
		≥96% AFUE	**6**			
	(4)	Oil boiler:		0	Min. or Average AFUE:	
		≥85% AFUE	**3**			
		≥90% AFUE	**5**			
703.3.3		**703.3.3** Heat pump heating efficiency is in accordance with Table 703.3.3(1) or Table 703.3.3(2) or Table 703.3.3(3). Refrigerant charge is verified for compliance with manufacturer's instructions utilizing a method in Section 4.3 of ACCA 5 QI-2010.				
	(1)	Electric Heat Pump Heating		0	Min. or Average HSPF:	
		≥8.5 HSPF	**8**			
		≥9.0 HSPF	**8**			
		≥9.5 HSPF	**8**			
		≥10.0 HSPF	**8**			
		≥12.0 HSPF	**8**		Min. or Average HSPF:	
	(2)	Electric Heat Pump Heating for Multifamily Buildings Four or More Stories in Height	**8**	0	Min. or Average COP:	
	(3)	Gas Engine-Driven Heat Pump Heating (≥1.3 COP at 47°F)	**14**	0		
703.3.4		**703.3.4** Cooling efficiency is in accordance with Table 703.3.4(1) or Table 703.3.4(2). Refrigerant charge is verified for compliance with manufacturer's instructions utilizing a method in Section 4.3 of ACCA 5 QI-2010.				
	(1)	Electric Air Conditioner and Heat Pump Cooling		0	Min. or Average SEER:	
		≥15 SEER	**1**			
		≥17 SEER	**3**			
		≥19 SEER	**6**			
		≥21 SEER	**8**			
		≥25 SEER	**10**			
	(*)	Tropical Climate Zone: None of the occupied space is air conditioned and ceiling fans are provided for bedrooms and the largest space which is not used as a bedroom.	**20**	0	☐ Min. or Average COP:	
	(2)	Gas Engine-Driven Heat Pump Cooling (≥1.2 COP at 95°F)	**1**	0		
703.3.5		**703.3.5** Water source cooling and heating efficiency is in accordance with Table 703.3.5. Refrigerant charge is verified for compliance with manufacturer's instructions utilizing a method in Section 4.3 of ACCA 5 QI-2010. ≥15 SEER, ≥4.0 COP	**30**	0	☐	
703.3.6		**703.3.6** Ground source heat pump is installed by a Certified Geothermal Service Contractor in accordance with Table 703.3.6. Refrigerant charge is verified for compliance with manufacturer's instructions utilizing a method in Section 4.3 of ACCA 5 QI-2010.		0	Min. or Average EER:	
		≥16 EER, ≥3.6 COP	**16**			
		≥24 EER, ≥4.3 COP	**31**			
		≥28 EER, ≥4.8 COP	**42**			
703.3.7		**703.3.7** ENERGY STAR, or equivalent, ceiling fans are installed. **(Points awarded per building.)** **Note for Tropical Climate Zone and Climate Zones 2B, 3B, and 4B: points awarded per fan where AC is not installed in the dwelling unit or sleeping unit (Max 8 points), and where points awarded in Section 703.3.8 for these specific climate zones, points shall not be awarded in Section 703.3.7** NOTE: For multi-unit buildings, each dwelling unit must comply to claim this point.	**1**	0	☐ # of fans:	
703.3.8		**703.3.8** Whole-building or whole-dwelling unit or whole-sleeping unit fan(s) with insulated louvers and a sealed enclosure is installed. **(Points awarded per building.)** NOTE: For multi-unit buildings, each dwelling unit must have compliant whole-dwelling unit fans installed to claim these points.	**3**	0	☐	
703.4		**703.4 Duct Systems**				
703.4.1		**703.4.1** All space heating is provided by a system(s) that does not include air ducts. (No points awarded for multifamily buildings four or more stories in height.)	**6**	0	☐	
703.4.2		**703.4.2** All space cooling is provided by a system(s) that does not include air ducts. (No points awarded for multifamily buildings four or more stories in height.)	**2**	0	☐	
703.4.3		**703.4.3** Ductwork is in accordance with all of the following:	**8**	0		
	(1)	Building cavities are not used as return ductwork.			☐	
	(2)	Heating and cooling ducts and mechanical equipment are installed within the conditioned building space.			☐	
	(3)	Ductwork is not installed in exterior walls. (No points awarded for multifamily buildings four or more stories in height.)			☐	
703.4.4		**703.4.4 Duct Leakage.** The entire central HVAC duct system, including air handlers and register boots, is tested by a third party for total leakage at a pressure differential of 0.1 inches w.g. (25 Pa) and maximum air leakage is equal to or less than 6 percent of the system design flow rate or 4 cubic feet per minute per 100 square feet of conditioned floor area. **(Points not awarded if points are taken under Section 705.6.2.3)**		0		
	(1)	ductwork entirely outside the building's thermal envelope	**3**			
	(2)	ductwork entirely inside the building's thermal envelope	**1**			
	(3)	ductwork inside and outside the building's thermal envelope	**2**			

703.5		**703.5 Water heating system**				
703.5.1		**703.5.1** Water heater Uniform Energy Factor (UEF) is in accordance with the following:			type:	
		Where multiple systems are used, points awarded based on the system with the lowest efficiency.				
		Water heater design is based on only 1 (one) water heater per dwelling unit, based on approved methods from IPC or ASPE or manufacturer specifications.				
		All table values are based on water heaters with medium water draws as defined by the US DOE text procedures (55 gallons per day).			type:	
	(1)	Gas water heating				
	(a)	Storage Water Heater, Rated Storage Volume > 20 Gallons and ≤ 55 Gallons, Medium Water Draw		0	efficiency:	
		UEF: 0.65 to <0.78	**2**			
		UEF: ≥0.78	**3**			
	(b)	Storage Water Heater, Rated Storage Volume > 55 Gallons and ≤ 100 Gallons, Medium Water Draw	**1**	0		
	(c)	Storage Water Heater with Input Rate Greater than 75,000 Btu/h (Commercial)		0		
		Thermal Efficiency: 0.90 to < 0.95	**3**			
		Thermal Efficiency: ≥0.95	**4**			
	(d)	Storage Water Heater with Input Rate Greater than 75,000 Btu/H (Commercial), In Buildings with High-Capacity Service Water-Heating Systems (1,000,000 Btu/h or Greater)		0		
		Thermal Efficiency: 0.92 to < 0.95	**1**			
		Thermal Efficiency: ≥0.95	**2**			
	(e)	Instantaneous Water Heater, Rated Storage Volume < 2 Gallons and Input Rate of > 50,000 Btu/h, Medium Water Draw		0		
		UEF: 0.89 to < 0.94	**1**			
		UEF: ≥0.94	**2**		type:	
	(2)	Electric water heating				
	(a)	Storage Water Heater, Rated Storage Volume ≥ 20 Gallons and ≤ 55 Gallons, Medium Water Draw		0	efficiency:	
		UEF: 0.94 to <1.0	**1**			
		UEF: 1.0 to <1.5	**2**			
		UEF: 1.5 to <2.0	**2**			
		UEF: 2.0 to <2.2	**5**			
		UEF: 2.2 to <2.5	**6**			
		UEF: 2.5 to <3.0	**8**			
		UEF: ≥3.0	**11**			
	(b)	Storage Water Heater, Rated Storage Volume ≥ 55 Gallons and ≤ 120 Gallons, Medium Water Draw		0		
		UEF: 2.2 to <2.5	**3**			
		UEF: 2.5 to <3.0	**3**			
		UEF: 3.0 to <3.5	**4**			
		UEF: ≥3.5	**5**			
	(c)	Electric Tabletop Water Heating (Tabletop Water Heater, Rated Storage Volume ≥ 20 Gallons and ≤ 120 Gallons, Medium Water Draw)	**1**	0		
	(d)	Electric Instantaneous Water Heating (Instantaneous Electric Water Heater, Rated Storage Volume < 2 Gallons, Medium Water Draw)	**1**	0		
	(e)	Electric Grid Enabled Water Heating (Grid Enabled Storage Water Heater, Rated Storage Volume ≥ 75 Gallons, Medium Water Draw)	**2**	0	efficiency:	
	(3)	Oil water heating (Oil water heating, < 50 gallons, Medium water draw)	**1**	0		
703.5.2		**703.5.2** Desuperheater is installed by a qualified installer or is pre-installed in the factory.	**7**	0	☐	
703.5.3		**703.5.3** Drain-water heat recovery system is installed. **(Points awarded per building.)**	**2**	0	☐	
703.5.4		**703.5.4** Indirect-fired water heater storage tanks heated from boiler systems are installed.	**1**	0	☐	
703.5.5		**703.5.5 Solar water heater.** SRCC (Solar Rating & Certification Corporation) OG 300 rated, or equivalent, solar domestic water heating system is installed. Solar Energy Factor (SEF) as defined by SRCC is in accordance with Table 703.5.5(a) and Table 703.5.5(b).			type:	
	(a)	Storage Water Heater, Rated Storage Volume of Backup Water Heater is ≥ 0.1 Gallon and ≤ 55 Gallons, Medium Water Draw		0	SEF:	
		SEF ≥ 1.3	**5**			
		SEF ≥ 1.51	**6**			
		SEF ≥ 1.81	**9**			
		SEF ≥ 2.31	**14**			
		SEF ≥ 3.01	**23**			
	(b)	Storage Water Heater, Rated Storage Volume of Backup Water Heater is >55 Gallons, Medium Water Draw		0		
		SEF ≥ 1.3	**5**			
		SEF ≥ 1.51	**7**			
		SEF ≥ 1.81	**10**			
		SEF ≥ 2.31	**16**			
		SEF ≥ 3.01	**23**			
703.6		**703.6 Lighting and appliances**				
703.6.1		**703.6.1 Hard-wired lighting.** Hard-wired lighting is in accordance with one of the following:				
	(1)	A minimum percent (*95%*) of the total hard-wired interior luminaires or lamps qualify as ENERGY STAR, DesignLights Consortium (DLC), or applicable equivalent.	**2**	0	☐	
	(2)	A minimum of 80 percent of the exterior lighting wattage has a minimum efficacy of 61 lumens per watt or is solar-powered.	**1**	0	☐	
	(3)	In multifamily buildings, common area lighting power density (LPD) is less than 0.51 Watts per square foot.	**7**	0	☐	
703.6.2		**703.6.2 Appliances.** ENERGY STAR or equivalent appliance(s) are installed:				
	(1)	Refrigerator	**1**	0	☐	
	(2)	Dishwasher	**1**	0	☐	
	(3)	Washing machine	**4**	0	☐	
		Multifamily Building Note: Washing machines in ALL units must comply.				

703.7		**703.7 Passive solar design**				
703.7.1		**703.7.1 Sun-tempered design.** Building orientation, sizing of glazing, and design of overhangs are in accordance with all of the following:	**4**	0	☐	
	(1)	The long side (or one side if of equal length) of the building faces within 20 degrees of true south.				
	(2)	Vertical glazing area is between 5 and 7 percent of the gross conditioned floor area on the south face [also see Section 703.7.1(8)] and glazing U-factors meet Table 703.2.5.2(a).				
	(3)	Vertical glazing area is less than 2 percent of the gross conditioned floor area on the west face, and glazing meets Table 703.2.5.2(a).				
	(4)	Vertical glazing area is less than 4 percent of the gross conditioned floor area on the east face, and glazing meets Table 703.2.5.2(a).				
	(5)	Vertical glazing area is less than 8 percent of the gross conditioned floor area on the north face, and glazing meets Table 703.2.5.2(a).				
	(6)	Skylights, where installed, are in accordance with the following:				
		(a) shades and insulated wells are used, and all glazing meets Table 703.2.5.2(a)				
		(b) horizontal skylights are less than 0.5 percent of finished ceiling area				
		(c) sloped skylights on slopes facing within 45 degrees of true south, east, or west are less than 1.5 percent of the finished ceiling area				
	(7)	Overhangs or adjustable canopies or awnings or trellises provide shading on south-facing glass for the appropriate climate zone in accordance with Table 703.7.1(7): See Table 703.7.1(7)				
	(8)	The south face windows have a SHGC of 0.40 or higher.				
	(9)	Return air or transfer grilles/ducts are in accordance with Section 705.4.				
		Multifamily Building Note: The site is designed such that at least 40 percent of the multifamily dwelling or sleeping units have one south facing wall (within 15 degrees) containing at least 50 percent of glazing for entire unit, Effective shading is required for passive solar control on all south facing glazing. The floor area of at least 15 feet from the south facing perimeter glazing is massive and exposed to capture solar heat during the day and reradiate at night.				
703.7.2		**703.7.2 Window shading.** Automated solar protection or dynamic glazing is installed to provide shading for windows.	**1**	0	☐	
703.7.3		**703.7.3 Passive cooling design.** Passive cooling design features are in accordance with three or more of the following:		0		
		Points for three items:	**3**			
		Points for one additional item:	**1**			
	(1)	Exterior shading is provided on east and west windows using one or a combination of the following:				
		(a) vine-covered trellises with the vegetation separated a minimum of 1 foot (305 mm) from face of building			☐	
		(b) moveable awnings or louvers			☐	
		(c) covered porches			☐	
		(d) attached or detached conditioned/unconditioned enclosed space that provides full shade of east and west windows (e.g., detached garage, shed, or building)			☐	
	(2)	Overhangs are installed to provide shading on south-facing glazing in accordance with Section 703.7.1(7). **(Points not awarded if points are taken under Section 703.7.1.)**			☐	
	(3)	Windows and/or venting skylights are located to facilitate cross and stack effect ventilation.			☐	
	(4)	Solar reflective roof or radiant barrier is installed in climate zones 1, 2, or 3 and roof material achieves a 3-year aged criteria of 0.50.			☐	
	(5)	Internal exposed thermal mass is a minimum of three inches (76 mm) in thickness. Thermal mass consists of concrete, brick, and/or tile fully adhered to a masonry base or other masonry material in accordance with one or a combination of the following:				
		(a) A minimum of 1 square foot (0.09 m^2) of exposed thermal mass of floor per 3 square feet (2.8 m^2) of gross finished floor area.			☐	
		(b) A minimum of 3 square feet (2.8 m^2) of exposed thermal mass in interior walls or elements per square foot (0.09 m^2) of gross finished floor area.			☐	
	(6)	Roofing material is installed with a minimum 0.75 inch (19 mm) continuous air space offset from the roof deck from eave to ridge.			☐	
703.7.4		**703.7.4 Passive solar heating design**. In addition to the sun-tempered design features in Section 703.7.1, all of the following are implemented: Note: Points shall not be awarded in the Tropical Climate Zone.	**4**	0	☐	
	(1)	Additional glazing, no greater than 12 percent, is permitted on the south wall. This additional glazing is in accordance with the requirements of Section 703.7.1.				
	(2)	Additional thermal mass for any room with south-facing glazing of more than 7 percent of the finished floor area is provided in accordance with the following:				
		(a) Thermal mass is solid and a minimum of 3 inches (76 mm) in thickness. Where two thermal mass materials are layered together (e.g., ceramic tile on concrete base) to achieve the appropriate thickness, they are fully adhered to (touching) each other.				
		(b) Thermal mass directly exposed to sunlight is provided in accordance with the following minimum ratios:				
		(i) Above latitude 35 degrees: 5 square feet (0.465 m^2) of thermal mass for every 1 square foot (0.0929 m^2) of south-facing glazing.				
		(ii) Latitude 30 degrees to 35 degrees: 5.5 square feet (0.51 m^2) of thermal mass for every 1 square foot (0.0929 m^2) of south-facing glazing.				
		(iii) Latitude 25 degrees to 30 degrees: 6 square feet (0.557 m^2) of thermal mass for every 1 square foot (0.0929 m^2) of south-facing glazing.				
		(c) Thermal mass not directly exposed to sunlight is permitted to be used to achieve thermal mass requirements of Section 703.7.4 (2) based on a ratio of 40 square feet (3.72 m^2) of thermal mass for every 1 square foot (0.0929 m^2) of south-facing glazing.				
	(3)	In addition to return air or transfer grilles/ducts required by Section 703.7.1(9), provisions for forced airflow to adjoining areas are implemented as needed.				
704 ERI TARGET PATH						
704.1		**704.1 ERI target compliance.** Compliance with the energy chapter shall be permitted to be based on the EPA National ERI Target Procedure for Energy Star Certified Homes. Points from Section 704 (ERI Target) shall not be combined with points from Section 702 (Performance Path) or Section 703 (Prescriptive Path). Dwelling ratings shall be submitted to a Rating Certification Body approved by the Adopting Entity for calculating points under this section.		0	EPA National ERI Target:	
704.2		**704.2 Point calculation.** Points for Section 704 shall be computed based on Step "1" of the EPA National ERI Target Procedure. Points shall be computed individually for each building as follows: **30 + (Number of National ERI Points less than EnergyStar National ERI Target for that building) * 2.**			ERI As Designed:	

705 ADDITIONAL PRACTICES

705.2		**705.2 Lighting**				
705.2.1		**705.2.1 Lighting controls** **(Percentages for point thresholds are based on lighting not required for means of egress or security lighting as defined by local building codes.)**				
705.2.1.1		**705.2.1.1 Interior lighting.** In dwelling units or sleeping units, permanently installed interior lighting fixtures are controlled with an occupancy sensor, or dimmer:		0		
	(1)	50 percent to less than 75 percent of lighting fixtures.	**1**			
	(2)	A minimum of 75 percent of lighting fixtures.	**2**			
705.2.1.2		**705.2.1.2 Exterior lighting.** Photo or motion sensors are installed on 75 percent of outdoor lighting fixtures to control lighting.	**1**	1	☑	
705.2.1.3		**705.2.1.3 Multifamily common areas.**				
	(1)	In a multifamily building, occupancy sensors, or dimmers are installed in common areas (except corridors and stairwells).		1	(a)	
	(a)	50 percent to less than 75 percent of lighting fixtures.	**1**			
	(b)	A minimum of 75 percent of lighting fixtures.	**2**			
	(2)	In a multifamily building, occupancy controls are installed to automatically reduce light levels in interior corridors and exit stairwells when the space is unoccupied. Light levels are reduced by:		2	(a)	
	(a)	50 percent to less than 75 percent or to local minimum requirements	**2**			
	(b)	A minimum of 75 percent	**3**			
705.2.1.4		**705.2.1.4** In a multifamily building, occupancy controls are installed to automatically reduce light levels in garages and parking structures when the space is unoccupied. Light levels are reduced by:		0		
	(1)	50 percent to less than 75 percent or to local minimum requirements	**2**			
	(2)	A minimum of 75 percent	**3**			
705.2.2		**705.2.2 TDDs and skylights.** A tubular daylighting device (TDD) or a skylight that meets the requirements of Table 703.2.5.2(a) is installed in rooms without windows. **(Points awarded per building.)**	**2**	0	☐	
705.2.3		**705.2.3 Lighting outlets.** Occupancy sensors are installed for a minimum of 80 percent of hard-wired lighting outlets in the interior living space.	**1**	0	☐	
705.2.4		**705.2.4 Recessed luminaires.** The number of recessed luminaires that penetrates the thermal envelope is less than 1 per 400 square feet (37.16 m^2) of total conditioned floor area and they are in accordance with Section **701.4.3.5**.	**1**	0	# of luminaires: per 67320 square feet	
705.3		**705.3 Induction cooktop.** Induction cooktop is installed.	**1**	0	☐	
705.4		**705.4 Return ducts and transfer grilles.** Return ducts or transfer grilles are installed in every room with a door. Return ducts or transfer grilles are not required for bathrooms, kitchens, closets, pantries, and laundry rooms.	**2**	2	☑	
705.5		**705.5 HVAC design and installation**				
705.5.1		**705.5.1** Meet one or both of the following:				
	(1)	HVAC contractor is certified by the Air Conditioning Contractors of Americas Quality Assured Program (ACCA/QA) or by an EPA-recognized HVAC Quality Installation Training Oversight Organization (H-QUITO) or equivalent.	**1**	1	☑	
	(2)	HVAC installation technician(s) is certified by North American Technician Excellence, Inc. (NATE) or equivalent.	**1**	0	☐	
705.5.2		**705.5.2** Performance of the heating and/or cooling system is verified by the HVAC contractor in accordance with all of the following:	**3**	0	☐	
	(1)	Start-up procedure is performed in accordance with the manufacturer's instructions.				
	(2)	Refrigerant charge is verified by super-heat and/or sub-cooling method.				
	(3)	Burner is set to fire at input level listed on nameplate.				
	(4)	Air handler setting/fan speed is set in accordance with manufacturer's instructions.				
	(5)	Total airflow is within 10 percent of design flow.				
	(6)	Total external system static does not exceed equipment capability at rated airflow.				
705.5.3		**705.5.3** HVAC Design is verified by 3rd party as follows:				
	(1)	The ENERGY STAR HVAC Design and Rater Design Review Checklists are completed and correct.	**3**	3	☑	
	(2)	HVAC Installation is inspected and conforms to HVAC design documents and plans.	**3**	0	☐	
705.6		**705.6 Installation and performance verification.**				
705.6.1		**705.6.1** Third-party on-site inspection is conducted to verify compliance with all of the following, as applicable. Minimum of two inspections are performed: one inspection after insulation is installed and prior to covering, and another inspection upon completion of the building. Where multiple buildings or dwelling units of the same model or sleeping units of the same model are built by the same builder, a representative sample inspection of a minimum of 15 percent of the buildings or dwelling units or sleeping units is permitted.	**3**	3	By using this tool, this project automatically qualifies for this practice.	

705.6.2		**705.6.2 Testing.** Testing is conducted to verify performance:				
705.6.2.1		**705.6.2.1 Air leakage validation of building or dwelling units or sleeping units.** A visual inspection is performed as described in 701.4.3.2(2) and air leakage testing is performed in accordance with ASTM E779 or ASTM E1827. **(Points awarded only for buildings where building envelope leakage testing is not required by ICC IECC.)** **(Points not awarded if points are taken under Section 703.2.4)**			ACH50:	
	(1)	A blower door test.	3	0	ELR:	
	(2)	Third-party verification is completed. NOTE: Specify name of person or company conducting blower door test in the assigned Notes area.	5	0	☐	
705.6.2.2		**705.6.2.2 HVAC airflow testing.** Balanced HVAC airflows are demonstrated by flow hood or other acceptable flow measurement tool by a third party. Test results are in accordance with the following:				
	(1)	Measured flow at each supply and return register meets or exceeds the requirements in ACCA 5 QI-2010, Section 5.2.	5	0	☐	
	(2)	Total airflow meets or exceeds the requirements in ACCA 5 QI-2010, Section 5.2. NOTE: Specify name of person or company conducting HVAC airflow test in the assigned Notes area.	3	0	☐	
705.6.2.3		**705.6.2.3 HVAC duct leakage testing.** One of the following is achieved: **(Points awarded only where these practices are not required by IECC.)** **(Points not awarded if points are taken under Section 703.4.4)**		5	(2)	
	(1)	Duct leakage is in accordance with IECC R403.3.3 and R403.3.4.	3			
	(2)	Duct leakage is in accordance with IECC R403.3.3 and R403.3.4, and testing is conducted by an independent third party.	5			
705.6.3		**705.6.3 Insulating hot water pipes.** Insulation with a minimum thermal resistance (R-value) of at least R-3 is applied to the following, as applicable: **(Points awarded only where these practices are not required by IECC.)**	1	0	☐ ☐	required by IECC:
	(a)	piping 3/4-inch and larger in outside diameter				
	(b)	piping serving more than one dwelling unit or sleeping unit				
	(c)	piping located outside the conditioned space				
	(d)	piping from the water heater to a distribution manifold				
	(e)	piping located under a floor slab				
	(f)	buried piping				
	(g)	supply and return piping in recirculation systems other than demand recirculation systems				
705.6.4		**705.6.4 Potable hot water demand re-circulation system.**				
705.6.4.1		**705.6.4.1** Potable hot water demand re-circulation system is installed in a single-family unit.	1	0	☐	
705.6.4.2		**705.6.4.2** Potable hot water demand re-circulation system(s) that serves every unit in a multifamily building is installed in place of a standard circulation pump and control.	2	0	☐	
705.7		**705.7** In multi-unit buildings, an advanced electric and fossil fuel submetering system is installed to monitor electricity and fossil fuel consumption for each unit. The device provides consumption information on a monthly or near real-time basis. The information is available to the occupants at a minimum on a monthly basis.	1	0	☐	
706 INNOVATIVE PRACTICES						
706.1		**706.1 Energy consumption control.** A whole-building or whole-dwelling unit or whole-sleeping unit device or system is installed that controls or monitors energy consumption.	3 Max	0		
	(1)	programmable communicating thermostat with the capability to be controlled remotely	1		☐	
	(2)	energy-monitoring device or system	1		☐	
	(3)	energy management control system	3		☐	
	(4)	programmable thermostat with control capability based on occupant presence or usage pattern	1		☐	
	(5)	lighting control system	1		☐	
706.2		**706.2 Renewable energy service plan.** Renewable energy service plan is provided as follows:				
	(1)	Builder selects a renewable energy service plan provided by the local electrical utility for interim (temporary) electric service, or purchases renewable energy certificates (RECs) to cover electricity used. The builder's local administrative office has renewable energy service or has otherwise been paired with RECs. Green-ecertified (or equivalent) is required for renewable electricity purchases.	1	0	☐	
	(2)	The buyer of the building selects one of the following renewable energy service plans provided by the utility prior to occupancy of the building with a minimum two-year commitment.		0		
	(a)	less than half of the dwelling's projected electricity and gas use is provided by renewable energy	1			
	(b)	half or more of the of the dwelling's projected electricity and gas use is provided by renewable energy	2			
706.3		**706.3 Smart Appliances and Systems.** Smart appliances and systems are installed as follows:		0		
		Three to five smart appliances installed	1			
		Six or more smart appliances installed	2			
		(Items (7) and (8) are permitted to count as two appliances each for the purpose of awarding points.) **(where points awarded in Section 706.3, points shall not be awarded in Section 706.7 and 706.9)**				
	(1)	Refrigerator			☐	
	(2)	Freezer			☐	
	(3)	Dishwasher			☐	
	(4)	Clothes Dryer			☐	
	(5)	Clothes Washer			☐	
	(6)	Room Air Conditioner			☐	
	(7)	HVAC Systems			☐	
	(8)	Service Hot Water Heating Systems			☐	
706.4		**706.4 Pumps.**				
706.4.1		**706.4.1** Pool, spa, and water features equipped with filtration pumps as follows:				
	(1)	Electronically controlled variable-speed pump(s) is installed (full load efficiency of 90 percent or greater).	1	0	☐	
	(2)	Electronically controlled variable-speed pump(s) is installed (full load efficiency of 90 percent or greater) in a pool	3	0	☐	
706.4.2		**706.4.2** Sump pump(s) with electrically commutated motors (ECMs) or permanent split capacitor (PSC) motors is installed (full load efficiency of 90 percent or greater).	1	0	☐	

706.5		**706.5 On-site renewable energy system.** One of the following options is implemented				
	(1)	Building is Solar-Ready in compliance with IECC Appendix A Solar Ready Provisions.	**1**	1	☑ kW per 50 units:	
	(2)	An on-site renewable energy system(s) is installed on the property.	**2 per kW**	0	kWh of strg. per 50 units:	
	(3)	An on-site renewable energy system(s) and a battery energy storage system are installed on the property. **Points awarded shall not be combined with points for renewable energy in another section of this chapter. Points shall not be awarded for solar thermal or geothermal systems that provide space heating, space cooling, or water heating, points for these systems are awarded in § 703. Where onsite renewable energy is included in § 702 Performance Path or 704 ERI Target Path, § 706.5 shall not be awarded. The solar-ready zone roof area in #1 is area per dwelling unit. Points in item #2 and #3 shall be divided by the number of dwelling units.**	**2 per kW, 1 per 2 kWh**	0		
		Multifamily Building Note: *Conditioned common area and non-residential space is excluded for the purpose of calculating number of units.*				
706.6		**706.6 Parking garage efficiency.** Structured parking garages are designed to require no mechanical ventilation for fresh air requirements.	**2**	0	☐	
706.7		**706.7 Grid-interactive electric thermal storage system.** A grid-interactive electric thermal storage system is installed.				
	(1)	Grid-Interactive Water Heating System	**1**	0	☐	
	(2)	Grid-Interactive Space Heating and cooling System **(where points awarded in Section 706.7, points shall not be awarded in Section 706.3 and 706.9)**	**1**	0	☐	
706.8		**706.8 Electrical vehicle charging station.** A Level 2 (208/240V 40-80 amp) or Level 3 electric vehicle charging station is installed on the building site. (Note: Charging station shall not be included in the building energy consumption.)	**2**	2	☑	
706.9		**706.9 CNG vehicle fueling station.** A CNG vehicle residential fueling appliance is installed on the building site. The CNG fueling appliances shall be listed in accordance with ANSI/CSA NGV 5.1 and installed in accordance to the appliance manufacturer's installation instructions. (Note: The fueling appliance shall not be included in the building energy consumption.)	**1**	0	☐	
706.10		**706.10 Automatic demand response.** Automatic demand response system is installed that curtails energy usage upon a signal from the utility or an energy service provider is installed. **(where points awarded in Section 706.10, points shall not be awarded in Section 706.3 and 706.7)**	**1**	0	☐	
706.11		**706.11 Grid-interactive battery storage system.** A grid-interactive battery storage system of not less than 6 kWh of available capacity is installed.	**2**	0	☐	
706.12		**706.12 Smart ventilation.** A whole-building ventilation systems is installed with automatic ventilation controls to limit ventilation during periods of extreme temperature, extreme humidity, and/or during times of peak utility loads and is in accordance with the specifications of ASHRAE Standard 62.2-2010 Section 4.	**1**	0	☐	
706.13		**706.13 Alternative refrigerant.** Use of the following in mechanical space cooling systems for dwellings.		0		
	(1)	Use alternative refrigerant with a GWP < 1000	**1**			
	(2)	Do not use refrigerants	**2**			
706.14		**706.14 Third-party utility benchmarking service.**				
	(1)	For a multifamily building, the owner has contracted with a third-party utility benchmarking service with at least five (5) years of experience in utility data management and analysis to perform a monthly analysis of whole-building energy and water consumption for a minimum of 1 year.	**3**	0	☐	
	(2)	The building owner commits to reporting energy data using U.S. Environmental Protection Agency's ENERGY STAR Portfolio Manager for a minimum of three years.	**1**	1	☑	
706.15		**706.15 Entryway air seal.** For multifamily buildings, where not required by the building or energy code, to slow the movement of unconditioned air from outdoors to indoors at the main building entrance, the following is installed:				
	(1)	Building entry vestibule.	**2**	0	☐	
	(2)	Revolving entrance doors.	**2**	0	☐	
END OF CHAPTER 7						CLICK TO PROCEED TO CHAPTER 8 >>

	Current Chapter level: Gold	**Total Points: 68**			
	Points away from: Bronze: 0, Silver: 0, Gold: 0, Emerald: 24				
	Add'l pts earned above: Bronze: 43, Silver: 29, Gold: 1, Emerald: 0				
	Total Chapter Points needed for: Bronze: 25, Silver: 39, Gold: 67, Emerald: 92				© Home Innovation Research Labs, Inc., 2020. All rights reserved.
	Revision Date: 12/11/2025				

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Coding

Practice #	Chapter 8: Water Efficiency	Points Available	Points Claimed	Status	Notes
801 INDOOR AND OUTDOOR WATER USE					
801.0	**801.0 Intent.** Implement measures that reduce indoor and outdoor water usage. Implement measures that include collection and use of alternative sources of water. Implement measures that treat water on site.				
801.1	**801.1 Mandatory requirements.** The building shall comply with Section 802 (Prescriptive Path) and 803 (Innovative Practices) or Section 804 (Performance Path). Points from Section 804 (Performance Path) shall not be combined with points from Section 802 (Prescriptive Path) or Section 803 (Innovative Practices). The mandatory provisions of Section 802 (Prescriptive Path) are required when using the Water Rating Index of Section 804 (Performance Path) for Chapter 8 Water Efficiency compliance.			Prescriptive Path	
802 PRESCRIPTIVE PATH					
802.1	**802.1 Indoor hot water usage.** Indoor hot water supply system is in accordance with one of the practices listed in items (1) through (5). The maximum water volume from the source of hot water to the termination of the fixture supply is determined in accordance with Tables 802.1(1) or 802.1(2). The maximum pipe length from the source of hot water to the termination of the fixture supply is 50 feet.		0		
	(Where more than one water heater is used or where more than one type of hot water supply system, including multiple circulation loops, is used, points are awarded only for the system that qualifies for the minimum number of points.)				
	(Systems with circulation loops are eligible for points only if pumps are demand controlled. Circulation systems with timers or aquastats and constant-on circulation systems are not eligible to receive points.)				
	(Points awarded only if the pipes are insulated in accordance with Section 705.6.3.)				
	See Table 802.1(1)				
	See Table 802.1(2)				
(1)	The maximum volume from the water heater to the termination of the fixture supply at furthest fixture is 128 ounces (1 gallon or 3.78 liters).	**8**			
(2)	The maximum volume from the water heater to the termination of the fixture supply at furthest fixture is 64 ounces (0.5 gallon or 1.89 liters).	**12**			
(3)	The maximum volume from the water heater to the termination of the fixture supply at furthest fixture is 32 ounces (0.25 gallon or 0.945 liters).	**20**			
(4)	A demand controlled hot water priming pump is installed on the main supply pipe of the circulation loop and the maximum volume from this supply pipe to the furthest fixture is 24 ounces (0.19 gallons or 0.71 liters).	**24**			
(a)	The volume in the circulation loop (supply) from the water heater or boiler to the branch for the furthest fixture is no more than 128 ounces (1 gallon or 3.78 liters).	**4 Additional**			
(5)	A central hot water recirculation system is implemented in multifamily buildings in which the hot water line distance from the recirculating loop to the engineered parallel piping system (i.e., manifold system) is less than 30 feet (9,144 mm) and the parallel piping to the fixture fittings contains a maximum of 64 ounces (1.89 liters) (115.50 cubic inches) (0.50 gallons).	**9**			
(6)	Tankless water heater(s) with at least 0.5 gallon (1.89 liters) of storage are installed, or a tankless water heater that ramps up to at least 110F within 5 seconds is installed. The storage may be internal or external to the tankless water heater.	**1 Additional**	0	☐	
802.2	**802.2 Water-conserving appliances.** Energy Star or equivalent water-conserving appliances are installed.				
(1)	dishwasher	**2**	2	☑	
(2)	clothes washer, or	**13**	18	(3)	
(3)	clothes washer with an Integrated Water Factor of 3.8 or less	**18**			
	NOTE: If multiple dishwashers and washing machines are installed, ALL instances must meet the above conditions to be awarded points.				
	Multifamily Building Note: Washing machines are installed in individual units or provided in common areas of multifamily buildings.				
802.3	**802.3 Water usage metering.** Water meters are installed meeting the following:				
(1)	Single-Family Buildings: Water Usage Metering:				
(a)	Where not otherwise required by the local AHJ, installation of a meter for water consumed from any source associated with the building or building site.	**2 per unique meter**	0		
(b)	Each water meter shall be capable of communicating water consumption data remotely for the dwelling unit occupant and be capable of providing daily data with electronic data storage and reporting capability that can produce reports for daily, monthly, and yearly water consumption. (Fire sprinkler systems are not required to be metered).	**2 per sensor package**	0		
(2)	Multi-Family Buildings: Water Usage Metering: **(Points earned in Section 802.3(2) shall not exceed 50% of the total points earned for Chapter 8)**	**Points Reduced**			
(a)	Where not otherwise required by the local AHJ, installation of a meter for water consumed from any source associated with the building or building site.	**2 per unique use meter**	0		
(b)	Each water meter shall be capable of communicating water consumption data remotely for the dwelling unit occupant and be capable of providing daily data with electronic data storage and reporting capability that can produce reports for daily, monthly, and yearly water consumption. (Fire sprinkler systems are not required to be metered).	**2 per sensor package**	0		
802.4	**802.4 Showerheads.** Showerheads are in accordance with the following:			# of compartments:	
(1)	The total maximum combined flow rate of all showerheads in a shower compartment with floor area of 2600 square inches or less is equal or less than 2.0 gpm. For each additional 1300 square inches or any portion thereof of shower compartment floor area, an additional 2.0 gpm combined showerhead flow rate is allowed. Showerheads shall comply with ASME A112.18.1/CSA B125.1 and shall meet the performance criteria of the U.S. EPA WaterSense Specification for showerheads. Showerheads shall be served by an automatic compensating valve that complies with ASSE 1016/ASME A112.1016/CSA B125.16 or ASME A112.18.1/CSA B125.1 and specifically designed to provide thermal shock and scald protection at the flow rate of the showerhead.	**4 for first compartment** **1 for each additional compartment in dwelling**	4	1 compartment	
	(Points awarded per shower compartment. In multifamily buildings, the average of the points assigned to individual dwelling units or sleeping units may be used as the number of points awarded for this practice, rounded to the nearest whole number.)	**7 Max**			
(2)	All shower compartments in the dwelling unit(s) or sleeping unit(s) and common areas meet the requirements of 802.4(1) and all showerheads are in accordance with one of the following:		10	(b)	
(a)	maximum of 1.8 gpm	**6 Additional**			
(b)	maximum of 1.5 gpm	**10 Additional**			
(3)	Any shower control that can shut off water flow without affecting temperature is installed. **(Points awarded per shower control.)**	**1** **3 Max**	0		

802.5		**802.5 Faucets**				
802.5.1		**802.5.1** Install water-efficient lavatory faucets with flow rates not more than 1.5 gpm (5.68 L/m), tested in compliance with ASME A112.18.1/CSA B125.1 and meeting the performance criteria of the EPA WaterSense High-Efficiency Lavatory Faucet Specification:		13	1 fixture	
					(5)	
	(1)	Flow rate ≤ 1.5 gpm (*all faucets in a bathroom are in compliance) **(Points awarded for each bathroom. In multifamily buildings, the average of the points assigned to individual dwelling units or sleeping units may be used as the number of points awarded for this practice, rounded to the nearest whole number.)**	**1 3 Max**			
	(2)	Flow rate ≤ 1.2 gpm (*all faucets in a bathroom are in compliance)	**2 (6 Max)**			
	(3)	Flow rate ≤ 1.5 gpm for all lavatory faucets in the dwelling unit(s) or sleeping unit(s)	**6 Additional**			
	(4)	Flow rate ≤ 1.5 gpm for all lavatory faucets in the dwelling unit(s), and at least one bathroom has faucets with flow rates ≤ 1.2 gpm	**8 Additional**			
	(5)	Flow rate ≤ 1.2 gpm for all lavatory faucets in the dwelling unit(s)	**12 Additional**			
802.5.2		**802.5.2** Water-efficient residential kitchen faucets are installed in accordance with ASME A112.18.1/CSA B125.1. Residential kitchen faucets may temporarily increase the flow above the maximum rate but not to exceed 2.2 gpm.		4	(2)	
	(1)	All residential kitchen faucets have a maximum flow rate of 1.8 gpm.	**3**			
	(2)	All residential kitchen faucets have a maximum flow rate of 1.5 gpm.	**1 Additional**			
802.5.3		**802.5.3** Self-closing valve, motion sensor, metering, or pedal-activated faucet is installed to enable intermittent on/off operation. **(Points awarded per fixture.)**	**1 3 Max**	0		
802.5.4		**802.5.4 Water closets and urinals.** Water closets and urinals are in accordance with the following:				
	(1)	Gold and emerald levels: All water closets and urinals are in accordance with Section 802.5.4.	**Met**			
	(2)	A water closet is installed with an effective flush volume of 1.28 gallons (4.85 L) or less in accordance with ASME A112.19.2/CSA B45.1 or ASME A112.19.14 as applicable. Tank-type water closets shall be in accordance with the performance criteria of the U.S. EPA WaterSense Specification for Tank-Type Toilets. **(Points awarded per fixture. In multifamily buildings, the average of the points assigned to individual dwelling units or sleeping units may be used as the number of points awarded for this practice, rounded to the nearest whole number.)**	**4 12 Max**	4	1 fixture	
	(3)	All water closets are in accordance with Section 802.5.4(2).	**13 Additional**	13	☑	
	(4)	All water closets are in accordance with Section 802.5.4(2) and one or more of the following are installed:				
	(a)	Water closets that have an effective flush volume of 1.2 gallons or less. **(Points awarded per toilet. In multifamily buildings, the average of the points assigned to individual dwelling units or sleeping units may be used as the number of points awarded for this practice, rounded to the nearest whole number.)**	**2 Additional 6 Max**	0		
	(b)	One or more urinals with a flush volume of 0.5 gallons (1.9L) or less when tested in accordance with ASME A112.19.2/CSA B45.1.	**2 Additional**	0	☐	
	(c)	One or more composting or waterless toilets and/or nonwater urinals. Nonwater urinals shall be tested in accordance with ASME A112.19.2/CSA B45.1.	**12 Additional**	0	☐	
802.6		**802.6 Irrigation systems**				
802.6.1		**802.6.1** Where an irrigation system is installed, an irrigation plan and implementation are executed by a qualified professional or equivalent.	**Mandatory**		N/A	
802.6.2		**802.6.2** Irrigation sprinkler nozzles shall be tested according to ANSI standard ASABE/ICC 802-2014 Landscape Irrigation Sprinkler and Emitter Standard by an accredited third party laboratory.	**6**	0	☐	
802.6.3		**802.6.3** Drip irrigation is installed.				
	(1)	Drip irrigation is installed for all landscape beds.	**4**	0	☐	
	(2)	Subsurface drip is installed for all turf grass areas.	**4**	0	☐	
	(3)	Drip irrigation zones specifications show plant type by name and water use/need for each emitter (Points awarded only if specifications are implemented.)	**5**	0	☐	
802.6.4		**802.6.4** The irrigation system(s) is controlled by a smart controller or no irrigation is installed. **(Points are not additive.)**				
	(1)	Irrigation controllers shall be in accordance with the performance criteria of the EPA WaterSense program	**10**	0	☐	
	(2)	No irrigation is installed and a landscape plan is developed in accordance with Section 503.5, as applicable. NOTE: 5 Points must be taken in 503.5(1)-(7) for a Full Landscape Plan in order to receive points for 802.6.4(2).	**15**	0	☐	
802.6.5		**802.6.5 Commissioning and water use reduction for irrigation systems.** *[Points are not additive per each section.]*				
	(1)	All irrigation zones utilize pressure regulation so emission devices (sprinklers and drip emitters) operate at manufacturer's recommended operating pressure.	**3**	0	☐	
	(2)	Where dripline tubing is installed, a filter with mesh size in accordance with the manufacturer's recommendation is installed on all drip zones.	**3**	0	☐	
	(3)	Utilize spray bodies that incorporate an in-stem or external flow shut-off device.	**3**	0	☐	
	(4)	For irrigation systems installed on sloped sites, either an in-stem or external check valve is utilized for each spray body.	**3**	0	☐	
	(5)	Where an irrigation system is installed, a flow sensing device is installed to monitor and alert the controller when flows are outside design range.	**3**	0	☐	
802.7		**802.7 Rainwater collection and distribution.** Rainwater collection and distribution is provided.				
802.7.1		**802.7.1** Rainwater is used for irrigation in accordance with one of the following:		0		
	(1)	Rainwater is diverted for landscape irrigation without impermeable water storage	**5**			
	(2)	Rainwater is diverted for landscape irrigation with impermeable water storage in accordance with one of the following:				
	(a)	50 – 499 gallon storage capacity	**5**			
	(b)	500 – 2499 gallon storage capacity	**10**			
	(c)	2500 gallon or larger storage capacity (system is designed by a professional certified by The American Rainwater Catchment Systems Association or equivalent)	**15**			
	(d)	All irrigation demands are met by rainwater capture (documentation demonstrating the water needs of the landscape is provided and the system is designed by a professional certified by The American Rainwater Catchment Systems Association or equivalent).	**25**			
802.7.2		**802.7.2** Rainwater is used for indoor domestic demand as follows. The system is designed by a professional certified by The American Rainwater Catchment Systems Association or equivalent.		0		
	(1)	Rainwater is used to supply an indoor appliance or fixture for any locally approved use. **(Points awarded per appliance or fixture.)**	**5 15 Max**			
	(2)	Rainwater provides for total domestic demand.	**25**		☐	

802.8		**802.8 Sediment filters.** Water filter is installed to reduce sediment and protect plumbing fixtures for the whole building or the entire dwelling unit.	1	0	☐	
802.9		**802.9 Water treatment devices.**				
802.9.1		**802.9.1** Water Softeners shall not be installed where the supplied water hardness is less than 8.0 grains per gallon measured as total calcium carbonate equivalents. Water softeners shall be listed to NSF 44 and a rated salt efficiency of 3400 grains of total hardness per 1.0 pound of salt based on sodium chloride equivalency. Devices shall not discharge more than 4.0 gallons of water per 1000 grains of hardness removed during the service or recharge cycle.		0		
	(1)	No water softener.	5			
	(2)	Water softener installed to supply softened water only to domestic water heater.	2			
802.9.2		**802.9.2** Reverse Osmosis (R/O) water treatment systems shall be listed to NSF 58 and shall include automatic shut-off valve to prevent water discharge when storage tank is full.		0		
	(1)	No R/O system.	3			
	(2)	Combined capacity of all R/O systems does not exceed 0.75 gallons.	1			
802.10		**802.10 Pools and spas.**				
802.10.1		**802.10.1** Pools and Spas with water surface area greater than 36 square feet and connected to a water supply shall have a dedicated meter to measure the amount of water supplied to the pool or spa.	**Mandatory**		N/A	
	(1)	Automated motorized non-permeable pool cover that covers the entire pool surface.	10	0	☐	
803 INNOVATIVE PRACTICES						
803.1		**803.1 Reclaimed, gray, or recycled water**. Reclaimed, gray, or recycled water is used as permitted by applicable code.		0		
		(Points awarded for either Section 803.1(1) or 803.1(2), not both.)				
		(Points awarded for either Section 803.6 or 803.1, not both.)				
	(1)	each water closet flushed by reclaimed, gray, or recycled water	5			
		(Points awarded per fixture or appliance.)	**20 Max**			
	(2)	irrigation from reclaimed, gray, or recycled water on-site	10		☐	
803.2		**803.2 Reclaimed water, graywater, or rainwater pre-piping.** Reclaimed, graywater, or rainwater systems are rough plumbed (and permanently marked, tagged or labeled) into buildings for future use.	**3 per roughed in system**	0	# of systems:	
803.3		**803.3 Automatic leak detection and control devices.** One of the following devices is installed. Where a fire sprinkler system is present, ensure the device will be installed to not interfere with the operation of the fire sprinkler system.	2	0		
	(1)	automatic water leak detection and control devices				
	(2)	automatic water leak detection and shutoff devices				
803.4		**803.4 Engineered biological system or intensive bioremediation system.** An engineered biological system or intensive bioremediation system is installed and the treated water is used on site. Design and implementation are approved by appropriate regional authority.	20	0	☐	
803.5		**803.5 Recirculating humidifier.** Where a humidifier is required, a recirculating humidifier is used in lieu of a traditional "flow through" type.	1	0	☐	
803.6		**803.6 Advanced wastewater treatment system.** Advanced wastewater (aerobic) treatment system is installed and treated water is used on site.	20	0	☐	
		(Points awarded for either Section 803.6 or 803.1, not both.)				
804 PERFORMANCE PATH						
804.1		**804.1 Performance Path.** The index score for the Performance Path shall be calculated in accordance with Appendix D Water Rating Index (WRI) or equivalent methodology.	**None**		WRI	
804.2		**804.2 Water efficiency rating levels.** In lieu of threshold levels for Chapter 8 in Table 303, rating levels for Section 804.1 are in accordance with Table 804.2.				
804.3		**804.3 Water efficiency NGBS points equivalency.** The additional points for use with Table 303 from the Chapter 8 Water Efficiency Category are determined in accordance with equation 804.3.		0		
		Equation 804.3				
		NGBS = WRI x (-2.29) + 181.7				
END OF CHAPTER 8						CLICK TO PROCEED TO CHAPTER 9 >>

Current Chapter level: Gold **Total Points: 87**

Points away from: Bronze: 0, Silver: 0, Gold: 0, Emerald: 10

Add'l pts earned above: Bronze: 62, Silver: 45, Gold: 18, Emerald: 0

Total Chapter Points needed for: Bronze: 25, Silver: 42, Gold: 69, Emerald: 97

Revision Date: 12/11/2025

NGBS GREEN Home Innovation Research Labs

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Coding

Practice #		Chapter 9: Indoor Environmental Quality	Points Available	Points Claimed	Status	Notes
901 POLLUTANT SOURCE CONTROL						
901.0		**901.0 Intent.** Pollutant sources are controlled.				
901.1		**901.1 Space and water heating options**				
901.1.1		**901.1.1** Natural draft furnaces, boilers, or water heaters are not located in conditioned spaces, including conditioned crawlspaces, unless located in a mechanical room that has an outdoor air source and is sealed and insulated to separate it from the conditioned space(s). **(Points are awarded only for buildings that use natural draft combustion space or water heating equipment.)**	5	0	☐	
901.1.2		**901.1.2** Air handling equipment or return ducts are not located in the garage, unless placed in isolated, air-sealed mechanical rooms with an outside air source. Not available if there is no attached garage	5	0	☐	
901.1.3		**901.1.3** The following combustion space heating or water heating equipment is installed within conditioned space:				
	(1)	all furnaces or all boilers		0		
	(a)	power vent furnace(s) or boiler(s)	3			
	(b)	direct vent furnace(s) or boiler(s)	5			
	(2)	all water heaters		0		
	(a)	power vent water heater(s)	3			
	(b)	direct vent water heater(s)	5			
901.1.4		**901.1.4** Gas-fired fireplaces and direct heating equipment is listed and is installed in accordance with the NFPA 54, ICC IFGC, or the applicable local gas appliance installation code. Gas-fired fireplaces within dwelling units or sleeping units and direct heating equipment are vented to the outdoors. Alcohol burning devices and kerosene heaters are vented to the outdoors.	Mandatory		N/A	
901.1.5		**901.1.5** Natural gas and propane fireplaces are direct vented, have permanently fixed glass fronts or gasketed doors, and comply with CSA Z21.88/CSA 2.33 or CSA Z21.50b/CSA 2.22b.	7	0	☐	
901.1.6		**901.1.6** The following electric equipment is installed:		5	(2)	
	(1)	heat pump air handler in unconditioned space	2			
	(2)	heat pump air handler in conditioned space	5			
901.2		**901.2 Solid fuel-burning appliances**				
901.2.1		**901.2.1** Solid fuel-burning fireplaces, inserts, stoves and heaters are code compliant and are in accordance with the following requirements:				
	(1)	Site-built masonry wood-burning fireplaces use outside combustion air and include a means of sealing the flue and the combustion air outlets to minimize interior air (heat) loss when not in operation.	N/A 4	0		
	(2)	Factory-built, wood-burning fireplaces are in accordance with the certification requirements of UL 127 and are an EPA Phase 2 Emission Level Qualified Model.	N/A 6	0		
	(3)	Wood stove and fireplace inserts, as defined in UL 1482 Section 3.8, are in accordance with the certification requirements of UL 1482 and are in accordance with the emission requirements of the EPA Certification and the State of Washington WAC 173-433-100(3).	N/A 6	0		
	(4)	Pellet (biomass) stoves and furnaces are in accordance with ASTM E1509 or are EPA certified.	N/A 6	0		
	(5)	Masonry heaters are in accordance with the definitions in ASTM E1602 and ICC IBC Section 2112.1.	N/A 6	0		
901.2.2		**901.2.2** Fireplaces, woodstoves, pellet stoves, or masonry heaters are not installed.	6	6	☑	
901.3		**901.3 Garages.** Garages are in accordance with the following:				
	(1)	Attached garage				
	(a)	Doors installed in the common wall between the attached garage and conditioned space are tightly sealed and gasketed.	N/A 2	0		
	(b)	A continuous air barrier is provided separating the garage space from the conditioned living spaces.	N/A 2	0		
	(c)	For one- and two-family dwelling units, a 100 cfm (47 L/s) or greater ducted or 70 cfm (33 L/s) cfm or greater unducted wall exhaust fan is installed and vented to the outdoors and is designed and installed for continuous operation or has controls (e.g., motion detectors, pressure switches) that activate operation for a minimum of 1 hour when either human passage door or roll-up automatic doors are operated. For ducted exhaust fans, the fan airflow rating and duct sizing are in accordance with ASHRAE Standard 62.2-2007 Section 7.3.	8	0	☐	
	(2)	A carport is installed, the garage is detached from the building, or no garage is installed.	10	10	☑	
901.4		**901.4** Wood materials. A minimum of 85 percent of material within a product group (i.e., wood structural panels, countertops, composite trim/doors, custom woodwork, and/or component closet shelving) is manufactured in accordance with the following:	10 Max	0		
	(1)	Structural plywood used for floor, wall, and/or roof sheathing is compliant with DOC PS 1 and/or DOC PS 2. OSB used for floor, wall, and/or roof sheathing is compliant with DOC PS 2. The panels are made with moisture-resistant adhesives. The trademark indicates these adhesives as follows: Exposure 1 or Exterior for plywood, and Exposure 1 for OSB. NOTE: if "N/A" is selected, please explain in the Notes area.	Mandatory		Met	
		Countertops				
		Composite trim/doors				
		Custom woodwork				
		Component closet shelving				
	(2)	Particleboard and MDF (medium density fiberboard) is manufactured and labeled in accordance with CPA A208.1 and CPA A208.2, respectively.	2			
	(3)	Hardwood plywood in accordance with HPVA HP-1.	2			
	(4)	Particleboard, MDF, or hardwood plywood is in accordance with CPA 4.	3			
	(5)	Composite wood or agrifiber panel products contain no added urea-formaldehyde or are in accordance with the CARB *Composite Wood Air Toxic Contaminant Measure Standard* .	4			
	(6)	Non-emitting products.	4			
901.5		**901.5 Cabinets.** A minimum of 85 percent of installed cabinets are in accordance with one or both of the following: **(Where both of the following practices are used, only 3 points are awarded.)**				
	(1)	All parts of the cabinet are made of solid wood or non-formaldehyde emitting materials such as metal or glass.	5	5	☑	
	(2)	The composite wood used in wood cabinets is in accordance with CARB *Composite Wood Air Toxic Contaminant Measure Standard* or equivalent as certified by a third-party program such as, but not limited to, those in Appendix B.	3	0	☐	
901.6		**901.6 Carpets.** Wall-to-wall carpeting is not installed adjacent to water closets and bathing fixtures.	Mandatory		☑	

901.7		**901.7 Floor materials.** The following types of finished flooring materials are used. The materials have emission levels in accordance with CDPH/EHLB Standard Method v1.1. Product is tested by a laboratory with the CDPH/EHLB Standard Method v1.1 within the laboratory scope of accreditation to ISO/IEC 17025 and certified by a third-party program accredited to ISO 17065, such as, but not limited to, those in Appendix B.	**1** **8 Max**	0		
		(Points are awarded for every 10% of conditioned floor space using one of the below materials.)			actual %:	
	(1)	Hard surface flooring: Prefinished installed hard-surface flooring is installed. Where post-manufacture coatings or surface applications have not been applied, the following hard surface flooring types are deemed to comply with the emission requirements of this practice:				
	(a)	Ceramic tile flooring				
	(b)	Organic-free, mineral-based flooring				
	(c)	Clay masonry flooring				
	(d)	Concrete masonry flooring				
	(e)	Concrete flooring				
	(f)	Metal flooring			actual %'s:	
	(2)	Carpet meeting and carpet cushion not meeting the emission limits is installed.				
	(3)	Carpet and carpet cushion meeting the emission limits is installed.				
		(When carpet cushion meeting the emission limits of the practice is also installed, the percentage of compliant carpet area is calculated at 1.33 times the actual installed area.)				
901.8		**901.8 Wall coverings.** A minimum of 10 percent of the interior wall surfaces are covered and a minimum of 85 percent of wall coverings are in accordance with the emission concentration limits of CDPH/EHLB Standard Method v1.1. Emission levels are determined by a laboratory accredited to ISO/IEC 17025 and the CDPH/EHLB Standard Method v1.1 is in its scope. The product is certified by a third-party program accredited to ISO 17065, such as, but not limited to, those in Appendix B.	**4**	0	☐	
901.9		**901.9 Interior architectural coatings.** A minimum of 85 percent of the interior architectural coatings are in accordance with either Section 901.9.1 or Section 901.9.3, not both. A minimum of 85 percent of architectural colorants are in accordance with Section 901.9.2.				
901.9.1		**901.9.1** Site-applied interior architectural coatings, which are inside the water proofing envelope, are in accordance with one or more of the following:	**5**	5		
	(1)	Zero VOC as determined by EPA Method 24 (VOC content is below the detection limit for the method)			☐	
	(2)	GreenSeal GS-11			☑	
	(3)	CARB *Suggested Control Measure for Architectural Coatings* (see Table 901.9.1). See Table 901.9.1			☐	
901.9.2		**901.9.2** Architectural coating colorant additive VOC content is in accordance with Table 901.9.2.	**1**	0	☐	
		(Points for 901.9.2 are awarded only if base architectural coating is in accordance with 901.9.1.)				
		See Table 901.9.2				
901.9.3		**901.9.3** Site-applied interior architectural coatings, which are inside the waterproofing envelope, are in accordance with the emission levels of CDPH/EHLB Standard Method v1.1. Emission levels are determined by a laboratory accredited to ISO/IEC 17025 and the CDPH/EHLB Standard Method v1.1 in its scope of accreditation. The product is certified by a third-party program accredited to ISO 17065, such as, but not limited to, those found in Appendix B.	**8**	0	☐	
901.10		**901.10 Interior adhesives and sealants.** A minimum of 85 percent of site-applied adhesives and sealants located inside the waterproofing envelope are in accordance with one of the following, as applicable.		5		
	(1)	The emission levels are in accordance with CDPH/EHLB Standard Method v1.1. Emission levels are determined by a laboratory accredited to ISO/IEC 17025 and the CDPH/EHLB Standard Method v1.1 is in its scope of accreditation. The product is certified by a third-party program accredited to ISO 17065, such as, but not limited to, those found in Appendix B.	**8**		☐	
	(2)	GreenSeal GS-36.	**5**		☐	
	(3)	SCAQMD Rule 1168 in accordance with Table 901.10(3), excluding products that are sold in 16 ounce containers or less and are regulated by the California Air Resources Board (CARB) Consumer Products Regulations. See Table 901.10(3)	**5**		☑	
901.11		**901.11 Insulation.** Emissions of 85 percent of wall, ceiling, and floor insulation materials are in accordance with the emission levels of CDPH/EHLB Standard Method v1.1. Emission levels are determined by a laboratory accredited to ISO/IEC 17025 and the CDPH/EHLB Standard Method v1.1 is in its scope of accreditation. Insulation is certified by a third-party program accredited to ISO 17065, such as, but not limited to, those in Appendix B.	**4**	0	☐	
901.12		**901.12 Furniture and Furnishings.** In a multifamily building, all furniture in common areas shall have VOC emission levels in accordance with ANSI/BIFMA e3-Furniture Sustainability Standard sections 7.6.1 and 7.6.2, tested in accordance with ANSI/BIFMA Standard Method M7.1.	**2**	0	☐	
901.13		**901.13 Carbon monoxide (CO) alarms.** A carbon monoxide (CO) alarm is provided in accordance with the IRC Section R315.	**Mandatory**		Met, Not Required	
901.14		**901.14 Building entrance pollutants control.** Pollutants are controlled at all main building entrances by one of the following methods:		0		
	(1)	Exterior grilles or mats are installed in a fixed manner and may be removable for cleaning.	**1**		☐	
	(2)	Interior grilles or mats are installed in a fixed manner and may be removable for cleaning.	**1**		☐	
901.15		**901.15 Non-smoking areas.** Environmental tobacco smoke is minimized by one or more of the following:				
	(1)	All interior common areas of a multifamily building are designated as non-smoking areas with posted signage.	**1**	1	☑	
	(2)	Exterior smoking areas of a multifamily building are designated with posted signage and located a minimum of 25 feet from entries, outdoor air intakes, and operable windows.	**1**	1	☑	

902 POLLUTANT CONTROL

902.0		**902.0 Intent.** Pollutants generated in the building are controlled.				
902.1		**902.1 Spot ventilation.**				
902.1.1		**902.1.1** Spot ventilation is in accordance with the following:				
	(1)	Bathrooms are vented to the outdoors. The minimum ventilation rate is 50 cfm (23.6 L/s) for intermittent operation or 20 cfm (9.4 L/s) for continuous operation in bathrooms.	**Mandatory**		☑	
	(a)	A window complying with IRC Section R303.3 is provided in addition to mechanical ventilation.	**1**	0	☐	
	(2)	Clothes dryers (except listed and labeled condensing ductless dryers) are vented to the outdoors.	**Mandatory**		Met	
	(3)	Kitchen exhaust units and/or range hoods are ducted to the outdoors and have a minimum ventilation rate of 100 cfm (47.2 L/s) for intermittent operation or 25 cfm (11.8 L/s) for continuous operation.	**8**	8	☑	
902.1.2		**902.1.2** Bathroom and/or laundry exhaust fan is provided with an automatic timer and/or humidistat:	**11 Max**	5	# of timers: 1 timer(s)	
	(1)	for first device	**5**		# of humidistats:	
	(2)	for each additional device	**2**			
902.1.3		**902.1.3** Kitchen range, bathroom, and laundry exhaust are verified to air flow specification. Ventilation airflow at the point of exhaust is tested to a minimum of:	**8**	8	☑	
	(a)	100 cfm (47.2 L/s) intermittent or 25 cfm (11.8 L/s) continuous for kitchens, and				
	(b)	50 cfm (23.6 L/s) intermittent or 20 cfm (9.4 L/s) continuous for bathrooms and/or laundry				
902.1.4		**902.1.4** Exhaust fans are ENERGY STAR, as applicable.	**12 Max**	2		
	(1)	ENERGY STAR, or equivalent, fans operating above 1 sone **(Points awarded per fan.)**	**2**		# of fans: 1 fan(s)	
	(2)	ENERGY STAR, or equivalent, fans operating at or below 1 sone **(Points awarded per fan.)**	**3**			
902.1.5		**902.1.5** Fenestration in spaces other than those identified in 902.1.1 through 902.1.4 are designed for stack effect or cross-ventilation in accordance with all of the following:	**3**	0		
	(1)	Operable windows, operable skylights, or sliding glass doors with a total area of at least 15 percent of the total conditioned floor area are provided.			☐	
	(2)	Insect screens are provided for all operable windows, operable skylights, and sliding glass doors.			☑	
	(3)	A minimum of two operable windows or sliding glass doors are placed in adjacent or opposite walls. If there is only one wall surface in that space exposed to the exterior, the minimum windows or sliding glass doors may be on the same wall.			☐	
902.1.6		**902.1.6 Ventilation for Multifamily Common Spaces.** Systems are implemented and are in accordance with the specifications of ASHRAE 62.1 and an explanation of the operation and importance of the ventilation system is included in 1002.1 and 1002.2 of NGBS.	**3**	3	☑	
902.2		**902.2 Building ventilation systems.**				
902.2.1		**902.2.1** One of the following whole building ventilation systems is implemented and is in accordance with the specifications of ASHRAE Standard 62.2-2010 Section 4 and an explanation of the operation and importance of the ventilation system is **included in either 1001.1(9) or 1002.2(11)**.	**Mandatory**	10	(5)	
	(1)	exhaust or supply fan(s) ready for continuous operation and with appropriately labeled controls	**3**			
	(2)	balanced exhaust and supply fans with supply intakes located in accordance with the manufacturer's guidelines so as to not introduce polluted air back into the building	**6**			
	(3)	heat-recovery ventilator	**7**			
	(4)	energy-recovery ventilator	**8**			
	(5)	Ventilation air is preconditioned by a system not specified above	**10**			
902.2.2		**902.2.2** Ventilation airflow is tested to achieve the design fan airflow in accordance with ANSI/RESNET/ICC 380 and Section 902.2.1.	**4**	0	☐	
902.2.3		**902.2.3** MERV filters 8 to 13 are installed on central forced air systems and are accessible. Designer or installer is to verify that the HVAC equipment is able to accommodate the greater pressure drop of MERV 8 to 13 filters.	**2**	0	☐	
902.2.4		**902.2.4** MERV filters 14 or greater are installed on central forced air systems and are accessible. Designer or installer is to verify that the HVAC equipment is able to accommodate the greater pressure drop of the filter used.	**3**	0	☐	

902.3		**902.3 Radon reduction measures.** Radon reduction measures are in accordance with ICC IRC Appendix F or 902.3.1. Radon Zones as identified by the AHJ or, if the zone is not identified by the AHJ, as defined in Figure 9(1).	Mandatory		N/A	Richmond is in Radon Zone 3.
	(1)	Buildings located in Zone 1		0		
	(a)	a passive radon system is installed	N/A			
	(b)	an active radon system is installed	12			
	(2)	Buildings located in Zone 2 or Zone 3		0		
	(a)	a passive radon system is installed	6			
	(b)	an active radon system is installed	12			
902.3.1		**902.3.1 Radon reduction option.** This option requires section 902.3.1.1 through 902.3.1.7.				
902.3.1.1		**902.3.1.1 Soil-gas barriers and base course.** A base course in accordance with Section 506.2.2 of the IRC shall be installed below slabs and foundations. There shall be a continuous gas-permeable base course under each soil-gas retarder that is separated by foundation walls or footings. Between slabs and the base course, damp proofing or water proofing shall be installed in accordance with Section 406 of the IRC. Punctures, tears and gaps around penetrations of the soil-gas retarder shall be repaired or covered with an additional soil-gas retarder. The soil-gas retarder shall be a continuous6-mil (0.15 mm) polyethylene or an approved equivalent.				
902.3.1.2		**902.3.1.2 Soil gas collection.** There shall be an unobstructed path for soil gas flow between the void space installed in the base course and the vent through the roof. Soil gases below the foundation shall be collected by a perforated pipe with a diameter of not less than 4 inches (10 cm) and not less than 5 feet (1.5 m) in total length. A tee fitting or equivalent method shall provide two horizontal openings to the radon collection. The tee fitting shall be designed to prevent clogging of the radon collection path. Alternately the soil gas collection shall be by approved radon collection mats or an equivalent approved method.				
902.3.1.3		**902.3.1.3 Soil gas entry routes.** Openings in slabs, soil-gas retarders, and joints such as, but not limited to, plumbing, ground water control systems, soil-gas vent pipes, piping and structural supports, shall be sealed against air leakage at the penetrations. The sealant shall be a polyurethane caulk, expanding foam or other approved method. Foundation walls shall comply with Section 103.2.3 of the IRC. Sumps shall be sealed in accordance with Section 103.2.2 of the IRC. Sump pits and sump lids intended for ground water control shall not be connected to the sub-slab soil-gas exhaust system.				
902.3.1.4		**902.3.1.4 Soil gas vent.** A gas-tight pipe vent shall extend from the soil gas permeable layer though the roof. The vent pipe size shall not be reduced at any location as it goes from gas collection to the roof. Exposed and visible interior vent pipes shall be identified with not less than one label reading "Radon Reduction System" on each floor and in habitable attics.				
902.3.1.5		**902.3.1.5 Vent pipe diameter.** The minimum vent pipe diameter shall be as specified in Table 902.3.2.5.				
902.3.1.6		**902.3.1.6 Multiple vented areas.** In dwellings where interior footings or other barriers separate the soil-gas permeable layer, each area shall be fitted with an individual vent pipe. Vent pipes shall connect to a single vent that terminates above the roof or each individual vent pipe shall terminate separately above the roof.				
902.3.1.7		**902.3.1.7 Fan.** Each sub-slab soil-gas exhaust system shall include a fan, or dedicated space for the post-construction installation of a fan. The electrical supply for the fan shall be located within 6 feet (1.8 m) of the fan. Fan is not required to be on a dedicated circuit.				
902.3.2		**902.3.2 Radon testing.** Radon testing is mandatory for Zone 1.	N/A			
		Exceptions:			Exception:	
		(2) Testing is not mandatory where the occupied space is located above an unenclosed open space.			☐	
	(1)	Testing specifications. Testing is performance as specified in (a) through (j).	8	0	☐	
	(a)	Testing is performed after the residence passes its airtightness test.			Test results (pCi/L):	
	(b)	Testing is performed after the radon control system installation is complete. If the system has an active fan, the residence shall be tested with the fan operating.				
	(c)	Testing is performed at the lowest level within a dwelling unit which will be occupied, even if the space is not finished.				
	(d)	Testing is not performed in a closet, hallway, stairway, laundry room, furnace room, kitchen or bathroom.				
	(e)	Testing is performed with a commercially available test kit or with a continuous radon monitor that can be calibrated. Testing shall be in accordance with the testing device manufacturer's instructions.				
	(f)	Testing shall be performed by the builder, a registered design professional, or an approved third party.				
	(g)	Testing shall extend at least 48 hours or to the minimum specified by the manufacturer, which ever is longer.				
	(h)	Written radon test results shall be provided by the test lab or testing party. Written test results shall be included with construction documents.				
	(i)	An additional pre-paid test kit shall be provided for the homeowner to use when they choose. The test kit shall include mailing or emailing the results from the testing lab to the homeowner.				
	(j)	Where the radon test result is 4 pCi/L or greater, the fan for the radon vent pipe shall be installed.				
	(2)	Testing results. A radon test done in accordance with 902.3.1 and completed before occupancy receives a results of 2 pCi/L or less.	6	0		
902.4		**902.4 HVAC system protection.** One of the following HVAC system protection measures is performed.	3	3		
	(1)	HVAC supply registers (boots), return grilles, and rough-ins are covered during construction activities to prevent dust and other pollutants from entering the system.			☑	
	(2)	Prior to owner occupancy, HVAC supply registers (boots), return grilles, and duct terminations are inspected and vacuumed. In addition, the coils are inspected and cleaned and the filter is replaced if necessary.			☐	
	(3)	If HVAC systems are to be operated, during construction, all return grilles have a temporary MERV 8 or higher filter installed in a manner ensuring no leakage around the filter.			☐	
902.5		**902.5 Central vacuum systems.** Central vacuum system is installed and vented to the outside.	3	0	☐	
902.6		**902.6 Living space contaminants.** The living space is sealed in accordance with Section 701.4.3.1 to prevent unwanted contaminants.	Mandatory		☑	
903 MOISTURE MANAGEMENT: VAPOR, RAINWATER, PLUMBING, HVAC						
903.0		**903.0 Intent.** Moisture and moisture effects are controlled.				
903.1		**903.1 Plumbing.** Plumbing is in accordance with one of the following.		0		
	(1)	Cold water pipes in unconditioned spaces are insulated to a minimum of R-4 with pipe insulation or other covering that adequately prevents condensation.	2			
	(2)	Plumbing is not installed in unconditioned spaces.	5			
903.2		**903.2 Duct insulation.** Ducts are in accordance with one of the following.		3	(2)	
	(1)	All HVAC ducts, plenums, and trunks are located in conditioned space.	1			
	(2)	All HVAC ducts, plenums, and trunks are in conditioned space. All HVAC ducts are insulated to a minimum of R4.	3			
903.3		**903.3 Relative humidity.** In climate zones 1A, 2A, 3A, 4A, and 5A, equipment is installed to maintain relative humidity (RH) at or below 60 percent using one of the following:	7	7		Individual dehumidifiers
	(1)	additional dehumidification system(s)			☑	
	(2)	central HVAC system equipped with additional controls to operate in dehumidification mode			☐	

904 INDOOR AIR QUALITY

904.0		**904.0 Intent.** IAQ is protected by best practices to control ventilation, moisture, pollutant sources and sanitation.				
904.1		**904.1 Indoor Air Quality (IAQ) During Construction.** Wood is dry before close-in (602.1.7.1(3)), materials comply with emission criteria (901.4- 901.11), sources of water infiltration or condensation observed during construction have been eliminated, accessible interior surfaces are dry and free of visible suspect growth (per ASTM D7338-10 section 6.3), and water damage (per ASTM D7338-10 section 7.4.3).	**2**	0	☐	
904.2		**904.2 Indoor Air Quality (IAQ) Post Completion.** Verify there are no moisture, mold, and dust issues per 602.1.7.1(3), 901.4-901.11, ASTM D7338 Section 6.3, and ASTM D7338 Section 7.4.3.	**3**	0	☐	
904.3		**904.3 Microbial growth & moisture inspection and remediation.** A visual inspection is performed to confirm the following:				
	(1)	Verify that no visible signs of discoloration and microbial growth on ceilings, walls or floors, or other building assemblies Or If minor microbial growth is observed (less than within a total area of 25 square feet) in homes or multifamily buildings, reference EPA Document 402-K-02-003 (A Brief Guide to Mold, Moisture, and Your Home) for guidance on how to properly remediate the issue. If microbial growth is observed, on a larger scale in homes or multifamily buildings (greater than 25 sq ft), reference EPA document 402-k-01-001 (Mold Remediation in Schools and Commercial Buildings) for guidance on how to properly remediate the issue.	**Mandatory**		☑	
	(2)	Verify that there are no visible signs of water damage or pooling. If signs of water damage or pooling are observed, verify that the source of the leak has been repaired, and that damaged materials are either properly dried or replaced as needed.	**Mandatory**		☑	

905 INNOVATIVE PRACTICES

905.1		**905.1 Humidity monitoring system.** A humidity monitoring system is installed with a mobile base unit that displays readings of temperature and relative humidity. The system has a minimum of two remote sensor units. One remote sensor unit is placed permanently inside the conditioned space in a central location, excluding attachment to exterior walls, and another remote sensor unit is placed permanently outside of the conditioned space.	**2**	0	☐	
905.2		**905.2 Kitchen exhaust.** A kitchen exhaust unit(s) that equals or exceeds 400 cfm (189 L/s) is installed, and makeup air is provided.	**2**	0	☐	
905.3		**905.3 Enhanced air filtration.** Meet all of the following.	**2**	0		
	(1)	Design for and install a secondary filter rack space for activated carbon filters.			☐	
	(2)	Provide the manufacturer's recommended filter maintenance schedule to the homeowner or building manager.			☐	
905.4		**905.4 Sound barrier.** Provide room-to-room privacy between bedrooms and adjacent living spaces within dwelling units or homes by achieving an articulation index (AI) between 0 and 0.15 per the criteria below. *Articulation Index 0 to 0.05 = STC greater than 55 (NIC greater than 47)* *Articulation Index 0.05 to 0.15 = STC 52 to 55 (NIC 44 to 47)*	**1 SF / 4 MF**	0	☐	
905.5		**905.5 Evaporative coil mold prevention.** For buildings with a mechanical system for cooling, ultraviolet lamps are installed on the cooling coils and drain pans of the mechanical system supplies. Lamps produce ultraviolet radiation at a wavelength of 254 nm so as not to generate ozone. Lamps have ballasts housed in a NEMA-rated enclosure.	**2**	0	☐	

END OF CHAPTER 9

CLICK TO PROCEED TO CHAPTER 10 >>

	Current Chapter level: Emerald	**Total Points: 16**				
	Points away from: Bronze: 0, Silver: 0, Gold: 0, Emerald: 0					
	Add'l pts earned above: Bronze: 8, Silver: 6, Gold: 5, Emerald: 4					
	Total Chapter Points needed for: Bronze: 8, Silver: 10, Gold: 11, Emerald: 12					
	Revision Date: 12/11/2025					© Home Innovation Research Labs, Inc., 2020. All rights reserved.
Coding	Practice #	Chapter 10: Operation, Maintenance, and Building Owner Education	Points Available	Points Claimed	Status	Notes
	1001 HOMEOWNER'S MANUAL AND TRAINING GUIDELINES FOR ONE- AND TWO-FAMILY DWELLINGS					
	1001.0	**1001.0 Intent.** Information on the building's use, maintenance, and green components is provided.				
	1001.1	**1001.1** A homeowner's manual is provided and stored in a permanent location in the dwelling that includes the following, as available and applicable. **(Points awarded per two items. Points awarded for non-mandatory items.)**	**1** **8 Max**	0		
	(1)	A National Green Building Standard certificate with weblink and completion document.	**N/A**		☐	
	(2)	List of green building features (can include the national green building checklist).	**N/A**		☐	
	(3)	Product manufacturer's manuals or product data sheet for installed major equipment, fixtures, and appliances. If product data sheet is in the building owners' manual, manufacturer's manual may be attached to the appliance in lieu of inclusion in the building owners' manual.	**N/A**		☐	
	(4)	Maintenance checklist.			☐	
	(5)	Information on local recycling and composting programs.			☐	
	(6)	Information on available local utility programs that purchase a portion of energy from renewable energy providers.			☐	
	(7)	Explanation of the benefits of using energy-efficient lighting systems [e.g., compact fluorescent light bulbs, light emitting diode (LED)] in high-usage areas.			☐	
	(8)	A list of practices to conserve water and energy.			☐	
	(9)	Information on the importance and operation of the home's fresh air ventilation system.			☐	
	(10)	Local public transportation options.			☐	
	(11)	A diagram showing the location of safety valves and controls for major building systems.			☐	
	(12)	Where frost-protected shallow foundations are used, owner is informed of precautions including: **(a)** instructions to not remove or damage insulation when modifying landscaping. **(b)** providing heat to the building as required by the ICC IRC or IBC. **(c)** keeping base materials beneath and around the building free from moisture caused by broken water pipes or other water sources.			☐	
	(13)	A list of local service providers that offer regularly scheduled service and maintenance contracts to ensure proper performance of equipment and the structure (e.g., HVAC, water-heating equipment, sealants, caulks, gutter and downspout system, shower and/or tub surrounds, irrigation system).			☐	
	(14)	A photo record of framing with utilities installed. Photos are taken prior to installing insulation, clearly labeled, and included as part of the building owners' manual.			☐	
	(15)	List of common hazardous materials often used around the building and instructions for proper handling and disposal of these materials.			☐	
	(16)	Information on organic pest control, fertilizers, deicers, and cleaning products.			☐	
	(17)	Information on native landscape materials and/or those that have low water requirements.			☐	
	(18)	Information on methods of maintaining the building's relative humidity in the range of 30 percent to 60 percent.			☐	
	(19)	Instructions for inspecting the building for termite infestation.			☐	
	(20)	Instructions for maintaining gutters and downspouts and importance of diverting water a minimum of 5 feet away from foundation.			☐	
	(21)	A narrative detailing the importance of maintenance and operation in retaining the attributes of a green-built building.			☐	
	(22)	Where stormwater management measures are installed on the lot, information on the location, purpose, and upkeep of these measures.			☐	
	(23)	Explanation of and benefits from green cleaning in the home.			☐	
	(24)	Retrofit energy calculator that provides baseline for future energy retrofits.			☐	
	1001.2	**1001. 2 Training of initial homeowners.** Initial homeowners are familiarized with the role of occupants in achieving green goals. Training is provided to the responsible party(ies) regarding equipment operation and maintenance, control systems, and occupant actions that will improve the environmental performance of the building. These include: **(1)** HVAC filters. **(2)** Thermostat operation and programming. **(3)** Lighting controls. **(4)** Appliances operation. **(5)** Water heater settings and hot water use. **(6)** Fan controls. **(7)** Recycling and composting practices. **(8)** Whole-dwelling mechanical ventilation systems.	**N/A** 8	0		
	1002 CONSTRUCTION, OPERATION, AND MAINTENANCE MANUALS AND TRAINING FOR MULTI-UNIT BUILDINGS					
	1002.0	**1002.0 Intent.** Manuals are provided to the responsible parties (owner, management, tenant, and/or maintenance team) regarding the construction, operation, and maintenance of the building. Paper or digital format manuals are to include information regarding those aspects of the building's construction, maintenance, and operation that are within the area of responsibilities of the respective recipient. One or more responsible parties are to receive a copy of all documentation for archival purposes.				
	1002.1	**1002.1 Building construction manual.** A building construction manual, including five or more of the following, is compiled and distributed in accordance with Section 1002.0. **(Points awarded per two items. Points awarded for non-mandatory items.)**	**1**	1	Build-to-Rent? ☐	
	(1)	A narrative detailing the importance of constructing a green building, including a list of green building attributes included in the building. This narrative is included in all responsible parties' manuals.	**Mandatory**		☑	
	(2)	A local green building program certificate as well as a copy of the *National Green Building Standard™*, as adopted by the Adopting Entity, and the individual measures achieved by the building.	**Mandatory**		☑	
	(3)	Warranty, operation, and maintenance instructions for all equipment, fixtures, appliances, and finishes.	**Mandatory**		☑	
	(4)	Record drawings of the building.			☑	
	(5)	A record drawing of the site including stormwater management plans, utility lines, landscaping with common name and genus/species of plantings.			☑	
	(6)	A diagram showing the location of safety valves and controls for major building systems.			☐	
	(7)	A list of the type and wattage of light bulbs installed in light fixtures.			☐	
	(8)	A photo record of framing with utilities installed. Photos are taken prior to installing insulation and clearly labeled.			☐	

1002.2		**1002.2 Operations manual.** Operations manuals are created and distributed to the responsible parties in accordance with Section 1002.0. Between all of the operation manuals, five or more of the following options are included.	1	1	Build-to-Rent? ☐	
		(Points awarded per two items. Points awarded for non-mandatory items.)				
	(1)	A narrative detailing the importance of operating and living in a green building. This narrative is included in all responsible parties' manuals.	Mandatory		☑	
	(2)	A list of practices to conserve water and energy (e.g., turning off lights when not in use, switching the rotation of ceiling fans in changing seasons, purchasing ENERGY STAR appliances and electronics).	Mandatory		☑	
	(3)	Information on methods of maintaining the building's relative humidity in the range of 30 percent to 60 percent.			☑	
	(4)	Information on opportunities to purchase renewable energy from local utilities or national green power providers and information on utility and tax incentives for the installation of on-site renewable energy systems.			☐	
	(5)	Information on local and on-site recycling and hazardous waste disposal programs and, if applicable, building recycling and hazardous waste handling and disposal procedures.			☐	
	(6)	Local public transportation options.			☐	
	(7)	Explanation of the benefits of using compact fluorescent light bulbs, LEDs, or other high-efficiency lighting.			☑	
	(8)	Information on native landscape materials and/or those that have low water requirements.			☑	
	(9)	Information on the radon mitigation system, where applicable.			☐	
	(10)	A procedure for educating tenants in rental properties on the proper use, benefits, and maintenance of green building systems including a maintenance staff notification process for improperly functioning equipment.			☐	
	(11)	Information on the importance and operation of the building's fresh air ventilation system.			☐	
1002.3		**1002.3 Maintenance manual.** Maintenance manuals are created and distributed to the responsible parties in accordance with Section 1002.0. Between all of the maintenance manuals, five or more of the following options are included.	1	2	Build-to-Rent? ☐	
		(Points awarded per two items. Points awarded for non-mandatory items.)				
	(1)	A narrative detailing the importance of maintaining a green building. This narrative is included in all responsible parties' manuals.	Mandatory		☑	
	(2)	A list of local service providers that offer regularly scheduled service and maintenance contracts to ensure proper performance of equipment and the structure (e.g., HVAC, water-heating equipment, sealants, caulks, gutter and downspout system, shower and/or tub surrounds, irrigation system).			☑	
	(3)	User-friendly maintenance checklist that includes: **(a)** HVAC filters **(b)** thermostat operation and programming **(c)** lighting controls **(d)** appliances and settings **(e)** water heater settings **(f)** fan controls			☑	
	(4)	List of common hazardous materials often used around the building and instructions for proper handling and disposal of these materials.			☑	
	(5)	Information on organic pest control, fertilizers, deicers, and cleaning products.			☐	
	(6)	Instructions for maintaining gutters and downspouts and the importance of diverting water a minimum of 5 feet away from foundation.			☐	
	(7)	Instructions for inspecting the building for termite infestation.			☐	
	(8)	A procedure for rental tenant occupancy turnover that preserves the green features.			☑	
	(9)	An outline of a formal green building training program for maintenance staff.			☐	
	(10)	A green cleaning plan which includes guidance on sustainable cleaning products.			☐	
	(11)	A maintenance plan for active recreation and play spaces (e.g., playgrounds, ground markings, exercise equipment.			☐	
1002.4		**1002.4 Training of building owners.** Building owners are familiarized with the role of occupants in achieving green goals. On-site training is provided to the responsible party(ies) regarding equipment operation and maintenance, control systems, and occupant actions that will improve the environmental performance of the building. These include: **(1)** HVAC filters **(2)** thermostat operation and programming **(3)** lighting controls **(4)** appliances operation **(5)** water heater settings and hot water use **(6)** fan controls **(7)** recycling and composting practices **(8)** Whole-dwelling mechanical ventilation systems	Mandatory 8	8	☑ Build-to-Rent? ☐	
1002.5		**1002.5 Multifamily occupant manual.** An occupant manual is compiled and distributed in accordance with Section 1002.0. *[Points awarded for non-mandatory items.]*	1 per 2 items	0	Build-to-Rent? ☐	
	(1)	NGBS certificate	Mandatory		☑	
	(2)	List of green building features	Mandatory		☑	
	(3)	Operations manuals for all appliances and occupant operated equipment including lighting and ventilation controls, thermostats, etc.	Mandatory		☑	
	(4)	Information on recycling and composting programs			☐	
	(5)	Information on purchasing renewable energy from utility			☐	
	(6)	Information on energy efficient replacement lamps			☐	
	(7)	List of practices to save water and energy			☐	
	(8)	Local public transportation options			☐	
	(9)	Explanation of benefits of green cleaning			☐	
1002.6		**1002.6 Training of multifamily occupants.** Prepare a training outline, video or website that familiarizes occupants with their role in maintaining the green goals of the project. Include all equipment that the occupant(s) is expected to operate including but not limited.	1 per 2 items	0	Build-to-Rent? ☐	
	(1)	Lighting controls			☐	
	(2)	Ventilation controls			☐	
	(3)	Thermostat operation and programming			☐	
	(4)	Appliances operation			☐	
	(5)	Recycling and composting			☐	
	(6)	HVAC filters			☐	
	(7)	Water heater setting and hot water use			☐	
1003 PUBLIC EDUCATION						
1003.0		**1003.0 Intent.** Increase public awareness of the National Green Building Standard and projects constructed in accordance with National Green Building Standard to help increase demand for high-performance homes.				
1003.1		**1003.1 Public Education.** One or more of the following is implemented:	2 Max	0		
	(1)	**Signage.** Signs showing the project is designed and built in accordance with the National Green Building Standard are posted on the construction site.	1		☐	
	(2)	**Certification Plaques.** National Green Building Standard certification plaques with rating level attained are placed in a conspicuous location near the utility area of the home or, in a conspicuous location near the main entrance of a multifamily building.	1		☐	
	(3)	**Education.** A URL for the National Green Building Standard is included on site signage, builder website (or property website for multifamily buildings), and marketing materials for homes certified under the National Green Building Standard.	1		☐	

1004 POST OCCUPANCY PERFORMANCE ASSESSMENT

1004.0		**1004.0 Intent.** A verification system for post occupancy assessment of the building is intended to be a management tool for the building owner to determine if energy or water usage have deviated from expected levels so that inspection and correction action can be taken.				
1004.1		**1004.1** A verification system plan is provided in the building owner's manual (Sections 1001 or 1002). The verification system provides methods for demonstrating continued energy and water savings that are determined from the building's initial year of occupancy of water and energy consumption as compared to annualized consumption at least every four years.				
	(1)	Verification plan is developed to monitor post-occupancy energy and water use and is provided in the building owner's manual.	**1**	0	☐	
	(2)	Verification system is installed in the building to monitor post-occupancy energy and water use.	**3**	0	☐	

1005 INNOVATIVE PRACTICES

1005.1		**1005.1 Appraisals.** One or more of the following is implemented:				
	(1)	Energy rating or projected usage data is posted in an appropriate location in the home, or public posting so that an appraiser can access the energy data for an energy efficiency property valuation.	**2**	2	☑	ENERGY STAR requirement
	(2)	An Appraisal Institute Form 820.05 "Residential Green and Energy Addendum" or Form 821 "Commercial Green and energy Efficient Addendum" that consider NGBS, LEED, ENERGY STAR certifications and equivalent programs, is completed for the appraiser by a qualified professional or builder to use in performing the valuation of the property.	**2**	0	☐	
	(3)	NGBS certification information or one of the Appraisal Institute Forms cited in (2) above is uploaded to a multiple listing service (MLS) or equivalent database so that appraisers can access it to compare property valuations.	**2**	2	Home Innovation makes key certification details available, but MLS organizations need to take affirmative action to ensure data is received and made publicly available. Contact us for more details.	

END OF CHAPTER 10

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ICC 700-2020 National Green Building Standard®

Summary of Results of the Design Phase

Scoring Tool Version: 5.3.01 **Revision Date:** 12/11/2025

Project Name: Diamond District Phase 1 (9%)

Location: 2728 Hermitage Road, Richmond, Virginia 23220

✓	No Mandatory items missing on the "Overview (Design)" page

	Points Required				Points Claimed	Mandatory Practices	No Errors
	Bronze	Silver	Gold	Emerald			
Chapter 5: Lot Design, Preparation, and Development	50	64	93	121	**83**	✓	✓
Chapter 6: Resource Efficiency	43	59	89	119	**76**	✓	✓
Chapter 7: Energy Efficiency	30	45	60	70	**67**	✓	✓
Chapter 8: Water Efficiency	25	39	67	92	**68**	✓	✓
Chapter 9: Indoor Environmental Quality	25	42	69	97	**87**	✓	✓
Chapter 10: Operation, Maintenance, and Building Owner Education	8	10	11	12	**16**	✓	✓
Additional Points required	50	75	100	100			
Additional points required due to SF over 4000 (601.1)	0	0	0	0			
Total points required	231	334	489	611	**397**		

Additional Points Claimed	**216**	**138**	**8**	**(114)**

Overall Level Achieved for Design	**Silver**

innova
BUILDING ADVISORS
1548 SOUTH 16TH ST | PHILADELPHIA | PA 19146

March 11, 2026

Rohan Singh
Associate Developer
Pennrose, LLC

VIA EMAIL

Re: ENERGY STAR Partnership:
Innova Building Advisors, LLC

Mr. Singh:
This letter is provided to affirm that Innova Building Advisors, LLC is an ENERGY STAR Energy Rating Company Partner in good standing as evidenced by our EPA listing in the ENERGY STAR Partner Directory. The registry listing appears at this link: https://www.energystar.gov/partner_resources/partner_locator, as seen in the screenshot below:

Energy Rating Companies Serving Virginia

Energy Rating Company	Partner Since	Homes/Apartments Certified To-Date (All Locations)	Homes/Apartments Certified Last 12 Months
Innova Building Advisors, LLC (215) 336-0440	2014	5090	155

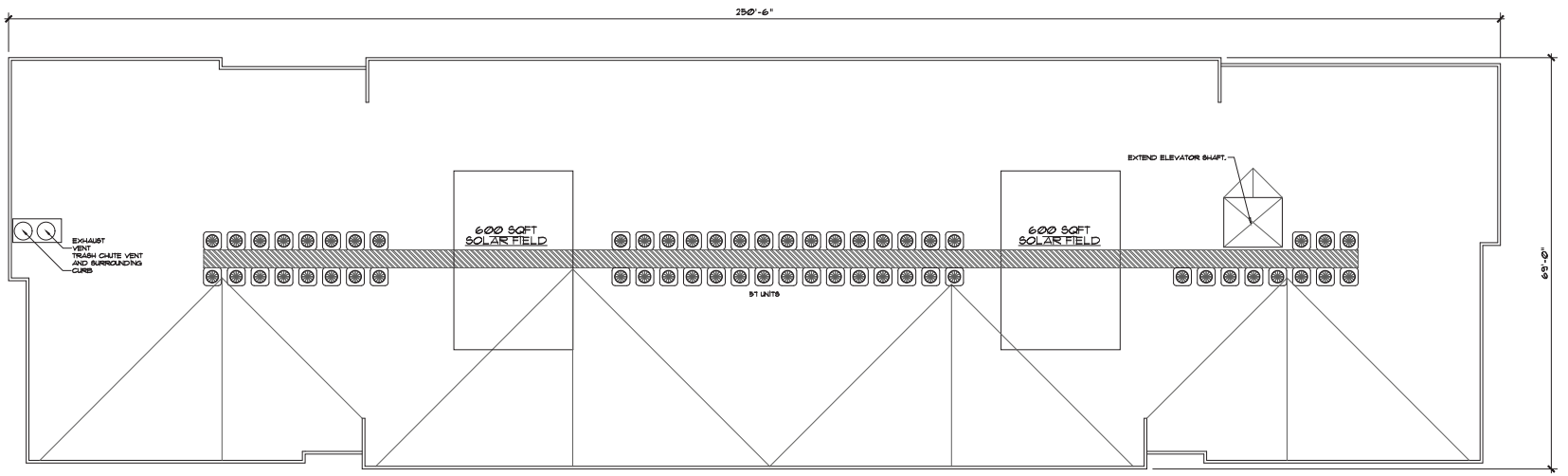
Innova Building Advisors, LLC is also a RESNET HERS Rater and DOE Efficient New Homes Partner in good standing.

Please do not hesitate to contact the undersigned with any questions or concerns.

Sincerely,



Adam Blackburn
Vice President and Principal
Innova Building Advisors, LLC
RESNET RTIN #9608274



1 Building A - Roof Plan
Scale: 1/8" = 1'-0"

Plan

Seal

4240 Park Place Court
Glen Allen, Virginia 23060
Telephone 804.225.0215
www.2pa.net

Project:	25004.00
CADD File:	MSBD
Drawn By:	RCS
Checked By:	DK

Permit Release:
-
Construction Release Set:
-

Revisions

No.	Date	Description

ASI / RFI Revisions

No.	Date	Description

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Diamond District Phase 1 (9%)
an Apartment Community by
Diamond District Pahse 1 Nine, LLC
2728 Hermitage Road, Richmond, VA 23220

Drawing Title:
Building Plans
Roof Plans

A2.5

Tab G:

Zoning Certification Letter (MANDATORY)

Zoning Certification

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

General Instructions:

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

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

taxcreditapps@virginiahousing.com

Zoning Certification

DATE: 02/01/2026

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

RE: ZONING CERTIFICATION

Name of Development: Diamond District Phase 1 (9%)

Name of Owner/Applicant: Diamond District Phase 1 Nine, LLC

Name of Seller/Current Owner: Diamond District Partners, 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:

2728 Hermitage Road
Richmond, VA 23220

Leal Description:

Beginning at a point on the southeasterly corner of Parcel E3, at the intersection of Road A and Road B:

THENCE (1) South 89°45'49" West, 218.58 feet to the beginning of a curve concave northerly, said curve has a radius of 318.25 feet;

THENCE (2) westerly along said curve through a central angle of 37°42'17" an arc distance of 209.43 feet to a point of compound curvature, said curve is concave northeasterly and has a radius of 6.25 feet;

THENCE (3) northwesterly along said curve through a central angle of 56°27'09" an arc distance of 6.16 feet to a point of reverse curvature, said curve is concave westerly and has a radius of 55.75 feet;

THENCE (4) northerly along said curve through a central angle of 33°06'36" an arc distance of 32.22 feet to a point of non-tangency;

THENCE (5) North 29°22'49" West, 62.78 feet to a point of non-tangency;

THENCE (6) North 60°37'11" East, 271.63 feet to a point of non-tangency;

THENCE (7) North 89°45'49" East, 215.46 feet to a point of non-tangency;

THENCE (8) South 0°17'55" East, 290.00 feet;

Containing 106,731.83 square feet, 2.45 acres of land.

Proposed Improvements:

Construction

New Construction:	# Units	50	# Buildings	1	Total Floor Area	67,320
Adaptive Reuse	# Units		# Buildings		Total Floor Area	
Rehabilitation:	# Units		# Buildings		Total Floor Area	

Zoning Certification, cont'd

Current Zoning: TOD-1 allowing a density of N/A units per acre, and the following other applicable conditions: The master plan mixed-use development must include a minimum of 891 new Residential Units including a minimum of 161 Affordable Housing Units - comprising all rental Residential Units.

Other Descriptive Information:

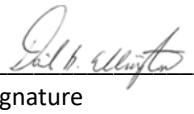
The subject parcel (E3) is part of a greater master plan mixed-use development. This parcel is a part of Phase IA of the master plan development which must provide a minimum of 161 Affordable Housing Units as required by the Diamond District Redevelopment Project Purchase and Sale and Development Agreement.

LOCAL CERTIFICATION:

Check one of the following a appropriate:

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

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



Signature

David Ellington

Printed Name

Vice President

Title of Local Official or Civil Engineer

(804) 673-3882

Phone

2-1-2026

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.

Tab H:

Attorney's Opinion (MANDATORY)

101 Arch Street
Suite 1101
Boston, MA 02110
T 617.224.0600
F 617.224.0601

1325 G Street NW
Suite 770
Washington, DC 20005
T 202.926.3400
F 202.926.3401

Klein Hornig LLP
COUNSELORS AT LAW

Doruk Onvural
202.926.3457
donvural@kleinhornig.com

Date March 12, 2026

To Virginia Housing
601 South Belvidere Street Richmond,
Virginia 23220

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

Name of Development Diamond District Phase 1 (9%)

Name of Owner Diamond District Phase 1 Nine, LLC

Dear Virginia Housing:

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

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

1. It is more likely than not that the inclusion in eligible basis of the Development of such cost items or portions thereof, as set forth in Hard Costs and Owners Costs section of the Application form, complies with all applicable requirements of the Code and Regulations.
2. The calculations (a) of the Maximum Allowable Credit available under the Code with respect to the Development and (b) of the Estimated Qualified Basis of each building in the Development comply with all applicable requirements of the Code and regulations, including the selection of credit type implicit in such calculations.
3. The appropriate type(s) of allocation(s) have been requested in the Reservation Request Information section in the Application form.
4. The information set forth in the Unit Details section of the Application form as to proposed rents exceeds the Code rent restrictions; however, the Development will satisfy all applicable requirements

of the Code and Regulations due to subsidies such that no tenant will pay rents in excess of what is dictated by the Code and Regulations.

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

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

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

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

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

Klein Hornig LLP

By: _____

Doruk Onvural, Partner

EXHIBIT A
TO
ATTORNEY'S OPINION LETTER

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

	NAME	TITLE
1	Timothy I. Henkel	Chief Executive Officer of Pennrose Holdings, LLC, the managing member of Pennrose Nix DD JV, LLC, the sole member of Diamond District Phase 1 Nine MM, LLC, the managing member of Diamond District Phase 1 Nine, LLC
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Attorney's Opinion Letter

General Instructions

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

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

101 Arch Street
Suite 1101
Boston, MA 02110
T 617.224.0600
F 617.224.0601

1325 G Street NW
Suite 770
Washington, DC 20005
T 202.926.3400
F 202.926.3401

(Add)n Hornig LLP
COUNSELORS AT LAW

Doruk Onvural
202.926.3457
donvural@kleinhornig.com

~~**Attorney's Opinion Letter**~~

Date March 12, 2026

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

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

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

To Virginia Housing
601 South Belvidere Street Richmond,
Virginia 23220

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

Name of Development Diamond District Phase 1 (9%)

Name of Owner Diamond District Phase 1 Nine, LLC

Dear Virginia Housing:

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

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

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

~~2. [Select One]~~

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

~~Attorney's Opinion Letter~~

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

~~4. [Select One]~~

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

~~OR~~

4. The information set forth in the Unit Details section of the Application form as to proposed rents exceeds the Code rent restrictions; however, the Development will satisfy all applicable requirements

(Add)
www.kleinhornig.com

of the Code and Regulations due to subsidies such that no tenant will pay rents in excess of what is dictated by the Code and Regulations.

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

~~Attorney's Opinion Letter~~

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

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

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

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

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

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

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

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

Klein Hornig LLP

By:
Doruk Onvural, Partner

Firm Name _____ By _____

Its _____

Title

EXHIBIT A
TO
ATTORNEY'S OPINION LETTER

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

	NAME	TITLE
1	Timothy I. Henkel	Chief Executive Officer of Pennrose Holdings, LLC, the managing member of Pennrose Nix DD JV, LLC, the sole member of Diamond District Phase 1 Nine MM, LLC, the managing member of Diamond District Phase 1 Nine, LLC
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Attorney's Opinion Letter – TAX EXEMPT VERSION

(This Form Must Be Included with Application)

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

Date _____

To Virginia Housing
601 South Belvidere Street Richmond, Virginia 23220

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

Dear Virginia Housing:
This undersigned firm represents the above-referenced Owner as its counsel. It has received a copy of and has reviewed the completed application package dated _____ (of which this opinion is a part) (the "Application") submitted to you for the purpose of requesting, in connection with the captioned Development, a reservation of low-income housing tax credits ("Credits") available under Section 42 of the Internal Revenue Code of 1986, as amended (the "Code"). It has also reviewed Section 42 of the Code, the regulations issued pursuant thereto and such other binding authority as it believes to be applicable to the issuance hereof (the regulations and binding authority hereinafter collectively referred to as the "Regulations").
Based upon the foregoing reviews and upon due investigation of such matters as it deems necessary in order to render this opinion, but without expressing any opinion as to either the reasonableness of the estimated or projected figures or the veracity or accuracy of the factual representations set forth in the Application, the undersigned is of the opinion that:

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

2. [Select One]

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

OR

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

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

3. [Select One]

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

OR

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

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

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

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

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

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

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

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

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

This opinion was not prepared in accordance with the requirements of Treasury

Department Circular No. 230. Accordingly, it may not be relied upon for the purpose of avoiding U.S. Federal tax penalties or to support the promotion or marketing of the transaction or matters addressed herein.

Firm Name _____ By _____

Its _____

Title

EXHIBIT A
TO
ATTORNEY'S OPINION LETTER

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

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Summary report: Litera Compare for Word 11.9.1.1 Document comparison done on 3/11/2026 11:56:12 AM	
Style name: Default Style	
Intelligent Table Comparison: Active	
Original DMS: iw://kleinhornig.cloudimanage.com/KHDOCS/1299162/1	
Modified filename: RDD1 VHDA 2026 9% Application for Carryover Allocation (LIHTC) Attorney Opinion(1299162.pdf	
Changes:	
Add	23
~~Delete~~	105
~~Move From~~	0
Move To	0
Table Insert	1
~~Table Delete~~	21
Table moves to	0
~~Table moves from~~	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	1
Embedded Excel	0
Format changes	0
Total Changes:	151

Tab I:

Nonprofit Questionnaire (MANDATORY for points or pool)

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

-Nonprofit Articles of Incorporation

-IRS Documentation of Nonprofit Status

-Joint Venture Agreement (if applicable)

-For-profit Consulting Agreement (if applicable)

Tab J:

Relocation Plan and Unit Delivery Schedule

(MANDATORY-Rehab)

Tab K:

Documentation of Development Location:

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

From: Diamond District Phase 1 Nine, LLC (Owner/Applicant)
1501 St. Paul Street, Suite 118
Baltimore, MD 21202

RE: LEVEL OF ECONOMIC DEVELOPMENT FOR DIAMOND DISTRICT PHASE 1 (9%)

Name of Development: DIAMOND DISTRICT PHASE 1 (9%)
Name of Owner/Applicant: Diamond District Phase 1 Nine, LLC
Name of Seller/Current Owner: Diamond District Partners, LLC

Richmond City has Medium Job Creation

The 2026 Economic Development Activity table provided by Virginia Housing incorrectly indicates that Richmond, VA has low job creation level, when instead it should be at least classified as "**Medium Job Creation Levels**" based on the ranges shown at the top of the PDF.

Medium Job Creation Levels are listed as **0.001 > job creation per capita > 0.000**

In the table that follows (excerpted from the 2026 Economic Development Activity table), Richmond City has a Population of 226,967 persons and 166 New Jobs Created:

Richmond City	4	15	City	226,967	166

Applying the formula on page 1:

$$\frac{\text{166 New Jobs Created}}{\text{226,967 Total PDC Population}} = \text{0.00073 job creation per person}$$

Therefore, since 0.00073 job creation per capita is > 0.000 job creation per person, according to Virginia Housing's criteria, this objectively qualifies the City of Richmond at a minimum as having "Medium job creation levels" (not "Low job creation levels") which in turn qualifies this application for the additional 5 points under Tab K.

Furthermore, based on data published by the Greater Richmond Partnership (table attached), there were actually an additional 45 jobs in Richmond City for 2024-2025 (Kore Wireless – 30; and Gilbane Building Company – 15) **that appear to have been inadvertently excluded from** the 2026 Economic Development Activity. These 45 jobs were in addition to the 166 jobs added by Nightingale Ice Cream Sandwiches which were counted in both sources. **Including these 45 jobs brings the correct official total to 211 jobs.**

Additional Job Creation Support

There is also significant economic development activity being generated by the Diamond District revitalization itself, particularly the construction of CarMax Park stadium. Although this job data is not reflected in the 2026 Economic Development Activity table, it is being reported by Gilbane, the contractor building the stadium, and their workforce development consultant:

Gilbane

GILBANE BUILDING COMPANY VA - BASEBALL STADIUM VA
Project Employee List Report

Date Range: 12/01/25 - 12/31/25

Number of Employees

Craft / Class	Employment Status	# of Residents (current month)	# of Residents (Total)	Total Employees	% Achieved	Goal
Laborer	New Hire	0	95	131	73%	100%
Laborer	Existing Employee	2	110	262	42%	60%
Skilled	New Hire	3	76	185	41%	50%
Skilled	Existing Employee	11	187	523	36%	15%
TOTAL		**16**	**468**	**1,101**	**43%**	

Hours Worked

Union Status	Hours Worked	% Achieved	Goal
Union	79,919	19%	40%
Non-union	335,996		
TOTAL	**415,914**		

This table shows 95 new Laborer hires, and 76 new Skilled hires, for a total of 171 new hires directly attributable to the CarMax Park stadium construction. Combined with the base 211 jobs noted above, these additional 171 new hires total to 382 new jobs evidence that Richmond City should qualify for the 'high job creation levels', with a job Creation per capita well above the 0.001 threshold.

Applying the formula on page 1 yields an adjusted ratio of:

$$\frac{382 \text{ New Jobs Created}}{226{,}967 \text{ Total PDC Population}} = 0.001683 \text{ job creation per person}$$

Therefore, since 0.001683 job creation per capita is > 0.001 job creation per person, according to Virginia Housing's criteria, this would equate to the City of Richmond having "High job creation levels", which would qualify this application for <u>10 points</u> under Tab K if counted as such by Virginia Housing.

Based on the above, the Diamond District Phase 1 9% project should achieve 10 points under Tab K based on having "High job creation levels"; but should in any event qualify for no fewer than 5 points based on having at least "Medium job creation levels".

Thank you for your consideration,

DIAMOND DISTRICT PHASE 1 NINE, LLC,
a Virginia limited liability company

By: Diamond District Phase 1 Nine Managing Member, LLC,
a Virginia limited liability company,
its managing member

By: Pennrose Nix DD JV, LLC,
a Virginia limited liability company,
its sole member

By: Pennrose Holdings, LLC,
its managing member

By: _____
Name: Timothy I. Henkel
Title: Chief Executive Officer

New and Expanding Businesses in Greater Richmond, Virginia USA, January 2019 - January 2026

Includes manufacturers and non-manufacturers with a substantial customer base outside of Virginia

Source: Virginia Economic Development Partnership, Announcements Database, January 2026. Additional analysis by the Greater Richmond Partnership.

Index	Company Name	HQ State / Country	HQ Location	Location	NAICS	Business Description	Date Announced	New or Expansion	New Jobs	Capital Investment (Millions)
1	Solstice Advanced Materials Inc.	NC	Domestic	Chesterfield	325220	Produces fibers used in ballistic body and vehicle armor	January 2026	Expansion	100	$227
2	KMEW USA	Japan	International	Hanover	325510	Ceramic panel coating manufacturer	December 2025	New	10	$2
3	Eaton Corporation	Ireland	International	Henrico	335313	Manufactures, assembles, and tests critical power systems	December 2025	Expansion	200	$53
4	Clean Arc Data Centers	TX	Domestic	Caroline	518210	Data Center	November 2025	New	50	$3,000
5	Kore Wireless	GA	Domestic	Richmond City	541512	IoT services and solutions	October 2025	New	30	$5
6	Dover Food Retail	GA	Domestic	Chesterfield	333415	Manufactures commercial glass refrigerators, freezers, and frames	September 2025	Expansion	321	$25
7	Eli Lilly	IN	Domestic	Goochland	325414	Large molecule active pharmaceutical ingredient manufacturer	September 2025	New	468	$2,149
8	ABB, Inc.	Switzerland	International	Henrico	335999	Manufactures power distribution units and static transfer switches	September 2025	Expansion	108	$29
9	Red River Foods, Inc	VA	Domestic	Henrico	311911	Supplier of nuts, seeds, dried fruits, snacks, and grains	September 2025	Expansion	23	$15
10	MPP Insights	Armenia	International	Henrico	541519	Data analytics and business intelligence services	September 2025	New	2	$0
11	Gilbane Building Company	RI	Domestic	Richmond City	236220	Construction and real estate development	August 2025	Expansion	15	$2.25
12	Google	CA	Domestic	Chesterfield + Various Virginia Locations	518210	Data Center	August 2025	New	n/a	$9,000
13	Chewning and Wilmer	VA	Domestic	Chesterfield	238210	Electrical contractors	June 2025	Expansion	25	$1
14	A & A Rigging	TX	Domestic	Chesterfield	238290	Provides industrial rigging services	June 2025	Expansion	50	$17
15	Amazon	WA	Domestic	Chesterfield	493110	Distribution center	June 2025	Expansion	500	$51
16	Nightingale Ice Cream Sandwiches	VA	Domestic	Richmond City	311520	HQ; Ice cream manufacturer	May 2025	Expansion	166	$0
17	Amazon	WA	Domestic	Goochland	493110	Robotics fulfillment center	May 2025	Expansion	1,000	$500
18	LEGO Systems, Inc.	Denmark	International	Prince George	493110	Distribution and warehouse for LEGO	May 2025	New	305	$366
19	Ceraclad	Japan	International	Hanover	327110	Manufactures paint and coatings	April 2025	New	6	$10
20	Strickland Manufacturing	VA	Domestic	Goochland	333120	Manufacturer of attachments for excavation and construction equipment	March 2025	Expansion	20	$3
21	Iron Mountain	Massachusetts	Domestic	Henrico	518210	Data center	February 2025	New	n/a	n/a
22	Haleon	United Kingdom	International	Richmond City	541715	Pharmaceutical research and development	January 2025	Expansion	0	$54
23	Commonwealth Fusion Systems	MA	Domestic	Chesterfield	541715	Commercial fusion power plant	December 2024	New	150	$2,500
24	Super Radiator Coils	MN	Domestic	Chesterfield	332410	Manufactures heat exchangers and specialty coils for industries such as power generation, food processing, data center cooling and the military	November 2024	Expansion	160	$22
25	ANSA McAL	Trinidad and Tobago	International	Petersburg	325180	Producer of sodium hypochlorite (bleach), sodium hydroxide (caustic soda), and hydrochloric acid	November 2024	New	20	$327
26	DPR Construction	CA	Domestic	Henrico	236220	Provides construction services to the commercial and industrial industries	October 2024	Expansion	15	$3
27	Marble Systems	VA	Domestic	Caroline	493110	Distribution and warehouse for stone products	October 2024	Expansion	59	$10
28	KSB Inc.	Germany	International	Henrico	333996	Manufacturer of pumps and industrial valves	September 2024	Expansion	32	$25
29	Hoffman & Hoffman	NC	Domestic	Richmond City	551114	Relocation of regional headquarters	August 2024	Expansion	0	$4
30	Condair	Switzerland	International	Chesterfield	333415	Manufactures HVAC systems that focus on humification for large scale cooling and heating	June 2024	New	180	$57
31	UPS	GA	Domestic	Chesterfield	492110	Shipping facility	June 2024	Expansion	185	$21
32	Atlantic Constructors Inc.	VA	Domestic	Chesterfield	332312	Fabricators of ductwork, piping, plumbing, and steelwork for the construction industry	June 2024	Expansion	50	$20
33	Coldwater Veneer, Inc.	MI	Domestic	King William	321211	Wood veneer manufacturer for the furniture, construction, and commercial industries	May 2024	New	92	$3

Chuck Peterson, VP of Business Information
research@grpva.com | 804-643-3227
www.grpva.com

New and Expanding Businesses in Greater Richmond, Virginia USA, January 2019 - January 2026

Includes manufacturers and non-manufacturers with a substantial customer base outside of Virginia

Source: Virginia Economic Development Partnership, Announcements Database, January 2026. Additional analysis by the Greater Richmond Partnership.

Index	Company Name	HQ State / Country	HQ Location	Location	NAICS	Business Description	Date Announced	New or Expansion	New Jobs	Capital Investment (Millions)
34	Topsoe	Denmark	International	Chesterfield	333248	Manufacturer of advanced, energy-efficient Solid Oxide Electrolyzer Cells (SOEC) for the hydrogen production industry	May 2024	New	150	$400
35	Coca-Cola Consolidated	NC	Domestic	Henrico	312111	Manufactures and distributes bottles and can of Coca Cola products	March 2024	Expansion	40	$50
36	Tucker Door and Trim	GA	Domestic	Henrico	321911	Manufacturer of fiberboard and fiberglass doors and windows	March 2024	New	50	$10
37	Atlantic Strategic Minerals (ASM)	VA	Domestic	Sussex	212290	Mining and mining processor	March 2024	New	71	$52
38	BluePrint Automation	Netherlands	International	Chesterfield	333993	Designs, develops, and manufactures case packers and tray packaging machines	March 2024	Expansion	25	$8
39	Article Furniture	Canada	International	Chesterfield	493110	Warehouse for online furniture retailer	February 2024	New	30	$48
40	CEEUS	SC	Domestic	Hanover	423610	Electrical distributor that serves cooperatives, municipals, and investor-owned utilities	December 2023	New	30	$38
41	Virginia Artesian Bottling Company	VA	Domestic	Hanover	312112	Producer of bottled water	October 2023	Expansion	13	$3
42	Republic National Distributing Company	TX	Domestic	Hanover	424820	Distributor and wholesaler of wine and spirits	September 2023	Expansion	150	$3
43	Berkley Mid-Atlantic Group	CT	Domestic	Henrico	524126	Provides competitive insurance solutions to small and middle size markets	August 2023	Expansion	72	$6
44	RopeBlock	Netherlands	International	Henrico	493110	Warehouse; Distributor of lifting and rigging hardware	August 2023	New	3	$0
45	Sapporo	Japan	International	Richmond City	312120	Brewery and distribution facility	June 2023	New	68	$16
46	VPM	VA	Domestic	Richmond City	516210	HQ; Broadcasting studio for PBS and NPR-affiliate	June 2023	Expansion	0	$55
47	Richmond National Group	VA	Domestic	Henrico	524126	HQ expansion; Specialty excess and surplus lines insurance company serving select wholesale brokers	May 2023	Expansion	103	$0
48	Church & Dwight Company Inc	NJ	Domestic	Chesterfield	325611	Manufacturer of scent-boosting laundry detergent	May 2023	Expansion	53	$27
49	Sands Anderson	VA	Domestic	Richmond City	541110	Headquarters for law firm	April 2023	Expansion	0	$1
50	Weidmuller Group	Germany	International	Chesterfield	334419	Manufacturer of electrical components for EV market	April 2023	Expansion	140	$16
51	Babylon Microfarms	VA	Domestic	Richmond City	111419	Develops and produces remotely controlled, indoor hydroponic systems for vegetables and herbs	April 2023	Expansion	15	$0
52	JASA Packaging Solutions	Netherlands	International	Chesterfield	541613	Sales and manufacturing facility for industrial machinery manufacturing	March 2023	New	2	$0
53	SanMar	WA	Domestic	Hanover	424350	Distribution center for apparel and accessories	March 2023	New	1,000	$50
54	ISO Group	Netherlands	International	Chesterfield	493110	Supplier of automation solutions in protected horticulture	February 2023	New	30	$1
55	Pulse	TX	Domestic	Chesterfield	562920	Technology recycling company that takes products from data centers and refurbishes, recycles, or destroys the product	February 2023	New	6	$0
56	World Class Distribution	CA	Domestic	Caroline	493120	Distribution, warehousing, and cold storage	November 2022	New	745	$275
57	Koalifi	VA	Domestic	Richmond City	522291	HQ; financial technology firm	October 2022	Expansion	274	$0
58	Lutron Electronics Co., Inc.	PA	Domestic	Hanover	337920	Manufacturer of light controls, automated shading solutions, and intelligent fixtures	September 2022	Expansion	200	$28
59	Phlow	VA	Domestic	Richmond City	541714	R&D lab for pharmaceutical company	September 2022	Expansion	25	$0
60	Plenty Inc	CA	Domestic	Chesterfield	111419	Indoor vertical farming	September 2022	New	300	$300
61	Civica Rx	UT	Domestic	Chesterfield	541380	Laboratory testing facility	September 2022	Expansion	51	$28
62	DroneUp	VA	Domestic	Dinwiddie	541715	R&D; Testing and training center	August 2022	Expansion	145	$20
63	Restoration Bioproducts LLC	VA	Domestic	Sussex	325120	Biochar production	August 2022	Expansion	5	$6
64	Unilock	Canada	International	Hanover	327331	Manufacturer of concrete interlocking paving stones and segmental wall products	July 2022	New	50	$56

New and Expanding Businesses in Greater Richmond, Virginia USA, January 2019 - January 2026

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Source: Virginia Economic Development Partnership, Announcements Database, January 2026. Additional analysis by the Greater Richmond Partnership.

Index	Company Name	HQ State / Country	HQ Location	Location	NAICS	Business Description	Date Announced	New or Expansion	New Jobs	Capital Investment (Millions)
65	QTS Data Centers	KS	Domestic	Henrico	518210	Data center	July 2022	Expansion	0	$144
66	EAB	DC	Domestic	Henrico	541613	Provides fundraising and direct marketing programs for school systems and universities	June 2022	Expansion	206	$6
67	Lego Group	Denmark	International	Chesterfield	339930	LEGO brand toys manufacturer	June-2022	New	1,761	$1,043
68	Arc Energy Services	SC	Domestic	Hanover	333922	Conveyor and conveying equipment manufacturing	April 2022	New	3	$0
69	Hamilton Insurance Group	Bermuda	International	Henrico	551114	Commercial insurer that underwrites excess and surplus insurance	March 2022	New	76	$0
70	Verdex Technologies	VA	Domestic	Chesterfield	325220	Fiber manufacturing	March 2022	Expansion	4	$1
71	A. Duie Pyle	PA	Domestic	Richmond City	493110	Provides integrated transportation and distribution services	March 2022	New	25	$5
72	PPD	NC	Domestic	Henrico	541714	Bioanalytics R&D lab	March 2022	Expansion	458	$92
73	PPD	NC	Domestic	Richmond City	541714	Bioanalytics R&D lab	March 2022	Expansion	48	$5
74	Max Schlatterer GmbH & Co. KG	Germany	International	Chesterfield	423830	Manufacturers conveyor belt systems	March 2022	New	10	$0
75	Mafco Worldwide Corporation	NJ	Domestic	Richmond City	311942	Produces natural licorice products	March 2022	Expansion	15	$6
76	Independence Hydrogen	VA	Domestic	Petersburg	325120	Produces hydrogen cells and provides hydrogen services	February 2022	New	10	$4
77	Walgreens Company	IL	Domestic	Hanover	493110	Micro fulfillment center	February 2022	New	249	$34
78	AutoZone, Inc.	TN	Domestic	New Kent	493110	Warehouse & distribution for automotive parts	February 2022	New	352	$185
79	Paymerang	VA	Domestic	Chesterfield	551114	Provides payment technology solutions	February 2022	Expansion	86	$0
80	American Paper Converting	WA	Domestic	Henrico	322291	Manufactures and supplies towel and tissue production to janitorial and food service distributors	February 2022	Expansion	69	$17
81	Southeast Connections	GA	Domestic	Chesterfield	237120	Gas pipeline construction firm	January 2022	Expansion	35	$1
82	Intact Technology	VA	Domestic	Richmond City	551114	IT managed service consulting	January 2022	Expansion	125	$2
83	Starplast USA LLC	Israel	International	Chesterfield	326199	Manufactures and distributes home and office plastic containers to major retailers	December 2021	New	300	$18
84	CoStar	DC	Domestic	Richmond City	519190	Provider of real estate information, analytics, and online marketplaces	December 2021	Expansion	1,984	$461
85	Mondelez International, Inc.	IL	Domestic	Henrico	311812	Snack food manufacturer	November 2021	Expansion	80	$123
86	Performance Food Group Company	VA	Domestic	Hanover	493110	Food and food service distributor serving restaurants and institutional food service facilities	November 2021	Expansion	125	$80
87	Richmond National Group	VA	Domestic	Henrico	524126	HQ; specialty property and casualty insurance holding company	October 2021	New	73	$0
88	Coca-Cola Consolidated	NC	Domestic	Henrico	312111	Produces bottles and cans and distributes Coca Cola products	September 2021	Expansion	40	$23
89	Service Center Metals	VA	Domestic	Prince George	331318	Aluminum extruded products for sale to the wholesale market through metal distributors	September 2021	Expansion	94	$102
90	Red River Foods, Inc.	VA	Domestic	Henrico	115114	Warehouse; nut and fruit processing facility	July 2021	Expansion	60	$16
91	Simplisafe	MA	Domestic	Henrico	561499	Customer service monitoring center	July 2021	Expansion	264	$2
92	Nestle Purina	Switzerland	International	King William	325998	Manufacturer of pet care products	June 2021	Expansion	0	$182
93	iFit Health & Fitness Inc.	UT	Domestic	Chesterfield	423910	Distribution of fitness software, content, and equipment	June 2021	New	40	$3
94	Aldora Aluminum & Glass Products Inc	FL	Domestic	Chesterfield	332321	Fabricator of glass and aluminum systems and custom architectural and interior glass products	June 2021	New	35	$9
95	Sutliff Tobacco Company	VA	Domestic	Richmond City	424940	Distributes tobacco products	June 2021	Expansion	30	$0
96	AMPAC	CA	Domestic	Petersburg	325412	Pharmaceutical manufacturers	May 2021	Expansion	156	$25
97	Aditxt	CA	Domestic	Richmond City	541714	Immune cell reprogramming and monitoring	May 2021	New	347	$32
98	Amazon	WA	Domestic	Henrico	493110	Robotics fulfillment center	April 2021	Expansion	1,000	$340
99	Grenova Inc.	VA	Domestic	Richmond City	339113	Manufactures and supplies laboratory equipment	April 2021	Expansion	250	$11
100	Super Radiator Coils	VA	Domestic	Chesterfield	332410	Manufactures coils for the heat exchange industry	April 2021	Expansion	50	$9
101	Carvana	AZ	Domestic	Chesterfield	811121	Vehicle inspection center	April 2021	New	400	$25

New and Expanding Businesses in Greater Richmond, Virginia USA, January 2019 - January 2026

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Index	Company Name	HQ State / Country	HQ Location	Location	NAICS	Business Description	Date Announced	New or Expansion	New Jobs	Capital Investment (Millions)
102	Recycling Management Resources	VA	Domestic	Henrico	562920	Provides recycling services	April 2021	Expansion	6	$0
103	Lowe's Companies, Inc.	NC	Domestic	Richmond City	493110	Distribution center for Lowe's Home Improvement	March 2021	New	100	$50
104	USP	MD	Domestic	Richmond City	541715	Independent, nonprofit, scientific organization that sets quality standards for medicines, dietary supplements and food ingredients worldwide	February 2021	New	15	$3
105	Eaton Corporation	Ireland	International	Henrico	334416	Provides solutions that manage electrical, hydraulic, and mechanical power	February 2021	Expansion	80	$4
106	ECC Test Lab	VA	Domestic	Hanover	541380	Cannabis testing laboratory	February 2021	Expansion	4	$1
107	Babylon Micro-Farms	VA	Domestic	Richmond City	111419	Develops and produces remotely controlled, indoor hydroponic systems for vegetables and herbs	February 2021	Expansion	24	$0
108	Sabert Corporation	NJ	Domestic	Richmond City	322299	Manufacturer of food packaging products	February 2021	Expansion	0	$10
109	Fortune Auto Sales	VA	Domestic	Powhatan	336330	Manufacturer of high-performance racing suspension systems for Japanese and European vehicles	February 2021	Expansion	10	$0
110	Piper Sandler	MN	Domestic	Richmond City	551114	HQ; Provides financial services	February 2021	New	14	$1
111	Civica Rx	UT	Domestic	Petersburg	325412	Pharmaceutical manufacturers	January 2021	New	186	$125
112	Sanare Bioscience	MD	Domestic	Richmond City	541715	Provides pharmaceutical research, development, and distribution	January 2021	New	1	$0
113	Dominion Energy Virginia	VA	Domestic	Chesterfield	221118	Power generation company	December 2020	Expansion	0	$0
114	Alstom Power Inc.	MA	Domestic	Chesterfield	335311	Provides energy and transportation infrastructure	October 2020	Expansion	0	$0
115	TemperPack	VA	Domestic	Henrico	321219	Manufacturer of sustainable packaging materials	October 2020	Expansion	0	$21
116	Mount-It!	CA	Domestic	Prince George	493110	Distributor of mounting solutions	October 2020	New	85	$7
117	Greenswell Growers	VA	Domestic	Goochland	111419	Commercial hydroponic greenhouse	August 2020	New	27	$17
118	The Kroger Co.	OH	Domestic	Henrico	551114	Mid-Atlantic regional headquarters	August 2020	Expansion	77	$2
119	Blackbriar Regulatory Services	VA	Domestic	Chesterfield	339113	Manufactures surgical masks	June 2020	Expansion	195	$1
120	Ashton Lewis Holding Company	NC	Domestic	Caroline	321113	Specialty southern yellow pine sawmill	June 2020	Expansion	18	$11
121	Dominion Energy Virginia	VA	Domestic	Dinwiddie	493110	Warehouse for energy service products	June 2020	Expansion	0	$1
122	ASGN Incorporated	VA	Domestic	Henrico	551114	HQ; Provides IT and professional consulting services in technology, creative, engineering, and life sciences for commercial and government sectors	June 2020	Expansion	121	$5
123	Prillaman Chemical Corporation	VA	Domestic	Chesterfield	424690	Chemical distributor	June 2020	Expansion	0	$0
124	Supervalu	RI	Domestic	Hanover	424410	Food distributor	May 2020	Expansion	0	$1
125	T-Mobile USA, Inc.	Germany	International	Henrico	561422	Call center; wireless telecommunications	May 2020	Expansion	500	$30
126	Rose Holm	Denmark	International	Henrico	332722	Manufactures Nacelle bolts, tightening bolts, and anchor cages	May 2020	New	10	$1
127	Dominion Energy Virginia	VA	Domestic	Henrico	221118	Provides energy services	March 2020	Expansion	0	$0
128	Specialty Coating and Laminating	VA	Domestic	Hanover	322220	Manufactures poly-extrusion and aqueous-coated paper	March 2020	Expansion	40	$15
129	ERNI Components, Inc.	Switzerland	International	Henrico	321999	Manufactures electrical connectors	March 2020	Expansion	0	$0
130	Moore	OK	Domestic	Henrico	322230	Manufacturer of paper envelopes for their direct mail service	March 2020	Expansion	239	$25
131	Werner Enterprises	NE	Domestic	Richmond City	488490	Provides freight, transportation, and logistics services	March 2020	Expansion	37	$1
132	SimpliSafe	MA	Domestic	Henrico	561421	Provides customer support to home security systems	February 2020	New	572	$5
133	Amazon.com, Inc.	WA	Domestic	Prince George	493110	Fulfillment center	February 2020	Expansion	150	$3
134	ePac Flexible Packaging	VA	Domestic	Henrico	326112	Provider of digitally printed flexible packaging	February 2020	New	35	$7
135	Church & Dwight Co., Inc.	NJ	Domestic	Chesterfield	326299	Manufactures condoms	January 2020	Expansion	0	$1
136	CapTech Ventures, Inc.	VA	Domestic	Richmond City	541512	Technology consultant provider	January 2020	Expansion	0	$1

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137	DuPont	DE	Domestic	Chesterfield	325220	Provides technology based materials, ingredients, and solutions	January 2020	Expansion	60	$111
138	Marathon Consulting	VA	Domestic	Henrico	541618	Provides IT consulting services	January 2020	Expansion	51	$0
139	Wegmans	NY	Domestic	Hanover	493110	Retail wholesale grocery distribution	December 2019	New	700	$206
140	Super Radiator Coils	VA	Domestic	Chesterfield	332410	Manufactures coils for the heat exchange industry	November 2019	Expansion	8	$0
141	GSK Consumer Healthcare	United Kingdom	International	Richmond City	541715	R&D; Consumer healthcare research and development	October 2019	Expansion	158	$17
142	Wipro Technologies	India	International	Henrico	519190	Engineering and cybersecurity services	October 2019	Expansion	200	$2
143	West Creek Financial Inc.	VA	Domestic	Henrico	522298	Financing for furniture, appliance, and mattress retailers	October 2019	Expansion	50	$0
144	BRANOpac, USA	Germany	International	Henrico	322220	Specializes in the fabrication of corrosion-protection paper and film	October 2019	New	5	$1
145	Future Foundation	India	International	Henrico	423450	Distributes precision rubber, polymer quality control instrumentation, and data analysis systems	October 2019	New	5	$0
146	PRO Vision	Ireland	International	Richmond City	335999	US HQ; Manufactures vehicle tracking and telematics equipment	September 2019	New	100	$25
147	PPD, Inc.	NC	Domestic	Henrico	541715	Global contract research organization	September 2019	Expansion	200	$64
148	CarMax Inc.	VA	Domestic	Richmond City	541613	Product and marketing services	September 2019	Expansion	0	$10
149	Alchemco	Brazil	International	Henrico	325510	Global HQ; Manufactures products moisture protection used in construction	August 2019	New	20	$5
150	Amazon.com, Inc.	WA	Domestic	Richmond City	493110	Fulfillment center	July 2019	Expansion	150	$10
151	Paymerang, LLC	VA	Domestic	Chesterfield	522320	Technology platform that enables its clients to pay all their vendors electronically	June 2019	Expansion	20	$0
152	WestRock	GA	Domestic	Henrico	322211	Corrugated container manufacturer	June 2019	Expansion	14	$26
153	Alfa Laval Inc.	Sweden	International	Henrico	332410	Manufactures heat transfer and fluid handling systems	June 2019	Expansion	15	$50
154	Western Express	TN	Domestic	Hanover	484110	Truckload carrier	May 2019	New	250	$4
155	AdvanSix	NJ	Domestic	Hopewell	325998	Producer of caprolactam, the primary feedstock in production of nylon polymer used in carpet fibers and plastics	May 2019	Expansion	92	$160
156	Petal Card, Inc	NY	Domestic	Chesterfield	561422	Credit card service and operations center	May 2019	New	89	$0
157	New Kent Winery	VA	Domestic	New Kent	312130	Winery	April 2019	Expansion	7	$1
158	G.D. USA	Italy	International	Chesterfield	333993	Supplier and manufacturer of high tech machinery for the tobacco industry	April 2019	Expansion	26	$4
159	Adamed Sp z.o.o.	Poland	International	Richmond City	541715	Pharmaceutical research and development	March 2019	New	1	$0
160	M.C. Dean	VA	Domestic	Caroline	541330	Electrical engineering and systems integration	March 2019	Expansion	100	$25
161	ERNI Components, Inc.	Switzerland	International	Chesterfield	321999	Manufactures electrical connectors	March 2019	Expansion	80	$10
162	The Results Companies	FL	Domestic	Chesterfield	561421	Call center for Business Process Management company	March 2019	Expansion	600	$2
163	HalioDx	France	International	Richmond City	541380	R&D for immuno-oncology diagnostic products	February 2019	New	21	$2
164	Productiv, Inc.	VA	Domestic	Chesterfield	493110	Provides kitting, contract packaging, and fulfillment services	February 2019	New	50	$1
165	Coastal Sunbelt Produce	MD	Domestic	Caroline	493130	Distributor of fresh produce and dairy	February 2019	New	50	$3
166	Starr Hill Brewery	VA	Domestic	Richmond City	312120	Craft brewery	February 2019	Expansion	15	$1
167	Kinsale Insurance Company	VA	Domestic	Henrico	524126	Nationwide commercial insurance	January-2019	Expansion	225	$50
168	Stone Brewing Co.	CA	Domestic	Richmond City	312120	Craft beer brewery	January-2019	Expansion	0	$1
169	Qingdao Kaisa Notebook Manufacturing Co.,LTD	China	International	Dinwiddie	322230	Exporter & manufacturer of stationery, paper products	January-2019	New	62	$20
170	Anord Mardix, Inc.	Ireland	International	Henrico	335313	Producer of power infrastructure to data centers	January-2019	Expansion	51	$1

Updated on January 15, 2026

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Index	Company Name	HQ State / Country	HQ Location	Location	NAICS	Business Description	Date Announced	New or Expansion	New Jobs	Capital Investment (Millions)

GRP has reformatted data gathered by the Virginia Economic Development Partnership on business activity in the Richmond, Virginia, Metropolitan Statistical Area, including recently announced new businesses, expansions of existing businesses, those announcing employment reductions and business closings. Please note:

- This dataset includes only business activity in the Richmond, Virginia MSA.
- The figures presented in the fields “New Jobs” and “Jobs Lost” may not reflect total employment at that particular company, but only those related to the announcement.
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- The data is based on announcements of planned employment creation and capital expenditures, or planned employment reductions or closings.
- Some of the new facilities announced are not yet in operation, and some of the announced facilities may have opened and then subsequently closed.
- The information indicates the kind of economic activity occurring in the region; it does not measure total employment growth or capital investment.

Chuck Peterson, VP of Business Information
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GREATER RICHMOND PARTNERSHIP

Reductions and Closings Businesses in Greater Richmond, Virginia USA, January 2019 - January 2026

Includes manufacturers and non-manufacturers with a substantial customer base outside of Virginia

Source: Virginia Economic Development Partnership, Announcements Database, January 2026. Additional analysis by the Greater Richmond Partnership.

Index	Company Name	HQ State / Country	HQ Location	Location	NAICS	Business Description	Jobs Lost	Reduction / Closing	Month of Closing / Layoff
1	Richmond Print Group	VA	Domestic	Henrico	323111	Commercial printer	76	Layoff	February 2026
2	Amentum	VA	Domestic	Henrico	561210	Government contract; operation and management service provider	56	Layoff	August 2025
3	TransAxle, LLC	NJ	Domestic	Richmond City	811114	Provides remanufactured automotive parts and maintenance services	4	Closing	August 2025
4	Saddle Creek Logistics	FL	Domestic	Chesterfield	493110	Warehouse	54	Layoff	June 2025
5	Novelis Inc.	GA	Domestic	Chesterfield	331318	Manufactures rolled sheets of aluminum for the construction business	72	Closing	May 2025
6	CoStar	VA	Domestic	Richmond City	519290	Provider of real estate information, analytics, and online marketplaces	120	Layoff	February 2025
7	D & A Consulting Service, LLC	VA	Domestic	Henrico	541511	Provides IT consulting services	35	Reduction	January 2025
8	Kaleo	VA	Domestic	Richmond City	551114	HQ; Pharmaceutical manufacturing and sales office	8	Layoff	November 2024
9	LL Flooring	VA	Domestic	Henrico	493110	Distribution Center	119	Closing	October 2024
10	LL Flooring	VA	Domestic	Henrico	551114	Headquarters	300	Closing	October 2024
11	Tyson Foods	AR	Domestic	Hanover	311615	Chicken processor	612	Closing	May 2023
12	Genesis Logistics	Germany	International	Henrico	488510	Provides third party logistic services	35	Closing	August 2023
13	Snagajob	VA	Domestic	Henrico	551114	HQ; National online job search portal	40	Layoff	August 2022
14	Capital One Financial Corp.	VA	Domestic	Goochland	561990	Outbound recovery operations	147	Layoff	September 2021
15	The Logistics Company	NC	Domestic	Prince George	541614	Provides expert logistics management resources	119	Layoff	September 2021
16	Genetworx	VA	Domestic	Henrico	325413	Pharmacogenomic testing devices and kits	6	Layoff	June 2021
17	Genetworx	NC	Domestic	Henrico	325413	Pharmacogenomic testing devices and kits	31	Layoff	June 2021
18	Genetworx	NC	Domestic	Henrico	325413	Pharmacogenomic testing devices and kits	24	Layoff	June 2021
19	Southeast Frozen Foods Co., LP	FL	Domestic	Henrico	424420	Wholesale and distribution of frozen foods	68	Closing	May 2021
20	Genworth Financial, Inc.	VA	Domestic	Henrico	524113	Insurance holding company	95	Layoff	March 2021
21	Wells Fargo	CA	Domestic	Henrico	523120	Brokerage operations	320	Closing	March 2021
22	Rolls-Royce North America	United Kingdom	International	Prince George	336412	Manufactures precision aircraft components	280	Closing	December 2021
23	Cadmus	CT	Domestic	Henrico	323111	Offers printing services for magazines, comic books, and journals	184	Closing	May 2020
24	Bear Down Logistics	IL	Domestic	Henrico	488510	Provider of last-mile delivery	75	Closing	April 2020
25	Northrop Grumman Systems Corporation	VA	Domestic	Chesterfield	541512	Information systems, intelligence systems; defense contractor	42	Layoff	February 2020
26	Premier Store Fixtures	NY	Domestic	Henrico	337215	Manufactures wooden store fixtures	138	Closing	September 2019
27	Premier Store Fixtures	NY	Domestic	Henrico	337215	Manufactures wooden store fixtures	24	Closing	September 2019
28	Premier Store Fixtures	NY	Domestic	Henrico	337215	Manufactures wooden store fixtures	28	Closing	September 2019
29	Health Diagnostic Laboratory	VA	Domestic	Richmond City	621511	Clinical laboratory diagnostics and clinical trial services	399	Layoff	July 2019
30	ColorTree Group	VA	Domestic	Henrico	322230	Manufactures full color and custom envelopes	240	Closing	June 2019
31	Live Well Financial Inc.	VA	Domestic	Chesterfield	522292	Mortage lender and servicer	103	Closing	May 2019
32	Dianne's Fine Desserts	MA	Domestic	Hanover	311520	Manufactures desserts	97	Closing	July 2019
33	Genworth Financial	VA	Domestic	Richmond City	524210	Insurance services	21	Layoff	May 2019
34	Confluence Coffee	VA	Domestic	Richmond City	311920	Manufactures cold brew coffee	33	Closing	February 2019

Updated on January 15, 2026

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GREATER RICHMOND PARTNERSHIP

Tab K.1

Revitalization Area Certification

Revitalization Area

General Instructions

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

1. The development is located in either of the following, as defined by HUD: a Qualified Census Tract; or a Targeted Area, wherein 70% or more of the families have incomes which are ≤ 80% statewide median income [NOTE: these census tracts are included in the definition of Targeted Area for single-family lending purposes but do not include ACEDS].

2. The development is located in a redevelopment area, conservation area or rehabilitation district created by a city or county, pursuant to VA Code §36-1 et seq. Documentation must (a) demonstrate that area exists at the time of application; (b) accurately depict area boundaries; and (c) clearly show that the proposed development lies or will lie within those boundaries.

3. The development is located in a revitalization area designated by resolution adopted pursuant to the terms of VA Code § 36-55.30:2 for the purpose of enabling Virginia Housing to provide financing to either a mixed-income or mixed-income/mixed-use development. Documentation must include a resolution from the locality supporting the development's s location within the revitalization area. Please contact Rental Housing development to obtain the appropriate form resolution.

4. The development is located in a Housing Rehabilitation Zone established through an ordinance created by a city, county or town pursuant to VA Code §36-55.64. Documentation must include a copy of the ordinance with support that the development lies within the Rehabilitation Zone.

5. The development is located In an opportunity zone designated by the Commonwealth pursuant to the Federal Tax Cuts and Jobs Act of 2017 (PL 115-97) and has a binding commitment of funding acceptable to Virginia Housing.

✓ 6. The development is located in a jurisdiction that confirms that the development, as proposed to be constructed or rehabilitated, will utilize new or existing housing as part of a community revitalization plan. Must use Virginia Housing's Community Revitalization Plan Form Letter.

See attached executed Community Revitalization Plan Form Letter.

7. The development is located on land owned by federally recognized or Virginia-recognized Tribal Nations located within the present-day external boundaries of the Commonwealth.

Diamond District Phase 1 (9%) is located on parcel E3 within an already established redevelopment area known as the "Diamond District" referenced in the City's approved ordinances ORD. 2023-134 and ORD. 2024-114 (both attached). The site plan showing the Diamond District Redevelopment Area and the boundaries of parcel E3 and the Diamond District Phase 1 (9%) project are shown in Exhibit A (attached). Further, the adopted Richmond 300 Master Plan includes a Small Area Plan to guide the redevelopment of the Greater Scott's Addition Area, which includes Scott's Addition, the Sauer Center, the areas east and west of the Diamond District, and the Diamond District. The Diamond District property falls into two districts identified in the Greater Scott's Addition Small area Plan including: Gateway District (Regional destination for offices, shopping, and entertainment with landmark architecture), and Ballpark and Entertainment District (Lively community integrated with entertainment and a new sports venue). The Diamond District Phase 1 (9%) project will add new affordable housing to the Diamond District redevelopment area addressing the housing needs identified in this community revitalization plan.

As noted above, and confirmed in the executed Community Revitalization Plan Form Letter below, the development is located in a jurisdiction that confirms that the development, as proposed to be constructed, will utilize new housing as part of a community revitalization plan.

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

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

DATE: 02-01-2026

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

RE: Community Revitalization Plan Form

Name of Development: Diamond District Phase 1 (9%)

Name of Owner/Applicant: Diamond District Phase 1 Nine, LLC

Name of Seller/Current Owner: Diamond District Partners, LLC

DEVELOPMENT DESCRIPTION:

Development Address:

2728 Hermitage Road

Richmond, VA 23220

Proposed Improvements:

New Construction:	# Units	50	# Buildings	1	Total Floor Area	67,320
Adaptive Reuse	# Units		# Buildings		Total Floor Area	
Rehabilitation:	# Units		# Buildings		Total Floor Area	

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

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

Merrick T. Malone

Signature

Merrick T Malone

Printed Name

DIRECTOR, HOUSING AND COMMUNITY DEVELOPMENT

Title

(804) 646-7426

Phone

02/05/2026

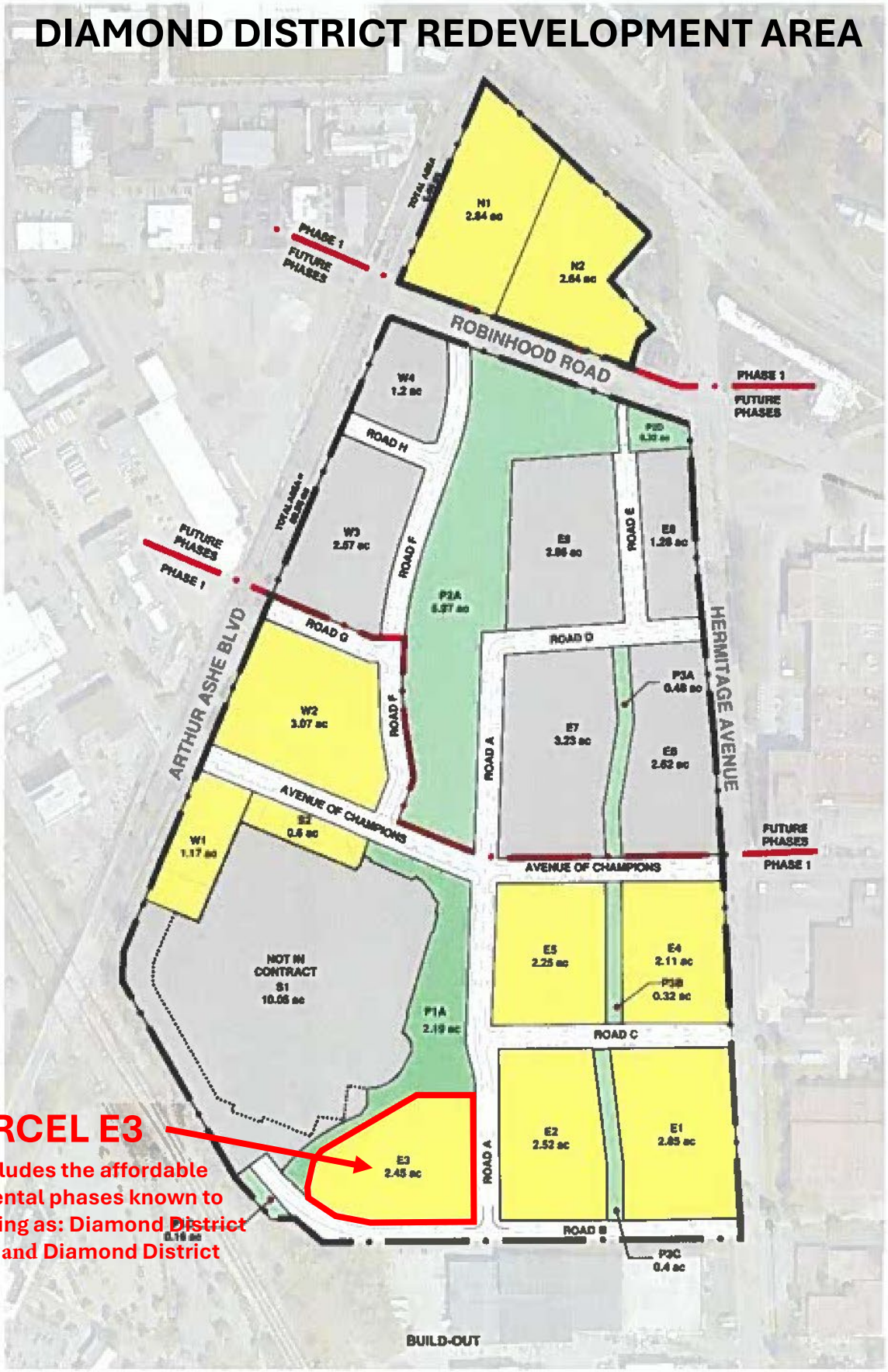
Date

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.

Exhibit A – Master Plan

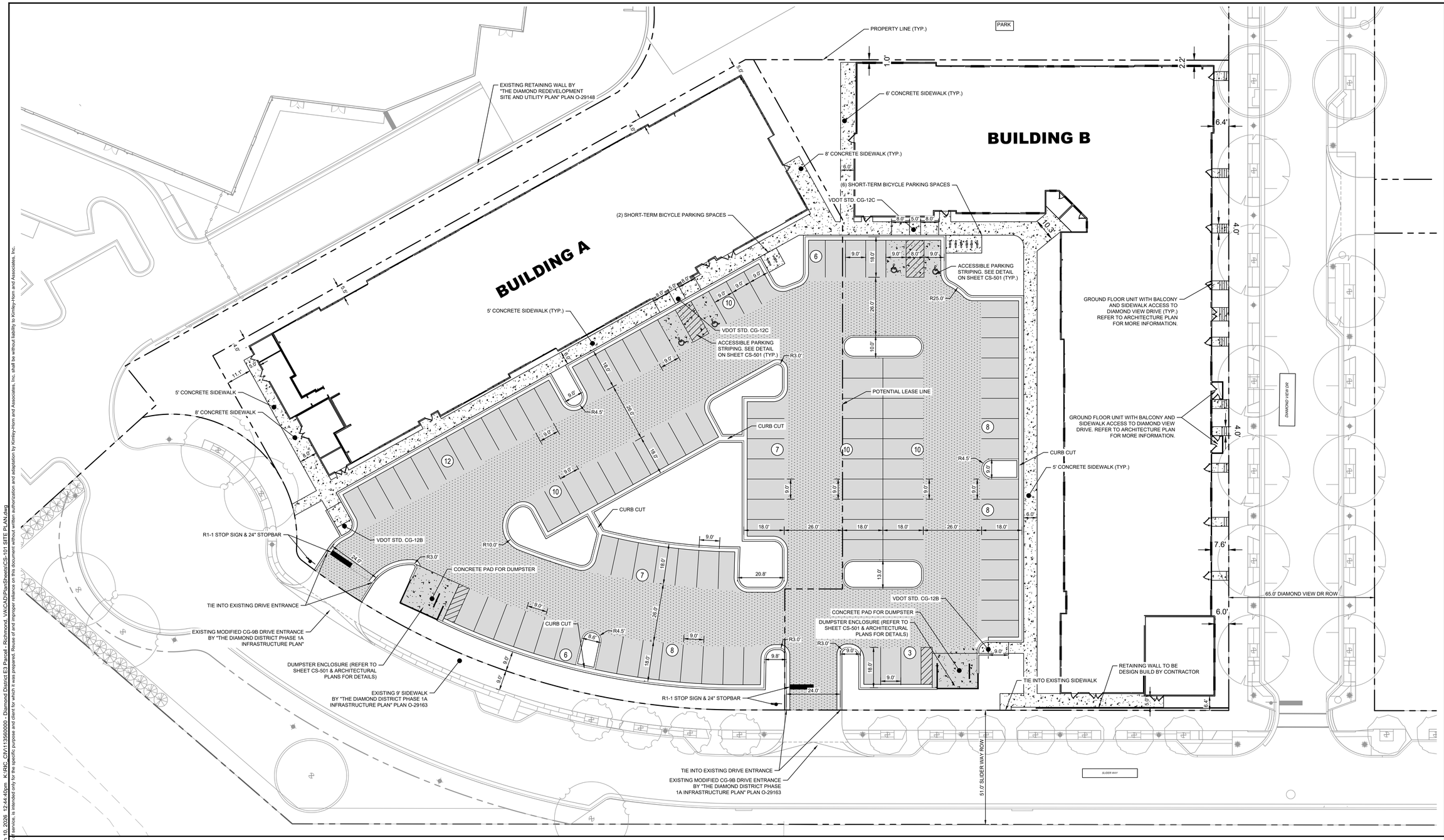
DIAMOND DISTRICT REDEVELOPMENT AREA



PARCEL E3

(Parcel E3 includes the affordable multifamily rental phases known to Virginia Housing as: Diamond District Phase 1 (9%), and Diamond District Phase 1 (4%))

Key: Private Development Parcels (Yellow & Gray), Park Spaces (Green), Public Infrastructure Right-of-Way (White)



SITE LEGEND

- CONCRETE. SEE DETAIL ON SHEET CS-501
- (X) PARKING COUNT
- HEAVY DUTY ASPHALT PAVING, SEE DETAIL ON SHEET CS-501
- STANDARD DUTY ASPHALT PAVING SEE DETAIL ON SHEET CS-501
- HEAVY DUTY CONCRETE, SEE DETAIL ON SHEET CS-501

SITE NOTES

1. ALL CURB RADII ARE 5.0' UNLESS OTHERWISE NOTED.
2. ALL DIMENSIONS ARE TO FACE OF CURB UNLESS OTHERWISE NOTED.
3. THE CONTRACTOR IS RESPONSIBLE FOR INSTALLING ALL STOP SIGNS, DIRECTIONAL SIGNS, AND STRIPING SHOWN ON THE PLANS.
4. CONTRACTOR SHALL REPLACE ALL PERMANENT PAVEMENT MARKINGS IMPACTED BY CONSTRUCTION IN KIND UNLESS OTHERWISE INDICATED ON THIS PLAN SET. ALL PROPOSED PAVEMENT MARKINGS SHALL TIE IN TO EXISTING PAVEMENT MARKINGS AT WORK LIMITS.

NORTH

GRAPHIC SCALE IN FEET
0 10 20 40

No.	REVISIONS	DATE	BY

Kimley»Horn
© 2026 KIMLEY-HORN AND ASSOCIATES, INC.
6806 PARAGON PLACE, SUITE 310, RICHMOND, VA 23230
PHONE: 804-673-3882
WWW.KIMLEY-HORN.COM

COMMONWEALTH OF VIRGINIA
BRIAN R. DITZLER
Lic. No. 059848
PROFESSIONAL ENGINEER
03/10/2026

KHA PROJECT	113560000
DATE	03/10/2026
SCALE	AS SHOWN
DESIGNED BY	EKC
DRAWN BY	EKC
CHECKED BY	BRD

SITE PLAN

DIAMOND DISTRICT PARCEL E3
MULTIFAMILY RESIDENTIAL
PREPARED FOR
PENNROSE, LLC
CITY OF RICHMOND VA

SHEET NUMBER
CS-101

Plotted By: Pearson, Thomas Sheet Set: Kha Layout: CS-101 SITE PLAN March 10, 2026 12:44:40pm K:\RIC_CIV\113560000 - Diamond District E3 Parcel - Richmond, VA\CAD\PlanSheets\CS-101 SITE PLAN.dwg
This document, together with the concepts and designs presented herein, as an instrument of service, is intended only for the specific purpose and client for which it was prepared. Reuse of and improper reliance on this document without written authorization and adaptation by Kimley-Horn and Associates, Inc. shall be without liability to Kimley-Horn and Associates, Inc.

INTRODUCED: April 24, 2023

AN ORDINANCE No. 2023-134

To authorize the Chief Administrative Officer, for and on behalf of the City of Richmond, to execute the Diamond District Redevelopment Project Development Agreement between the City of Richmond, Virginia, RVA Diamond Partners LLC, and the Economic Development Authority of the City of Richmond for the purpose of providing for the financing, construction, maintenance, and operation of public improvements and private development within an area generally known as the Diamond District along North Arthur Ashe Boulevard and Hermitage Road.

Patrons – Mayor Stoney and Members of Council

Approved as to form and legality
by the City Attorney

PUBLIC HEARING: MAY 8 2023 AT 6 P.M.

THE CITY OF RICHMOND HEREBY ORDAINS:

§ 1. That the Chief Administrative officer, for and on behalf of the City of Richmond, be and is hereby authorized to execute the Diamond District Redevelopment Project Development Agreement between the City of Richmond, Virginia, RVA Diamond Partners LLC, and the Economic Development Authority of the City of Richmond for the purpose of providing for the financing, construction, maintenance, and operation of public improvements and private development within an area generally known as the Diamond District along North Arthur Ashe

AYES:	9	NOES:	0	ABSTAIN:	
ADOPTED:	MAY 8 2023	REJECTED:		STRICKEN:	

Boulevard and Hermitage Road. The Diamond District Redevelopment Project Development Agreement must be approved as to form by the City Attorney and shall be substantially in the form of the document attached to this ordinance.

§ 2. That the Chief Administrative Officer, for and on behalf of the City of Richmond, be and is hereby authorized to execute such contracts, deeds, and other documents and give such approvals contemplated by the Diamond District Redevelopment Project Development Agreement as may be necessary to effectuate the purposes of the Diamond District Redevelopment Project Development Agreement and to consummate fully the transactions contemplated by the Diamond District Redevelopment Project Development Agreement, provided that all such contracts, deeds, and other documents first must be approved as to form by the City Attorney.

§ 3. This ordinance shall be in force and effect upon adoption.

A TRUE COPY:
TESTE:

City Clerk

RECEIVED
By City Attorney's Office at 2:33 pm, Apr 24, 2023

RECEIVED
By CAO Office at 11:22 am, Apr 24, 2023

City of Richmond

Intracity Correspondence

O&R REQUEST

DATE: April 24, 2023 **EDITION:** 1

TO: The Honorable Members of City Council

THROUGH: The Honorable Levar M. Stoney, Mayor

THROUGH: J.E. Lincoln Saunders, Chief Administrative Officer

THROUGH: Sabrina Joy-Hogg, DCAO – Finance & Administration Portfolio

THROUGH: Robert Steidel, DCAO – Operations Portfolio

THROUGH: Sharon L. Ebert, DCAO – Planning & Economic Development Portfolio

FROM: Leonard L. Sledge, Director – Department of Economic Development

RE: Diamond District Development Agreement and Related Ordinances

ORD. OR RES. No. _____

PURPOSE: To approve the following series of ordinances associated with the Diamond District redevelopment Project:

1. An ordinance authorizing the CAO to execute the Diamond District Redevelopment Project Development Agreement by and between the City, RVA Diamond Partners LLC, and the Economic Development Authority ("EDA"), and its attachments, which include, among other things, a Grant Agreement concerning financing of the stadium and other public improvements.

2. An ordinance authorizing the City's conveyance of the following parcels of surplus city-owned real estate to the Economic Development Authority.

Property Address	Tax ID	Acreage	Notes
3017 N Arthur Ashe Boulevard	N0001510009	4.015	Arthur Ashe Jr. Athletic Center
3001 N Arthur Ashe Boulevard	N0001510020	9.32	The Diamond *(Operated by Navigators Baseball LP pursuant to Stadium Use Agreement approved via Ord. No. 2019-185)*
2909 N Arthur Ashe Boulevard	N0001510011	12.15	Surface parking lot
2907 N Arthur Ashe Boulevard	N0001510012	19.1	Southwestern most parcel
2728 Hermitage Road	N0001510013	10.9	Southeastern most parcel
3101 N Arthur Ashe Boulevard	N0001512001	5.481	Recreation softball/baseball field

REASON: Legislation is necessary to approve the above-referenced actions.

RECOMMENDATION: The City Administration recommends approval.

BACKGROUND:

Richmond 300: A Guide for Growth

The Richmond 300 Master Plan sets forth recommendations and policy to guide the future growth of the city. One main recommendation of the plan is to reimagine Priority Growth Nodes. Greater Scott's Addition is identified in the Richmond 300 plan as a Priority Growth Node, with the potential to capture a large portion of the city's future population growth, and in turn generate significant value to the surrounding neighborhoods and the city overall. Richmond 300 includes a Small Area Plan to guide the redevelopment of the Greater Scott's Addition Area, which includes Scott's Addition, the Sauer Center, the areas east and west of the Diamond District, and the Diamond District. Redeveloping the Diamond District in partnership with a development team is in alignment with the priority next steps outlined in the Master Plan to implement the vision for Greater Scott's Addition.

The Richmond 300 Master Plan describes the future vision of the Greater Scott's Addition as:

> "Greater Scott's Addition is home to a series of neighborhoods that provide new employment and housing developments connected by a series of open spaces and a transportation network that support families and aging-in-place. The variety of housing options and employment in Greater Scott's Addition provide opportunities for low-income, moderate-income, and high-income households. The Diamond is demolished and a new multi-purpose stadium is constructed along Hermitage. Uses along Hermitage, a public plaza, and the crescent park complement the new stadium development. Visitors to Greater Scott's Addition have the option to safely arrive by foot, bike, transit, or car. Parking is centralized in a few parking garages to encourage users to park once and visit multiple destinations. The signature public park, a crescent park, between Ashe and Hermitage serves as a central convening space and is connected with greenways to multiple smaller public parks."

The vision statement and plans for Greater Scott's Addition show the new baseball stadium along Hermitage; however, the new baseball stadium will be located at the edge of Ashe Boulevard and the CSX rail line, in the southwest corner of the Diamond District site.

The Future Land Use Plan designates the area of the neighborhood between N. Arthur Ashe Avenue and Hermitage Road as "Destination Mixed-Use," which is described as being, "key gateways featuring prominent destinations, such as retail, sports venues, and large employers, as well as housing and open space. Located at the convergence of several modes of transportation, including Pulse BRT or other planned transit improvements." Future development is envisioned to be mixed-use in nature, at higher-density, and transit-oriented, with ground floor uses that engage and enliven the street. Pedestrian, bicycle, and transit access are prioritized and accommodated.

The Diamond District property falls into two "districts" envisioned in the Greater Scott's Addition Small Area Plan and bifurcated by a series of open spaces:

Districts:

- Gateway District: Regional destination for offices, shopping, and entertainment with landmark architecture
- Ballpark and Entertainment District: Lively community integrated with entertainment and a new sports venue

Open Spaces:

- Ballpark and Plaza: Vibrant outdoor space activated by the baseball stadium

- Crescent Park: Signature urban public space with passive lawns and a relaxing atmosphere with integrated green infrastructure to support water quality (site for large-scale community events)

One of Primary Next Steps in the description of the Greater Scott's Addition Small Area Plan states "Request for Proposals: Issue a Request for Proposals to redevelop the City-owned land between N. Ashe Boulevard and Hermitage Road using the Greater Scott's Addition Framework Plan and including elements such as crescent park, low-income housing, breaking up super blocks to create a street grid incorporating features that support walking, biking, and transit such as engaging architecture, public space, sidewalks, street trees, buildings built to the street, and street furniture." Other Primary Next Steps call for marketing Greater Scott's Addition, incorporating green infrastructure in the redevelopment of the area, build a mixed-income community with housing at various price points, including units for low-income households, and creating a series of parks, including a signature crescent park.

Public Engagement

In preparation for issuing the solicitation to select a developer to partner with the City to fulfill the vision outlined in Richmond 300, the City hosted numerous public meetings as part of the Richmond 300 process generally, and four meetings specifically about the Greater Scott's Addition Area to guide the creation of the Small Area Plan. The City also hosted two surveys specific to Greater Scott's Addition and garnered over 1,300 responses. The meetings and survey responses aided the City in drafting the vision and primary next steps as well as the district and open space plans included in Richmond 300 to guide the redevelopment of Greater Scott's Addition. The draft Greater Scott's Addition Small Area Plan was presented to the community in February 2020 and the final Plan was adopted as part of Richmond 300 in December 2020. The City based the development of the Diamond District solicitation goals on the content Richmond 300. During the process to rezone several hundred acres of land in Greater Scott's Addition, the City hosted two public meetings and received generally positive feedback on the proposed rezoning. The rezoning was approved by City Council in July 2021. City staff gave update presentations on the solicitation process at six City Council meetings from October 2021 to August 2022. The City hosted a public meeting about the solicitation process on June 8, 2022.

Solicitations for Development Team Proposals

In October 2021, the City launched www.rvadiamond.com to begin marketing the redevelopment opportunity to prospective development teams. Also in October 2021, the City launched www.rva.gov/economic-development/diamond to share information about the redevelopment process with the Richmond community.

On December 28, 2021, the City issued the Request for Interest (RFI) outlining the opportunity for redevelopment, the redevelopment site and goals, and the evaluation process and criteria. The RFI also included five appendices: Market Analysis, List of City-owned

and VCU-owned parcels, Greater Scott's Addition Small Area Plan (excerpt from Richmond 300), Ballpark Feasibility Analysis, and Anticipated Minimum Community Benefits Requirements.

The City established an Evaluation Panel to review the RFI responses and announced the members of that panel on February 15, 2022. The Evaluation Panel members included:

Evaluation Panel Members:

- James P. Duval – Investment and Debt Portfolio Manager, Finance Department
- Sharon L. Ebert – Deputy Chief Administrative Officer, Planning and Economic Development
- Karol Kain Gray – Senior Vice-President and Chief Financial Officer, Virginia Commonwealth University
- Katherine Jordan – Council Member, Second District
- Ann-Frances Lambert – Council Member, Third District
- J.E. Lincoln Saunders – Chief Administrative Officer
- Leonard L. Sledge – Director, Department of Economic Development
- Caprichia Smith Spellman –Director, Office of Community Wealth Building
- Robert C. Steidel – Deputy Chief Administrative Officer, Operations
- Stephen M. Willoughby – Director of Emergency Communications

Facilitator/Project Manager

- Maritza Mercado Pechin – Deputy Director for Equitable Development

Advisors

- Lynne S. Lancaster – Deputy Director, Department of Public Works
- Matthew A. Welch – Senior Policy Advisor, Planning and Economic Development Portfolio

External Advisors

- Davenport
- AECOM
- Legal Counsel

On February 15, 2022, the City received 15 responses to the RFI from the following teams:

- 4Most Sport Group
- Acquest Realty Advisors, Inc.
- Diamond District Gateway Partners
- Diamond Legacy Partnership
- Edgemoor-Gotham Ballpark Partners

- Jair Lynch Real Estate Partners
- MAG Partners
- Metropolitan Virginia VIII, LLC
- Richmond Community Development Partners
- Rising Tide RVA, LLC
- RVA Diamond Partners LLC
- Turnbridge Equities
- Urban Atlantic
- Vision300 Partners, LLC
- Weller Development Company and LMXD

The Evaluation Panel reviewed the RFI submissions and on March 23, 2022 announced that six teams had been invited to submit responses to a Request for Additional Information (RFAI). The RFAI stage had not been contemplated in the initial timeline presented in the RFI. The RFAI stage was added to the process because the City had received such a robust response to the RFI and needed more information before proceeding the RFO stage. The teams invited to respond to the RFAI were:

- Diamond District Gateway Partners
- MAG Partners
- Richmond Community Development Partners
- RVA Diamond Partners LLC
- Vision300 Partners, LLC
- Weller Development Company and LMXD

On April 25, 2022, the City received a submission from each of the aforementioned RFAI invitees. The Evaluation Panel review the submissions.

On May 10, 2022, the City announced that three teams had been selected as finalists. The three finalist teams were:

- Richmond Community Development Partners
- RVA Diamond Partners LLC
- Vision300 Partners, LLC

The City issued a Request for Officers (RFO) to the three finalist teams on June 3, 2022. The City hosted a public meeting to share information about the process to date, the RFI/RFO goals, and the key principles in successful public-private partnerships.

On June 28, 2022, the City received a submission from each of the aforementioned finalist teams. On August 8, 2022, the City announced that it was continuing negotiations with Richmond Community Development Partners and RVA Diamond Partners LLC.

In the month of August, the City continued to meet with Richmond Community Development Partners and RVA Diamond Partners to negotiate the terms of the project and vet the team's financial projections. Based on the proceedings of these conversations and the

reviews of the RFI, RFAI, and RFO submissions, the Evaluation Panel selected RVA Diamond Partners LLC as the preferred development team to partner with the City to redevelop the Diamond District site in a manner that aligns with the vision set in Richmond 300, the Greater Scott's Addition Small Area Plan, and the goals set forth in the RFI, RFAI, and RFO.

On September 26, 2022, City Council unanimously adopted Resolution No. 2022-R055 in order to "select RVA Diamond Partners LLC as the developer of the Diamond District and express the Council's support for certain proposed minimum business terms and conditions in relation to the development of the Diamond District." The Resolution "authorized and requested" the CAO and the City Attorney "to prepare and negotiate for Council's consideration and approval by ordinance, the definitive agreements necessary to consummate a transaction" between the City and RVA Diamond Partners LLC for development of the Diamond District. The Administration has worked with the City Attorney's Office and outside legal counsel to prepare and negotiate the Development Agreement and attachments thereto and are now requesting Council's approval or such transactional documents via ordinance.

Certain additional ordinances to (1) create the anticipated Community Development Authority, (2) create a special revenue fund for the incremental revenues dedicated to bond repayment, and (3) authorize VCU to convey the Sports Backers Parcel to the EDA will require City Council approval at a future date.

FISCAL IMPACT / COST: See attached Fiscal and Economic Impact Analysis.

FISCAL IMPLICATIONS: See attached Fiscal and Economic Impact Analysis.

BUDGET AMENDMENT NECESSARY: No

REVENUE TO CITY: See attached Fiscal and Economic Impact Analysis.

DESIRED EFFECTIVE DATE: Upon adoption

REQUESTED INTRODUCTION DATE: April 24, 2023

CITY COUNCIL PUBLIC HEARING DATE: May 8, 2023

REQUESTED AGENDA: Regular

RECOMMENDED COUNCIL COMMITTEE: Organizational Development

CONSIDERATION BY OTHER GOVERNMENTAL ENTITIES: Planning Commission

AFFECTED AGENCIES: Economic Development, Planning and Development Review, Budget and Strategic Planning, Finance, Public Works, Public Utilities, Office of Minority Business Development, Office of Community Wealth Building, Parks and Community Facilities

RELATIONSHIP TO EXISTING ORD. OR RES.: Res. No. 2022-R055 ("To select RVA Diamond Partners LLC as the developer of the Diamond District and express the Council's support for certain proposed minimum business terms and conditions in relation to the Development of the Diamond District.")

REQUIRED CHANGES TO WORK PROGRAM(S): None

ATTACHMENTS:
Diamond District Redevelopment Project Development Agreement
Fiscal and Economic Impact Analysis

STAFF:

Sharon L. Ebert, DCAO for Planning and Economic Development
Leonard L. Sledge, Director of Economic Development
Maritza M. Pechin, Deputy Director for Equitable Development
Matthew A. Welch, Senior Policy Advisor for the Planning and Economic Development Portfolio

Davenport & Company LLC
One James Center, 901 East Cary Street
Suite 1100, Richmond, VA 23219

MEMORANDUM

TO: Lincoln Saunders, Chief Administrative Officer
Sharon Ebert, DCAO of Planning and Economic Development
Sabrina Joy-Hogg, DCAO of Finance and Administration
Robert Steidel, DCAO of Operations
Leonard Sledge, Director of Economic Development
Sheila White, Director of Finance
City of Richmond

FROM: David Rose, Senior Vice President and Manager of Public Finance
Roland Kooch, Jr., Senior Vice President
Jimmy Sanderson, Senior Vice President

DATE: April 24, 2023

RE: Summary of the Fiscal and Economic Impact Statement & Analysis of the Proposed Diamond District Project (the "Project") and Professional Observations

CC: Maritza Pechin, Deputy Director for Equitable Development, City of Richmond
Matt Welch, Senior Policy Advisor, City of Richmond

Overview

Davenport & Company LLC, in our capacity as Financial Advisor to the City of Richmond (the "City"), has prepared the Fiscal and Economic Impact Statement & Related Analysis as required by City code for the introduction of the Project documents to City Council.

We have worked closely with a number of key stakeholders on the proposed project for several months. As a result, our analysis and professional observations incorporate key input from a variety of these stakeholders, among others.

For summary purposes, we have provided our Professional Observations on several critical areas of the Fiscal and Economic Impact Statement & Related Analysis to be considered with the proposed Project.

Professional Observations

1. **Impact on the City's Annual Operating Budgets**
   - The proposed Project generates a significant positive impact on future City budgets. Over the life of the proposed Project, projected revenues are estimated to be approximately $1.8 Billion. The estimated debt service and operating expenditures approximate $757 Million over the 45 year life of the Project. As a result, the Net Benefit (surplus of revenues over expenditures) is approximately $1.1 Billion over the 45 year life of the Project.
   - The Project will immediately produce meaningful annual additional funding to the City's schools capital program through the 1.5% meals tax for schools. In addition, the Convention Center will benefit from new lodging tax that will contribute to its long-term fiscal sustainability.
   - The Net Benefit (surplus of revenues over expenditures) to the City approximates $16.5 Million through FY 2035.
   - The positive annual cash flows average approximately $2 Million per year in the initial build-out years for Phase I (the planned Project contemplates four phases). Any annual cash flow shortfall negative is de minimis and due to public safety and operational expenses coming on line in the early years of the Project. The negative annual cash flow during the build-out period approximates the $1-$2 Million range for three to four years. This amount equates to approximately 10¢ - 20¢ for every $100 of revenues of the City's total annual budget, which is a rounding error. For context, the City's General Fund Budget in FY 2024 grew by approximately $110 Million from FY 2023.

2. **Impact on Debt Capacity**
   - The full build out of the Project, is projected to be a positive to the City's Legal Debt Capacity under Virginia Law by adding approximately $154 Million of additional Legal Debt Capacity.

3. **Impact on Rating Agencies**
   - We believe the National Credit Rating Agencies will look very favorably on this proposed Project.
   - Specifically, the Project will have a meaningful impact on the City's demographics, quality of life, long-term financial sustainability all with limited City debt exposure.

4. **Impact on Essential City Services (police, fire, emergency services, public works, utilities)**
   - As noted above and included in the Fiscal and Economic Impact Statement & Analysis, the City has provided Davenport with estimates of increased operating expenditures for critical city services and as such are already factored into our analysis.

5. **Impact on Richmond's marketability/quality of life**
   - The proposed Project provides a myriad of key quality of life enhancements for current and future residents of the City including but not limited to a first class ball-park, affordable housing, shopping, and job creation.

DAVENPORT & COMPANY

Member NYSE | FINRA | SIPC

Fiscal and Economic Impact Statement & Related Analysis

Diamond District Project

City of Richmond, Virginia

April 24, 2023

Introduction

- The enclosed information provides the Fiscal and Economic Impact Statements that are required by City Code to be submitted to City Council upon the introduction of Ordinances for the Diamond District Project.

- Section A: Contains the Fiscal Impact Statement required by City Code Section 2-303 and related financial analysis.

- Section B Contains the Economic Impact Statement required by City Code Section 2-304 and related financial analysis.

Executive Summary

- The Diamond District Project (the "Project") is a $2.44 Billion transformational project that will revitalize approximately 67 acres in the heart of the City adjacent to the vibrant Scott's Addition area.
  - The mixed-use Project will include residential (market rate and affordable) housing, commercial office, retail space, restaurants, and a hotel.
  - The aggregate planned Phase I investment approximates $627.6 Million.

- The Project will result in a new Stadium for the Squirrels that will meet Minor League Baseball standards and provide an enhanced baseball experience and expanded uses beyond baseball. The new Stadium will also be used by the VCU Baseball team.

- The Non-Recourse CDA Revenue Bonds will provide approximately $80 Million of the $110 Million in funding for the Stadium. Additional Sources include:
  - The Developer is providing $20 Million of Non-Recourse subordinate loans in connection with the Stadium, which will be repaid after the payment of the CDA Revenue Bonds and meeting specified targets; and
  - The Sale of Phase I Land by the City to the Developer will also provide approximately $10 Million of Equity (cash) for the Stadium.

- The City will receive approximately $68.3 Million for the Sale of 67 acres of Land to the Developer of the Project.

Executive Summary

- The Project is projected to provide a Net Benefit (surplus of Revenues versus Debt Service/Expenses) ranging from $1.01 Billion to $1.07 Billion[(1)] through the projection period ending in FY 2068 (after maturity of the related CDA Revenue Bonds for Phase IV).
  - In the first twelve years (two years of construction plus ten years after the completion of the Stadium) through FY 2035, the Net Benefit to the City approximates $16.5 Million.
  - Nine of the first twelve years are cash flow positive averaging in excess of $2 Million per year.
  - Only three of the first twelve years are slightly cash flow negative averaging approximately $900,000 per year.
  - These figures do not include the sale of the Land.

- The full build-out of the Project, will have a positive effect on the City's Debt Capacity.
  - The Project is projected to add approximately $154,421,000 of additional Debt Capacity under Virginia Law.
  - The $23,700,000 to be used for public infrastructure investment in the Diamond District will be programmed into the CIP through FY 2028.
    - Of the $23.7 Million, approximately $18,000,000 of the G.O. Bonds is directly related to the City's Storm Water Enterprise system – to the extent that this becomes self supporting through user rates and charges, then this amount would not count against the City's Debt Capacity.

- The incremental revenue from the expanded district may be used to lower the need for City G.O. Bond financing, and to support infrastructure improvements to the area.

Notes:

(1) Based on CDA Revenue Bond Debt Service estimates, coverage ranges, and interest rate assumptions provided by Loop Capital Markets as shown under Scenario 1 herein.

A: Fiscal Impact Statement per City Code Section 2-303

Section 2-303(a)

a) The sources of information, assumptions and methodologies used to reach the conclusions set forth in the fiscal impact statement.

- The sources of the information within this statement include:
  - Financial Projections the Diamond District Project (the "Project") prepared by MuniCap, Inc. which incorporates assumptions from RVA Diamond Partners (the "Developer");
  - Preliminary Revenue Bond Plan of Finance estimates provided by Loop Capital Markets, which include assumptions with respect to:
    - Interest rates,
    - Reserves and Credit Features,
    - Annual debt service
    - Coverage requirements; and
    - Repayment structure,
  - Information from City staff related to the Estimated Operating Impact of the Project on City services and operating expenses; and

- Actual results may vary from the analysis shown herein as discussed further in this document.

Section 2-303(a)

a) The sources of information, assumptions and methodologies used to reach the conclusions set forth in the fiscal impact statement.

- The Total Investment in the Project approximates $2.44 Billion.
  - The aggregate planned Phase I investment approximates $627.6 Million

- The Public Investment in the Project approximates $202.7 Million and is comprised of the following:
  - Replacement Minor League Stadium funded with approximately $80 Million from Non-Recourse CDA Revenue Bonds, $20 Million Subordinate Developer Loan (both of which the City will have no obligation to repay in the event that revenues are insufficient), and $10 Million Equity (Land Sale Proceeds).
  - Infrastructure Investment approximating $92.7 Million funded from a combination of:
    - CDA Revenue Bonds - $39.0 Million;
    - New G.O. Bonds - $23.7 Million;
    - DPU Enterprise Bonds - $17.0 Million;
    - Equity (Land Sale Proceeds) - $10.8 Million; and
    - Previously Issued G.O. - $2.3 Million.

- Other Investment related to the Project:
  - Replacement Sports Backers facility approximating a $25 Million investment funded with EDA Revenue Bonds repaid from non-City derived lease revenues and backed by a Moral Obligation. Note: these revenue bonds will not count against the City's debt capacity. The City will only be responsible for these bonds if the lease revenues go away.

Section 2-303(a) | Projected Revenues

a) The sources of information, assumptions and methodologies used to reach the conclusions set forth in the fiscal impact statement.

- Based on the Financial Projections for the Project, the proposed project is anticipated to generate the following revenues to the City:

Revenue Summary by Phase

Diamond District

Total All Phases Through FY 2068

	Project Revenue			Other Non-CDA Revenue			
	Public Revenue	Private Revenue	Total Revenue	Schools Portion Meals Tax	Lodging Tax to GRCCA	Stadium Lease Revenues	Grand Total
Phase I	694,851,330	52,066,835	746,918,165	25,669,964	52,255,048	132,233,892	957,077,070
Phase II	251,776,865	4,012,378	255,789,243	3,623,932	-	-	259,413,176
Phase III	212,541,070	991,880	213,532,950	4,342,789	-	-	217,875,739
Phase IV	358,815,645	4,978,504	363,794,149	29,871,032	-	-	393,665,181
Total All Phases	1,517,984,910	62,049,598	1,580,034,507	63,507,718	52,255,048	132,233,892	1,828,031,166

  - Total Project "Public" Revenue is derived from the development of the Project and includes incremental Real Estate tax, Local Option Sales Tax, State Eligible Sales Tax, 6% Meals Tax, BPOL, Admissions Tax and Eligible Stadium Rent.
    - The Public Revenue is used to size the Revenue Bonds to be issued by the CDA/EDA.
  - Total Project "Private" Revenue is derived from the development of the Project and includes incremental CDA Sales Tax, Hotel Surcharge and Parking Revenues.

    .

- Other Non-CDA Revenue is not used to repay any CDA/EDA obligation for the Stadium and Project Infrastructure and will directly be for the benefit of Schools (i.e. 1.5% Meals Tax) or GRCCA (8% lodging tax) or be used for other purposes (Sports Backers facility).

Source: MuniCap/Developer. Note revenues for Phases I, II, and III shown above have been extended to the final projection year (FY 2068) of Phase IV.

Section 2-303(a) | Sports Facilities Sources and Uses

a) The sources of information, assumptions and methodologies used to reach the conclusions set forth in the fiscal impact statement.

- The table shows the Sources and Uses of the Sports Facilities as a result of the Project.
  - The New Stadium funding is comprised of CDA Revenue Bonds. Key assumptions include the following
    - The CDA Revenue Bonds are repaid from a portion of the revenues from the impacted area and backed by a Special Assessment within the CDA area.
    - Non-Recourse to the City (the City will have no obligation to repay in the event of revenue shortfall).
    - Will not count against the City's Debt Capacity.
    - Approximate 34 year maturity(3).
    - Minimum stabilized Debt Service Coverage range of 1.30x to 1.50x(3).
  - New Sports Backers facility funding is to be issued through the EDA(2).
    - The Revenue Bonds backed by the City's Moral Obligation(2).
    - Approximate 10 year maturity(2).
    - Repaid from Lease Revenues from third party and not associated from City General Funds, and as a result will not count against the City's Debt Capacity.

	Fiscal Year	Phase I 2024 (Stadium)	Phase I 2025 (Sportsbackers)	Phase I Total (Facilities)
1	**Sources of Funds**			
2	CDA Revenue Bonds (1)	80,000,000	-	80,000,000
3	EDA Revenue Bonds (2)	-	25,000,000	25,000,000
4	Subordinate CDA Bonds (Developer)	20,000,000	-	20,000,000
5	DPU Enterprise Revenue Bonds	-	-	-
6	Previously Issued G.O. Bonds	-	-	-
7	New G.O. Bonds	-	-	-
8	Phase I Land Sale Proceeds (Cash)	10,000,000	-	10,000,000
9	**Total Uses of Funds**	**110,000,000**	**25,000,000**	**135,000,000**
10				
11	**Uses of Funds**			
12	Site Grading & Earthwork	-	-	-
13	Roads, Sidewalks, Curb, & Gutter	-	-	-
14	Park & Skatepark	-	-	-
15	Streetlights	-	-	-
16	Sewer	-	-	-
17	Gas	-	-	-
18	Water	-	-	-
19	Stormwater	-	-	-
20	Other	-	-	-
21	Stadium/Sports Facilities	110,000,000	25,000,000	135,000,000
22	**Total Uses of Funds**	**110,000,000**	**25,000,000**	**135,000,000**

Notes:

(1) Net Proceeds based on CDA Revenue Bond Debt Service estimates provided by Loop Capital Markets.

(2) Assumption provided by City of Richmond.

(3) Assumption provided by Loop Capital Markets.

Section 2-303(a) | Infrastructure Sources and Uses

a) The sources of information, assumptions and methodologies used to reach the conclusions set forth in the fiscal impact statement.

- The table shows the Sources and Uses for the Infrastructure investment necessary to implement the Project.

	Fiscal Year	Phase I [1] 2024 (Infrastructure)	Phase I [1] 2025 (Infrastructure)	Phase I [1] 2026 (Infrastructure)	Phase I [1] Total (Infrastructure)	Phase II [2] 2028 (Infrastructure)	Phase III [2] 2031 (Infrastructure)	Phase IV [2] 2034 (Infrastructure)	Phases I-IV Grand Total (Infrastructure)
1	**Sources of Funds**								
2	CDA Revenue Bonds [3]		-	-	-	10,335,341	15,224,446	13,428,922	38,988,709
3	Subordinate CDA Bonds (Developer)				-	-	-	-	-
4	DPU Enterprise Revenue Bonds [3]	12,700,000	4,200,000	58,000	16,958,000	-	-	-	16,958,000
5	Previously Issued G.O. Bonds		-	2,300,000	2,300,000	-	-	-	2,300,000
6	New G.O. Bonds [3]	7,333,333	9,933,333	6,433,333	23,700,000	-	-	-	23,700,000
7	Phase I Land Sale Proceeds (Cash)	6,000,000	4,800,000	-	10,800,000	-	-	-	10,800,000
8	**Total Uses of Funds**	**26,033,333**	**18,933,333**	**8,791,333**	**53,758,000**	**10,335,341**	**15,224,446**	**13,428,922**	**92,746,709**
9									
10	**Uses of Funds**								
11	Site Grading & Earthwork	3,200,000	-	-	3,200,000	Exact Uses TBD			
12	Roads, Sidewalks, Curb, & Gutter	-	4,600,000	2,300,000	6,900,000				
13	Park & Skatepark	-	-	3,000,000	3,000,000				
14	Streetlights	-	-	2,300,000	2,300,000				
15	Sewer	12,700,000	-	-	12,700,000				
16	Gas	-	-	58,000	58,000				
17	Water	-	4,200,000	-	4,200,000				
18	Stormwater	9,000,000	9,000,000	-	18,000,000				
19	Other [4]	1,133,333	1,133,333	1,133,333	3,400,000				
20	Stadium	-	-	-	-				
21	**Total Uses of Funds**	**26,033,333**	**18,933,333**	**8,791,333**	**53,758,000**	**10,335,341**	**15,224,446**	**13,428,922**	**92,746,709**

Notes:

(1) Source: City of Richmond.

(2) Source: Loop Capital Markets/Developer.

(3) Net proceeds from bond/debt issuances.

(4) Includes Temporary Facilities & Controls; Existing Conditions; Metals; Electrical Utilities/Traffic Signals; and Communications Utilities.

Section 2-303(a) | Net Benefit to the City – All Phases Through FY 2068

a) The sources of information, assumptions and methodologies used to reach the conclusions set forth in the fiscal impact statement.

- The table shows the estimated Net Benefit to the City after the payment of all CDA Revenue Bonds(1), Other Debt Service/Expenses and Estimated Operating Expenditures as a result of the Project.
  - Scenario 1(1) assumes a 6.75% interest rate for the CDA Revenue Bonds and a minimum stabilized Debt Service Coverage of 1.50x in FY 2033 for Phase I.
    - Debt Service Coverage for Phases II, III and IV exceed the minimum in all years.
  - Scenario 2(1) assumes a 7.50% interest rate for the CDA Revenue Bonds and a minimum stabilized Debt Service Coverage of 1.33x in FY 2033 for Phase I.
    - Debt Service Coverage for Phases II, III and IV exceed the minimum in all years.

	Total All Phases Through FY 2068	
	Scenario 1 CDA Bonds @ 6.75%	Scenario 2 CDA Bonds @ 7.50%
Revenues Generated by the Project		
Total Project Revenues (including Stadium Rent)	1,580,034,507	1,580,034,507
Other Non-CDA Revenues		
Schools Portion of Meals Tax (1.5%)	63,507,718	63,507,718
GRCCA Lodging Tax (8.0%)	52,255,048	52,255,048
Stadium Rent	132,233,892	132,233,892
Total Estimated Revenues Generated by the Project	**1,828,031,166**	**1,828,031,166**
Less Debt Service:		
CDA Revenue Bond Debt Service (Phases I-IV) (1)	466,009,320	523,131,258
Other Debt Service/CDA Expenses (2)	123,722,081	126,438,149
Total Debt Service/CDA Expenses	**589,731,401**	**649,569,407**
Net Benefit Before City Expenditures	**1,238,299,764**	**1,178,461,758**
Less Estimated Operating Expenditure Impact(3):		
Department of Public Works	13,151,298	13,151,298
Department of Public Utilities	-	-
Department of Emergency Communications	6,140,645	6,140,645
Department of Planning/Development	1,061,085	1,061,085
Department of Fire/Emergency Services	126,865,228	126,865,228
Richmond Police Department	19,880,564	19,880,564
Office of Children and Families	-	-
Total Estimated Operating Expenditures	**167,098,819**	**167,098,819**
Net Benefit to the City	**1,071,200,946**	**1,011,362,940**

Notes:

(1) CDA Revenue Bond Debt Service estimates, coverage ranges, and interest rate assumptions provided by Loop Capital Markets

(2) Other Debt Service/CDA Expenses include Subordinate Developer Debt, City Issued G.O. Bonds for Infrastructure, EDA Revenue Bonds (Sports Backers) and CDA administrative expenses.

(3) Estimated Operating Expenditure impact assumptions provided by the City and incorporates 3% inflation per year.

Note: Total Project Revenues shown above have been extended to the final projection year (FY 2068) of Phase IV based on assumptions as provided by MuniCap/Developer.

Section 2-303(b) | Net Benefit to the City – All Phases Through FY 2068

b) A debt capacity schedule, if debt is a funding mechanism. In addition, the debt capacity schedule shall show the City's current debt capacity and how the City's current debt capacity is expected to change if the Council approves the proposed ordinance to which the fiscal impact statement relates for adoption or amendment.

- The Project is a $2.44 Billion transformational project that will revitalize approximately 67 acres in the heart of the City adjacent to the vibrant Scott's Addition area.
  - The mixed-use Project will include residential (market rate and affordable) housing, commercial office, retail space, restaurants, and a hotel.
  - The aggregate planned Phase I investment approximates $627.6 Million.
  - These investments are estimated to add to the City's total taxable real estate assessed valuation as shown below, which in turn, will add to the City's overall Legal Debt Capacity.

		Assessed Value				% of
	Projected Full Build Out FY	Residential	Commercial	Parking	Total Assessed Value	Taxable AV Real Property
Phase I	2030	316,020,000	92,650,000	74,175,000	482,845,000	1.5%
Phase II	2032	180,565,000	82,270,000	61,435,000	324,270,000	1.0%
Phase III	2034	133,260,000	113,105,000	64,780,000	311,145,000	1.0%
Phase IV	2038	132,070,000	155,610,000	118,270,000	405,950,000	1.3%
Total All Phases		761,915,000	443,635,000	318,660,000	1,524,210,000	4.7%

Estimated Taxable Assessed Valuation (AV) of Real Property as of FY 2023	32,395,000,000

Section 2-303(b)(cont.) | Impact on Cumulative Debt Capacity

b) A debt capacity schedule, if debt is a funding mechanism. In addition, the debt capacity schedule shall show the City's current debt capacity and how the City's current debt capacity is expected to change if the Council approves the proposed ordinance to which the fiscal impact statement relates for adoption or amendment.

- The full build-out of the Project, will have a positive effect on the City's Debt Capacity.
  - The Project is projected to add approximately $154,421,000 of additional Debt Capacity under Virginia Law.
  - The $23,700,000 to be used for public infrastructure investment in the Diamond District will be programmed into the CIP through FY 2028.
    - Of the $23.7 Million, approximately $18,000,000 of the G.O. Bonds is directly related to the City's Storm Water Enterprise system – to the extent that this becomes self supporting through user rates and charges, then this amount would not count against the City's Debt Capacity.

Section 2-303(c) | Comparison of Funding Options/Sources

c) A comparison of funding and financing options available, including, but not limited to, expenditures from City funds, the issuance of general obligation bonds, and the issuance of revenue bonds.

- The Stadium Portion of the Project will be funded from $80 Million CDA Revenue Bonds, $20 Million Subordinate Developer Loan, and $10 Million Equity (from Sale of Phase I Land) (estimated total cost $110 Million).

- The $80 Million CDA Revenue Bonds and $20 Million Subordinate Developer Loan will be Non-Recourse to the City and will be supported and repaid from a portion of the revenues from the impacted area and backed by a Special Assessment within the CDA area, which will be subject to appropriation.
  - The CDA Revenue Bonds will be Non-Recourse and will not involve a general nor moral obligation of the City for the repayment of principal and interest from other than incremental revenues. As a result, in the event that incremental revenues of the increment area are insufficient, the City will have no obligation to repay the debt service. The Bonds will be further backstopped by a Special Assessment levied on the taxable property of the CDA if the incremental revenue is insufficient.
  - The risk of repayment will be borne by the investors (i.e. purchasers of the Non-Recourse CDA Revenue Bonds).
  - The issuance and repayment of the Non-Recourse CDA Revenue Bonds and $20 Million Subordinate Developer Loan will not affect the City's Debt Capacity.
    - Loop Capital Markets has provided a Tax-Exempt interest rate range of 6.75% to 7.50% for the CDA Revenue Bonds.
    - The $20 Million Subordinate Developer Loan is estimated to have a 8% interest rate.

Section 2-303(c) | Comparison of Funding Options/Sources (cont.)

c) A comparison of funding and financing options available, including, but not limited to, expenditures from City funds, the issuance of general obligation bonds, and the issuance of revenue bonds.

- As discussed in the response to Section 2-303(a)/Infrastructure Sources and Uses, and Section 2-303(b)/Impact on Cumulative Debt Capacity:
  - The City will use approximately $23.7 Million of its Debt Capacity to fund public infrastructure.
    - ***It is important to note that this public infrastructure would have to be undertaken by the City for any development to occur on the Phase I Project site.***
    - ***In addition, to the extent that the Storm Water Utility becomes fully self supporting through user rates and charges, then approximately $18 of the $23.7 Million of G.O. Bonds would not count against the City's Debt Capacity.***
    - The estimated planning rate for 20 Year G.O. Bonds is 5%.
  - The approximate $17 Million of DPU Enterprise Revenue Bonds for water, sewer and gas infrastructure are repaid from user rates and charges, are fully self supported and thus do not count against the City's Debt Capacity.
  - The $25 Million EDA Revenue Bonds issued for the Sports Backers facility will have a Moral Obligation from the City and are to be repaid from Lease Revenues from an outside third party and not from City General Funds. As a result, these bonds will not count against the City's Debt Capacity.
    - The estimated planning rate for these Bonds with an approximate 10 year term is 5%.

Section 2-303(d) | Land Sale Proceeds and Related Use

d) A detailed cost analysis, including, but not limited to, costs to the City and private funding, and a listing of the amount, value and source, as applicable, of each public and private investment, including, but not limited to, any property values of any real estate transferred, incentives provided, or infrastructure improvements made to facilitate the economic development project.

- See responses to Section 2-303(a)/Infrastructure Sources and Uses, Section 2-303(b)/Impact on Debt Capacity, and Section 2-303(c)/Comparison of Funding Options and Sources for information on the estimated costs of funding.

- The table below shows the estimated Land Sale proceeds to be received by the City. The proceeds from the sale of the Phase I site has been programmed as shown below.

Fiscal Year	Phase I 2024	Phase I 2025	Phase I Total	Phase II 2028	Phase III 2031	Phase IV 2034	Phases I-IV Grand Total
Sources of Funds							
Land Sale Proceeds	16,000,000	-	16,000,000	7,260,000	16,390,000	28,680,000	68,330,000
Sportsbackers Sale Proceeds	-	11,800,000	11,800,000	-	-	-	11,800,000
Total Sources of Funds	**16,000,000**	**11,800,000**	**27,800,000**	**7,260,000**	**16,390,000**	**28,680,000**	**80,130,000**
Uses of Funds							
Stadium	10,000,000	-	10,000,000	-	-	-	10,000,000
Infrastructure	6,000,000	4,800,000	10,800,000	-	-	-	10,800,000
Other Infrastructure Contingency	-	7,000,000	7,000,000	7,260,000	16,390,000	28,680,000	59,330,000
Total Uses of Funds	**16,000,000**	**11,800,000**	**27,800,000**	**7,260,000**	**16,390,000**	**28,680,000**	**80,130,000**

Source: City of Richmond

Section 2-303(e) | Revenue/Expenditures/Net Benefit to the City – All Phases Through FY 2068

e) A Projected revenue and expenditure estimates attributable to the City, as a result of the proposed ordinance for adoption or amendment, if it is approved, covering at least the next ten fiscal years, including, but not limited to, debt repayment, new tax revenue, ownership, management, and maintenance costs, and additional service delivery costs for police and fire protection services and refuse collection services.

- The table shows the estimated Net Benefit to the City after the payment of all CDA Revenue Bonds(1), Other Debt Service/Expenses and Estimated Operating Expenditures as a result of the Project.
  - Scenario 1(1) assumes a 6.75% interest rate for the CDA Revenue Bonds and a minimum stabilized Debt Service Coverage of 1.50x in FY 2033 for Phase I.
    - Debt Service Coverage for Phases II, III and IV exceed the minimum in all years.
  - Scenario 2(1) assumes a 7.50% interest rate for the CDA Revenue Bonds and a minimum stabilized Debt Service Coverage of 1.33x in FY 2033 for Phase I.
    - Debt Service Coverage for Phases II, III and IV exceed the minimum in all years.

	Total All Phases Through FY 2068	
	Scenario 1 CDA Bonds @	Scenario 2 CDA Bonds @
Revenues Generated by the Project	**6.75%**	**7.50%**
Total Project Revenues (including Stadium Rent)	1,580,034,507	1,580,034,507
Other Non-CDA Revenues		
Schools Portion of Meals Tax (1.5%)	63,507,718	63,507,718
GRCCA Lodging Tax (8.0%)	52,255,048	52,255,048
Stadium Rent	132,233,892	132,233,892
Total Estimated Revenues Generated by the Project	**1,828,031,166**	**1,828,031,166**
Less Debt Service:		
CDA Revenue Bond Debt Service (Phases I-IV) (1)	466,009,320	523,131,258
Other Debt Service/CDA Expenses (2)	123,722,081	126,438,149
Total Debt Service/CDA Expenses	**589,731,401**	**649,569,407**
Net Benefit Before City Expenditures	**1,238,299,764**	**1,178,461,758**
Less Estimated Operating Expenditure Impact(3):		
Department of Public Works	13,151,298	13,151,298
Department of Public Utilities	-	-
Department of Emergency Communications	6,140,645	6,140,645
Department of Planning/Development	1,061,085	1,061,085
Department of Fire/Emergency Services	126,865,228	126,865,228
Richmond Police Department	19,880,564	19,880,564
Office of Children and Families	-	-
Total Estimated Operating Expenditures	**167,098,819**	**167,098,819**
Net Benefit to the City	**1,071,200,946**	**1,011,362,940**

Notes:

(1) CDA Revenue Bond Debt Service estimates, coverage ranges, and interest rate assumptions provided by Loop Capital Markets

(2) Other Debt Service/CDA Expenses include Subordinate Developer Debt, City Issued G.O. Bonds for Infrastructure, EDA Revenue Bonds (Sports Backers) and CDA administrative expenses.

(3) Estimated Operating Expenditure impact assumptions provided by the City and incorporates 3% inflation per year.

Note: Total Project Revenues shown above have been extended to the final projection year (FY 2068) of Phase IV based on assumptions as provided by MuniCap/Developer.

Section 2-303(e) | Revenue/Expenditures/Net Benefit to the City – All Phases Annual First 10 Years After Stadium Completion (Scenario 1)

e) *A Projected revenue and expenditure estimates attributable to the City, as a result of the proposed ordinance for adoption or amendment, if it is approved, covering at least the next ten fiscal years, including, but not limited to, debt repayment, new tax revenue, ownership, management, and maintenance costs, and additional service delivery costs for police and fire protection services and refuse collection services.*

- The table shows the estimated Net Benefit to the City after the payment of all CDA Revenue Bonds(1), Other Debt Service/Expenses and Estimated Operating Expenditures as a result of the Project based on Scenario 1.

Revenue/Expense Summary

Diamond District

FY	Total Project Revenues	Other Non-CDA Revenues: Schools Meals Tax	GRCCA Lodging Tax	Stadium Rent	Total Revenues	Scenario 1 CDA Revenue Bond Debt Service(1)	Other Debt Service(2) CDA Expense	Total Debt Service/ CDA Expense	Total Allocated Operating Expense (3)	Benefit (Cost)
2024	670,538	65,063	-	-	735,601	-	-	-	150,861	584,741
2025	1,454,930	88,486	-	-	1,543,416	-	418,333	418,333	457,079	668,003
2026	5,423,334	215,001	585,736	3,200,000	9,424,071	1,990,491	4,350,893	6,341,384	397,943	2,684,744
2027	8,647,153	335,004	796,600	3,230,000	13,008,757	7,961,963	5,010,520	12,972,482	1,635,993	(1,599,718)
2028	9,475,554	349,529	812,532	3,260,900	13,898,515	7,961,963	5,272,015	13,233,977	1,271,973	(607,436)
2029	11,094,716	356,520	828,780	3,292,727	15,572,742	7,961,963	6,841,044	14,803,007	1,359,138	(589,402)
2030	12,956,604	403,078	845,356	3,325,509	17,530,546	8,089,397	7,706,264	15,795,661	1,431,286	303,600
2031	15,629,629	441,743	862,264	3,359,274	20,292,910	9,109,275	8,538,224	17,647,499	1,493,899	1,151,513
2032	18,586,906	489,096	879,512	3,394,052	23,349,566	9,109,150	10,018,039	19,127,189	1,572,000	2,650,376
2033	20,186,727	572,931	897,100	3,429,874	25,086,632	9,301,073	10,728,511	20,029,584	1,674,316	3,382,732
2034	22,341,958	605,792	915,044	3,466,770	27,329,563	10,880,675	11,016,240	21,896,915	1,758,445	3,674,203
2035	23,309,764	707,794	933,344	3,504,773	28,455,676	11,037,938	11,424,228	22,462,165	1,871,333	4,122,178
Ten Year Total	**149,777,812**	**4,630,037**	**8,356,268**	**33,463,879**	**196,227,996**	**83,403,886**	**81,324,311**	**164,728,197**	**15,074,266**	**16,425,534**
2036 Through 2068	**1,430,256,695**	**58,877,681**	**43,898,780**	**98,770,013**	**1,631,803,169**	**382,605,434**	**42,397,770**	**425,003,205**	**152,024,553**	**1,054,775,412**
Grand Total	**1,580,034,507**	**63,507,718**	**52,255,048**	**132,233,892**	**1,828,031,166**	**466,009,320**	**123,722,081**	**589,731,401**	**167,098,819**	**1,071,200,946**

Notes:

(1) CDA Revenue Bond Debt Service estimates, coverage ranges, and interest rate assumptions provided by Loop Capital Markets

(2) Other Debt Service/CDA Expenses include Subordinate Developer Debt, City Issued G.O. Bonds for Infrastructure, EDA Revenue Bonds (Sports Backers) and CDA administrative expenses.

(3) Estimated Operating Expenditure impact assumptions provided by the City and incorporates 3% inflation per year.

Note: Total Project Revenues shown above have been extended to the final projection year (FY 2068) of Phase IV based on assumptions as provided by MuniCap/Developer.

Section 2-303(e) | Revenue/Expenditures/Net Benefit to the City – All Phases Annual First 10 Years After Stadium Completion (Scenario 2)

e) *A Projected revenue and expenditure estimates attributable to the City, as a result of the proposed ordinance for adoption or amendment, if it is approved, covering at least the next ten fiscal years, including, but not limited to, debt repayment, new tax revenue, ownership, management, and maintenance costs, and additional service delivery costs for police and fire protection services and refuse collection services.*

- The table shows the estimated Net Benefit to the City after the payment of all CDA Revenue Bonds(1), Other Debt Service/Expenses and Estimated Operating Expenditures as a result of the Project based on Scenario 2.

Revenue/Expense Summary

Diamond District

FY	Total Project Revenues	Other Non-CDA Revenues: Schools Meals Tax	Other Non-CDA Revenues: GRCCA Lodging Tax	Other Non-CDA Revenues: Stadium Rent	Other Non-CDA Revenues: Total Revenues	Scenario 2 CDA Revenue Bond Debt Service (1)	Other Debt Service(2) / CDA Expense	Total Debt Service/ CDA Expense	Total Allocated Operating Expense (3)	Benefit (Cost)
2024	670,538	65,063	-	-	735,601	-	-	-	150,861	584,741
2025	1,454,930	88,486	-	-	1,543,416	-	418,333	418,333	457,079	668,003
2026	5,423,334	215,001	585,736	3,200,000	9,424,071	2,287,219	4,350,893	6,638,112	397,943	2,388,016
2027	8,647,153	335,004	796,600	3,230,000	13,008,757	9,148,875	5,010,520	14,159,395	1,635,993	(2,786,631)
2028	9,475,554	349,529	812,532	3,260,900	13,898,515	9,148,875	5,272,015	14,420,890	1,271,973	(1,794,348)
2029	11,094,716	356,520	828,780	3,292,727	15,572,742	9,148,875	6,247,588	15,396,463	1,359,138	(1,182,858)
2030	12,956,604	403,078	845,356	3,325,509	17,530,546	9,296,650	7,107,351	16,404,001	1,431,286	(304,740)
2031	15,629,629	441,743	862,264	3,359,274	20,292,910	10,440,375	7,872,412	18,312,787	1,493,899	486,225
2032	18,586,906	489,096	879,512	3,394,052	23,349,566	10,445,250	9,353,427	19,798,677	1,572,000	1,978,889
2033	20,186,727	572,931	897,100	3,429,874	25,086,632	10,661,638	10,044,899	20,706,536	1,674,316	2,705,780
2034	22,341,958	605,792	915,044	3,466,770	27,329,563	12,350,250	10,280,428	22,630,678	1,758,445	2,940,440
2035	23,309,764	707,794	933,344	3,504,773	28,455,676	12,352,125	10,766,216	23,118,341	1,871,333	3,466,003
Ten Year Total	**149,777,812**	**4,630,037**	**8,356,268**	**33,463,879**	**196,227,996**	**95,280,131**	**76,724,080**	**172,004,211**	**15,074,266**	**9,149,519**
2036 Through 2068	**1,430,256,695**	**58,877,681**	**43,898,780**	**98,770,013**	**1,631,803,169**	**427,851,127**	**49,714,069**	**477,565,196**	**152,024,553**	**1,002,213,420**
Grand Total	**1,580,034,507**	**63,507,718**	**52,255,048**	**132,233,892**	**1,828,031,166**	**523,131,258**	**126,438,149**	**649,569,407**	**167,098,819**	**1,011,362,940**

Notes:

(1) CDA Revenue Bond Debt Service estimates, coverage ranges, and interest rate assumptions provided by Loop Capital Markets

(2) Other Debt Service/CDA Expenses include Subordinate Developer Debt, City Issued G.O. Bonds for Infrastructure, EDA Revenue Bonds (Sports Backers) and CDA administrative expenses.

(3) Estimated Operating Expenditure impact assumptions provided by the City and incorporates 3% inflation per year.

Note: Total Project Revenues shown above have been extended to the final projection year (FY 2068) of Phase IV based on assumptions as provided by MuniCap/Developer.

Section 2-303(e) | Estimated Operating Expense: Department of Public Works

- The table shows the Estimated Operating Expense impact – 33% of Total costs allocated to the Project.

Department of Public Works (DPW): Projected Expense Impact

Diamond District

		One-Time				Ongoing			
Period	FY	Ph I City Staff	Ph I Consultant	Ph II-IV City Staff	Ph II-IV Consultant	Capital Exp	Ongoing Staff Exp	Ongoing Oper Exp	Total
(2)	2024	-	83,911	-	-	-	-	-	83,911
(1)	2025	-	86,428	-	-	70,727	-	123,772	280,926
1	2026	-	89,021	-	-	-	-	127,485	216,506
2	2027	-	91,691	-	-	-	-	131,309	223,001
3	2028	-	94,442	-	-	-	-	135,249	229,691
4	2029	-	-	-	97,275	-	-	139,306	236,582
5	2030	-	-	-	100,194	-	-	143,485	243,679
6	2031	-	-	-	103,200	-	-	147,790	250,989
7	2032	-	-	-	106,296	-	-	152,224	258,519
8	2033	-	-	-	109,484	-	-	156,790	266,275
9	2034	-	-	-	112,769	-	-	161,494	274,263
10	2035	-	-	-	116,152	95,051	-	166,339	377,541
Ten Year Total		-	445,493	-	745,370	165,777	-	1,585,242	2,941,882
Total 2036-2068		-	-	-	242,862	530,125	-	9,436,428	10,209,415
Grand Total		-	445,493	-	988,232	695,903	-	11,021,670	13,151,298

All expenses assume 3% Inflation Factor through end of projection period. Source: City of Richmond, DPW Staff

- 33% allocation of expense assumptions shown in 2023 dollars:
  - One-time consulting expense of $3,421,600 through spread evenly through completion of all four phases.
  - Equipment Expense of $200,000, starting in FY 2025 replaced on a 10-year cycle.
  - Ongoing operational expense of $350,000 starting in FY 2025.

All expenses assume inflation growth rate of 3%

Section 2-303(e) | Estimated Operating Expense: Department of Emergency Communications, Preparedness and Response

- The table shows the Estimated Operating Expense impact – 33% of Total costs allocated to the Project.

Department of Emergency Communications, Preparedness, and Response (DEC): Projected Expense Impact

Diamond District

		One-Time					Ongoing		
Period	FY	Ph I City Staff	Ph I Consultant	Ph II-IV City Staff	Ph II-IV Consultant	One-Time Exp	Ongoing Staff Exp	Ongoing Oper Exp	Total
(2)	2024	-	-	-	-	-	-	-	-
(1)	2025	-	-	-	-	-	68,959	-	68,959
1	2026	-	-	-	-	-	71,027	-	71,027
2	2027	-	-	-	-	-	73,158	-	73,158
3	2028	-	-	-	-	-	75,353	-	75,353
4	2029	-	-	-	-	-	77,613	-	77,613
5	2030	-	-	-	-	-	79,942	-	79,942
6	2031	-	-	-	-	-	82,340	-	82,340
7	2032	-	-	-	-	-	84,810	-	84,810
8	2033	-	-	-	-	-	87,355	-	87,355
9	2034	-	-	-	-	-	89,975	-	89,975
10	2035	-	-	-	-	-	92,674	-	92,674
Ten Year Total		-	-	-	-	-	883,206	-	883,206
Total 2036-2068		-	-	-	-	-	5,257,438	-	5,257,438
Grand Total		-	-	-	-	-	6,140,645	-	6,140,645

All expenses assume 3% Inflation Factor through end of projection period. Source: City of Richmond, DEC Staff

- 33% allocation of expense assumptions shown in 2023 dollars:
  - Ongoing staffing expense of $195,000 ($65,000 for 3 personnel) starting in FY 2025.

Section 2-303(e) | Estimated Operating Expense: Department of Planning and Development Review

- The table shows the Estimated Operating Expense impact – 100% of Total costs allocated to the Project.

Department of Planning and Development Review (PDR - Expense): Projected Expense Impact

Diamond District

		One-Time					Ongoing		
Period	FY	Ph I City Staff	Ph I Consultant	Ph II-IV City Staff	Ph II-IV Consultant	One-Time Exp	Ongoing Staff Exp	Ongoing Oper Exp	Total
(2)	2024	61,800	-	-	-	5,150	-	-	66,950
(1)	2025	63,654	-	-	-	-	-	-	63,654
1	2026	65,564	-	-	-	-	-	-	65,564
2	2027	67,531	-	-	-	-	-	-	67,531
3	2028	69,556	-	-	-	-	-	-	69,556
4	2029	-	-	71,643	-	-	-	-	71,643
5	2030	-	-	73,792	-	-	-	-	73,792
6	2031	-	-	76,006	-	-	-	-	76,006
7	2032	-	-	78,286	-	-	-	-	78,286
8	2033	-	-	80,635	-	-	-	-	80,635
9	2034	-	-	83,054	-	-	-	-	83,054
10	2035	-	-	85,546	-	-	-	-	85,546
Ten Year Total		328,105	-	548,963	-	5,150	-	-	882,217
Total 2036-2068		-	-	178,867	-	-	-	-	178,867
Grand Total		328,105	-	727,830	-	5,150	-	-	1,061,085

All expenses assume 3% Inflation Factor through end of projection period. Source: City of Richmond, PDR Staff

- 100% allocation of expense assumptions shown in 2023 dollars:
  - Allocable staff expense of $60,000 starting in FY 2025 through FY 2037.
  - One time equipment expense of $5,150.

Section 2-303(e) | Estimated Operating Expense: Department of Fire and Emergency Services

- The table shows the Estimated Operating Expense impact – 33% of Total costs allocated to the Project.

Richmond Department of Fire and Emergency Services (RFD): Projected Expense Impact

Diamond District

		One-Time			Ongoing				
Period	FY	Ph I City Staff	Ph I Consultant	Ph II-IV City Staff	Phase I Equipment	Phases II-IV Equipment	Ph I Ongoing Staff Exp	Ph II-IV Ongoing Staff Exp	Total
(2)	2024	-	-	-	-	-	-	-	-
(1)	2025	-	-	-	-	-	-	-	-
1	2026	-	-	-	-	-	-	-	-
2	2027	-	-	-	372,356	-	778,852	-	1,151,208
3	2028	-	-	-	-	-	802,218	-	802,218
4	2029	-	-	-	-	-	826,284	-	826,284
5	2030	-	-	-	-	-	851,073	-	851,073
6	2031	-	-	-	-	-	876,605	-	876,605
7	2032	-	-	-	-	-	902,903	-	902,903
8	2033	-	-	-	-	-	929,990	-	929,990
9	2034	-	-	-	69,212	-	957,890	-	1,027,102
10	2035	-	-	-	-	-	986,627	-	986,627
Ten Year Total		-	-	-	441,568	-	7,912,441	-	8,354,009
Total 2036-2068		-	-	-	1,736,569	4,831,655	55,971,497	55,971,497	118,511,219
Grand Total		-	-	-	2,178,137	4,831,655	63,883,939	55,971,497	126,865,228

All expenses assume 3% Inflation Factor through end of projection period. Source: City of Richmond, RFD/DED Staff

- 33% allocation of expense assumptions shown in 2023 dollars:
  - Company 1 - Ongoing staffing expense of $2,076,000 (3 Battalion commanders @ $167,000, 1 Captain @ $135,000, 2 Lieutenants @ $120,000, 3 DPO's @ $100,000, 12 Fire Fighters @ $75,000) starting in FY 2027; Company 2 - Ongoing staffing expense of $2,076,000 (3 Battalion commanders @ $167,000, 1 Captain @ $135,000, 2 Lieutenants @ $120,000, 3 DPO's @ $100,000, 12 Fire Fighters @ $75,000) starting in FY 2036.
  - 2027 Equipment - 1 Engine and related equipment @ $842,500 with 15 year replacement cycle; 1 Command vehicle @ $150,000 with 7 year replacement cycle. 2029 Equipment - 1 Ladder Truck and related equipment @ $1,742,500 with 15 year replacement cycle; 1 Command vehicle @ $150,000 with 7 year replacement cycle.

Section 2-303(e) | Estimated Operating Expense: Richmond Police Department

- The table shows the Estimated Operating Expense impact – 33% of Total costs allocated to the Project.

Richmond Police Department (RPD): Projected Expense Impact

Diamond District

		One-Time				Ongoing			
Period	FY	Ph I City Staff	Ph I Consultant	Ph II-IV City Staff	Ph II-IV Consultant	Equipment	Ongoing Staff Exp	Ongoing Oper Exp	Total
(2)	2024	-	-	-	-	-	-	-	-
(1)	2025	-	-	-	-	-	43,540	-	43,540
1	2026	-	-	-	-	-	44,847	-	44,847
2	2027	-	-	-	-	28,712	92,384	-	121,096
3	2028	-	-	-	-	-	95,156	-	95,156
4	2029	-	-	-	-	-	147,015	-	147,015
5	2030	-	-	-	-	31,374	151,426	-	182,800
6	2031	-	-	-	-	-	207,958	-	207,958
7	2032	-	-	-	-	33,285	214,197	-	247,482
8	2033	-	-	-	-	34,283	275,778	-	310,062
9	2034	-	-	-	-	-	284,052	-	284,052
10	2035	-	-	-	-	36,371	292,573	-	328,944
Ten Year Total		-	-	-	-	164,025	1,848,926	-	2,012,951
Total 2036-2068		-	-	-	-	1,269,880	16,597,733	-	17,867,613
Grand Total		-	-	-	-	1,433,905	18,446,659	-	19,880,564

All expenses assume 3% Inflation Factor through end of projection period. Source: City of Richmond, RPD Staff

- 33% allocation of expense assumptions shown in 2023 dollars:
  - One Police Officer @ $123,123 added every 5 years.
  - One Police Vehicle @ $76,530 added every 3 years with a 5 year replacement cycle.

Section 2-303(e) | Department of Public Utilities

- Water
  - No additional staff or equipment needs anticipated in Phase 1 or Total Project.
  - Phase 1 and Total Project water infrastructure to be designed and constructed by development team subject to DPU review, approval, inspection, tie-ins, fees\applications. Other impacts – Phase 1 will see DPU relocated 1600' of the 36" Hanover Transmission Main, which is currently in design. Cost of material & construction to be refunded to DPU by development team once project is complete.
- Sewer/Stormwater
  - DPU predicts, based on the limited information available at this time, that one or more underground stormwater retention basins (which DPU is assuming we'd be responsible for) may be needed to address increased stormwater runoff from the new development. It is also possible that pumping of some of the sanitary sewer will be required and DPU will be responsible for upkeep of these as well. DPU will not be able to determine whether this infrastructure is needed until a preliminary utility plan for the development as a whole is completed. If such equipment is needed, DPU will likely also require new, full-time personnel and equipment to maintain the stormwater retention basins and/or sanitary sewer pump stations.
- Gas
  - Depending on the final layout of the redevelopment, DPU will need to abandon and run new gas lines to the proposed meter locations. The cost won't affect the City Of Richmond budget. The abandonment and new install costs will be the developer's responsibility.

Source: Department of Public Utilities

Section 2-303(e) | Office of Children and Families

- Phase I
  - No additional staff, equipment or infrastructure needs anticipated in Phase 1.
  - The Office of Children & Families (OCF) estimates that approximately 64 K-12 students will move into the approximately 1,334 units housing units built during Phase 1 of the project. These students could be new Richmond residents or current residents who move from other neighborhoods. Because the increases in the number of children and families is marginal, there should not be a meaningful impact on either OCF or RPS's operations in Phase 1. Based OFC's analysis of data available from Richmond Public Schools' 2019 rezoning process and School Year 2022-23 Fall Membership data collected by the VDOE, it is clear that existing RPS facilities possess adequate capacity to absorb 64 additional school-aged children. Each of the zoned elementary, middle and high schools proximate to the Diamond District, as well as out-of-zone schools that may enroll Diamond District students through open enrollment, have current enrollments that are at least 75 students under their total functional capacity.

- Total Project
  - No additional staff, equipment or infrastructure needs anticipated in Total Project.
  - The Office of Children & Families estimates that approximately 125 K-12 students will move into the approximately 2,846 units housing units housing built during the entirety of the project. These students could be new Richmond residents or current residents who move from other neighborhoods. While it is more difficult to estimate impacts for future years in light of potential overall changes in the City's population and RPS redistricting in future years, at this time it is similarly estimated that the Development will also not have a meaningful impact on either OCF or RPS's operations in future phases. Chart 1 below shows that all but three relevant schools has the capacity for more than 125 students. Importantly, it is implausible that all 125 students estimated would go to the same school, as they are likely to be of different ages. Additionally, it is reasonable to assume that at least some of the students anticipated to move into the Diamond District would be current RPS students moving from other parts of the City.

Source: Office of Children and Familieis

Section 2-303(f)

f) Subsequent actions that may affect future revenue and expenditures if the proposed ordinance authorizes spending, including, but not limited to, the City's full fiscal obligation, ownership, management and maintenance.

- As this project is anticipated to have a significant impact through the projection period, incremental changes will need to be incorporated into the annual budgets adopted by City Council, as revenues grow, new housing units are established, etc.

Section 2-303(g)

g) A description of any variables that may affect revenue and cost estimates.

- Variables that may affect revenue and cost estimates include:
  - Interest rates in effect when the public revenue bonds are sold;
  - The timing of the completion of construction of public and private improvements; and
  - Major changes in the national and/or local economy, which impact the ultimate cost of the various capital improvements and anticipated revenues.

Section 2-303(h)

h) An estimate of the staff time and staff costs needed to implement the proposed ordinance.

- Staff time from the City Attorney's Office, Economic Development, Finance, and Planning and Development Review, among others, will be needed to assist with the issuance of public revenue bonds, tracking and disbursement of Increment Area Financing revenues, permitting, etc. Minor increases are anticipated for future years above baseline service levels.

Section 2-303(i)

i) An explanation of how the addition of new staff, if any, and responsibilities would increase costs and affect other duties.

- See response to Section 2-303(e) for Estimated Operating Expense Impacts, which include staffing impact and related costs.

Section 2-303(j)

j) Ranges of revenue or expenditures that are uncertain or difficult to project.

- The Revenue Projections for the Project have been prepared by MuniCap, Inc. and incorporate assumptions from the Developer.
- The Revenue Projections are based on the best available assumptions as of the date of this analysis. Variables that may impact the revenues include:
  - Market absorption of residential and commercial properties;
  - Retail and restaurant sales;
  - Hotel occupancy;
  - Overall economic conditions;
  - Population growth of the City; and
  - Baseball game/event attendance, amongst others.
- Estimated Operating Expense assumptions provided by the City may vary from the enclosed assumptions/estimates due to actual population growth and overall growth of the City, and other unforeseen factors.
- The CDA and Other Debt Assumptions provided herein are estimates as of the date of this analysis based on current market conditions, and the overall economy.
  - The actual results achieved with the proposed debt issuance may differ from the projections shown herein.
  - Factors that affect cost of funds of debt include, investor demand, supply of bonds in the market, U.S. market conditions, global market conditions, and geo-political conflicts.
  - The actual results of the debt issuance(s) will only be known on the day of the bond sale(s).

Section 2-303(k)

k) If it is determined that the proposed ordinance, or any proposed amendments thereto, is not likely to have a fiscal impact, the basis for such a determination.

- Davenport's analysis demonstrates that the Project is anticipated to have a positive fiscal impact to the City.

B: Economic Impact Statement per City Code Section 2-304

Section 2-304(a)

a) The sources of information, assumptions and methodologies used to reach the conclusions set forth in the economic impact statement.

- See response to Section 2-303(a).

Section 2-304(b)

b) An outline that lists all ordinances, resolutions or actions that are required to be completed related to and for the economic development project, with an associated timeline for each.

- An ordinance authorizing the CAO to execute the Diamond District Redevelopment Project Development Agreement by and between the City, RVA Diamond Partners LLC ("RVADP"), and the Economic Development Authority ("EDA"), and its attachments, which include, among other things, a Grant Agreement concerning financing of the stadium and other public improvements (2023).
- An ordinance authorizing the City's conveyance of parcels of surplus owned real estate to the EDA (2023).
- An ordinance to create the Diamond District Community Development Authority (2023).
- An ordinance to create a special revenue fund for the incremental revenues dedicated to bond repayment (2023).
- Rezoning ordinances (2023).

Section 2-304(c)

c) A description of any variables that could affect economic impact estimates.

- Variables that may affect revenue and cost estimates include:
  - Interest rates in effect when the public revenue bonds are sold;
  - The timing of the completion of construction of public and private improvements; and
  - Major changes in the national and/or local economy, which impact the ultimate cost of the various capital improvements and anticipated revenues.

Section 2-304(d)

d) The partnerships, corporations, businesses, boards, commissions, nonprofit organizations and other entities that the Mayor anticipates will be stakeholders in the economic development project to be authorized by the proposed ordinance and the level and nature of their involvement with the economic development project to be authorized by the proposed ordinance.

- RVADP (Developer)
- Economic Development Authority
- Community Development Authority (CDA)
- Flying Squirrels MiLB.
- Virginia Commonwealth University.

Section 2-304(e)

e) Any anticipated positive or negative impact, if any, on employment.

- RVADP (Developer)
- Economic Development Authority
- Community Development Authority (CDA)
- Flying Squirrels MiLB.
- Virginia Commonwealth University.

Section 2-304(f)

f) A range of economic impact factors that are uncertain or difficult to project.

- The Revenue Projections for the Project have been prepared by MuniCap, Inc. and incorporate assumptions from the Developer.
- The Revenue Projections are based on the best available assumptions as of the date of this analysis. Variables that may impact the revenues include:
  - Market absorption of residential and commercial properties;
  - Retail and restaurant sales;
  - Hotel occupancy;
  - Overall economic conditions;
  - Population growth of the City; and
  - Baseball game/event attendance, amongst others.
- Estimated Operating Expense assumptions provided by the City may vary from the enclosed assumptions/estimates due to actual population growth and overall growth of the City, and other unforeseen factors.
- The CDA and Other Debt Assumptions provided herein are estimates as of the date of this analysis based on current market conditions, and the overall economy.
  - The actual results achieved with the proposed debt issuance may differ from the projections shown herein.
  - Factors that affect cost of funds of debt include, investor demand, supply of bonds in the market, U.S. market conditions, global market conditions, and geo-political conflicts.
  - The actual results of the debt issuance(s) will only be known on the day of the bond sale(s).

Section 2-304(g)

g) The number of permanent or temporary jobs that are anticipated to be created as a result of the economic development project to be authorized by the proposed ordinance.

- Although it is too early to project the net growth in employment over the 12-year development horizon, due to the mixed use nature of the redevelopment Project the City anticipates substantial new jobs to be created (one-time for construction and permanent full-time jobs) and the retention of existing jobs in the City.

Section 2-304(h)

h) An analysis and timeline showing the projected revenues that are expected to be generated as a result of the City's expenditure of public funds, if the proposed ordinance is approved by the Council. The analysis and timeline shall include the benchmarks used to determine the revenue projections. An annual progress report concerning the actual revenues collected as a result of the City's expenditure of public funds and how such revenues exceeded, met or failed to meet the revenue projections and benchmarks shall be provided to the Council no later than December 31 of each year for ten years and as may be requested by the Council for any subsequent year beyond the initial ten years.

- The Projected timeline of full buildout of the Private Investment in all four phases is shown below:

	Projected Full Build Out FY
Phase I	2030
Phase II	2032
Phase III	2034
Phase IV	2038

- The Projected revenues generated by the CDA and expenditures attributable to all debt issuances (excluding Self Supporting DPU Enterprise Debt) and Estimated Operating Expense Impacts are shown to the right.

Total All Phases Through FY 2068

		Scenario 1 CDA Bonds @ 6.75%	Scenario 2 CDA Bonds @ 7.50%
1	**Revenues Generated by the Project**		
2	Total Project Revenues (including Stadium Rent)	1,580,034,507	1,580,034,507
3	Other Non-CDA Revenues		
4	Schools Portion of Meals Tax (1.5%)	63,507,718	63,507,718
5	GRCCA Lodging Tax (8.0%)	52,255,048	52,255,048
6	Stadium Rent	132,233,892	132,233,892
7	**Total Estimated Revenues Generated by the Project**	**1,828,031,166**	**1,828,031,166**
8			
9	**Less Debt Service:**		
10	CDA Revenue Bond Debt Service (Phases I-IV) [1]	466,009,320	523,131,258
11	Other Debt Service/CDA Expenses [2]	123,722,081	126,438,149
12	**Total Debt Service/CDA Expenses**	**589,731,401**	**649,569,407**
13			
14	**Net Benefit Before City Expenditures**	**1,238,299,764**	**1,178,461,758**
15			
16	**Less Estimated Operating Expenditure Impact[3]:**		
17	Department of Public Works	13,151,298	13,151,298
18	Department of Public Utilities	-	-
19	Department of Emergency Communications	6,140,645	6,140,645
20	Department of Planning/Development	1,061,085	1,061,085
21	Department of Fire/Emergency Services	126,865,228	126,865,228
22	Richmond Police Department	19,880,564	19,880,564
23	Office of Children and Families	-	-
24	**Total Estimated Operating Expenditures**	**167,098,819**	**167,098,819**
25			
26	**Net Benefit to the City**	**1,071,200,946**	**1,011,362,940**

Section 2-304(i)

i) An explanation of how the expenditure of any public funds by the City, as may be indicated in the proposed ordinance, complies with any guidelines, policies or best practices that help to achieve or maintain the goal of being a AAA bond rated locality.

- The costs and benefits of the project are expected to:
  - Enable the City to remain in compliance with Council's adopted debt policy guidelines;
  - Ultimately growing the annual general fund budget by tens of millions per year; and
  - Expand the City's debt capacity over the 45-year Project life-cycle horizon.
- Through the allocation of surplus revenues for key priorities, the Project is consistent with the goal of being an AAA bond rated locality.

Section 2-304(j)

j) If it is determined that the proposed ordinance, or any proposed amendments thereto, is not likely to have an economic impact, the basis for such a determination.

- Davenport's analysis demonstrates that the Project is anticipated to have a positive fiscal impact to the City.

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CITY OF RICHMOND, VIRGINIA

DIAMOND DISTRICT REDEVELOPMENT PROJECT

DEVELOPMENT AGREEMENT

BY AND BETWEEN

THE CITY OF RICHMOND, VIRGINIA,

RVA DIAMOND PARTNERS LLC

and

THE ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF RICHMOND, VIRGINIA

DATED, [ ] 2023

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DIAMOND DISTRICT DEVELOPMENT AGREEMENT

This **DIAMOND DISTRICT DEVELOPMENT AGREEMENT** (this "**Development Agreement**") is entered into as of the _____ day of _____, 2023, by and between the City of Richmond, Virginia, a municipal corporation and political subdivision of the Commonwealth of Virginia (the "**City**"), RVA Diamond Partners LLC, a Virginia limited liability company (the "**Developer**"), and the Economic Development Authority of the City of Richmond, Virginia, a political subdivision of the Commonwealth of Virginia (the "**EDA**"), collectively referred to in this Development Agreement as the "**Parties**" or individually, a "**Party**".

RECITALS

A. The City seeks to redevelop a portion of the Greater Scott's Addition area of the City that currently is home to The Diamond baseball stadium and that is not utilized to its full market potential, with the aim that such redevelopment results in additional taxable value in both the project area and in surrounding properties;

B. The City seeks to replace The Diamond baseball stadium, the operation of which is no longer economically viable as a result of age, limited seating capacity and operational deficiencies, with a new stadium that the Parties intend will be designed, constructed, financed, operated, commercialized and maintained as set forth in this Development Agreement (the "**Stadium Project**");

C. The City also seeks to encourage the development of a full spectrum of new, privately financed affordable housing in the project area; new job creation and job training; new retail and office uses; a new hotel and new infrastructure that both serves the Diamond District (as defined herein) and connects the project area with adjacent communities, and the Developer wishes to design, construct, finance, commercialize, operate and maintain such improvements as set forth in this Development Agreement, all in accordance with and as further described in the Master Plan (the "**Mixed-Use Development**");

D. The City memorialized the above intent by (1) issuing a Request for Interest on December 28, 2021 (the "**RFI**"), supplemented by a Request for Additional Information (the "**RFAI**"), seeking proposals for the redevelopment of an area of approximately 67.57 acres within an area comprised of property identified as 2907, 2909, 2911, 3001, 3017 and 3101 North Arthur Ashe Boulevard and 2728 Hermitage Road, known as the "**Diamond District**" and (2) by evaluating RFI and RFAI responses and soliciting Requests for Offers on June 3, 2022 (the "**RFO**") from three finalist teams including the Developer ;

E. On June 28, 2022, the Developer responded with a proposal for a substantial mixed-use redevelopment of the aforementioned area to include those features and benefits outlined in the aforementioned RFI, RFAI and RFO;

F. The City, the Developer and the EDA now desire to enter into this Development Agreement to establish each Party's obligations, rights and limitations with respect to delivering the Stadium Project, the Mixed-Use Development, the Public Infrastructure (as

defined herein) and any other improvements or commitments expressly provided in this Development Agreement (collectively, the "**Project**").

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which all parties hereto acknowledge, and in consideration of the mutual covenants hereinafter set forth, the City, the Developer and the EDA, as defined below, agree as follows:

ARTICLE 1
PRELIMINARY PROVISIONS

1.1 Purpose. The purpose of this Development Agreement is to provide, through the transactions described herein, the Parties' obligations, responsibilities and rights with respect to the successful and timely delivery of the Project.

1.2 Order of Precedence. This Development Agreement establishes the rights and obligations of the City, the EDA and the Developer hereunder but does not serve to relieve or release the Developer, the City or the EDA from any of their respective rights, obligations and liabilities under any of the other Contract Documents. Except as otherwise expressly provided in this Section 1.2 (*Order of Precedence*), if there is any conflict, ambiguity or inconsistency between the provisions of the Development Agreement, the Purchase and Sale Agreement and any City ordinances, the order of precedence will be as follows, from highest to lowest:

(a) the City ordinances adopted by the City Council on [●] approving the execution and delivery of the Contract Documents;

(b) any change order or any other amendment to this Development Agreement;

(c) this Development Agreement;

(d) any amendments to the Purchase and Sale Agreement; and

(e) the Purchase and Sale Agreement.

If any of the Contract Documents contain differing provisions or requirements with respect to the same subject matter, the provisions that establish the higher quality manner or method of delivering the Project or that establish more stringent standards will prevail.

Where the Contract Documents contain a more stringent standard than Law, the Contract Documents will prevail, to the extent that those more stringent Contract Document standards do not violate applicable Law.

1.3 Definitions. Capitalized terms used, but not defined in this Development Agreement, shall have the meanings ascribed to them in the Grant and Cooperation Agreement or the PSA, as the context requires. The following defined terms shall have the meaning as set forth below in this Development Agreement:

"***AAA***" is defined in Section 13.3(b).

*"**Acceptable Guarantor**"* means a Person or Persons that is authorized and registered to transact business in the Commonwealth of Virginia and demonstrates by delivery of reasonable and customary written evidence from one or more bona fide financial institutions substantiating that such Person or Persons has sufficient cash or cash equivalent assets to be able to perform the applicable Work and satisfy the applicable financial obligations.

"***Affiliate***" means any Person directly or indirectly Controlling, Controlled by, or under Common Control with another Person.

"***Affordable Housing Commitment***" is defined in Section 2.2(e) (*Affordable Housing*).

"***Affordable Housing Covenants***" means the covenants for the operation of the Affordable Housing Units that are to be developed on an applicable Private Development Parcel, attached hereto as Exhibit I (*Affordable Housing Covenants*).

"***Affordable Housing Development Requirements***" is defined in Exhibit E-5 (*Development Progress Requirements*).

"***Affordable Housing Units***" means Residential Units sold or leased for occupancy by households earning up to the Area Median Income restrictions set forth in Exhibit E-5 (*Development Progress Requirements*).

"***Agreement Date***" is defined in Section 18.1 (*Duration*).

"***Area Median Income***" or "***AMI***" means the most recent annually adjusted median gross income for the Richmond, VA, Metropolitan Statistical Area published by the United States Department of Housing and Urban Development, adjusted for household size.

"***Assumed Phase 1 Bond Debt Service***" means $354,066,499[1], which is the forecasted total debt service for the amount of Bonds necessary to realize $80 million in Net Phase 1 Bond Proceeds as of the Agreement Date.

"***Benchmark Requirements***" means the Stadium Project Scope of Work, each Major Submittal verified or approved, as the context requires, by the EDA and the other requirements of this Development Agreement for delivering the Stadium Project.

"***Bonds***" is defined in Section 6.1(b) (*Revenue Bonds*) and excludes any City Bonds, any Startup EDA Bonds and the EDA Stadium Design Note.

"***Bond Proceeds***" means the proceeds of the Bonds available for the development of the Stadium Project, the Public Infrastructure and the payment of the costs of the Eligible Mass Grading the Project Site; provided, however, that (a) no proceeds of the Stadium Bonds may be used to pay the costs of grading any Private Development Parcels and (b) no proceeds of the Public Infrastructure Bonds may be used to pay the costs of any

[1] Note to Draft: Maximum total debt service figure to be updated as of the Agreement Date.

grading work undertaken to position the Private Development Parcels for development of the privately financed vertical structures.

"***Brownfield Fund Resources***" means state and federal programs available for redevelopment of brownfield sites.

"***Business Day(s)***" means that day that is neither a Saturday, a Sunday nor a day observed as a legal holiday by the City of Richmond, Virginia, the Commonwealth of Virginia or the United States government.

"***Capital Investment***" means a capital expenditure by or on behalf of the Developer in real property, tangible personal property or both, incurred in connection with the development of the Project.

"***CDA***" means the community development authority to be formed in accordance with the CDA Act to assist in the Developer's undertaking of the Project.

"***CDA Act***" means Code of Virginia Sections 15.2-5152 et seq., as amended from time to time.

"***CDA District***" means the geographic area described in Exhibit D (*CDA District Boundaries*).

"***CDA Special Assessments***" means the special assessments authorized by Section 15.2-5158.A.3 of the CDA Act.

"***CDA Special Charges***" means the Hotel Use Surcharge and the Consumer Purchase Surcharge.

"***Certificate of Final Completion***" means the certificate issued by the EDA or the EDA's Project Monitor confirming that the Developer has achieved Final Completion of the Stadium Project.

"***Certificate of Substantial Completion***" means the certificate issued by the EDA or the EDA's Project Monitor confirming that the Developer has achieved Stadium Substantial Completion.

"***Change in Law***" means (a) any enactment, amendment or repeal (in whole or in part) of any applicable Law by a governmental entity after the Agreement Date or (b) any governmental entity's written change in interpretation or application of any applicable Law following the Agreement Date, in each case that is materially inconsistent with any existing applicable Law or any existing interpretation or application of any such applicable Law on or prior to the Agreement Date; excluding, any repeal of, or amendment or modification to, or written change in interpretation or application of, or the adoption or enactment of, (i) tax laws of general application, (ii) labor laws, (iii) the exercise by any governmental entity of its police powers and (iv) any Law that was enacted, but was not yet effective as of the Agreement Date.

"***Chief Administrative Officer***" or "***CAO***" means the Chief Administrative Officer of the City of Richmond, Virginia.

"***City***" is defined in the Preamble.

"***City Bonds****"* means any bonds issued by the City to finance costs of the Public Infrastructure.

"***City Caused Delay Event****"* is defined in Section 14.2 (*Delay Event Notice*).

"***City Code***" means the Code of the City, as that Code may be amended or recodified at any time.

"***City Default***" is defined in Section 11.6 (*City Default; EDA Default*).

"***City Permits***" means any building, construction, or other permits required for the Stadium Project, the Public Infrastructure, or the Private Development that would be issued by the City.

"***Closing***" means the EDA's transfer of any Purchased Property's fee interest to the Developer following the Developer's satisfaction of all applicable conditions precedent in the PSA.

"***Closing Date***" is defined in Section 3.5 (*Closing*).

"***Code of Virginia***" means the Code of Virginia of 1950, as amended.

"***Commenced Construction***," "***Commence***," "***Commenced***", or "***Commencement***" means, with respect to any portion of the Work, the physical commencement of D&C Work requiring a permit from the City or any other governmental entity on the premises, including demolition and/or foundation work, provided that such D&C Work is active and ongoing.

"***Commercial Use***" means Office Use, Retail Use, or use as a Hotel.

"***Completion***" means, with respect to any and all Improvements on all or any portion of the Project, the completion of construction and installation of such Improvements in accordance with the terms of this Development Agreement. The fact of such Completion shall be conclusively evidenced by the issuance by City of either a temporary or permanent Certificate of Occupancy with respect to such Improvements (provided, however, if a temporary Certificate of Occupancy is issued, any conditions identified by the City that must be satisfied in order for a permanent Certificate of Occupancy to be issued shall be promptly satisfied by the Developer or any Subtenant). "***Complete***," "***Completed***," and "***Completed Construction***" have correlative meanings.

"***Concept Plans***" means conceptual drawings and design plans for each Project Segment that define the scope and uses to be developed and constructed on a Development Parcel, prepared in accordance with the Master Plan.

"***Construction Contract***" means each of the Lead Developer Parties' construction contracts which provide for D&C Work to be performed by a Construction Contractor.

"***Construction Contractor***" means each of the Developer's design, engineering, demolition and construction contracting firms that will perform the D&C Work under each Construction Contract.

"***Construction Documents***" means the plans, sections, elevations, details, fabrication plans, material and hardware descriptions, specifications, construction quality control reports, construction quality assurance reports and samples necessary for construction of the Stadium Project and the Public Infrastructure in accordance with this Development Agreement.

"***Construction Performance Security***" means any performance bond or payment bond procured by a Construction Contractor for a Project Segment.

"***Construction Period***" means (a) with respect to each Public Infrastructure Parcel, the period commencing on the Agreement Date through the date of Final Completion of all Public Infrastructure to be developed on such Public Infrastructure Parcel and (b) with respect to the Stadium Parcel, or the Stadium Project, the period commencing on the Agreement Date through the date of Final Completion of the Stadium Project.

"***Consumer Purchase Surcharge***" is defined in Section 6.1(b) (*Revenue Bonds*).

"***Contract Documents***" means this Development Agreement, the Hotel Use Covenant, the Affordable Housing Covenants and the PSA.

"***Contractor***" is defined in Section 10.3(a) (*Minority Business Enterprise and Emerging Small Business Participation*).

"***Control***" means (i) the ownership, direct or indirect, by one Person of more than 50 percent of the profits, capital, or equity interest of another Person, or (ii) the power to direct the affairs or management of another Person, whether by contract, other governing documents, or by operation of law.

"**CPI**" means the consumer price index as calculated by the United States Bureau of Labor Statistics.

"**Critical Path Schedule**" means the sequence of activities from the start of the Work to the Substantial Completion of the applicable Phase of the Project, for which any delay in the completion of these activities will delay achieving Substantial Completion of such Phase.

"***Day(s)***" means a calendar day; provided that if any period of Days referred to in this Development Agreement shall end on a Day that is not a Business Day, then the expiration of such period shall be automatically extended until the end of the first succeeding Business Day.

"***D&C Work***" means the design, engineering and construction Work required for any Project Segment and the Stadium Project.

"***Delay Event***" means a Public Infrastructure Delay Event, a Private Development Delay Event or a Stadium Project Delay Event, as applicable.

"***Delay Event Notice***" is defined in Section 14.1 (*Delay Events*).

"***Demolition Plan***" means the demolition plan prepared by the Developer and the Construction Contractor to demolish and raze the Existing Improvements and structures on the Purchased Property in a safe and efficient manner consistent with Good Industry Practice and the Project Schedule.

"***Design Documents***" means all drawings (including plans, profiles, cross sections, notes, elevations, typical sections, details and diagrams), specifications, reports, studies, working drawings, shop drawings, calculations, electronic files, records and submittals necessary for, or related to, the design of the Project Segment to be developed and constructed on a Development Parcel, prepared in accordance with the Master Plan.

"***Developer***" is defined in the Preamble.

"***Developer Default***" is defined in Section 11.1 (*Developer Default*).

"***Developer Land Purchase Deposit***" is defined in Section 6.5 (*Developer Land Purchase Deposit*).

"***Developer Party***" means the Developer, any Affiliate of the Developer, a Developer Subcontractor, each Construction Contractor, any Contractor, advisor or agent of the Developer and their successors and permitted assigns.

"***Developer's MBE Plan***" is defined in Section 10.3(a) (*Minority Business Enterprise and Emerging Small Business Participation*).

"***Developer's MBE/ESB Coordinator***" is defined in Section 10.3(a) (*Minority Business Enterprise and Emerging Small Business Participation*).

"***Development Agreement***" is defined in the Preamble.

"***Development Parcels***" means the Private Development Parcels, the Public Infrastructure Parcels and the Stadium Parcel as depicted on Exhibit B (*Map Depicting Development Parcels*) to this Development Agreement, some of which will require lot line adjustments in order to be consistent with the depiction on Exhibit B (*Map Depicting Development Parcels*).

"***Development Progress Requirements***" is defined in Exhibit E-5 (*Development Progress Requirements*).

"***Diamond District Baseball League***" is defined in Section 10.10(b) (*Other Developer Community Undertakings*).

"***Diamond District Pledged Revenues***" means, collectively, payments to, or on behalf of the EDA, under the VCU Stadium Lease, payments made pursuant to the Grant and Cooperation Agreement, CDA Special Charge revenues, State Portion Sales Tax Revenues (if authorized) and any other funds and monies described in this Development Agreement as being pledged to the payment of the Bonds and as the Parties may further agree.

"***Disabled Access Laws***" means all Laws related to access for persons with disabilities, including, without limitation, the Americans with Disabilities Act, 42 U.S.C. § 12101 et seq. and disabled access laws under the Virginia Uniform Statewide Building Code.

"***Disbursement Trigger Event***" is defined in Section 6.5(b).

"***Dispute***" means any claim, dispute, disagreement or controversy between the Developer and the EDA or the City, or both, concerning their respective rights and obligations under this Development Agreement, including concerning any alleged breach or failure to perform any remedy under this Development Agreement.

"***EarthCraft Certification***" means final home certification approved by an EarthCraft technical advisor working with EarthCraft staff and officially certified by the builder as meeting EarthCraft House program requirements and guidelines.

"***Economic Hardship***" means a decline in economic or development stability, prospects or opportunity such that two (2) of the following indices meet the following standards: (a) Richmond, Virginia, Metropolitan Statistical Area Unemployment published by the Federal Reserve Bank of St. Louis above seven percent (7%) for at least three (3) consecutive months; (b) a decrease by more than thirty-three percent (33%) in the number of building permit applications filed with the City in the most recent three (3) full calendar months for which such statistics are reported for either (i) new multi-family residential rental and condominium projects or (ii) new commercial projects from the average number of such building permit applications compared to the twenty-four (24) month period prior to the most recent month for which such statistics are reported; (c) unavailability of institutional equity and/or non-recourse real estate debt on customary terms, as demonstrated by the Developer to the reasonable satisfaction of the EDA; (d) high vacancy in the Richmond, Virginia, Metropolitan Statistical Area ("high vacancy" shall mean vacancy that is 5% higher than the average of the previous twenty-four (24) months for multifamily products of a similar vintage and type and 7% higher for retail and commercial (excluding professional office uses)) or significantly deteriorating leasing markets for the types of real estate uses included in the applicable Project Segment, as demonstrated by the Developer to the reasonable satisfaction of EDA; or (e) only as to Project Segments containing for sale condominium units or townhomes, an inventory backlog of unsold new construction condominium units marketed for initial sale within the greater Richmond, Virginia, Metropolitan Statistical Area of eighteen (18) months or more.

"***EDA***" is defined in the Preamble.

"***EDA Default***" is defined in Section 11.6(b) (*City Default; EDA Default*).

"***EDA Funding Sources***" means any funding sources other than the Incremental Tax Financing Area Revenues to be made available by the City to the EDA or the CDA as security for the Bonds pursuant Section 6.1(b)(iii) (*Revenue Bonds*). EDA Funding Sources may include, among other things, the proceeds of City Bonds and other lawfully available funds.

"***EDA Project Monitor***" is defined in Section 5.3 (*EDA Project Monitor*).

"***EDA Stadium Design Note***" is defined in Section 5.6(g) (*Costs of Construction*).

"***Eligible Mass Grading***" means any mass grading of the Project Site that the EDA and the Developer have agreed will be eligible to be paid from the proceeds of City Bonds (but only with respect to the Phase 1 Project) or Public Infrastructure Bonds pursuant to the terms of Section 3.8 (*Additional Phase 1 Purchased Property and Sports Backers Parcel Closing Conditions*) and Section 3.9 (*Additional Phase 2-4 Purchased Property Closing Conditions*).

"***Eligible Security Provider***" means any Person which has a credit rating for long term, unsecured debt of not less than "A/A3" from one of the major rating agencies, and has an office in Richmond, Virginia or in New York, New York at which the security can be presented for payment by facsimile or by electronic means.

"***Emergency***" means any unplanned event that:

(a) presents an immediate or imminent threat to the long-term integrity of any part of the infrastructure within the Development Parcels, to the environment, to property adjacent to such Development Parcel or to the safety of the public;

(b) has jeopardized the safety of the public; or

(c) is a declared state of emergency pursuant to laws of the City of Richmond, Virginia; the law of the Commonwealth; or Federal law.

"***Emerging Small Business***" is defined in Section 10.3 (*Minority Business Enterprise and Emerging Small Business Participation*).

"***Environmental Investigation***" is defined in Section 9A.1 (*Generally*).

"***Environmental Laws***" means any Laws applicable to the Project regulating or imposing liability or standards of conduct concerning or relating to the regulation, use or protection of human health, the environment or Hazardous Substances, including, by way of example and not limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 USC Section 9601 et seq., the Resource Conservation and Recovery Act, 42 USC Section 6901 et seq., the Federal Clean Water Act, 33 USC

Section 1251 et seq., and the Occupational Safety and Health Act, 29 USC Section 651 et seq., as currently in force or as hereafter amended.

"***Environmental Management Plan***" means the plan developed by the Developer that sets forth the Developer's approach to environmental management, including remediation of Hazardous Substances.

"***Existing Improvements***" means any and all structures and other improvements existing on the Project Site as of the Agreement Date.

"***Feasibility Studies***" is defined in Section 9.1 (*Right to Enter Development Parcels*).

"***Final Completion***" means with respect to a Project Segment, the completion of all D&C Work required for such Project Segment.

"***Final Construction Documents***" means the final Construction Documents and Design Documents sufficient for the approval of an application for a building permit in accordance with applicable Laws.

"***Financial Close***" means (a) for each series of Bonds, the issuance of Bonds and funding with the Bond Proceeds of a project account to be available for the design and construction of the Stadium Project, the Public Infrastructure and Eligible Mass Grading, as applicable, and (b) for any City Bonds, the issuance of City Bonds and funding with the proceeds of such City Bonds of a project account to be available for the design and construction of the Public Infrastructure and Eligible Mass Grading for the Phase 1 Project and, as applicable, subsequent Phases of the Project.

"***Financial Model***" means the financial model to be delivered by the Developer to the City in connection with Financial Close disclosing the schedule of values for D&C Work, the City's and the EDA's transactional and closing costs to achieve Financial Close and any other amounts necessary to achieve Financial Close.

"***Financing Documents***" means all documentation necessary and relevant to evidencing the financing for the Stadium Project and the Public Infrastructure and achieving Financial Close.

"***Force Majeure***" means, with respect to the Stadium Project, Public Infrastructure, or Private Development, as applicable, any act of nature, fire, explosion or any named wind storm, flooding, earthquake or other natural disaster, or other casualty event; war, invasion, act of public enemy, terrorism, insurrection, riot, mob violence or sabotage; any government-mandated restrictions or closures arising from a pandemic or epidemic that adversely impact the general availability of labor or supplies, materials or products for the design, construction and equipping of the Stadium Project, the Public Infrastructure and any Private Development Parcel; a government embargo or general unavailability or interruption of supplies, materials or products for the design, construction and equipping of the Stadium Project, the Public Infrastructure and any Private Development Parcel; strikes, lockout or actions of labor unions; the inability to procure labor from normally available sources; taking by eminent domain, requisition, laws or orders of governmental

or quasi-governmental bodies or of civil, military or naval authority; or other cause, whether similar or dissimilar to any of the foregoing, that is beyond the reasonable control of, and is not reasonably foreseeable by the Developer, any other Lead Developer Party or any of the Construction Contractors or such Construction Contractors' Affiliates and representatives, and is not due to the fault or negligence or willful misconduct of, as applicable, the Developer, any other Lead Developer Party or their respective representatives, or any Construction Contractor or any of their respective Affiliates, representatives or contractors ("**relevant parties**"), and that results in a delay in the commencement, prosecution, or completion of the applicable Project Segment;

provided, however, that Force Majeure does not include:

(a) any violation of applicable Law by any of the relevant parties;

(b) any act or omission by the Developer or its representatives in breach of the provisions of the Development Agreement;

(c) (i) any strike, labor dispute or other labor protest involving any Person retained, employed or hired by the Developer or its representatives to supply materials or services for, or in connection with, the Stadium Project, the Public Infrastructure or the Private Development or (ii) any strike, labor dispute or labor protest pertaining to the Developer, in each case to the extent that such strike, dispute or protest (A) is not of general application and (B) is caused by or attributable to any act (including any pricing or other practice or method of operation) or omission of any of the relevant parties;

(d) the lack or insufficiency of funds or failure to make payment of monies or provide required security on the part of the Developer, unless such lack or insufficiency of funds or such failure is caused by another relevant Force Majeure;

(e) any government-mandated restriction or closure arising from the COVID-19 pandemic or epidemic (other than government-mandated restrictions or closures arising from the COVID-19 pandemic or epidemic and coming into effect after the Agreement Date); or

(f) any event that is otherwise specifically addressed by the terms of the Development Agreement.

"***Goal***" is defined in Section 10.3(a) (*Minority Business Enterprise and Emerging Small Business Participation*).

"***Good Faith Efforts***" is defined in Section 10.3(a) (*Minority Business Enterprise and Emerging Small Business Participation*).

"***Good Industry Practice***" means those practices, methods and acts that would be implemented and followed by prudent developers, contractors and/or operators of other comparable facilities, which practices, methods and acts, in the exercise of prudent and responsible professional judgment in the light of the facts known at the time the decision

was made, could reasonably have been expected to accomplish the desired result consistent with good business practices, reliability and safety.

"***Governmental Approvals***" means all local, regional, state and Federal permits, approvals, authorizations, consents, filings, leases, licenses, registrations, rulings and other governmental authorizations required to be obtained or completed under Law prior to undertaking any particular activity contemplated by this Development Agreement, the PSA or a Construction Document. The term "Governmental Approvals" includes, to the extent applicable to the Project or any components thereof, any National Environmental Policy Act documents and U.S. Army Corps of Engineers 404 individual permit.

"***Governmental Authority***" means any court, Federal, state, or local government, department, commission, board, bureau, agency or other regulatory or governmental authority, but will not include the EDA.

"***Grant and Cooperation Agreement***" means the fully-executed Grant and Cooperation Agreement by and between the City and the EDA in the form of the document attached as Exhibit L (*Grant and Cooperation Agreement*).

"***Hazardous Environmental Condition***" means the presence of any Hazardous Substances on, in, under or emanating from the Project Site that is present at concentrations or in quantities that: (a) may present an imminent or substantial safety or health hazard for the EDA, the City, the Developer or their respective employees, agents, representatives or independent contractors, the general public or the surrounding environment or (b) are required to be removed or remediated as a matter of Law or in accordance with the requirements of any Governmental Authority.

"***Hazardous Substance***" means, but is not limited to, any solid, liquid, gas, odor, heat, sound, vibration, radiation or other substance or emission which is or could be considered a contaminant, pollutant, dangerous substance, toxic substance, Hazardous Waste, solid waste, or hazardous material which is or becomes regulated by Laws or which is classified as hazardous or toxic under Laws.

"***Hazardous Waste***" means a waste that is (a) listed as a hazardous waste in 40 CFR Section 261.31 to 261.33, and (b) exhibits one of the following characteristics: ignitability, corrosivity, reactivity or toxicity, or is otherwise defined as a hazardous waste by Law.

"***Health and Safety Plan***" means the health, safety and security plan developed by the Construction Contractor, which includes the Developer's and the Construction Contractor's commitment to maintaining a safe workplace, employee participation, hazard evaluation and controls, employee training and periodic inspections, and shall (a) designate an appropriately certified safety professional with a minimum of five years of construction safety experience who is to develop and sign the Health and Safety Plan, including all safety rules on the Stadium Parcel, (b) designate a qualified safety professional stationed full-time at the Stadium Parcel during onsite construction activities whose primary/only duty shall be the implementation of safety rules at the Stadium

Parcel, the prevention of fires and accidents, monitoring compliance with the Health and Safety Plan, and the coordination of such activities as shall be necessary with the EDA, the City and all governmental bodies having jurisdiction, (c) require the Construction Contractors and all Subcontractors to work and implement the Health and Safety Plan and (d) comply with each Construction Contractor's onsite safety requirements.

"***Horizontal Public Infrastructure***" means the Public Infrastructure other than the Park Space and Public Areas.

"***Hotel Operator***" is defined in Section 6.1(d)(viii).

"***Hotel Use Covenant***" means the use covenant for the Phase 1 Hotel set out in Exhibit H ("*Hotel Use Covenant*").

"***Hotel Use Surcharge***" is defined in Section 6.1(b) (*Revenue Bonds*).

"***Improvement Cost***" is defined in Section 10.3(a) (*Minority Business Enterprise and Emerging Small Business Participation*).

*"**Improvements***" means any and all site and vertical improvements, including the systems, cables, materials, equipment, property, buildings, structures, appurtenances, subsystem or other improvement, any of which comprises the Project Segment to be constructed on any Development Parcel in accordance with the Master Plan.

"***Incremental Tax Financing Area***" means the geographic area described in Exhibit Q (*Incremental Tax Financing Area*).

"***Incremental Tax Financing Area Revenues***" has the meaning set forth in Section 6.1(b)(iii) (*Revenue Bonds*).

"***Indemnified Parties***" or "***Indemnified Party****"* means the EDA, the City, and any City Affiliate and their agents, and all of their respective heirs, contractors, legal representatives, successors and assigns, and each of them.

"***Key Personnel***" is defined in Section 4.15 (*Key Personnel*).

"***Known Pre-Existing Hazardous Substances***" means Hazardous Substances present on, in or under any Development Parcel or portion thereof that were identified by the Environmental Investigation by or on behalf of the Developer or were otherwise known to the Developer upon completion of the Environmental Investigation with respect to such Development Parcel or portion thereof.

"***Law***" or "***Laws***" means any one or more present and future laws, ordinances, rules, regulations, permits, authorizations, orders, judgments, and requirements, to the extent applicable to the Parties, the Purchased Property, the Stadium Parcel, the Improvements or to the Stadium Project or any portion thereof, including, without limitation, whether or not in the present contemplation of the Parties, all consents or approvals (including Regulatory Approvals) required to be obtained from, and all rules and regulations of, and

all building and zoning laws of, all federal, state, and local governments, authorities, courts, and any other body or bodies exercising similar functions, having or acquiring jurisdiction of, or which may affect or be applicable to, the Parties, the Purchased Property, the Stadium Parcel, the Improvements or the Stadium Project or any portion thereof, including, without limitation, any subsurface area, the use thereof and of the buildings and improvements thereon.

"***Lead Developer Party***" means the Developer and any Affiliate of the Developer.

"***LEED Silver Certification***" means the silver level of the Leadership in Energy and Environmental Design green building certification, in place as of the date of this Development Agreement.

"***Legal Challenge***" means any action or proceeding before any court, tribunal, arbitration panel, or other judicial, adjudicative or legislation making body, including any administrative appeal, brought by a third-party, who is not an Affiliate of or related to any Lead Developer Party, which (a) seeks to challenge the validity of any action taken by either the City or the EDA in connection with the Project, including the City's, the EDA's or the Developer's approval, execution and delivery of this Development Agreement and its performance of any action required or permitted to be performed by either the City or the EDA hereunder or any findings upon which any of the foregoing are predicated, or (b) seeks to challenge the validity of any Regulatory Approval.

"***Long Stop Extension***" is defined in Section 5B.4(a) (*Project Schedule*).

"***Loss***" or "***Losses***" when used with reference to any indemnity means, with respect to any Person, any and all claims, demands, losses, liabilities, damages, liens, obligations, interest, injuries, penalties, fines, lawsuits, and other proceedings, judgments and awards and costs and expenses, (including, without limitation, reasonable attorneys' fees and costs and reasonable consultants' fees and costs) that may be directly incurred by such Person.

"***Major Submittal***" means, (a) with respect to the Stadium Project and the Public Infrastructure, 30% Schematic Plans, 60% Design Documents and 90% Construction Documents and (b) with respect to the Private Development, the submission of the documents and plans identified in Section 4.5 (*Private Development Schedule of Submittals*).

"***Master Plan***" means the master plan for the Developer's entire project under this Development Agreement developed by the Developer and approved by the City, as further described on Exhibit A (*Master Plan*) attached hereto.

"***Master Plan Requirements***" means, for each Phase to be developed on the corresponding portion of the Project Site: (a) the Concept Plan, (b) the Master Plan, (c) the Design Documents, (d) each Memorandum of Development Agreement, the Hotel Use Covenant (as applicable) and the Affordable Housing Covenants, (e) any Regulatory Approvals and (f) Exhibits E-1 through E-4 (*Phase 1 Project Components*, *Phase 2*

Project Components, *Phase 3 Project Components*, and *Phase 4 Project Components*) (as applicable).

"***Material Change***" means any change from the Master Plan Requirements with respect to any Phase: (a) resulting in a five percent (5%) or greater reduction in either Commercial Uses or Residential Units and (b) any other material change in the functional use, purpose or operation of a Phase from those shown and specified in the Master Plan Requirements.

"***MBE Plan***" is defined in Section 10.3(a) (*Minority Business Enterprise and Emerging Small Business Participation*).

"***Mediation***" is defined in Section 13.3 (*Mediation*).

"***Memorandum of Development Agreement***" means the Memorandum of Development Agreement to be recorded against title to each Phase of the Purchased Property as set forth in, and as required by, Section 18.15 (*Memorandum of Development Agreement*).

"***Minimum Capital Investment***" is defined in Section 2.3(b) (*Project Budget*).

"***Minimum Commercial Development***" is defined in Exhibit E-5 (*Development Progress Requirements*).

"***Minimum Development Progress***" is defined in Exhibit E-5 (*Development Progress Requirements*).

"***Minimum Net Phase 1 Bond Proceeds***" means an amount of Net Phase 1 Bond Proceeds equal to $80 million (except as may be increased in accordance with the provisions herein). If, at the time of calculation of the Minimum Net Phase 1 Bond Proceeds for purposes of this Development Agreement, an additional amount of Bonds (which may be used to pay costs of the Public Infrastructure for the Phase 1 Project) can be issued without increasing the forecasted total debt service on the Bonds to be issued for both the Stadium Project and the Public Infrastructure for the Phase 1 Project above the Assumed Phase 1 Bond Debt Service, the Minimum Net Phase 1 Bond Proceeds shall be increased to equal the amount of Net Phase 1 Bond Proceeds that is forecasted to be generated from the issuance of such increased amount of Bonds, all as modeled by a Public Finance Consultant.

"***Minimum Office Development***" is defined in Exhibit E-5 (*Development Progress Requirements*).

"***Minimum Standard***" is defined in Section 2.2(a) (*Master Plan*).

"***Minority Business Enterprise***" is defined in Section 10.3 (*Minority Business Enterprise and Emerging Small Business Participation*).

"***Mixed-Use Development***" is defined in the Recitals.

"***Mortgagee***" means any financial institution, bank, investor or lender identified on any recorded mortgage on any Private Development Parcel who has provided a loan or similar debt instrument (excluding any equity subordinated loan) to the Developer for the purpose of developing any Private Development Parcel.

"***Navigators***" means Navigators Baseball LP, a Delaware limited partnership d/b/a the Richmond Flying Squirrels.

"***Navigators Stadium Lease****"* is defined in Section 3.2 (*Sale by EDA to the Developer; Leasing by the EDA*).

"***Net Phase 1 Bond Proceeds***" means the proceeds of any Bonds available to complete the Stadium Project Scope of Work and the Public Infrastructure for the Phase 1 Project after accounting for any underwriters' discount, costs of issuance, required reserves and capitalized interest to be deducted from or funded by such Bond proceeds.

"***Non-Affiliate Restricted Transferee***" means any transferee of a Restricted Transfer that is not (a) an Affiliate of a Lead Developer Party, (b) a Partner in a Lead Developer Party or (c) an Affiliate of a Partner in Lead Developer Party.

"***Non-City Permits***" means any building or construction permits required for the Stadium Project, the Public Infrastructure and the Private Development that would be issued by any governmental entity that is not the City.

"***NTP***" is defined in Section 5.4 (*Commencement of Construction*).

"***O&M Contract***" means a contract between the EDA and the Developer providing for the operation and maintenance by the Developer of the Park Space and Public Areas in a form to be mutually agreed upon by the EDA and the Developer.

"***O&M Guaranty***" means the guarantee in substantially the form attached as Exhibit J (*Form of Parent Guaranty*) provided by an Acceptable Guarantor, guaranteeing the applicable O&M Contractor's performance and payment under the applicable O&M Contract.

"***Office Development Progress Target***" is defined in Exhibit E-5 (*Development Progress Requirements*).

"***Office Development Target Deadline***" is defined in Section 4.8(b) (*Adjustment to Commercial Components*).

"***Office of Minority Business Development***" is defined in Section 10.3(a) (*Minority Business Enterprise and Emerging Small Business Participation*).

"***Office Parcels***" means the parcels identified as Parcel E-7, Parcel E-12, Parcel W-2, Parcel W-4 and Parcel N-1 in Exhibit B (*Map Depicting Development Parcels*), which are planned to be developed for Office Use in accordance with the Master Plan.

"***Office Use***" means a use of land for office space.

"***Outside Closing Date***" means (a) December 31, 2023, for the Phase 1 Purchased Property, (b) May 31, 2025, for the Sports Backers Parcel, (c) December 31, 2027, for the Phase 2 Purchased Property, (d) December 31, 2030, for the Phase 3 Purchased Property, and (e) December 31, 2033, for the Phase 4 Purchased Property, as each such date may be extended pursuant to the terms of this Development Agreement.

"***Park Space and Public Areas***" means the areas of the Public Infrastructure accessible to the public for walking, outdoor gathering and other activities and includes streetscapes, plazas, pedestrian malls, linear parks and parklets, as identified in Exhibit G (*Public Infrastructure*).

"***Partial Restricted Transfer***" is defined in Section 12.1(d) (*Partial Restricted Transfers*).

"***Partner***" means (i) if the Lead Developer Party is a limited liability company, any member in such limited liability company; (ii) if the Lead Developer Party is a partnership, any partner in such partnership; (iii) if the Lead Developer Party is a corporation, any shareholder in such corporation; and (iv) if the Lead Developer Party is any other entity, any Person holding any equity or voting interest in such other entity.

"***Party***" or "***Parties***" is defined in the Preamble.

"***Payment Bond***" has the meaning set forth in Section 5.6(a) (*Performance and Payment Bond*).

"***Performance Bond***" has the meaning set forth in Section 5.6(a) (*Performance and Payment Bond*).

"***Permitted Transfer***" is defined in Section 12.1(b).

"***Person***" means any individual, corporation, partnership, association, cooperative, limited liability company, trust, business trust, joint venture, government, political subdivision or any other legal or commercial entity and any successor, representative, agent, agency or instrumentality thereof.

"***Phase***" means each of the Phase 1 Project, the Phase 2 Project, the Phase 3 Project and the Phase 4 Project.

"***Phase 1 Hotel***" means a minimum 180-key hotel of one the following hotel brands: (a) AC Hotels by Marriott, (b) Autograph Collection, (c) Canopy by Hilton, (d) Curio Collection, (e) Hilton, (f) Tempo by Hilton, (g) Hyatt, (h) Hyatt Centric, (i) Hyatt Regency, (j) JdV by Hyatt, (k) Kimpton, (l) Le Meridien, (m) Marriott, (n) Tapestry Collection, (o) Tribute Portfolio and (p) Westin.

"***Phase 1 Project***" means the Project components to be constructed on the Phase 1 Project Site in material conformity to the conceptual site plan and rendering and narrative description in Exhibit E-1 (*Phase 1 Project Components*) and the Master Plan and

including the applicable Public Infrastructure, provided that completion of certain components of the Phase 1 Project may be delayed to future Phases as contemplated in Section 4.3(a) (*Project Schedule*) and Exhibit E-5 (*Development Progress Requirements*).

"***Phase 1 Project Site***" means, collectively, the Phase 1 Purchased Property, the Stadium Parcel and the Sports Backers Parcel (but excluding the 4.63 acre portion of such Sports Backers Parcel to be developed in the Phase 2 Project as identified on Exhibit E-2 (*Phase 2 Project Components*)).

"***Phase 1 Purchased Property***" means the approximately 21.83 acres of real property identified as Phase 1 Purchased Property on Exhibit M-1 (*Phase 1 Purchased Property Boundaries*) to this Development Agreement, to be purchased by the Developer from the EDA in accordance with the terms of this Development Agreement and the PSA.

"***Phase 2 Project***" means the Project components to be constructed on the Phase 2 Project Site in material conformity to the conceptual site plan and rendering and narrative description in Exhibit E-2 (*Phase 2 Project Components*) and the Master Plan and including the applicable Public Infrastructure, provided that completion of certain components of the Phase 2 Project may be delayed to future Phases as contemplated in Section 4.3(a) (*Project Schedule*) and Exhibit E-5 (*Development Progress Requirements*).

"***Phase 2 Project Site***" means, collectively, the Phase 2 Purchased Property and the 1.97-acre portion of the Sports Backers Parcel to be developed in the Phase 2 Project as identified on Exhibit E-2 (*Phase 2 Project Components*).

"***Phase 2 Purchased Property***" means the approximately 7.34 acres of real property identified as Phase 2 Purchased Property on Exhibit M-2 (*Phase 2 Purchased Property Boundaries*) to this Development Agreement, to be purchased by the Developer from the EDA in accordance with the terms of this Development Agreement and the PSA.

"***Phase 3 Project***" means the Project components to be constructed on the Phase 3 Project Site in material conformity to the conceptual site plan and rendering and narrative description in Exhibit E-3 (*Phase 3 Project Components*) and the Master Plan and including the applicable Public Infrastructure, provided that completion of certain components of the Phase 3 Project may be delayed to the Phase 4 Project as contemplated in Section 4.3(a) (*Project Schedule*) and Exhibit E-5 (*Development Progress Requirements*).

"***Phase 3 Project Site***" means the Phase 3 Purchased Property.

"***Phase 3 Purchased Property***" means the approximately 12.9 acres of real property identified as Phase 3 Purchased Property on Exhibit M-3 (*Phase 3 Purchased Property Boundaries*) to this Development Agreement, to be purchased by the Developer from the EDA in accordance with the terms of this Development Agreement and the PSA.

"***Phase 4 Project***" means the Project components to be constructed on the Phase 4 Project Site in material conformity to the conceptual site plan and rendering and narrative

description in Exhibit E-4 (*Phase 4 Project Components*) and the Master Plan and including the applicable Public Infrastructure.

"***Phase 4 Project Site***" means the Phase 4 Purchased Property.

"***Phase 4 Purchased Property***" means the approximately 11.9 acres of real property identified as Phase 4 Purchased Property on Exhibit M-4 (*Phase 4 Purchased Property Boundaries*) to this Development Agreement, to be purchased by the Developer from the EDA in accordance with the terms of this Development Agreement and the PSA.

"***Pre-Existing Hazardous Substances***" means, collectively, any Known Pre-Existing Hazardous Substances and any Unknown Pre-Existing Hazardous Substances.

"***Private Development***" means the portion of the Project developed on the Private Development Parcels.

"***Private Development Delay Event***" means any of the following with respect to the Private Development:

(a) any Change in Law;

(b) any Legal Challenge;

(c) any Force Majeure event;

(d) any failure to obtain, or delay in obtaining, any of the City Permits within thirty-five (35) Days of the time period afforded for the EDA's approval in the Project Schedule following the Developer's submittal of a complete and compliant permit application therefor;

(e) any failure to obtain, or delay in obtaining, any of the Non-City Permits within sixty (60) Days of the latest review time for the EDA of any D&C Work permit under the Project Schedule, from submission of complete and compliant application therefor;

(f) the preemption, confiscation, diversion, destruction or other interference in possession or performance of materials or services by a governmental entity in connection with an Emergency or any condemnation or other taking by eminent domain of any material portion of the Project Site required for the Private Development;

(g) any unreasonable delay or failure by the City and the EDA in performing any of their material obligations under this Development Agreement;

(h) material loss, interruption or damage to the Project Site required for the Private Development caused by a City Default;

(i) any Unknown Pre-Existing Hazardous Substances;

(j) any Unforeseen Site Condition; and

(k) the existence of an Economic Hardship event,

provided that the Private Development Delay Events do not include any delay that:

(i) could have been reasonably avoided by a Developer Party;

(ii) is caused by the negligence or misconduct of a Developer Party; or

(iii) is caused by any act or omission by a Developer Party in breach of the provisions of this Development Agreement or any Developer Party's applicable agreement with the Developer or any other party.

"***Private Development Parcels***" means those Development Parcels depicted as "Private Development Parcels" on Exhibit B (*Map Depicting Development Parcels*) (which excludes the Public Infrastructure Parcels and the Stadium Parcel) to this Development Agreement, some of which will require lot line adjustments in order to be consistent with the depiction in Exhibit B (*Map Depicting Development Parcels*).

"***Prohibited Person***" is defined in Section 12.1(e)(ii) (*Conditions*).

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

"***Project Expeditor***" is defined in Section 4.12 (*Cooperation; Project Expeditor*).

"***Project Management and Execution Plan***" means the management and execution plan developed by the Developer and the Construction Contractor and reflecting Good Industry Practice, establishing the means to execute, monitor, and control the D&C Work.

"***Project Plans***" means the Concept Plans, the Schematic Plans and the Construction Documents.

"***Project Reporting Manager***" is defined in Section 4.14 (*Project Reporting Manager*).

"***Project Schedule***" means the proposed schedule for the development of the Project attached hereto as Exhibit F (*Project Schedule*).

"***Project Segment***" means each of the individual segments of the Project to be developed on each of the Private Development Parcels and Public Infrastructure Parcels in accordance with the Master Plan and each item of Public Infrastructure.

"***Project Site***" means, collectively, the Development Parcels.

"***Project Stakeholders***" is defined in Section 5.3(a) (*Generally*).

"***Proprietary Information***" is defined in Section 9.3 (*Proprietary Information*).

"***Proposed Restricted Transfer***" is defined in Section 12.1(a)(ii) (*Assignment and Restricted Transfer*).

"***Public Finance Consultant***" means (a) Davenport & Company LLC, (b) Loop Capital Markets LLC or (c) another public finance consultant, in each case as mutually agreed to by the Parties at the time such consultant is engaged to perform an analysis or provide financial information in connection with the requirements of this Development Agreement.

"***Public Infrastructure***" means, collectively the Horizontal Public Infrastructure and the Park Space and Public Areas, to be developed on the Public Infrastructure Parcels and as described in Exhibit G (*Public Infrastructure*).

"***Public Infrastructure Bonds***" means the Bonds (which exclude any City Bonds) to be issued to finance all or a portion of the costs of the Public Infrastructure and the grading of the Project Site (exclusive of the Stadium Parcel) as contemplated in the definition of "Bond Proceeds."

"***Public Infrastructure Delay Event***" means any of the following with respect to the Public Infrastructure:

(a) any Change in Law;

(b) any Legal Challenge;

(c) any Force Majeure event;

(d) any failure to obtain, or delay in obtaining, any of the City Permits within thirty-five (35) Days of the time period afforded for the EDA's approval in the Project Schedule following the Developer's submittal of a complete and compliant (both with applicable Law and this Development Agreement) permit application therefor;

(e) any failure to obtain, or delay in obtaining, any of the Non-City Permits within sixty (60) Days of the latest review time for the EDA of any D&C Work permit under the Project Schedule, from submission of a complete and compliant application therefor;

(f) any preemption, confiscation, diversion, destruction or other interference in possession or performance of materials or services by a governmental entity in connection with an Emergency or any condemnation or other taking by eminent domain of any material portion of the Project Site required for the Public Infrastructure;

(g) any unreasonable delay or failure by the City or the EDA in performing any of its material obligations under this Development Agreement;

(h) material loss, interruption or damage to the Project Site required for the Public Infrastructure caused by a City Default;

(i) any Unknown Pre-Existing Hazardous Substances; and

(j) any Unforeseen Site Condition,

provided that the Public Infrastructure Delay Events do not include any delay that:

(i) could have been reasonably avoided by a Developer Party;

(ii) is caused by the negligence or misconduct of a Developer Party; or

(iii) is caused by any act or omission by a Developer Party in breach of the provisions of this Development Agreement or any Developer Party's applicable agreement with the Developer or any other party.

"***Public Infrastructure Parcels***" means those Development Parcels depicted as "Public Infrastructure Parcels" on Exhibit B (*Map Depicting Development Parcels*) (which excludes the Private Development Parcels and the Stadium Parcel) to this Development Agreement, some of which will require lot line adjustments in order to be consistent with the depiction in Exhibit B (*Map Depicting Development Parcels*).

"***Public Realm Design Standards***" means the design standards and guidelines for development activities within and around the Diamond District to be developed pursuant to the provisions of Section 4.23 (*Public Realm Design Standards*).

"***Public Realm Design Standards Scope of Work***" means the scope of work for the development of the Public Real Design Standards set forth in Exhibit O (*Diamond District Public Realm Design Standards – Draft Scope of Work*), as such scope of work may be revised by the Parties pursuant to Section 4.23(a) (*Standards Creation Process*).

"***Punch List***" is an itemized list of Work approved by the EDA, the Navigators and VCU that remains to be completed, corrected, adjusted or modified, the existence, correction and completion of which will have no material or adverse effect on the normal, uninterrupted and safe use and operation of the Stadium Project (as applicable).

"***Purchase and Sale Agreement***" or "***PSA***" means the fully-executed Purchase and Sale Agreement between the EDA and the Developer with respect to the Development Parcels identified on Exhibit B (*Map Depicting Development Parcels*) in the form of Exhibit C (*Form of Purchase and Sale Agreement*) to this Development Agreement.

"***Purchased Property***" means all of the Phase 1 Purchased Property, the Sports Backers Parcel, the Phase 2 Purchased Property, the Phase 3 Purchased Property and the Phase 4 Purchased Property.

"***Purchaser***" is defined in Section 10.3(a) (*Minority Business Enterprise and Emerging Small Business Participation*).

"***Quality Management Plan***" means the quality management plan prepared by the Developer and the Construction Contractor and reflecting Good Industry Practice, identifying quality requirements and standards for the performance of the Work under this Development Agreement.

"***Regulatory Approval***" means any authorization, approval or permit required or granted by any governmental organization having jurisdiction over any Development Parcel, the Project or the Work, including, but not limited to, the City and the Commonwealth of Virginia.

"***Remedial Plan***" is defined in Section 11.2 (*Remedial Plan Upon Developer Default*).

"***Residential Unit***" is any dwelling unit developed and constructed as part of the Project to be sold or leased for Residential Use, including all Affordable Housing Units developed and constructed on the Project Site as part of the Project.

"***Residential Use***" means a use of land for Residential Units.

"***Response***" is defined in Section 5.2 (*Submittals*).

"***Restricted Transfers***" is defined in Section 12.1 (*Assignment and Restricted Transfer*).

"***Retail Use***" means a use of land for a purpose that constitutes a "retail use" under the City Code and that complies with the terms of this Development Agreement and applicable Law.

"***Retainage Account***" has the meaning set forth in Section 5.6(c)(i) (*Retainage*).

"***Retainage Amount***" has the meaning set forth in Section 5.6(c)(i) (*Retainage*).

"***Risk Management Plan***" means the risk management plan prepared by the Developer and the relevant Construction Contractor to foresee risks, estimate impacts and define responses to risks for the Stadium Project consistent with Good Industry Practice.

"***Schedule of Submittals***" means the schedule of submittals to be agreed to by the Parties for the delivery of each Project Segment pursuant to the terms of Section 3.8 (*Additional Phase 1 Purchased Property and Sports Backers Parcel Closing Conditions*), Section 3.9 (*Additional Phase 2-4 Purchased Property Closing Conditions*) and Section 5.2 (*Submittals*).

"***Schematic Plans***" means plans, elevations, sections and other design materials that are usual and customary in accordance with Good Industry Practice to the schematic design phase of design and construction work and describe the scope and uses of the Project Segment to be developed and constructed on any portion of the Project Site, prepared in accordance with the Master Plan and Good Industry Practice.

"***School Board***" is defined in Section 10.10(c) (*Other Developer Community Undertakings*).

"***Senior Representative Negotiations***" is defined in Section 13.2 (*Senior Representative Negotiations*).

"***Significant Change***" means (a) any dissolution, reorganization, merger, succession, consolidation or otherwise of, or any issuance or transfer of beneficial interests in, any Lead Developer Party, directly or indirectly, in one or more transactions, that results in a change in the identity of the Persons Controlling a Lead Developer Party, or (b) the sale, transfer, conveyance, assignment or other disposition of fifty percent (50%) or more of the assets, capital or profits of any Lead Developer Party or any Person Controlling a Lead Developer Party other than a sale to an Affiliate.

"***Special Reserve Fund A***" is defined in Section 6.1(b) (*Revenue Bonds*).

"***Special Reserve Fund B***" is defined in Section 6.1(b) (*Revenue Bonds*).

"***Sports Backers Parcel***" means the approximately 6.6-acre parcel of real estate located at 2911 N. Arthur Ashe Boulevard owned by Virginia Commonwealth University and referenced in the records of the City Assessor as Tax Parcel No. N0001510001.

"***Stabilization***" means, with respect to an applicable Phase, (i) that at least ninety percent (90%) of the gross square footage set aside for Retail Use has been leased to and occupied by retail tenants, (ii) that at least eighty percent (80%) of the gross square footage set aside for Office Use has been leased to and occupied by commercial tenants, (iii) that at least ninety percent (90%) of the Residential Units have been leased to tenants (or if the Residential Units are condominium units, that at least ninety percent (90%) of such units have been conveyed to third parties) or (iv) that the Phase 1 Hotel has achieved sixty-five percent (65%) of occupancy over a twelve (12) month period.

"***Stadium***" is defined in Section 2.2(b) (*Stadium*).

"***Stadium Bonds***" means the Bonds to be issued to finance all or a portion of the costs of the Stadium Project.

"***Stadium Final Completion Conditions***" means completion of all Punch List items.

"***Stadium Funding Sources***" means, collectively, (a) the proceeds of Stadium Bonds, (b) the proceeds of the Startup EDA Bonds, (c) any EDA Funding Sources (including $10,000,000 of the sale proceeds of the Phase 1 Purchased Property), (d) any equity contribution from the Navigators and (e) any equity contribution from VCU.

"***Stadium Lease(s)***" means, collectively, the Navigators Stadium Lease and the VCU Stadium Lease.

*"**Stadium Parcel**"* means the approximately 6.69 acres of real property identified as S1 on Exhibit B (*Map Depicting Development Parcels*), which is to be established as an individual lot or parcel of record pursuant to Chapter 25 of the City Code.

"***Stadium Project***" is defined in the Recitals.

"***Stadium Project Delay Event***" means any of the following with respect to the Stadium Project:

(a) any Change in Law;

(b) any Legal Challenge;

(c) any Force Majeure event;

(d) any delay resulting from any act or omission by Major League Baseball, the Navigators or VCU;

(e) any delay resulting from the Navigators' failure to execute the Navigators Stadium Lease (following Major League Baseball's issuance of a letter of consent) by July 1, 2023;

(f) any failure to obtain, or delay in obtaining, any of the City Permits within thirty-five (35) Days of the time period afforded for the EDA's approval in the Project Schedule following the Developer's submittal of a complete and compliant (both with applicable Law and this Development Agreement) permit application therefor;

(g) any failure to obtain, or delay in obtaining, any of the Non-City Permits within sixty (60) Days of the latest review time for the EDA of any D&C Work permit under the Project Schedule, from submission of a complete and compliant application therefor;

(h) any preemption, confiscation, diversion, destruction or other interference in possession or performance of materials or services by a governmental entity in connection with an Emergency or any condemnation or other taking by eminent domain of any material portion of the Stadium Parcel;

(i) any unreasonable delay or failure by the City or the EDA in performing any of its material obligations under this Development Agreement;

(j) material loss, interruption or damage to the Stadium Parcel caused by a City Default;

(k) any Unknown Pre-Existing Hazardous Substances; and

(l) any Unforeseen Site Condition,

provided that the Stadium Project Delay Events do not include any delay that:

(i) could have been reasonably avoided by a Developer Party;

(ii) is caused by the negligence or misconduct of a Developer Party; or

(iii) is caused by any act or omission by a Developer Party in breach of the provisions of this Development Agreement or any Developer Party's applicable agreement with the Developer or any other party.

"***Stadium Project GMP***" is defined in Section 5.6(g) (*Costs of Construction*).

"***Stadium Project Scope of Work***" means the design, engineering, construction, equipping and furnishing of the Stadium as developed and agreed to by the EDA, the Developer, the Navigators and VCU.

"***Stadium Substantial Completion***" means the issuance by the EDA or the EDA Project Monitor of the Certificate of Substantial Completion and the issuance by the City of a temporary or permanent certificate of occupancy for the Stadium.

"***Stadium Substantial Completion Conditions***" has the meaning set forth in Section 5.9 (*Conditions to Stadium Substantial Completion*).

"***Stadium Substantial Completion Date***" means the date the Developer achieves Stadium Substantial Completion, as evidenced by the Developer's receipt of the Certificate of Substantial Completion from the EDA or the EDA Project Monitor.

"***Stadium Substantial Completion Deadline***" means December 31, 2025.

"***Startup CDA Bonds***" is defined in Section 6.1(b) (*Revenue Bonds*).

"***Startup EDA Bonds***" is defined in Section 6.1(b) (*Revenue Bonds*).

"***State Portion Sales Tax Revenues***" is defined in Section 6.1(b) (*Revenue Bonds*).

"***Subcontract***" means any contract or subcontract at any tier entered into by the Developer or the Developer's Contractors to perform the Work.

"***Subcontractor***" means a Person subcontracted to perform a portion of a contract by a Contractor or another Subcontractor.

"***Submittal***" means any document, design, drawing, or other written material submitted by any Developer Party to the City or the EDA, as applicable, for review, response and/or authorization to commence and complete any portion of the Work specified in such request.

"***Substantial Completion***" means (a) the City has certified for each applicable Public Infrastructure that it is suitable for its intended use in accordance with the terms and conditions set forth in Exhibit G (*Public Infrastructure*) and at least ninety-five (95%) of the D&C Work has been completed; (b) all Subcontractors who are providing or furnishing, or who have provided or furnished, materials or services in connection with the construction of such Public Infrastructure (including the Developer's general contractor) are entitled to final payment under their respective agreements with the Developer, exclusive only of any retainage held on account of Punch List items and

disputed amounts, in each case for which the Developer has provided evidence reasonably satisfactory to the City of the Developer's ability to pay such retainage or disputed amount (assuming the Developer does not prevail in such dispute(s)); and (c) all other requirements stated in this Development Agreement for Substantial Completion of such Public Infrastructure have been completed as certified by the Developer to the City through a certificate of completion for the applicable Public Infrastructure in accordance with Section 4.14 (*Project Reporting Manager*).

*"**Substantial Completion Date***" means the date upon which the Developer achieves Substantial Completion for the applicable Public Infrastructure.

"***Substantial Completion Deadline***" means the date by which the Developer must achieve Substantial Completion for the applicable Public Infrastructure, as may be adjusted from time to time in accordance with this Development Agreement by reason of the occurrence of any Delay Event prior to Substantial Completion of the applicable Public Infrastructure.

"***Target Budget***" is defined in Section 2.3(a) (*Project Budget*).

"***Technical Training Center***" is defined in Section 10.10(c) (*Other Developer Community Undertakings*).

"***Term***" is defined in Section **Error! Reference source not found.** (*Duration*).

"***Title Company***" is defined in Section 6.5(a) (*Generally*).

"***Total Development Progress***" is defined in Exhibit E-5 (*Development Progress Requirements*).

"***Total Development Progress Completion Deadline***" means December 31, 2036, as such date may be extended pursuant to the terms of this Development Agreement.

"***Total Restricted Transfer***" is defined in Section 12.1(c) (*Total Restricted Transfer of the Contract Documents*).

"***Transaction Documents***" means this Development Agreement and the PSA.

"***Transfer***" is defined in Section 12.1(a)(i) (*Restricted Transfers*).

"***Unforeseen Site Conditions***" is defined in Section 9.4 (*Unforeseen Site Conditions*).

"***Unknown Pre-Existing Hazardous Substances***" means any Hazardous Substances present on, in or under any Development Parcel or portion thereof as of the date that the Developer assumes responsibility for such Development Parcel or portion thereof pursuant to Section 9A.1(b) (*General Obligations*) and which are not Known Pre-Existing Hazardous Substances.

"***Unmatured Developer Event of Default***" means a circumstance that, with notice or passage of time, would constitute a Developer Event of Default.

*"**VCU**"* means Virginia Commonwealth University.

*"**VCU Stadium Lease**"* is defined in Section 3.2 (*Sale by EDA to Developer; Leasing by EDA*).

"***Verification***" means confirmation that a Major Submittal or other relevant document does not materially deviate from the Benchmark Requirements. "***Verify***" or "***Verified***" means to confirm or to be confirmed that a Major Submittal or other relevant document does not materially deviate from the Benchmark Requirements.

"***VUU***" is defined in Section 10.8 (*Diamond District Small Business Institute*).

"***Work***" means collectively, the development, planning, financing, funding, demolition, design, acquisition, installation, construction, draining, dredging, excavation, grading, completion, management, renovation, major repair, operation, ordinary repair, maintenance and similar activities and any other services identified in the Contract Documents to be performed by the Developer in connection with delivering the Project.

"***Zoning Confirmation Letter***" means a written document issued by the City's Zoning Administrator confirming conformance with City zoning regulations.

ARTICLE 2
PROJECT DESCRIPTION; PROJECT BUDGET

2.1 Project Site. The Project Site consists of approximately 67.57 acres and generally is bounded on the west by North Arthur Ashe Boulevard, on the north by Interstates 95 and 64, on the east by Hermitage Road and on the south by CSX Railroad right-of-way.

2.2 Project.

(a) **Master Plan**. The Master Plan for the Project Site, which is described in more detail in Exhibit A (*Master Plan*), includes:

(i) The Phase 1 Project, including: (A) the development and construction of a new Stadium that has a minimum total capacity of 9,000 attendees and complies with the minimum standards created and approved by Major League Baseball for a double A minor league baseball stadium (the "**Minimum Standard**") as well as the other requirements set forth in this Development Agreement; (B) the development, construction, financing, operation and maintenance of the Phase 1 Hotel; (C) the development, financing, construction, operation and maintenance of certain mixed-use development that would include a minimum of 1,212 new Residential Units (including a minimum of 194 Affordable Housing Units), a minimum of 23,000 square feet of Commercial Use space and approximately 1,290 structured parking spaces; (D) the construction of the

necessary Horizontal Public Infrastructure and the planned Park Space and Public Areas as set forth in Exhibit E-1 (*Phase 1 Project Components*) and Exhibit G (*Public Infrastructure*); and (E) the demolition of Sports Backers Stadium and the Diamond;

(ii) The Phase 2 Project, including: (A) the development, financing, construction, operation and maintenance of certain mixed-use development that would include a minimum of 776 new Residential Units (including a minimum of 108 Affordable Housing Units), a minimum of 287,000 square feet of Commercial Use space and approximately 1,480 structured parking spaces; and (B) the construction of the necessary Horizontal Public Infrastructure and the planned Park Space and Public Areas as set forth in Exhibit E-2 (*Phase 2 Project Components*) and Exhibit G (*Public Infrastructure*);

(iii) The Phase 3 Project, including (A) the development, financing, construction, operation and maintenance of certain mixed-use development that would include a minimum of 455 new Residential Units (including a minimum of 211 Affordable Housing Units), a minimum of 346,000 square feet of Commercial Use space and approximately 1,500 structured parking spaces; (B) the construction of the necessary Horizontal Public Infrastructure and the planned Park Space and Public Areas as set forth in Exhibit E-3 (*Phase 3 Project Components*) and Exhibit G (*Public Infrastructure*); and (C) the demolition of the Arthur Ashe Junior Athletic Center, provided that the City may elect to complete such demolition work at any time prior to the Developer's undertaking of the Phase 3 Project and shall be entitled to be reimbursed for the cost of such demolition work from the proceeds of the Bonds in accordance with Section 6.1(b)(ix) (*Revenue Bonds*); and

(iv) The Phase 4 Project, including (A) the development, financing, construction, operations and maintenance of certain mixed-use development that would include a minimum of 504 new Residential Units (including a minimum of 77 Affordable Housing Units), a minimum of 437,000 square feet of Commercial Use space and approximately 2,530 structured parking spaces; and (B) the construction of the necessary Horizontal Public Infrastructure and the planned Park Space and Public Areas as set forth in Exhibit E-4 (*Phase 4 Project Components*) and Exhibit G (*Public Infrastructure*).

Notwithstanding the foregoing, the components and schedule for completion of the development activities set forth in the Master Plan and each of the respective Phases may be modified or adjusted in accordance with the terms and provisions of this Development Agreement.

(b) **Stadium**. Subject to the constraint of the Target Budget, the Developer shall design, construct, and deliver a new minor league baseball stadium that complies

with the Minimum Standard, as described in Section 2.2(a)(i) (*Master Plan*) (the "**Stadium**") in accordance with the Project Schedule and this Development Agreement.

(c) **Hotel**. The Developer shall design, construct, finance, operate and maintain the Phase 1 Hotel (or, alternatively, the Developer shall cause the same to occur) in accordance with the Project Schedule, this Development Agreement and the Hotel Use Covenant pursuant to which the Developer will covenant, among the other matters, to cause the Phase 1 Project Site to include hotel use for a period of time at least contemporaneous with the period of time any Bonds or any City Bonds remain outstanding.

(d) **Mixed-Use Development**. The Developer shall design, construct, finance, operate and maintain on the Private Development Parcels a Mixed-Use Development (or, alternatively, the Developer shall cause the same to occur) in accordance with the Master Plan and the terms of this Development Agreement.

(e) **Affordable Housing**. As part of the Mixed-Use Development, the Developer shall construct a minimum of five hundred and ninety (590) Affordable Housing Units consisting of Affordable Housing Units for both rental and purchase on the Project Site, as further described in Section 10.2 (*Affordable Housing*) and Exhibit E -5 (*Development Progress Requirements*) (the foregoing obligations of the Developer being hereinafter referred to as the "**Affordable Housing Commitment**"). The Developer must satisfy its Affordable Housing Commitment no later than the applicable deadlines set forth for Minimum Development Progress in Exhibit E-5 (*Development Progress Requirements*) and otherwise in accordance with the terms of this Development Agreement.

(f) **Public Infrastructure.** The Developer shall perform the D&C Work (or, alternatively, the Developer shall cause the same to occur) necessary to develop and deliver each item of Public Infrastructure in accordance with this Development Agreement, the Project Schedule and applicable Law.

2.3 Project Budget.

(a) The EDA and the Developer shall mutually agree upon a target budget for the Phase 1 Project, including the cost of designing and constructing the Stadium and Public Infrastructure (the "**Target Budget**"). The Target Budget shall provide for capital investment at least equal to the Minimum Capital Investment for the Phase 1 Project.

(b) The Phase 1 Project shall have a minimum capital investment of $627.6 million, and the Project shall have an aggregate minimum capital investment of $2.44 billion (the "**Minimum Capital Investment**"). The Minimum Capital Investment shall consist of Bond Financing net proceeds, amounts made available from EDA Funding Sources, private equity, grant funds (excluding any grants sourced from City or EDA funds and any grants the award or receipt of which would

compromise the taxable status of any portion of the Private Development Parcels) and private financing used to develop the Project.

2.4 Additional Revenues Generated from Use of Private Development Parcels. During the period commencing on the Agreement Date and ending at the conclusion of the capitalized interest period for the Stadium Bonds and except as otherwise expressly provided herein, to the extent that the City, the EDA or the Developer generate non-tax revenue from the use for special events or otherwise of any of the Private Development Parcels prior to the sale of such Private Development Parcels to the Developer, or the Stadium Parcel or any Public Infrastructure Parcels prior to the commencement of any D&C Work thereon, or any publicly-owned parcels within the Diamond District, and such revenue is not required to be paid over to any other Person pursuant to any existing contractual obligation of the City, the EDA or the Developer to such Person, (a) the portion of such non-tax revenue, net of any expenses, allocable to EDA or City-organized events and activities shall be deposited into Special Reserve Fund A and (b) the portion of such non-tax revenue, net of any expenses, allocable to Developer-organized events and activities shall be deposited into a capital repair and maintenance account for the Stadium. Notwithstanding the foregoing, any such revenues realized from the Park Space and Public Areas in the Phase 1 Project following the completion of such Park Space and Public Areas shall be dedicated to the payment of operation and maintenance expenses for such Park Space and Public Areas.

ARTICLE 3
REAL ESTATE

3.1 Conveyance by City to EDA. On or before the Closing Date for the Phase 1 Purchased Property, the City shall convey to the EDA portions of the Project Site identified as Tax Parcel Nos. N0001510013, N0001510012, N001510020, N0001510011, N000151009, and N0001512001 in the records of the City Assessor.

3.2 Sale by EDA to Developer; Leasing by EDA.

(a) The EDA shall sell, and the Developer shall buy, the Purchased Property in phases no later than the applicable Outside Closing Date for such Purchased Property and pursuant to the terms and conditions set forth in this Development Agreement and the PSA attached as Exhibit C (*Form of Purchase and Sale Agreement*) hereto.

(b) The EDA shall apply the $10,000,000 of the proceeds from the sale of the Phase 1 Purchased Property to the Developer to the development of the Stadium Project. If the Stadium Project is determined not to be financeable pursuant to Section 6.3 (*Stadium Project Financing; Continued Development Rights; Reverter*), the EDA may use such sale proceeds for any lawful purpose.

(c) The EDA shall lease the Stadium for use by the Navigators and VCU, respectively, pursuant to the terms of (i) the Navigators Stadium Lease to be entered into by and between the Navigators and the EDA (the "**Navigators**

Stadium Lease"), and (ii) the VCU Stadium Lease to be entered into by and between VCU and the EDA or the Navigators (the "**VCU Stadium Lease**"), and such Stadium Leases shall be effective as of the Stadium Substantial Completion Deadline.

(d) The EDA shall provide the Developer with access to certain portions of the Project Site for the purposes of accommodating interim construction laydown activities and providing interim parking (for both construction vehicles and general parking) during the construction of the Project, provided that the Developer's use of any parking areas shall not interfere with use of such parking areas by the Navigators or by the City for any public or private events. Such portions of the Project Site and the terms of such access shall be set forth in an access or license agreement in a form to be mutually agreed upon by the Parties.

3.3 Sports Backers Parcel. Subject to any necessary authorizations and approvals, the EDA shall acquire the Sports Backers Parcel from the current owner of the Sports Backers Parcel not later than the Closing Date for the Sports Backers Parcel.

3.4 Zoning and Land Use Approvals. The Developer will be solely responsible for any required boundary line adjustments, lot consolidations, subdivisions, and right-of-way vacations required in order to form the Development Parcels and to obtain any rezoning or zoning modifications that may be required in order to permit the Developer to proceed with development of any Private Development Parcel. Subject to the provisions contained in Section 4.10 (*City Regulatory Approvals*), the City agrees to cooperate in good faith with the Developer's efforts to satisfy the obligations of the Developer set forth in this Section 3.4 (*Zoning and Land Use Approvals*).

3.5 Closing. Subject to satisfying the conditions precedent under the PSA and this Development Agreement for Closing, Closing for each portion of the Purchased Property for the applicable Phase shall be held on a date mutually acceptable to the Parties within sixty (60) Days after the date that the Developer gives notice to the City and the EDA certifying that all of the elements of the conditions precedent to Closing for such portion of the Purchased Property have either occurred or shall occur simultaneously with Closing (the "**Closing Date**"). In no event shall the Closing Date for any portion of the Purchased Property be held after the Outside Closing Date for such Purchased Property, as such Outside Closing Date may be extended pursuant to the terms of this Development Agreement, and if Closing has not occurred by such Outside Closing Date, unless caused by the City's or the EDA's breach under this Development Agreement or the PSA, the City and the EDA shall, among other remedies under this Development Agreement, be entitled to terminate the Developer's right to Close on such portion of the Purchased Property and retain the applicable portion of the Developer Land Purchase Deposit all in accordance with Section 6.5 (*Developer Land Purchase Deposit*) and ARTICLE 11 (*Events of Default and Termination).* Notwithstanding anything contained in this Section 3.5 (*Closing*) to the contrary, the EDA acknowledges and agrees that the Developer shall have the unilateral right to exercise a one-time twelve (12) month extension of the Outside Closing Dates for the Purchased Property (excluding the Phase 1 Purchased Property and the Sports Backers Parcel) upon written notice delivered to the

EDA at least three (3) months prior to the next occurring Outside Closing Date. For the avoidance of doubt, such unilateral extension right may only be exercised once during the Term and, if exercised, shall extend the Outside Closing Date for each remaining Phase of Purchased Property by twelve (12) months. In the event the Developer exercises such right: (a) the Outside Closing Dates for the remaining Phases of Purchased Property shall be extended by twelve (12) months; (b) each of the deadlines for completing the applicable Minimum Development Progress set forth in Exhibit E-5 (*Development Progress Requirements*) shall be extended by twelve (12) months and (c) the Total Development Progress Completion Deadline shall be extended by twelve (12) months. For the avoidance of doubt and for illustrative purposes only, if the Developer exercises such extension right in advance of the Outside Closing Date for the Phase 2 Purchased Property, (x) each of the Outside Closing Dates for the Phase 2 Purchased Property, the Phase 3 Purchased Property and the Phase 4 Purchased Property shall be extended to December 31, 2028, December 31, 2031, and December 31, 2034, respectively, (y) each of the deadlines for completing the Minimum Development Progress for Phase 1, Phase 2 and Phase 3 shall be extended to December 31, 2028, December 31, 2031, and December 31, 2034, respectively, and (z) the Total Development Progress Completion Deadline shall be extended to December 31, 2037. The EDA further acknowledges and agrees that the Developer shall have the right to request an additional extension of the Outside Closing Date for any portion of the Purchased Property for up to twelve (12) months for good cause shown, and, in such case, the EDA may, in its sole discretion, grant such extension, which extension will not be unreasonably withheld. Subject to the provisions of Section 14.2(g) (*Effect of Concurrent Private Development Delay Event and Unilateral Extension of Outside Closing Dates*), the Outside Closing Date may also be extended or delayed due to the occurrence of any Private Development Delay Event that directly and adversely impacts the Developer's ability to timely achieve Closing.

3.6 Construction Access Permit. The EDA shall provide the Developer with access to Stadium Parcel for the purposes of designing and constructing the Stadium Project commencing on a date to be mutually agreed to the EDA and the Developer and extending through the date of Final Completion of the Stadium Project. The terms of such access shall be set forth in an access or license agreement in a form to be mutually agreed upon by the Parties.

3.7 Pre-Closing Conditions. In addition to the requirements of Section 3.5 (*Closing*), the Phase 1 Purchased Property and each subsequent Phase of Purchased Property shall be conveyed to the Developer only upon satisfaction of the following pre-closing conditions:

(a) the Developer has completed or waived its Feasibility Studies with respect to the applicable Phase of Purchased Property in accordance with the provisions of ARTICLE 9 (*Site Investigation*) (for purposes of this subsection (a), the entire Sports Backers Parcel shall constitute a separate Phase of Purchased Property);

(b) the Developer has completed its Environmental Investigation with respect to the applicable Phase of Purchased Property in accordance with the provisions of ARTICLE 9A (*Hazardous Substances*) (for purposes of this subsection (b), the

entire Sports Backers Parcel shall constitute a separate Phase of Purchased Property);

(c) the Developer has applied for and obtained a Zoning Confirmation Letter with respect to the applicable Phase of Purchased Property (for purposes of this subsection (c), the entire Sports Backers Parcel shall constitute a separate Phase of Purchased Property);

(d) the Developer has applied for any rezoning or special use permits necessary to develop the applicable Phase of the Project (or shall have written confirmation from the City that no zoning changes are necessary to develop the applicable Phase of the Project) (for purposes of this subsection (d), the entire Sports Backers Parcel shall constitute a separate Phase of Purchased Property);

(e) the Developer has provided, in a form deemed acceptable by the EDA, in its reasonable discretion, proof that the Developer has the ability to secure financing sufficient to construct the applicable Phase of the Project (which, for purposes hereof, the City acknowledges and agrees may consist of commitment letters from debt and equity providers);

(f) the Developer has provided, in a form deemed acceptable by the City, in its reasonable discretion, proof that the Developer has complied with its obligations pursuant to Section 10.5 (*Jobs and Training*);

(g) the Developer has provided, in a form deemed acceptable by the City, in its reasonable discretion, proof that the Developer has required that all construction management companies, general contractors, and subcontractors commit to make a good faith effort to achieve certain employment outcomes for residents of the City during the construction of the Project in compliance with the provisions of Section 4.19 (*Construction Jobs for Richmond Residents*);

(h) the Developer has provided, in a form deemed acceptable by the City, in its reasonable discretion, and in compliance with the provisions of Section 10.3 (*Minority Business Enterprise and Emerging Small Business Participation*), for the Project:

(i) the Developer's MBE Plan; and

(ii) evidence of the Developer's proposed good faith efforts to achieve a goal of 40% Minority Business Enterprise and Emerging Small Business participation in the Project through (A) development and construction related activities before the issuance of a certificate(s) of occupancy and (B) in the management and operation of the Project after the certificate(s) of occupancy are issued;

(i) the Developer has provided, in a form deemed acceptable by the City, in its reasonable discretion, evidence of project labor agreements for the Project that at

a minimum include the following requirements for all construction management companies, general contractors, and subcontractors:

(i) to pay at a minimum $16.50 per hour or the prevailing wage rate for the City (whichever is higher) as determined by the U.S. Secretary of Labor under the provisions of the Davis-Bacon Act, 40 U.S.C. § 276 et seq., as amended, to each laborer, worker, and mechanic employed on the Project;

(ii) to participate in apprenticeship programs that have been certified by the Virginia Department of Labor and Industry or the U.S. Department of Labor, graduated at least one (1) enrollee in each of the last three (3) years, and graduated at least seventy-five percent (75%) of program enrollees; and

(iii) to provide health insurance and retirement benefits for all full-time employees performing work on the Project Site;

(j) the Developer has provided, in a form deemed acceptable by the City, in its reasonable discretion, evidence that it will require all construction management companies, general contractors, and subcontractors working on the Project and who are not parties to project labor agreements for the Project to pay at a minimum $16.50 per hour or the prevailing wage rates for the City (whichever is higher) as determined by the U.S. Secretary of Labor under the provisions of the Davis-Bacon Act, 40 U.S.C. § 276 et seq., as amended, to each laborer, worker, and mechanic employed on the Project; and

(k) the Developer and the EDA have executed the O&M Contract for the Park Space and Public Areas, and the Developer has delivered an executed O&M Guaranty if required by the terms of the O&M Contract.

For purposes of the Developer's compliance with the provisions of subsections (f), (g), (i) and (j) above, the forms of proof or evidence, as the case may be, shall be delivery of the forms of contracts containing the relevant required provisions or, in lieu thereof, delivery of correspondence or other similar writings between the Developer and its contractors and vendors evidencing the Developer's good faith efforts to meet the requirements described in the applicable subsection.

3.8 Additional Phase 1 Purchased Property and Sports Backers Parcel Closing Conditions.

(a) The following additional conditions must be satisfied at (or simultaneously with) the Closing for the Phase 1 Purchased Property or Closing shall not occur and the Phase 1 Purchased Property shall not be conveyed to the Developer: (i) the Developer, the EDA, the Navigators and VCU shall have agreed upon the Stadium Project Scope of Work; (ii) the Developer shall have received, in a form deemed acceptable by the Developer and the City, in their sole but reasonable discretion, evidence of a long-term commitment by Major League Baseball to maintain a baseball team in the City in the Stadium; (iii) the Developer shall have

delivered, and the EDA shall have accepted, a Schedule of Submittals for the Phase 1 Project (excluding the Stadium Project for which Schedule of Submittals shall be completed by the time set forth in Section 5.2 (*Submittals*) and a Critical Path Schedule, each in form and content approved by the EDA (such approval not to be unreasonably withheld so long as the Schedule of Submittals and Critical Path Schedule are consistent with the deadlines for achieving the relevant Development Progress Requirements and provide sufficient detail to allow the Delay Event regime set forth in ARTICLE 14 (*Delay Events*) to be implemented); (iv) the Developer and the EDA shall have agreed upon the Target Budget (including the budgets for the Stadium Project and the Public Infrastructure for the Phase 1 Project); and (v) the Developer and the EDA shall have agreed upon the scope of Eligible Mass Grading to be payable from proceeds of the City Bonds to be issued to finance the Public Infrastructure for the Phase 1 Project.

(b) In addition to the foregoing requirements that must be satisfied at (or simultaneously with the Closing for the Phase 1 Purchased Property), the Closing for the Phase 1 Purchased Property and the Sports Backers Parcel shall occur no later than the applicable Outside Closing Date for such Purchased Property.

3.9 Additional Phase 2-4 Purchased Property Closing Conditions. The following additional conditions must be satisfied prior to the Closing for each of the Phase 2 Purchased Property, the Phase 3 Purchased Property and the Phase 4 Purchased Property:

(a) The Closing for each Phase of the Purchased Property shall occur no later than the applicable Outside Closing Date for such Phase of the Purchased Property.

(b) The Developer shall have achieved the applicable Minimum Development Progress for the then-current Phase (including any applicable portion of the Work from prior Phases that must be completed as part of the then-current Phase) as set forth in Exhibit E-5 (*Development Progress Requirements*). For example, the Developer must achieve the Minimum Development Progress for the Phase 2 Project (including any applicable portion of the Work from the planned Phase 1 Project that must be completed as part of the Phase 2 Project) before it may Close on the Phase 3 Purchased Property.

(c) The Developer shall have satisfied all applicable performance targets and community undertakings for the then-current Phase, as set forth in Article 10 (*Performance Targets; Community Undertakings*).

(d) The Developer shall have delivered, and the EDA shall have accepted, a Schedule of Submittals and a Critical Path Schedule for the applicable Phase of the Project to be developed on such Purchased Property, each in form and content approved by the EDA (such approval not to be unreasonably withheld so long as the Schedule of Submittals and the Critical Path Schedule are consistent with the deadlines for achieving the relevant Development Progress Requirements and provide sufficient detail to allow the Delay Event regime set forth in ARTICLE 14 (*Delay Events*) to be implemented).

(e) The Developer and the EDA shall have agreed upon a budget for the Public Infrastructure for the applicable Phase of the Project to be developed on such Purchased Property.

(f) The Developer and the EDA shall have agreed upon the scope of Eligible Mass Grading to be payable from proceeds of the Public Infrastructure Bonds issued to finance the Public Infrastructure to be developed on such Phase of Purchased Property.

3.10 Taxable Parcels. Upon the initial conveyance of any Purchased Property to the Developer and at all times thereafter, the Purchased Property and all Improvements developed and constructed thereon from time to time, including, without limitation, the initial Improvements, shall be subject to full real estate taxes and assessments in the same manner as imposed by the City on other similarly situated properties located in the City. For so long as any Bonds or any City Bonds remain outstanding, neither the Developer nor any owner (excluding residential homeowners of the for sale Residential Units), lessee, sublessee, or user shall apply for or attempt to receive any tax abatement, tax exemption, or any other kind of relief from the payment of real estate taxes; provided, however, said Developer, owner, lessee, sublessee, or other user shall retain the right to appeal its real estate tax assessment in accordance with the then applicable appeals process. If, during the period that any Bonds or any City Bonds remain outstanding, the Developer, owner, lessee, sublessee, or user, or the Purchased Property and Improvements thereon are not subject to real estate taxation for any reason, said Developer, owners, lessees, sublessees, or users shall pay to the City annually an amount equal to the real estate taxes that would be required if subject to taxation. The foregoing provisions may be enforced by way of deed conditions for the benefit of the City operating as a covenant binding Developer, running with the land; by a requirement of City approval prior to any land transfer; or by similar or additional enforcement mechanisms. Notwithstanding the foregoing, the Developer and/or the owner of the Affordable Housing Units shall be entitled to participate in any tax abatement or similar programs that the City currently makes or may make publicly available to support the development of affordable housing; provided, however, the Developer may only participate in such programs if the revenues generated within the CDA District and the Incremental Tax Financing Area from the sources described above are producing surplus cash flows in excess of the amount required to pay the debt service on the Bond Financing.

3.11 Developer's Sale of Private Development Parcels.

(a) **Sale of Developed Parcels**. Except as otherwise expressly provided herein, if the Developer elects to sell any Private Development Parcel (including both land and any Improvements thereon), and there are net profits generated from such sale, net profits shall be payable at the time of closing thereon as follows: (i) first, such amount as is necessary to ensure that the Project investors have realized a minimum 20% internal rate of return on the equity invested in such Private Development Parcel shall be paid to the Project investors; and (ii) second, any remaining amount after the payment to the Project investors required pursuant to

clause (i) shall be shared equally by the Project investors and the City, with 50% of such remaining amount being paid to the Project investors and 50% of such remaining amount being paid to the City. For example, if a Private Development Parcel is sold and produces a 25% internal rate of return on the equity invested in such Private Development Parcel by the Project investors and the net profits generated from such sale above the minimum 20% threshold for the internal rate of return on the equity invested in such Private Development Parcel by the Project investors is $10,000,000, the City shall receive $5,000,000 (50% of $10,000,000) and the Project investors shall receive $5,000,000 (50% of $10,000,000). For purposes of this Section 3.11 (*Developer's Sale of Private Development Parcels*), (1) "net profits" means an amount equal to the sale price for such Private Development Parcel less the sum of (A) the purchase price for such Private Development Parcel, (B) the costs of Improvements thereon, (C) the interest expenses for debt incurred to pay the costs of Improvements thereon, (D) directly related soft costs (e.g., design fees, acquisition transaction costs, taxes, insurance and similar expenses) and (E) other reasonable, customary and actual expenses which add to the cost basis as reasonably determined in accordance with generally accepted accounting principles, including but not limited to the Private Development Parcel's pro rata share of other Diamond District project costs, including but not limited to community benefits as described in this Development Agreement; (2) "community benefits" means (A) the Developer's $1,000,000 contribution the Affordable Housing Closing Cost Fund to be established pursuant to Section 10.7 (*Affordable Housing Closing Cost Fund*), (B) the Developer's $500,000 contribution to the Diamond District Small Business Institute to be established pursuant to Section 10.8 (*Diamond District Small Business Institute*), (C) $50,000 of the Developer's total contribution to the Diamond District Scholarship Program to be established pursuant to Section 10.9 (*Diamond District Scholarship Program*), and (D) the Developer's contribution to the Diamond District Baseball League to be established pursuant to Section 10.10(b) (*Other Developer Community Undertakings*), provided that the prorated amounts of the costs described in clauses (A) through (D) shall be determined using a fraction equal to the acreage of the Private Development Parcel being sold over the total acreage of the Purchased Property and shall be based on the actual amounts the Developer has paid for such purposes through the time of sale of the applicable Private Development Parcel; and (3) "internal rate of return" means the rate at which the present value of the stream of income equals the amount of the investment.

(b) **Sale of Undeveloped Parcels**. Except as otherwise provided in subsection 3.11(c) (*Sale of Parcels to Identified Housing Developers*) below, any sale of an undeveloped Private Development Parcel to a third-party developer or other third-party purchaser shall be subject to the EDA's prior written approval (such approval not to be unreasonably withheld if the EDA determines that the proposed use of such Private Development Parcel will be consistent with the planned use of such Private Development Parcel as contemplated in the Exhibits to this Development Agreement). If the EDA approves the sale of an undeveloped Private Development Parcel, the EDA shall be entitled to receive 30% of the net

profits realized from such sale (calculated as described in (a) above, but substituting 30% for 50%). If the EDA does not approve the sale of an undeveloped Private Development Parcel within sixty (60) Days of receiving the Developer's written request for approval of the proposed sale of a Private Development Parcel (such written request to provide sufficient details and certifications to allow the EDA to determine whether the proposed use of such Private Development Parcel will be consistent with the planned use of such Private Development Parcel as contemplated in the Exhibits to this Development Agreement), the EDA shall, to the extent of any legally available funds, repurchase such Private Development Parcel from the Developer at a price per acre equal to (i) the price per acre initially paid by the Developer for the Phase of Purchased Property (or, in the case of any portion of the Sports Backers Property, a price per acre equal to the price per acre initially paid by the Developer for the Sports Backers Parcel) containing such Private Development Parcel plus (ii) the reasonable costs of carrying and improving such Private Development Parcel (including directly related soft costs).

(c) **Sale of Parcels to Identified Housing Developers**. Notwithstanding any provision herein to the contrary, no sale of a Private Development Parcel to Pennrose, LLC, Capstone Development, LLC, M Companies LLC, or Emerge Construction Group LLC, or any of their respective Affiliates, for the purpose of developing Residential Units or the Phase 1 Hotel as contemplated in the Exhibits to this Development Agreement shall be subject to the revenue sharing arrangements described in either clause (a) or (b) above.

(d) **Application of EDA's Share of Net Profits**. The Parties, as of the Agreement Date, intend that the EDA's share of such net profits will be used, subject to the approval of City Council, for programs that support economic inclusiveness, such as the City's Affordable Housing Trust Fund.

(e) **Applicability to Other Lead Developer Parties**. In addition, in the event the Developer sells or otherwise transfers a Private Development Parcel, whether developed or undeveloped, to another Lead Developer Party, the provisions of this Section 3.11 (*Developer's Sale of Private Development Parcels*) shall also apply to the Lead Developer Party's sale of such Private Development Parcels to a third-party developer or other third-party purchaser.

ARTICLE 4
DEVELOPMENT OF PROJECT

4.1 General Obligations.

(a) **General**. The Developer shall be solely responsible for performing (or, alternatively, the Developer shall cause to be performed any portion of) all Work necessary to design, build, and, where applicable, finance, operate and maintain, the Project and each Project Segment in accordance with the Master Plan, the Project Schedule (except to the extent any date therein is expressly superseded by

the Development Progress Requirements), the Development Progress Requirements, this Development Agreement, Good Industry Practice, applicable Law, each applicable Memorandum of Development Agreement, the Hotel Use Covenant, the Affordable Housing Covenants, the Master Plan Requirements and any other requirements in the Contract Documents.

(b) **Cost and Expense**. Except for (i) the costs of the Public Infrastructure for the Phase 1 Project to be paid from EDA Funding Sources (or from the proceeds of Public Infrastructure Bonds as contemplated in Section 6.1(f) (*Public Infrastructure Bond Funding of Phase 1 Public Infrastructure Costs*)) and (ii) the portions of the Project to be funded from (A) the Stadium Funding Sources or other Bond Proceeds (which the City has no moral or legal obligation to repay) or (B) such other EDA Funding Sources as the City in its sole discretion may elect to make available to pay the costs of the Public Infrastructure for subsequent Phases of the Project as described in Section 6.1(e) (*Alternative Funding for Public Infrastructure*), the Developer will satisfy its obligations under this Development Agreement at its sole cost and expense, without any legal, moral or financial recourse to any Indemnified Party. Notwithstanding anything contained herein or elsewhere in this Development Agreement to the contrary, except as otherwise expressly set forth in Section 5.6(g) (*Costs of Construction*) and except for the payment of moneys as may be determined to be due and payable by the Developer pursuant to the provisions of ARTICLE 13 (*Dispute Resolution Process*), the City and the EDA acknowledge and agree that the Developer shall have no obligation to fund (x) any costs of developing and constructing the Stadium Project in excess of the Stadium Funding Sources, (y) any costs of developing and constructing the Public Infrastructure for the Phase 1 Project, and (z) any costs of developing and constructing the Public Infrastructure for subsequent Phases of the Project in excess of the proceeds of the Public Infrastructure Bonds and such other sources of funding as the City in its sole discretion may elect to make available to pay the costs of the Public Infrastructure as described in Section 6.1(e) (*Alternative Funding for Public Infrastructure*).

4.2 Performance Security.

(a) **Developer Land Purchase Deposit**. As security for the Developer's payment of the Purchase Price (as defined in the PSA) and the Developer's performance of its obligations under the Contract Documents, the Developer shall deliver the Developer Land Purchase Deposit described further in Section 6.5 (*Developer Land Purchase Deposit*).

(b) **Construction Contract Guarantees**. With respect to the Stadium Project and the Public Infrastructure, to the extent any Developer Party obtains the benefit of a parent company guarantee for the performance of D&C Work arising out of this Development Agreement, such parent company guarantee must be assignable to the EDA or the City, as applicable, upon any termination of the Developer's applicable rights with respect to such Construction Contractor's Construction Contract.

4.3 Project Schedule.

(a) The Developer will perform (or, alternatively, the Developer shall cause to be performed) the Work and deliver the Project in accordance with the Project Schedule (except to the extent any date therein is expressly superseded by the Development Progress Requirements). Except as provided in Exhibit E-5 (*Development Progress Requirements*), the Project Schedule may not be materially amended or modified without the prior written consent of the City. Upon the occurrence of a Delay Event the portion of the Project Schedule directly and adversely effected by the Delay Event may be extended in accordance with ARTICLE 14 (*Delay Events*).

(b) To the extent that the Developer has failed to achieve (i) the applicable Minimum Development Progress for the then-current Phase (including any applicable portion of the Work from prior Phases that must be completed as part of the then-current Phase) by the Outside Closing Date for the succeeding Phase of the Purchased Property or (ii) the Total Development Progress for the Project by the Total Development Progress Completion Deadline, the EDA will have the rights and remedies described in Sections 6.5 (*Developer Land Purchase Deposit*) and ARTICLE 11 (*Events of Default and Termination*), as applicable.

4.4 City's Approval Rights Generally. Except as otherwise provided in this Development Agreement in respect of the Stadium Project and the Public Infrastructure, and provided the Developer is in compliance with its obligation to develop a Private Development Parcel in accordance with this Development Agreement, the City and the EDA acknowledge and agree that neither the City nor the EDA shall have the right to review and approve the plans for development of such Private Development Parcel by the Developer beyond (i) the verification rights set out in Section 4.5 (*Private Development Schedule of Submittals*), (ii) any Material Changes described in Section 4.8 (*Changes in the Master Plan Requirements*) and (iii) the normal and customary review and approval of plans undertaken by the City, acting in its governmental and/or regulatory capacity, in connection with the issuance by the City of any required zoning and land use approvals and building permits or otherwise exercising its rights under applicable Law.

4.5 Private Development Schedule of Submittals. As a condition to Closing on any Private Development Parcel, the Developer shall deliver (i) the Concept Plans for such Private Development Parcel and (ii) a draft Schedule of Submittals that includes dates for submission of the following Major Submittals, which shall be the only Major Submittals required for each of the Private Development Parcels:

(a) one hundred percent (100%) complete Schematic Plans based on the Concept Plans; and

(b) one hundred percent (100%) complete Design Documents based on the Concept Plans.

4.6 Private Development and Public Infrastructure Submittals.

(a) **Commencement of Work.** The Developer must not commence or permit the commencement of any Work under this Development Agreement with respect to any Private Development Parcel that is the subject of, governed by, or dependent upon, a Major Submittal until it has submitted the relevant Major Submittal to the EDA and either (i) the EDA has provided confirmation that the Major Submittal is not a Material Change or (ii) the EDA is deemed to have provided such confirmation in accordance with Section 4.7 (*Deemed Confirmation*).

(b) **Timing of Submittals.** Except as otherwise set forth herein, the Developer's submittal of any Major Submittal to the EDA will be deemed complete at 5:30 p.m. Eastern time on the seventh (7th) Business Day following its receipt by the EDA unless the EDA notifies the Developer in writing prior to 5:30 p.m. Eastern time on such seventh (7th) Business Day that such Major Submittal is incomplete or insufficient and sets forth in reasonable detail the incomplete elements of such Major Submittal.

(c) **EDA Review of Submittals.** In any case in which a Major Submittal is or has been deemed to be complete, the EDA will review and respond to such Major Submittal as promptly as reasonably possible, and no later than the later of (i) the date in the Schedule of Submittals for the EDA's response to such Major Submittal or (ii) twenty (20) Business Days after the date on which the Developer has delivered such Major Submittal to the EDA. The EDA will respond within such time period by (A) Verifying that the Major Submittal is not a Material Change or (B) providing a reasonably detailed notice to the Developer advising why a Major Submittal is a Material Change and why the Developer needs to amend such Major Submittal prior to proceeding to the next phase of Work. If the EDA comments on any Major Submittal in accordance with clause (B) of the preceding sentence, the Developer will resubmit the Major Submittal as promptly as reasonably possible, and the EDA will resume its review and respond to such Major Submittal by Verifying or commenting on the Major Submittal (provided that such Major Submittal is complete or has been deemed to be complete) within ten (10) Business Days following its receipt of a resubmittal or request. The EDA's review of a resubmittal will be limited to the issue, condition or deficiency which gave rise to the EDA's comments and will not extend to other aspects for which a notice of disapproval was not previously provided to the Developer unless the issue, condition or deficiency which gave rise to the EDA's comments reasonably relates to the EDA's disapproval for which notice was previously provided.

(d) **Disputes and Reasonableness**. Either Party will be entitled to resolve any Dispute regarding any Major Submittal in accordance with the dispute resolution procedures set forth in ARTICLE 13 (*Dispute Resolution Provisions*). In all cases where responses are required to be provided, such responses will not be withheld or delayed unreasonably, and such determinations will be made reasonably except in cases where a different standard is specified. The EDA will provide within ten (10) Business Days after a request by the Developer its rationale, in reasonable detail, for any non-verification of any matter.

(e) **No Waiver**. Notwithstanding any provision herein to the contrary, the review or verification by or on behalf of the EDA of any Major Submittal hereunder shall not constitute any representation, warranty, or agreement by the EDA, express or implied, with respect to the adequacy, sufficiency, completeness, utility, safety or functionality of the Major Submittal or the subject improvements and, without limitation, the release, waiver and other provisions of Section 6 in the PSA shall in any event be deemed to apply with respect to any such review and verification by or on behalf of the EDA.

4.7 Deemed Confirmation. In the event the EDA fails within twenty (20) Business Days of receipt of a complete or deemed complete Major Submittal, to respond to the Developer by either verifying that such Major Submittal is not a Material Change or providing reasonably detailed notice to the Developer advising why a Major Submittal is a Material Change, the EDA shall be deemed to have verified that such Major Submittal is not a Material Change.

4.8 Changes in Master Plan Requirements.

(a) **General Requirements**. The Developer may make changes to the Master Plan Requirements without the EDA's prior approval, provided such changes (i) are consistent with Laws and (ii) are not Material Changes. If the Developer desires to make any Material Changes (other than to the office components of the Master Plan), the Developer shall submit such proposed Material Changes to the EDA for approval. The EDA agrees that it shall respond (acting reasonably) to any such request within a reasonable period of time, not to exceed twenty (20) Business Days. Except with respect to proposed Material Changes to the office components of the Master Plan (which are addressed in subsection (b) below), if the EDA fails to respond to such request within twenty (20) Business Days of its receipt of such request, the EDA shall be deemed to have approved such Material Changes.

(b) **Adjustment to Commercial Components**.

(i) At any time on or after the tenth anniversary of the Commencement of Construction of the Phase 1 Project (the "**Office Development Target Deadline**"), if the Developer has used good faith efforts to pre-lease and build the Minimum Office Development but has been unable to pre-lease and build such office components in satisfaction of the Office Development Progress Target by the Office Development Target Deadline due to a lack of demand for office space within the Diamond District as demonstrated by the Developer, the Developer may present the EDA with a revised plan for development for some or all of the Office Parcels (a "**Revised Office Parcel Development Plan**," with any such plan constituting a Material Change), which plan shall include the development of a minimum number of parking spaces available for public use in connection with Stadium events (such minimum number of parking spaces to be determined by a parking consultant selected by mutual agreement of

the Parties) and shall be subject to the EDA's approval (which approval shall not be unreasonably withheld). The EDA agrees that it shall promptly meet with the Developer to review such Revised Office Parcel Development Plan and shall respond to any such request within a reasonable period of time, not to exceed twenty (20) Business Days. If the EDA fails to respond to such proposal within twenty (20) Business Days of its receipt of such request, the EDA shall be deemed to have rejected such Revised Office Parcel Development Plan. If the EDA rejects, or is deemed to reject, such Revised Office Parcel Development Plan, the Developer may submit a second Revised Office Parcel Development Plan within thirty (30) Business Days of the date the EDA rejected or was deemed to reject the initial Revised Office Parcel Development Plan. The second Revised Office Parcel Development Plan shall be subject to the EDA's approval (which approval shall not be unreasonably withheld). The EDA agrees that it shall promptly meet with the Developer to review such Revised Office Parcel Development Plan and shall respond to any such request within a reasonable period of time, not to exceed twenty (20) Business Days. If the EDA fails to respond to such proposal within twenty (20) Business Days of its receipt of such request, the EDA shall be deemed to have rejected such Revised Office Parcel Development Plan. If the EDA rejects, or is deemed to reject, such Revised Office Parcel Development Plan, the Developer shall continue its development activities in accordance with the Master Plan and the Development Progress Requirements.

(ii) If the EDA approves a Revised Office Parcel Development Plan, such plan shall afford the Developer a period of twelve (12) months to design and commence construction of the Revised Office Parcel Development Plan. In such event, the Minimum Office Development requirements shall be reduced or otherwise modified accordingly. With the exception of such modification of the Minimum Office Development requirements, all other Minimum Development Progress requirements and the Total Development Progress requirements and the deadlines to satisfy such requirements shall remain unchanged.

4.9 Progress Meetings/Consultation. During the performance of the Work with respect to the Private Development, the EDA and the Developer shall, on a quarterly basis, hold progress meetings to discuss the progress, status, challenges and schedule with respect to each Phase. To the extent that any challenges are identified with respect to any such Phase that the Parties determine the EDA can be of assistance with resolving, the EDA commits, in its reasonable discretion, to work with the Developer to attempt to resolve such challenges. In addition to the quarterly progress meetings provided for in this Section 4.9 (*Progress Meetings/Consultation*), the Parties shall communicate and consult informally as frequently as is necessary to ensure the efficient delivery of each Phase.

4.10 City Regulatory Approvals. The Developer acknowledges and agrees that the status, rights and obligations of the City, in its proprietary capacity under this Development

Agreement, are separate and independent from the status, functions, powers, rights and obligations of the City in its governmental and regulatory capacity and that nothing in this Development Agreement shall be deemed to limit, influence or restrict the City in the exercise of its governmental regulatory powers and authority with respect to the Developer, the Project or otherwise or to render the City obligated or liable under this Development Agreement for any acts or omissions of the City in connection with the exercise of its independent governmental regulatory powers and authority. Without limiting the preceding sentence, the Developer acknowledges that this Development Agreement does not limit the Developer's responsibility to obtain all Regulatory Approvals (and pay all related processing and development fees and satisfy all related conditions of approval) for the Project, including, but not limited to, zoning and building permits and regulations. The Developer understands that the entry by the City into this Development Agreement shall not be deemed to imply that the Developer will be able to obtain any required approvals from City departments, boards or commissions which have jurisdiction over the Project or any Development Parcel or from the City itself. By entering into this Development Agreement, the City is in no way modifying the Developer's obligations to cause the Development Parcels to be used and occupied in accordance with all Laws, as provided herein. Nothing herein shall be deemed to limit the rights and obligations of the Developer or the City under any Law as they pertain to the Project. To the extent the City implements a third party review process, the Developer agrees to use such process.

4.11 Approval of Other Agencies; Conditions. The Parties acknowledge that the Project and the Developer's contemplated uses and activities on the Development Parcels, and any subsequent changes in the Project, and any construction or alterations of Improvements, may require that Regulatory Approvals be obtained from governmental agencies with jurisdiction over the Private Development Parcels. The Developer shall be solely responsible for obtaining all such Regulatory Approvals as further provided in this Section. In any instance where the City or the EDA, as applicable, will be required to act as a co-permittee, and in instances where modifications are sought from any other governmental agencies in connection with the Developer's obligations regarding any Hazardous Substances release, or where the Developer proposes the construction of any Improvements which requires the City's approval, the Developer shall not apply for any Regulatory Approvals (other than a building permit from the City) without first obtaining the approval of the City or the EDA, which approval (except as otherwise expressly provided herein) will not be unreasonably withheld, conditioned or delayed. The Developer shall not agree to the imposition of conditions or restrictions in connection with its efforts to obtain a Regulatory Approval from any regulatory agency, if the City or the EDA, as applicable, is required to be a co-permittee under such Regulatory Approval or the conditions or restrictions could create any obligations on the part of the City or the EDA, as applicable, whether on or off the Private Development Parcels, unless in each instance the City or the EDA, as applicable, has previously approved such conditions or restrictions in writing in the City's or the EDA's, as applicable sole and absolute discretion. Except as otherwise expressly set forth herein, no such approval by the City or the EDA, as applicable, shall limit the Developer's obligation to pay all the costs of complying with such conditions under this Section 4.11 (*Approval of Other Agencies; Conditions*). All costs associated with applying for and obtaining any necessary

Regulatory Approval shall be borne by the Developer (including the City's or the EDA's, as applicable, costs as a co-permittee). With the consent of the City or the EDA (which shall not be unreasonably withheld, conditioned, or delayed), the Developer shall have the right to appeal or contest in any manner permitted by Law any condition imposed upon any such Regulatory Approval. The Developer shall pay and discharge any fines, penalties or corrective actions imposed as a result of the failure of the Developer to comply with the terms and conditions of any Regulatory Approval, and neither the City nor the EDA shall have any liability for such fines and penalties. Without limiting the indemnification provisions in the Contract Documents, the Developer shall indemnify the Indemnified Parties from and against any and all such fines and penalties, together with attorneys' fees and costs, for which the Indemnified Parties may be liable in connection with the Developer's failure to comply with any Regulatory Approval.

4.12 Cooperation; Project Expeditors.

(a) Without limiting the requirements set forth in Section 4.10 (*City Regulatory Approvals*), the Parties agree to communicate regularly and to cooperate in good faith regarding the Developer's efforts to obtain Regulatory Approvals for the Project from any regulatory agency. The Parties' obligation to cooperate in good faith shall include, but not be limited to, meeting and conferring as necessary, joint invitations to and attendance at meetings, with any regulatory agency, providing copies of correspondence received from or provided to any regulatory agency and execution of mutually acceptable applications as owner and applicant where necessary and appropriate to implement the Project and this Development Agreement; provided, however, that neither the City nor the EDA shall have any obligation to make any expenditures or incur any expenses in connection therewith other than reasonable administrative expenses.

(b) In order to assist the Developer with obtaining all required approvals and permits for the Phase 1 Project and each subsequent Phase of the Project in a timely fashion, the City shall designate an employee of the City to serve as the Project Expeditor (the "**Project Expeditor**"). The role of the Project Expeditor shall be to ensure that various City departments respond to submittals made by the Developer in connection with the Project in a timely manner. The Project Expeditor may, in turn, appoint a designee to serve as the Developer's day-to-day contact for all matters relating to the Project. If the Developer, acting reasonably and in good faith, determines that the Project Expeditor or, if applicable, the Project Expeditor's designee is ineffective, the Developer may request that the City appoint a new Project Expeditor or, if applicable, that the Project Expeditor appoint a new designee, and the City or, if applicable, the Project Expeditor shall consider such request in good faith and, if deemed appropriate, act accordingly.

4.13 Utilities.

(a) The Developer shall ensure that the performance of all Work involving the utility infrastructure owned by or to be dedicated to the City complies with the

requirements contained in Exhibit G (*Public Infrastructure*) to this Development Agreement.

(b) The City shall not be required, under this Development Agreement, to provide any utility services to any of the Development Parcels; however, the City, through its Department of Public Utilities, shall contract with the Developer to provide to each of the Development Parcels any public utility services requested by the Developer on the same terms and conditions as such public utility services are customarily made available to other property owners. The Developer shall be responsible for contracting with, and obtaining, all necessary utility and other services as may be necessary and appropriate to the uses to which the Development Parcels are put. The Developer will pay or cause to be paid as the same become due all deposits, charges, meter installation fees, connection fees and other costs for all public or private utility services at any time rendered to Project or any part of the Development Parcels and will do all other things required for the maintenance and continuance of all such services. The Developer agrees, with respect to any public utility services provided to the Development Parcels by the City outside of this Development Agreement, that no act or omission of the City in its capacity as a provider of public utility services shall abrogate, diminish or otherwise affect the respective rights, obligations and liabilities of the Developer and the City under this Development Agreement, or entitle the Developer to terminate this Development Agreement or to claim any abatement or diminution of amounts otherwise due and payable under any Contract Document. Further, other than claims arising from Delay Events that the Developer is entitled to assert under this Development Agreement, the Developer covenants not to raise as a defense to its obligations under this Development Agreement, or assert as a counterclaim or cross claim in any litigation or arbitration between the Developer and the City relating to this Development Agreement, any losses arising from or in connection with the City's provision of (or failure to provide) public utility services, except to the extent that failure to raise such claim in connection with such litigation would result in a waiver of such claim. The foregoing shall not constitute a waiver by the Developer of any claim it may now or in the future have (or claim to have) against any such public utility provider relating to the provision of (or failure to provide) utilities to the Development Parcels.

4.14 Project Reporting Manager. During the performance of the D&C Work for the Project, the Developer shall ensure that it or any third-party project manager retained to manage and develop a material portion of the Project (a "**Project Reporting Manager**") shall (a) in addition to the quarterly report provided for in clause (b) hereof, provide an annual report to the City, the EDA and the Developer on the progress of each Phase, (b) report to the City, the EDA and the Developer on a quarterly basis whether the construction of each Phase is on track with the Project Schedule and is substantially consistent with, and does not materially deviate from, the Project Plans and (c) provide written certification to the City and the EDA upon the Developer's achievement of Substantial Completion for any of the Public Infrastructure. The Project Reporting Manager shall promptly report any material issues or problems with respect to any Phase to the City and the Developer.

In no event shall the City or the EDA be responsible or incur any liability whatsoever related to report made by, or actions taken by, the Project Reporting Manager.

4.15 Key Personnel. The Developer acknowledges that the Developer's commitment to dedicate key personnel of the Developer is a material consideration to the City in entering into this Development Agreement. The Developer agrees that the personnel ("**Key Personnel**") identified on Exhibit T (*Key Personnel*) shall dedicate to the Project the time reasonably necessary to achieve Final Completion of each Phase. The Developer may, from time to time, propose to the City new Key Personnel to substitute for the Key Personnel identified in Exhibit T (*Key Personnel*), and such new Key Personnel shall be subject to the approval of the City, such approval not to be unreasonably withheld.

4.16 Required Contractor Provisions.

Each Construction Contractor for D&C Work on any Private Development Parcel and the Public Infrastructure will be subject at all times to the direction and control of the Developer, and any delegation to a Construction Contractor does not relieve the Developer of any of its obligations, duties or liability pursuant to this Development Agreement. Each Public Infrastructure Construction Contract must, except as waived by the EDA:

(a) require the Construction Contractor to accept the requirements applicable to the scope of work of such Construction Contractor under this Development Agreement on a back-to-back basis and require such Construction Contractor to provide the equivalent indemnity under Section 7.1 (*Indemnification of the City and the EDA*) for the benefit of the Indemnified Parties and make the Indemnified Parties third-party beneficiaries thereof;

(b) establish provisions for prompt payment by the Developer or applicable Subcontractor in accordance with the provisions of Sections 2.2-4347 through 4355 of the Code of Virginia, which would apply if either the EDA or the City was contracting with such Construction Contractor;

(c) require the Construction Contractor to carry out its scope of work in accordance with Law and all Regulatory Approvals;

(d) be fully assignable to the EDA (or its designee) upon termination of the Developer's right to continue performing D&C Work in connection with any Public Infrastructure, such assignability to include the benefit of allowing the EDA (or its designee) to step-in and assume the benefit and obligations of the Developer's contract rights and the work performed thereunder, with liability only for those remaining obligations accruing after the date of assumption, but excluding any monetary claims or obligations that the Developer may have against such Construction Contractor that existed prior to the EDA's or its designee's assumption of such Construction Contract;

(e) include express requirements that, if the EDA (or its designee) succeeds to the Developer's rights under the subject Construction Contract (by assignment or

otherwise), then the relevant Construction Contractor agrees that it will (i) maintain usual and customary books and records for the type and scope of operations of business in which it is engaged in respect of the Project (e.g., constructor, equipment supplier, designer, service provider) and (ii) permit audit thereof by the EDA (or its designee), and provide progress reports to the EDA (or its designee) appropriate for the type of Construction Contract;

(f) expressly provide that all liens and claims of any Subcontractors at any time will not attach to any interest of the EDA in the Project or the EDA property; and

(g) require the Construction Contractor to pay the local prevailing wage rate as determined by the U.S. Secretary of Labor under the provisions of the Davis-Bacon Act (40 USC §276 et seq., as amended) to each laborer, worker, and mechanic employed on the Project Site but in no case less than $16.50 per hour. This requirement shall include all unskilled and skilled laborers, workers or mechanics employed on the Project Site.

4.17 Signs. The Developer shall have the right to install or display signs and advertising that do not fall within one or more categories described in Exhibit N (*Morals Clause*) and are consistent and compliant with applicable Laws, including, without limitation, the zoning laws and regulations of the City and the master plan of the City. Such signage and advertising shall include, without limitation, interim signage facing Interstate 95 to promote the Project during pre-development and construction of the Phase 1 Project.

4.18 Sustainability.

(a) **LEED Silver**. With the exception of for sale Residential Units and stand-alone buildings exclusively containing retail space, the Developer shall design and construct all buildings within the Project such that the design and construction is reasonably consistent with the standards for LEED Silver Certification.

(b) **EarthCraft**. The Developer shall design and construct all for sale Residential Units such that the design and construction is reasonably consistent with the standards for EarthCraft Certification.

4.19 Construction Jobs for Richmond Residents. To the extent permitted by applicable Law and without establishing preferences for Virginia residents over non-Virginia residents, the Developer shall make good faith efforts to achieve a goal that 100% of construction laborers not previously employed by the contractors or subcontractors but hired to work on the construction of the Project are Richmond residents; that 60% of a contractor's or subcontractor's existing laborers employed in the construction of the Project are Richmond residents; that 50% of skilled construction trades workers not previously employed by a contractor or subcontractor but assigned to work on the construction of the Project are Richmond residents; and that 15% of a contractor's or subcontractor's existing skilled construction trades workers not previously employed by the contractor or subcontractor but hired to work on the construction of the Project are

Richmond residents, provided that all such residents meet all of the knowledge, skills and eligibility requirements for any such available position.

4.20 Union Labor Man-Hour Goal. To the extent permitted by Law, a goal of (a) 40% for construction man-hours for non-skilled and skilled union personnel shall apply to the Stadium Project and the Public Infrastructure and (b) 25% for construction man-hours for non-skilled and skilled union personnel shall apply to the Private Development.

4.21 City as Agent of EDA; Authority to Act.

(a) The Developer and the EDA acknowledge and agree that the City and its employees, contractors, agents and designees shall be responsible for performing all functions of the EDA under this Development Agreement and shall have the power to exercise all of the rights of EDA under this Development Agreement. Unless the context provides otherwise, all references in this Development Agreement to the EDA shall include the City.

(b) The Chief Administrative Officer of the City of Richmond, Virginia, or a designee thereof is authorized to act on behalf of the City under this Development Agreement. The Chief Administrative Officer will be the primary officer for the City responsible for administering this Development Agreement for the City.

(c) The Chair of the EDA or a designee thereof is authorized to act on behalf of the EDA under this Development Agreement. The Chair will be the primary officer for the EDA responsible for administering this Development Agreement for the EDA.

4.22 Conversion to Office Use. The EDA agrees that the Developer shall retain the right to convert a portion of the Phase 1 Project Site from multi-family residential use to Class-A office use, as shown in the conceptual site plan and rendering in Exhibit E-1 (*Phase 1 Project Components*). In the event the Developer exercises this conversion right, the minimum number of rental Residential Units required to be constructed in the Phase 1 Project shall be reduced by number of rental Residential Units intended to be constructed on such portion of the Phase 1 Project Site. Notwithstanding the foregoing, the Developer's obligation to construct and deliver the minimum Affordable Housing Units programmed for the Phase 1 Project will remain without reduction.

4.23 Public Realm Design Standards.

(a) **Standards Creation Process.** The Developer, the EDA and the City will collaborate to finalize the proposed Public Ream Design Standards Scope of Work set forth in Exhibit O (*Diamond District Public Realm Design Standards – Draft Scope of Work*). The process to develop the Public Ream Design Standards shall commence within 30 Days of the execution of this Development Agreement, and the Public Realm Design Standards shall be completed no later than September 1, 2023. The Developer shall hire the consultant team to create the Public Realm Design Standards, and the consultant fee may be paid from proceeds of the City Bonds.

(b) **Intent of the Standards.** The Public Realm Design Standards are intended to guide the uniform redevelopment of the Diamond District and the general area around the Diamond District to create a uniform, well-designed and functional urban realm to establish the Diamond District as a gateway to the City and will be developed to be consistent with and to support the realization of the Richmond 300 goals. The Public Realm Design Standards will establish requirements for the Private Development and Public Infrastructure to be developed within the Project Site and will serve as guidelines for development activities within the general area of the Diamond District.

(c) **Content of the Standards.** The Public Realm Design Standards at a minimum shall include standards for the following elements:

(i) **Street Hierarchy.** Map of the streets with hierarchies assigned and general widths and sections for all streetscape types based on street hierarchy.

(ii) **Public Realm Elements.** Pavement types in the sidewalk zone, amenity zone, building zone, and public spaces; landscape materials; architectural materials for elements that create space and place activities; furnishing and fixture elements (lighting, shelters, seating, trash and recycling receptacles, bollards, and planters); wayfinding signage; and public art.

4.24 Participation in Affordable Housing Programs. The Developer may participate in any publicly available affordable housing programs (including any to-be-created programs) in the development and financing of the Affordable Housing Units.

4.25 Easements for Hanover Water Line Relocation. The Parties acknowledge and agree that the City is in the process of relocating the Hanover water line located on the Purchased Property and that the relocation of such line will impact several Private Development Parcels. In connection therewith, the City and the EDA shall work with the Developer to minimize the amount of land within any Private Development Parcels required to be subject to easements in favor of the City to accommodate the relocation of such line so as to maintain sufficient amounts of developable land within each of the Private Development Parcels to permit the development of such Private Development Parcels by the Developer in accordance with the terms of this Development Agreement.

ARTICLE 5
STADIUM PROJECT

5.1 Stadium Project; Design and Construction.

(a) **General Covenants**. The Developer shall perform (or cause to be performed) all Work and provide (or cause to be provided) all materials, equipment and labor reasonably inferable from this Development Agreement necessary to deliver the Stadium Project in accordance with the Project Schedule. All Work shall be performed in accordance with (i) Good Industry Practice, (ii) all applicable Laws, (iii) the requirements of all Regulatory Approvals, (iv) the Benchmark

Requirements, (v) the Final Construction Documents and (vi) any other requirements in this Development Agreement.

(b) **Scope and Timing of Improvements**. The Parties acknowledge and agree that it is essential to the viability of the Master Plan and repayment of the Stadium Bonds that the Stadium Project is constructed in accordance with the deadlines in the Project Schedule. The Developer must commence abatement and demolition Work and achieve Stadium Substantial Completion in accordance with the Project Schedule.

(c) **Required Schedule and Liquidated Damages**. All the dates and time periods included in the Project Schedule for the Stadium Project are subject to extension if entitled to delay as a result of the occurrence of a Stadium Project Delay Event, including, without limitation, dates to commence Work on the Stadium Project and the Stadium Substantial Completion Deadline.

(i) **Liquidated Damages**.

(A) To the extent the Developer fails to achieve Stadium Substantial Completion by the Stadium Substantial Completion Deadline, then the EDA will be entitled to assess the Developer liquidated damages ("**Liquidated Damages**") in an amount equal to the amount that may be assessed against the EDA under the Navigators Stadium Lease for each Day of delay in achieving Stadium Substantial Completion beyond the Stadium Substantial Completion Deadline (except as otherwise expressly provided subsection (B) below). The Parties agree that the EDA shall include the Developer in negotiations with the Navigators of the liquidated damages provisions of the Stadium Navigators Lease.

(B) In the event that (1) the Developer delivers the notice described in Section 5.10(d) (*Stadium Substantial Completion Process*) prior to the Stadium Substantial Completion Deadline and (2) the EDA Project Monitor's inspection is not completed until after the Stadium Substantial Completion Deadline, Liquidated Damages will be payable in accordance with the provisions of this Section 5.1(c) (*Required Schedule and Liquidated Damages*) only if the EDA Project Monitor determines that any of the Substantial Completion Conditions have not been satisfied.

(ii) **Fair and Reasonable Damages**. The Parties, as sophisticated and experienced parties, agree that because of the unique and complicated nature of the Stadium Project, it is difficult or impossible to determine with precision the amount of damages and losses that would or might be incurred by the EDA as a result of a failure to timely achieve the Stadium Substantial Completion by the Stadium Substantial Completion Deadline and any Liquidated Damages paid under this provision are fair and

reasonable and represent a reasonable estimate of fair compensation for the damages and losses that will be incurred by the EDA as a result of a failure to timely achieve Stadium Substantial Completion by the Stadium Substantial Completion Deadline, including for (1) reputational credibility and damage due to a delay in opening the Stadium Project to the public, (2) loss of revenues and (3) loss of use, enjoyment and benefit of the Stadium Project and associated facilities by the general public and the EDA. The foregoing liquidated damages must be paid by the Developer within thirty (30) Days of the EDA's assessment of such amounts. Notwithstanding any other provision of this Development Agreement to the contrary, the EDA or the City, as applicable, may withhold Liquidated Damages from any payments due to the Developer under this Development Agreement or the Grant and Cooperation Agreement. The Parties hereby waive any defenses as to the validity of any Liquidated Damages stated in this Development Agreement as they may appear on the grounds that such liquidated damages are void as penalties or are not reasonably related to actual damages.

5.2 Submittals. Within thirty (30) Days of the Agreement Date, the Developer and the EDA must finalize the draft Schedule of Submittals for the Stadium Project providing further detail on the timing of the Major Submittals. Except as otherwise set forth in subsection (c) of this Section 5.2 (*Submittals*), if there is any conflict between the deadlines for the delivery of (i) Submittals by the Developer or (ii) the EDA responses, in an agreed Schedule of Submittals and any provision of this Development Agreement, the deadlines and response periods in the agreed Schedule of Submittals will take precedence. This Section sets forth procedures governing certain Submittals or requests by the Developer to the EDA (including, but not limited to, plans, schedules, Schematic Plans, Design Documents and Construction Documents) that must be Verified or require a comment, notification, determination, decision or other response (collectively, a "**Response**") from the EDA pursuant to this Development Agreement.

(a) **Commencement of Work**. The Developer must not Commence or permit the Commencement of any Work on the Stadium Project under this Development Agreement that is the subject of, governed by or dependent upon a Major Submittal until it has submitted the relevant Major Submittal to the EDA and the EDA Project Monitor and, the EDA or the EDA Project Monitor has Verified such Major Submittal.

(b) **Deemed Completed**. Except as otherwise set forth herein, any Submittal, resubmittal or request to the EDA will be deemed complete at 5:30 p.m. Eastern time on the seventh (7th) Business Day following its receipt by the EDA unless the EDA notifies the Developer in writing prior to 5:30 p.m. Eastern time on such seventh (7th) Business Day that such submittal, resubmittal or request is incomplete and sets forth in reasonable detail the incomplete elements of the Submittal, resubmittal or request.

(c) **Major Submittal.**

(i) **Review and Verification Process**. In any case in which a Major Submittal is or has been deemed to be complete under this Section 5.2 (*Submittals*), the EDA will review and respond to such Major Submittal as promptly as reasonably possible, and no later than the later of (i) the date in the Schedule of Submittals for the EDA's response to such Major Submittal or (ii) twenty (20) Business Days after the date on which the Developer (or the Construction Contractor) has delivered such Major Submittal to the EDA. The EDA will respond within such time period by (A) Verifying, commenting, certifying or taking other appropriate action with respect to such Major Submittal, or (B) advising the Developer that such Major Submittal materially deviates from the Benchmark Requirements by providing written notice to the Developer specifying in reasonable detail the EDA's determination. If the EDA does not Verify any Major Submittal in accordance with clause (B) of the preceding sentence, the Developer will resubmit the Major Submittal as promptly as reasonably possible and the EDA will resume its review and respond to such Major Submittal by Verifying or rejecting the Major Submittal (provided that such Major Submittal is complete or has been deemed to be complete under Section 5.2(b) (*Deemed Completed*)) within ten (10) Business Days following its receipt of a resubmittal. The EDA's review of a resubmittal will be limited to the issue, condition or deficiency which gave rise to the EDA's rejection and will not extend to other aspects for which a notice of disapproval was not previously provided to the Developer unless the issue, condition or deficiency which gave rise to the EDA's rejection reasonably relates to the EDA's disapproval for which notice was previously provided.

(ii) **Deemed Verified**. In the event the EDA fails within the time period required in Section 5.2(c)(i) (*Review and Verification Process*) above to either Verify or reject any Major Submittal, the Developer shall promptly provide a subsequent notice (the "**Second Notice**") and, should the EDA fail to respond, the EDA shall be deemed to have approved such Major Submittal ten (10) Business Days following the EDA's receipt of such Second Notice.

(d) **Disputes and Reasonableness**. Either Party will be entitled to resolve any Dispute regarding any Major Submittal in accordance with the dispute resolution procedures set forth in ARTICLE 13 (*Dispute Resolution Provisions*). In all cases where Responses are required to be provided, such Responses will not be withheld or delayed unreasonably, and such determinations will be made reasonably except in cases where a different standard is specified. The EDA will provide within ten (10) Business Days after a request by the Developer its rationale, in reasonable detail, for any disapproval of any matter.

(e) **No Waiver**. Notwithstanding any provision herein to the contrary, the review or approval by or on behalf of the EDA of any Submittal hereunder shall not constitute any representation, warranty or agreement by the EDA, express or implied, with respect to the adequacy, sufficiency, completeness, utility, safety or functionality of the Submittal or the Stadium.

5.3 EDA Project Monitor.

(a) **Generally**. The EDA will provide for the period through Final Completion of the Stadium Project a dedicated and independent project representative ("**EDA Project Monitor**"), the fees, costs and expenses of whom will be funded from Bond Proceeds up to a cap of $500,000 and at no cost to the Developer. The EDA Project Monitor will coordinate the D&C Work with the EDA, the City, the Developer and its Contractors (the "**Project Stakeholders**"). The EDA Project Monitor's primary responsibility will be to help enable efficient coordination among Project Stakeholders by acting as the reviewer, and where authorized by the EDA, Verifier of the Developer Submittals, including providing reasonable assistance to expedite the approval and review process for Submittals to the City and any other public entities issuing required Regulatory Approvals. The Developer must appoint a counterparty to the EDA Project Monitor who will have authority to act on behalf of the Developer in accordance with the requirements of this Development Agreement.

(b) **EDA Project Monitor Roles and Responsibilities**. The Developer will enable the EDA Project Monitor to attend regular coordinating meetings with the Developer and any Construction Contractors and be regularly informed as to the progress of the D&C Work throughout the duration of the Stadium Project. The EDA Project Monitor shall be able to review documentation submitted for such meetings. The Developer's construction manager shall provide the EDA Project Monitor with periodic reports regarding the progress of the D&C Work, and the EDA Project Monitor shall promptly report any issues or problems to the EDA and the Developer. The Developer acknowledges and agrees that the EDA Project Monitor's responsibility may include the following functions:

(i) regularly attending, where appropriate, meetings held by the Developer and any Contractor;

(ii) timely review, comment and, where permissible, Verification or rejection of any Submittals;

(iii) acting as a liaison with the City for any Regulatory Approvals required for the Stadium Project;

(iv) helping to coordinate with any City-owned utilities;

(v) reporting to the EDA and the Developer where it reasonably believes any of the Improvements being constructed materially deviate from the Benchmark Requirements;

(vi) certification that the Stadium Substantial Completion Conditions have been satisfied;

(vii) certification of the Stadium Project's achievement of Final Completion; and

(viii) any other activities necessary for the timely completion of all D&C Work.

(c) **Progress Meetings; Coordination**. From time to time at the request of the EDA or the Developer during the preparation of Construction Documents and throughout the performance of D&C Work, the EDA and the Developer shall hold progress meetings to discuss the Stadium Project's progress, status, challenges or schedule. The EDA and the Developer shall communicate and consult informally as frequently as is necessary to ensure the efficient delivery of the Stadium Project.

(d) **Enhanced Review and Verification**. If at any time the Developer has performed any portion of its D&C Work in a manner that materially deviates from the Benchmark Requirements, then, in addition to other remedies available pursuant to this Development Agreement and the other Contract Documents, the EDA, with written notice to the Developer given concurrently with the increase in the EDA Project Monitor's monitoring or as soon as practicable thereafter, is entitled to adequately and appropriately increase the level of the EDA Project Monitor's monitoring of the Stadium Project and the Developer's compliance with its obligations pursuant to this Development Agreement until such time as the Developer has reasonably demonstrated to the EDA's reasonable satisfaction that it will perform and is capable of performing its applicable obligations pursuant to this Development Agreement. The Developer will compensate the EDA for all of its reasonable costs and expenses incurred by the EDA as a result of such increased level of monitoring from and after the date on which such increased level of monitoring begins.

5.4 Commencement of Construction. Notwithstanding any provision herein to the contrary, the Developer shall not commence construction Work on any portion of the Stadium Project until (i)(A) the Developer has notified the EDA that the Developer has satisfied the conditions and requirements for the Stadium Project set forth below or (B) the EDA has waived such conditions or requirements (which waiver shall be in the EDA's sole and absolute discretion) and (ii) the EDA has issued a notice to proceed (a "**NTP**") for such construction Work, which the EDA shall issue upon satisfaction of the following conditions:

(a) the EDA has received the Major Submittals for the Stadium Project;

(b) the EDA has confirmed the Construction Contract for the Stadium Project has been executed and satisfies the requirements in Section 5.8 (*Construction Contract Requirement*) and this Development Agreement;

(c) the EDA has received copies of the Project Management and Execution Plan, the Health and Safety Plan, the Quality Management Plan and the Risk Management Plan and either (i) Verified such Submittals or (ii) failed to respond within twenty (20) Days;

(d) the Developer has obtained all Regulatory Approvals necessary to commence and complete the applicable portion of the D&C Work;

(e) all insurance required to perform the applicable portion of the D&C Work is in place and in full force and effect;

(f) the conditions precedent to Financial Close as set forth in Section 6.1(d) (*Conditions Precedent to Financial Close*) have been satisfied and Financial Close has been achieved; and

(g) all other conditions precedent in this Development Agreement to commencement of the relevant D&C Work have been satisfied.

5.5 EDA Verification of Revised Construction Documents. If the Developer desires to make any deviation or modification to the Final Construction Documents after the EDA has Verified the same, then the Developer shall provide written notice and details of the proposed deviation or modification to the EDA. If the EDA concludes that such deviation or modification does not materially deviate from the Benchmark Requirements, the EDA shall notify the Developer in writing of its Verification within fifteen (15) Days of receipt of the Developer's notice of the proposed change. Any non-Verification shall state, in writing, the reasons therefor and shall be made within such fifteen (15) Day period. If the EDA fails to respond to any proposed change within such fifteen (15) Day period, such failure shall not constitute a default under this Development Agreement on the part of the EDA, but, in such case, the proposed change shall be deemed Verified by EDA, provided that the Developer first provides the EDA with at least fifteen (15) Days prior written notice that the Developer intends to deem the proposed change so approved. Contemporaneously with its Verification of the Final Construction Documents, the EDA shall adopt a process to expedite the review and Verification of deviations or modifications to the Final Construction Documents.

5.6 Construction Performance Security.

(a) **Performance and Payment Bond**. The Developer will furnish or require the Construction Contractor to furnish an expedited dispute resolution performance bond (the "**Performance Bond**") in the amount of 100% of the Stadium Project GMP and a payment bond (the "**Payment Bond**") in the amount of 100% of the Construction Contract Price, each in substantially the form set forth in Exhibit K (*Form of Performance Bond and Payment Bond*).

(b) **Guaranty**. Subject to Section 5.7(c) (*Parent Guaranty*), a joint and several Design & Construction Guaranty from an Acceptable Guarantor for each member of a Construction Contractor guaranteeing the Construction Contractor's

performance of its obligations under the Construction Contract, each in substantially the form set forth in Exhibit J (*Form of Parent Guaranty*).

(c) **Retainage**.

(i) In accordance with the Financing Documents, the trustee responsible for administering the Bonds will be entitled to retain from each payment made to the Developer for any D&C Work completed for the Stadium, an amount equal to five percent (5%) of each payment to be paid to the Construction Contractor (the "**Retainage Amount**"). Each such Retainage Amount will be deposited by the trustee in a subaccount (a "**Retainage Account**") for the EDA's benefit up and until it is released under this Section 5.6(c) (*Retainage*).

(ii) Subject to, and in accordance with the Financing Documents, the EDA will be entitled to apply any such Retainage Amounts retained within the Retainage Account (proportionate to the Construction Contractor's culpability for such Developer Event of Default) for (A) reimbursement to the EDA for any of its Losses incurred in connection with (i) any Developer Event of Default caused by the Construction Contractor or (ii) any third-party claim against the EDA or the City due to the Developer's breach of this Development Agreement caused by a Construction Contractor act or omission under a Construction Contract or (B) following the Developer's termination of the Construction Contractor, providing the Developer with resources reasonably necessary to procure and complete the D&C Work on the Stadium Project prior to the Stadium Substantial Completion Deadline by replacing the terminated Construction Contractor with a new qualified, competent and capable Construction Contractor, as may be approved in accordance with the terms of this Development Agreement.

(iii) Within twenty (20) Days of achieving Final Completion, the EDA will release any remaining Retainage Amounts back to the Developer.

(d) **Performance Security General Provisions.**

(i) The Design & Construction Guaranty will provide that it may be transferred by the Developer to the EDA, as beneficiary, with rights to draw upon or exercise other remedies thereunder if the EDA succeeds to the position of the Developer under the Construction Contract. The Performance Bond and Payment Bond must be issued by an Eligible Security Provider and name the EDA as an additional obligee pursuant to a multiple obligee rider.

(ii) The EDA may draw on any form of Construction Performance Security either individually or simultaneously, and unless otherwise specified in this Development Agreement, a draw on any form of Construction

Performance Security will not be conditioned on prior resort to any other security or each other form of Construction Performance Security. If the EDA receives proceeds of a draw on any Construction Performance Security in excess of the relevant obligation, the EDA will promptly refund the excess to the Developer (or to its designee) after all relevant obligations are satisfied in full.

(iii) The Developer or its Construction Contractors will obtain and furnish all Construction Performance Security and replacements thereof at its sole cost and expense and will pay all charges imposed in connection with the EDA's presentment of sight drafts and drawing against any Construction Performance Security or replacements thereof (to the extent made in accordance with the terms hereof).

(iv) In the event the EDA makes a permitted assignment of its rights and interests under this Development Agreement, the Developer will cooperate so that concurrently with the effectiveness of such assignment, either replacement Construction Performance Security for, or appropriate amendments to, the outstanding Construction Performance Security will be delivered to the assignee naming the assignee as replacement.

(e) **Construction Standards**. All D&C Work shall be accomplished in accordance with the Final Construction Documents, the Stadium Project Scope of Work, the Benchmark Requirements, Good Industry Practices and applicable Laws.

(f) **Safety Matters**. The Developer shall undertake measures in accordance with Good Industry Practice to minimize the risk of injury, damage, disruption or inconvenience to the Stadium Parcel, the Improvements, and surrounding property, and the risk of injury to members of the public, caused by or resulting from any of its performance under this Development Agreement. The Developer shall make adequate provision in accordance with Good Industry Practice for the security of the Stadium Parcel and the safety and convenience of all Persons affected by such construction, including erecting construction barricades substantially enclosing the area of such construction and maintaining them until construction has achieved Stadium Substantial Completion, to the extent reasonably necessary to minimize the risk of hazardous construction conditions. Without limiting the foregoing, in accordance with the provisions of Good Industry Practice, the Developer shall:

(i) take all necessary precautions for the safety and security of the D&C Work and provide all necessary protection to prevent damage, injury or loss caused by trespass, negligence, vandalism, malicious mischief or any other course related to the D&C Work for: (A) workers at the Stadium Parcel and all other Persons who may be involved with deliveries or inspections, (B) visitors to the Stadium Parcel, (C) passersby, neighbors and adjacent properties, (D) materials and equipment under the care,

custody or control of the Developer or subcontractors on the Stadium Parcel, and (E) any other EDA property;

(ii) establish and enforce all necessary safeguards for safety and protection, including posting danger signs and other warnings against hazards;

(iii) implement a comprehensive safety program in accordance with applicable Law;

(iv) give all notices and comply with all applicable Law relating to the safety of Persons or property or their protection from damage, injury or loss;

(v) operate and maintain all equipment in a manner consistent with the manufacturer's safety requirements;

(vi) provide for safe and orderly vehicular movements; and

(vii) comply with the Health and Safety Plan.

(g) **Costs of Construction**.

(i) **Responsibility for Costs**. All Work comprising the Stadium Project Scope of Work will be performed under the Construction Contract. Except as otherwise provided herein, all costs and expenses of the Stadium Project Scope of Work to be performed pursuant to this Development Agreement, whether onsite or offsite, including, without limitation, the cost of connections to existing utility lines in adjacent rights-of-way, shall be paid from the Stadium Funding Sources, and the Developer shall be entitled to payment from the Stadium Funding Sources under and in accordance with the Financing Documents as well as any other agreements, instruments or resolutions governing the Stadium Funding Sources for such Work (including, without limitation, D&C Work) actually completed in an amount not to exceed the Construction Contract's guaranteed maximum price (the "**Stadium Project GMP**"), as may be adjusted in accordance with the Construction Contract. Notwithstanding any provision herein to the contrary, the Developer shall be responsible for the payment of any cost overruns with respect to the Work comprising the Stadium Project Scope of Work that are attributable to the actions or inactions of any Developer Party. With respect to any cost overruns that are the result of any changes to the scope of the Stadium Project Scope of Work requested by the City, the EDA or the Navigators, the party requesting such changes shall be solely responsible for such cost overruns. In addition, if the City, the EDA or the Navigators request any changes to the scope of the Stadium Project Scope of Work and subsequently withdraw such request after revisions are made to the Design Documents to accommodate such request, the costs incurred to make such revisions to the Design Documents shall be treated as cost overruns and shall be the responsibility of the party requesting such changes. Without limiting the

preceding provisions, the Developer shall be responsible for performing all site preparation work necessary for construction of the Improvements. Such preparation shall include, without limitation, all excavation, demolition and removal or remediation of Hazardous Substances, disabled access, demolition of existing structures, grading and all structure and substructure work, public access improvements and Developer improvements. The costs of such site preparation work shall be included in the costs and expenses of the Work comprising the Stadium Project Scope of Work and funded as set forth hereinabove.

(ii) **EDA Funding Sources Available for Design Costs; Commencement of Stadium Design**. Contemporaneously with the execution and delivery of this Development Agreement, the EDA shall issue a promissory note to the Developer evidencing the EDA's commitment to reimburse the Developer for costs incurred in connection with the design of the Stadium prior to the establishment of the CDA (the "EDA Stadium Design Note"). Prior to the issuance of the EDA Stadium Design Note, the Parties shall determine an initial scope for the preliminary design work and a fee for such scope of work, and the EDA Stadium Design Note shall be issued in an initial principal amount equal to such initial fee. The Parties shall engage a Public Finance Consultant to establish the interest rate on the EDA Stadium Design Note, and the term of the EDA Stadium Design Note shall be established by mutual agreement of the Parties. Such EDA Stadium Design Note shall be payable from the EDA Funding Sources, which repayment shall be subject to appropriation of sufficient amounts for such purpose by the City Council, provided that the EDA Stadium Design Note may be increased in amount by mutual agreement of the Parties and may be refunded by, or otherwise incorporated into the loan evidenced by, the Startup EDA Bonds. After the initial scope of design work is completed, the Parties may expand the scope of design work to enable further development of the Stadium design and agree to an increase in the principal amount of the EDA Stadium Design Note, and such process may be repeated as needed until the CDA is created. The Developer shall commence the design work for the Stadium upon the issuance of the EDA Stadium Design Note.

(h) **Rights of Access**. During any period prior to Final Completion, the EDA and its agents, including the EDA Project Monitor, shall have the right to enter areas in which D&C Work is being performed and to inspect the progress of the Work, provided that, at any time, the EDA and its agents shall comply with the Developer's site access requirements and Health and Safety Plan and shall not interrupt the Developer's performance of the Work. Nothing in this Development Agreement, however, shall be interpreted to impose an obligation upon the EDA to conduct such inspections or any liability in connection therewith. During any such inspections by the EDA and its Agents, the EDA and its Agents shall comply with any and all reasonable safety and security procedures and guidelines that the

Developer or any applicable Construction Contractor may then have in effect at the Stadium Parcel.

(i) **As-Built Plans and Specifications**. The Developer shall furnish to the EDA one set of as-built plans and specifications with respect to all Improvements within one hundred twenty (120) Days following completion of those Improvements. If the Developer fails to provide such as-built plans and specifications to the EDA within the time period specified herein, and such failure continues for an additional thirty (30) Days following written request from the EDA, the EDA will thereafter have the right to cause an architect or surveyor selected by the EDA to prepare as-built plans and specifications showing the Improvements, and the Developer shall reimburse the EDA for the reasonable cost of preparing such plans.

5.7 Construction Contractor.

(a) **Subcontracting D&C Work**. The Developer's selection of each Construction Contractor shall be subject to the reasonable approval of the EDA. The EDA acknowledges and agrees that Whiting-Turner and Prestige Construction are approved to serve as Construction Contractors for the Stadium Project D&C Work. Each Construction Contractor will be subject at all times to the direction and control of the Developer, and any delegation to a Construction Contractor does not relieve the Developer of any of its obligations, duties or liability pursuant to this Development Agreement. Any agreement between the Developer and any Construction Contractor will by its terms terminate, without penalty, at the election of the EDA upon five (5) Days' notice to such Construction Contractor upon the termination of this Development Agreement. The Construction Contractor will have no interest in or rights pursuant to this Development Agreement or the Stadium Project.

Each Construction Contractor and its Construction Contract will comply with this Development Agreement, and the material terms of each proposed Construction Contract must be consistent with the corresponding duties and obligations of the Developer pursuant to this Development Agreement and the other Contract Documents, as applicable.

(b) **Developer Performance Obligations**. If the Developer has entered into a Construction Contract, notwithstanding its use of a Construction Contractor, the Developer remains responsible for the D&C Work in accordance with this Development Agreement. The Developer will immediately notify the EDA upon the termination, replacement or removal of any Construction Contractor.

(c) **Parent Guaranty**. To the extent that any Construction Contractor is a joint venture entity or is not the ultimate parent company of a Construction Contractor, then the Developer must require the Construction Contractor to provide a Design & Construction Guaranty in substantially the form attached as Exhibit J (*Form of Parent Guaranty*). Such Design & Construction Guaranty must be assignable to

the EDA in the event the Developer is terminated under the Construction Contract.

5.8 Construction Contract Requirement. Each Construction Contract for the Stadium Project must, except as waived by the EDA:

(a) have a guaranteed maximum price for the performance of all D&C Work;

(b) have a committed date for achieving Stadium Substantial Completion no later than the Stadium Substantial Completion Deadline;

(c) accept the requirements applicable to the scope of work of such Construction Contractor under this Development Agreement on a back-to-back basis and require such Construction Contractor to provide the equivalent indemnity under ARTICLE 7 (*Indemnity*) for the benefit of the Indemnified Parties and make the Indemnified Parties third-party beneficiaries thereof;

(d) be assignable to the EDA through a direct agreement in the form attached as Exhibit P (*Subcontractor Direct Agreement*);

(e) commit to delivering the Stadium Project in accordance with the Stadium Project Scope of Work;

(f) set forth a standard of professional responsibility or a standard for commercial practice equal to Good Industry Practice for work of similar scope and scale and will set forth effective procedures for claims;

(g) establish provisions for prompt payment by the Developer in accordance with the provisions of Sections 2.2-4347 through 4355 of the Code of Virginia, which would apply if either the EDA or the City was contracting with such Construction Contractor;

(h) require the Construction Contractor to carry out its scope of work in accordance with Law, the Stadium Project Scope of Work, all Regulatory Approvals, Good Industry Practice and the terms, conditions and standards set forth in this Development Agreement;

(i) set forth warranties (with a minimum one-year warranty period), guaranties and liability provisions of the contracting party in accordance with Good Industry Practice for work of similar scope and scale;

(j) be fully assignable to the EDA upon termination of this Development Agreement or notice of termination to the Developer under such Construction Contract, such assignability to include the benefit of allowing the EDA to step-in and assume the benefit and obligations of the Developer's contract rights and the work performed thereunder, with liability only for those remaining obligations accruing after the date of assumption but excluding any monetary claims or obligations that

Developer may have against such Construction Contractor that existed prior to the EDA's assumption of such Construction Contract;

(k) include express requirements that if the EDA succeeds to the Developer's rights under the subject Construction Contract (by assignment or otherwise), then the relevant Construction Contractor agrees that it will (i) maintain usual and customary books and records for the type and scope of operations of business in which it is engaged in respect of the Stadium Project (e.g., constructor, equipment supplier, designer, service provider) and (ii) permit audit thereof by the EDA and provide progress reports to the EDA appropriate for the type of Construction Contract;

(l) not be assignable by the Construction Contractor without the EDA's and the Developer's prior written consent; provided, that the foregoing will not limit permitted subcontracting of the Work;

(m) expressly require the Construction Contractor to participate in meetings between the Developer, the EDA and any other stakeholder, upon the EDA's reasonable request, concerning matters pertaining to such Construction Contractor or its work; provided, that nothing in this Section 5.8 (*Construction Contract Requirements*) will limit the authority of the EDA to give such direction or take such action which in the opinion of the EDA is necessary to remove an immediate and present threat to the safety of life or property;

(n) expressly provide that subject to there being no breach of a contractual obligation to make payments to the Construction Contractor by the Developer, all Liens and claims of any Subcontractors at any time will not attach to any interest of the City or the EDA in the Stadium Project or the Stadium Parcel;

(o) be consistent in all other material respects with the terms and conditions of this Development Agreement to the extent such terms and conditions are applicable to the scope of work of such Construction Contractor; and

(p) require the Construction Contractor to pay the local prevailing wage rate as determined by the U.S. Secretary of Labor under the provisions of the Davis-Bacon Act (40 USC §276 et seq., as amended) to each laborer, worker, and mechanic employed on the Stadium Project but in no case less than $16.50 per hour. This requirement shall include all unskilled and skilled laborers, workers or mechanics employed on the Stadium Project.

5.9 Conditions to Stadium Substantial Completion. Stadium Substantial Completion will occur upon the EDA's or the EDA Project Monitor's certification that all of the following conditions with respect to the Stadium Project (the "**Stadium Substantial Completion Conditions**") have been satisfied (or waived by the EDA in its sole discretion):

(a) all of the D&C Work (other than Punch List items) has been completed in accordance with the Final Construction Documents, such that the EDA, the Navigators, VCU and any other required third parties are able to use the Stadium

Project in accordance with the Benchmark Requirements and this Development Agreement;

(b) the Construction Contractor has certified, substantially in the form agreed between the Parties, that all D&C Work (other than Punch List items) has been completed in accordance with the requirements of this Development Agreement;

(c) the engineer of record or the architect of record has inspected and certified, substantially in the form agreed between the Parties, that all D&C Work (other than Punch List items) has been completed in accordance with the requirements of the Contract Documents;

(d) all required certifications for the Final Construction Documents and for all mechanical, electrical, electronics and other systems have been received;

(e) the Developer has prepared, and received approval from the EDA, the Navigators and VCU of, the Punch List for the Stadium Project, as applicable;

(f) all required Regulatory Approvals needed for occupancy of the Stadium Project have been obtained and copies have been provided to the EDA;

(g) the Developer has satisfied all other obligations for the Stadium Project under this Development Agreement (other than those obligations which are not required to be satisfied until Final Completion); and

(h) the Developer has provided the EDA with copies of any manuals or documentation (other than Punch List items) reasonably necessary to enable the EDA to be able to efficiently and competently use and operate the Stadium Project.

5.10 Stadium Substantial Completion Process.

(a) The Developer must provide written notice to the EDA of the anticipated date for satisfying all Stadium Substantial Completion Conditions no later than ninety (90) Days prior to the anticipated date. The notice must include a list of all Stadium Substantial Completion Conditions that will be satisfied to allow the EDA to issue the Certificate of Substantial Completion. No later than sixty (60) Days prior to satisfying all of the Stadium Substantial Completion Conditions, the Developer must meet and confer with the EDA Project Monitor to confirm that the requirements described above are in the process of being satisfied in accordance with this Development Agreement.

(b) Following the initial meeting, the Developer and the EDA, acting through the EDA Project Monitor, will meet, confer and exchange information on a regular basis to allow the EDA Project Monitor to orderly and timely inspect the Stadium Project, review the Final Construction Documents for the Stadium Project, and determine whether the Developer has satisfied all of the Stadium Substantial Completion Conditions.

(c) For purposes of allowing the Developer to prepare the Punch List and obtain approval thereof from the EDA, the Navigators and VCU, the Parties shall convene a meeting with the Navigators and VCU and begin work on the Punch List no later than thirty (30) Days prior to the date set forth in the Developer's notice to the EDA as the anticipated date for satisfying all Stadium Substantial Completion Conditions. Thereafter, the Parties shall continue to meet and confer with the Navigators and VCU on the Punch List on a regular basis to allow the Parties, the Navigators and VCU to reach agreement on the final Punch List. The EDA shall ensure that the Stadium Leases require the Navigators and VCU to participate in this process.

(d) The Developer must provide written notice to the EDA promptly after it has satisfied all of the Stadium Substantial Completion Conditions, together with all supporting documents for the Stadium Project. Within thirty (30) Days of receiving the Developer's notice, the EDA Project Monitor must:

(i) inspect the Stadium Project, review the Final Construction Documents and conduct any other investigation as may be necessary to evaluate whether the Stadium Substantial Completion Conditions have been satisfied; and

(ii) following the inspection referred to above, either:

(A) if the EDA Project Monitor determines that all of the Stadium Substantial Completion Conditions have been satisfied, issue the Certificate of Substantial Completion; or

(B) if the EDA Project Monitor determines that any Stadium Substantial Completion Condition has not been satisfied, notify the Developer in writing of those Stadium Substantial Completion Conditions that have not been satisfied.

(e) The Developer must notify the EDA if it disputes the EDA Project Monitor's determination within five (5) Days of receiving such determination. If the Developer does not notify the EDA of a dispute within that five-Day period, the Developer will be deemed to have accepted the EDA Project Monitor's determination.

(f) If the Developer accepts or is deemed to have accepted the EDA Project Monitor's determination, the Developer may resubmit a notice once all Stadium Substantial Completion Conditions have been satisfied.

(g) If the Developer issues a notice disputing the EDA Project Monitor's decision and the Parties are unable to resolve the dispute within a further fourteen (14) Days of that notice, the matter will be resolved in accordance with ARTICLE 13 (*Dispute Resolution Provisions*).

(h) In connection with the EDA's issuance of the Certificate of Substantial Completion, the EDA, acting through the EDA Project Monitor, may in its

discretion add or remove items to or from the Punch List, provided any modifications to the Punch List made by the EDA Project Monitor must be submitted to the Developer in writing no later than ten (10) Business Days after the EDA Project Monitor's inspection of the Stadium Project.

5.11 Effect of Certificate of Substantial Completion; No Use Prior to Substantial Completion.

(a) Issuance of the Certificate of Substantial Completion will not:

(i) relieve the Developer of its obligation to complete the remaining Work;

(ii) be construed to constitute an extension of the Developer's time to complete the remaining Work; or

(iii) release the Developer from any obligations under this Development Agreement (including its obligations with respect to insurance coverage).

(b) Prior to the issuance of a Certificate of Substantial Completion, the EDA shall not permit the Navigators or VCU to begin using the Stadium to host baseball games.

5.12 Final Completion Process; Deadline.

(a) The Developer must provide written notice to the EDA of the anticipated date for Final Completion no later than twenty (20) Business Days prior to the anticipated date for satisfying all of the Stadium Final Completion Conditions. The notice must include a list of all Stadium Final Completion Conditions that will be satisfied to allow the EDA to issue the Certificate of Final Completion.

(b) The Developer must meet and confer with the EDA, acting through the EDA Project Monitor, to confirm that the list of requirements is in accordance with this Development Agreement. Following the initial meeting, the Developer and the EDA, acting through the EDA Project Monitor, will meet, confer and exchange information on a regular basis to allow the EDA Project Monitor to orderly and timely inspect the Stadium Project and determine whether the Developer has satisfied all of the Stadium Final Completion Conditions.

(c) The Developer must provide written notice to the EDA promptly after it has satisfied all of the Stadium Final Completion Conditions, together with all supporting documents.

(d) Within twenty (20) Business Days of receiving the Developer's written notice:

(i) the EDA Project Monitor must inspect the items on the Punch List, review the as-built drawings and carry out any other investigation as may be necessary to evaluate whether Final Completion has been achieved; and

(ii) following the inspection referred to above, must either:

(A) if the EDA Project Monitor determines that all of the Punch List items have been completed, issue the Certificate of Final Completion; or

(B) if the EDA Project Monitor determines that any Punch List item has not been completed, notify the Developer in writing of those Punch List items that have not been satisfied.

(e) The Developer must notify the EDA if it disputes the EDA Project Monitor's determination within five (5) Days of receiving the EDA Project Monitor's determination. If the Developer does not notify the EDA of a dispute within that five-Day period, the Developer will be deemed to have accepted the EDA Project Monitor's determination.

(f) If the Developer accepts or is deemed to have accepted EDA's determination, the Developer may resubmit a notice once all Punch List items have been satisfied.

(g) If the Developer issues a notice and the Parties fail to resolve the dispute within an additional fourteen (14) Days of that notice, the matter will be resolved in accordance with ARTICLE 13 (*Dispute Resolution Provisions*).

(h) Final Completion of the Stadium shall be achieved no later than sixty (60) days following the Stadium Substantial Completion Date, which deadline for Final Completion may be extended upon the occurrence of a Stadium Project Delay Event occurring after the Stadium Substantial Completion Date.

ARTICLE 5A
STADIUM PROJECT OPERATIONS AND MAINTENANCE

5A.1 Operations, Maintenance and Commercialization Responsibility. Except to the extent that the Stadium Leases provide that the Navigators and/or VCU are responsible for any such obligations, the Parties acknowledge and agree that, subject to the terms of this Development Agreement, the EDA shall be responsible for all operations, maintenance and commercialization of the Stadium; provided, however, in connection with the delivery of the Stadium at Stadium Substantial Completion and through Final Completion of the Stadium Project, the Developer shall cooperate fully with the EDA and its selected operations, maintenance and commercialization contractor for the Stadium in providing all manuals and such other information as are necessary to operate and maintain the Stadium.

ARTICLE 5B
PUBLIC INFRASTRUCTURE

5B.1 Public Infrastructure Work. The Developer shall ensure that the performance of all Work involving the Public Infrastructure complies and is performed in accordance with the requirements contained in Exhibit G (*Public Infrastructure*). To the extent of any discrepancy or inconsistency between the main body of this Development Agreement and Exhibit G (*Public Infrastructure*), Exhibit G shall prevail.

5B.2 Developer Dedication of Horizontal Public Infrastructure. The Developer shall dedicate the Horizontal Public Infrastructure to the City pursuant to Exhibit G (*Public Infrastructure*).

5B.3 Developer Conveyance of Park Space and Public Areas. The Developer shall convey to the EDA, concurrent with the Substantial Completion of the Public Infrastructure, the Park Space and Public Areas. Prior to the conveyance of the Park Space and Public Areas to the EDA, the Developer, at its option, may form a property owners' association that may include as members the owners of all of the Private Development Parcels, and such property owners' association, if the Developer elects, may assume responsibility for the operation and maintenance of the Park Space and Public Areas in accordance with the O&M Contract.

5B.4 Required Schedule; Extensions; and Substitute Performance.

(a) All of the dates and time periods included in the Project Schedule for the Public Infrastructure are subject to extension if entitled to delay as a result of the occurrence of a Public Infrastructure Delay Event, including, without limitation, dates to commence Work on the Public Infrastructure and the Substantial Completion Deadlines. In addition, in the event the Developer fails to achieve Substantial Completion of any Public Infrastructure by the applicable Substantial Completion Deadline set out in the Project Schedule, and provided the Developer is diligently and continuously pursuing Substantial Completion of such Public Infrastructure, the Developer shall have the unilateral right, upon prior written notice to the EDA, but without the EDA's prior approval, to exercise a one-time six (6) month extension (a "**Long Stop Extension**") of the Substantial Completion Deadline for such Public Infrastructure. The Developer shall not be entitled to a Long Stop Extension where there is any other ongoing or concurrent Developer Default or the Developer is otherwise failing to diligently and continuously pursue Substantial Completion of such Public Infrastructure.

(b) In the event of any failure to achieve Substantial Completion of all or a portion of the Public Infrastructure by the applicable Substantial Completion Deadline (as such Substantial Completion Deadline may be extended pursuant to a Long Stop Extension), the EDA, in its sole discretion, may select a replacement contractor or project manager, in accordance with the EDA's procurement processes and applicable Law, to complete or manage the remaining D&C Work for the applicable Public Infrastructure. If the EDA elects to engage a replacement contractor or project manager, the Developer shall pay (i) the costs incurred by the EDA in selecting such replacement contractor or project manager to complete such D&C Work and (ii) to the extent that the costs of such Public Infrastructure exceed the price set forth in the Construction Contract for such Public Infrastructure, the portion of any such increased costs that are attributable solely to the gross negligence or willful misconduct of any Lead Developer Party.

5B.5 Management Fee. The Parties acknowledge and agree that in connection with the D&C Work with respect to the Public Infrastructure in any Phase, the Developer shall have right to charge a management fee of 3.0% for such D&C Work.

ARTICLE 6
FINANCIAL TRANSACTIONS

6.1 Bond Funding.

(a) **Community Development Authority.** The Parties acknowledge and agree that the Stadium Project, the Public Infrastructure and certain grading of the Project Site as contemplated in the definition of "Bond Proceeds" will be undertaken, developed and constructed, as applicable, to benefit the properties within the boundaries of the CDA District and intend to use the powers of the CDA Act, including, without limitation, the provisions of the CDA Act that permit the CDA Special Assessments to be imposed on the Private Development Parcels at various times following the Developer's purchase thereof. The City, the EDA and the Developer shall work collaboratively to cause the creation of the CDA for the purpose of financing the Public Infrastructure, the Stadium Project and such eligible grading work.

(b) **Revenue Bonds.**

(i) The City, the EDA, and the Developer shall use all commercially reasonable efforts to cause the issuance of revenue bonds by the CDA or the EDA, as the Parties mutually agree, to finance the development and construction of the Public Infrastructure (except for the Public Infrastructure for the Phase 1 Project, which is intended to be paid from proceeds of the City Bonds, but may also be paid in part from the proceeds of Public Infrastructure Bonds as described in Section 6.1(f) (*Public Infrastructure Bond Funding of Phase 1 Public Infrastructure Costs*)) and the Stadium Project (not including structured parking) and the completion of Eligible Mass Grading and to pay or reimburse all fees related to establishing the CDA and issuing the bonds ("**Bonds**"). The Bonds shall be secured by certain hereinafter described revenues paid to or collected by the CDA and the EDA, as applicable, and shall be non-recourse to the City; therefore, not requiring a moral or financial obligation from the City. Among other sources described in this ARTICLE 6 (*Financial Transactions*) and except as otherwise expressly provided herein, the Bonds shall be secured by CDA Special Assessments imposed on the Private Development Parcels that obligate the Developer, in its capacity as a landowner, and other future landowners within the CDA District to pay all debt service payment shortfalls in the event the Diamond District Pledged Revenues are not sufficient to pay debt service payments; provided, however, that any Bonds issued to finance future improvements, expansions or enhancements to the Stadium following Final Completion thereof shall not be secured by any CDA Special Assessments without the

prior written consent of the Developer in its sole discretion. The CDA Special Assessments shall be imposed in an amount equal to (A) the forecasted debt service on (1) all Stadium Bonds Stadium Bonds and all Startup EDA Bonds anticipated to be issued to fund the costs of completing the Stadium Project Scope of Work and (2) all Public Infrastructure Bonds anticipated to be issued to fund the costs of the Public Infrastructure for the Project and (B) the forecasted administrative expenses of the CDA, the EDA and the City in connection with the use of the CDA to facilitate the financing of the Stadium and the Public Infrastructure.

(ii) Prior to the completion of the Phase 1 Project, in the event that the Developer is required to pay any CDA Special Assessments, the purchase price for Phase 2 Purchased Property shall be discounted dollar for dollar up to $7,260,000. To the extent the Developer is required to pay CDA Special Assessments in excess of $7,260,000 prior to the completion of the Phase 1 Project, the excess may be carried forward and applied, together with any amount described in the following sentence, as a discount on the purchase price for the Phase 3 Purchased Property. Also, prior to the completion of development of the Phase 2 Project, in the event that the Developer is required to pay any CDA Special Assessments, the purchase price for the Phase 3 Purchased Property shall be discounted dollar for dollar up to $16,390,000. In no event may any of the foregoing amounts be carried forward and applied as a discount on the Purchase Price for the Phase 4 Purchased Property.

(iii) Revenue from the VCU Stadium Lease shall be used to pay debt service for the Bonds. Subject to annual appropriation by City Council, the City agrees to transfer to the EDA pursuant, and subject, to the terms of the Grant and Cooperation Agreement the following general fund revenues generated in the Incremental Tax Financing Area in such amounts as are necessary to pay debt service on the Bonds (such appropriated amounts, the "**Incremental Tax Financing Area Revenues**"):

- Real Estate Tax
- Meals Tax (not to include the portion dedicated to Richmond Public Schools)
- Local Portion of the State Sales Tax
- Admissions Tax
- Business, Professional and Occupational License Tax

(iv) The Chief Administrative Officer shall ensure that the head of each applicable department reporting to the Chief Administrative Officer includes, in the annual estimates of revenue and expenditure for that department submitted to the Mayor for inclusion in the Mayor's proposed annual budget submitted to City Council, a request that the aforementioned general fund revenues be transferred to the EDA to pay

debt service on the Bonds until such time as the Bonds have been repaid in full.

(v) The City will coordinate with the Developer, the EDA and the CDA to establish the following revenue sources in the CDA District to pay debt service on the Bonds:

- 2.00% surcharge paid by hotel guests at hotels (the "**Hotel Use Surcharge**")
- 0.25% surcharge paid by consumers for all purchases (the "**Consumer Purchase Surcharge**")

(vi) The City will use its best efforts to collaborate with the Developer to facilitate the transfer of the State portion of the Sales Tax generated in the Stadium to pay debt service on the Bonds and to request approval from the Commonwealth of Virginia to allow the State portion of the Sales Tax generated in the CDA District and outside of the Stadium ("**State Portion Sales Tax Revenues**") to be used to pay debt service on the Bonds.

(vii) In addition to other customary reserve funds, the EDA shall create Special Reserve Fund A ("**Special Reserve Fund A**"). The EDA shall fund Special Reserve Fund A from the following sources during the period commencing on the Agreement Date and ending at the conclusion of the capitalized interest period for the Stadium Bonds: (a) any amounts required to be deposited thereto pursuant to Section 2.4 (*Additional Revenues Generated from Use of Private Development Parcels*), (b) any payments to, or on behalf of the EDA, under the VCU Stadium Lease, (c) any payments made pursuant to the Grant and Cooperation Agreement, (d) any CDA Special Charges and (e) if authorized, any State Portion Sales Tax Revenues. Special Reserve Fund A and its associated accumulated interest shall be available and used for debt service payments on the Bonds. The Developer shall forego its development fee for the Stadium to create and fund Special Reserve Fund B ("**Special Reserve Fund B**") in the amount of three percent (3%) of the total cost of the Stadium Project. Special Reserve Fund B and its associated accumulated interest shall be available and used for debt service payments on the Bonds. In the event that the amounts in either such reserve fund have not previously been applied to the payment of debt service on the Stadium Bonds, such amounts shall be used to retire the Stadium Bonds at maturity.

(viii) The Developer shall fund advances of up to $20 million on behalf of the EDA to enable certain D&C Work for the Stadium Project to commence prior to the sale of the initial series of the Bonds. On or before September 30, 2023, the EDA shall issue one or more revenue bonds in a corresponding principal amount to evidence the EDA's commitment to repay such advanced funds (the "**Startup EDA Bonds**"), provided that the principal amount the Startup EDA Bonds may be increased by the amount

required to enable the Developer to meet its obligations under Section 6.3 (*Stadium Project Financing; Continued Development Rights; Reverter*). At the discretion of the EDA, the EDA Stadium Design Note may be refunded by, or otherwise incorporated into the loan evidenced by, the Startup EDA Bonds. The Startup EDA Bonds shall constitute a limited obligation of the EDA payable from the sources and in accordance with, and subject to, the terms described below. The Parties shall engage a Public Finance Consultant to establish the interest rate on the Startup EDA Bonds, and the term of the EDA Stadium Design Note shall be established by mutual agreement of the Parties. The Startup EDA Bonds shall be secured initially by a subordinate pledge of the Diamond District Pledged Revenues and the CDA Special Assessments, provided that the pledge and payment of any such Diamond District Pledged Revenues (including, but not limited to, any amounts realized from incremental tax revenues from the Project Site and payments made pursuant to the terms of the VCU Stadium Lease) shall be contingent on (A) the creation of the CDA, (B) the imposition of the CDA Special Assessments and (C) the issuance of a corresponding CDA bond secured initially by a subordinate pledge of the CDA Special Charges and the CDA Special Assessments (the "Startup CDA Bond"). The Startup CDA Bond shall be issued to the EDA, which shall assign all amounts payable thereunder to the holders of the Startup EDA Bonds. Furthermore, repayment of the Startup EDA Bonds (including from amounts payable under the Startup CDA Bond) shall only be made if the following conditions are satisfied: (1) the Developer has completed the Phase 1 Project, (2) the revenues from the Phase 1 Project available for debt service payments on the Stadium Bonds (excluding, for such purpose, any Startup EDA Bonds or Startup CDA Bonds) due in the current year exceed the debt service coverage requirements for the Stadium Bonds for such year and (3) except as set forth in the following sentence, the Developer has closed on the purchase of the Private Development Parcels necessary to complete Phase 2 of the Project. Notwithstanding the foregoing, if the determination is made by the Parties pursuant to Section 6.3 (*Stadium Project Financing; Continued Development Rights; Reverter*) that the Stadium Project is not financeable through no fault of the Developer and the EDA fails to approve the development of future Phases of the Project beyond the Phase 1 Project by the Developer pursuant to Section 6.3 (*Stadium Project Financing; Continued Development Rights; Reverter*), the condition set forth in clause (3) of the preceding sentence shall not apply.

(ix) In the event the City elects to demolish the Arthur Ashe Junior Center prior to the Developer's undertaking of the Phase 3 Project, the EDA shall use the proceeds of the Public Infrastructure Bonds issued for the Phase 2 Project, to the extent any such proceeds are available at such time, to reimburse the City for the costs of such demolition work during the Developer's construction of the Phase 2 Project. In the event the proceeds of the Public Infrastructure Bonds issued for the Phase 2 Project are not

available or sufficient reimburse such costs, the EDA shall use such portion of the proceeds of the Public Infrastructure Bonds issued for the Phase 3 Project to reimburse the City for such costs.

(c) **Financial Close Process**.

(i) For each series of Bonds, the Developer shall notify the City at least thirty (30) Days in advance of the date the Developer anticipates satisfying all of the conditions precedent to Financial Close for the applicable series of Bonds described in Section 6.1(d) (*Conditions Precedent to Financial Close on the Bonds*) below.

(ii) Upon satisfaction, or waiver by the City or the EDA, as applicable, of each of the conditions described in Section 6.1(d) (*Conditions Precedent to Financial Close on the Bonds*), the City will work with the EDA and the CDA to facilitate Financial Close on the applicable series of Bonds.

(d) **Conditions Precedent to Financial Close on the Bonds**. The City will not permit Financial Close on a series of the Bonds or any City Bonds until each of the following conditions precedent to Financial Close are achieved or waived by the City or the EDA, as applicable:

(i) the EDA has recorded the deeds delivered by the City pursuant to Section 3.1 (*Conveyance by City to EDA*);

(ii) the Developer's representations and warranties made in the Contract Documents are true and correct in all material respects on and as if made on the Financial Close date;

(iii) the Parties, the CDA and any other required Persons have fully executed all of the applicable Financing Documents;

(iv) the EDA, the Navigators and VCU have executed the Stadium Leases;

(v) the Developer has confirmed that the Construction Contractor(s) for the Stadium, if then applicable, have not changed or been modified since the Agreement Date;

(vi) all Construction Performance Security required for the performance of the Stadium Project Scope of Work is in full force and effect as required by this Development Agreement, if then applicable;

(vii) the City has confirmed the Construction Contract for the Stadium has been executed and satisfies the requirements in this Development Agreement, if then applicable;

(viii) with respect to the Phase 1 Hotel, the management contract (such management entity being referred to herein as the "**Hotel Operator**"), the

franchise flag agreement, the design services agreement and the pre-construction services agreement have been executed by the Developer;

(ix) with respect to the Stadium Bonds, the City has verified the Developer's Demolition Plan for the Existing Improvements and the Developer has submitted for purposes of the City's review (but not approval) any other plans required to be completed or completed as of Financial Close governing the Developer's or its Construction Contractor's performance of D&C Work on the Stadium;

(x) the City has received a copy of any site condition reports prepared by or with respect to the Stadium Parcel, including all reports related to geotechnical, utility and environmental matters, if then applicable;

(xi) all insurance required to perform the Work on the Stadium and under this Development Agreement is in place and in full force and effect;

(xii) to the extent then required pursuant to section 6.5 (*Developer Land Purchase Deposit*), the Developer has put into full force and effect the Developer Land Purchase Deposit for the benefit of the City to secure the Developer's performance with respect to the Private Development under this Development Agreement;

(xiii) the delivery of the final Financial Model to the EDA and the City, if then applicable;

(xiv) if the Stadium Bonds are to be issued, the EDA shall have allocated $10,000,000 from the sale proceeds of the Phase 1 Purchased Property to pay the costs of the Stadium Project; and

(xv) all other conditions precedent in the Contract Documents and Financing Documents to achieving Financial Close have been satisfied.

Any waiver constituting a material deviation shall require EDA approval.

(e) **Alternative Funding for Public Infrastructure**. In addition to its undertakings pursuant to Section 4.1(b) (*Cost and Expense*) and Section 6.4(a) (*Project Funding*), the City, at its option and by notice to the Developer and the EDA, may elect to fund all or a portion of the costs of the Public Infrastructure from EDA Funding Sources. No EDA Funding Sources shall be made available for the grading of any Private Development Parcel, except for the proceeds of City Bonds issued to finance the Public Infrastructure for the Phase 1 Project, which may be applied to pay the costs of Eligible Mass Grading the Phase 1 Project Site (excluding the Stadium Parcel) in the same manner as Bond Proceeds may be used to pay the costs of Eligible Mass Grading the other portions of the Project Site.

(f) **Public Infrastructure Bond Funding of Phase 1 Public Infrastructure Costs**. Prior to the issuance of any Stadium Bonds, the Parties shall engage a Public Finance Consultant to determine the feasibility of issuing one or more series of Public Infrastructure Bonds to pay a portion of the costs of the Public Infrastructure for the Phase 1 Project. In the event that the Financial Model projects that more than $80 million of Net Phase 1 Bond Proceeds can be realized from the issuance of Bonds for the Phase 1 Project without exceeding the Assumed Phase 1 Bond Debt Service, the EDA and the City, in consultation with the Public Finance Consultant, may determine whether to issue (or cause the issuance of) Public Infrastructure Bonds (which will be secured by the CDA Special Assessments) up to the amount that, together with the Stadium Bonds, may be issued without exceeding the Assumed Phase 1 Bond Debt Service. If the EDA and the City, in consultation with a Public Finance Consultant and bond counsel, determine that it will be advantageous to the overall plan of finance for the Stadium Project and the Public Infrastructure for the Phase 1 Project, the Stadium Bonds and any Public Infrastructure Bonds may be issued as a single series of Bonds, provided that the proceeds thereof allocable to Stadium Bonds may only be used for the Stadium Project (which may include related Eligible Mass Grading) and the proceeds thereof allocable to Public Infrastructure Bonds may only be used for Public Infrastructure and Eligible Mass Grading. In the event that the Financial Model projects Diamond District Pledged Revenues in excess of the amount needed to provide for the issuance of Bonds in an amount sufficient to generate the Minimum Net Phase 1 Bond Proceeds, the EDA, in consultation with the Public Finance Consultant, shall determine the estimated principal amount of Public Infrastructure Bonds (which will not be secured by any CDA Special Assessments) that could be issued on the basis of such projected excess Diamond District Pledged Revenues and the estimated net proceeds to be realized from such Public Infrastructure Bonds that would be available to pay the costs of the Public Infrastructure for the Phase 1 Project. If the projected Diamond District Pledged Revenues will support the issuance of any Public Infrastructure Bonds (which will not be secured by CDA Special Assessments) in addition to the Bonds to be issued to generate the Minimum Net Phase 1 Bond Proceeds, the Parties shall use all commercially reasonable efforts to cause the issuance of Public Infrastructure Bonds (which will not be secured by CDA Special Assessments) for the Phase 1 Project contemporaneously with the issuance of the Stadium Bonds.

6.2 Grant and Cooperation Agreement. On or prior to Financial Close for the Stadium Bonds, the EDA and the City shall ensure the Grant and Cooperation Agreement is fully executed in substantially the form of Exhibit L hereto, and the Developer shall execute a special assessment agreement as described in the Grant and Cooperation Agreement pursuant to which the Developer will agree to the imposition of the CDA Special Assessments and the related undertakings and agreements contemplated in the Grant and Cooperation Agreement.

6.3 Stadium Project Financing; Continued Development Rights; Reverter.

(a) The Parties acknowledge and agree that the Stadium Project must be financeable in order for the Stadium Bonds to be successfully issued. To that end, the Parties acknowledge and agree that the Developer's obligation with respect to delivery of the Stadium Project is to deliver a Stadium that complies with the Minimum Standard and the other requirements of this Development Agreement. The Parties also acknowledge and agree that there are factors outside of their control, including interest rates, market conditions, and liquidity in the municipal bond market, and, further, that the maximum allowable Stadium Project budget will be determined by the market's receptiveness to certain bond sizing metrics, interest rates, and an underwriter-determined debt service coverage ratio. If the determination is made by the Parties, in consultation with a Public Finance Consultant, that the Stadium Project is not financeable due to the Financial Model forecasts District Generated Pledged Revenues in an amount that is less than the amount necessary to produce $80 million in Net Phase 1 Bond Proceeds, (i) the Developer will promptly increase the principal amount of the Startup EDA Bonds by an amount equal to fifty percent (50%) of the difference between $80 million and the lesser amount of Net Phase 1 Bond Proceeds that the Financial Model projects can be produced from forecasted District Generated Pledged Revenues and (ii) the EDA will promptly undertake to reduce the cost of the Stadium Project through value engineering in an amount equal to the remaining fifty percent (50%) of the difference between $80 million and the lesser amount of Net Phase 1 Bond Proceeds that the Financial Model projects can be produced from forecasted District Generated Pledged Revenues.

(b) If the Developer has increased the principal amount of the Startup EDA Bonds as required by subsection (a) above, then the Developer may (i) upon written notice to the EDA, omit the Stadium Project from the scope of the Phase 1 Project and continue to develop the remaining elements of the Phase 1 Project on the Phase 1 Project Site (excluding any development of the Stadium Parcel) as previously approved by the EDA and in accordance with the terms and conditions of this Development Agreement and (ii) with the EDA's prior written approval (such approval to be at the sole discretion of the EDA), (A) proceed to develop the planned future Phases of the Project in accordance with the terms and conditions of this Development Agreement and/or (B) revise the plan of development for such future Phases in accordance with the terms and conditions of this Development Agreement, provided that, in each case, any such request with respect to future Phases of the Project shall in include an alternate plan for the development of the Stadium Parcel for the EDA's approval unless the EDA has otherwise arranged for the development of the Stadium Parcel.

(c) If the Developer has not increased the principal amount of the Startup EDA Bonds as required by subsection (a) above, then, at the option of the EDA, (1) the Phase 1 Purchased Property and the Sports Backers Parcel, if previously conveyed to the Developer, shall revert back to the EDA and (2) the EDA shall terminate the Stadium Leases, subject to the following terms, conditions and limitations: (i) to the extent that Developer has either (A) obtained a building or land disturbance permit and started construction on any portion of the Phase 1 Project on any

portion of the Phase 1 Purchased Property or the Sports Backers Parcel or (B) closed on a construction loan for any portion of the Phase 1 Project on any portion of the Phase 1 Purchased Property or the Sports Backers Parcel, the EDA may not exercise its right of reversion with respect to that portion of the Phase 1 Purchased Property or the Sports Backers Parcel; and (ii) to the extent the EDA elects to exercise its right of reversion with respect to any portion of the Phase 1 Purchased Property or the Sports Backers Parcel, the EDA shall pay to the Developer an amount equal to that portion of the Purchase Price allocable to such portion of the Phase 1 Purchased Property or the Sports Backers Parcel. Notwithstanding the foregoing, upon an official determination by the Parties that the Stadium Project is not financeable, the Developer shall have a period of ninety (90) Days before this reversion right may be exercised by the EDA to develop and propose an alternative Stadium Project financing plan to the EDA for consideration, which the EDA shall have no obligation to accept, but which the Developer shall have an opportunity to present in a public forum with the goal of advancing the Stadium Project development. The Developer shall not be considered at fault if the Navigators reject a Stadium Project development and financing plan that is aligned with industry standards comparable to other double A minor league baseball teams.

6.4 Project Funding.

(a) Subject to appropriation of sufficient amounts for such purpose by the City Council, the City agrees that it will pay the costs of the Public Infrastructure for the Phase 1 Project and the Eligible Mass Grading of the Phase 1 Project Site (excluding the Stadium Parcel) from EDA Funding Sources. In no event shall EDA Funding Sources be made available to pay the costs of any grading of any Private Development Parcels other than the Eligible Mass Grading of the Project Site.

(b) Excluding (i) the Public Infrastructure for the Phase 1 Project that will be paid from EDA Funding Sources pursuant to Section 6.4(a) (*Project Funding*) and (ii) the portions of the Project that will be financed with proceeds of the Bonds (or, at the City's sole discretion pursuant to Section 6.1(e) (*Alternative Funding for Public Infrastructure*), other EDA Funding Sources), the Developer will fund and finance the Project and perform the Work all at its sole risk, cost and expense and without recourse or obligation of either the EDA or the City to fund or finance any portion of the Project.

(c) In addition to any of the City's out-of-pocket expenses that may be reimbursed with proceeds of the Stadium Bonds, the Developer shall reimburse the City's and EDA's actual out-of-pocket expenses incurred for the Diamond District redevelopment process up to an amount not to exceed $500,000 at closing of the Stadium Bonds.

6.5 Developer Land Purchase Deposit.

(a) **Generally**. As and when required pursuant to the PSA, as security for the payment of the Purchase Price, the Developer shall deposit with an escrow agent or title company (in either case, as agreed by the EDA and subject to a control agreement also agreed by the EDA, the "**Title Company**") the amount of the deposit required for each Purchased Property Phase pursuant to the PSA, which amount shall be held in escrow by the Title Company for the benefit of the EDA pursuant to an escrow agreement to be mutually agreed upon by the Parties (the "**Developer Land Purchase Deposit**") from the date deposited by the Developer until the Closing Date on such Purchased Property Phase.

(b) **Disbursement Trigger Event**. The escrow agreement to be entered into by and among the Parties and the Title Company shall permit the Title Company to disburse funds from the Developer Land Purchase Deposit if and when (1) requested by the Developer to do so to satisfy the Developer's payment obligation in connection with paying the Purchase Price for the Closing on the applicable Purchased Property Phase or (2) requested by the EDA for the following: (A) a failure by the Developer to timely achieve Closing on the applicable Purchased Property Phase by the Outside Closing Date for such Purchased Property Phase, as the same may be extended pursuant to this Development Agreement; (B) a failure by the Developer to timely pay any amount due under the PSA for Closing on such Purchased Property Phase; or (C) the occurrence of a Developer Default entitling the City or the EDA to terminate this Development Agreement or the PSA (each a "**Disbursement Trigger Event**"). Should the Developer or the EDA wish to obtain a disbursement of funds from the Developer Land Purchase Deposit upon the occurrence of an applicable Disbursement Trigger Event, the Parties seeking such disbursement shall notify the Title Company and the other Party of the occurrence of such Disbursement Trigger Event and, in such case, the Title Company shall disburse funds from the Developer Land Purchase Deposit to the EDA as follows:

(i) for a Disbursement Trigger Event of the type described in Sections 6.5(b)(1) and 6.5(b)(2)(B), funds shall be disbursed by the Title Company for any such Purchased Property as set forth in Schedule 1 of the PSA; and

(ii) for Sections 6.5(b)(2)(A) and 6.5(b)(2)(C):

(A) solely for this Section 6.5(b)(ii)(A), where the City or the EDA has not exercised its right to terminate the Developer's remaining rights to Close on any future Purchased Property under Section 11.3(c) (*Other Remedies Upon Developer Default*), funds shall be disbursed by the Title Company for any such Purchased Property as set forth on Schedule 1 of the PSA; or

(B) where the City or the EDA has terminated all of the Developer's remaining rights to close on any future Purchased Property in accordance with Section 11.3(c) (*Other Remedies Upon Developer Default*), funds shall be disbursed by the Title Company in an

amount equal to the full remaining Developer Land Purchase Deposit for all Purchased Property that has not yet Closed.

6.6 Financial Reporting Requirements.

(a) **Reporting to City**. For so long as the Bonds of any series remain outstanding, the Developer shall, and shall cause any Private Development developers, tenants and subtenants and the Hotel Operator to, make the following reports to the City's Director of Finance, with a copy to the EDA:

(i) once each month, at a time during each month prescribed by the City's Director of Finance, which, if applicable, shall be no earlier than the date such information would otherwise be required to be reported pursuant to applicable Law, a report setting forth (A) the sales taxes remitted to the Commonwealth of Virginia attributable to the applicable portion of the Phase and (B) the Person who collected and remitted those sales taxes;

(ii) once each month, at a time during each month prescribed by the City's Director of Finance, which, if applicable, shall be no earlier than the date such information would otherwise be required to be reported pursuant to applicable Law, a report setting forth (A) the amount of admission taxes remitted to the City attributable to the applicable portion of the Phase, (B) the name of the Person who collected and remitted those admission taxes to the City and (C) the event for which those admission taxes were collected and remitted;

(iii) once each month, at a time during each month prescribed by the City's Director of Finance, which, if applicable, shall be no earlier than the date such information would otherwise be required to be reported pursuant to applicable Law, a report setting forth (A) the amount of meals taxes remitted to the City attributable to the applicable portion of the Phase and (B) the name of the Person who collected and remitted those meals taxes to the City;

(iv) once each calendar year, at a time during the year prescribed by the City's Director of Finance, which, if applicable, shall be no earlier than the date such information would otherwise be required to be reported pursuant to applicable Law, a report setting forth (A) the amount of business, professional, and occupational license taxes paid to the City attributable to the applicable portion of the Phase, (B) the name of the Person who paid those business, professional, and occupational license taxes, and (C) the type of business, as classified by the City's Director of Finance, for which the Person paid those business, professional, and occupational license taxes;

(v) once each month, at a time during each month prescribed by the City's Director of Finance, which, if applicable, shall be no earlier than the date

comparable sales tax information would otherwise be required to be reported pursuant to applicable Law, a report setting forth (A) the amounts generated from the collection of the Consumer Purchase Surcharge on the applicable portion of the Phase and (B) the Person who collected and transferred those amounts as provided for under the Financing Documents; and

(vi) once each month, at a time during each month prescribed by the City's Director of Finance, which, if applicable, shall be no earlier than the date comparable hotel tax information would otherwise be required to be reported pursuant to applicable Law, a report setting forth (A) the amounts generated from the collection of the Hotel Use Surcharge on the applicable portion of the Phase and (B) the Person who collected and transferred those amounts as provided for under the Financing Documents.

6.7 Other Financing. To the extent the Developer elects to seek funding for the Project or any Phase of the Project from the Commonwealth of Virginia or the federal government that is in addition to the funding sources previously identified in this Development Agreement, the City shall work collaboratively with the Developer to obtain such funding.

ARTICLE 7
INDEMNITY

7.1 Indemnification of the City and the EDA. The Developer agrees to, and shall cause each of the Lead Developer Parties to agree to, indemnify the Indemnified Parties from and against any and all Losses imposed upon or incurred by or asserted against any such Indemnified Party, the Project or the Development Parcels, or the City's or the EDA's interest therein, in connection with the occurrence or existence of any of the following: (i) any accident, injury to or death of Persons or loss of or damage to property occurring on the Development Parcels, the Project or any part thereof (including the Stadium Parcel and the Stadium Project at any time during the Construction Period for the Stadium Project); (ii) any accident, injury to or death of Persons or loss or damage to property occurring (A) on the Stadium Parcel or the Stadium Project at any time after the Construction Period for the Stadium Project or (B) immediately adjacent to the Development Parcels or the Project, any of which is caused directly or indirectly by any Developer Party or their invitees, Subcontractors, or agents (the "**Indemnifying Parties**"); (iii) any use, possession, occupation, operation, maintenance, or management of the Development Parcels, the Project or any part thereof by any Indemnifying Party; (iv) any use, possession, occupation, operation, maintenance, management or condition of property immediately adjacent to the Development Parcels or the Project by any Indemnifying Party; (v) any latent, design, construction or structural defect relating to the improvements located on the Development Parcels or the Project constructed by, or on behalf of the Developer; (vi) any failure on the part of any Indemnifying Party to perform or comply with any of the provisions of this Development Agreement (or any other Contract Document) or with any applicable Law or Regulatory Approval in connection with use or occupancy of the Development Parcels or the Project and any fines or

penalties, or both, that result from such violation (subject to the right of the Developer to contest the applicability of any such Law or Regulatory Approval to the use or occupancy of the Development Parcels or the Project in good faith by appropriate proceedings and at no cost to the EDA); (vii) performance of any labor or services or the furnishing of any materials or other property in respect of the Development Parcels, the Project or any part thereof by any Indemnifying Party; (viii) any other legal actions or suits initiated by any Person using or occupying the Development Parcels or the Project or any of their agents, Contractors, Affiliates, Subcontractors or suppliers; (ix) any claim or proceeding made or brought against the Indemnified Parties for any patent, trademark, or copyright infringement or other improper appropriation or use by any Indemnifying Party; or (x) any forfeiture of insurance coverage resulting from the Developer's error, omission, misdescription, incorrect declaration, failure to advise, misrepresentation or act, and for any expense the Indemnified Parties incurs as a result thereof. Notwithstanding the preceding provisions of this Section, the Developer shall not be obligated to indemnify the Indemnified Parties to the extent that any of the matters described above are determined by a final non-appealable judgment of a court of competent jurisdiction to have arisen from any Indemnified Party's gross negligence or willful misconduct.

7.2 **Notice of a Claim**. If any action, suit or proceeding is brought against any Indemnified Party by reason of any occurrence for which the Developer is obliged to indemnify such Indemnified Party, such Indemnified Party will promptly notify the Developer of such action, suit or proceeding. The Developer may, and upon the request of such Indemnified Party shall, at the Developer's sole expense, resist and defend such action, suit or proceeding, or cause the same to be resisted and defended by counsel designated by the Developer and reasonably approved by such Indemnified Party in writing.

7.3 **Immediate Obligation to Defend**. The Developer specifically acknowledges that it has an immediate and independent obligation to defend the Indemnified Parties from any claim which is actually or potentially within the scope of the indemnity provision of Section 7.1 (*Indemnification of the City and the EDA*) or any other indemnification provision of this Development Agreement, even if such allegation is or may be groundless, fraudulent or false, and such obligation arises at the time such claim is tendered to the Developer by an Indemnified Party and continues at all times thereafter.

7.4 **Control of Defense**. Except as otherwise provided in this Development Agreement, the Developer shall be entitled to control the defense, compromise or settlement of any such matter through counsel of the Developer's own choice; provided, however, in all cases in which any Indemnified Party has been named as a defendant, the EDA, as the context requires, shall be entitled to (i) approve counsel (such approval not to be unreasonably withheld) and (ii) participate in such defense, compromise or settlement at its own expense. If the Developer shall fail, however, in the EDA's reasonable judgment, within a reasonable time (but not less than fifteen (15) Days following notice from the EDA alleging such failure) to take reasonable and appropriate action to defend, compromise, or settle such suit or claim, the EDA shall have the right promptly to use counsel of its selection, in its sole discretion and at the Developer's expense, to carry out such defense, compromise or settlement, which reasonable expense shall be due and payable to the EDA ten (10) Business Days after receipt by the Developer of an invoice therefor. The

Indemnified Parties shall cooperate with the Developer in the defense of any matters for which the Developer is required to indemnify the Indemnified Parties pursuant to this ARTICLE 7 (*Indemnity*).

7.5 Release of Claims Against the City and the EDA. The Developer, as a material part of the consideration of this Development Agreement, hereby waives and releases any and all claims against the Indemnified Parties for any Losses, including damages to goods, wares, goodwill, merchandise, equipment or business opportunities and by Persons in, upon or about the Development Parcels or the Project for any cause arising at any time, including, without limitation, all claims arising from the joint or concurrent negligence of the City, the EDA or the other Indemnified Parties, but excluding any gross negligence or willful misconduct of the Indemnified Parties.

7.6 Other Obligations. The agreements to indemnify set forth in this ARTICLE 7 (*Indemnity*) and elsewhere in this Development Agreement are in addition to, and in no way shall be construed to limit or replace, any other obligations or liabilities which the Developer may have to either the City or the EDA, in this Development Agreement, at common law or otherwise.

ARTICLE 8
INSURANCE

8.1 Insurance Generally. The Developer shall provide and maintain throughout the life of this Development Agreement insurance in the kinds and amounts specified in this ARTICLE 8 (*Insurance*) with an insurer licensed to transact insurance business in the Commonwealth of Virginia. All such insurance may, to the extent permitted by applicable Law, provide for a commercially reasonable deductible, subject to the EDA's approval, which approval shall not be unreasonably withheld, conditioned or delayed. Each insurance policy, endorsement and certificate of insurance shall be signed by duly authorized representatives of such insurers. The carrying by the Developer of the insurance required shall not be interpreted as relieving the Developer of any obligations the Developer may have under this Development Agreement. Notwithstanding anything in this ARTICLE 8 (*Insurance*) to the contrary, the EDA acknowledges and agrees that the Developer shall be deemed to have satisfied the obligation to maintain the insurance required in this ARTICLE 8 (*Insurance*) if the Developer causes its Contractors and Subcontractors, where appropriate, to provide and maintain such insurance for the benefit of the Developer and, to the extent required by this ARTICLE 8 (*Insurance*), the City and the EDA.

8.2 Costs and Premiums. The Developer shall pay all premiums and other costs of such insurance, and neither the City nor the EDA shall be responsible therefor.

8.3 Policy Requirements. All insurance contracts and policies required under this ARTICLE 8 (*Insurance*) shall provide, or be endorsed to provide, all of the following:

(a) subrogation against the EDA shall be waived, to the extent permitted by Law;

(b) the Indemnified Parties and their officers, employees, agents and volunteers shall be named, on a primary and not contributory basis, as an additional insured for all policies except professional liability and errors and omissions;

(c) coverage will not be canceled, non-renewed or materially modified in a way adverse to the EDA without thirty (30) Days' prior written notice to the EDA;

(d) other than for workers' compensation insurance, employer's liability insurance, automobile liability insurance, professional liability insurance and contractor pollution liability insurance, all required insurance will contain a provision under which the insurer agrees that the failure of one insured to observe and fulfill the terms of the policy will not prejudice the coverage of the other insureds;

(e) the insolvency or bankruptcy of any of the insured shall not release the insurer from its obligation to satisfy claims otherwise within the coverage of such policies;

(f) no insurance contract or policy shall be expanded to afford coverage which is greater than the maximum coverage approved for writing in the Commonwealth of Virginia;

(g) other than for workers' compensation insurance, employer's liability insurance, commercial general liability insurance, excess liability insurance, professional liability, contractor pollution liability insurance and automobile liability insurance, each policy shall be endorsed to contain a standard mortgagee clause to the effect that the EDA and the other insureds will not be prejudiced by an unintended and/or inadvertent error, omission or mistaken description of the risk interest in property insured under the policies, incorrect declaration of values, failure to advise insurers of any change of risk interest or property insured or failure to comply with a statutory requirement; and

(h) no insurance contract or policy shall include defense costs within the limits of coverage or permit erosion of coverage limits by defense costs, except that defense costs may be included within the limits of coverage of professional and contractor pollution liability policies.

8.4 Rating Requirements. The Developer shall provide insurance issued only by companies with A. M. Best's Key Rating of at least A: VII.

8.5 Endorsements. The Developer shall furnish the City and the EDA with a copy of the policy endorsement naming the Indemnified Parties and their officers, employees and agents as an additional insured for each policy for which such endorsement is required under ARTICLE 8 (*Insurance*) of this Development Agreement. The Developer shall furnish the City and the EDA with copies of such other endorsements as may be required under this Development Agreement upon request by the City or the EDA therefor.

8.6 Certificates of Insurance. As a condition precedent to commencing Work under this Development Agreement for any Project Segment, the Developer shall furnish the EDA

and the City with an original, signed certificate of insurance for such portion of the Work: (i) specifically identifying this Development Agreement, (ii) evidencing the above coverage, (iii) indicating that the Indemnified Parties and their officers, employees and agents are named as additional insured where required, (iv) indicating that such other endorsements as the Development Agreement may prescribe are included and (v) indicating that the coverage will not be canceled, non-renewed or materially modified in a way adverse to the EDA or the City without thirty (30) Days' prior written notice to the EDA and the City. If the Contractor's insurance agent uses an "ACORD" insurance certificate form, the words "endeavor to" and "but failure to mail such notice shall impose no obligation or liability of any kind upon the company" in the "Cancellation" box of the form shall be deleted or crossed out. Prior to the expiration, change or termination of any insurance policy required under this Development Agreement, the Developer shall furnish a new certificate evidencing that all required insurance under this Development Agreement is in full force and effect, without any period of lapse. The failure of the Developer to deliver a new and valid certificate when required will result in the suspension of all applicable Work by the Developer until the new certificate is furnished. Except as otherwise provided above, the Developer is not required to furnish the City or the EDA with copies of insurance contracts or policies required by Section 8.7 (*Schedule of Liability Coverage*) of this Development Agreement unless requested at any time by the City's Chief of Risk Management.

8.7 Schedule of Liability Coverage. The Developer shall provide and maintain the following types of insurance for each Project Segment, in accordance with the requirements of this ARTICLE 8 (*Insurance*):

(a) Commercial general liability insurance (including, at a minimum, premises/operations liability, products and completed operations coverage, independent contractor's liability, owner's and contractor's protective liability and personal injury liability) with combined limits of not less than one million dollars ($1,000,000) per occurrence and not less than two million dollars ($2,000,000) annual aggregate;

(b) Automobile liability insurance with a combined limit of not less than one million dollars ($1,000,000) per occurrence;

(c) Statutory workers' compensation and employers' liability insurance with the Alternate Employer Endorsement WC 000301;

(d) Umbrella or excess liability insurance with a combined limit of not less than fourteen million dollars ($14,000,000) per occurrence; and

(e) Builder's risk insurance in the "all-risk" form equal to one hundred percent (100%) of the insurable value of the Work, relevant Project Segment and improvements required under this Development Agreement.

8.8 Blasting. Should any blasting become necessary to perform the Work, the Developer shall provide and maintain liability insurance in the amount of at least one million dollars

($1,000,000) per occurrence, directly or indirectly arising from or during the time blasting is done. The Developer may provide such insurance under a separate blasting insurance contract, by endorsement of the Commercial General Liability Insurance contract, or by any other insurance contract. Such insurance shall cover the Developer and shall extend to provide coverage for any contractor or subcontractor doing blasting.

8.9 **Contractor's and Subcontractors' Insurance**. The Developer shall not allow any Contractor or Subcontractor to perform any of the Work until the Contractor or Subcontractor has obtained the same types of insurance required of the Developer under this Development Agreement in an appropriate amount determined by the Developer and until the Developer has approved such Contractor's or Subcontractor's insurance coverage. The furnishing of insurance by a Contractor or Subcontractor shall not create any contractual relationship between either the EDA or the City, as applicable, and the Contractor or Subcontractor.

ARTICLE 9
SITE INVESTIGATION; UNFORESEEN SITE CONDITIONS

9.1 **Right to Enter Development Parcels**. The Developer will be entitled to enter and access any Development Parcels prior to any Closing or Financial Close, as applicable, for purposes of conducting due diligence and site investigation work (collectively, "**Feasibility Studies**") solely in accordance with the terms of a right of entry agreement to be entered into between the Parties, as applicable, in substantially the form attached hereto as Exhibit S (*Right of Entry Agreement*).

9.2 **Risk**. Any Feasibility Studies undertaken by or on behalf of the Developer pursuant to this ARTICLE 9 (*Site Investigation*) shall be at the Developer's sole risk, cost and expense. Following a No-Fault Termination (as defined in the PSA), this Development Agreement and, if applicable, the PSA shall automatically terminate as to such Purchased Property upon the EDA's receipt of such notice from the Developer (unless otherwise disputed by the EDA) of a No-Fault Termination. To the extent both this Development Agreement and the PSA are terminated as to any Purchased Property as a result of a No-Fault Termination, the Purchase Price shall be reduced in accordance with the terms of the PSA, and the Title Company following the Closing on the Phase 4 Purchased Property, shall disburse funds from the Developer Land Purchase Deposit to the Developer in an amount equal to the portion of the Purchase Price then allocated to such Purchased Property by the Developer pursuant to Section 2(b) of the PSA (*Allocation of Purchase Price*) (assuming there are sufficient remaining funds in the Developer Land Purchase Deposit at such time for the Title Company to make such disbursement).

9.3 **Proprietary Information**. The Parties agree that certain information regarding or relating to the Development Parcels obtained or created by Developer during any Feasibility Studies, or in any other manner, or from any other source (such information, the "**Proprietary Information**") may be proprietary. Accordingly, subject to applicable Law, prior to the disclosure of the Proprietary Information, each Party agrees to endeavor to consult with the other regarding the disclosure of the Proprietary Information. Notwithstanding the foregoing, each Party may disclose Proprietary Information: (i) to its

employees, consultants, agents or advisors and, with respect to the Developer, to potential investors or lenders (and their respective consultants, agents and advisors), in each case on a need-to-know basis after the recipients of the information have been informed of the confidential nature of such information and have agreed not to disclose such information except in accordance with this Section; (ii) to the extent required by Law, judicial or court order or rule, or the rules of any applicable securities exchange; and (iii) as reasonably necessary to complete investigation of each Development Parcel or analysis of the feasibility of the Project.

9.4 Unforeseen Site Conditions. If the Developer discovers any unknown soil conditions, Unknown Pre-Existing Hazardous Substances, unknown archeological site or artifacts or other unknown physical conditions on the Project Site, which conditions were not discovered by investigation undertaken in accordance with Good Industry Practice, during the Developer's due diligence or development activities (including any Feasibility Studies), identified in reports provided to the Developer (including any environmental reports), or the public record, or were not reasonably foreseeable (each, an "**Unforeseen Site Condition**") and such Unforeseen Site Condition causes an actual delay in the construction of the Project, such Unforeseen Site Condition shall constitute a Delay Event. In no event, however, shall a condition on the Project Site caused by any Developer Party or any of their respective representatives or contractors constitute an Unforeseen Site Condition under this Development Agreement.

ARTICLE 9A
HAZARDOUS SUBSTANCES

9A.1 General Obligations.

(a) The Developer will be entitled to enter and access any Development Parcels prior to any Closing for purposes of conducting an environmental investigation of such Development Parcels (each investigation with respect to a Development Parcel is referred to herein as an "**Environmental Investigation**"). The scope of each Environmental Investigation shall be consistent with Good Industry Practice and shall be submitted to the City and the EDA for review and approval prior to the undertaking of such Environmental Investigation. The Developer shall use all commercially reasonable efforts in completing each Environmental Investigation. Any Environmental Investigation of a Phase of Purchased Property for such purposes must be completed within the applicable Due Diligence Period for such Purchased Property (for purposes of this subsection (a), the entire Sports Backers Parcel shall constitute a separate Phase of Purchased Property), and any Environmental Investigation of the Stadium Parcel must be completed within the Due Diligence Period for the Phase 1 Purchased Property.

(b) With respect to each Private Development Parcel, following Closing thereon, the Developer will be responsible for the management, treatment, handling, storage, monitoring, remediation, removal, transport and disposal of any Hazardous Substances the presence of which constitutes a Hazardous Environmental Condition that are discovered on, in or under or emanating from such Private

Development Parcel. With respect to each Public Infrastructure Parcel, during the Construction Period for the Public Infrastructure, the Developer will be responsible for the management, treatment, handling, storage, monitoring, remediation, removal, transport and disposal of any Hazardous Substances the presence of which constitutes a Hazardous Environmental Condition that are discovered on, in or under or emanating from such Public Infrastructure Parcel. With respect to the Stadium Parcel, during the Construction Period for the Stadium Project, the Developer will be responsible for the management, treatment, handling, storage, monitoring, remediation, removal, transport and disposal of any Hazardous Substances the presence of which constitutes a Hazardous Environmental Condition that are discovered on, in or under or emanating from the Stadium Parcel.

(c) If the Developer encounters any Hazardous Environmental Condition that must be managed, treated, handled, stored, monitored, remediated, removed, transported or disposed of (collectively, "**Remedial Actions**"), then the Developer will promptly notify the EDA and the City of the Hazardous Environmental Condition and any obligation to notify Commonwealth or Federal Agencies under applicable Law. In the case of Hazardous Environmental Conditions that are attributable to Known Pre-Existing Hazardous Substances, the Developer will thereafter proceed with such Remedial Actions in accordance with the Developer's Environmental Management Plan. In the case of all other Hazardous Environmental Conditions and to the extent not covered by the Environmental Management Plan, the Developer will develop an Environmental Management Plan setting out the scope of the Remedial Actions that the Developer proposes to take in relation to the relevant Hazardous Environmental Condition, such actions to include, but not be limited to: (i) conducting such further investigations as may be necessary or appropriate to determine the nature and extent of the Hazardous Substances and submitting copies of such data and reports to the EDA and the City for its review and approval, (ii) taking reasonable steps, including in the case of excavation, construction, reconstruction or rehabilitation, modifications and/or construction techniques, to avoid or minimize excavation or dewatering in areas with Hazardous Substances, (iii) preparing and obtaining Governmental Approvals for the Environmental Management Plan, including the EDA's and the City's approval, (iv) carrying out the Environmental Management Plan, including, as necessary, disposal of the Hazardous Substances, and (v) timely informing the EDA and the City of all such actions.

(d) Before any Remedial Actions are taken that would inhibit the EDA's and the City's ability to ascertain the nature and extent of the Hazardous Environmental Condition, the Developer will afford the EDA and the City the opportunity to inspect areas and locations that require Remedial Actions; provided, that in the case of a sudden release of any Hazardous Substances, the Developer may take all reasonable actions necessary to stabilize and contain the release without prior notice or inspection, but will promptly notify the EDA and the City of the sudden release and its location.

(e) The Developer will obtain all Governmental Approvals relating to Remedial Actions. The Developer will be solely responsible for compliance with such Governmental Approvals and applicable Environmental Laws concerning or relating to Hazardous Substances. In carrying out Remedial Actions that are compensable by the EDA and the City pursuant to this Development Agreement, the Developer will not take any steps or actions which impair the EDA and the City's potential Losses for indemnity and contribution, statutory or otherwise.

(f) Unless directed otherwise by the EDA and the City, the Developer will seek to recover costs from any available reimbursement program or from any third party responsible for generating or otherwise creating or contributing to conditions that lead to the need for Remedial Action. Without limiting the preceding sentence, the Developer will seek pre-approval and pursue reimbursement from the Virginia Petroleum Storage Tank Fund for qualifying expenses incurred during the course of investigation, containment, management, mitigation or remediation activities on petroleum storage tank releases. The Parties will cooperate with and notify each other with respect to activities undertaken pursuant to this Section 9A.1 (*General Obligations*).

(g) Except as provided in Section 9A.2 (*Pre-Existing Hazardous Substances*) and subject to the limitation in the succeeding sentence, the Developer will bear all costs and expenses of preparing and complying with any Environmental Management Plan, of complying with Law and obtaining and complying with Governmental Approvals pertaining to Hazardous Substances, and otherwise of carrying out Remedial Actions. Except as provided in Section 9A.2 (*Pre-Existing Hazardous Substances*), with respect to the Stadium Parcel, the Developer will bear all costs and expenses of preparing and complying with any Environmental Management Plan, of complying with Law and obtaining and complying with Governmental Approvals pertaining to Hazardous Substances, and otherwise of carrying out Remedial Actions only to the extent such costs and expenses are either incurred during the Construction Period for the Stadium Project or incurred as a result of the Developer's activities on the Stadium Parcel during the Construction Period for the Stadium Project.

9A.2 Pre-Existing Hazardous Substances

(a) With respect to any Pre-Existing Hazardous Substances, the presence of which constitutes a Hazardous Environmental Condition, the Developer shall provide a cost estimate for any applicable Remedial Actions. Subject to the succeeding sentence, the Developer shall pay all costs of the Remedial Actions necessary to resolve any Hazardous Environmental Condition first from any available Brownfield Fund Resources, and, only after the Developer has certified in writing to the EDA and the City that the Developer has exhausted all available Brownfield Fund Resources and has furnished the EDA and the City with reasonably satisfactory evidence of its efforts to obtain such funding, the EDA and the City, to the extent permitted by Law, shall pay the remaining costs of any such Remedial Actions up to an aggregate amount of $10,000,000 for all

Remedial Actions for the Project Site. If (i)(A) the Developer has exhausted, or is otherwise unable to obtain Brownfield Fund Resources, as required pursuant to the preceding sentence and (B) the costs of all prior Remedial Actions paid by the EDA or the City, together with any costs of further Remedial Actions proposed to be paid by the EDA or the City, will exceed the $10,000,000 limit, or (ii)(A) the Developer has exhausted, or is otherwise unable to obtain Brownfield Fund Resources, as required pursuant to the preceding sentence and (B) the EDA and the City are prohibited by Law from funding any Remedial Actions proposed to paid by the EDA or the City, the Parties shall use good faith efforts to meet and confer to determine a plan for funding such excess costs in the case of clause (i) or for funding such Remedial Actions in the case of clause (ii). If the Parties are unable to agree to a plan after forty-five (45) Days from the commencement of such meetings, then either Party may terminate the provisions of this Development Agreement with respect to the portion of the Property to be remediated and the EDA shall, to the extent of any legally available funds, repurchase such affected portion of the Property from the Developer at a price per acre equal to the price per acre initially paid by the Developer for the Phase of Purchased Property (or, in the case of any portion of the Sports Backers Property, a price per acre equal to the price per acre initially paid by the Developer for the Sports Backers Parcel) containing such portion of the Property.

(b) At all times during the Term, the Developer will provide cost estimates with respect to any Remedial Actions that may be paid by the EDA or the City for the EDA's and the City's review and approval of such costs prior to proceeding with any such Remedial Actions, provided that, in the case of a sudden release of any Hazardous Substances, the Developer may take all reasonable actions necessary to stabilize and contain the release without prior submission of such cost estimates.

9A.3 Developer Indemnifications Regarding Hazardous Substances

(a) The Developer will indemnify, protect, defend and hold harmless and release each of the Indemnified Parties from and against any and all Losses, including reasonable attorneys' fees, expert witness fees and court costs suffered or incurred by each of the Indemnified Parties, to the extent caused by:

(i) Hazardous Substances introduced to or brought onto any Development Parcel by a Developer Party;

(ii) failure of any Developer Party to comply with any requirement of this Development Agreement or any other Contract Documents relating to Hazardous Substances (including any failure to perform any Remedial Action required pursuant to Section 9A.1 (*General Obligations*) or to otherwise comply with applicable Environmental Laws and Governmental Approvals; or

(iii) the exacerbation, release, spreading, migration, or toxicity of Hazardous Substances due to the action or inaction of a Developer Party.

(b) The Developer will defend such Losses in accordance with ARTICLE 7 (*Indemnity*).

(c) The Developer's obligations under this Section 9A.3 (*Developer Indemnifications Regarding Hazardous Substances*) will not apply to Losses to the extent caused by the gross negligence or willful misconduct of either the EDA or the City.

ARTICLE 10
PERFORMANCE TARGETS; COMMUNITY UNDERTAKINGS

10.1 Generally. The Developer acknowledges and agrees that the performance by the Developer of the requirements of this ARTICLE 10 (*Performance Targets; Community Undertakings*) constitute an important, material, and substantial inducement to the City to enter into this Development Agreement.

10.2 Affordable Housing.

(a) **Affordable Housing Commitment**. The Developer shall satisfy its Affordable Housing Commitment in accordance with the terms of Section 2.2(e) (*Affordable Housing Commitment*) and the Master Plan. In the sale or lease of the Affordable Housing Units to be directly developed and constructed by the Developer on the Project Site, the Developer shall comply with the Affordable Housing Development Requirements set forth in Exhibit E-5 (*Development Progress Requirements*) to ensure the timely delivery of the Affordable Housing Units and the appropriate dispersal of the Affordable Housing Units throughout the Project Site.

(b) **Affordability Covenants**. With respect to each Private Development Parcel that will contain Affordable Housing Units, the Affordable Housing Covenants shall be recorded against title to such Private Development Parcel following recordation of the Deed for such Private Development Parcel.

10.3 Minority Business Enterprise and Emerging Small Business Participation.

(a) **Definitions**. As used in this Section, the following capitalized terms shall have the meanings set forth below:

"**Contractor**" means a Person contracted by the Developer to perform services or work on any Development Parcel in connection with the construction of the Project.

"**Developer's MBE Plan**." Within fourteen (14) Days after the Parties execute this Development Agreement, the Developer shall furnish the City, for the City's approval, the MBE Plan.

"**Developer's MBE/ESB Coordinator**" means the Person identified pursuant to Section 10.3(b).

"**Emerging Small Business**" means a Person certified by the Office of Minority Business Development as meeting the definition of "emerging small business" in Section 21-4 of the City Code or any successor ordinance.

"**Goal**" means the goal set forth in Section 10.3(c) (*Goal*).

"**Good Faith Efforts**" has the same meaning as provided in Section 21-4 of the City Code or any successor ordinance for "good faith minority business enterprise and emerging small business participation efforts."

"**Improvement Cost**" means all costs expended by the Developer to complete construction of the Project, except for the following:

(i) any payment to a grantor of real property as consideration for the acquisition of real property from that grantor, excluding any charges, commissions, fees, or other compensation due to any real estate agent, broker or finder on account thereof;

(ii) any payment to a public or private utility to connect to the utility services of that public or private utility;

(iii) any payment by the Developer to any non-affiliate of the Developer for legal, consulting and professional fees other than fees for design, engineering, environmental, geotechnical and construction services; and

(iv) other costs expended by the Developer to complete construction of the Project that the Office of Minority Business Development determines cannot be performed by an Emerging Small Business or a Minority Business Enterprise.

"**MBE Plan**" means that Plan developed to create diverse Small Business Enterprise and Emerging Small Business participation in the execution of the Project.

"**Minority Business Enterprise**" means a Person registered by the Office of Minority Business Development as meeting the definition of "minority business enterprise" in section 21-4 of the City Code or any successor ordinance.

"**Office of Minority Business Development**" means the City's Office of Minority Business Development or its successor agency.

"**Purchaser**" means the Developer and any Contractor or Subcontractor of the Developer.

(b) **Developer's MBE/ESB Coordinator**. Unless the Developer previously has complied with the following provisions, within fourteen (14) Days after the Parties execute this Development Agreement, the Developer shall furnish the City, for the City's approval (not to be unreasonably withheld), the following information about the Developer's MBE/ESB Coordinator, a Person either employed or contracted by the Developer, who will be responsible for ensuring that all Purchasers make the requisite good faith efforts to achieve the Goal:

(i) The Person's name, title and employer's name and State Corporation Commission registration number;

(ii) Number of years that the Person has worked for the Person's prior employers and current employer; and

(iii) A list of construction projects using the same project delivery method that the Person has worked on, including (A) the position the Person had on each such project; (B) the scope of work, construction value, quality, initial and final costs and initial and actual completion dates for each such project; (C) whether each such project met any minority participation or similar goal set for such project; and (D) the telephone number and electronic mail address of the owner's representative for each such project.

The City shall, within fourteen (14) Days after receiving all of the aforementioned information from the Developer, communicate in writing its approval or disapproval of the Developer's MBE/ESB Coordinator. If the City disapproves, in the City's sole and absolute discretion, the Person selected by the Developer as the Developer's MBE/ESB Coordinator, the Developer shall, within fourteen (14) Days of the Developer's receipt of such disapproval, submit all of the aforementioned information for a different Person to serve as the Developer's MBE/ESB Coordinator.

(c) **Goal**.

(i) **Calculation**. The Developer has set a goal that forty percent (40%) of the Improvement Cost of the entire Project will be spent with Emerging Small Businesses and Minority Business Enterprises that perform commercially useful functions towards the construction of the Project (the "**Goal**").

(ii) **Efforts Cumulative**. The Goal does not apply individually to each contract into which the Developer and other Purchasers enter for part of the Improvement Cost to which the Goal applies. Rather, the Developer shall be considered to have met the Goal if the Goal's percentage of the entire Improvement Cost is fulfilled even if the Goal is not met for individual contracts that relate to that Improvement Cost.

(iii) **Performance Measurement**. The Office of Minority Business Development will use the following rules to determine whether the Developer properly has counted particular payments to Contractors and Subcontractors towards meeting the Goal:

(A) Only payments made to a Contractor or Subcontractor that is an Emerging Small Business or a Minority Business Enterprise will be counted towards the Goal.

(B) The value of work performed by a Contractor or Subcontractor that ceases to be certified by the Office of Minority Business Development as an Emerging Small Business or registered by the Office of Minority Business Development as a Minority Business Enterprise will not be counted, unless such Contractor or Subcontractor is recertified or reregistered, as applicable, within ninety (90) Days following the termination of its certification or registration, as applicable.

(C) When an Emerging Small Business or a Minority Business Enterprise subcontracts part of the work of its contract to a Subcontractor, the value of the subcontracted work will be counted towards the Goal only if that Subcontractor is itself an Emerging Small Business or a Minority Business Enterprise.

(D) The entire amount of payments to an Emerging Small Business or a Minority Business Enterprise for "general conditions," as that term is used in the construction industry to describe a category of a construction contractor's costs, will be counted towards the Goal.

(E) When an Emerging Small Business or a Minority Business Enterprise performs as a participant in a joint venture, a portion of the total value of the contract equal to the portion of the work of that contract that the Emerging Small Business or the Minority Business Enterprise performs, as measured by the amount paid to that Emerging Small Business or Minority Business Enterprise and not paid to a Subcontractor thereof will be counted towards the Goal.

(F) Payments to an Emerging Small Business or a Minority Business Enterprise for materials or supplies will be counted towards the Goal as follows:

(I) If the materials or supplies are obtained directly from a manufacturer that is an Emerging Small Business or a Minority Business Enterprise, 100 percent of the cost of those materials or supplies will count towards the Goal; and

(II) If the materials or supplies are obtained from an Emerging Small Business or a Minority Business Enterprise that has stored or warehoused the materials or supplies, 60 percent of the cost of those materials or supplies so stored or

warehoused by the Emerging Small Business or the Minority Business Enterprise will count towards the Goal.

(d) **Good Faith Efforts**. The Developer will be deemed to have made Good Faith Efforts to achieve the Goal if the Developer has done all of the following:

(i) The Developer has employed the Developer's MBE/ESB Coordinator required by Section 10.3(b) (*Developer's MBE/ESB Coordinator*).

(ii) The Developer has caused each Purchaser to implement plans and procedures that will require that Purchaser to comply with all elements of this Section 10.3 (*Minority Business Enterprise and Emerging Small Business Participation*).

(iii) The Developer has caused implementation of the following:

(A) Contractor controlled insurance programs to cover Subcontractors under a Contractor's insurance policies for each component of the construction of the Project.

(B) Payment schedules for Subcontractors that are biweekly instead of monthly.

(iv) The Developer has caused all Purchasers to do the following:

(A) Provide and, as needed, update contact information for a point of contact to the Developer and the City for the purpose of communications required or permitted to be given pursuant to this Section 10.3 (*Minority Business Enterprise and Emerging Small Business Participation*).

(B) Set individual targets on individual contracts consistent with the Developer's Good Faith Efforts to achieve the Goal.

(C) If the Purchaser is a Contractor, work with the Developer to host, plan, adequately advertise, and conduct at least two "meet and greet" sessions intended to introduce Emerging Small Businesses and Minority Business Enterprises to the Contractor.

(D) If the Purchaser is a Contractor, hold a pre-bid or pre-proposal meeting for all Subcontractors prior to any due date for bids or proposals at which the Goal and the requirements of this Section 10.3 (*Minority Business Enterprise and Emerging Small Business Participation*) are explained.

(E) If the Purchaser is a Contractor, recruit Subcontractors to participate in the pre-bid or pre-proposal.

(v) For each contract the cost of which is part of the Improvement Cost, between the date on which the Parties execute this Development Agreement and the date on which bids or proposals are due to the Purchaser:

(A) The Developer has used the Office of Minority Business Development's database and other available sources to identify qualified, willing and able Emerging Small Businesses and Minority Business Enterprises.

(B) The Developer has participated in outreach efforts and programs designed to assist qualified potential Contractors or Subcontractors in becoming certified as Emerging Small Businesses or registered as Minority Business Enterprises.

(C) The Developer has notified potential Contractors or Subcontractors that might qualify as Emerging Small Businesses and Minority Business Enterprises, through meetings, fora, presentations, seminars, newsletters, website notices or other means of the upcoming opportunities available to Emerging Small Businesses and Minority Business Enterprises to participate in the construction of the Project.

(D) The Developer has provided Purchasers with assistance and resources to identify and contract with Emerging Small Businesses and Minority Business Enterprises.

(E) The Developer has worked with not-for-profit organizations to reduce barriers to Emerging Small Business and Minority Business Enterprise participation in the construction of the Project, including implementation of the requirements of this Section.

(vi) For each contract the cost of which is part of the Improvement Cost, between the pre-bid or pre-proposal meeting described in Section 10.3(d)(v) (*Good Faith* Efforts) above and the date on which bids or proposals are due:

(A) The Developer has assisted Purchasers, bidders or offerors and Emerging Small Businesses and Minority Business Enterprises with any questions relating to this Section 10.3 (*Minority Business Enterprise and Emerging Small Business Participation*).

(B) The Developer has provided the City with a copy of all correspondence in which it has informed Purchasers, bidders or offerors and Emerging Small Businesses and Minority Business Enterprises of the Developer's opinion as to whether a particular contract or portion thereof should be counted towards the Goal.

(C) The Developer has required Purchasers to submit a form containing all of the information required above for each Emerging Small Business or Minority Business Enterprise the Purchaser is committing to using.

(vii) For each contract the cost of which is part of the Improvement Cost, between the award of the contract and completion of the work required by that contract:

(A) The Developer has resolved any disputes related to Emerging Small Business or Minority Business Enterprise participation in the construction of the Project and advised the City in writing of each such dispute and its resolution.

(B) The Developer has complied with and caused all Purchasers to comply with all requirements of Section 10.4 (*Compliance Monitoring and Reporting*).

10.4 Compliance Monitoring and Reporting.

(a) **Responsibility**. Although all final determinations as to whether the Goal has been met shall be made only by the City, in consultation with the Office of Minority Business Development, the Developer shall be responsible for monitoring and enforcing the compliance of Purchasers with this Section 10.4 (*Compliance Monitoring and Reporting*). The Developer shall cause all Purchasers to gather and report to the Developer all data needed to ensure that all Purchasers are complying with the requirements of this Section 10.4 (*Compliance Monitoring and Reporting*). The Developer shall furnish the City with all data so gathered and reported and all other information required by this Section 10.4 (*Compliance Monitoring and Reporting*) no less frequently than once per month at a time designated by the City.

(b) **Reporting**. The Developer shall require all Purchasers to submit, monthly and on a form approved by the Office of Minority Business Development, complete and accurate data on the participation of Emerging Small Businesses and Minority Business Enterprises, including, but not necessarily limited to, the following:

(i) The name, address, identification number and work description of each Emerging Small Business or Minority Business Enterprise that the Purchaser has committed to use, as of the date of the report;

(ii) Identification of the Purchaser that has hired each Emerging Small Business or Minority Business Enterprise;

(iii) The total contract value for each committed Emerging Small Business or Minority Business Enterprise;

(iv) Any changes to the total contract value for each committed Emerging Small Business or Minority Business Enterprise;

(v) The classification of each Emerging Small Business or Minority Business Enterprise by function using classifications prescribed by the Office of Minority Business Development;

(vi) The value of each element of work or supplies provided by each Emerging Small Business or Minority Business Enterprise during the reporting period;

(vii) The value of each element of work or supplies that the Developer believes should be counted towards the Goal during the reporting period;

(viii) The total value of work or supplies invoiced during the reporting period and paid during the reporting period for each Emerging Small Business or Minority Business Enterprise; and

(ix) The total amount of Improvement Cost invoices during the reporting period and paid during the reporting period.

10.5 Jobs and Training. The Developer shall work in good faith to create training and outreach programs within the City to identify opportunities to secure the jobs skills needed for both the construction and post-construction phases of the Project. All opportunities for employment in connection with the development of the Project shall be communicated to the City's Office of Community Wealth Building, and the Developer shall encourage all initial users and tenants of the Project to coordinate recruitment efforts with the Office of Community Wealth Building. Unless the Developer previously has complied with the provisions herein, within fourteen (14) Days after the Parties execute this Development Agreement, the Developer shall furnish the City, for the City's approval, the Developer's workforce development plan and the following information about the Developer's workforce coordinator, who shall be responsible for ensuring the Developer satisfies the obligations set out above: (i) the Person's name, title, and employer's name State Corporation Commission registration number and (ii) the number of years that the Person has worked for the Person's prior employers and current employer.

10.6 Local Ownership Interests in Project. The Developer shall make available to non-affiliated RVA Local Business Enterprises the opportunity to invest in the Project as equity owners, with such equity interest being equal to at least five percent of the Project's equity value. For purposes of this provision, "RVA Local Business Enterprises" means residents of the City of Richmond and entities whose principal place of business is located in the City of Richmond.

10.7 Affordable Housing Closing Cost Fund. The Developer shall establish a fund in the amount of one million dollars ($1,000,000) to assist purchasers of for sale Affordable Housing Units in the payment of closing costs and other transaction expenses. Such fund shall be established prior to Closing on the Phase 2 Purchased Property. The Developer

shall deposit $50,000 into the fund at the time of its establishment, with the balance to be funded in installments upon substantial completion of (a) the for sale Affordable Housing Units required to meet the Minimum Development Progress for the Phase 2 Project, (b) the for sale Affordable Housing Units required to meet the Minimum Development Progress for the Phase 3 Project and (c) the for sale Affordable Housing Units required to meet the Total Development Progress. Each required funding installment shall equal the product obtained by multiplying $950,000 by a fraction, the numerator of which shall be the total number of for sale Affordable Housing Units planned for the applicable Phase (as shown in Exhibits E-2 (*Phase 2 Project Components*) through E-4 (*Phase 4 Project Components*), respectively) and the denominator of which shall be the total number of for sale Affordable Housing Units planned for the entire Project (as shown in Exhibits E-2 (*Phase 2 Project Components*) through E-4 (*Phase 4 Project Components*)).

10.8 Diamond District Small Business Institute. Prior to Closing on the Phase 2 Purchased Property, the Developer shall work in good faith with Virginia Union University ("**VUU**") to establish the Diamond District Small Business Institute and an associated five hundred thousand dollar ($500,000) Revolving Loan Program for graduates of the Institute who are approved for a Small Business Administration loan.

10.9 Diamond District Scholarship Program. The Developer shall establish the Diamond District Scholarship Program that will include paid internships, part-time jobs and summer employment opportunities for students of Richmond-based technical and community college programs. Such program will be funded in annual amounts of fifty thousand dollars ($50,000) over a ten (10) year period commencing in the year the Phase 1 Project achieves Stabilization.

10.10 Other Developer Community Undertakings.

(a) The Developer shall make good faith efforts to partner with VUU's hospitality and business programs to provide enriching student learning opportunities on the development and financing of the Phase 1 Hotel.

(b) Prior to Closing on the Phase 2 Purchased Property, the Developer shall fund and create a baseball league (the "**Diamond District Baseball League**") for tee-ball and coach pitch for youth ages five to eight through partnerships with existing organizations.

(c) In an effort to create an available local workforce with sufficient experience to support the development of the Project, the Developer shall make a good faith effort to collaborate with the School Board of the City of Richmond, Virginia ("**School Board**"), to develop a technical training center at 2301, 2401, and 2416 Maury Street, owned by Project Ace, LLC, an affiliate of the School Board ("**Technical Training Center**"). If the Developer is successful in developing the Technical Training Center, the Developer shall provide funding sufficient to hire a training coordinator that will ensure that graduates from the Technical Training Center are offered apprenticeships and employment opportunities in the development of the Project.

(d) In coordination with the family of Arthur Ashe, Jr., the Developer shall develop and create elements honoring the legacy of Arthur Ashe, Jr., in each of the Phase 1 Project and the overall Project.

(e) The Developer (i) shall cause the creation or display of public art throughout the Project Site and (ii) shall consult with the City's Public Art Commission in the development and implementation of the Developer's public art program. If any public art is to be dedicated to the City, or if the public art is to be installed on City-owned property, the Developer shall comply with the Public Art Commission's approval process for the creation of new public art.

10.11 Developer Acknowledgment. The Developer acknowledges that it is voluntarily agreeing to provide the community undertakings set forth in this ARTICLE 10 (*Performance Targets; Community Undertakings*) as well as the additional undertakings in Section 4.19 (*Construction Jobs for Richmond Residents*) and Section 4.20 (*Union Labor Man-Hour Goal*). The Developer warrants that it or its agents, or contractors, will independently analyze the legal basis for its, or their, selected means and methods of performance and implementation of such undertakings to ensure that it, or they, do not engage in any conduct inconsistent with local, state, or federal law in such means and methods of performance and implementation. In addition, the Developer shall indemnify, hold harmless, and defend the City and the EDA from and against any and all Losses arising out of, caused by, or resulting from the performance and implementation of the undertakings by the Developer, its agents, and its Contractors. The Developer shall release the City and the EDA, their respective officers, employees, agents and volunteers from and against any and all Losses that the Developer may suffer, pay, or incur caused by, resulting from, or arising out of the performance and implementation of the undertakings.

ARTICLE 11
EVENTS OF DEFAULT AND TERMINATION

11.1 Developer Default. The occurrence of any one or more of the following shall constitute a "**Developer Default**" under this Development Agreement:

(a) any failure by the Developer to pay either the City or the EDA any amount due and payable under the Contract Documents, when such failure continues for more than thirty (30) Days following written notice from the City or the EDA;

(b) the Developer fails to timely achieve Closing on any Private Development Parcel by the Outside Closing Date for such Private Development Parcel, as the same may be extended pursuant to this Development Agreement;

(c) with respect to any Phase: (i) subject to the terms of ARTICLE 14 (*Delay Event*), construction of the Stadium Project has not commenced within the time period required by the Project Schedule, (ii) subject to the terms of ARTICLE 14 (*Delay Event*), construction of a Phase has ceased for a period of more than one hundred eighty (180) consecutive Days or (iii) the Developer has abandoned, or apparently

abandoned, or has stated it will abandon a Phase or Development Parcel for a period of more than one hundred and eighty (180) consecutive Days;

(d) with respect to any Private Development, the Developer fails to achieve (i) the Minimum Development Progress for the then-current Phase of the Project by the Outside Closing Date for the succeeding Phase of the Purchased Property or (ii) the Total Development Progress by the Total Development Progress Completion Deadline;

(e) with respect to any of the Public Infrastructure, the Developer fails to achieve Substantial Completion by the later of (i) the Substantial Completion Deadline for such Public Infrastructure or (ii) the expiration of any Long Stop Extension for completion of such Public Infrastructure granted by the EDA under this Development Agreement;

(f) with respect to the Stadium Project, the Developer fails to achieve Stadium Substantial Completion by the Stadium Substantial Completion Deadline;

(g) any court of competent jurisdiction enters an order, judgment, or decree approving a petition seeking reorganization of a Lead Developer Party or all or a substantial part of the assets of a Lead Developer Party or any partner or guarantor of a Lead Developer Party or appointing a receiver, sequestrator, trustee or liquidator of the Developer, any Lead Developer Party, any partner or guarantor of a Lead Developer Party or any of their property and such order, judgment or decree continues unstayed and in effect for at least sixty (60) Days;

(h) a Lead Developer Party (i) makes a general assignment for the benefit of creditors, (ii) is adjudicated as either bankrupt or insolvent, (iii) files a voluntary petition in bankruptcy or a petition or an answer seeking reorganization or an arrangement with creditors, (iv) either (A) takes advantage of any bankruptcy, reorganization, insolvency, readjustment of debt, dissolution or liquidation Law or (B) admits the material allegations of a petition filed against such Lead Developer Party in any proceedings under such a Law or (v) any partner or guarantor of a Lead Developer Party takes action for the purposes of effecting any item identified in item (iv);

(i) the Developer breaches, or fails to strictly comply with, any provision of ARTICLE 8 (*Insurance*) and such breach or failure continues for more than five (5) Business Days after written notice thereof from the EDA;

(j) a writ of execution is levied on any Private Development Parcel that is not released within sixty (60) Days, or a receiver, trustee, or custodian is appointed to take custody of all or any material part of the property of a Developer Party in connection with the Project, which appointment is not dismissed within sixty (60) Days;

(k) any Lead Developer Party suffers or permits an assignment of this Development Agreement or any interest therein or any Private Development Parcel to occur in violation of this Development Agreement;

(l) any Lead Developer Party suffers or permits a Restricted Transfer to occur in violation of this Development Agreement;

(m) the Developer fails to post the Developer Land Purchase Deposit in accordance with the PSA and such failure continues without cure for a period of ten (10) Business Days following the date the EDA delivers to the Developer written notice thereof;

(n) a breach occurs of any Memorandum of Development Agreement during the performance of the D&C Work for any Private Development Parcel;

(o) a breach occurs at any time of the Hotel Use Covenant or the Affordable Housing Covenants for any Private Development Parcel; or

(p) the Developer fails to perform any other material covenant, condition or obligation under this Development Agreement within sixty (60) Days after the EDA provides written notice thereof to the Developer, provided that, if such failure cannot be cured within such sixty (60) Day period and the Developer is diligently and in good faith pursuing a cure, the Developer shall have such additional time as may be necessary to complete the cure, not to exceed one hundred and eighty (180) Days.

11.2 Remedial Plan Upon Developer Default.

(a) If a Developer Default occurs (excluding those in Sections 11.1(a) and Sections 11.1(g) through 11.1(m)) and it has not been cured within any relevant cure period, the Developer must (within thirty (30) Days of receipt the EDA's notice of a Developer Default) prepare and submit a remedial plan ("**Remedial Plan**"), granting the Developer at least an additional ninety (90) Days to cure any Developer Default. A Remedial Plan must set out specific actions and an associated schedule to be followed by the Developer to cure the relevant Developer Default and reduce the likelihood of such defaults occurring in the future. Such actions may include:

(i) changes in organizational and management structure;

(ii) revising and restating management plans and procedures;

(iii) improvements to quality control practices;

(iv) increased monitoring and inspections;

(v) changes in Key Personnel (subject to EDA approval) and other important personnel;

(vi) any applicable financing or funding plans; and

(vii) replacement of Subcontractors.

(b) Within thirty (30) Days of receiving a Remedial Plan, the EDA shall notify the Developer whether such Remedial Plan is acceptable (in the EDA's sole discretion). If the EDA notifies the Developer that its Remedial Plan is acceptable, the Developer shall implement such Remedial Plan in accordance with its terms.

11.3 Other Remedies Upon Developer Default.

Upon the occurrence and during the continuance of a Developer Default that is either (x) not eligible to be remedied pursuant to a Remedial Plan or (y) that is not remedied under or in accordance with a Remedial Plan agreed to by the EDA and subject to the provisions contained in Section 11.4 (*Limitation on Remedies*), the EDA shall be entitled to:

(a) exercise all rights and remedies provided in the Contract Documents or available at Law or equity;

(b) terminate this Development Agreement and the PSA in whole or in part, in the EDA's sole discretion;

(c) where a Developer Default occurs under Section 11.1(n) (*Memorandum of Development Agreement Default*) or Section 11.1(o) (*Hotel and the Affordable Housing Covenants Default*), seek specific performance, injunctive relief or other equitable remedies, including compelling the re-sale or leasing of an Affordable Housing Unit, the Hotels and with respect to the Affordable Housing Units, disgorgement of rents and sale proceeds in excess of the rental rates and sale prices permitted under this Development Agreement for Affordable Housing Units;

(d) terminate the Developer's right to Close on any Private Development Parcel which has not already achieved Closing;

(e) draw on the Developer Land Purchase Deposit in accordance with Section 6.5 (*Developer Land Purchase Deposit*) and retaining all such amounts notwithstanding any future rights of the Developer being extinguished, including the right of the Developer to Close on any Private Development Parcel that has not already achieved Closing; and

(f) repurchase from the Developer any portions of the Purchased Property with respect to which the Developer has neither (i) obtained a building or land disturbance permit and started construction on the applicable Project components nor (ii) closed on a construction loan, in each instance at a repurchase price equal to the portion of the Purchase Price originally paid by the Developer that is allocable to such portion of the Purchased Property.

11.4 Limitation on Remedies. Except for the repurchase rights set forth in Section 11.3(f) (*Other Remedies Upon Developer Default*), which may be exercised against any Purchased Property acquired by the Developer at any time following a Developer Default, notwithstanding any other provisions contained in Section 11.1 (*Developer Default*) above or elsewhere in this Development Agreement or any of the Contract Documents to the contrary, the Parties acknowledge and agree that a Developer Default relating solely to one Phase shall not constitute a Developer Default or impact any rights under any other unrelated Purchased Property that has already achieved Closing, and in such case, notwithstanding anything contained in Section 11.3 (*Other Remedies Upon Developer Default*) above (excluding Section 11.3(f) (*Other Remedies Upon Developer Default*)) or elsewhere in this Development Agreement or any of the Contract Documents to the contrary, the EDA may only exercise the remedies provided for in Section 11.3 (*Other Remedies Upon Developer Default*) or elsewhere in this Development Agreement or any of the Contract Documents with respect to the Phase to which the Developer Default relates; however, the limitations in this paragraph shall not impact the EDA's entitlement to terminate or revoke the right to purchase all or a portion of the Purchased Property that has not yet achieved Closing and the EDA shall be entitled to retain the Developer Land Purchase Deposit for any such terminated or revoked Purchased Property.

11.5 Rights of City and EDA. All of the EDA's rights and remedies shall be cumulative, and except as may be otherwise provided by applicable Law, the exercise of any one or more rights shall not preclude the exercise of any others.

11.6 City Default; EDA Default.

(a) The occurrence of any one or more of the following shall constitute a "**City Default**" under this Development Agreement:

(i) Subject to the terms of Section 18.3 (*Availability of Funds for the City's and EDA's Performance*), any failure of the City to satisfy any of its monetary obligations under any of the Contract Documents or the Grant and Cooperation Agreement with appropriated funds, in each case when due and payable, if such failure continues for sixty (60) Days after the Developer gives written notice to the City that such amount was not paid when due;

(ii) the City's assignment of its interests under this Development Agreement in breach of Section 12.2 (*Transfers by the City and the EDA*) of this Development Agreement; or

(iii) the City fails to perform any other material covenant, condition or obligation under this Development Agreement that causes a material delay, loss or impairment of the Developer's rights under this Development Agreement, and such failure continues for sixty (60) Days after the Developer provides written notice thereof to the City, provided that, if such failure cannot be cured within such sixty (60) Day period and

the City is diligently and in good faith pursuing a cure, the City shall have such additional time as may be necessary to complete the cure.

(b) The occurrence of any one or more of the following shall constitute an "**EDA Default**" under this Development Agreement:

(i) Subject to the terms of Section 18.3 (*Availability of Funds for the City's and EDA's Performance*), any failure of the EDA to satisfy any of its monetary obligations under any of the Contract Documents or the Grant and Cooperation Agreement with appropriated funds, in each case when due and payable, if such failure continues for sixty (60) Days after the Developer gives written notice to the EDA that such amount was not paid when due;

(ii) the EDA's assignment of its interests under this Development Agreement in breach of Section 12.2 (*Transfers by the City and the EDA*) of this Development Agreement; or

(iii) the EDA fails to perform any other material covenant, condition or obligation under this Development Agreement that causes a material delay, loss or impairment of the Developer's rights under this Development Agreement, and such failure continues for sixty (60) Days after the Developer provides written notice thereof to the EDA, provided that, if such failure cannot be cured within such sixty (60) Day period and the EDA is diligently and in good faith pursuing a cure, the EDA shall have such additional time as may be necessary to complete the cure.

Notwithstanding anything contained in this Section 11.6 (*City Default; EDA Default*) or elsewhere in this Development Agreement or any of the Contract Documents to the contrary, the Parties acknowledge and agree that upon a City Default or an EDA Default relating solely to one Project Segment, and in such case, notwithstanding anything contained in Section 11.7 (*Developer Remedies in the Event of Default by the City or the EDA*) or elsewhere in this Development Agreement or any of the Contract Documents to the contrary, the Developer may only exercise the remedies provided for in Section 11.7 (*Developer Remedies in the Event of Default by the City or the EDA*) or elsewhere in this Development Agreement or any of the Contract Documents with respect to such Project Segment.

11.7 Developer Remedies in the Event of Default by the City or the EDA.

Upon the occurrence and during the continuance of a City Default or an EDA Default under this Development Agreement (excluding for a City Default or an EDA Default caused by non-payment), the Developer must notify (a) the City of the occurrence of the City Default and (b) the City and the EDA of the occurrence of the EDA Default. Upon receipt of such notification, the City and the EDA, as applicable, will have thirty (30) Days to agree on a reasonable and feasible remedial plan (a "**City Remedial Plan**") with the Developer, granting the City or the EDA, as applicable, at least an additional

ninety (90) Days to cure any City Default or EDA Default. The Developer will accept any City Remedial Plan if it is deemed objectively reasonable and feasible. Following expiration or the City's or the EDA's breach of any City Remedial Plan, to the extent any City Default or EDA Default has not been cured, the Developer shall have all rights and remedies provided in this Development Agreement or available at Law or equity, including, subject to the provisions of Section 11.6 (*City Default; EDA Default*) terminating this Development Agreement in its entirety and receiving from the Title Company any remaining funds then held by the Title Company constituting the Developer Land Purchase Deposit. All of the Developer's rights and remedies shall be cumulative, and except as may be otherwise provided by applicable Law, the exercise of any one or more rights shall not preclude the exercise of any others.

ARTICLE 12
RESTRICTED TRANSFERS AND ASSIGNMENTS

12.1 Assignment and Restricted Transfer.

(a) **Consent of the EDA**.

(i) **Restricted Transfers**. Except as otherwise expressly permitted in this ARTICLE 12 (*Restricted Transfers and Assignments*), the Lead Developer Parties shall not cause or allow for any of the following restricted transfers (a "**Restricted Transfers**"):

(A) any Significant Change prior to the second anniversary of Stabilization of the final Project Segment required to be completed in the Project, without prior written consent of the EDA; or

(B) any Significant Change involving the transfer of any shares or membership interests to a Prohibited Person; or

(C) prior to the second anniversary of Stabilization of the final Project Segment required to be completed in the Project, without prior written consent of the EDA, any assignment or sale of, granting of lien or security interest in or any other transfer of all or any part of the Developer's interest in and to any Transaction Document either voluntarily or by operation of law (a "**Transfer**").

(ii) **Restricted Transfer of This Development Agreement**. Without limiting the preceding provisions of this Section 12.1(a) (*Consent of the EDA*), it shall in any instance be reasonable for the EDA to withhold its consent to any Restricted Transfer proposed by a Lead Developer Party (each, a "**Proposed Restricted Transfer**") to the extent that any such Proposed Restricted Transfer would serve to deprive or limit the City or the EDA with respect to their respective rights under the Contract Documents and adversely impact the Developer's performance of its obligations under this Development Agreement or the PSA.

(b) **Permitted Transfers**.

(i) Provided that a Significant Change or Transfer satisfies the requirements in (ii) below, the following shall be permitted at any time hereunder without the EDA's consent and shall be deemed a "**Permitted Transfer**":

(A) entry into any Construction Contract and associated leases, subleases or subcontracts where the Lead Developer Parties remain responsible for satisfying the obligations either directly or indirectly under the Transaction Documents;

(B) the grant or enforcement of security in favor of any of the Lead Developer Party's lenders over or in relation to any shares or membership interests in any Lead Developer Party under a security document in connection with the Project;

(C) Transfers of partnership or membership interests, if applicable, in any Lead Developer Party between Partners in such Lead Developer Party, provided that such Transfers do not result in a Significant Change;

(D) the grant or enforcement of security in favor of any of the Lead Developer Party's lenders over or in relation to any Development Parcel or with the City's approval under a security document;

(E) any other Significant Change that does not satisfy the definition of Restricted Transfer; and

(F) any sale (or ground lease) of all or any portion of any Development Parcel to any Person for purposes of allowing such Person to undertake development of the applicable Project Segment or any component of the applicable Project Segment, and any sale of all or any portion of any Development Parcel following Final Completion of the applicable Project Segment or any component of the applicable Project Segment.

(ii) Any Permitted Transfer must be for a legitimate business purpose and not to deprive or compromise any rights of the City or the EDA under this Development Agreement and must not adversely impact the Developer's ability to perform its obligations under this Development Agreement. Additionally, any Permitted Transfer shall comply with and remain subject to the provisions and requirements of Sections 12.1(e)(i), 12.1(e)(iv), and 12.1(e)(vii) (*Conditions*).

(c) **Total Restricted Transfer of the Contract Documents or Property Interests**. Except as otherwise expressly permitted, the Developer shall not cause or permit any Restricted Transfer of any Transaction Document or real property interest granted under any Transaction Document (each such Restricted Transfer a "**Total**

Restricted Transfer"), including any Total Restricted Transfer by means of a Significant Change, without the EDA's prior written consent, which may be withheld, delayed, or conditioned in the EDA's sole and absolute discretion.

(d) **Partial Restricted Transfers**. Except as otherwise expressly permitted, each Developer Party shall not cause or permit any Restricted Transfer of less than all of the Transaction Documents or any portion of the obligations under all or any of the Transaction Documents or real property interests granted under any Transaction Documents (each such Restricted Transfer a "**Partial Restricted Transfer**"), including any Partial Restricted Transfer by means of a Significant Change, without the EDA's prior written consent, which shall not be unreasonably withheld, delayed or conditioned by the EDA if all conditions precedent set forth in Section 12.1(e) (*Conditions*) are satisfied or waived in writing by the EDA, which waiver shall be in the EDA's sole and absolute discretion.

(e) **Conditions**. Notwithstanding any provision herein to the contrary, any Proposed Restricted Transfer is subject to the satisfaction in full, or the written waiver thereof by the EDA, which waiver shall be in the EDA's sole and absolute discretion, of all of the following conditions precedent and covenants of the Developer, all of which are hereby agreed to be reasonable as of the Agreement Date and the date of any Proposed Restricted Transfer:

(i) the Developer provides the EDA with at least thirty (30) Days' prior written notice of the Proposed Restricted Transfer;

(ii) the EDA determines, in its reasonable judgment, that the proposed transferee (A) has the financial capacity to perform the Work and satisfy the Lead Developer Party's obligations under and in accordance with any of the Transaction Documents that are applicable to the interest in the Transaction Documents that is subsumed within the Proposed Restricted Transfer and (B) either (i) has itself sufficient experience and reputation in the design, construction, operation, commercialization, use and maintenance of projects of a type and size comparable to the Project or (ii) direct or indirect beneficial owners, proposed managers or operating partners with the financial strength, technical capability and integrity to perform the Work and satisfy the applicable Lead Developer Party's obligations under and in accordance with any of the Transaction Documents that are applicable to the interest in the Transaction Documents that is subsumed within the Proposed Restricted Transfer. No proposed transferee may have any criminal, civil, administrative or regulatory claims, judgements or actions implicating such proposed transferee's ethics or capabilities against any such Person (a "**Prohibited Person**"). The quality of any proposed transferee's past or present performance on other projects may be considered as part of the EDA's review and determination on the proposed transferee's capability to perform the obligations under the Transaction Documents;

(iii) in the case where a Proposed Restricted Transfer is a Partial Restricted Transfer, such qualifications of the proposed transferee shall be assessed with respect the portion of the Project and applicable obligations under the Transaction Documents subsumed within the proposed Partial Restricted Transfer;

(iv) any proposed transferee, by instrument in writing (which may, at the election of the EDA in its sole and absolute discretion, constitute or include a new development agreement or purchase and sale agreement directly between the EDA and such proposed transferee), for itself and its successors and assigns, and expressly for the benefit of the EDA, expressly assumes all of the obligations of the Lead Developer Party under the applicable Transaction Document(s) and any other agreements or documents entered into by and between the EDA and the Developer or between the Developer and any other Lead Developer Party relating to the Project (excluding the Stadium), or the portion of the Project that will be subsumed within the Proposed Restricted Transfer, and agrees to be subject to all of the covenants, conditions and restrictions to which such Lead Developer Party is subject under such documents with respect to the Project, or the portion thereof that will be subsumed within the Proposed Restricted Transfer;

(v) the Developer has submitted to the EDA for review all instruments and other legal documents involved in effecting the Proposed Restricted Transfer, including the agreement and instruments of sale, assignment, transfer or equivalent and any required Regulatory Approvals, and the EDA has approved such documents, which approval shall not be unreasonably withheld, delayed or conditioned;

(vi) the Developer shall comply with the provisions of Section 12.1(f) (*Delivery of Executed Assignment*) and, to the extent applicable in the event of a Partial Restricted Transfer to a Non-Affiliate Restricted Transferee or a Total Restricted Transfer to a Non-Affiliate Restricted Transferee, Section 12.1(h)(i)(A) (*Partial Restricted Transfer to Non-Affiliate*) or Section 12.1(h)(ii) (*Total Restricted Transfer to Non-Affiliate*), as applicable;

(vii) there is no uncured Developer Default or Developer breach on the part of any Lead Developer Party under the Transaction Documents or obligations to be assigned to the proposed transferee, or if uncured, either the Lead Developer Party or the proposed transferee has made provisions to cure the applicable default, which provisions are satisfactory to the EDA in its sole and absolute discretion;

(viii) the proposed transferee has demonstrated to the EDA's reasonable satisfaction that the proposed transferee is subject to the jurisdiction of the state courts of the Commonwealth of Virginia;

(ix) the Proposed Restricted Transfer is not in connection with any transaction for purposes of syndicating the Transaction Documents, such as a security, bond or certificates of participation financing, as determined by the EDA in its sole and absolute discretion; and

(x) the Developer has delivered to the EDA such other information and documents relating to the proposed transferee's business, experience and finances as the EDA may reasonably request.

(f) **Delivery of Executed Assignment**. No assignment of any interest in any of the Transaction Documents made with the EDA's consent, or as herein otherwise permitted, will be effective unless and until there has been delivered to the EDA, within thirty (30) Days after the Developer entered into such assignment, an executed counterpart of such assignment containing an agreement executed by the Developer or any applicable Lead Developer Party and the transferee, wherein and whereby such transferee assumes performance of all of the obligations on the Developer's part or the applicable Lead Developer Party's part to be performed under the applicable Transaction Documents and the other assigned documents to and including the expiration or termination of this Development Agreement, provided, however, that the failure of any transferee to assume the Transaction Documents, or to assume one or more of the Developer's or any Lead Developer Party's obligations under the Transaction Documents or in connection with the Project, will not relieve such transferee from such obligations or limit the City's rights or remedies under the Transaction Documents or under any applicable Law. The form of such instrument of assignment shall be subject to the EDA's approval, which approval shall not be unreasonably withheld, delayed or conditioned.

(g) **No Release of the Developer's or Any Lead Developer Party's Liability or Waiver by Virtue of Consent**. The consent by the EDA to any Restricted Transfer and any Restricted Transfer hereunder shall not, nor shall such consent or Restricted Transfer in any way be construed to, (i) relieve or release any Lead Developer Party from any liability or obligation arising at any time out of or with regard to the performance of any covenants or obligations to be performed by any Developer Party at any time under any Transaction Document (except as set forth in Section 12.1(h) (*Release of the Developer Under Certain Circumstances*) or (ii) relieve any transferee or the Developer and any Lead Developer Party from its obligation to obtain the express consent in writing of the EDA to any further Restricted Transfer.

(h) **Release of the Developer under Certain Circumstances**.

(i) **Partial Restricted Transfer to Non-Affiliate**. In the event of a voluntary Partial Restricted Transfer of the Developer's interest in and to a Contract Document or any Development Parcel (excluding any Partial Restricted Transfer by means of a Significant Change) to a Non-Affiliate Restricted Transferee, the Developer, upon (and only upon) written request to the

EDA, shall be released from any obligation under the Contract Documents first accruing after the date of the EDA's approval of such Partial Restricted Transfer, subject to the prior satisfaction in full, or the written waiver thereof by the EDA, which waiver shall be in the EDA's sole and absolute discretion, of all of the following additional conditions precedent and covenants of the Developer:

(A) the construction of all improvements on the portion of the Project to be subsumed within such Partial Restricted Transfer have been completed;

(B) such Partial Restricted Transfer has satisfied all conditions precedent set forth in Section 12.1(e) (*Conditions*); and

(C) such Partial Restricted Transfer has been approved by the EDA pursuant to Section 12.1(d) (*Partial Restricted Transfers*).

(ii) **Total Restricted Transfer to Non-Affiliate**. In the event of a voluntary Total Restricted Transfer of the Developer's interest in and to the Contract Documents (excluding any Total Restricted Transfer by means of a Significant Change) to a Non-Affiliate Restricted Transferee, Developer, upon (and only upon) written request to the EDA, shall be released from any obligation under the Contract Documents first accruing after the date of the EDA's approval of such Restricted Transfer, subject to the prior satisfaction in full or the written waiver thereof by the EDA, which waiver shall be in the EDA's sole and absolute discretion, of all of the following additional conditions precedent and covenants of the Developer:

(A) the construction of the entire Project has been completed;

(B) such Total Restricted Transfer has satisfied all conditions precedent set forth in Section 12.1(e) (*Conditions*); and

(C) such Total Restricted Transfer has been approved by the EDA, which approval shall not be unreasonably withheld, delayed or conditioned provided all other conditions precedent set forth in this Section 12.1(h)(ii) (*Total Restricted Transfer to Non-Affiliate*) have been satisfied or waived by the EDA, which waiver shall be in the EDA's sole and absolute discretion.

(i) **Notice of Significant Changes; Reports to the EDA**. The Developer promptly shall notify the EDA of any and all Significant Changes. At such time or times as the EDA may reasonably request, the Developer shall furnish the EDA with a statement, certified as true and correct by an officer of the applicable Lead Developer Party, setting forth all of the constituent members of the Lead Developer Party and the extent of their respective interests in the Lead Developer Party, and in the event any other Persons have a beneficial interest in the Lead Developer Party, their names and the extent of such interest.

(j) **Prohibition on Involuntary Restricted Transfers**. Neither any Contract Document nor any interest therein or right granted thereby shall be assignable or transferable in proceedings in attachment, garnishment or execution against any Lead Developer Party, or in voluntary or involuntary proceedings in bankruptcy or insolvency or receivership taken by or against a Lead Developer Party or by any process of Law, and possession of the whole or any part of any Development Parcel shall not be divested from a Lead Developer Party in such proceedings or by any process of Law, without the prior written consent of the EDA, which may be granted, withheld or conditioned in the EDA's sole and absolute discretion.

The Developer hereby expressly agrees that the validity of each Lead Developer Party's liabilities as a principal under the applicable Transaction Documents shall not be terminated, affected, diminished or impaired by reason of the assertion or the failure to assert by the EDA against any transferee of any of the rights or remedies reserved to the EDA pursuant to the Contract Documents or by relief of any transferee from any of the transferee's obligations under the Transaction Documents or otherwise by (i) the release or discharge of any transferee in any creditors' proceedings, receivership, bankruptcy, or other proceedings; (ii) the impairment, limitation or modification of the liability of any transferee, or the estate of any transferee, in bankruptcy, or of any remedy for the enforcement of any assignee's liability under the Transaction Documents, resulting from the operation of any applicable Law or from the decision in any court; or (iii) the rejection or disaffirmance of this Development Agreement in any such proceedings.

(k) **Effect of Prohibited Restricted Transfer**. Any Restricted Transfer made in violation of the provisions of this Section 12.1 (*Assignment and Restricted Transfer*) shall be null and void ab initio and of no force and effect. Notwithstanding anything herein to the contrary, if a Restricted Transfer requiring the EDA's consent hereunder occurs without the EDA's consent, the EDA may collect from such assignee, Subcontractors, occupant or reconstituted Developer any amounts otherwise due and payable under the Contract Documents, but such collection by the EDA shall not be deemed a waiver of the provisions of this Development Agreement or an acceptance of such assignee, Subcontractors, occupant or reconstituted as the Developer for the Project.

(l) **Developer as Party Is Material Consideration to the Contract Documents**. The Developer and the EDA acknowledge and agree that the rights retained by and granted to the EDA pursuant to this ARTICLE 12 (*Restricted Transfers and Assignments*) constitute a material part of the consideration for entering into the Contract Documents and constitute a material and substantial inducement to the EDA to enter into the Contract Documents, for the terms, and upon the other covenants and conditions contained in the Contract Documents, and that the acceptability of the Developer and its Lead Developer Parties, and of any transferee of any right or interest in any Transaction Document, involves the exercise of broad discretion by the EDA in promoting the development, conveyance, occupancy, and operation of the Project. Therefore, the Developer

agrees that, subject to and without limiting the other provisions of this ARTICLE 12 (*Restricted Transfers and Assignments*), all conditions set forth herein to the EDA's consent, if required hereunder, to a Proposed Restricted Transfer are reasonable to protect the rights and interest of the EDA hereunder and to assure promotion of the purposes of this Development Agreement. The Developer agrees that its, or its Lead the Developer Parties', personal business skills, experience, financial capability, track record, approach to delivering the Project and philosophy were an important inducement to the EDA for entering into the Contract Documents and that (i) subject to and without limiting the other provisions of this ARTICLE 12 (*Restricted Transfers and Assignments*), if the EDA's consent to a Proposed Restricted Transfer is required hereunder, the EDA may object to the Restricted Transfer to a proposed transferee, as applicable, whose proposed use would involve a different quality, manner or type than that of the Developer and (ii) the EDA may, under any circumstances, object to the Restricted Transfer to a proposed transferee, as applicable, whose proposed use would violate the purpose of this Development Agreement or result in the imposition upon the EDA of any new or additional requirements under the provisions of any Law.

12.2 Transfers by the City and the EDA. Each of the City and the EDA, their respective successors, and its assigns, may assign or sell their interests or otherwise transfer all or any part of their respective interest in and to this Development Agreement to any government entity or subdivision of the Commonwealth, without the prior written consent of the Developer. Any other transfers or assignments of their respective interests under this Development Agreement will be subject to the Developer's prior written approval, which approval will not be unreasonably withheld, conditioned, or delayed.

12.3 Replacement Contractors.

(a) **Replacement of Construction Contractor**. Before entering into any contract replacing an initial Construction Contractor or any subsequent Construction Contractor that will cause a Significant Change (as applied to such Contractor), the Developer will submit a true and complete copy of the proposed Significant Change or new contract for the EDA's review and, with respect to any portion of the Project other than the Private Development, approval, subject to the following:

(i) The EDA may disapprove such Significant Change for any portion of the Project other than the Private Development (as applied to such Contractor) or proposed new contract if such new Construction Contractor or member thereof, or new contract or the Work to be performed thereunder does not comply, or is inconsistent, in any material respect with the applicable requirements of this Development Agreement; and

(ii) The EDA may disapprove of the replacement Contractor for any portion of the Project other than the Private Development after taking into account the following factors:

(A) the financial strength and integrity of the proposed Contractor, each of its direct Contractors, and their respective direct or indirect beneficial owners, any proposed managers or operating partners and each of their respective Affiliates;

(B) the capitalization of the proposed Contractor or any parent guarantor, as applicable;

(C) the experience of the proposed Contractor and each of its direct Contractors in constructing or operating projects similar to the applicable Work;

(D) the presence of any actions, suits or proceedings, at law or in equity, or before any governmental authority, pending or, to the best of such Contractor's knowledge, threatened against such Contractor, that would or could reasonably be expected to have a material adverse effect on its ability to perform its obligations under the contract;

(E) the background of the proposed Contractor, each of its direct Contractors, and their respective direct or indirect beneficial owners, any proposed managers or operating partners, each of their respective officers, directors and employees and each of their respective Affiliates (including the absence of criminal, civil or regulatory claims or actions against any such Person and the quality of any such Person's past or present performance on other projects); and

(F) the Contractor's compliance with any of the other provisions of this Development Agreement.

ARTICLE 13
DISPUTE RESOLUTION PROVISIONS

13.1 Generally.

(a) All Disputes arising out of or relating to this Development Agreement, that are not otherwise resolved by the Parties, must be resolved in accordance with this ARTICLE 13.

(b) Upon the occurrence of any Dispute that is not otherwise resolved by the Parties:

(i) the Parties must first use all reasonable efforts to resolve the Dispute through a Senior Representative Negotiation in accordance with Section 13.2 (*Senior Representative Negotiations*); and

(ii) if the Parties fail to achieve a resolution through a Senior Representative Negotiation, before either Party may institute legal action against the other

in connection with the Dispute, the Parties must first attempt to resolve the Dispute by referring the matter to Mediation in accordance with Section 13.3 (*Mediation*).

13.2 Senior Representative Negotiations.

(a) If either Party notifies the other Party of a Dispute, senior representatives of each Party (with authority to make decisions for their respective Parties) must meet and use all reasonable efforts to resolve the Dispute ("**Senior Representative Negotiations**").

(b) The Senior Representative Negotiation must commence within seven (7) Days of receipt of notification from a Party initiating a Dispute and will not exceed thirty (30) consecutive Days (or such longer period agreed by the Parties).

(c) Statements, materials and information prepared for, made or presented at, or otherwise derived from a Senior Representative Negotiation (including any meeting of the senior representatives) are privileged and confidential and may not be used as evidence in any proceedings.

(d) If the Senior Representative Negotiation resolves the Dispute, the Parties must record the resolution in writing.

13.3 Mediation.

(a) If the Parties are unable to come to a resolution through Senior Representative Negotiations, then the Parties shall submit such Dispute to mediation proceedings (a "**Mediation**"). Mediation is intended to assist the Parties in resolving disputes over the correct interpretation of this Development Agreement.

(b) The mediator for any Mediation shall be The McCammon Group, unless unavailable, in which case the mediator must be selected by mutual agreement of the Parties or, if an agreement cannot be reached by the Parties within seven (7) Business Days of submission of the Dispute to Mediation, the mediator must be selected by the American Arbitration Association ("**AAA**") in accordance with its Commercial Industry Mediation Rules and Procedures then in effect. Any mediator selected by mutual agreement of the Parties or through the AAA selection process must have no current or ongoing relationship with either Party (or an Affiliate of either Party). The Parties agree that only one (1) mediator shall be selected as the AAA mediator.

(c) Each Mediation must:

(i) be administered in accordance with the AAA's Commercial Industry Mediation Rules and Procedures then in effect;

(ii) be held in Richmond, Virginia, unless the parties mutually agree, in writing, to the Mediation being held in a different location; and

(iii) be concluded within thirty (30) Days of the date of selection of the mediator, or within such other time period as may be agreed by the Parties (acting reasonably having regard to the nature of the Dispute).

(d) The Parties shall share the mediator's fee and any filing or administrative fees equally.

(e) No mediator will be empowered to render a binding decision as to any Dispute. Any Mediation will be nonbinding.

13.4 Forum and Venue. Any and all disputes, claims and causes of action arising out of or in connection with this Development Agreement, or any performances made hereunder that are not otherwise resolved through Senior Representative Negotiations or Mediation, shall be brought, and any judicial proceeding shall take place, only in the Circuit Court of the City of Richmond, Virginia. The Developer accepts the personal jurisdiction of such court and waives all jurisdiction and venue-related defenses to the maintenance of such actions.

ARTICLE 14
DELAY EVENTS

14.1 Delay Events. For all purposes of this Development Agreement, where the Developer's performance of its obligations hereunder is hindered or affected by events constituting Delay Events, whether such Delay Event is continuous or intermittent, the Developer shall not be considered in breach of or in default of its obligations under this Development Agreement to the extent of any delay or interruption resulting from such Delay Event. The Developer shall give notice to the EDA describing with reasonable particularity (to the extent known) the facts and circumstances constituting a Delay Event (a) within a reasonable time (but not more than thirty (30) Days unless the EDA's rights are not prejudiced by such delinquent notice) after the date that the Developer first becomes aware, of or should have become aware, using all reasonable diligence, that an event has occurred and that it is or will become a Delay Event or (b) promptly after the EDA's demand for performance (provided that in the case of the same Delay Event being a continuing cause of delay, only one notice will be necessary) (a "**Delay Event Notice**").

14.2 Delay Event Notice.

(a) The Delay Event Notice must provide the following:

(i) a detailed description of the Delay Event and the circumstances from which the Delay Event arises;

(ii) for any Delay Event caused directly and substantially by the City's or the EDA's breach of this Development Agreement (each a "**City Caused Delay Event**"), a reasonable estimate of the Developer's expected losses, costs, expenses and damages incurred in connection with such City Caused Delay Event;

(iii) sufficient evidence, or certification by the Developer, that the Delay Event (A) had not been known to any Lead Developer Party on, or prior to, the Agreement Date and was otherwise unavoidable and incapable of being predicted as of the Agreement Date and (B) could not be reasonably mitigated by any Lead Developer Party using Good Industry Practice to mitigate the effects of such Delay Event; and

(iv) an estimate of the duration of the delay in the performance of the Developer's obligations pursuant to this Development Agreement attributable to such Delay Event and information in support thereof, if known at that time, provided that in the event such information is not known at the time of the Delay Event Notice, such notice will be resubmitted within twenty-one (21) Days of the original Delay Event Notice to include such information.

The Developer will also provide such further information relating to the Delay Event as the EDA may reasonably require. The Developer will bear the burden of proving the occurrence of a Delay Event and the resulting impacts.

(b) **Waiver of Claims**. If for any reason the Developer fails to deliver a Delay Event Notice within such thirty (30) Day period (unless the EDA's rights are not prejudiced by such delinquent notice or the ability to rectify, remedy or materially mitigate such Delay Event was not impaired), the Developer will be deemed to have irrevocably and forever waived and released any claim or right to time extensions or any other relief with respect to such Delay Event pursuant to this Development Agreement or any related agreement.

(c) **Mitigation**. Upon the occurrence of any Delay Event, the Developer will promptly undertake efforts to mitigate the effects of such Delay Event, including all steps that would generally be taken in accordance with Good Industry Practice. The Developer will promptly deliver to the EDA an explanation of the measures being undertaken to mitigate the delay and other consequences of the Delay Event. The Developer will notify the EDA within thirty (30) Days following the date on which it first became aware (or should have become aware, using all reasonable due diligence) that such a Delay Event has ceased.

(d) **Performance during a Delay Event**. Notwithstanding the occurrence of a Delay Event, the Parties will continue their performance and observance pursuant to this Development Agreement of all their obligations and covenants to be performed to the extent that they are reasonably able to do so and the Developer will use all reasonable efforts to minimize the effect and duration of the Delay Event. Without limiting the foregoing, the occurrence of a Delay Event will not excuse any Party from timely payment of monetary obligations pursuant to this Development Agreement, from compliance with applicable Laws, or, in respect to the D&C Work, from compliance with the Master Plan Requirements, except any temporary inability to comply with the Master Plan Requirements as a direct result of the Delay Event.

(e) **Relief**.

(i) ***General Provisions.*** Subject to the Developer giving the notice required in Section 14.1 (*Delay Events*), a Delay Event will excuse the Developer from the performance of any of its obligations that are prevented or delayed in any material respect directly by the Delay Event referred to in such notice to the extent set forth in Section 14.2(f) (*Delay Events Prior to Substantial Completion, Outside Closing Dates and Total Development Progress Completion Deadline*). The Developer will not be entitled to relief from a Delay Event if such events (i) are within any Lead Developer Party's or Developer Subcontractor's control, (ii) are caused by any act, omission, negligence, recklessness, willful misconduct, breach of contract or law by any Lead Developer Party or Developer Subcontractor or (iii) (or the effects of such events) could have been avoided by the exercise of caution or due diligence in accordance with Good Industry Practice by any Lead Developer Party or Developer Subcontractor.

(ii) ***Calculation of Relief for Economic Hardship Delay.*** To the extent there occurs a Private Development Delay Event due to an Economic Hardship event, any extensions contemplated by Sections 14.2(f)(iii) and 14.2(f)(iv) (*Delay Events Prior to Substantial Completion, Outside Closing Dates and Total Development Progress Completion Deadline*) shall be calculated in accordance with the following principles: (A) the Economic Hardship event shall commence on the date as of which the standards for the two applicable economic indices (as reflected in the definition of "Economic Hardship") were both exceeded and (B) the Economic Hardship event shall conclude on the date as of which either standard for the two applicable economic indices ceased to be exceeded. Upon claiming such a Private Development Delay Event, the Developer shall provide monthly reports in writing to the EDA setting forth the most recently available data for each of the applicable economic indices. If such data indicates that the standards for such economic indices continue to be exceeded, the extension shall continue. If such data indicates that either standard for the applicable economic indices has ceased to be exceeded, the Private Development Delay Event for an Economic Hardship event shall terminate at the delivery date of the applicable monthly report.

(f) **Delay Events Prior to Substantial Completion, Outside Closing Dates and Total Development Progress Completion Deadline**.

(i) A Stadium Project Delay Event occurring prior to Stadium Substantial Completion will excuse the Developer from performance of its obligations with respect to the Stadium Project pursuant to this Development Agreement but only to the extent that such obligations are directly affected by such Stadium Project Delay Event. In addition, prior to Stadium Substantial Completion, extensions of milestones and/or activities

identified on the Project Schedule for Stadium Project Delay Events affecting the Work with respect to the Stadium will be made based on schedule impact analysis, using the then-current Project Schedule and taking into account impacts of the Stadium Project Delay Events on critical path items related to the Stadium Project, in accordance with the Master Plan Requirements, and will extend, as applicable, milestone completion dates and the Stadium Substantial Completion Deadline. Notwithstanding the foregoing, in the event of a Stadium Project Delay Event resulting from the Navigators' failure to timely execute the Navigators Stadium Lease (following Major League Baseball's issuance of a letter of consent) as set forth in clause (e) of the definition of "Stadium Project Delay Event," all milestone completion dates and the Stadium Substantial Completion Deadline will be extended on a day-for-day basis for each Day the Navigators fail to execute the Navigators Stadium Lease beyond July 1, 2023.

(ii) A Public Infrastructure Delay Event occurring prior to Substantial Completion of the applicable Public Infrastructure will excuse the Developer from performance of its obligations with respect to such Public Infrastructure pursuant to this Development Agreement but only to the extent that such obligations are directly affected by such Public Infrastructure Delay Event. In addition, prior to Substantial Completion of the applicable Public Infrastructure, extensions of milestones and/or activities identified on the Project Schedule for Public Infrastructure Delay Events affecting the Work with respect to such Public Infrastructure will be made based on schedule impact analysis, using the then-current Project Schedule and taking into account impacts of the Public Infrastructure Delay Events on critical path items related to such Public Infrastructure, in accordance with the Master Plan Requirements, and will extend, as applicable, milestone completion dates and the applicable Substantial Completion Deadline.

(iii) A Private Development Delay Event occurring prior to the Outside Closing Date for a Phase of the Purchased Property (for purposes of this subsection (iii), the entire Sports Backers Parcel shall be included as part of the Phase 1 Purchased Property) will excuse the Developer from performance of its obligations with respect to the Phase of the Project then in development pursuant to this Development Agreement but only to the extent that such obligations are directly affected by such Private Development Delay Event. In addition, prior to the Outside Closing Date for a Phase of the Purchased Property, extensions of timing for satisfaction of the applicable Development Progress Requirements for Private Development Delay Events affecting the Work with respect to the Minimum Development Progress required for such Phase will be made based on schedule impact analysis, using the then-current Project Schedule and taking into account impacts of the Private Development Delay Events on critical path items related to the Minimum Development Progress

required for such Phase, in accordance with the Master Plan Requirements, and will extend the Outside Closing Date for the succeeding Phase of the Purchased Property.

(iv) A Private Development Delay Event occurring prior to the Total Development Progress Completion Deadline will excuse the Developer from performance of its obligations pursuant to this Development Agreement but only to the extent that such obligations are directly affected by such Private Development Delay Event. In addition, prior to the Total Development Progress Completion Deadline, extensions of timing for satisfaction of the applicable Development Progress Requirements for Private Development Delay Events affecting the Work for the Private Development will be made based on schedule impact analysis, using the then-current Project Schedule and taking into account impacts of the Private Development Delay Events on critical path items, in accordance with the Master Plan Requirements, and will extend the Total Development Progress Completion Deadline.

(v) If the parties cannot agree upon an extension as contemplated in clause (i) through (iv) above, then either party will be entitled to refer the matter to the dispute resolution procedures in ARTICLE 13 (*Dispute Resolution Provisions*) of this Development Agreement.

(g) **Effect of Concurrent Private Development Delay Event for an Economic Hardship event and Extension of Outside Closing Dates**. In the event that the Outside Closing Date(s) have been extended either by the exercise of the Developer's unilateral right or by the EDA's approval pursuant to Section 3.5 (*Closing*), any period of extension granted for relief due to the occurrence of a Private Development Delay Event for an Economic Hardship event shall, to the extent they overlap, run concurrently with any such extension pursuant to Section 3.5 (*Closing*) and shall not be tolled during any such extension. For example, if the Developer has exercised its unilateral right to a twelve (12) month extension of the Outside Closing Dates that extends (i) the Outside Closing Date for the Phase 2 Purchased Property to December 31, 2028, (ii) the Outside Closing Date for the Phase 3 Purchased Property to December 31, 2031, and (iii) the Outside Closing Date for the Phase 3 Purchased Property to December 31, 2034, and then is granted a six (6) month extension due to a Private Development Delay Event for an Economic Hardship event beginning on March 1, 2028, the six (6) month period of relief related to the Private Development Delay Event for an Economic Hardship event shall run concurrently with the twelve (12) month extension by right and the Outside Closing Dates shall not be extended beyond those dates effected by the exercise of such twelve (12) month extension right.

(h) **Delay Events Affecting EDA**. For all purposes of this Development Agreement, where the EDA's performance of its respective obligations hereunder is hindered or affected by a Delay Event, the EDA shall not be considered in breach or default of its obligations hereunder to the extent any such breach or default is resulting

from such Delay Event. If the EDA is affected by a Delay Event, and is seeking an extension of time, the EDA's request shall be subject to the same conditions, requirements and procedures as a Developer request following a Delay Event as set forth in this ARTICLE 14 (*Delay Events*).

ARTICLE 15
REPRESENTATIONS AND WARRANTIES

15.1 Representations and Warranties of the Developer. As a material inducement to the EDA to enter into this Development Agreement and the transactions and agreements contemplated hereby, the Developer represents and warrants to the EDA that, as of the date on which the Developer executes the Contract Documents to which it is a party:

(a) **Valid Existence and Good Standing**. The Developer is a limited liability company duly organized and validly existing under the laws of the Commonwealth of Virginia and duly authorized and registered to transact business in the Commonwealth of Virginia. The Developer has the requisite power and authority to own its property and conduct its business as presently conducted. The Developer is in good standing in the Commonwealth of Virginia.

(b) **Authority to Execute and Perform Contract Documents**. The Developer has the requisite power and authority to execute and deliver the Contract Documents to which it is a party and the agreements contemplated hereby and to carry out and perform all of the terms and covenants of such Contract Documents and the agreements contemplated hereby to be performed by the Developer.

(c) **No Limitation on Ability to Perform**. Neither the Developer's operating agreement, bylaws or other governing documents nor any applicable Law prohibits the Developer's entry into the Contract Documents to which it is a party or its performance thereunder. No consent, authorization or approval of, and no notice to or filing with, any governmental authority, regulatory body or other Person is required for the due execution and delivery of such Contract Documents by the Developer, except for consents, authorizations and approvals which have already been obtained, notices which have already been given and filings which have already been made. Except as may otherwise have been disclosed to the EDA in writing, there are no undischarged judgments pending against the Developer, and the Developer has not received notice of the filing of any pending suit or proceedings against the Developer before any court, governmental agency or arbitrator that might materially adversely affect the enforceability of the Contract Documents to which it is a party or the business, operations, assets or condition of the Developer.

(d) **Valid Execution**. The execution and delivery of the Contract Documents to which it is a party and the performance by the Developer thereunder have been duly and validly authorized. When executed and delivered by the parties thereto, the Contract Documents to which the Developer is a party will be a legal, valid and binding obligation of the Developer.

(e) **Defaults**. The execution, delivery and performance of the Contract Documents to which the Developer is a party (i) do not and will not violate or result in a violation of, contravene, or conflict with or constitute a default by the Developer under (A) any agreement, document, or instrument to which the Developer is a party or by which the Developer is bound, (B) any Law applicable to the Developer or its business, or (C) the articles of incorporation, bylaws, or other governing documents of the Developer; and (ii) do not result in the creation or imposition of any lien or other encumbrance upon the assets of the Developer, except as contemplated hereby.

(f) **Financial Matters**. Except to the extent disclosed to the EDA in writing, to the Developer's knowledge, (i) the Developer is not in default under, and has not received notice asserting that it is in default under, any agreement for borrowed money, (ii) the Developer has not filed a petition for relief under any chapter of the United States Bankruptcy Code, (iii) there has been no event that has materially adversely affected the Developer's ability to meet its obligations hereunder or that has occurred that will constitute an event of default by the Developer under the Contract Documents to which it is a party and (iv) no involuntary petition naming the Developer as debtor has been filed under any chapter of the United States Bankruptcy Code.

The representations and warranties above shall survive the expiration or any earlier termination of the Contract Documents to which the Developer is a party.

15.2 Representations and Warranties of the City. As a material inducement to the Developer to enter into the Contract Documents to which the City is a party and the transactions and agreements contemplated hereby, the City represents and warrants to the Developer that, as of the date on which the City executes such Contract Documents:

(a) **Valid Existence**. The City is a duly created and validly existing municipal corporation and political subdivision of the Commonwealth of Virginia.

(b) **Authority to Execute and Perform Contract Documents**. The City has all requisite right, power, and authority to enter into the Contract Documents to which it is a party and has taken all necessary or appropriate actions, steps and other proceedings to approve or authorize, validly and effectively, the entering into, and the execution, delivery and performance of, such Contract Documents by the City. The Contract Documents to which the City is a party are legal, valid and binding obligation of the City, enforceable against it in accordance with its terms.

(c) **Litigation; Condemnation**. To the best of the City's knowledge, on or before the Agreement Date, except as disclosed in writing by the City to the Developer, the City has received no written notice regarding any, and there are no, actions, proceedings, litigation, administrative challenges or governmental investigations or condemnation actions which are either pending or threatened against the Development Parcels as of the Agreement Date.

(d) **Violations of Laws**. To the best of the City's knowledge, on or before the Agreement Date, the City has received no written notice from any government authority regarding any, and there are no, violations with respect to any Laws, whether or not appearing in any public records, with respect to the Development Parcels, which violations remain uncured as of the Agreement Date.

15.3 Representations and Warranties of EDA. As a material inducement to the Developer to enter into the Contract Documents to which the EDA is a party and the transactions and agreements contemplated hereby, the EDA represents and warrants to the Developer that, as of the date on which the EDA executes such Contract Documents:

(a) **Valid Existence**. The EDA is a duly created and validly existing political subdivision of the Commonwealth of Virginia.

(b) **Authority to Execute and Perform Contract Documents**. The EDA has all requisite right, power, and authority to enter into the Contract Documents to which the EDA is a party and has taken all necessary or appropriate actions, steps and other proceedings to approve or authorize, validly and effectively, the entering into, and the execution, delivery and performance of, such Contract Documents by the EDA. The Contract Documents to which it is a party are legal, valid and binding obligation of the EDA, enforceable against it in accordance with its terms.

(c) **Litigation; Condemnation**. To the best of the EDA's knowledge, on or before the Agreement Date, except as disclosed in writing by the EDA to the Developer, the EDA has received no written notice regarding any, and there are no, actions, proceedings, litigation, administrative challenges or governmental investigations or condemnation actions which are either pending or threatened against the Development Parcels as of the Agreement Date.

(d) **Violations of Laws**. To the best of the EDA's knowledge, on or before the Agreement Date, the EDA has received no written notice from any government authority regarding any, and there are no, violations with respect to any Laws, whether or not appearing in any public records, with respect to the Development Parcels, which violations remain uncured as of the Agreement Date.

15.4 No Liability for Other Party's Action or Knowledge. Notwithstanding any provision of this ARTICLE 15 (*Representations and Warranties)* or any other provision this Development Agreement to the contrary, no Party shall have any liability for a breach of the representations or warranties set forth in this ARTICLE 15 (*Representations and Warranties*) caused by or resulting from (a) any act or omission of another Party or (b) any fact, circumstance or matter known by another Party on or before the Agreement Date. As used in this Section 15.4 (*No Liability for Other Party's Action or Knowledge*), "known by" means actual knowledge, and not imputed or constructive knowledge, without any requirement of inquiry or investigation by the Party to which such knowledge is attributed.

15.5 Additional Developer Representation and Warranties.

The Developer represents and warrants to the City and the EDA that:

(a) its Construction Contractors for each Phase will be sophisticated, qualified and experienced contractors capable of performing the Work required to be performed with respect to such Phase and independently assessing all available documents and any other information provided by the City and the EDA with respect to such Phase; and

(b) the Developer and each of its Construction Contractors for each Phase has evaluated or will evaluate, in accordance with Good Industry Practice, the required Work to be performed with respect to such Phase and the constraints affecting the Work, including the applicable Development Parcel and surrounding locations (based on the available documents and a visible inspection of the applicable Development Parcel and surrounding locations), applicable Laws, applicable standards and the conditions of the Regulatory Approvals in effect.

ARTICLE 16
[RESERVED]

ARTICLE 16A
DAMAGE DESTRUCTION TO IMPROVEMENTS

16A.1 Casualty Occurring to Improvements Prior to Final Completion. In the event of damage or destruction to (a) the Stadium Project prior to Final Completion thereof, (b) any Public Infrastructure prior to Final Completion thereof or (c) any Improvements under construction in any Project Segment constituting part of the Private Development following Closing but prior to the Developer achieving Final Completion of such Project Segment, the Developer shall be obligated to repair or restore (or, alternatively, the Developer shall cause to be repaired or restored) the Stadium Project or such Improvements, as applicable, and to otherwise complete the Stadium Project Scope of Work or such Project Segment, as applicable, in accordance with the terms of this Development Agreement.

ARTICLE 17
LIMITATION ON LIABILITY

17.1 Consequential Loss Waiver. As a material part of the consideration for this Development Agreement, and notwithstanding any provision herein to the contrary, neither the City, the EDA nor the Developer shall be liable for, and each Party hereby waives any claims against the other for special, indirect, punitive, incidental, exemplary, or consequential damages or losses, including lost profits, loss of business opportunity, or other similar damages incurred by another Party and arising out of any default by such other Party hereunder.

17.2 Exceptions to Waiver. The foregoing limitation will not, however, in any manner:

(a) limit any losses of the Developer arising under its Subcontracts or other agreements as originally executed (or as amended in accordance with the terms of this Development Agreement);

(b) prejudice the EDA's respective right to recover any or all of the liquidated damages available under this Development Agreement;

(c) limit the Developer's liability for any type of damage arising out of the Developer's obligation to indemnify, protect, defend and hold each Indemnified Parties harmless under this Development Agreement;

(d) limit any losses arising out of fraud, gross negligence, criminal conduct, intentional misconduct, recklessness or bad faith on the part of the relevant Party;

(e) limit the Developer's liability for any type of damage to the extent covered by the proceeds of insurance required hereunder; or

(f) limit the amounts expressly provided to be payable by the Parties pursuant to this Development Agreement.

17.3 No City or EDA Liability.

Except to the extent of the gross negligence or willful misconduct of the City or the EDA, subject to the Developer's indemnification obligations, neither the City nor the EDA shall be liable or responsible in any way for:

(a) any loss or damage whatsoever to any property belonging to any Developer Party or to its representatives or to any other Person who may be in or upon any Development Parcel; or

(b) any loss, damage or injury, whether direct or indirect, to Persons or property resulting from any failure, however caused, in the supply of utilities, services or facilities provided or repairs made to the Project under any of the provisions of this Development Agreement or otherwise.

ARTICLE 17A
LIENS

17A.1 Liens. The Developer shall not create or permit the attachment of, and shall promptly, following notice, discharge (or cause to be removed of record by the posting of a bond in the amount required by Law) at no cost to the EDA, any lien, security interest, or encumbrance on the Stadium Parcel or the Improvements thereon, other than (a) this Development Agreement and the Stadium Leases, (b) liens for nondelinquent impositions (excluding impositions which may be separately assessed against the interests of the Developer), (c) liens caused by any of the EDA's actions or created by or on behalf of the EDA during the Term, and (d) liens of mechanics, material suppliers or vendors, or rights thereto, for sums which under the terms of the related contracts are not at the time due or which are being contested as permitted by this ARTICLE 17A (*Liens*). The provisions of

this Section do not apply to liens created by the Developer on its personal property. Notwithstanding anything in this Section 17A.1 (*Liens*) to the contrary, the attachment of a lien causing a material adverse effect on the Developer's ability to perform the Work and created by or on behalf of the EDA during the Term shall constitute a Delay Event.

17A.2 Mechanics' Liens. Nothing in this Development Agreement shall be deemed or construed in any way as constituting the request of the EDA, express or implied, for the performance of any labor or the furnishing of any materials for any specific improvement, alteration or repair of or to the Stadium Parcel or the Improvements thereon, or any part thereof. The Developer agrees that at all times when the same may be necessary or desirable, the Developer will take such action as may be required to prevent the enforcement of any mechanic's or similar liens against the Stadium Parcel or the Improvements thereon, or the EDA's fee interest in the Stadium Parcel or the Improvements thereon for or on the account of labor, services or materials furnished to the Developer, or at the Developer's request. If the Developer does not, within sixty (60) Days following the imposition of any such lien, cause the same to be released of record, it shall be a material default under this Development Agreement, and the EDA shall have, in addition to all other remedies provided by this Development Agreement or by Law, the right but not the obligation to cause the same to be released by such means as it shall deem proper, including, without limitation, payment of the claim giving rise to such lien. All sums paid by the EDA for such purpose and all reasonable expenses incurred by the EDA in connection therewith shall be payable to the EDA by the Developer within thirty (30) Days following written demand by the EDA. Notwithstanding the foregoing, the Developer shall have the right to contest any such lien in good faith, if, within sixty (60) Days following the imposition of such lien, the Developer, at no cost to the EDA, posts a bond in the statutory amount sufficient to remove such lien from record, or posts other security reasonably acceptable to the EDA.

ARTICLE 18
MISCELLANEOUS PROVISIONS

18.1 Duration. This Development Agreement will be in full force and effect following the City Council's and the EDA Board's approval of this Development Agreement and the execution of this Development Agreement by the Parties (the "**Agreement Date**") and shall terminate or expire on the earlier of (a) any early termination of this Development Agreement in accordance with ARTICLE 11 (*Events of Default and Termination*) or (b) the date when all obligations have been performed and all rights have been fully exercised by the City, the EDA and the Developer but in no event earlier than the date all Bonds have been paid in full or otherwise defeased and discharged (the "**Term**"), provided that the obligations under this Development Agreement of any component developer that is not a Developer Affiliate shall expire at Final Completion of the applicable Project Segment.

18.2 Survival. Notwithstanding any provision herein to the contrary, the following provisions of this Development Agreement shall survive following any early termination of this Development Agreement: Section 3.11 (*Developer's Sale of Private Development*

Parcels), ARTICLE 7 (*Indemnity*) and Section 15.1 (*Representations and Warranties of the Developer*).

18.3 Availability of Funds for the City's and EDA's Performance. All payments and other performances by the City and the EDA under this Development Agreement are subject to City Council approval, EDA Board approval and annual appropriations by the City Council. It is understood and agreed among the Parties that the City and the EDA shall be bound hereunder only to the extent of the funds available or which may hereafter become available for the purpose of this Development Agreement. Under no circumstances shall the City's or the EDA's total liability under this Development Agreement exceed the total amount of funds appropriated by the City Council for the payments hereunder for the performance of this Development Agreement. The undertakings by the City or the EDA to make payments under this Development Agreement constitute neither a debt of the City or the EDA within the meaning of any constitutional or statutory limitation nor a liability of or a lien or charge upon funds or property of either the City or the EDA beyond any fiscal year for which the City Council has appropriated moneys for the Stadium Project and the Public Infrastructure. Any failure to appropriate by the City Council will not constitute a City Default or an EDA Default under this Development Agreement.

18.4 Captions. This Development Agreement includes the captions, headings and titles appearing herein for convenience only, and such captions, headings and titles do not affect the construal, interpretation or meaning of this Development Agreement or in any way define, limit, extend or describe the scope or intent of any provisions of this Development Agreement.

18.5 Counterparts. This Development Agreement may be executed by the Parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same Development Agreement.

18.6 Entire Agreement. This Development Agreement, including the Exhibits attached hereto, and the PSA contain the entire understanding between the City, the EDA and the Developer with respect to the Work to be performed by the Developer with respect to the Project and supersedes any prior understandings and written or oral agreements between them respecting such subject matter.

18.7 Governing Law and Forum Choice. All issues and questions concerning the construction, enforcement, interpretation and validity of this Development Agreement, or the rights and obligations of the City, the EDA or the Developer in connection with this Development Agreement, shall be governed by, and construed and interpreted in accordance with, the laws of the Commonwealth of Virginia, without giving effect to any choice of law or conflict of laws rules or provisions, whether of the Commonwealth of Virginia or any other jurisdiction, that would cause the application of the laws of any jurisdiction other than those of the Commonwealth of Virginia. Any and all disputes, claims and causes of action arising out of or in connection with this Development Agreement, or any performances made hereunder, shall be brought, and any judicial

proceeding shall take place, only in the Circuit Court of the City of Richmond, Virginia. Each party shall be responsible for its own attorneys' fees in the event or any litigation or other proceeding arising from this Development Agreement.

18.8 Modifications. This Development Agreement may be amended, modified and supplemented only by the written consent of the Parties preceded by all formalities required as prerequisites to the signature by each party of this Development Agreement.

18.9 No Agency, Joint Venture, or Other Relationship. Neither the execution of this Development Agreement nor the performance of any act or acts pursuant to the provisions of this Development Agreement shall be deemed to have the effect of creating between the Parties, or any of them, any relationship of principal and agent, partnership, or relationship other than the relationship established by this Development Agreement.

18.10 No Individual Liability. No director, officer, employee or agent of the City, the EDA or the Developer shall be personally liable to another party hereto or any successor in interest in the event of any default or breach under this Development Agreement or on any obligation incurred under the terms of this Development Agreement.

18.11 No Third-Party Beneficiaries. Notwithstanding any other provision of this Development Agreement, the City, the EDA and the Developer hereby agree that: (a) no individual or entity shall be considered, deemed or otherwise recognized to be a third-party beneficiary of this Development Agreement; (b) the provisions of this Development Agreement are not intended to be for the benefit of any individual or entity other than the City, the EDA or the Developer; (c) no individual or entity shall obtain any right to make any claim against the City, the EDA and the Developer under the provisions of this Development Agreement; and (d) no provision of this Development Agreement shall be construed or interpreted to confer third-party beneficiary status on any individual or entity. For purposes of this Section, the phrase "individual or entity" means any individual or entity, including, but not limited to, individuals, contractors, subcontractors, vendors, subvendors, assignees, licensors and sublicensors, regardless of whether such individual or entity is named in this Development Agreement.

18.12 No Waiver. The failure of the City, the EDA or the Developer to insist upon the strict performance of any provision of this Development Agreement shall not be deemed to be a waiver of the right to insist upon the strict performance of such provision or of any other provision of this Development Agreement at any time. The waiver of any breach of this Development Agreement shall not constitute a waiver of a subsequent breach.

18.13 Notices. All notices, offers, consents or other communications required or permitted to be given pursuant to this Development Agreement shall be in writing and shall be considered as properly given or made if delivered personally, by messenger, by recognized overnight courier service or by registered or certified U.S. mail with return receipt requested, and addressed to the address of the intended recipient at the following addresses:

A. To the City:

Chief Administrative Officer
City of Richmond, Virginia
900 East Broad Street, Suite 201
Richmond, Virginia 23219

with a copy to:

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

B. To the Developer:

RVA Diamond Partners LLC
[_____]
[_____]

with copies to:

McGuireWoods LLP
Gateway Plaza
800 East Canal Street
Richmond, Virginia 23219
Attention: George Keith Martin, Esquire

C. To the EDA:

[_____]

with copies to:

[_____]

Each party may change any of its address information given above by giving notice in writing stating its new address to the other parties.

18.14 Interpretation.

(a) In this Development Agreement:

(i) headings are for convenience only and do not affect interpretation;

(ii) unless otherwise stated, a reference to any agreement, instrument or other document is to that agreement, instrument or other document as amended or supplemented from time to time;

(iii) a reference to this Development Agreement or any other agreement includes all exhibits, schedules, forms, appendices, addenda, attachments

or other documents attached to or otherwise expressly incorporated in this Development Agreement or any other agreement (as applicable);

(iv) a reference to an Article, Section, subsection, clause, Exhibit, schedule, form or appendix is to the Article, Section, subsection, clause, Exhibit, schedule, form or appendix in or attached to this Development Agreement, unless expressly provided otherwise;

(v) a reference to a Person includes a Person's permitted successors and assigns;

(vi) a reference to a singular word includes the plural and vice versa (as the context may require);

(vii) the words "including," "includes" and "include" mean "including, without limitation," "includes, without limitation" and "include, without limitation," respectively;

(viii) an obligation to do something "promptly" means an obligation to do so as soon as the circumstances permit, avoiding any delay; and

(ix) in the computation of periods of time from a specified date to a later specified date, the word "from" means "from and including" and the words "to" and "until" mean "to and including."

(b) This Development Agreement is not to be interpreted or construed against the interests of a Party merely because that Party proposed this Development Agreement or some provision of it or because that Party relies on a provision of this Development Agreement to protect itself.

(c) The Parties acknowledge and agree that:

(i) each Party is an experienced and sophisticated party and has been given the opportunity to independently review this Development Agreement with legal counsel;

(ii) each Party has the requisite experience and sophistication to understand, interpret and agree to the language of the provisions of this Development Agreement; and

(iii) in the event of an ambiguity in or Dispute regarding the interpretation of this Development Agreement, this Development Agreement will not be interpreted or construed against the Party preparing it.

18.15 Memorandum of Development Agreement. A full copy of this Development Agreement shall be recorded through a Memorandum of Development Agreement against title to the Purchased Property for each Phase (for purposes of this Section 18.15 (*Memorandum of Development Agreement*), the entire Sports Backers Parcel shall

constitute a separate Phase of Purchased Property) upon recordation of the deed for each such Private Development Parcel that is transferred in accordance with this Development Agreement. The Memorandum of Development Agreement shall be for the benefit of and enforceable by the City and the EDA and shall operate as a covenant binding the grantee, its successors and assigns hereunder, and shall run with title to the Private Development Parcel.

SIGNATURES ON FOLLOWING PAGE

IN WITNESS WHEREOF, the City, the EDA and the Developer have executed this Development Agreement as of the day and year written first above.

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

By: _____
Chief Administrative Officer

APPROVED AS TO FORM:

_____
City Attorney

RVA DIAMOND PARTNERS LLC,
a Virginia limited liability company

By: _____
Title: _____

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

By: _____
Title: _____

EXHIBIT A

MASTER PLAN

[TO BE ATTACHED]

Exhibit A – Master Plan

Master Plan Program*

Parcel	Residential Units					Hotel Keys	Commercial GSF Office (O), Retail (R), R&D	Stadium Capacity	Parking Structured Spaces
	Rental			For Sale					
	Market Rate	60% AMI	30% AMI	Market Rate	60-70% AMI				
Phase 1									
P1, P3, and Phase 1 Infrastructure									
E1	180								180
E2	200								200
E3	200								200
E4	114	76	25						245
E5	220								220
E6	104	79	14				7,000 (R)		245
E7	TBD						TBD		TBD
S1								9,000	
S2							16,000 (R)		
W1						180			
Subtotal	**1,018**	**155**	**39**	-	-	**180**	**23,000**	**9,000**	**1,290**
Phase 2									
P2 South and Phase 2 Infrastructure									
E8	101	90	18						410
E9	350						9,000 (R)		230
W2	217						34,000 (R), 244,000 (O)		840
Subtotal	**668**	**90**	**18**	-	-	-	**287,000**	-	**1,480**
Phase 3									
P2 Middle and Phase 3 Infrastructure									
E10	74	65	12	22	6				270
E11	27	24	5	32	8				100
W3	89	78	13				17,000 (R)		470
W4							329,000 (O)		660
Subtotal	**190**	**167**	**30**	**54**	**14**	-	**346,000**	-	**1,500**
Phase 4									
P2 North and Phase 4 Infrastructure									
E12							14,000 (R)		
N1							362,000 (O)		1,620
N2	73	64	13				16,000 (R)		290
W5	354						45,000 (R)		620
Subtotal	**427**	**64**	**13**	-	-	-	**437,000**	-	**2,530**
TOTAL	**2,357**	**476**	**100**	**54**	**14**	**180**	**1,093,000**	**9,000**	**6,800**

*Note: The master plan program is subject to change based on the provisions in the Development Agreement

Master Plan Map

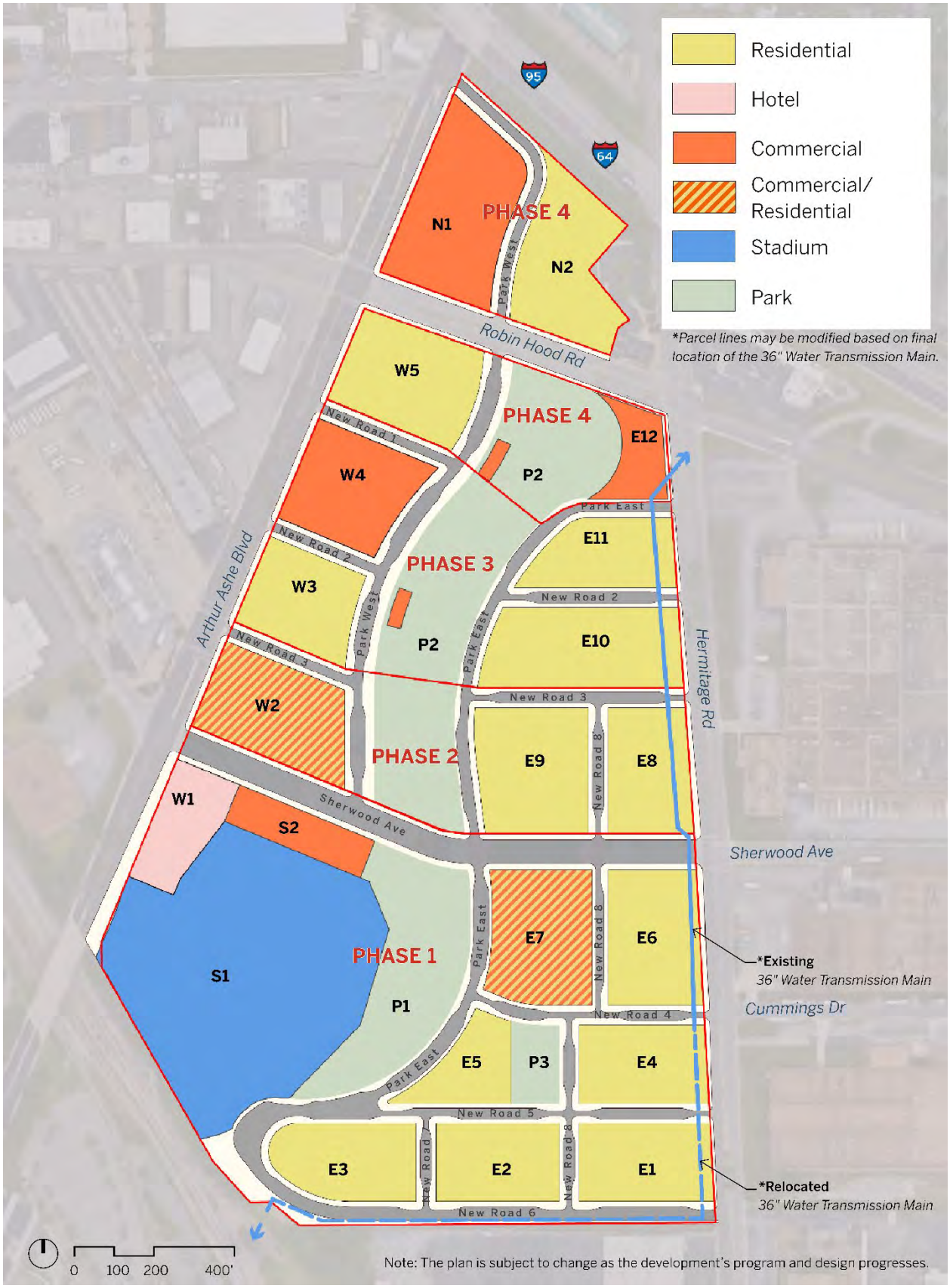


EXHIBIT B

MAP DEPICTING DEVELOPMENT PARCELS

[TO BE ATTACHED]

Exhibit B – Map Depicting Development Parcels



EXHIBIT C

FORM OF PURCHASE AND SALE AGREEMENT

[TO BE ATTACHED]

PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT (this "**Agreement**") is made this ____ day of _____, 2023 (the "**Effective Date**"), between the **ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF RICHMOND, VIRGINIA**, a political subdivision of the Commonwealth of Virginia (the "**EDA**"), and **RVA DIAMOND PARTNERS LLC**, a Virginia limited liability company (the "**Developer**"). Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Development Agreement (defined below).

RECITALS

A. The City of Richmond, Virginia (the "**City**") seeks to redevelop a portion of the Greater Scott's Addition area of the City that currently is home to The Diamond baseball stadium and that is not utilized to its full market potential, with the aim that such redevelopment results in additional taxable value in both the project area and in surrounding properties;

B. The City seeks to replace The Diamond baseball stadium, the operation of which is no longer economically viable as a result of age, limited seating capacity and operational deficiencies, with a new stadium that the Parties intend will be designed, constructed, financed, operated, commercialized and maintained as set forth in the hereinafter described Development Agreement (the "**Stadium Project**");

C. The City also seeks to encourage the development of a full spectrum of new, privately financed affordable housing in the project area; new job creation and job training; new retail and office uses; a new hotel and new infrastructure that both serves the Diamond District (as defined herein) and connects the project area with adjacent communities, and the Developer wishes to design, construct, finance, commercialize, operate and maintain such improvements as set forth in the Development Agreement, all in accordance with and as further described in the Master Plan (the "**Mixed-Use Development**");

D. The City memorialized the above intent by (1) issuing a Request for Interest on December 28, 2021 (the "**RFI**"), supplemented by a Request for Additional Information (the "**RFAI**"), seeking proposals for the redevelopment of an area of approximately 67.57 acres within an area comprised of property identified as 2907, 2909, 2911, 3001, 3017 and 3101 North Arthur Ashe Boulevard and 2728 Hermitage Road, known as the "**Diamond District**" and (2) by evaluating RFI and RFAI responses and soliciting Requests for Offers on June 3, 2022 (the "**RFO**") from three finalist teams including the Developer;

E. On June 28, 2022, the Developer responded with a proposal for a substantial mixed-use redevelopment of the aforementioned area to include those features and benefits outlined in the aforementioned RFI, RFAI and RFO;

F. The City, the Developer and the EDA entered into the Diamond District Redevelopment Project Development Agreement (the "**Development Agreement**") dated [_____], 2023 to establish each Party's obligations, rights and limitations with respect to delivering the Stadium Project and the Mixed-Use Development and any other improvements or commitments expressly provided in the Development Agreement (collectively, the "**Project**");

G. Pursuant to the Development Agreement, the EDA and the Developer agreed to enter into this Agreement pursuant to which the EDA would sell to the Developer, and the Developer would purchase from the EDA, certain parcels of real property located within the Project Area for redevelopment and development of the Mixed-Use Development, all in accordance with the terms of the Development Agreement; and

H. In accordance with the Development Agreement, the EDA and the Developer now desire to enter into this Agreement, which the EDA and the Developer acknowledge and agree shall constitute the Purchase and Sale Agreement or PSA pursuant to the Development Agreement.

NOW, THEREFORE, in consideration of the covenants and provisions contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the EDA and the Developer agree as follows:

1. Agreement to Sell and Purchase; Property Defined.

The EDA agrees to sell to the Developer, and the Developer agrees to purchase from the EDA, subject to the terms and conditions of this Agreement and the Development Agreement, all of the EDA's rights, title and interest in and to the real property identified on Exhibits A-1, A-2, A-3, A-4 and A-5 hereto (the real property identified in each such exhibit being hereinafter referred to, individually, as a "**Purchased Property Phase**" and, collectively, as the **"Purchased Property"**), together with all appurtenances pertaining thereto and all the buildings and other improvements situated thereon, if any (collectively, the "**Property**"), in accordance with schedule contemplated in the Development Agreement.

2. Purchase Price.

(a) (i) Purchase Price. Except as may otherwise be reduced or discounted pursuant to the terms of this Agreement and the Development Agreement, the respective purchase price for each Purchased Property Phase shall be as set forth in Schedule 1 attached hereto (the "**Purchase Price**") and shall be payable as set forth herein.

(ii) Discounting of Purchase Price. The Purchase Price for each of the Phase 2 Purchased Property and the Phase 3 Purchased Property are subject to being discounted as follows:

(A) in the event the Developer is required to pay CDA Special Assessments prior to the completion of the Phase 1 Project, the Purchase Price for the Phase 2 Purchased Property shall be discounted on a dollar for dollar basis by the amount of such CDA Special Assessments paid by the Developer up to $7,260,000, and, to the extent the Developer is required to pay CDA Special Assessments in excess of $7,260,000 prior to the completion of the Phase 1 Project, the excess may be carried forward and applied, together with any amount described in subsection (B), as a discount on the purchase price for the Phase 3 Purchased Property; and

(B) in the event that the Developer is required to pay CDA Special Assessments prior to completion of the Phase 2 Project, the Purchase Price of the Phase 3 Purchased Property shall be discounted on a dollar for dollar basis by the amount of such CDA Special Assessments paid by the Developer up to $16,390,000.

In no event may any of the foregoing amounts be carried forward and applied as a discount on the Purchase Price for the Phase 4 Purchased Property.

(b) Developer Land Purchase Deposit. No later than sixty (60) Days prior to the scheduled Closing Date for each Purchased Property Phase, the Developer shall deposit the amounts shown on Schedule 1 under the column "Required Deposit per Phase" with either an escrow agent or the Title Company (as hereinafter defined) (in either case as may be agreed by the EDA and subject to a control agreement also agreed by the EDA) to be held in escrow for the benefit of the EDA pursuant to an escrow agreement to be mutually agreed upon by the Parties and the Title Company or escrow agent, as applicable (the "**Developer Land Purchase Deposit**"), and all in accordance with Section 6.5 (*Developer Land Purchase Deposit*) of the Development Agreement. In connection with the Closing on each Purchased Property Phase, funds (to the extent available) from the Developer Land Purchase Deposit shall be disbursed by the Title Company or escrow agent, as applicable, if and when requested by the Developer to do so to satisfy the Developer's payment obligation in connection with paying the Purchase Price for the Closing on the applicable Purchased Property Phase. Otherwise, funds from the Developer Land Purchase Deposit shall be disbursed by the Title Company or escrow agent, as applicable, (i) to the EDA as and when the EDA becomes entitled to draw on the Developer Land Purchase Deposit in accordance with the terms and conditions set forth in the Development Agreement or this Agreement or (ii) to the Developer as and when the Developer becomes entitled to receive the Developer Land Purchase Deposit or any portion thereof in accordance with terms and conditions set forth in the Development Agreement or this Agreement.

3. Closing; Conditions to Closing.

(a) Closing. In accordance with Section 3.5 (*Closing*), Closing on the purchase and sale of each Purchased Property Phase (the "**Closing**") shall occur on or before the Outside Closing Date (as such date may be extended as a result of any Delay Event) set forth in the Development Agreement for the acquisition of such Purchased Property Phase by the Developer, subject to the satisfaction of the conditions precedent to Closing for such Purchased Property Phase set forth in Schedule 2 hereto and the terms and conditions set forth in the Development Agreement and subject to any extensions permitted under the Development Agreement. Thereafter, the EDA acknowledges and agrees that the Developer shall have the unilateral right to exercise a one-time twelve (12) month extension of the Outside Closing Dates for the Purchased Property (excluding the Phase 1 Purchased Property and the Sports Backers Parcel) upon written notice delivered to the EDA at least three (3) months prior to the next occurring Outside Closing Date. For the avoidance of doubt, such unilateral extension right may only be exercised once during the Term and, if exercised, shall extend the Outside Closing Date for each remaining Purchased Property Phase by twelve (12) months. For the avoidance of doubt and for illustrative purposes only, if the Developer exercises such extension right in advance of the Outside Closing Date for the Phase 2 Purchased Property, (x) each of the Outside Closing Dates for the Phase 2 Purchased Property, the

Phase 3 Purchased Property and the Phase 4 Purchased Property shall be extended to December 31, 2028, December 31, 2031, and December 31, 2034, respectively, (y) each of the deadlines for completing the Minimum Development Progress for Phase 1, Phase 2 and Phase 3 shall be extended to December 31, 2028, December 31, 2031, and December 31, 2034, respectively, and (z) the Total Development Progress Completion Deadline shall be extended to December 31, 2037. The EDA further acknowledges and agrees that the Developer shall have the right to request an additional extension of the Outside Closing Date for any Purchased Property Phase for up to twelve (12) months for good cause shown, and, in such case, the EDA may, in its sole discretion, grant such extension, which extension will not be unreasonably withheld. The date on which Closing occurs with respect to each Purchased Property Phase shall be referred to as the "**Closing Date**" for such Purchased Property Phase.

(b) Payment of Purchase Price. Payment of the Purchase Price for each Purchased Property Phase, which shall be the applicable amount set forth on Schedule 1 attached hereto (as the same may be modified from time to time pursuant to Section 2(a)(ii) above), shall take place on the Closing Date for such Purchased Property Phase.

(c) Affordable Housing Covenant. At the Closing for each Purchased Property Phase, the Developer shall record or cause to be recorded the Affordable Housing Covenant attached to this Agreement as Exhibit E against the applicable parcels on which the Affordable Housing Units for such Phase of the Project are to be constructed.

(d) Hotel Use Covenant. At the Closing for the Phase 1 Purchased Property, the Developer shall record or cause to be recorded the Hotel Use Covenant attached to this Agreement as Exhibit F against the applicable parcel on which the Phase 1 Hotel is to be constructed.

4. [Reserved]

5. Title and Survey.

(a) Title. During the Due Diligence Period with respect to each Purchased Property Phase, the Developer, at its sole cost and expense, shall obtain and review a commitment for title insurance for each Purchased Property Phase (each, a "**Commitment**") from Old Republic National Title Insurance Company (the "**Title Company**"). Prior to the Closing for each Purchased Property Phase, the Developer shall have the right, at its sole cost and expense, to have the Commitment for such Purchased Property Phase updated. Promptly following receipt of each Commitment by the Developer, the Developer shall, at no cost to the EDA, deliver copies of such Commitment, together with copies of all documents and instruments referred to therein, to the EDA (and, if applicable, the Developer shall, at no cost to the EDA, deliver copies of any updates thereto, together with copies of all documents and instruments referred to therein, to the EDA promptly following the Developer's receipt of the same).

(b) Survey. During the Due Diligence Period with respect to each Purchased Property Phase, the Developer shall, at its sole cost and expense, (i) obtain a current ALTA survey for such Purchased Property Phase (each, a "**Survey**") from a surveyor that is duly licensed in the Commonwealth of Virginia and reasonably acceptable to the EDA and (ii) submit the Survey for such Purchased Property Phase to the EDA for the EDA's review and approval, which approval

shall not be unreasonably withheld, conditioned or delayed. Prior to the Closing for each Purchased Property Phase , the Developer shall have the right, at its sole cost and expense, to have the Survey for such Purchased Property Phase updated, in which case the Developer shall submit such update to the EDA for the EDA's review and approval, which approval shall not be unreasonably withheld, conditioned or delayed. Each Survey (and, if applicable, any update thereto) shall be certified to the Developer, the EDA, the Title Company and any other parties designated by the Developer. Each Purchased Property Phase shall be conveyed by the EDA to the Developer using the legal description for such Purchased Property Phase appearing on the Survey for such Purchased Property Phase. Notwithstanding the foregoing, the Survey for the Phase 1 Purchased Property (which, for such purposes, shall also include the Stadium Parcel) shall be obtained no later than sixty (60) Days prior to the scheduled Closing Date for the Phase 1 Purchased Property.

(c) Permitted Exceptions. The EDA and the Developer acknowledge and agree that title to each Purchased Property Phase shall be conveyed by the EDA to the Developer subject to the Permitted Exceptions (as hereinafter defined). For the purposes of this Agreement, with respect to each Purchased Property Phase, "**Permitted Exceptions**" shall mean (i) liens for real estate taxes and assessments not yet due and payable, (ii) applicable zoning regulations and ordinances, (iii) easements, conditions and restrictions of record, as the same may lawfully apply to such Purchased Property Phase, including those required by the Development Agreement, (iv) such state of facts disclosed by the Survey, (v) any exceptions caused by the Developer or any of its agents, employees, affiliates, contractors, advisors or representatives, (vi) any exception that the Title Company agrees to affirmatively insure over at standard rates and in a manner acceptable to the Developer and, if applicable, any lender providing financing for the construction and development of such Purchased Property Phase, and (vii) any matters set forth on each Commitment, as applicable, or of which the Developer has knowledge prior to Closing. Notwithstanding the foregoing, with respect to each Purchased Property Phase, in no event shall Permitted Exceptions include (1) any monetary liens or encumbrances on such Purchased Property Phase (other than liens for real estate taxes and assessments not yet due and payable), or (2) any conditions or restrictions first placed of record by the EDA after the Effective Date that would prevent the Developer from materially developing and operating such Purchased Property Phase for the Developer's intended use in accordance with and subject to the Development Agreement (excluding any covenants required by the Development Agreement) (collectively, "**Prohibited Exceptions**"). To the extent the Developer identifies any matters constituting Prohibited Exceptions with respect to any Purchased Property Phase, the Developer shall notify the EDA in writing of such Prohibited Exceptions, and the EDA shall work in good faith with the Developer to have such Prohibited Exceptions removed of record prior to the Closing for such Purchased Property Phase. In no event shall the Developer be obligated to take title to any Purchased Property Phase for which there are Prohibited Exceptions that neither the EDA nor the Developer are able to obtain releases prior to or upon the Closing for such Purchased Property Phase. To the extent the Developer elects not to take title to any Purchased Property Phase pursuant to this Section 5(c), the Purchase Price shall be reduced by the portion of the Purchase Price then allocated to such Purchased Property Phase, and the Title Company or escrow agent, as applicable, shall disburse funds from the Developer Land Purchase Deposit to the Developer in an amount equal to the portion of the Developer Land Purchase Deposit allocable to such Purchased Property Phase.

(d) Use and Encumbrance of Purchased Property Phases Prior to Closing. The EDA may enter into agreements for the use or occupancy of, or otherwise encumber, all or any portion of each Purchased Property Phase prior to the respective Closing Date for such Purchased Property Phase, provided that each such agreement or encumbrance shall terminate prior to the Closing Date.

6. "As Is" Sale; Release.

The Developer hereby expressly agrees and acknowledges, and represents and warrants to the EDA, that the Developer has not entered into this Agreement based upon any representation, warranty, statement or expression of opinion by the EDA or any person or entity acting or allegedly acting for or on behalf of the EDA with respect to the EDA, the Property, or the Condition of the Property. Except as otherwise expressly provided in this Agreement, the Developer acknowledges and agrees that the Property is and shall be sold and conveyed (and accepted by the Developer at each Closing) **AS IS, WHERE IS, WITH ALL DEFECTS AND WITHOUT ANY WRITTEN OR ORAL REPRESENTATION OR WARRANTY WHATSOEVER, EXPRESS OR IMPLIED OR ARISING BY OPERATION OF LAW.** Without limiting the foregoing, the EDA makes no representation, warranty or covenant, express, implied or statutory, of any kind whatsoever with respect to the Property, including, without limitation, any representation, warranty or covenant as to title, survey conditions, use of the Property for the Developer's intended use, the physical condition of the Property or any improvements thereon or any repairs required thereto, past or present use, development, investment potential, tax ramifications or consequences, compliance with law, present or future zoning, the presence or absence of hazardous substances or other environmental conditions (including, without limitation, with regard to any underground or above-ground storage tanks on or about the Property), the availability of utilities, access to public roads, habitability, merchantability, fitness or suitability for any purpose, or any other matter with respect to the Property (collectively, the "**Condition of the Property**"), all of which are hereby expressly disclaimed by the EDA. The Developer acknowledges that the EDA has made no representations, warranties or covenants as to the Condition of the Property or compliance of the Property with any federal, state, municipal or local statutes, laws, rules, regulations or ordinances including, without limitation, those pertaining to construction, building and health codes, land use, zoning, hazardous substances or toxic wastes or substances, pollutants, contaminants, or other environmental matters.

7. Right of Access; Due Diligence.

(a) In General. Pursuant to and in accordance with the terms and conditions of the Right of Entry Agreement dated [_____ __, 2023] (the "**Right of Entry Agreement**"), between the City (or the EDA as the City's assignee) and the Developer, during the Due Diligence Period (as defined in the Right of Entry Agreement) with respect to each Purchased Property Phase, the Developer shall have the right to enter and access such Purchased Property Phase for the purposes of conducting such additional due diligence as the Developer determines is necessary in its reasonable discretion to determine the feasibility of developing each Purchased Property Phase for the purposes set forth in the Development Agreement, which additional due diligence shall include but not be limited to (i) conducting any and all studies, tests, evaluations and investigations that the Developer determines are necessary in the Developer's reasonable discretion to determine the feasibility of the intended use and development of such Purchase Property Phase, (ii) conducting

the Survey for such Purchased Property Phase as required by Section 5(b) and (iii) satisfying any other requirements to be undertaken during the Due Diligence Period required elsewhere in this Agreement with respect to such Purchased Property Phase (collectively, the "**Due Diligence**"). Promptly upon receipt of the same and without demand, the Developer shall provide the EDA with any and all information the Developer acquires relating to or resulting from its Due Diligence, provided the Developer shall not be deemed to have made any representations or warranties to the Developer regarding the accuracy or completeness of such information.

(b) Termination. If prior to the expiration of the Due Diligence Period with respect to any Purchased Property Phase, the Developer determines that a material defect(s) exists in the condition of such Purchased Property Phase or any portion thereof that will adversely affect the Developer's ability to develop and operate such Purchased Property Phase or such portion thereof for the Developer's intended use in accordance with and subject to the Development Agreement, then the Developer will have the right to terminate this Agreement as to such Purchased Property Phase or such portion thereof by giving written notice to the EDA of such termination, and neither Party will have any further rights or obligations hereunder except as may be expressly provided herein (a "**No-Fault Termination**"). If the EDA does not receive such termination notice with respect to any Purchased Property Phase on or before the expiration of the Due Diligence Period with respect to such Purchased Property Phase, then the Developer will be deemed to have waived the right to terminate this Agreement with respect to such Purchased Property Phase pursuant to this Section 7(b). If the Developer provides a termination notice with respect to any Purchased Property Phase or any portion thereof pursuant to this Section 7(b), such notice shall set forth in reasonable detail the material defect(s) identified by the Developer that are the basis for the No-Fault Termination as to such Purchased Property Phase or portion thereof. In the event of a No-Fault Termination as to only any portion of any Purchased Property Phase, the Purchase Price for the Purchased Property Phase containing such portion shall be reduced proportionately by an amount equal to the product of the per acre Purchase Price of such Purchased Property Phase and the acreage of such portion of the Purchased Property Phase.

8. Indemnity.

(a) By accepting the Deed (as hereinafter defined) for and Closing on each Purchased Property Phase, the Developer, on behalf of itself and its successors and assigns, shall thereby release each of the City, the EDA, any EDA Affiliate and their Agents (collectively, the "**Indemnified Parties**") from, and waive any and all claims that the Developer may have against each of the Indemnified Parties for, attributable to, or in connection with such Purchased Property Phase, whether arising or accruing before, on or after the Closing and whether attributable to events or circumstances which arise or occur before, on or after the Closing, including, without limitation, the following: (i) any and all statements or opinions heretofore or hereafter made, or information furnished, by any Indemnified Parties with respect to such Purchased Property Phase; (ii) with respect to such Purchased Property Phase, any and all liabilities with respect to the Condition of the Property, including, without limitation, all liabilities relating to the release, presence, discovery or removal of any hazardous or regulated substance, chemical, waste or material that may be located in, at, about or under such Purchased Property Phase, or connected with or arising out of any and all claims or causes of action based upon CERCLA (Comprehensive Environmental Response, Compensation, and Liability Act of 1980, 42 U.S.C. §§9601 *et seq*., as amended by SARA (Superfund Amendment and Reauthorization Act of 1986) and as may be further amended

from time to time), the Resource Conservation and Recovery Act of 1976, 42 U.S.C. §§6901 *et seq*., the Federal Clean Water Act, 33 USC Section 1251 *et seq.*, or any other Federal, State or municipal Laws relating to environmental contamination, or any other related claims or causes of action (collectively, "**Environmental Liabilities**"); and (iii) any implied or statutory warranties or guaranties of fitness, merchantability or any other statutory or implied warranty or guaranty of any kind or nature regarding or relating to such Purchased Property Phase.

(b) By accepting the Deed for and Closing on each Purchased Property Phase, the Developer shall thereby assume and take responsibility and liability for the following: (i) any and all liabilities attributable to such portion of the Property to the extent that the same arise or accrue on or after the Closing and are attributable to events or circumstances which arise or occur on or after the Closing; (ii) with respect to such portion of the Property, any and all liabilities with respect to the Condition of the Property, whether such liabilities are latent or patent, whether the same arise or accrue before, on or after the Closing, and whether the same are attributable to events or circumstances which may arise or occur before, on or after the Closing, including, without limitation, all Environmental Liabilities; and (iii) any and all liabilities that arose or accrued prior to the Closing or are attributable to events which arose or occurred prior to the Closing. The Developer acknowledges and agrees that the Liabilities to be assumed by the Developer pursuant to each of the foregoing clauses are intended to be independent of one another, so the Developer shall assume liabilities described in each of the clauses even though some of those liabilities may be read to be excluded by another clause.

(c) The provisions of this Section 8 shall be deemed reaffirmed upon and shall survive Closing on each of the Purchased Property Phases and the delivery of the Deed for each of the Purchased Property Phases or any expiration or termination of this Agreement.

9. Closing Deliverables; Apportionments and Closing Costs.

(a) On or prior to each Closing Date, the EDA shall deliver the following to the Title Company for the benefit of the Developer:

(i) a quitclaim deed for the applicable Purchased Property Phase, duly executed and acknowledged by the EDA, in substantially the form attached hereto as Exhibit B, describing such Purchased Property Phase using the legal description therefor on the Survey for such Purchased Property Phase, and otherwise in proper form for recording (the "**Deed**");

(ii) a duly executed Nonforeign Person Certification in the form required under Section 1445 of the Internal Revenue Code, if required by the Title Company, and information necessary for the Title Company to complete an IRS Form 1099;

(iii) all keys to any improvements located on the applicable Purchased Property Phase, to the extent applicable and to the extent in the EDA's possession;

(iv) a duly executed and acknowledged affidavit addressed to the Title Company regarding mechanics' liens and possession, in substantially the form attached hereto as Exhibit C (the "**Owner's Affidavit**");

(v) a duly executed counterpart original of a settlement statement reflecting the Purchase Price for the applicable Purchased Property Phase, any and all prorations and adjustments required hereunder, if any, and the closing costs as allocated among the parties pursuant to Section 9(d) below (the "**Settlement Statement**"); and

(vi) any additional documents required by the Title Company, provided such additional documents are customary in commercial real estate transactions in the Commonwealth of Virginia and are otherwise in a form acceptable to the EDA in its sole but reasonable discretion, duly executed and acknowledged by the EDA, if applicable.

(b) On, or prior to, each Closing Date, the Developer shall deliver the following to the Title Company for the benefit of the EDA:

(i) a duly executed counterpart original of the Settlement Statement;

(ii) any additional documents required by the Title Company, provided such additional documents are customary in commercial real estate transactions in the Commonwealth of Virginia and are otherwise in a form acceptable to the Developer in its sole but reasonable discretion, duly executed and acknowledged by the Developer, if applicable;

(iii) any additional documents for the applicable Purchased Property Phase, which may be required in order to satisfy the conditions precedent to Closing for such Purchased Property Phase set forth on Schedule 2 hereto, duly executed and acknowledged by the Developer, if applicable; and

(iv) evidence of any covenants required by the Development Agreement governing the construction and use of any particular Purchased Property Phase and required to be recorded with the Deed in a form acceptable to the EDA in its sole but reasonable discretion.

(c) Possession of each Purchased Property Phase shall be given to the Developer at the Closing for such Purchased Property Phase, subject to the Permitted Exceptions, by delivery of the Deed.

(d) With respect to each Purchased Property Phase, the Developer shall pay for the cost of the Commitment for such Purchased Property Phase, the cost of the Survey for such Purchased Property Phase, title insurance premiums and other expenses for such Purchased Property Phase, all costs associated with the Due Diligence conducted by the Developer with respect to such Purchased Property Phase, the cost associated with the Developer's acquisition financing for such Purchased Property Phase (if any), the cost of recording the Deed for such Purchased Property Phase (including any transfer and recordation taxes, if any), its own attorneys' fees, all escrow fees, and all settlement fees of the Title Company. The EDA shall pay its own attorneys' fees and shall pay the cost of the preparation of the Deed for each Purchased Property Phase.

10. Condemnation.

If prior to the Closing for any Purchased Property Phase(s) any condemnation proceeding or other proceeding in the nature of eminent domain is commenced with respect to such Purchased Property Phase(s), the EDA agrees to promptly notify the Developer thereof. In the event that such proposed taking is with respect to (a) all of such Purchased Property Phase(s), or (b) any material portion of such Purchased Property Phase(s) such that it would be impractical for the Developer's intended use in accordance with the Development Agreement, the Developer then shall have the right, at the Developer's option, to elect not to take title to such Purchased Property Phase(s). To the extent the Developer elects not to take title to any Purchased Property Phase(s) pursuant to this Section 10, the Developer Land Purchase Deposit with respect to such Purchased Property Phase(s), if then on deposit with the Title Company or escrow agent, shall be disbursed by the Title Company or escrow agent to the Developer.

11. Casualty.

(a) If prior to the Closing for any Purchased Property Phase(s) all or any part of such Purchased Property Phase(s) is destroyed or damaged, then the EDA agrees to promptly notify the Developer thereof. If damage to such Purchased Property Phase(s) is such that it would prevent the Developer from developing and operating such Purchased Property Phase(s) for the Developer's intended use in accordance with the Development Agreement, the Developer then shall have the right, at the Developer's option, to elect not to take title to such Purchased Property Phase(s). To the extent the Developer elects not to take title to any Purchased Property Phase(s) pursuant to this Section 11(a), the Developer Land Purchase Deposit with respect to such Purchased Property Phase(s), if then on deposit with the Title Company or escrow agent, shall be disbursed by the Title Company or escrow agent to the Developer.

(b) It is expressly agreed and acknowledged by the parties that in no event shall the EDA have any obligation to repair or rebuild any improvements located on any Purchased Property Phases as of the Effective Date in the event of any damage thereto.

12. Default by the Developer.

Subject to and in accordance with the terms and conditions of the Development Agreement, (i) if the Developer fails to timely proceed to Closing on any Purchased Property Phase in accordance with the terms and conditions of this Agreement and the Development Agreement or otherwise materially breaches any of its other covenants and agreements under this Agreement, including a failure to satisfy any conditions precedent to achieve Closing, which failure is not cured within ten (10) Days following receipt of written notice from the EDA (or, in the event such failure is not capable of being cured within such ten- (10-) Day period, such longer period as may be reasonably necessary to cure such failure, provided the Developer commences cure efforts within such ten- (10-) Day period and diligently pursues such efforts to completion) or (ii) if a Developer Default occurs under the Development Agreement, the EDA shall have all rights and remedies set out in the Development Agreement and at law and in equity, including, without limitation, the right to terminate this Agreement as to all Purchased Property Phases for which Closing has not previously occurred and, to the extent any Developer Land Purchase Deposit is then on deposit with the Title Company or escrow agent, to receive the balance of funds constituting the Developer Land Purchase Deposit from the Title Company or escrow agent. Notwithstanding the foregoing, the EDA hereby waives all claims that the EDA may have against

the Developer for special, indirect, punitive, incidental, exemplary, or consequential damages or losses, including lost profits, loss of business opportunity, or other similar damages as a result of any default by the Developer hereunder.

13. Default by the EDA.

If the EDA fails to timely proceed to Closing on any Purchased Property Phase in accordance with the terms and conditions of this Agreement and the Development Agreement or otherwise materially breaches any of its other covenants and agreements under this Agreement or the Development Agreement to either (a) satisfy any conditions precedent to achieve Closing or (b) sell any Purchased Property Phase, which failure is not cured within ten (10) Days following receipt of written notice from the Developer (or, in the event such failure is not capable of being cured within such ten- (10-) Day period, such longer period as may be reasonably necessary to cure such failure, provided the EDA commences cure efforts within such ten- (10-) Day period and diligently pursues such efforts to completion), then, subject to the terms of the Development Agreement, the Developer shall have all rights and remedies available at law and in equity, including, without limitation, (x) the right to terminate this Agreement as to all Purchased Property Phases for which Closing has not previously occurred and, to the extent any Developer Land Purchase Deposit is then on deposit with the Title Company or escrow agent, to receive the balance of funds constituting the Developer Land Purchase Deposit from the Title Company or escrow agent, and (y) to the extent available under applicable Law, the right to pursue specific performance. Notwithstanding the foregoing, the Developer hereby waives all claims that the Developer may have against the EDA for special, indirect, punitive, incidental, exemplary, or consequential damages or losses, including lost profits, loss of business opportunity, or other similar damages as a result of any default by the EDA hereunder.

14. Dispute Resolution.

Notwithstanding anything contained in this Agreement to the contrary, in the event any major dispute arises between the Developer and the EDA pursuant to this Agreement that the Developer and the EDA are unable to resolve after good faith negotiations between the parties, the Developer and the EDA hereby covenant and agree to settle such dispute in accordance with Article 13 (*Dispute Resolution Provisions*) of the Development Agreement.

15. Brokerage.

The EDA represents and warrants to the Developer that it has dealt with no broker, agent, finder or other intermediary in connection with this Agreement. The Developer represents and warrants to the EDA that it has dealt with no broker, agent, finder or other intermediary in connection with this Agreement. The Developer agrees to indemnify, defend and hold the EDA harmless from and against any broker's claim arising from any breach by the Developer, respectively, of its representations and warranties in this paragraph. The foregoing indemnification obligations of the Developer shall survive each Closing hereunder.

16. Notice.

All notices, requests and other communications under this Agreement shall be given in accordance with the terms of Section 18.13 (*Notices*) of the Development Agreement.

17. Authority to Act.

The Chair of the EDA or a designee thereof is authorized to act on behalf of the EDA under this Agreement. The Chair will be the primary officer for the EDA responsible for administering this Agreement for the EDA.

18. Miscellaneous.

(a) Time is and shall be of the essence with respect to each of the terms and conditions hereof. If any date herein set forth for the performance of any obligation by the EDA or the Developer or for the delivery of any instrument or notice as herein provided should be on a Saturday, Sunday or legal holiday, the compliance with such obligation or delivery shall be deemed acceptable on the next business day following such Saturday, Sunday or legal holiday. As used herein, the term "**legal holiday**" means any state or federal holiday on which financial institutions, city or state government offices, or post offices are generally closed in the City of Richmond, Virginia.

(b) This Agreement includes the captions, headings and titles appearing herein for convenience only, and such captions, headings and titles do not affect the construal, interpretation, or meaning of this Agreement or in any way define, limit, extend, or describe the scope or intent of any provisions of this Agreement.

(c) The Developer may not assign this Agreement (and no transfer by the Developer of any interest in this Agreement and no transfers of direct or indirect interests in the Developer shall be permitted) without the prior consent of the EDA, which consent the EDA may grant or withhold in its sole but reasonable discretion. Notwithstanding the foregoing, the Developer, upon prior notice to the EDA but without the necessity of obtaining the EDA's consent thereto, may assign, in full or in part, this Agreement to Affiliates of the Developer to the extent permitted by the Development Agreement.

(d) This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns, subject to the terms of Section 18(c) above.

(e) This Agreement and the Development Agreement, including the exhibits and schedules attached hereto, contain the whole agreement between the EDA and the Developer as to the sale and purchase of the Property, and there are no other terms, obligations, covenants, representations, statements or conditions, oral or otherwise of any kind whatsoever concerning this sale and purchase. This Agreement shall not be altered, amended, changed or modified except in writing executed by the parties hereto.

(f) All issues and questions concerning the construction, enforcement, interpretation and validity of this Agreement, or the rights and obligations of the EDA or the Developer in connection with this Agreement, shall be governed by, and construed and interpreted in accordance with, the laws of the Commonwealth of Virginia, without giving effect to any choice of law or conflict of laws rules or provisions, whether of the Commonwealth of Virginia or any other jurisdiction, that would cause the application of the laws of any jurisdiction other than those of the Commonwealth of Virginia. Subject to the dispute resolution clause in Article 13 (*Dispute Resolution Provisions*) of the Development Agreement, any and all disputes, claims and causes of

action arising out of or in connection with this Agreement, or any performances made hereunder, shall be brought, and any judicial proceeding shall take place, only in the Circuit Court of the City of Richmond, Virginia. Each party shall be responsible for its own attorneys' fees in the event of any litigation or other proceeding arising from this Agreement.

(g) This Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same Agreement.

(h) No director, officer, employee or agent of the EDA or the Developer shall be personally liable to another party hereto or any successor in interest in the event of any default or breach under this Agreement or on any obligation incurred under the terms of this Agreement.

(i) The failure of the EDA or the Developer to insist upon the strict performance of any provision of this Agreement shall not be deemed to be a waiver of the right to insist upon the strict performance of such provision or of any other provision of this Agreement at any time. The waiver of any breach of this Agreement shall not constitute a waiver of a subsequent breach.

(j) The EDA and the Developer acknowledge and agree that this Agreement and any other records furnished or prepared by or in the possession of the EDA may be subject to the retention and disposition requirements of the Virginia Public Records Act and the public disclosure requirements of the Virginia Freedom of Information Act. Notwithstanding the foregoing, Developer agrees that neither this Agreement nor any memorandum or notice hereof shall be recorded by Developer, and Developer agrees not to file any notice of pendency or other instrument against the Property or any portion thereof in connection herewith. This provision shall survive the Closing on each of the Purchased Property Phases.

[*Remainder of Page Intentionally Left Blank*]
[*Signatures on Following Page*]

IN WITNESS WHEREOF, intending to be legally bound, the parties have caused this Agreement to be duly executed as of the Effective Date.

THE EDA:

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

By: _____
Chairman

APPROVED AS TO FORM:

_____
General Counsel

THE DEVELOPER:

RVA DIAMOND DISTRICT LLC,
a Virginia limited liability company

By: _____
Name: _____
Title: _____

Exhibits and Schedules

Schedule 1 – Purchased Property Phases Purchase Prices
Schedule 2 – Conditions Precedent to Closing on Purchased Property Phases

Exhibit A-1 – Phase 1 Purchased Property
Exhibit A-2 – Sports Backers Parcel Boundaries
Exhibit A-3 – Phase 2 Purchased Property Boundaries
Exhibit A-4 – Phase 3 Purchased Property Boundaries
Exhibit A-5 – Phase 4 Purchased Property Boundaries
Exhibit B – Form of Deed
Exhibit C – Form of Affidavit
Exhibit D – Form of Affordable Housing Covenant
Exhibit E – Form of Hotel Use Covenant

SCHEDULE 1

PURCHASED PROPERTY PHASES PURCHASE PRICES

Purchased Property Phase	Purchase Price[1]	Approximate Acreage	Price Per Acre[2]	Required Deposit Per Phase
Phase 1 Purchased Property	$16,000,000	21.83	$732,986	$1,600,000
Sports Backers Parcel	$11,800,000	6.60	$1,787,879	$1,180,000
Phase 2 Purchased Property	$7,260,000	7.34	$989,101	$726,000
Phase 3 Purchased Property	$16,390,000	12.90	$1,270,543	$1,639,000
Phase 4 Purchased Property	$28,680,000	11.90	$2,410,084	$2,868,000

[1] The Developer shall purchase each Purchased Property Phase no later than the Outside Closing Date for such Purchased Property Phase as set forth in the Development Agreement.
[2] Calculated using approximate acreage set forth in the schedule above.

SCHEDULE 2

CONDITIONS PRECEDENT TO CLOSING ON PURCHASED PROPERTY PHASES

Section 1. The Developer's Conditions. The obligation of the Developer to proceed to Closing on each Purchased Property Phase pursuant to this Agreement is subject to the EDA's satisfaction (or waiver by the Developer, if applicable) of all of the following conditions precedent:

(a) the EDA shall not be in breach of any of its covenants and agreements under this Agreement in any material respect;

(b) the EDA shall have complied with all of its obligations required to be performed by it under the Development Agreement prior to the Closing on such Purchased Property Phase; and

(c) the representations and warranties made by the EDA in the Development Agreement shall be true and correct in all material respects as of the Closing Date.

Section 2. The EDA's Conditions. The obligation of the EDA to proceed to Closing on each Purchased Property Phase pursuant to this Agreement is subject to the Developer's satisfaction (or waiver by the EDA, if applicable) of all of the following conditions precedent:

(a) The Pre-Closing Conditions set forth in Sections 3.7 (*Pre-Closing Conditions*), 3.8 (*Additional Phase 1 Purchased Property and Sports Backers Parcel Closing Conditions*), and 3.9 (*Additional Phase 2-4 Closing Conditions*) of the Development Agreement, as applicable to such Phase, have been satisfied;

(b) the Developer shall not be in breach in any material respect of any of its covenants and agreements under the Contract Documents, any Subcontract, or any Financing Documents then in effect;

(c) the Developer shall have complied with all of its obligations then required to be performed by it under the Development Agreement, including that the Developer has delivered the Concept Plans for the applicable Purchased Property Phase;

(d) the development of each of the Purchased Property Phases for which a Closing has previously occurred in accordance with the terms of this Agreement shall be proceeding in accordance with the Development Agreement, any Subcontract and any Financing Documents in all material respects, subject to any delays due to the occurrence of any Delay Event;

(e) the Developer shall have obtained (i) in accordance with Chapter 25 (Subdivision of Land) of the City Code, tentative approval of a preliminary subdivision plat showing the division of the land comprising the Project Site into the Development Parcels, as generally shown on the Map Depicting Development Parcels attached to the Development Agreement, and (ii) Regulatory Approvals required to commence development of such Purchased Property Phase in accordance with the terms of the Development Agreement and applicable Law and has provided copies thereof to the EDA;

(f) the representations and warranties made by the Developer in the Development Agreement shall be true and correct in all material respects;

(g) a Survey for such Purchased Property Phase shall have been obtained by the Developer and approved by the EDA in accordance with the terms of Section 5(b) of this Agreement; and

EXHIBIT A-1

Phase 1 Purchased Property Boundaries

[To Be Attached]

Exhibit A-1 – Phase 1 Land Purchased Property Boundaries

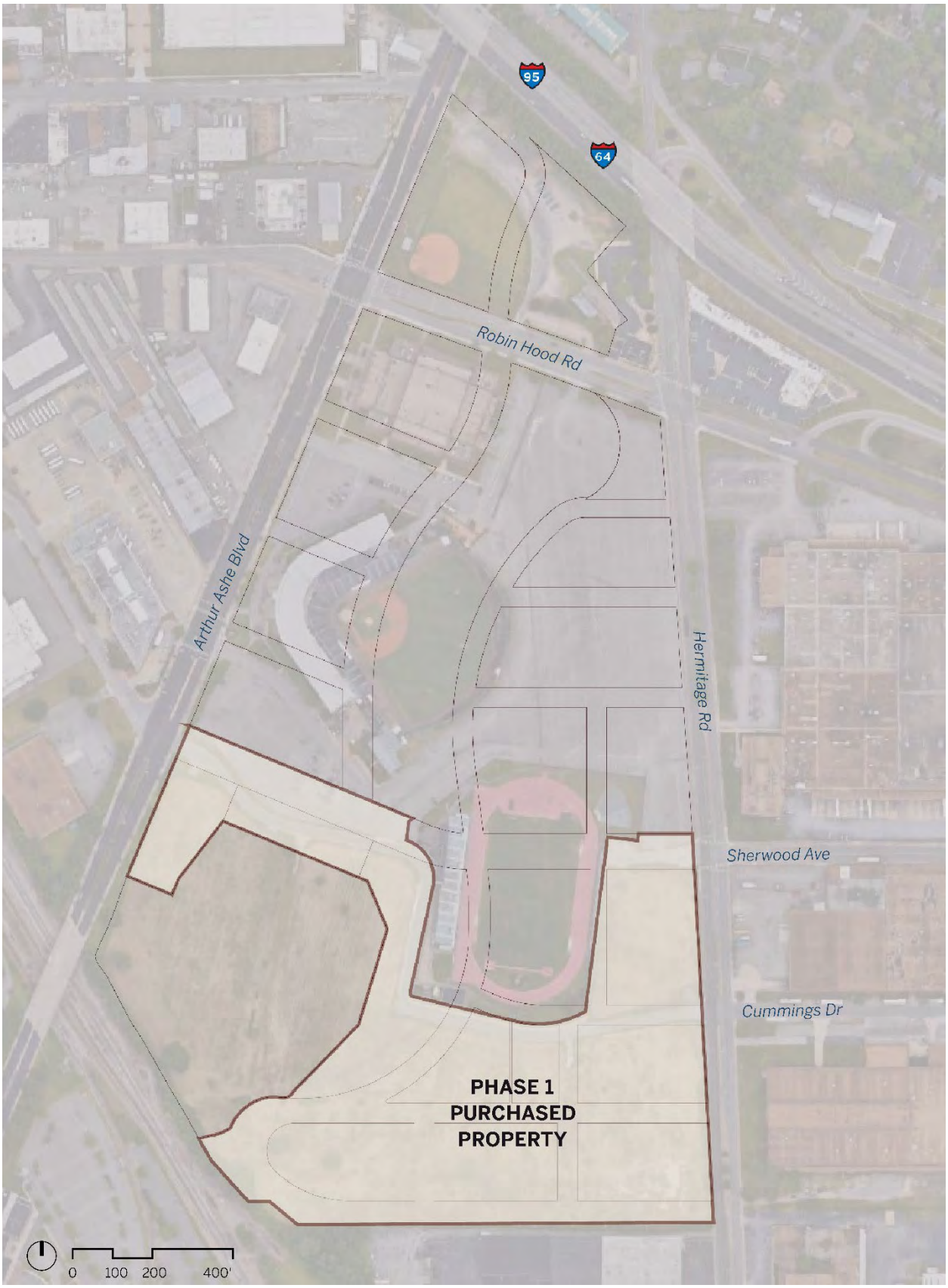


EXHIBIT A-2

Sports Backers Parcel Boundaries

[To Be Attached]

Exhibit A-2 – Sports Backers Parcel Boundaries



EXHIBIT A-3

Phase 2 Purchased Property Boundaries

[To Be Attached]

Exhibit A-3 – Phase 2 Land Purchased Property Boundaries



EXHIBIT A-4

Phase 3 Purchased Property Boundaries

[To Be Attached]

Exhibit A-4 – Phase 3 Land Purchased Property Boundaries



EXHIBIT A-5

Phase 4 Purchased Property Boundaries

[To Be Attached]

Exhibit A-5 – Phase 4 Land Purchased Property Boundaries

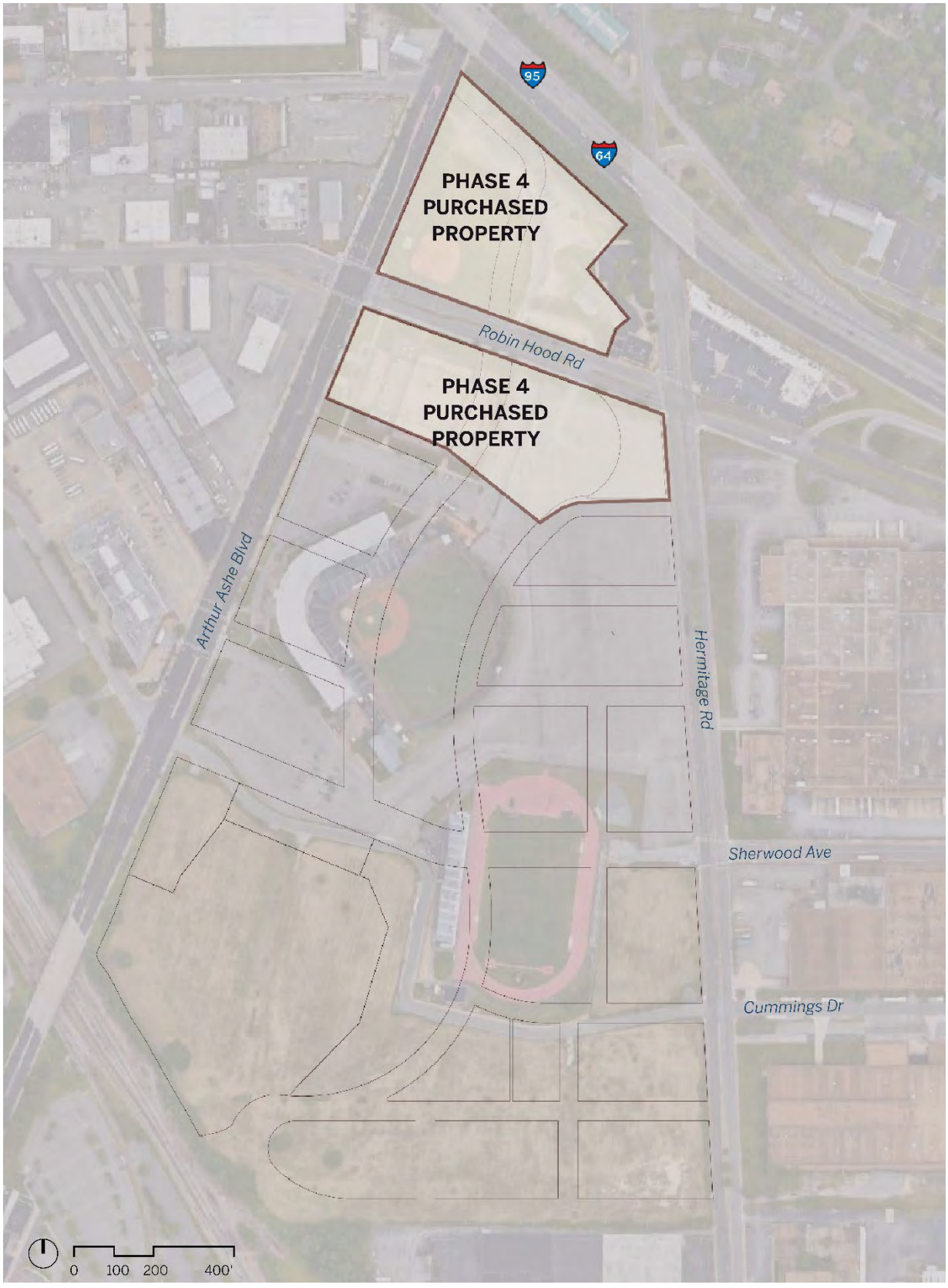


EXHIBIT B

FORM OF DEED

Document Prepared By:
[Richmond City Attorney's Office
900 East Broad Street, Room 400
Richmond, Virginia 23219]

Tax Parcel Nos.: _____

Consideration:
Assessed Value:

DEED

THIS DEED, made this _____ day of _____, 20___, between **ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF RICHMOND, VIRGINIA**, a political subdivision of the Commonwealth of Virginia ("Grantor") and _____, a _____ ("Grantee").

RECITAL

This conveyance is exempt from the Virginia grantor's tax, pursuant to Section 58.1-811(C)(4) of the Code of Virginia (1950), as amended.

W I T N E S S E T H :

WHEREAS, by recordation of this Deed, Grantee represents that the conveyance of the Property (hereinafter defined) upon the terms and conditions specified is acceptable to Grantee;

NOW, THEREFORE, for consideration of the sum of Ten Dollars ($10.00), cash in hand paid, and other good and valuable consideration, the receipt of which is hereby acknowledged, Grantor hereby remises, releases and forever quitclaims unto Grantee, all Grantor's right, title and interest in and to the following real property more particularly described on Exhibit A attached hereto and incorporated herein by this reference, including all Grantor's right, title and interest in

and to any and all appurtenances pertaining thereto and any and all buildings and other improvements situated thereon, if any (collectively, the "Property").

This conveyance is made subject to applicable zoning regulations and ordinances and to all easements, conditions and restrictions of record, as the same may lawfully apply to the Property.

The Property is transferred to Grantee further subject to the condition that the Property shall initially be developed and constructed as a [_____], containing approximately [_____] (the "Initial Improvements"), in accordance with the terms and conditions set forth in that certain Development Agreement dated _____, 2023, by and between Grantor, the City of Richmond and RVA Diamond Partners LLC, a memorandum of which is recorded in the Clerk's Office of the Circuit Court of the City of Richmond, Virginia as Instrument No. _____ (the "Development Agreement"). Said condition shall be for the benefit of and enforceable by Grantor and shall operate as a covenant binding Grantee, its successors and assigns hereunder, and shall run with title to the Property. Said condition shall be deemed satisfied upon the issuance of a temporary or permanent certificate of occupancy for the Initial Improvements by Grantor, at which time Grantor, acting through the Chief Administrative Officer or his/her designee, shall execute and deliver to Grantee a certificate, in recordable form, evidencing compliance with said condition and releasing the condition as an encumbrance upon the Property.

The Property is transferred to Grantee further subject to the condition that the Property and all improvements developed and constructed thereon from time to time, including, without limitation, the Initial Improvements, shall be subject to real estate taxes and assessments imposed by the City of Richmond on other similarly situated properties located within the City of

Richmond. Said condition shall be for the benefit of Grantor and shall operate as a covenant binding Grantee, its successors and assigns hereunder, and shall run with title to the Property.

[Signatures on Following Page]

IN WITNESS WHEREOF, the Grantor has caused this Deed to be executed on its behalf by its duly authorized representative.

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

By: _____
Name: _____
Title: _____

COMMONWEALTH OF VIRGINIA:

CITY OF RICHMOND, to-wit:

The foregoing Deed was acknowledged before me on the ____ day of _____, 20___, by _____, _____ of the Economic Development Authority of the City of Richmond, a political subdivision of the Commonwealth of Virginia, on behalf of such entity.

_____
Notary Public

Notary Registration Number: _____
My Commission expires: _____

[Notary Seal]

Prepared and approved as to form:

_____

GRANTEE'S ADDRESS
_____
_____
_____

EXHIBIT A - TO DEED
LEGAL DESCRIPTION

[To Be Inserted based on Survey for Applicable Purchased Property Phase]

EXHIBIT C

FORM OF AFFIDAVIT

AFFIDAVIT AS TO MECHANICS' LIENS AND POSSESSION

TO: _____

FILE NO.: _____

The undersigned, acting in its capacity as _____ of the Economic Development Authority of the City of Richmond, Virginia, a political subdivision of the Commonwealth of Virginia ("**Affiant**"), hereby declares as follows with respect to the property known as _____ (the "**Property**"), on behalf of the Affiant:

(a) There has been no work performed, services rendered or materials furnished by or on behalf of Affiant in connection with repairs, improvements, development, construction, removal, alterations, demolition or similar activities with respect to the Property during the 123 days prior to the date hereof, for which payment has not been made or provided for.

(b) There are no outstanding claims or persons entitled to any claim or right to a claim for a mechanic's or materialman's lien against the Property in connection with work performed, services rendered or materials furnished by or on behalf of Affiant.

(c) There are no outstanding, unrecorded leases or other similar agreements, written or oral, with respect to the Property and to which the Affiant is a party.

This affidavit is made for the purpose of inducing you to insure title to the Property without exception to (i) claims of mechanics or materialmen or (ii) rights of parties in possession except as set forth above.

[Signatures On Following Page]

IN WITNESS WHEREOF, the undersigned has executed this Affidavit as of the ____ day of _____, 20___.

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

By:_____

Name:_____

Title:_____

COMMONWEALTH OF VIRGINIA:

CITY OF RICHMOND:

The foregoing instrument was acknowledged before me this _____ day of _____ , 20___, by _____, as _____ of the Economic Development Authority of the City of Richmond, Virginia, a political subdivision of the Commonwealth of Virginia, on behalf of such entity.

My commission expires:

Notary Registration Number: _____

_____
Notary Public

_____(SEAL)

EXHIBIT D

FORM OF AFFORDABLE HOUSING COVENANTS

EXHIBIT D

<INSERT RECORDING INFORMATION>

<TAX MAP PARCEL NUMBER>

DECLARATION OF AFFORDABLE DWELLING UNITS COVENANTS

This DECLARATION OF AFFORDABLE DWELLING UNITS COVENANTS ("Covenant") is made as of the _____ day of _____, 20___ (the "Effective Date"), by <INSERT>, ("Declarant"), identified for indexing purposes as Grantor and Grantee.

RECITALS

R-1. The Declarant is the fee simple owner of certain real property as further described in **Exhibit A** (the "Property").

R-2. The City of Richmond, Virginia (the "City") has determined to further its public policy of increasing the affordable housing stock in that portion of the Greater Scotts Addition area of the City that is currently home to the Diamond baseball stadium, and in particular, on the Property.

R-3. The City, the Economic Development Authority of the City of Richmond, Virginia (the "EDA"), and RVA Diamond Partners, LLC (the "Developer") entered into that certain Development Agreement dated _____ ("Development Agreement") and the EDA and the Developer entered into that certain Purchase and Sale Agreement dated _____ ("PSA"), whereby the City, the EDA, and the Developer agreed upon the terms under which the Developer agreed, among other things, to directly develop and construct at least five hundred and sixty-one (561) Affordable Housing Units (as defined herein, and consistent with the Minimum Development Progress Requirements set forth in the Development Agreement) dispersed among several of the Private Development Parcels (as defined in the Development Agreement) pursuant to the Development Agreement (the "Affordable Housing Parcels").

R-4. The Property is one of the Affordable Housing Parcels.

R-5. The Declarant was formed to acquire title to the Property and to oversee development and construction of the Improvements (as defined in the Development Agreement) on the Property in accordance with the Development Agreement and the PSA, including certain Affordable Housing Units.

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, Declarant hereby declares that the Property shall be subject to this Covenant, which shall be binding in accordance with the terms herein on Declarant and on all tenants and purchasers of the Affordable Housing Units and all Transferees (as defined herein) of the Property until expiration of the Affordability Period. For purposes herein, Transferees shall be deemed all persons that may hereafter acquire any interest whatsoever in the Property, or any part thereof,

from Declarant, or any successor or assign of Declarant, or any other party, whether by sale, lease, assignment, hypothecation, or any other means of transfer (any and all of the foregoing means of transfer being herein referred to as "Transfer"), for the Affordability Period. Wherever "Declarant" is used in this Covenant, the term includes any Transferee. In the event of a conflict between this Covenant and any terms of Internal Revenue Code Section 42 or a covenant required by Virginia Housing Development Authority, the provisions of the latter shall prevail.

ARTICLE I
DEFINITIONS

For the purposes of this Covenant, the capitalized terms used herein shall have the meanings ascribed to them below and, unless the context clearly indicates otherwise, shall include the plural as well as the singular.

Affordability Period: is defined in Article X.

Affordability Requirement: is the requirement that Declarant develop and construct 560 Affordable Housing Units, subject to the following requirements: a: (i) no less than 452 of the units so constructed and operated on the Property shall meet the definition of a low income housing unit and be rent-restricted under Internal Revenue Code Section 42(g), (ii) no less than 95 of the units so constructed and operated on the Property shall be leased for occupancy by households earning up to 30% of the Area Median Income, and (iii) no less than 13 of the units shall be sold to households earning between 60% and 70% of the Area Median Income.

Affordable Housing Units: are dwelling units that are reserved for occupancy by households earning up to the Maximum Annual Household Incomes described herein.

Affordable Unit Owner: means a Qualified Purchaser who own(s) a For Sale Affordable Unit.

Affordable Unit Tenant: means a Qualified Tenant who lease(s) a Rental Affordable Unit.

Area Median Income or AMI: means the most recent annually adjusted median income for the Richmond, VA Metropolitan Statistical Area published by the United States Department of Housing and Urban Development adjusted for household size.

Annual Household Income: means the aggregate annual income of a Household as determined by using the standards set forth in 24 CFR § 5.609, as may be amended.

Annual Report: has the meaning given in Section 4.9.

Business Day: means Monday through Friday, inclusive, other than holidays recognized by the City of Richmond, Virginia, the Commonwealth of Virginia, or the United States government.

Certificate of Purchaser Eligibility: means a certification executed by a Household prior to its purchase of an Affordable Housing Unit, in a form approved by the City (such approval not

to be unreasonably withheld), that shall be given to the City, or its designee, and Declarant, representing and warranting the following: (a) the Household is a Qualified Purchaser and has disclosed all of its Annual Household Income and has provided reasonably satisfactory documentation evidencing such Annual Household Income, (b) the Household's Annual Household Income is at or below the Maximum Annual Household Income for the applicable Affordable Housing Unit, (c) the Household has been informed of its rights and obligations under this Covenant, (d) the Household intends to occupy the Affordable Housing Unit as its principal residence, (e) that the Household size is within the Occupancy Standard for the Affordable Housing Unit, and (f) any other reasonable and customary representations requested by the City or Declarant.

Certificate of Tenant Eligibility: means a certification by a Household at its initial occupancy of an Affordable Housing Unit, in a form approved by the City (such approval not to be unreasonably withheld), that shall be given to the City, or its designee, and Declarant representing and warranting the following: (a) the Household is a Qualified Tenant and has disclosed all of its Annual Household Income, (b) the Household's Annual Household Income is at or below the Maximum Annual Household Income for the applicable Affordable Housing Unit, (c) the Household has been informed of its rights and obligations under this Covenant, (d) the Household intends to occupy the Affordable Housing Unit as its principal residence, (e) that the Household size is within the Occupancy Standard for the Affordable Housing Unit, and (f) any other reasonable and customary representations requested by the City or Declarant.

Certification of Compliance: means a certification by Declarant that it has performed or caused to be performed an inspection of all Rental Affordable Units in the Property and that, to the best of Declarant's knowledge, the Property is in compliance with all applicable statutory and regulatory requirements, in such form as the City approves (such approval not to be unreasonably withheld) and allowing for reasonable review by Declarant.

Certification of Residency: means a certification made by Affordable Unit Owner that states that each Rental Affordable Unit within the Property is occupied by an Affordable Unit Tenant as its principal residence, in such form as the City approves (such approval not to be unreasonably withheld) and allowing for reasonable review by Declarant.

Designated Affordability Level: means the percentage of AMI assigned to each Affordable Housing Unit, at or below which a Qualified Purchaser's or Qualified Tenant's, as applicable, Annual Household Income must fall.

Declarant: is identified in the preamble of this Covenant, and when used herein includes any Transferee.

For Sale Affordable Unit: means an Affordable Housing Unit designated for sale to households earning between 60% and 70% of the Area Median Income, which shall be sold to a Qualified Purchaser.

Household(s): means all persons who will occupy the Affordable Housing Unit, including all persons over eighteen (18) years of age whose names will appear on the lease, the purchaser's

or tenant's, as applicable, spouse or domestic partner and children under eighteen (18) years of age.

Household Size Adjustment Factor (HAF): means the factor related to the number of individuals in a Household for the purpose of establishing the Maximum Annual Household Income of a For Sale Affordable Housing Unit, as set forth in the following table:

Household Size	Household Adjustment Factor
1	0.7
2	0.8
3	0.9
4	1
5	1.1
6	1.2

Housing Cost: means (a) the total monthly payments for rent and Utilities for a Rental Affordable Unit, less any rental subsidies paid on behalf of the Qualified Tenant leasing that Rental Affordable Unit, or (b) the total monthly mortgage payments, property tax, hazard insurance, if applicable, and condominium or homeowner fees for a For Sale Affordable Unit.

HUD: means the United States Department of Housing and Urban Development.

Land Records: means the real property records for the City of Richmond, Virginia.

Market-Rate Unit: means each Residential Unit that is not an Affordable Housing Unit.

Maximum Allowable Rent: is defined in Section 4.3.2.

Maximum Annual Household Income or **MAXI:** means the maximum Annual Household Income of a Household occupying an Affordable Housing Unit as calculated pursuant to (a) Section 4.4.1 for Rental Affordable Units and (b) Section 5.2.1 for For Sale Affordable Units.

Maximum Resale Price: means the maximum resale price of a For Sale Affordable Unit as described in Section 5.1.2 and determined pursuant to the procedures contained in **Schedule** 2 attached hereto.

Maximum Sales Price: as defined in Section 5.1.1.

Minimum Annual Household Income or **MINI:** is the minimum Annual Household Income of a Household occupying an Affordable Housing Unit as calculated pursuant to (a) Section 4.4.2 for Rental Affordable Units and (b) Section 5.2.1 for For Sale Affordable Units.

Mortgage: means a mortgage, deed of trust, mortgage deed, or such other classes of instruments as are commonly given to secure a debt under the laws of the Commonwealth of Virginia.

Mortgagee: means the holder of a Mortgage.

Occupancy Standard: means the minimum number of individuals permitted to occupy any given Affordable Housing Unit, as identified in the following chart:

Affordable Housing Unit Size (Number of Bedrooms)	Minimum Number of Individuals in Affordable Housing Unit
Studio/Efficiency	1
1	1
2	2
3	3
4	4

Occupancy Standard Factor: means the factor related to the assumed number of occupants for the purpose of establishing the Maximum Sales Price of a For Sale Affordable Unit as set forth in the following table:

Size of For Sale Affordable	Occupancy Pricing Standard	Occupancy Standard Factor
Efficiency/Studio	1	.7
1 Bedroom	2	.8
2 Bedroom	3	.9
3 Bedroom	5	1.1

Over-Income Tenant: is defined in Section 4.5.5.

Owner: means, in the context of Rental Affordable Units, Declarant, and in the context of For Sale Affordable Units, Declarant for so long as Declarant owns the applicable For Sale Affordable Unit, and then thereafter, the Affordable Unit Owner that owns such For Sale Affordable Unit.

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

Property: is defined in the Recitals.

Qualified Purchaser: means a Household that (i) has an Annual Household Income less than or equal to the Maximum Annual Household Income for the applicable Affordable Housing Unit, (ii) shall occupy the Affordable Housing Unit as its principal residence during its ownership of such Affordable Housing Unit, (iii) shall not permit exclusive occupancy of the Affordable Housing Unit by any other Person, and (iv) shall use, occupy, hold and sell the Affordable Housing Unit as an Affordable Housing Unit subject to the Affordability Requirement (including the requirement to sell the Affordable Housing Unit to a Qualified Purchaser) and this Covenant.

Qualified Tenant: means a Household that (i) has an Annual Household Income less than or equal to the Maximum Annual Household Income for the applicable Affordable Housing Unit at the time of leasing and subsequent lease renewals, (ii) shall occupy the Affordable Housing Unit as its principal residence during its lease of such Affordable Housing Unit, (iii) shall not permit exclusive occupancy of the Affordable Housing Unit by any other Person, and (iv) shall use and occupy the Affordable Housing Unit as an Affordable Housing Unit subject to the Affordability Requirement and this Covenant.

Rental Affordable Unit: means an Affordable Housing Unit designated to be leased for occupancy by households earning either (i) up to 60% of the Area Median Income or (ii) up to 30% of the Area Median Income, as applicable, which shall be leased to a Qualified Tenant.

Rental Affordable Unit Lease Rider: is that certain lease rider, which is attached to this Covenant as **Exhibit B** and incorporated herein, as the same may be amended from time to time with the written approval of the City (such approval not to be unreasonably withheld).

Residential Unit: is any dwelling unit developed and constructed on the Property to be sold or leased for Residential Use, including all Affordable Housing Units.

Sale: is defined in Section 5.1.

Successor In Interest: is defined in Section 5.8.

Utilities: means water, sewer, electricity, and natural gas.

Virginia Housing: means the Commonwealth of Virginia's housing finance agency, also known as the Virginia Housing Development Authority.

ARTICLE II
AFFORDABILITY REQUIREMENT

2.1 **Requirement of Affordability.** Declarant shall construct, reserve, and either, or both (as applicable), maintain and lease as Rental Affordable Units, or sell as For Sale Affordable Units that number of Affordable Housing Units that are required by the Affordability Requirement.

2.2 **Affordable Unit Standards and Location.**

2.2.1 *Size.* Each category of Residential Unit (studio, one-bedroom, two-bedrooms, etc.) developed and constructed as an Affordable Housing Unit must be of a size substantially similar to the same category of Residential Unit developed and constructed as Market-Rate Units within the same building.

2.2.2 *Exterior Finishes, Amenities.* Exteriors of buildings housing Affordable Housing Units will be of durable, high quality materials; the building architecture will complement and contribute positively to the character of the surrounding neighborhood; will include exterior architectural features and design elements that add visual interest and appeal. ; and buildings will provide amenities appropriate for the target resident community, including but not necessarily

limited to, spaces to facilitate recreational and social opportunities, community / multi-purpose room(s) with kitchen / kitchenette to accommodate resident functions, fully equipped fitness center, indoor and outdoor seating areas, etc.

2.2.3 *Interior Finishes.* Interior finishes, fixtures, materials, appliances and equipment in the Affordable Housing Units must be equivalent to that of the Market-Rate Units within the same building.

2.2.4 *Affordable Unit Location.* Affordable Housing Units shall be disbursed throughout the Property on the parcels designated for affordable housing as outlined on the Master Plan attached to the Development Agreement

2.3 **Certification.** Upon request, the Owner will provide the City, or a designee of the City, such documentation as may be reasonably requested in order to review and verify a Household's Annual Household Income and Household's size and determine whether the Household is a Qualified Tenant or Qualified Purchaser, as applicable. The City may require, and may designate a third party to issue, such certifications as it may deem necessary or desirable to memorialize such qualification. The City may also elect to rely on reports and documentation provided to VHDA for this purpose. Wherever "City" is used in this Covenant with regard to review, administration, or reporting requirements designed to ensure Household eligibility, "City" will include any such designee.

ARTICLE III
USE

3.1 **Use.** Except as provided herein, all Affordable Unit Owners and Affordable Unit Tenants shall have the same and equal use and enjoyment of all of the amenities of the Property and services provided at the Property as the owners or tenants of the comparable Market-Rate Units. No restrictions, requirements or rules shall be imposed on Affordable Unit Owners or Affordable Unit Tenants that are not imposed equally on the owners or tenants of the comparable Market-Rate Units. If amenities, services, upgrades, or ownership or rental of parking and other facilities are offered as an option at an additional upfront and or recurring cost or fee to the comparable Market-Rate Units, such amenities, services, upgrades, or ownership or rental of parking and other facilities shall be offered to the Affordable Unit Owners and Affordable Unit Tenants of comparable Affordable Housing Units at the same upfront and or recurring cost or fee charged to the Market-Rate Units. If there is no cost or fee charged to the owners or tenants of the comparable Market-Rate Units for such amenities, services, upgrades, or ownership or rental of parking and other facilities, there shall not be a cost or fee charged to Affordable Unit Owners or Affordable Unit Tenants of comparable Affordable Housing Units.

3.2 **Demolition/Alteration.** Owner shall maintain, upkeep, repair and replace interior components (including fixtures, appliances, flooring and cabinetry) of any Affordable Housing Unit with interior components of equal or better quality than those interior components being replaced. Owner shall not demolish or otherwise structurally alter an Affordable Housing Unit or remove fixtures or appliances installed in an Affordable Housing Unit other than for maintenance and repair (and replacement, if necessary, subject to the terms of the preceding sentence) without prior notification to the City.

ARTICLE IV

RENTAL OF AFFORDABLE HOUSING UNITS

4.1 **Lease of Rental Affordable Units.** In the event the Property contains Rental Affordable Units, Declarant shall reserve, maintain and lease the Rental Affordable Units to Qualified Tenants (a) in accordance with this Covenant, and (b) at a rental rate at or below the Maximum Allowable Rent.

4.2 **Rental Affordable Unit Lease Requirements.**

4.2.1 *Form of Lease.* To lease a Rental Affordable Unit to a Qualified Tenant, Declarant shall use a lease agreement to which is attached and incorporated a Rental Affordable Unit Lease Rider. The Rental Affordable Unit Lease Rider must be executed by Declarant and each Qualified Tenant prior to the Qualified Tenant's occupancy of the Rental Affordable Unit. Any occupant of the Rental Affordable Unit who is eighteen (18) years or older shall be a party to the lease agreement and shall execute the Rental Affordable Unit Lease Rider. A Rider in a format acceptable to VHDA will also be accepted by the City for this purpose.

4.2.2 *Effectiveness of Lease.* The lease of a Rental Affordable Unit will only be effective if a Rental Affordable Unit Lease Rider and a Certificate of Tenant Eligibility are attached as exhibits to the lease agreement. Failure to attach the foregoing shall render the lease null and void *ab initio.*

4.2.3 *Declarant to Maintain Copies.* Declarant shall maintain or cause to be maintained copies of all initial and renewal leases executed with Qualified Tenants for a period of no less than five (5) years from the expiration or termination of such lease, or for such period of time as required by law, whichever is longer.

4.3 **Initial Rental Affordable Unit Lease Terms.**

4.3.1 *Term.* The term of any Rental Affordable Unit lease agreement shall be for a period of one (1) year.

4.3.2 *Establishment of Maximum Rent.* The maximum allowable monthly rent **("Maximum Allowable Rent"** or **"MAR")** for each Rental Affordable Unit shall be an amount equal to the equivalent of the then current Maximum LIHTC Gross Rent for such size of Affordable Housing Unit (studio, one-bedroom, two-bedrooms, etc.) permitted to be charged by Virginia Housing by owners of projects in the City of Richmond, Virginia that are participating in the Federal Low-Income Housing Tax Credit (LIHTC) program, before deducting a Utility Allowance in the determination of such rents.

4.4 **Income Determinations.** The Annual Household Income for a prospective tenant of a Rental Affordable Unit shall be determined as of the date of the lease and any lease renewals for such Rental Affordable Unit. A Household's income eligibility to rent a Rental Affordable Unit is determined by calculating both the Maximum Annual Household Income for a Household

occupying the Rental Affordable Unit and the Minimum Annual Household Income for a Household occupying the Rental Affordable Unit.

4.4.1 *Maximum Annual Household Income.* The Maximum Annual Household Income is determined through the use of the formula: MAXI = (AMI * DAL * HAF).

4.4.2 *Minimum Annual Household Income.* The Minimum Annual Household Income is determined by multiplying the monthly Housing Cost by twelve (12) and dividing this number by thirty-eight percent (38%).

4.5 Subsequent Lease Years.

4.5.1 *Establishment of Maximum Rent.* Declarant shall determine the Maximum Allowable Rent in lease years after the first lease year in accordance with Section 4.3.2 above.

4.5.2 *Renewal by Affordable Unit Tenant.* For each Affordable Unit Tenant who intends to renew its residential lease, no earlier than ninety (90) days and no later than thirty (30) days before each anniversary of the first day of a residential lease, Declarant shall request the following: (i) a Certification of Residency from each such Affordable Unit Tenant; and (ii) a certification of income. Declarant shall not permit a renewal of an Affordable Unit Tenant's lease unless the Affordable Unit Tenant has provided Declarant with these documents as required herein and the tenant is determined to be a Qualified Tenant. If the Affordable Unit Tenant fails to provide such documents, Declarant shall treat such tenant as an Over-Income Tenant and charge market-rate rent, upon which Declarant shall designate another unit as a Rental Affordable Unit. in accordance with Section 4.5.6.

4.5.3 *Annual Recertification of Tenants.* Upon receipt of an Affordable Unit Tenant's renewal documents at annual recertification, Declarant shall determine the Affordable Unit Tenant's income eligibility pursuant to Section 4.5 for the subject Rental Affordable Unit and notify Affordable Unit Tenant of the same within fifteen (15) days prior to the expiration of the then-current lease term. Any Affordable Unit Tenant whose Annual Household Income remains at or below the Maximum Annual Household Income for the subject Rental Affordable Unit will be eligible to remain in the Rental Affordable Unit and to renew the lease at the then-current lease rate for the particular Rental Affordable Unit.

4.5.4 *Annual Recertification of Under Income Tenants.* Upon annual recertification, any Affordable Unit Tenant whose Annual Household Income remains at or below the Maximum Annual Household Income for the subject Rental Affordable Unit, but whose Annual Household Income is less than the Minimum Annual Household Income for the subject Rental Affordable Unit, may elect either to (i) remain in the Rental Affordable Unit paying rent, as established by Owner, up to the then-current Maximum Allowable Rent for the subject Rental Affordable Unit or (ii) vacate the Rental Affordable Unit at the end of the tenant's lease term.

4.5.5 *Annual Recertification of Over-Income Tenants.* Upon annual recertification, if an Affordable Unit Tenant's Annual Household Income is determined to exceed the Maximum Annual Household Income for the subject Rental Affordable Unit (such tenant, an "Over-Income Tenant"), then the Over-Income Tenant may elect to remain in the Rental Affordable Unit and pay the rent applicable to (a) a higher Designated Affordability Level, if a higher Designated

Affordability Level exists for the Property, for which the Over-Income Tenant's Annual Household Income qualifies, whereupon Declarant shall change the Designated Affordability Level of the Rental Affordable Unit to the higher Designated Affordability Level pursuant to Section 4.5.6, or (b) a like-sized Market-Rate Unit, if the Over-Income Tenant's Annual Household Income does not qualify for a higher Designated Affordability Level, but qualifies for a like-sized Market Rate Unit, whereupon Declarant shall designate a Market-Rate Unit as a Rental Affordable Unit pursuant to Section 4.5.6.

4.5.6 *Changes to Unit Location.* Declarant may only change the designation of a Rental Affordable Unit to a new Designated Affordability Level or to a Market-Rate Unit as necessary to allow an Over-Income Tenant to remain in the unit. Following any change in designation of a Rental Affordable Unit to a higher Designated Affordability Level or to a Market-Rate Unit, as applicable, Declarant shall designate the next available Rental Affordable Unit at that same higher Designated Affordability Level or Market-Rate Unit of the similar size and location in the Property to the lower Designated Affordability Level from which the original Rental Affordable Unit had been changed in order to bring the Property in conformity with the Affordability Requirement.

4.5.7 *Rent from Subsidies.* Nothing herein shall be construed to prevent Declarant from collecting rental subsidy or rental-related payments from any federal or state agency paid to Declarant or the Affordable Unit Tenant, or on behalf of an Affordable Unit Tenant, to the extent receipt of such payment is otherwise in compliance with the requirements of this Covenant. Such rental subsidy or rental related payment shall be included in the calculation to determine if a tenant is a Qualified Tenant.

4.6 **No Subleasing of Rental Affordable Units.** An Affordable Unit Tenant may not sublease any portion of its Rental Affordable Unit or assign its lease to any other Household and Declarant shall not knowingly allow such Rental Affordable Unit to be subleased.

4.7 **Representations of Affordable Unit Tenant.** By execution of a lease for a Rental Affordable Unit, each Affordable Unit Tenant shall be deemed to represent and warrant to the Declarant, whom may rely thereon, that the Affordable Unit Tenant meets, and will continue to meet, all eligibility requirements contained in this Covenant for the rental of a Rental Affordable Unit.

4.8 **Representations of Declarant.** By execution of a lease for a Rental Affordable Unit, Declarant shall be deemed to represent and warrant to the City, which may rely on the following, that: (i) the Household is determined to be a Qualified Tenant, and (ii) Declarant is not collecting more than the Maximum Allowable Rent.

4.9 **Annual Reporting Requirements.** Beginning with the first anniversary of the Property achieving 100% qualified occupancy and on each anniversary date thereafter, Declarant shall provide copies of the books an annual report ("Annual Report") to the City regarding the Rental Affordable Units. The Annual Report shall include the following:

(a) the number and identification of the Rental Affordable Units, by bedroom count, that are occupied;

(b) the number and identification of the Rental Affordable Units, by bedroom count, that are vacant;

(c) for each Rental Affordable Unit that is vacant or that was vacant for a portion of the reporting period, the manner in which the Rental Affordable Unit became vacant (e.g. eviction or voluntary departure) and the progress in re-leasing that unit;

(d) for each occupied Rental Affordable Unit, the names and ages of all persons in the Household, the Household size, date of initial occupancy, and total Annual Household Income;

(e) a sworn statement that, to the best of Declarant's information and knowledge, the Household occupying each Rental Affordable Unit meets the eligibility criteria of this Covenant;

(f) a copy of each new or revised Certification of Residency for each Household renting a Rental Affordable Unit;

(g) a copy of each inspection report and Certification of Inspection for each Rental Affordable Unit; and

(h) a copy of all forms, policies, procedures, and other documents reasonably requested by the City related to the Rental Affordable Units.

The Annual Reports shall be retained by Declarant for a minimum of five (5) years after submission and shall be available, upon reasonable notice, for inspection by the City's Chief Administrative Officer or a designee thereof. The City may request Declarant to provide additional information in support of its Annual Report, and the Declarant shall make reasonable efforts to provide such information.

4.10 **Confidentiality.** Except as may be required by applicable law, including, without limitation, the Virginia Freedom of Information Act, Declarant will not disclose to third parties the personal information of the Households, including the identity of the Households, submitted as a part of the Annual Report.

4.11 **Inspection Rights.** The City's Chief Administrative Officer or a designee thereof shall have the right to inspect the Rental Affordable Units, upon reasonable advance notice to Declarant, but in no event less than forty-eight (48) hours' notice. If Declarant receives such notice, Declarant shall, in turn, give reasonable advance notice of the inspection to the tenant(s) occupying the specific Rental Affordable Unit(s). Subject to the rights of the tenants occupying the applicable Rental Affordable Units, the City's Chief Administrative Officer or a designee thereof shall have the right to inspect a random sampling of the Rental Affordable Units to confirm that the units are in compliance with applicable statutory and regulatory housing requirements and as otherwise permitted under this Covenant. The City's Chief Administrative Officer or a designee thereof shall have the right to conduct audits of a random sampling of the Rental Affordable Units and associated files and documentation to confirm compliance with the requirements of this Covenant.

ARTICLE V

EXHIBIT D (AFFORDABLE HOUSING COVENANT)
TO
DIAMOND DISTRICT PURCHASE AND SALE AGREEMENT
SALE OF AFFORDABLE UNITS

5.1 **Sale of For Sale Affordable Units.** In the event the Property contains For Sale Affordable Units, the Owner shall comply with the provisions of this Article V for the sale of such Affordable Housing Units. Owner shall not convey all or any part of its fee interest ("Sale"), whether or not for consideration, in a For Sale Affordable Unit to any Person other than a Qualified Purchaser. Owner shall only sell to a buyer who has provided a certification of income and who is a Qualified Purchaser. Any Sale of a For Sale Affordable Unit to a Person who is not a Qualified Purchaser shall be null and void.

5.1.1 *Maximum Sales Price.* The sale price of each For Sale Affordable Unit upon an initial Sale shall not exceed an amount (the "Maximum Sales Price") that is affordable to a Household with an Annual Household Income at the Designated Affordability Level, adjusted by the Occupancy Standard Factor, spending not more than forty-one percent (41%) of their Annual Household Income on Housing Cost. The Housing Cost includes mortgage payments, property taxes, condominium and homeowner fees, and hazard insurance, if applicable, and shall be calculated in accordance with Schedule 1 attached hereto and incorporated herein. The Declarant shall submit to the City the proposed sales price for each For Sale Affordable Unit for approval prior to the marketing and sale of such For Sale Affordable Unit, such approval or disapproval not to be unreasonably withheld or delayed.

5.1.2 *Maximum Resale Price.* The Maximum Resale Price for each Sale subsequent to the initial Sale shall be calculated in accordance with Schedule 2 attached hereto and incorporated herein.

5.1.3 *Subsidized funding.* The Maximum Sales Price and Maximum Resale Price of a For Sale Affordable Unit shall be determined as described in Sections 5.1.1 and 5.1.2, regardless of the prospective buyer's use of any available subsidized funding for the purchase of the For Sale Affordable Unit.

5.2 **Procedures for Sales.** The following procedures shall apply to (i) Declarant with respect to the initial Sale of a For Sale Affordable Unit, and (ii) an Affordable Unit Owner of a For Sale Affordable Unit desiring to sell his or her For Sale Affordable Unit.

5.2.1 *Income Eligibility.* For any Qualified Purchaser, the Annual Household Income shall be determined as of the date of the sales contract for such For Sale Affordable Unit. To the extent settlement for a For Sale Affordable Unit will not occur within 90 days after the sales contract, the Annual Household Income of the prospective Qualified Purchaser shall be determined again within 90 days prior to settlement. A Household's eligibility to purchase a For Sale Affordable Unit is determined by calculating both the Maximum Annual Household Income for a Household seeking to occupy the For Sale Affordable Unit and the Minimum Annual Household Income for a Household seeking to occupy the For Sale Affordable Unit and verifying that the prospective Household's Annual Household Income is between the MAXI and MINI. The Maximum Annual Household Income is determined through the use of the formula: MAXI = (AMI * DAL * HAF). Examples of the calculation of Maximum Annual Household Income are included in the attached Schedule 1. The Minimum Annual Household Income is determined by multiplying the total Housing Cost by twelve (12) and dividing this number by forty one percent (41%). Examples of

the calculation of Minimum Annual Household Income are included in the attached Schedule 1. The Housing Cost is determined by calculating the monthly mortgage payments using the actual terms of the Household's approved mortgage, and adding all applicable property taxes, homeownership or condominium fees, and hazard insurance, if applicable.

5.2.2 *Sale.* A Sale of a For Sale Affordable Unit shall only be effective if a Certificate of Purchaser Eligibility submitted by a Household to Owner and dated within ninety (90) days of the closing of such Sale is recorded prior to or contemporaneous with the deed conveying the For Sale Affordable Unit and (b) a certification of income is completed within ninety (90) days before closing of such Sale. Owner, Mortgagee(s), City and any title insurer shall each be a third party beneficiary of each such Certificate of Purchaser Eligibility.

5.3 **Closing Procedures and Form of Deed.**

5.3.1 *Owner to Provide Copy of Covenant.* Owner shall provide the Qualified Purchaser with a copy of this Covenant prior to or at the closing on the Sale of the For Sale Affordable Unit.

5.3.2 *Form of Deed.* All deeds used to convey a For Sale Affordable Unit must have a fully executed Certificate of Purchaser Eligibility attached, and shall include the following statement in twelve (12) point or larger type, in all capital letters, on the front page of the deed:

THIS DEED IS DELIVERED AND ACCEPTED SUBJECT TO THE PROVISIONS AND CONDITIONS SET FORTH IN THAT CERTAIN DECLARATION OF AFFORDABLE DWELLING UNITS COVENANTS, DATED AS OF 20_ RECORDED AMONG THE LAND RECORDS OF THE CITY OF RICHMOND, VIRGINIA, AS INSTRUMENT NUMBER ON 20 , WHICH AMONG OTHER THINGS IMPOSES RESTRICTIONS ON THE SALE AND CONVEYANCE OF THE SUBJECT PROPERTY.

5.3.3 *Deed for For Sale Affordable Unit.* A deed for a For Sale Affordable Unit shall not be combined with any other property, including parking spaces or storage facilities, unless the price of such property is included in the Maximum Sales Price (for initial Sales) or Maximum Resale Price (for subsequent Sales).

5.3.4 *Post-Closing Obligations.* The purchaser of a For Sale Affordable Unit shall submit to the City within thirty (30) days after the closing a copy of the final executed settlement statement, a copy of the deed recorded in the Land Records, the Certificate of Purchaser Eligibility, and the certification of income.

5.4 **Rejection of Applicants.** In connection with the Sale of a For Sale Affordable Unit, Owner may reject any applicant seeking to acquire a For Sale Affordable Unit who has provided a certification of income or other evidence of eligibility, if, based on such applicant's application, background, or creditworthiness (including, without limitation, the applicant's inability to provide credible evidence that such applicant will qualify for sufficient financing to purchase the For Sale Affordable Unit), Owner determines in good faith that such applicant does not meet the criteria to purchase or occupy a For Sale Affordable Unit, provided that such criteria does not violate applicable laws and is the same criteria as Market-Rate Units, except as required by this Covenant. In the event any rejected applicant raises an objection or challenges Owner's rejection

of such applicant, Owner shall be solely responsible for ensuring that its rejection of any applicant is not in violation of law. Owner shall provide the City with all documents evidencing Owner's review and rejection of an applicant, upon the request of the City.

5.5 **Representations of Owner.** By execution of a deed for a For Sale Affordable Unit, Declarant (for initial Sales) and the Affordable Unit Owner (for subsequent Sales) shall be deemed to represent and warrant to the City and, if applicable, the title company, each of whom may rely on the following: that (i) the Household is determined to be a Qualified Purchaser at the Designated Affordability Level, and (ii) the sale price satisfies the terms of this Covenant.

5.6 **Annual Certification of Residency.** During the Affordability Period, the Affordable Unit Owner shall submit to the City annually on the anniversary of the closing date for a For Sale Affordable Unit, a Certification of Residency. The Certification of Residency shall be submitted on or with such form as may be prescribed by City.

5.7 **Leasing For Sale Affordable Units.** An Affordable Unit Owner shall not lease, or permit a sublease of, a For Sale Affordable Unit.

5.8 **Succession.** Except as provided in Article VIII, in the event an Affordable Unit Owner voluntarily or involuntarily transfers all or part of the For Sale Affordable Unit pursuant to operation of law, court order, divorce, or death to a transferee, heir, devisee or other personal representative of such owner of a For Sale Affordable Unit (each a "Successor in Interest"), such Successor in Interest, shall automatically be bound by all of the terms, obligations and provisions of this Covenant; and shall either: (i) occupy the For Sale Affordable Unit if he or she is a Qualified Purchaser, or (ii) if the Successor in Interest does not wish to or is unable to occupy the For Sale Affordable Unit, he or she shall promptly sell it in accordance with this Covenant.

5.9 **Prohibition on Occupancy.** In no event shall a Successor in Interest who is not a Qualified Purchaser reside in a For Sale Affordable Unit for longer than ninety (90) days.

5.10 **Progress Reports.** Until all initial Sales of For Sale Affordable Units are completed, Declarant shall provide City with annual progress reports, or more frequently upon request, on the status of its sale of the For Sale Affordable Units.

ARTICLE VI
DEFAULT; ENFORCEMENT AND REMEDIES

6.1 **Default; Remedies.** Except as otherwise provided in Section 6.2, in the event Owner, defaults under any term of this Covenant and does not cure such default within thirty (30) days following written notice of such default from the City, the City shall have available to it all remedies at law and in equity, including the right to seek specific performance, injunctive relief, or other equitable remedies, including compelling the re-sale or leasing of an Affordable Housing Unit and the disgorgement of rents and sale proceeds in excess of the rental rates and sale prices permitted hereunder, for defaults under this Covenant.

6.2 **Right to Cure Period.** Notwithstanding anything contained in Section 6.1 above to the contrary, if a default by the Declarant occurs under this Covenant, the City shall provide the

Declarant with written notice setting forth the alleged violation with particularity and shall provide at least forty-five (45) days to cure the alleged violation, prior to exercising its remedies. The City may extend the cure period in its sole discretion, provided that the cure period shall be extended for an additional ninety (90) days if the Declarant commences to cure the alleged violation within the initial forty-five (45) day period and diligently pursues the cure during such period.

6.3 **No Waiver.** Any delay by the City in instituting or prosecuting any actions or proceedings with respect to a default hereunder, in asserting its rights or pursuing its remedies hereunder shall not operate as a waiver of such rights.

6.4 **Right to Attorney's Fees.** If the City shall prevail in any such legal action to enforce this Covenant, then Owner, Affordable Unit Tenant, Person or Household against whom the City prevails, shall pay City all of its costs and expenses, including reasonable attorney fees (to include the cost of attorneys employed in the Office of the City Attorney), incurred in connection with City efforts to enforce this Covenant.

ARTICLE VII
COVENANTS BINDING ON SUCCESSORS AND ASSIGNS

This Covenant is and shall be binding upon the Property and each Affordable Housing Unit and shall run with the land as of the Effective Date through the Affordability Period. The rights and obligations of City, Declarant, Affordable Unit Owner, and their respective successors, heirs, and assigns shall be binding upon and inure to the benefit of the foregoing parties and their respective successors, heirs, and assigns; provided however that all rights of City pertaining to the monitoring and enforcement of the obligations of Declarant or Affordable Unit Owner hereunder shall be retained by City, or such designee of the City as the City may so determine. No Sale, transfer or foreclosure shall affect the validity of this Covenant, except as provided in Article VIII.

ARTICLE VIII
MORTGAGES

8.1 **Subordination of Mortgages.** All Mortgages placed against the Property, or any portion thereof, shall be subject and subordinate to this Covenant, except as provided in Section 8.3.

8.2 **Amount of Mortgage.** In no event shall the aggregate amount of all Mortgages placed against a For Sale Affordable Unit exceed an amount equal to one hundred five percent (105%) of the Maximum Resale Price for such unit. Prior to obtaining any Mortgage or refinancing thereof, the Affordable Unit Owner shall request from the City the then-current Maximum Resale Price for its For Sale Affordable Unit.

8.3 **Default of Mortgage and Foreclosure.**

8.3.1 *Notice of Default.* The Mortgagee shall provide to the City written notice of any notice of default and notice of intent to foreclose under the Mortgage on the For Sale Affordable Unit. Notwithstanding the foregoing, in no event shall failure to provide such notices preclude the Mortgagee's right to proceed with its remedies for default under the Mortgage.

8.3.2 *Termination Upon Foreclosure and Assignment.* In the event title to a For Sale Affordable Unit is transferred following foreclosure by, or deed in lieu of foreclosure to a Mortgagee in first position, or a Mortgage in first position is assigned to the Secretary of HUD, the terms of this Covenant applicable to such unit shall automatically terminate subject to Sections 8.3.3.

8.3.3 *Apportionment of Proceeds.* In the event title to a For Sale Affordable Unit is transferred according to the provisions of Section 8.3.2, the proceeds from such foreclosure or transfer shall be apportioned and paid as follows: first, to the Mortgagee, in the amount of debt secured under the Mortgage, including commercially reasonable costs and expenses, if any, incurred by Mortgagee and due and payable by the Affordable Unit Owner under the terms of the Mortgage; second, to any junior Mortgagees, in the amount of the debt secured under such Mortgages; and third, to the For Sale Affordable Unit Owner, up to the amount of the Maximum Resale Price as of the date of such sale or transfer.

8.3.4 *Effect of Foreclosure on this Covenant.* Except as provided in Section 8.3.2 in the event of foreclosure or deed in lieu thereof, this Covenant shall not be released or terminated and the Mortgagee or any Person who takes title to an Affordable Housing Unit through a foreclosure sale shall become a Successor in Interest in accordance with Section 5.8.

ARTICLE IX
AMENDMENT OF COVENANT

Neither this Covenant, nor any part hereof, can be amended, modified or released other than as provided herein by an instrument in writing duly authorized by the City, and by a duly authorized representative of Owner of such Affordable Housing Unit affected by such amendment. Any amendment to this Covenant that alters the terms and conditions set forth herein shall be recorded among the Land Records before it shall be deemed effective.

ARTICLE X
AFFORDABILITY PERIOD

All Affordable Housing Units on the Property shall be sold or leased in accordance with the terms of this Covenant for the duration of the applicable Affordability Period. The Affordability Period for each For Sale Affordable Unit shall be a period of ten (10) years beginning on the date of the Sale of the unit to the initial Affordable Unit Owner. The Affordability Period for each Rental Affordable Unit shall be a period of thirty (30) years beginning on the date upon which the building containing the Rental Affordable Unit is placed in service.

ARTICLE XI

NOTICES

Any notices given under this Covenant shall be in writing and delivered by certified mail (return receipt requested, postage pre-paid), by hand, or by reputable private overnight commercial courier service to the applicable Person at the addresses specified in this Article, or to such other persons or locations as may be designated by the City or the Declarant from time to time. All notices shall be sent to the following address:

A. To the City:

Chief Administrative Officer
City of Richmond, Virginia
900 East Broad Street, Suite 201
Richmond, Virginia 23219

with a copy to:

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

B. To the Developer:

_____
_____
_____
Attention: _____

C. To the EDA:

D. To the Declarant:

All notices to be sent to the Affordable Unit Owner shall be sent to the address on record with the Office of the Assessor of the City of Richmond. All notices to be sent to any Affordable Unit Tenant shall be sent to the unit number referenced in its lease. It shall be the responsibility of the applicable Person and any successor to the applicable Person to provide the City with a

current address. The failure of the applicable Person to provide a current address shall be a default under this Covenant.

Notices shall be deemed delivered as follows: (i) if hand delivered, then on the date of delivery or refusal thereof; (ii) if by overnight courier service, then on the next business day after deposit with the overnight courier service; and (iii) if by certified mail (return receipt requested, postage pre-paid), then on the date of actual delivery or refusal thereof.

ARTICLE XII
MISCELLANEOUS

12.1 **Applicable Law: Forum for Disputes**. This Covenant shall be governed by, interpreted under, and construed and enforced in accordance with the laws of the Commonwealth of Virginia, without reference to the conflicts of laws provisions thereof. Owner, Affordable Unit Tenants and the Declarant irrevocably submit to the jurisdiction of the Circuit Court of the City of Richmond, Virginia for the purposes of any suit, action or other proceeding arising out of this Covenant or any transaction contemplated hereby. Owner, Affordable Unit Tenants and the Declarant irrevocably and unconditionally waive any objection to the laying of venue of any action, suit or proceeding arising out of this Covenant or the transactions contemplated hereby in the Circuit Court of the City of Richmond, Virginia, and hereby further waive and agree not to plead or claim in any such court that any such action, suit or proceeding brought in any such court has been brought in an inconvenient forum.

12.2 **Counterparts.** This Covenant may be executed in any number of counterparts, each of which shall be an original but all of which shall together constitute one and the same instrument.

12.3 **Time of Performance.** All dates for performance (including cure) shall expire at 5:00 p.m. (Eastern Time) on the performance or cure date. A performance date which falls on a day other than a business day shall automatically be extended to the next business day.

12.4 **Further Assurances.** Each party agrees to execute and deliver to the other party such additional documents and instruments as the other party reasonably may request in order to fully carry out the purposes and intent of this Covenant; provided that such additional documents and instruments do not materially increase the obligations or burdens upon the second party.

12.5 **Severability.** If any provision of this Covenant is held to be unenforceable or illegal for any reason, said provision shall be severed from all other provisions. Said other provisions shall remain in effect without reference to the unenforceable or illegal provision.

12.6 **Limitation on Liability.** Provided that Owner has exercised reasonable due diligence in the performance of its obligations and duties herein, no Owner shall be liable in the event a Household submits falsified documentation, commits fraud, or breaches any representation or warranty contained in this Covenant. Notwithstanding the foregoing, Owner shall be liable if Owner has knowledge, or should have knowledge, that a Household submitted falsified documentation, committed fraud, or breached any representation or warranty contained in this Covenant.

12.7 **City Limitation on Liability.** Any review or approval by the City shall not be deemed to be an approval, warranty, or other certification by the City as to compliance of such submissions, the Property, or any Affordable Housing Unit with any building codes, regulations, standards, laws, or any other requirements contained in this Covenant or any other covenant granted in favor of the City that is filed among the Land Records; or otherwise contractually required. The City shall incur no liability in connection with the City's review of any submissions required under this Covenant as its review is solely for the purpose of protecting the City's interest under this Covenant.

12.8 **No Third Party Beneficiary.** Except as expressly set forth in this Covenant, there are no intended third party beneficiaries of this Covenant, and no Person other than City shall have standing to bring an action for breach of or to enforce the provisions of this Covenant.

12.9 **Representations of Declarant.** As of the date hereof, Declarant hereby represents and warrants as follows:

(a) This Covenant has been duly executed and delivered by Declarant, and constitutes the legal, valid and binding obligation of Declarant, enforceable against Declarant, and its successors and assigns, in accordance with its terms;

(b) Neither the entering into of this Covenant nor performance hereunder will constitute or result in a violation or breach by Declarant of any agreement or order which is binding on Declarant; and

(c) Declarant (i) is duly organized, validly existing and in good standing under the laws of its state of jurisdiction and is qualified to do business and is in good standing under the laws of the Commonwealth of Virginia; (ii) is authorized to perform under this Covenant; and (iii) has all necessary power to execute and deliver this Covenant.

12.10 **Federal Affordability Restrictions.** In the event the Property is encumbered by other affordability restrictions **("Federal Affordability Restrictions")** as a result of federal funding or the issuance of Low-Income Housing Tax Credits for the Project, it is expressly understood and agreed that in the event the requirements in this Covenant would cause a default of or finding of non-compliance **("Conflict")** with the Federal Affordability Restrictions during the compliance period for the Federal Affordability Restrictions, then the requirements of the Federal Affordability Restrictions shall control to the extent of the Conflict. In all other instances, the requirements of this Covenant shall control.

12.11 **Authorization to Act.** The Chief Administrative Officer of the City of Richmond, Virginia or a designee thereof is authorized to act on behalf of the City under this Covenant.

[Signatures on Following Pages]

IN TESTIMONY WHEREOF, Declarant has caused these presents to be signed, acknowledged and delivered in its name by _____ , its duly authorized _____ and witnessed by _____its _____.

WITNESS

By:_____
Name: _____
Title: _____

DECLARANT [SEAL]

By:_____
Name: _____
Title: _____

COMMONWEALTH OF VIRGINIA

CITY OF RICHMOND, to-wit:

_____, a Notary Public in and for the Commonwealth of Virginia, DO HEREBY CERTIFY THAT who is personally known to be (or approved by oaths of credible witnesses to be) the person named as _____ for _____ in the foregoing and annexed Declaration of Affordable Dwelling Units Covenants, bearing the date of _____ personally appeared before me_____ and as _____ acting on behalf of _____, as aforesaid, acknowledged the same to be his/her free act and deed.

Given under my hand and seal this_____day of_____

__

_____

Notary Public

My Commission Expires: _____

EXHIBIT D (AFFORDABLE HOUSING COVENANT)
TO
DIAMOND DISTRICT PURCHASE AND SALE AGREEMENT

APPROVED AND ACCEPTED THIS DAY OF , 20 :

CITY OF RICHMOND,

By:_____
Chief Administrative Officer

Approved as to form:

By: _____
City Attorney

EXHIBIT A
Legal Description of Property

[See attached]

EXHIBIT D (AFFORDABLE HOUSING COVENANT)
TO
DIAMOND DISTRICT PURCHASE AND SALE AGREEMENT

EXHIBIT B

Rental Affordable Unit Lease Rider

This Affordable Unit Lease Rider ("Rider") is attached to and incorporated into the lease dated ("Lease") between ("Resident" or "You") and , as Management Agent ("Manager") for ("Owner") for Apartment ("Premises"). All capitalized terms not defined in this Rider shall have the meaning provided in the Affordable Housing Covenant (as defined below).

In consideration of the mutual covenants set forth in the Lease and below, you agree that your use and possession of the Premises is subject to the terms and conditions set forth in the Lease and the following terms and conditions, which are in addition to and supplement the Lease. The following terms and conditions are material terms of the Lease and your failure to comply with them will be grounds for lease termination:

AFFORDABLE UNIT: Resident acknowledges that the Premises is subject to that certain Declaration of Affordable Dwelling Units Covenants dated [date], 20_, as may be subsequently amended (the "Affordable Housing Covenant"). The Premises is currently designated as an Affordable Housing Unit, which requires the Resident's household income to be less than or equal to ____ of the Area Median Income (AMI).

DEFINED TERMS: Those terms not specifically defined herein shall be assigned the definition provided in the Affordable Housing Covenant.

ELIGIBILITY: In order for you, as Resident, to be eligible to rent an Affordable Housing Unit, you must be and remain an "Affordable Unit Tenant" as defined in the Affordable Housing Covenant.

INCOME CERTIFICATION / INCOME RECERTIFICATION: No more than ninety (90) days and no less than thirty (30) days before each anniversary of the first day of the Lease, Manager will request the Resident to provide the following:

(i) an executed Certification of Residency that states that Resident occupies the Premises as his/her/their principal residence,

(ii) all information pertaining to the Resident's household composition and income for all household members,

(iii) a release authorizing third party sources to provide relevant information regarding the Resident's eligibility for the Affordable Housing Unit, as well as how to contact such sources, and

(iv) any other reasonable and customary representations, information or documents requested by the Manager.

Resident shall submit the foregoing listed documentation within fifteen (15) days of Manager's request. Within ten (10) days of City's receipt of the foregoing documentation and based on the results of the annual income recertification review, City will determine whether the Resident remains income eligible for the Premises and notify the Resident of his or her household's AMI percentage, and (a) if the Resident is no longer income eligible for the Premises, the income category for which the Resident is income eligible to lease a unit in the apartment community, or

(b) if the Resident is income eligible for the Premises, provide a certification of income verifying that the income of the Resident meets income eligibility for the Premises.

Resident's failure to provide such documents shall be grounds for lease termination and eviction. Pending any such termination and eviction, Declarant shall treat the Resident as an Over Income Tenant and charge market rate rent.

Upon annual recertification, if the Resident remains income eligible for the Premises, the Resident will be eligible to remain in the Premises and to renew this Lease at the then-current lease rate for the Premises. If the Resident's Annual Household Income is determined to exceed the Maximum Annual Household Income applicable to the Premises, then the Resident may remain in the Premises and pay the rent applicable to an Affordable Housing Unit at a higher affordability level for which the Resident's Annual Household Income qualifies. If the Resident's Annual Household Income is determined to exceed the Maximum Annual Income for the Affordable Housing Unit with the highest AMI level in the Property, then the Owner may allow the Resident to remain in the Premises and to pay the applicable market-rate rent for the Premises.

Manager will notify Resident of all options (i.e., an Affordable Housing Unit at a different AMI category or a market rate unit) for which Resident is income eligible prior to the expiration of the Resident's lease term. Prior to the expiration of the Resident's lease term, the Resident shall notify Manager in writing of the Resident's election to either (i) remain in the Premises and pay the rental rate applicable to the Resident's then current AMI category if the Resident's Annual Household Income is at or below the established AMI categories of [ ]AMI or [ ] AMI, (ii) remain in the Premises paying the market rate rent for that unit if the Resident's then current income is above the highest AMI level, or (iii) vacate the Premises at the end of the Resident's lease term. Resident's failure to notify Manager of Resident's election prior to the expiration of the lease term will be deemed by Manager as Resident's election to vacate the Premises.

In the event that Resident fails to pay the applicable rental rate or vacate the Premises upon expiration of the lease term, Manager shall pursue an action for eviction of Resident. Resident's agreement to pay the applicable rental rate or vacate was a condition precedent to Manager's initial acceptance of Resident's eligibility and Manager has relied on Resident's agreement. Resident acknowledges and agrees that failure to vacate the Premises or pay the applicable rental rate is both a default under the Lease and in violation of the Affordable Housing Covenant.

PROHIBITION ON SUBLETS AND ASSIGNMENTS: Resident may not sublease any portion of the Premises or assign its Lease to any other person.

LEASE EFFECTIVE: The Lease of the Premises shall only be effective if this executed Rider, a certification of income, a Certification of Tenant Eligibility (for initial lease term), and a Certificate of Residency (for lease renewals) are attached as exhibits to the Lease.

Resident Signature _____ Date _____

Resident Signature _____ Date _____

EXHIBIT D (AFFORDABLE HOUSING COVENANT)
TO
DIAMOND DISTRICT PURCHASE AND SALE AGREEMENT
SCHEDULE 1

Maximum Sales Price

The following assumptions shall be used in calculating the Maximum Sales Price of a For Sale Affordable Unit.

i. *Condominium Fees, if applicable:* Use the actual monthly condominium fees, or if unknown, estimate monthly condominium fees at $0.60 per square foot. If the actual size of the For Sale Affordable Unit is unknown, use the square footage estimated in the chart below based on unit type.

Multi-Family Development

Studio	1-Bedroom	2-Bedroom	3-Bedroom
500	625	900	1,050

ii. *Homeowner Fees, if applicable:* Use the actual monthly homeowner fees, or if unknown, estimate monthly homeowner fees at $0.10 per square foot. If the actual size of the For Sale Affordable Unit is unknown, use the square footage estimated in the chart below based on home type.

Single-Family Development

2-Bedroom	3-Bedroom	4-Bedroom
1,100	1,300	1,500

iii. *Monthly Hazard Insurance, if single family home:* Estimated to be $125.00 per month. If a more recent survey or source is available, the City shall instruct Declarant to use a different estimate.

iv. *Monthly Real Property Taxes:* Base monthly real property taxes on the estimated price of the For Sale Affordable Unit at current real estate tax rates ($1.20 per $100 in 2023).

v. *Mortgage Rate:* Mortgage rates are determined by the most recent monthly average of a 30 year fixed rate mortgage at www.freddiemac.com plus a one percent (1%) cushion. For this example, assume an average rate of 4.40%. After adding the 1% cushion, the rate for calculation of the Maximum Resale Price would be 5.40%.

vi. *Down payment:* Assume a down payment of 5% on the purchase of the For Sale Affordable Unit.

SCHEDULE 2

Provisions Governing Calculation of Maximum Resale Price

1. The Maximum Resale Price ("MRP") for a subsequent sale of a For Sale Affordable Unit shall be determined through use of the formula MRP = P x (F) + V ("Formula"), where:

(a) P = the price Owner paid for the For Sale Affordable Unit;

(b) V = the sum of the value of the Eligible Capital Improvements and Eligible Replacement and Repair Costs, as determined by the City pursuant to this section; and

(c) F = the average of the Ten Year Compound Annual Growth Rates of the Area Median Income ("AMI") from the first year of ownership of the For Sale Affordable Unit to the year of the sale of the For Sale Affordable Unit by the Affordable Unit Owner. This average may be expressed:

As the result of the formula F = (1 + [((AMI Year m /AMI Year m-10) A (1/10) -1) +...((AMI Year k /AMI year k-10) ^{A} (1/10) -1) / n]) ^{A} n, where m = the year after the For Sale Affordable Unit was purchased by Owner, k = the year in which the For Sale Affordable Unit is sold by Owner, and n = the number of years the For Sale Affordable Unit is owned by Owner.

2. For the purposes of determining the value of "V" in the Formula, the following improvements made to a For Sale Affordable Unit after the date of purchase may be included at the percentage of cost indicated, to the extent they are permanent in nature and add to the market value of the property:

(a) Eligible Capital Improvements, which will be valued at 100% of reasonable cost, as determined by the City; and

(b) Eligible Replacement and Repair Costs, which shall be valued at 50% of reasonable cost, as determined by the City.

3. Ineligible costs shall not be included in the determining the value of "V" in the Formula.

4. The value of improvements may be determined by the City based upon documentation provided by the Affordable Unit Owner or, if not provided, upon a standard value established by the City.

5. The City may disallow an Eligible Capital Improvement or Eligible Replacement and Repair Cost if the City finds that the improvement diminished or did not increase the fair market value of the For Sale Affordable Unit or if the improvements make the For Sale Affordable Unit unaffordable to all Qualified Purchasers at the Designated Affordability Level.

6. The City may reduce the value of a capital improvement if there is evidence of abnormal physical deterioration of, or abnormal wear and tear to, the capital improvement.

7. Owner shall permit a representative of the City to inspect the For Sale Affordable Unit upon request to verify the existence and value of any capital improvements that are claimed by Owner.

8. No allowance shall be made in the Maximum Resale Price for the payment of real estate brokerage fees associated with the sale of the For Sale Affordable Unit.

9. The value of personal property transferred to a purchaser in connection with the resale of a For Sale Affordable Unit shall not be considered part of the sales price of the For Sale Affordable Unit for the purposes of determining whether the sales price of the For Sale Affordable Unit exceeds the MRP.

10. Any capitalized terms used in this Schedule that are not defined herein shall have the meanings set forth in the Covenant. As used in this Schedule, the following capitalized terms shall have the meanings indicated below:

Eligible Capital Improvement: major structural system upgrades, special assessments, new additions, and improvements related to increasing the health, safety, or energy efficiency of a For Sale Affordable Unit. Such improvements generally include: (i) major electrical wiring system upgrades; (ii) major plumbing system upgrades; (iii) room additions; (iv) installation of additional closets and walls; (v) alarm systems; (vi) smoke detectors; (vii) removal of toxic substances, such as asbestos, lead, mold, or mildew; (viii) insulation or upgrades to double-paned windows or glass fireplace screens; and (ix) upgrade to Energy Star built-in appliances, such as furnaces, water heaters, stoves, ranges, dishwashers, and microwave hoods. Improvements that meet these criteria will be given 100% credit by the City.

Eligible Replacement and Repair Cost: in-kind replacement of existing amenities and repairs and general maintenance that keep a For Sale Affordable Unit in good working condition. Such improvements generally include: (i) electrical maintenance and repair, such as switches and outlets; (ii) plumbing maintenance and repair, such as faucets, supply lines, and sinks; (iii) replacement or repair of flooring, countertops, cabinets, bathroom tile, or bathroom vanities; (viii) non-Energy Star replacement of built-in appliances, including furnaces, water heaters, stoves, ranges, dishwashers, and microwave hoods; (ix) replacement of window sashes; (x) fireplace maintenance or in-kind replacement; (xi) heating system maintenance and repairs; and (xii) lighting system. Costs that meet these criteria will be given 50% credit for repairs as determined by the City.

Ineligible Costs: means costs of cosmetic enhancements, installations with limited useful life spans and non-permanent fixtures not eligible for capital improvement credit as determined by the City.

EXHIBIT E

FORM OF HOTEL USE COVENANT

EXHIBIT E

<INSERT RECORDING INFORMATION>

<TAX MAP PARCEL NUMBER>

DECLARATION OF HOTEL USE COVENANTS

This DECLARATION OF HOTEL USE COVENANTS ("Covenant") is made as of the day of_____, 20__ (the "Effective Date"), by_____, a _____ corporation ("Declarant"), identified for indexing purposes as Grantor and Grantee.

RECITALS

R-1. Declarant is the fee simple owner of certain real property, known as <INSERT PARCEL> and as further described in **Exhibit A** (the "***Property***").

R-2. The City of Richmond, Virginia (the "***City***") seeks to redevelop a portion of the Greater Scott's Addition area of the City that currently is home to The Diamond baseball stadium and that is not utilized to its full market potential, with the aim that such redevelopment results in additional taxable value in both the project area and in surrounding properties.

R-3. The City, the Economic Development Authority of the City of Richmond, Virginia (the "***EDA***"), and RVA Diamond Partners LLC (the "***Developer***") entered into that certain Development Agreement dated _____ (the "***Development Agreement***") and the EDA and Developer entered into that certain Purchase and Sale Agreement dated _____ (the "***PSA***"), whereby the City, the EDA, and the Developer agreed upon the terms under which the Developer agreed, among other things, to design, develop and construct a minimum 180 room guest hotel as part of the Phase 1 Project (the "***Hotel***"). The Declarant further shall enter into a Franchise Agreement with a Selected Hotel Brand for a period of time at least contemporaneous with the period of time the Bonds remain outstanding.

R-4. The Declarant was formed to acquire title to the Property and to oversee development and construction of the Hotel on behalf of the Developer.

R-5. The Hotel shall be developed and constructed in accordance with the Development Agreement, PSA and the Memorandum of Development Agreement (as defined herein).

NOW THEREFORE, in consideration of the foregoing and other good and valuable consideration, the Declarant hereby declares that the Property shall be subject to this Covenant, which shall be binding in accordance with the terms herein on the Declarant and on all tenants and purchasers of the Hotel and all Transferees (as defined herein) of the Property until the payment in full or defeasance of the Bonds (as defined herein). Wherever "Declarant" is used in this Covenant, the term includes any Transferee.

ARTICLE I

DEFINITIONS AND MISCELLANEOUS PROVISIONS

1.1 DEFINITIONS. For the purposes of this Covenant, the following capitalized terms shall have the meanings ascribed to them below and, unless the context clearly indicates otherwise, shall include the plural as well as the singular:

"***Affiliate***" means any Person directly or indirectly Controlling, Controlled by, or under Common Control with another Person.

"***Bonds***" shall have the meaning provided in the Development Agreement.

"***Business Day***" means any day that is neither a Saturday, a Sunday, nor a day observed as a legal holiday by the City of Richmond, Virginia, the Commonwealth of Virginia, or the United States government.

"CDA" means the community development authority formed or to be formed in accordance with the CDA as set forth in the Development Agreement.

"Control" means (i) the ownership, direct or indirect, by one Person of more than 50 percent of the profits, capital, or equity interest of another Person, or (ii) the power to direct the affairs or management of another Person, whether by contract, other governing documents, or by operation of law.

"***Controlling Interest***" shall mean (i) the ownership, direct or indirect, by one Person of more than 50 percent of the profits, capital, or equity interest of another Person or (ii) the power to direct the affairs or management of another Person, whether by contract, other governing documents, or by operation of law.

"***Debt Financing***" shall mean non-equity funds procured from a lender to fund the construction and development of the Hotel.

"***Declarant***" is defined in the introductory paragraph.

"***Declarant Party***" means the Declarant, any Affiliate of Declarant, a Declarant Subcontractor, the Developer, each Construction Contractor, any Contractor, advisor or agent of Declarant and their successors and permitted assigns.

"***Development Agreement***" is defined in the Recitals which is recorded in the Land Records.

"Developer" is defined in the Recitals.

"***Equity Interest***" shall mean with respect to any entity, (A) the legal (other than as a nominee) or beneficial ownership of outstanding voting or non-voting stuck of such entity if such entity is a business corporation, a real estate investment trust or a similar entity, (B) the legal (other than as a nominee) or a beneficial ownership of any partnership, membership or other voting or non-voting ownership interest in a partnership, joint venture, limited liability company or similar entity, (C) a legal (other than as a nominee) or beneficial voting or non- voting interest in a trust if

such entity is a trust, and (D) any other voting or non-voting interest that is the function al equivalent of any of the foregoing.

"***Foreclosure Transfer***" shall mean a transfer, sale or assignment occurring as a result of the foreclosure of, or other action in enforcement of, a Mortgage, or any transfer, sale or assignment of any or all of the Property, or any other transfer, sale or assignment of all or any part of the Property by judicial or other proceedings under, pursuant or pertaining to a Mortgage, or by virtue of the exercise of any power or right contained in a Mortgage, or by deed, assignment, or other conveyance-in-lieu of foreclosure or other action in enforcement of a Mortgage, or otherwise, or a transfer of some or all of the Equity Interests in Declarant occurring as a result of, or pursuant to, or in connection with a pledge, hypothecation or other collateral assignment of such Equity Interests, or any sale, transfer or assignment of some or all of the Equity Interest in Declarant, or in any Person holding, directly or indirectly, some or all of the Equity Interest in Declarant in any Person holding, directly or indirectly, some or all of the Equity Interests in Declarant by virtue of, or pursuant to, any right or power contained in a Mortgage or in any other document or instrument evidencing or securing a loan secured by a Mortgage, or by deed, assignment or other conveyance of some or all of such equity interests in lieu of a foreclosure, sale or other enforcement action, or otherwise (it being the intention of the parties that the term "Foreclosure Transfer" shall be given the broadest possible interpretation to over, reach, include and permit any sale, assignment or transfer whatsoever, and however effected or structured, of some or all of the Property, some or all of the Equity Interests in Declarant or in any Person holding, directly or indirectly, some or all of the Equity Interests in Declarant following an uncured default under a Mortgage (including any document or instrument, whether or not recorded, that evidences or secures a debt secured by a Mortgage)):

(x) to a Mortgagee or its Designee or Foreclosure Transferee: or

(y) to any Person that is not a Prohibited Person and that purchases or otherwise acquires some or all of the Property, or some or all of the Equity Interests in Declarant from a Mortgagee or its designee after such Mortgagee or designee has purchased or otherwise acquired some or all of the Property, or some or all of the Equity Interests in Declarant in a Foreclosure Transfer described in the immediately preceding clause (x).

Each Foreclosure Transfer shall be deemed, for the purposes hereof, to have occurred as of the date of the transfer, sale, assignment or conveyance-in-lieu thereof in question.

"***Franchise Agreement***" shall mean the franchise license agreement by and between the Declarant and a Permitted Franchisor, as it may be amended, supplemented, modified, substituted or replaced.

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

"***Improvements***" means any and all site and vertical improvements, including the systems, cables, materials, equipment, property, buildings, structures, appurtenances, subsystem or other improvement any of which comprises the Hotel on or within the Property.

"***Land Records***" means the land records of the City of Richmond, Virginia.

"***Law***" or "***Laws***" means any one or more present and future laws, ordinances, rules,

regulations, permits, authorizations, orders, judgments, and requirements, to the extent applicable to the City, the EDA, the Declarant, a Declarant Party, the Hotel or to the Property or any portion thereof, including, without limitation, whether or not in the present contemplation of the City, the EDA, or the Declarant, all consents or approvals (including Regulatory Approvals) required to be obtained from, and all rules and regulations of, and all building and zoning laws of, all federal, state, and local governments, authorities, courts, and any other body or bodies exercising similar functions, having or acquiring jurisdiction of, or which may affect or be applicable to, the Property or any part thereof, including, without limitation, any subsurface area, the use thereof and of the buildings and improvements thereon.

"***Master Plan***" means the master plan for Developer's entire project under the Development Agreement.

"***Member***" means any Person with an interest in Declarant.

"***Memorandum of Development Agreement***" means the Memorandum of Development Agreement to be recorded against title to each Phase of Purchased Property as set forth in, and as required by, the Development Agreement.

"***Mortgage***" means any mortgage, deed of trust or other similar instrument securing Debt Financing.

"***Mortgagee***" shall mean any provider of Debt Financing.

"***Notice Address***" shall mean the address for notice set forth below, as amended from time to time by notice sent to the other party as provided herein:

A. To the City:

Chief Administrative Officer
City of Richmond, Virginia
900 East Broad Street, Suite 201
Richmond, Virginia 23219

with a copy to:

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

B. To the Developer:

RVA Diamond Partners LLC

_____

_____

with a copy to:

McGuireWoods LLP
Gateway Plaza
800 East Canal Street
Richmond, Virginia 23219
Attention: George Keith Martin, Esquire

C. To the EDA:

_____
_____
_____

D. To the Declarant

_____
c/o Capstone Development, LLC
4445 Willard Avenue, Suite 600
Chevy Chase, Maryland 20815
Attention: Norman Jenkins

"***Operating Standard***" shall mean the standard consistent with the maintenance and operational standards applicable to the Selected Hotel Brand or other brand approved by the EDA.

"***Permitted Franchisor***" shall mean a Person who is not a Prohibited Person and is franchisor of a Selected Hotel Brand or other comparable hotel brand approved by the EDA in accordance with Section 5.1 of this Covenant.

"***Person***" means any individual, corporation, partnership, association, cooperative, limited liability company, trust, business trust, joint venture, government, political subdivision or any other legal or commercial entity and any successor, representative, agent, agency or instrumentality thereof.

"Phase 1 Project" means the Project components to be constructed on the Phase 1 Project Site (as defined in the Development Agreement) in material conformity to the requirements of the Development Agreement.

"***Prohibited Person***" shall mean any of the following Persons:

(a) Any Person (or any Person whose operations are directed or controlled by a Person) who has been convicted of or has pleaded guilty in a criminal proceeding for a felony or who is an on-going target of a grand jury investigation convened pursuant to applicable Laws concerning organized crime; or

(b) Any Person organized in or controlled from a country, the effects of the activities with respect to which, are regulated or controlled pursuant to the following United States laws and the regulations or executive orders promulgated thereunder: (x) the Trading with the Enemy Act of 1917, 50 U.S.C. App. §1, et seq., as amended (which countries are, as of the date hereof, North Korea and Cuba); (y) the International Emergency Economic Powers Act of 1976, 50 U.S.C. §1701, et seq., as amended; and (z) the Anti-Terrorism and Arms Export Amendments Act of 1989, codified at Section 6(j) of the Export Administration Act of 1979, 50 U.S.C. App. § 2405(j), as amended (which countries are, as of the date hereof, Iran, Sudan and Syria); or

(c) Any Person who has engaged in any dealings or transactions (i) in contravention of the applicable money laundering laws or regulations or conventions or (ii) in contravention of Executive Order No. 13224 dated September 24, 2001 issued by the President of the United States (Executive Order Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism), as may be amended or supplemented from time-to-time or any published terrorist or watch list that may exist from time to time; or

(d) Any Person who appears on or conducts any business or engages in any transaction with any person appearing on the list maintained by the U.S. Treasury Department's Office of Foreign Assets Control list located at 31 C.F.R., Chapter V, Appendix A or is a person described in Section 1 of the Anti-Terrorism Order; or

(e) Any Affiliate of any of the Persons described in paragraphs (a) through (d) above.

"***Project***" shall have the meaning provided in the Development Agreement.

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

"PSA" is defined in the Recitals.

"***Selected Hotel Brand***" means one of the following brands: AC Hotels by Marriott; Autograph Collection; Canopy by Hilton; Curio Collection; Hilton; Tempo by Hilton; Hyatt; Hyatt Centric; Hyatt Regency; JdV by Hyatt; Kimpton; Le Meridien; Marriott;; Tapestry Collection; Tribute Portfolio; and Westin.

"Substantial Controlling Interest" shall mean such ownership of Declarant or a Transferee as to give day-to-day control over Declarant or ownership or control of the votes necessary to elect a majority of the board of directors or other governing body, or appoint the managing member or Operator, or such Person.

"***Transfer***" shall mean (A) any change, by operation of law or otherwise, in ownership of an Equity Interest in Declarant, where such change in ownership directly or indirectly produces any change in the Substantial Controlling Interest of Declarant, or (B) any transaction or series of transactions, by operation of law or otherwise, including, without limitation, the issuance of additional Equity Interests or the direct or indirect revision of the beneficial ownership or control structure of the management or operation of Declarant or any direct or indirect constituent entity of Declarant, which, in either case, produces any change, by operation of law or otherwise, in the Substantial Controlling Interest in Declarant. With respect to the Property, the term "Transfer" shall mean any sale, assignment, conveyance, lease, deed of trust or encumbrance on the Property or of any portion of or any interest in the Property.

"***Transferee***" shall mean any Person to which the ownership of the Hotel has been Transferred.

1.2 GOVERNING LAW. This Covenant shall be governed by and construed in accordance with the laws of the city of Richmond, Virginia (without reference to conflicts of law principles).

1.3 CAPTIONS, NUMBERINGS, AND HEADINGS. Captions, numberings, and

headings of Articles, Sections, and Exhibits in this Covenant are for convenience of reference only and shall not be considered in the interpretation of this Covenant.

1.4 NUMBER; GENDER. Whenever required by the context, the singular shall include the plural, the neuter gender shall include the male gender and female gender, and vice versa.

1.5 BUSINESS DAY. In the event that the date for performance of any obligation under this Covenant falls on other than a Business Day, then such obligation shall be performed on the next succeeding Business Day.

1.6 COUNTERPARTS. This Covenant may be executed in multiple counterparts, each of which shall constitute an original and all of which shall constitute one and the same agreement.

1.7 SEVERABILITY. In the event that one or more of the provisions of this Covenant shall be held to be illegal, invalid, or unenforceable, each such provision shall be deemed severable and the remaining provisions of this Covenant shall continue in full force and effect, unless this construction would operate as an undue hardship on EDA or Declarant or would constitute a substantial deviation from the general intent of the parties as reflected in this Covenant.

1.8 EXHIBITS. All Exhibits referenced in this Covenant are incorporated by this reference as if fully set forth in this Covenant.

1.9 INCLUDING. The word "including," and variations thereof, shall mean "including without limitation."

1.10 NO CONSTRUCTION AGAINST DRAFTER. This Covenant has been negotiated and prepared by City, EDA, and Declarant and their respective attorneys and, should any provision of this Covenant require judicial interpretation, the court interpreting or construing such provision shall not apply the rule of construction that a document is to be construed more strictly against one party.

1.11 CONFLICTS. In the event of a conflict between this Covenant and the Memorandum of Development Agreement prior to the release of the Memorandum of Development Agreement, the terms of the Memorandum of Development Agreement shall govern.

ARTICLE II

USE COVENANTS

2.1 OPERATION. Subject to the provisions of this Covenant, the Declarant shall continue to operate the Property as a Hotel consistent with the Master Plan, the Operating Standard and the other provisions of this Covenant.

2.2 GENERAL USES. Prior to the full repayment or defeasance of the Bonds, the Property shall only be utilized in a manner consistent with Section 2.1 hereof.

2.3 MAINTENANCE OF HOTEL. Declarant hereby covenants and agrees to maintain the Hotel and the Improvements during the term of this Covenant in accordance with the Operating Standard.

2.4 FINANCIAL REPORTING. For so long as the Bonds remain outstanding, the

Declarant shall, and shall cause any tenants and subtenants to, make the following reports to the City's Director of Finance, with a copy to the EDA:

(a) once each month, at a time during each month prescribed by the City's Director of Finance, which, if applicable, shall be no earlier than the date such information would otherwise be required to be reported pursuant to applicable Law, a report setting forth (A) the sales taxes remitted to the Commonwealth of Virginia attributable to the Property (including the Hotel) and (B) the Person who collected and remitted those sales taxes;

(b) once each month, at a time during each month prescribed by the City's Director of Finance, which, if applicable, shall be no earlier than the date such information would otherwise be required to be reported pursuant to applicable Law, a report setting forth (A) the amount of meals taxes remitted to the City attributable to the Property (including the Hotel) and (B) the name of the Person who collected and remitted those meals taxes to the City;

(c) once each calendar year, at a time during the year prescribed by the City's Director of Finance, which, if applicable, shall be no earlier than the date such information would otherwise be required to be reported pursuant to applicable Law, a report setting forth (A) the amount of business, professional, and occupational license taxes paid to the City attributable to the Property (including the Hotel), (B) the name of the Person who paid those business, professional, and occupational license taxes, and (C) the type of business, as classified by the City's Director of Finance, for which the Person paid those business, professional, and occupational license taxes;

(d) once each month, at a time during each month prescribed by the City's Director of Finance, which, if applicable, shall be no earlier than the date comparable sales tax information would otherwise be required to be reported pursuant to applicable Law, a report setting forth (A) the amounts generated from the collection of the Consumer Purchase Surcharge on the Property (including the Hotel) and (B) the Person who collected and transferred those amounts as provided for under the financing documents for the Bonds; and

(e) once each month, at a time during each month prescribed by the City's Director of Finance, which, if applicable, shall be no earlier than the date comparable hotel tax information would otherwise be required to be reported pursuant to applicable Law, a report setting forth (A) the amounts generated from the collection of the Hotel Use Surcharge on the Property (including the Hotel) and (B) the Person who collected and transferred those amounts as provided for under the financing documents for the Bonds.

ARTICLE III

TERM

3.1 TERM. All other obligations, liabilities, terms, and conditions set forth herein shall run with the land, binding Declarant and its successors and assigns until the repayment or defeasance of the Bonds in accordance with the Indenture.

ARTICLE IV

INTENTIONALLY OMITTED

ARTICLE V

FRANCHISOR; CHAIN AFFILIATION

5.1 FRANCHISOR; CHAIN AFFILIATION.

(a) Declarant shall cause the Hotel to be affiliated with a Selected Hotel Brand that is a Permitted Franchisor (provided that there has been no material adverse change in the financial condition of such Permitted Franchisor since the date of this Covenant) or a chain or "flag" approved by EDA pursuant to Section 5.1(c) (a "Franchisor") in accordance with the terms and conditions of this Covenant pursuant to a written Franchise Agreement providing for a national or international reservation and marketing system to which the Hotel has access and in which the Hotel is included, the use of trademarks, service marks, logos, the "flag" and other identifying items provided to other hotels in such reservation and marketing system of the Franchisor and providing for such other services, and containing terms and conditions, reasonable and customary for license agreements for hotels.

(b) As between EDA and Declarant, in the event of any conflict between the obligations of Declarant under the terms of this Covenant and the terms of the Franchise Agreement, the terms of this Covenant shall govern and Declarant shall remain responsible for performing all of its obligations hereunder notwithstanding the fact that the Hotel is affiliated with the Franchisor.

(c) Developer shall, at least thirty (30) days prior to engagement of the initial or a new Franchisor for the Hotel (a "Franchisor Engagement") **other than with a Permitted Franchisor**, submit to the EDA the following information, for EDA approval:

1. The franchise disclosure document as described in 16 C.F.R. §436;

2. such other additional information as EDA shall reasonably request, which information may include information regarding ownership, banking and financial matters, in connection with its evaluation of such transaction to the extent reasonably available to Declarant, provided EDA shall make such request within twenty (20) Business Days after receipt of the initial information; provided, however, that where a change in any Franchisor Engagement occurs in connection with a Foreclosure Transfer such information shall be submitted EDA as soon as practicable but in no event later than thirty (30) days after the Foreclosure Transfer; and

(d) If EDA approves the Franchisor Engagement, EDA shall deliver written confirmation of such approval within twenty (20) days after receipt of the materials provided to EDA under Section 5.1(c). If EDA disapproves the Franchisor Engagement pursuant to the provisions of Section 5.1(c), then within the aforementioned twenty (20) day period EDA shall specify in writing to Developer the reasons for its disapproval. Franchisor Engagements that have not been act upon by EDA within sixty (60) days of submission of a complete request in accordance with Section 5.1(c) shall be deemed approved.

(e) Declarant shall deliver to EDA, or shall cause to be delivered to the EDA, within ten (10) Business Days after the execution thereof, a true and correct copy of the instrument of transfer or engagement and a true and correct copy of Franchise Agreement.

(f) In the event of any Franchisor Engagement that does not comply with the provisions of this Covenant, EDA shall have the right to seek such equitable relief (either mandatory or injunctive in nature) as may be necessary to enjoin such Franchisor Agreement or to cause the licensor to comply with such applicable provisions, or, if necessary, to transfer the Franchise Agreement to another Person in accordance with such applicable provisions, it being understood that monetary damages will be inadequate to compensate EDA for harm resulting from such noncompliance. Compliance with the delivery requirements of this Section shall be evidenced by either (i) a written acknowledgment signed by EDA, or (ii) proof of delivery of the items required by this Section to the Notice Address for EDA (including but not limited to time-stamped copies of the items transmitted or return receipts for certified mail or electronic verification by a reputable courier company), without the necessity for a signature by an EDA official.

(g) In the event of a Franchise Engagement with a new Permitted Franchisor, the Developer shall deliver to EDA such of the information specified in Section 5.1(c) with respect to the new Permitted Franchisor as EDA shall request, but EDA shall have no right of approval of the new Permitted Franchisor.

5.2 DECLARANT'S RESPONSIBILITIES. Declarant will (a) perform or cause to be performed Declarant's material obligations under the Franchise Agreement, (b) enforce the performance by Franchisor of all of Franchisor's material obligations under the Franchise Agreement, (c) give EDA prompt written notice and a copy of any notice of default, event of default, termination or cancellation sent or received by Declarant and (d) promptly deliver to the EDA executed copies of any amendment or modification of the Franchise Agreement, or if applicable, any new Franchise Agreement.

ARTICLE VI

DEFAULT AND REMEDIES

6.1 DECLARANT DEFAULT

6.1.1 Events of Default by Declarant. Upon the occurrence of one of the events enumerated in Sections 6.1.1(a)-(g) below and if such default shall continue uncured for sixty (60) days alter written notice of such default from EDA, such event shall constitute an "Event of Default" by the Declarant, provided that such sixty (60) day period may be extended for an additional period of time, at the reasonable discretion of EDA, if the Declarant has timely commenced and is diligently pursuing the cure of the default, but in no event shall any cure period be extended beyond one-hundred twenty (120 days):

(a) Declarant fails to perform any covenant, obligation, term, or provision under this Covenant;

(b) if a Transfer occurs in violation of the conditions stated in this Covenant;

(c) if Declarant admits, in writing, that it is generally unable to pay its debts as such become due;

6.1.2 EDA Remedies to Events of Default by Declarant. If any Event of Default by

Declarant occurs and is continuing the EDA may take any one or more of the following remedial steps as determined in the EDA's sole and absolute discretion:

(a) seek any available remedy at law (subject to any limitations set forth in the Development Agreement); or

(b) seek enforcement of Declarant's obligations hereunder by any and all remedies available in equity, including without limitation, specific performance and injunctive relief.

6.2 RIGHTS AND REMEDIES CUMULATIVE. The rights and remedies of the EDA under this Covenant, whether provided by law, in equity, or by this Covenant, shall be cumulative, and the exercise of any one or more of such remedies shall not preclude the exercise of any other remedies for the same such default or breach.

ARTICLE VII

COVENANTS BINDING ON SUCCESSORS AND ASSIGNS

This Covenant is and shall be binding upon the Property and shall run with the land for the period of time stated herein. The rights and obligations of City, EDA, Declarant, and their respective successors and assigns shall be binding upon and inure to the benefit of the foregoing parties and their respective successors and assigns; provided, however, that all rights of EDA pertaining to the monitoring or enforcement of the obligations of Declarant hereunder shall not convey with the transfer of title or any lesser interest in the Property, but shall be retained by EDA, or such other designee as EDA may so determine.

ARTICLE VIII

AMENDMENT OF COVENANT

This Covenant shall not be amended, modified, or released other than by an instrument in writing executed by a duly authorized official of the EDA on behalf of the EDA and approved by City Attorney for legal sufficiency. Any amendment to this Covenant that materially alters the terms of this Covenant shall be recorded among the Land Records before it shall be deemed effective.

ARTICLE IX

COVENANTS OF DECLARANT

Declarant covenants that, by execution and delivery of this Covenant, the performance of its obligations under this Covenant, including the development and operation of the Hotel, have been duly authorized by all requisite corporate action. Upon execution and delivery hereof by Declarant, this Covenant will, assuming enforceability against the EDA, constitute the legal, valid and binding obligation of Declarant, enforceable in accordance with its terms, except to the extent that enforceability may be limited by applicable bankruptcy, insolvency or other similar laws of general application or equitable principles relating to or affecting the enforcement of contracts generally against persons similarly situated.

ARTICLE X

NOTICES AND REPRESENTATIVES

Notices served upon Declarant or City or EDA at the respective party's Notice Address shall be deemed to have been received for all purposes hereunder: (i) if hand delivered to the other party at the Notice Address, when the copy of the notice is receipted; (ii) if given by overnight courier service, on the next Business Day after the notice is deposited to the Notice Address with the overnight courier service; (iii) if given by certified mail to the Notice Address, return receipt requested, postage pre-paid, on the date of actual delivery or refusal thereof at the Notice Address. If notice is tendered under the terms of this Covenant and is refused by the intended recipient of the notice, the notice shall nonetheless be considered to have been received and shall be effective as of the date provided in this Covenant.

ARTICLE XI

MISCELLANEOUS

11.1 RISK OF LOSS. Except as otherwise provided herein, the risk of loss with respect to any and all existing and new improvements on the Property shall be borne by the Declarant.

11.2 INDEPENDENT CONTRACTOR. Declarant is and shall remain an independent contractor and not the agent or employee of the City or the EDA. The City and the EDA shall not be responsible for making payments to any contractor, subcontractor, agent, consultant, employee or supplier of the Declarant.

11.3 CITY AS AGENT OF EDA**.** The Declarant acknowledges and agree that the City and its employees, contractors, agents and designees shall be responsible for performing all functions of the EDA under the Development Agreement and this Covenant and shall have the power to exercise all of the rights of EDA under the Development Agreement and this Covenant. Unless the context provides otherw i s e all references in this Covenant to the EDA shall include the City.

(Signatures on following page)

EXHIBIT E (HOTEL USE COVENANT)
TO
DIAMOND DISTRICT PURCHASE AND SALE AGREEMENT

IN TESTIMONY WHEREOF, Declarant has caused these presents to be signed, acknowledged and delivered in its name by_____, its duly authorized _____ and witnessed by _____its_____.

WINTESS

By:_____
Name:_____
Title: _____

DECLARANT [SEAL]

By:_____
Name:_____
Title: _____

COMMONWEALTH OF VIRGINIA

CITY OF RICHMOND, to-wit:

_____, a Notary Public in and for the Commonwealth of Virginia, DO HEREBY CERTIFY THAT who is personally known to be (or approved by oaths of credible witnesses to be) the person named as_____for in the foregoing and annexed Hotel Use Covenant, bearing the date of the personally appeared before me_____and as_____acting on behalf of _____, as aforesaid, acknowledged the same to be his/her free act and deed.

Given under my hand and seal this_____day of_____

_____
Notary Public

My Commission Expires: _____

EXHIBIT E (HOTEL USE COVENANT)
TO
DIAMOND DISTRICT PURCHASE AND SALE AGREEMENT

APPROVED AND ACCEPTED THIS DAY OF , 20 :

CITY OF RICHMOND,

By:_____
Chief Administrative Officer

Approved as to form:

By:_____
City Attorney

EXHIBIT E (HOTEL USE COVENANT)
TO
DIAMOND DISTRICT PURCHASE AND SALE AGREEMENT

EXHIBIT A

Legal Description of Property

EXHIBIT D

CDA DISTRICT BOUNDARIES

[TO BE ATTACHED]

Exhibit D – CDA District Boundaries

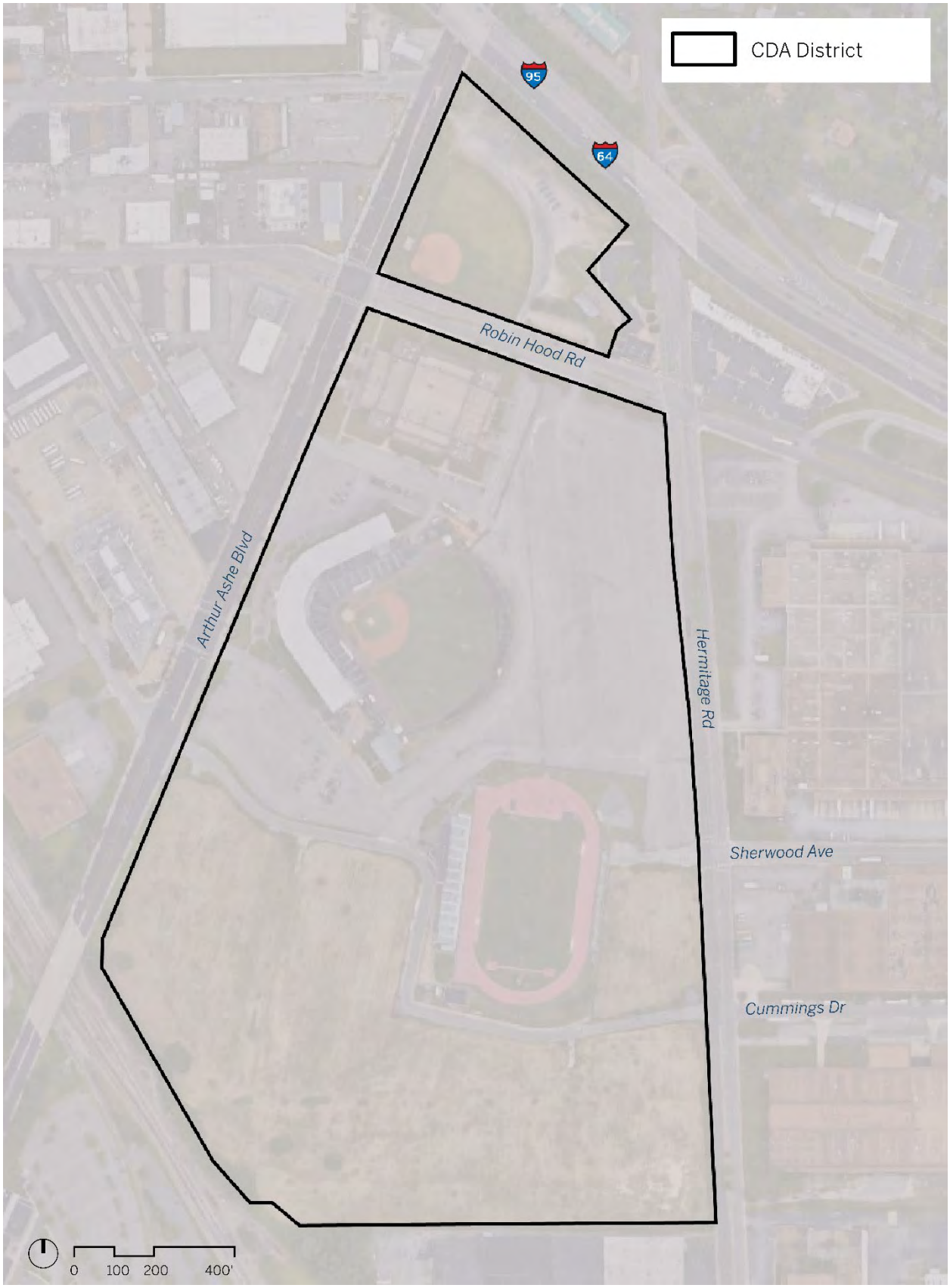


EXHIBIT E-1

PHASE 1 PROJECT COMPONENTS

[TO BE ATTACHED]

Exhibit E-1 – Phase 1 Project Components

Phase 1 Program*

Parcel	Residential Units					Hotel Keys	Commercial GSF Office (O), Retail (R), R&D	Stadium Capacity	Parking Structured Spaces
	Rental			For Sale					
	Market Rate	60% AMI	30% AMI	Market Rate	60-70% AMI				
Phase 1									
P1, P3, and Phase 1 Infrastructure									
E1	180								180
E2	200								200
E3	200								200
E4	114	76	25						245
E5	220								220
E6	104	79	14				7,000 (R)		245
E7	TBD						TBD		TBD
S1								9,000	
S2							16,000 (R)		
W1						180			
Total	**1,018**	**155**	**39**	-	-	**180**	**23,000**	**9,000**	**1,290**

*Note: The master plan program is subject to change based on the provisions in the Development Agreement

Phase 1 Map

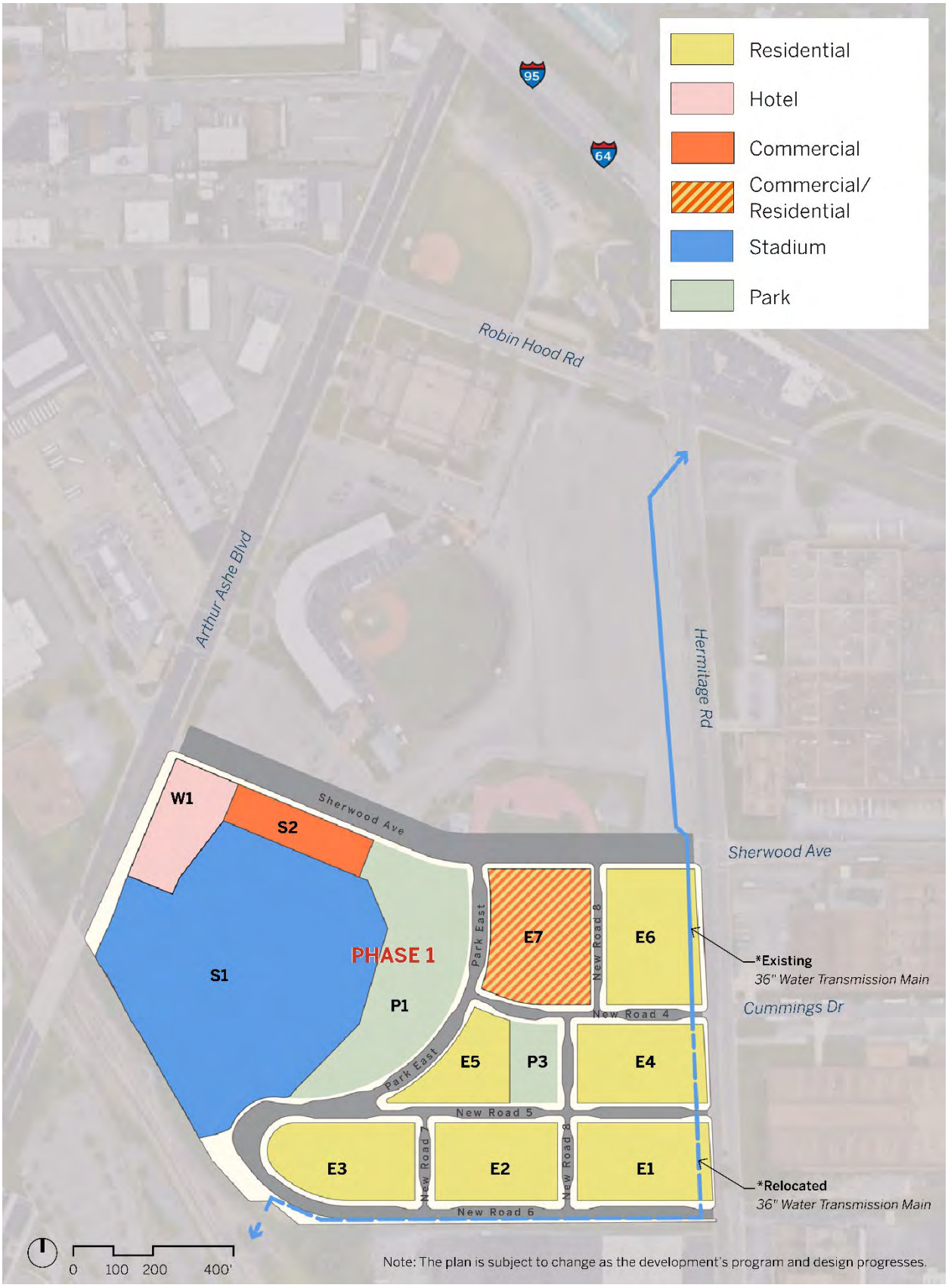

Residential
Hotel
Commercial
Commercial/ Residential
Stadium
Park
95
64
Robin Hood Rd
Arthur Ashe Blvd
Hermitage Rd
Sherwood Ave
Sherwood Ave
W1
S2
S1
PHASE 1
P1
Park East
E7
New Road 8
E6
New Road 4
E5
P3
E4
New Road 5
E3
New Road 7
E2
New Road 8
E1
New Road 6
*Existing
36" Water Transmission Main
Cummings Dr
*Relocated
36" Water Transmission Main
0 100 200 400'
Note: The plan is subject to change as the development's program and design progresses.

EXHIBIT E-2

PHASE 2 PROJECT COMPONENTS

[TO BE ATTACHED]

Exhibit E-2 – Phase 2 Project Components

Phase 2 Program*

Parcel	Residential Units					Hotel Keys	Commercial GSF Office (O), Retail (R), R&D	Stadium Capacity	Parking Structured Spaces
	Rental			For Sale					
	Market Rate	60% AMI	30% AMI	Market Rate	60-70% AMI				
Phase 2									
P2 South and Phase 2 Infrastructure									
E8	101	90	18						410
E9	350						9,000 (R)		230
W2	217						34,000 (R), 244,000 (O)		840
Total	**668**	**90**	**18**	-	-	-	**287,000**	-	**1,480**

*Note: The master plan program is subject to change based on the provisions in the Development Agreement

Phase 2 Map

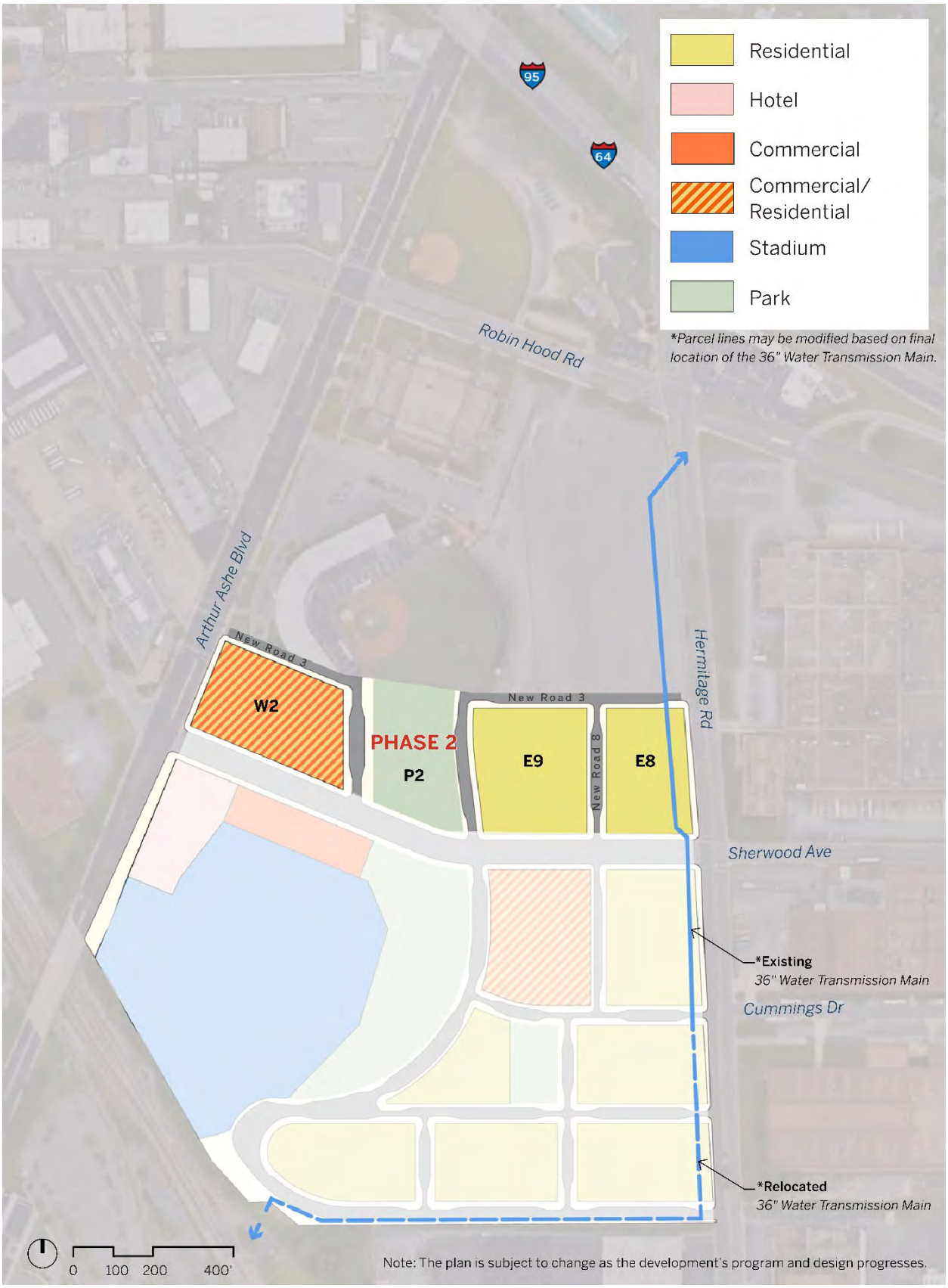

Residential
Hotel
Commercial
Commercial/ Residential
Stadium
Park
*Parcel lines may be modified based on final location of the 36" Water Transmission Main.
95
64
Robin Hood Rd
Arthur Ashe Blvd
New Road 3
W2
PHASE 2
P2
New Road 3
E9
New Road 8
E8
Hermitage Rd
Sherwood Ave
*Existing
36" Water Transmission Main
Cummings Dr
*Relocated
36" Water Transmission Main
0 100 200 400'
Note: The plan is subject to change as the development's program and design progresses.

EXHIBIT E-3

PHASE 3 PROJECT COMPONENTS

[TO BE ATTACHED]

Exhibit E-3 – Phase 3 Project Components

Phase 3 Program*

Parcel	Residential Units					Hotel Keys	Commercial GSF Office (O), Retail (R), R&D	Stadium Capacity	Parking Structured Spaces
	Rental			For Sale					
	Market Rate	60% AMI	30% AMI	Market Rate	60-70% AMI				
Phase 3									
P2 Middle and Phase 3 Infrastructure									
E10	74	65	12	22	6				270
E11	27	24	5	32	8				100
W3	89	78	13				17,000 (R)		470
W4							329,000 (O)		660
Total	**190**	**167**	**30**	**54**	**14**	-	**346,000**	-	**1,500**

*Note: The master plan program is subject to change based on the provisions in the Development Agreement

Phase 3 Map

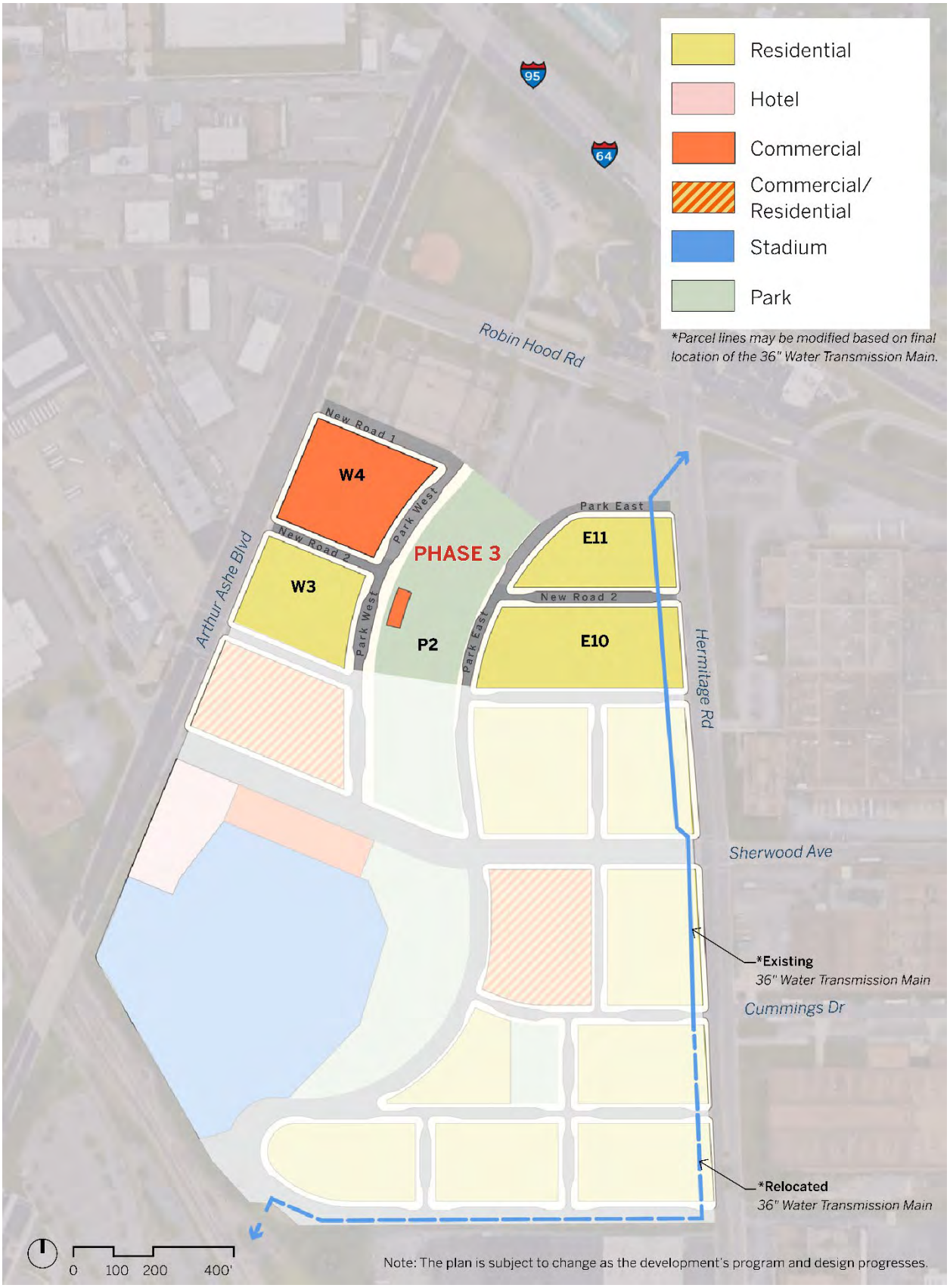

Residential
Hotel
Commercial
Commercial/ Residential
Stadium
Park
*Parcel lines may be modified based on final location of the 36" Water Transmission Main.
95
64
Robin Hood Rd
New Road 1
W4
Park West
New Road 2
W3
Arthur Ashe Blvd
PHASE 3
P2
Park West
Park East
E11
New Road 2
E10
Park East
Hermitage Rd
Sherwood Ave
*Existing
36" Water Transmission Main
Cummings Dr
*Relocated
36" Water Transmission Main
0
100
200
400'
Note: The plan is subject to change as the development's program and design progresses.

EXHIBIT E-4

PHASE 4 PROJECT COMPONENTS

[TO BE ATTACHED]

Exhibit E-4 – Phase 4 Project Components

Phase 4 Program*

Parcel	Residential Units					Hotel Keys	Commercial GSF Office (O), Retail (R), R&D	Stadium Capacity	Parking Structured Spaces
	Rental			For Sale					
	Market Rate	60% AMI	30% AMI	Market Rate	60-70% AMI				
Phase 4									
P2 North and Phase 4 Infrastructure									
E12							14,000 (R)		
N1							362,000 (O)		1,620
N2	73	64	13				16,000 (R)		290
W5	354						45,000 (R)		620
Total	**427**	**64**	**13**	-	-	-	**437,000**	-	**2,530**

*Note: The master plan program is subject to change based on the provisions in the Development Agreement

Phase 4 Map

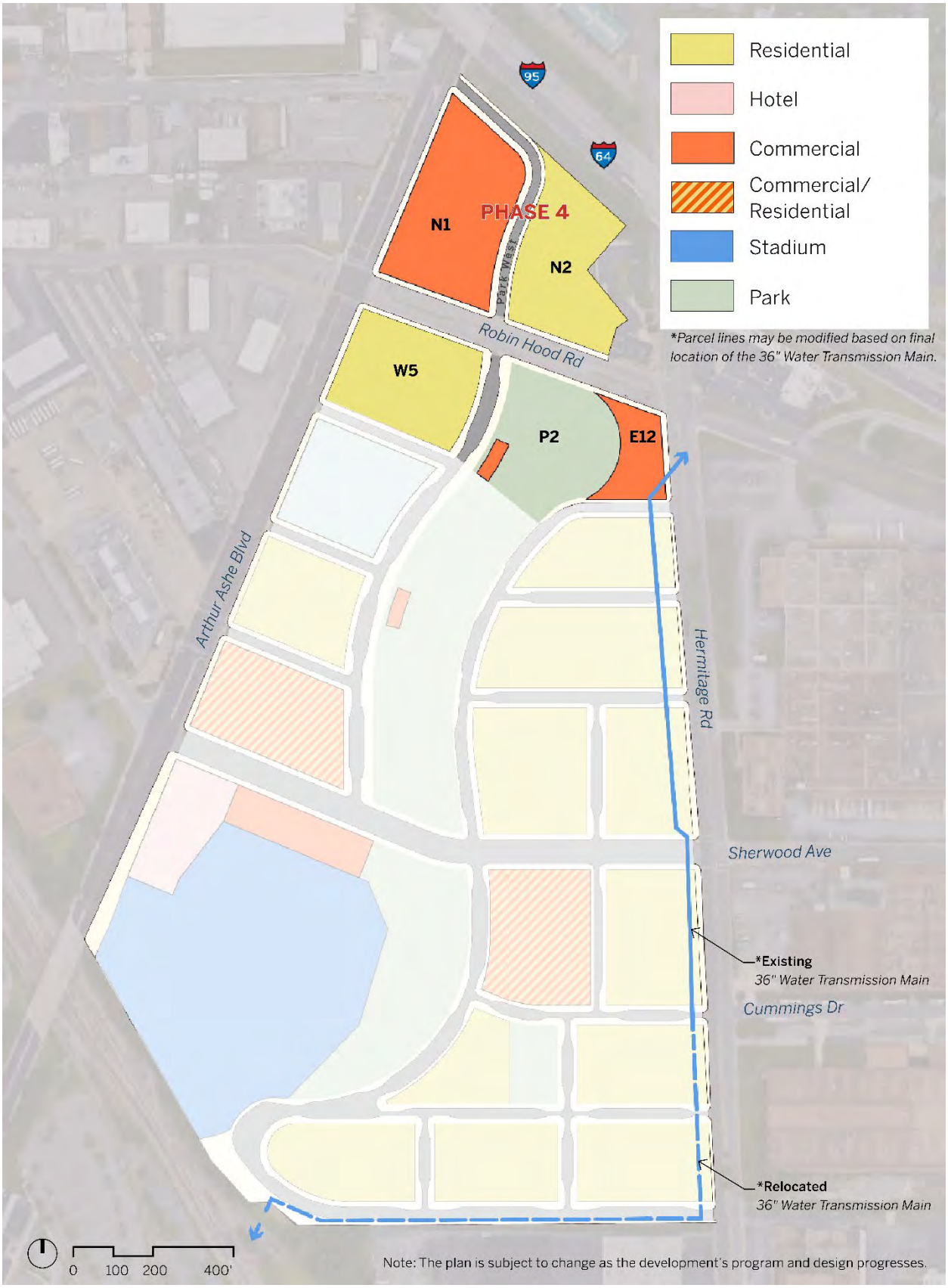

Residential
Hotel
Commercial
Commercial/ Residential
Stadium
Park
*Parcel lines may be modified based on final location of the 36" Water Transmission Main.
PHASE 4
N1
N2
W5
P2
E12
95
64
Park West
Robin Hood Rd
Arthur Ashe Blvd
Hermitage Rd
Sherwood Ave
Cummings Dr
*Existing
36" Water Transmission Main
*Relocated
36" Water Transmission Main
0 100 200 400'
Note: The plan is subject to change as the development's program and design progresses.

EXHIBIT E-5

DEVELOPMENT PROGRESS REQUIREMENTS

The Parties agree that, for each of the Phase 2 Purchased Property, the Phase 3 Purchased Property and the Phase 4 Purchased Property, the Developer must achieve a minimum level of progress in the Phase of the Project then under development (including any applicable portion of the Work from prior Phases that must be completed as part of the then-current Phase), as prescribed below, before it may Close on the succeeding Phase of the Purchased Property. The Parties further agree that the Developer must have achieved Final Completion of at least ninety-five percent (95%) of the development components set forth in the Master Plan, as it may be amended from time to time, on or before the Total Development Progress Completion Deadline.

The table included as Schedule I hereto, as it may be revised from time to time, sets forth the required development components (including the types and amounts of such components) that must be completed (a) before the Developer Close on each subsequent Phase of Purchased Property and (b) on or before the Total Development Progress Completion Deadline, provided that such required development components may be modified by agreement of the EDA and the Developer in accordance with the provisions set forth in Section 4.8 of the Development Agreement. Columns "B" through "K" set forth the type of each required development component that will comprise the Project. Rows "1," "5," "9" and "13" set forth the amount of each required development component that is to be developed in each Phase according to the Developer's Master Plan. Rows "3," "4," "7," "8," "11" and "12" set forth the minimum amount of each required development component that must be Under Construction (as hereinafter defined) before the Developer may proceed to Close on the succeeding Phase of Purchased Property, with the minimum amounts of each required development component to collectively constitute the "**Minimum Development Progress**" for each Phase. Rows "15" and "16" set forth the minimum amount of each required development component for which the Developer must have achieved Final Completion by the Total Development Progress Completion Deadline (the "**Total Development Progress**"). As used herein, "Under Construction" shall mean the Developer has Commenced Construction with respect to the applicable required development component.

The requirements for Minimum Development Progress and Total Development Progress set forth in this Exhibit E-5 (*Development Progress Requirements*) shall collectively constitute the "**Development Progress Requirements**."

The requirements for the Affordable Housing Units (expressed in actual numbers, percentages and kinds of such units) to be developed as part of each Phase and in aggregate for the Project are set forth in columns "C," "D," "E" and "F" and rows "1," "5," "9" and "13" of the table included as Schedule I hereto, as it may be revised from time to time, and shall collectively constitute the "**Affordable Housing Development Requirements,**" provided that the Developer need only achieve (a) the Minimum Development Progress for such Phase as described above prior to Closing on the succeeding Phase of the Purchased Property and (b) the Total Development Progress prior to the Total Development Progress Deadline as described above.

The minimum amount of Commercial Use space required to be developed as part of the Project is set forth in cell "H16" of the table included as Schedule I hereto, as it may be revised from time to time, and shall constitute the "**Minimum Commercial Development**."

The Office Use components of the Minimum Commercial Development, which are detailed in the conceptual site plans and renderings and narrative descriptions in Exhibits E-1 (*Phase 1 Project Components*) through E-4 (*Phase 4 Project Components*) and the Master Plan shall constitute the "**Minimum Office Development**." The "**Office Development Progress Target**" shall mean the achievement of Final Completion of ninety-five (95%) of the Minimum Office Development.

Upon the occurrence of a Delay Event, the timing for completion of such portion of the Development Progress Requirements directly and adversely effected by the Delay Event may be extended in accordance with ARTICLE 14 (*Delay Events*).

SCHEDULE I

	A	B	C	D	E	F	G	H	I	J	K
	Development Program[1]	**Total Market Rate Residential Units (Rental & For Sale)**	**Total Affordable Residential Units (Rental & For Sale)**[2]	**Rental Affordable Residential Units at 60% AMI**[3,4]	**Rental Affordable Residential Units at 30% AMI**[2,5]	**For Sale Affordable Residential Units at 60%-70% AMI**	**Hotel Keys**	**Commercial Gross Square Feet** (Office, Retail, R&D)	**Stadium Capacity**	**Public Infrastructure**	**Parking Spaces** (Structured)
1.	PHASE 1 PROJECT	1,018	194	155	39	0	180	23,000	9,000	Must materially conform to the Master Plan and include all Horizontal Public Infrastructure and Open Spaces and Public Areas programmed as part of the Phase 1 Project	1,290
2.	The Developer shall have until December 31, 2027, to achieve the Minimum Development Progress for the Phase 1 Project and to acquire the Phase 2 Purchased Property, after which time the EDA may exercise its rights under Sections 6.5 and Article 11 of the Development Agreement.										
3.	Minimum Development Progress expressed as percentage of the Phase 1 Project components shown in the Master Plan[6]	65%	75%	75%	75%	75%	100%	50%	100%	100%	65%
4.	Minimum Development Progress in actual units calculated applying the foregoing percentage to the Phase 1 Project components shown in the Master Plan	662	146	116	29	0	180	11,500	9,000	Must materially conform to the Master Plan and include all Horizontal Public Infrastructure and Open Spaces and Public Areas programmed as part of the Phase 2 Project	839
5.	PHASE 2 PROJECT	668	108	90	18	0	0	287,000	0	Must materially conform to the Master Plan and include all Horizontal Public Infrastructure and Open Spaces and Public Areas programmed as part of the Phase 2 Project	1,480
6.	The Developer shall have until December 31, 2030, to achieve the Minimum Development Progress for the Phase 2 Project and to acquire the Phase 3 Purchased Property, after which time the EDA may exercise its rights under Sections 6.5 and Article 11 of the Development Agreement.										

[1] **Note to Draft:** Subject to revision to reflect final plan of development.

[3] Subject to increase as described in footnote 1.

[5] Twenty (20) of the rental Affordable Housing Units at 30% of AMI developed as part of the Phase 1 Project shall be set aside for public housing residents with project-based vouchers.

[6] In the event the product of such percentage shown in row "3" and the applicable number of planned units or square footage of the applicable Project component is less than the number shown for such Project component in row "4," the actual number in row "4" shall control.

	A	B	C	D	E	F	G	H	I	J	K
7.	Minimum Development Progress expressed as percentage of the Phase 1 Project and Phase 2 Project components shown in the Master Plan[7]	75%	80%	80%	80%	80%	100%	65%	100%	100%	75%
8.	Minimum Development Progress in actual units calculated applying the foregoing percentage to the Phase 1 Project and Phase 2 Project components shown in the Master Plan	1,265	242	196	46	0	180	201,500	9,000	Must materially conform to the Master Plan and include all Horizontal Public Infrastructure and Open Spaces and Public Areas programmed as part of the Phase 1 Project and the Phase 2 Project	2,078
9.	PHASE 3 PROJECT	244	211	167	30	14	0	346,000	0	Must materially conform to the Master Plan and include all Horizontal Public Infrastructure and Open Spaces and Public Areas programmed as part of the Phase 3 Project	1,500
10.	The Developer shall have until December 31, 2033, to achieve the Minimum Development Progress for the Phase 3 Project and to acquire the Phase 4 Purchased Property, after which time the EDA may exercise its rights under Sections 6.5 and Article 11 of the Development Agreement.										
11.	Minimum Development Progress expressed as percentage of the Phase 1 Project, Phase 2 Project and Phase 3 Project components shown in the Master Plan[8]	85%	90%	90%	90%	90%	100%	85%	100%	100%	85%
12.	Minimum Development Progress in actual units calculated applying the foregoing percentage to the Phase 1 Project, Phase 2 Project and Phase 3 Project components shown in the Master Plan	1,641	462	371	78	13	180	557,600	9,000	Must materially conform to the Master Plan and include all Horizontal Public Infrastructure and Open Spaces and Public Areas programmed as part of the Phase 1 Project, the Phase 2 Project and the Phase 3 Project	3,630

[7] In the event the product of such percentage shown in row "7" and the applicable number of planned units or square footage of the applicable Project component is less than the number shown for such Project component in row "8," the actual number in row "8" shall control.

[8] In the event the product of such percentage shown in row "11" and the applicable number of planned units or square footage of the applicable Project component is less than the number shown for such Project component in row "12," the actual number in row "12" shall control.

	A	B	C	D	E	F	G	H	I	J	K
13.	PHASE 4 PROJECT	427	77	64	13	0	0	437,000	0	Must materially conform to the Master Plan and include all Horizontal Public Infrastructure and Open Spaces and Public Areas programmed as part of the Phase 4 Project	2,530
14.	The Developer shall have until December 31, 2036, to achieve the Total Development Progress for the Project, after which time the EDA may exercise its rights under Article 11 of the Development Agreement.										
15.	Total Development Progress expressed as percentage of all Project components shown in the Master Plan[9]	95%	95%	95%	95%	95%	100%	95%	100%	100%	95%
16.	Total Development Progress in actual units calculated applying the foregoing percentage to all Project components shown in the Master Plan	2,239	561	452	95	13	180	1,038,350	9,000	Must materially conform to the Master Plan and include all Horizontal Public Infrastructure and Open Spaces and Public Areas programmed for the entire Project	6,460

[9] In the event the product of such percentage shown in row "15" and the applicable number of planned units or square footage of the applicable Project component is less than the number shown for such Project component in row "16," the actual number in row "16" shall control.

EXHIBIT F

PROJECT SCHEDULE

[TO BE ATTACHED]

Exhibit F

Project Schedule

The Project Schedule may below adjust per provisions set forth in the Development Agreement.

Parcel	Ground Breaking Date	Completion Date
Phase 1		
P1	2024	2025
P3	2025	2026
Infrastructure	2024	2025-2027*
E1	2024	2025
E2	2025	2026
E3	2026	2027
E4	2024	2025
E5	2027	2028
E6	2025	2026
E7	2028	2029
S1	2024	2025
S2	2024	2025
W1	2024	2025
Phase 2		
P2 South	2027	2028
Infrastructure	2027	2028-2030*
E8	2027	2028
E9	2030	2031
W2	2028	2030
Phase 3		
P2 Middle	2030	2031
Infrastructure	2030	2031-2032*
E10	2030	2031
E11	2030	2031
W3	2031	2032
W4	2032	2033
Phase 4		
P2 North	2033	2034
Infrastructure	2033	2034-2037*
E12	2033	2034
N1	2035	2036
N2	2036	2037
W5	2034	2035

*Some infrastructure may be phased as the parcels develop during the Phase.

Baseball Stadium Major Milestones (Parcel S1)**

Task	Start	Completion
Pre-Development Activities		
Development Agreement Executed	May 2023	May 2023
Phase I POD Review & Approval	May 2023	July 2023
Land Acquisition: Due Diligence & RVA DP Closing	May 2023	October 2023
Establishment of CDA and Legal Review	May 2023	September 2023
CDA Government Approval & Bond Issuance	September 2023	March 2024
Baseball Stadium Design & Construction		
Design	**October 2022**	**June 2024**
Programming, Financial Feasibility Studies, Stakeholder Review	October 2022	May 2023
Schematic Design (SD)	May 2023	August 2023
Design Development (DD)	August 2023	December 2023
Construction Documents (CD)	November 2023	June 2024
Permitting	**February 2024**	**August 2024**
Construction	**August 2023**	**December 2025**
GC Design Budgeting, Bidding, & Material Procurement	August 2023	August 2024
Demolition, Mass Grading, & Environmental Remediation	February 2024	April 2024
Breaking Ground Ballpark Construction	April 2024	April 2024
Final Grading, Sitework, & Utility Installation	April 2024	August 2024
Ballpark Construction (S1)	August 2024	December 2025
Park Construction (P1)	December 2024	December 2025
Stadium Substantial Completion	December 2025	December 2025

**The above schedule reflects the current understanding of the project timeline. Approximate dates and durations have been populated to draft the schedule. Dates and durations are subject to change.

EXHIBIT G

PUBLIC INFRASTRUCTURE

[TO BE ATTACHED]

Exhibit G

Public Infrastructure

1.0 **Preliminary Provisions.**

1.1 **Purpose.** Pursuant to the Development Agreement, this Exhibit G ("Public Infrastructure") governs the performance of all Work involving the Public Infrastructure (the "Infrastructure Conditions").

1.2 **Definitions.** Capitalized terms used, but not defined in these Infrastructure Conditions have the meanings ascribed to them by the Development Agreement unless the context clearly indicates that another meaning is intended.

1.2.1 **City Code.** *"City Code"* means the Code of the City of Richmond, Virginia, as amended, and all future amendments thereto, with all references to the 2015 codification thereof stated in these Public Infrastructure Conditions deemed to refer to the corresponding section number in the most recent codification thereof.

1.2.2 **Director.** *"Director"* means the City's Director of the Department of Public Works (DPW) or the written designee thereof.

1.2.3 **DPU.** *"DPU"* means the City's Department of Public Utilities.

1.2.4 **Final Plans.** *"Final Plans"* means all plans and specifications necessary to perform all Work on the Infrastructure Improvements, including but not limited to all construction drawings, in a form and condition that such plans and specifications are 100 percent complete.

1.2.5 **Horizontal Public Infrastructure Improvements.** *"Horizontal Public Infrastructure Improvements"* means all public infrastructure improvements (other than the Park Space and Public Areas Improvements) required to facilitate the development and operation of the Project, which infrastructure improvements shall include but are not limited to: water, sewer, storm water, gas, and electric (streetlight) utility improvements, utility installations, utility relocations, utility abandonments, traffic signals, streets and alleys, street signs, curb and gutter, sidewalks, crosswalks, traffic calming measures, bicycle parking, curbside management, decorative pavement, pavement markings, other improvements designed to facilitate pedestrian, bicycle, and vehicular movements within the public right-of-way, landscaping, retaining walls, street lighting, street trees and tree wells, and other pedestrian amenities including wayfinding signage, trash receptacles, benches, and planters, all in accordance with all applicable City and Virginia Department of Transportation (VDOT) standards and guidelines.

1.2.6 **Infrastructure Improvements.** *"Infrastructure Improvements"* means, collectively, the Horizontal Public Infrastructure Improvements and the Park Space and Public Areas Improvements.

1.2.7 **Landscaping.** "*Landscaping*" means the horticultural elements of the Infrastructure Improvements.

1.2.8 **Park Space and Public Areas.** "*Park Space and Public Areas*" means the approximately 11 acres identified as P1, P2, and P3 on Exhibit B ("Map Depicting Development Parcels") to the Development Agreement and any other areas agreed by the parties, on which the Park Space and Public Areas Improvements will be constructed and accessible to the public for walking, outdoor gathering, and other activities.

1.2.9 **Park Space and Public Areas Improvements.** "*Park Space and Public Areas Improvements*" means all public improvements (other than Horizontal Public Infrastructure Improvements) required to facilitate the development and operation of the Park Space and Public Areas, as generally shown on Attachment 1 ("Conceptual Park Space and Public Areas Master Plan") to this Exhibit G.

1.2.10 **Preliminary Plans.** *"Preliminary Plans"* means plans and specifications that are approximately 30 percent complete.

1.2.11 **Public Realm Design Standards.** "*Public Realm Design Standards*" means the Public Realm Design Standards established pursuant to section 4.23 of the Development Agreement.

1.2.12 **Sixty-Percent Plans.** *"Sixty-Percent Plans"* means plans and specifications that are approximately 60 percent complete.

1.2.13 **Traffic Impact Analysis**. "*Traffic Impact Analysis*" means the transportation engineering analysis and traffic study required by the City Traffic Engineer of the City's Department of Public Works.

1.2.14 **Utility Infrastructure and Capacity Analysis.** *"Utility Infrastructure and Capacity Analysis"* means the utility engineering assessments and capacity modeling studies required by the Director of the City's Department of Public Utilities to produce the Final Plans. Without limitation, the Utility Infrastructure and Capacity Analysis may include assessments of all water, sewer, and gas lines on the Property, modeling studies for water and sewer capacity to serve to the Project, and stormwater discharge calculations for the Project.

1.2.14 **VDOT.** *"VDOT"* means the Virginia Department of Transportation.

1.2.15 **Warranty Period.** "*Warranty Period*" means a period of two-years following the City's acceptance of the Infrastructure Improvements pursuant to Sections 3.4.2 and 4.4.2 of these Infrastructure Conditions for Landscaping, and a period of one-year following the City's acceptance of the Infrastructure Improvements pursuant to Sections 3.4.2 and 4.4.2 for all other Infrastructure Improvements.

2.0 **Infrastructure Improvements, Generally.**

2.1 **Developer Responsible for Work; Design and Construction Contracts; Schedule**.

(A) Developer shall perform (or shall cause to be performed) all Work involving the Infrastructure Improvements in accordance with these Infrastructure Conditions, the Development Agreement, the Public Realm Design Standards, all applicable laws and regulations, and all other applicable City and VDOT standards and guidelines. Each Construction Contractor engaged by the Developer for Work involving the Infrastructure Improvements shall be subject at all times to the direction and control of the Developer, and any delegation to a Construction Contractor does not relieve the Developer of any of its obligations, duties or liability pursuant to the Development Agreement. Each Public Infrastructure Construction Contract shall comply with the provisions set forth in Section 4.16 of the Development Agreement.

(B) All such Work shall be performed in accordance with the Project Schedule (subject to extensions as may be permitted pursuant to Section 5B.4 of the Development Agreement). Additionally, prior to closing on the purchase of any Purchased Property Phase, the Developer shall have received (1) the City's approval of the Sixty-Percent Plans for such phase's Horizontal Public Infrastructure Improvements (as set forth in Section 3 of these Infrastructure Conditions) and the EDA's approval of the Sixty-Percent Plans for such phase's Park Space and Public Areas Improvements (as set forth in Section 4 of these Infrastructure Conditions) (collectively, such Phase's Infrastructure Improvements), and (2) the City's approval of the total cost of such Infrastructure Improvements to the extent such cost is to be borne by the Public Infrastructure Bonds Proceeds or otherwise as set forth in section 6.1(e) of the Development Agreement.

(C) The occurrence of any Event of Default or any other dispute related to the Infrastructure Improvements shall be governed by the Development Agreement.

2.2 **Phases.** Pursuant to the Development Agreement, the Project will be completed by the Developer in four phases. The requirements, obligations, submissions, processes, and other provisions set forth in these Infrastructure Conditions shall apply to the applicable Infrastructure Improvements for each Phase.

3.0 **Process for Horizontal Public Infrastructure Improvements.**

3.1 **Generally.** The Developer shall construct (or, alternatively, the Developer shall cause the same to occur), the Horizontal Public Infrastructure Improvements, in accordance with plans submitted to and approved by the EDA and the Director pursuant to Section 3.2 of these Infrastructure Conditions.

3.2 **Plans.**

A. The Developer represents and warrants that the Preliminary, Sixty-Percent and Final Plans will be designed by a licensed professional engineer retained by the Developer ("Developer's Engineer") and that said plans will conform to the standards referenced in these Infrastructure Conditions (including incorporating the Public Realm Design Standards) and to generally accepted engineering practices, except where a specific written exemption has been granted by the Director.

B. Incorporating the results of the Traffic Impact Analysis, at the time of it Plan of Development submission, the Developer shall submit Preliminary Plans for the Horizontal Public Infrastructure Improvements, and ensure that the Preliminary Plans, at the time of submission to the Director, meet all City requirements for Preliminary Plans under the City's then-existing policies. The Preliminary Plans shall be approved only after such a determination is made by the Director.

C. Subsequent to the approval of the Preliminary Plans and prior to the submission of the Final Plans, the Developer shall submit the Sixty-Percent Plans for the Horizontal Public Infrastructure Improvements. Prior to the submission of the Sixty-Percent Plans, the Developer shall, at Developer's sole expense, complete the Utility Infrastructure and Capacity Analysis. Developer shall ensure that the Sixty-Percent Plans, at the time of submission to the Director, meet all City requirements for Sixty-Percent Plans under the City's then-existing policies. The Sixty-Percent Plans shall be approved only after such a determination is made by the Director.

D. Subsequent to the EDA's approval of the Sixty-Percent Plans, the Developer shall submit Final Plans to the Director for review and approval. The Developer acknowledges and agrees that approval of its Plan of Development will not ensure approval of the Final Plans. The Developer shall ensure that the Final Plans submitted to the Director meet all requirements under the City's then-existing policies for Final Plans, including those necessary for obtaining a Work in Streets permit, if applicable.

3.3 **Construction Requirements.**

3.3.1 **Insurance**. The Developer shall not commence or permit to be commenced any Work on the Horizontal Public Infrastructure Improvements until first meeting all insurance requirements of Article 8 of the Development Agreement and any applicable requirements set forth in City Code.

3.3.2 **Indemnification**. These Infrastructure Conditions, and Developer's performance hereunder, are subject to the indemnity provisions of Article 7 of the Development Agreement and any applicable requirements set forth in City Code.

3.3.3 **Permits.** The Developer shall not commence or permit to be commenced any Work on the Horizontal Public Infrastructure Improvements until the Developer has obtained, and paid all required fees for, all Regulatory Approvals with respect to such Work, including, but not limited to, a Work in Streets Permit when applicable.

3.3.4 **Testing and Monitoring.** The Developer shall provide all professional engineering and testing services necessary to appropriately monitor and assess all Work in accordance with applicable industry standards and practices, and further in accordance with the VDOT Inspection Manual (as amended, as of the time of such monitoring). Such professional engineering and testing services may include, but are not limited to: geotechnical engineering, environmental engineering analysis, critical structure engineering inspections (including, but not limited to: retaining walls, abutments, caissons, piles, piers, footings,

traffic signal equipment etc.), daily construction inspection and the various material science testing services, to adequately monitor the ongoing site construction. This includes such items as the daily testing of soils and soil placement, monitoring cuts and cut slopes, testing engineered fills, checking line and grade, testing pipe materials and structures prior to their delivery, monitoring storm inlet and sewer manhole placements and other utility structure installations, certifying structural fills and building pads, conducting proof roll tests on subgrades, testing stone placements, testing concrete, testing asphalt, testing steel, foundation inspections, inspecting reinforcement bar placement and form work, etc.

The Developer shall provide to the City copies of all reports produced as a result of the performance of any such professional engineering and testing services. All engineering reports must be certified by a person licensed as a professional engineer in the Commonwealth of Virginia.

3.3.5 **Construction Reports.** All required construction inspection requirements shall follow the applicable standards of the City's Department of Public Works, the City's Department of Public Utilities (DPU), Virginia Department of Transportation Materials Division standards and guidelines, those guidelines set by other utilities, and any other standards as may be deemed necessary by the Director in the Director's reasonable discretion.

3.3.6 **Design and Construction Meetings and Schedule.** The Developer shall schedule and coordinate design meetings at Preliminary, Sixty-Percent and Final Plan submissions with the EDA and the City to review the submissions. Prior to the start of each phase of construction a pre-construction conference for the Horizontal Public Infrastructure Improvements, or phase of the Horizontal Public Infrastructure Improvements shall be scheduled with the City. During construction, EDA and City staff may attend the construction progress meetings. The Developer shall give 30-days notice to the City in advance to the actual beginning of construction, and thereafter shall coordinate its construction schedule with the City and EDA.

3.3.7 **Inspections.**

A. The City may, at any time, inspect the Horizontal Public Infrastructure Improvements or any portion thereof, protections, and stormwater management to ensure compliance with the Final Plans, erosion and sedimentation control plans, and all applicable specifications and standards.

B. All applicable permits must be paid for and approved prior to start of Work. Where applicable, contracts to extend water mains, wastewater mains, and gas mains shall be executed, separate and apart from these Infrastructure Conditions, prior to the issuance of any permits for construction of such extensions.

D. The City may, in its sole discretion, request that sanitary and storm sewer improvements be verified by television (T.V.) inspection. The Developer must submit recordings of such inspections for the City's approval prior to any pavement application.

3.3.8 **Manner of Construction**. All Horizontal Public Infrastructure Improvements, erosion and sedimentation controls, and stormwater management features shall be constructed in a sound professional manner, in accordance with the Final Plans. The Developer shall provide adequate materials and supervision of all Work. All Horizontal Public Infrastructure Improvements shall be constructed in compliance with the current standards and specifications of the City for all materials, workmanship, seasonal limitations and construction procedures; except where specifically superseded by the Final Plans, or current standards and specifications adopted by DPW and DPU. The installation of gas, water, sanitary sewer, storm sewer and street light infrastructure shall be done in compliance with the applicable DPU standards and specifications, latest revisions, which shall be provided in advance and in writing to the Developer upon request.

3.3.9 **Street Standards**. All Horizontal Public Infrastructure Improvements and any other construction or Work performed in the public right-of-way (and in areas that are to be dedicated as public right-of-way) by the Developer, its agents or assigns, pursuant to these Infrastructure Conditions and the Final Plans shall fully comply with all applicable design parameters and construction standards as provided in the DPW Better Streets Manual, DPW standards manual, DPW Geotechnical Guidelines, DPW Constructions Notes, DPW Pavement Design Guidelines, all applicable VDOT requirements, including but not limited to the VDOT Road and Bridge Specifications and all standards and guidelines of the VDOT Materials Division, and any additional guidelines and standards established by the City, latest revisions, which shall be provided in advance and in writing to the Developer upon request.

3.3.10 **Requirements upon Final Completion.** Upon 100 percent completion of the Work on the Horizontal Public Infrastructure Improvements, the Developer shall furnish the City with all required documents relating to the Horizontal Public Infrastructure Improvements identified in the City's standards applicable to the Horizontal Public Infrastructure Improvements:

A. Upon 100 percent completion of the Horizontal Public Infrastructure Improvements, the Developer shall submit the following to the Director, who shall review each within twenty (20) Business Days of receipt thereof and notify the Developer of any deficiencies, to the extent applicable to Infrastructure Improvements:

1. The final inspection log books.

2. Material testing reports and a fully and properly completed Virginia Department of Transportation Source of Materials Form C-25.

3. A construction inspection report certified by a person licensed as a professional engineer in the Commonwealth of Virginia.

B. Upon the 100 percent completion of the Horizontal Public Infrastructure Improvements, the Developer shall, by its engineer, submit the following to the Director, to the extent applicable to the Infrastructure Improvements:

1. Two complete paper copies of the full as-built plan set of the completed Infrastructure Improvements.

2. Intentionally omitted.

3. A digital file, the format of which shall be AutoCAD DWG or DXF format, containing all of the following information, each in a separate layer:

   a. Existing right-of-way conditions.

   b. The storm sewer system.

   c. Water and wastewater systems.

   d. All easements.

   e. Full as-built plan set of the completed Infrastructure Improvements.

The as-built drawings must include notations, modifications to the drawings, and supplemental drawings to accurately reflect actual construction of all improvements. Both the digital file and the report must be labeled with the plan name, plan number, and the engineering firm. All AutoCAD files must be referenced directly to the Virginia State Plane Coordinate system, South Zone, in the NAD83 Datum.

3.3.11 **Certificates of Occupancy**. The Developer acknowledges that, to the extent consistent with City Code, a certificate of occupancy will not be issued until all underground utilities are installed and field approved with respect to the applicable portion of the Project, and the applicable capacity, connection, and inspection charges and fees are paid, and not until the base pavement for the streets are installed and field approved within the applicable portion of the Project.

3.4 **Surety, Warranty, Default.**

3.4.1 **Requirement for Surety**. At the time it submits its Final Plans for each phase of Horizontal Public Infrastructure Improvements, the Developer shall prepare and submit to the City an estimate of costs for the specific phase of Horizontal Public Infrastructure Improvements. The Developer shall provide any additional information relating to its estimate of costs as may be reasonably requested by the City. Based upon such estimate of costs and any such additional information, the City will determine the amount of security necessary for the construction of the Horizontal Public Infrastructure Improvements, or phase of the Horizontal Public Infrastructure Improvements. Prior to commencing construction of any phase of the Horizontal Public Infrastructure Improvements, the Developer shall furnish to the City a Letter of Credit (LOC), Surety Bond, or Certified Corporate Check in a form approved by the City Attorney in such amount the City determines is a sufficient amount of security necessary for the construction of the Horizontal Public Infrastructure Improvements.

3.4.2 **Warranties**. The Developer hereby warrants that (i) the Horizontal Public Infrastructure Improvements will be constructed in a good and workmanlike manner in accordance with the Final Plans and all City and state standards applicable to the Horizontal Public Infrastructure Improvements, (ii) there are no unsatisfied liens on any part of the Horizontal Public Infrastructure Improvements, (iii) the Horizontal Public Infrastructure Improvements will be free of defects during the Warranty Period, and (iv) the Developer shall repair any defects that are discovered or may arise during the Warranty Period. During the course of construction and upon completion of such construction, Developer shall furnish to City evidence, satisfactory to City in City's sole discretion, showing that there has not been filed with respect to the property and improvements to be conveyed to City, or any part thereof, any vendor's, mechanic's, laborer's, materialmen's or similar lien which has not been discharged of record.

3.4.3 **Release of Surety**. Upon faithful completion and final acceptance of all required Horizontal Public Infrastructure Improvements, or of a specific phase of Horizontal Public Infrastructure Improvements, the Director may reduce the posted surety amount. Such reduced surety shall remain in-place for the Warranty Period. After a warranty inspection by the Director at the end of the Warranty Period, release of the performance bond, letter of credit, or other financial security that the Developer provided pursuant to these Infrastructure Conditions will occur upon the Director's issuance to the Developer of a letter indicating that such performance bond, letter of credit, or other financial security is released. The Director will issue such a letter only if the Director determines that, based on all City and state standards applicable to the Horizontal Public Infrastructure Improvements, no defects remain that the Developer is required to correct.

3.5 **Certification and Acceptance.**

3.5.1 **Certification.** Certification that Developer has completed the Horizontal Public Infrastructure Improvements, or phase of the Horizontal Public Infrastructure Improvements, will occur upon the Director's issuance to the Developer of a letter indicating that the City certifies Developer's satisfactory completion of the Horizontal Public Infrastructure Improvements; however, the Director will continue to monitor the Horizontal Public Infrastructure Improvements in accordance with the standards set forth in the VDOT Inspection Manual (as amended, as of the time of such monitoring), during the Warranty Period. The Director will issue such a letter only if the Director determines that, based on all City and state standards applicable to the Horizontal Public Infrastructure Improvements, the Horizontal Public Infrastructure Improvements are complete and the Director has received all required documents relating to the Horizontal Public Infrastructure Improvements.

3.5.2 **Acceptance**. Upon certification of the Horizontal Public Infrastructure Improvements, or phase of the Horizontal Public Infrastructure Improvements, by the Director in accordance with Subsection 3.5.1, all public infrastructure improvements that are components thereof shall be deemed accepted by the City. To the extent necessary in order to effectuate the City's acceptance thereof (as determined by the City), the Developer agrees to provide appropriate documentation to dedicate the public improvements to the City in a form approved by the Office of the City Attorney.

4.0. **Process for Park Space and Public Areas Improvements.**

4.1 **Generally.** The Developer shall construct (or, alternatively, the Developer shall cause the same to occur), the Park Space and Public Areas Improvements, in accordance with Public Realm Design Standards, the Development Agreement, these Infrastructure Conditions and the plans submitted to and approved by the EDA pursuant to Section 4.2 of these Infrastructure Conditions.

4.2 **Plans.**

A. The Developer represents and warrants that the Preliminary, Sixty-Percent and Final Plans will be designed by a licensed professional engineer or landscape architect retained by the Developer ("Developer's Professional) and that said plans will conform to the standards referenced in these Infrastructure Conditions (including incorporating the Public Realm Design Standards, as applicable) and to generally accept engineering practices.

B. Consistent with the applicable Master Plan Requirements and the Public Realm Design Standards, the Developer shall submit to the EDA and City, for its review and approval, the Preliminary, and Sixty-Percent Plans for the Park Space and Public Areas Improvements. Such submissions shall also include a budget outlining anticipated costs of such improvements.

C. Subsequent to the EDA's approval of the Sixty-Percent Plans, the Developer shall submit Final Plans with a final budget of the costs to construct such improvements to the EDA and City for review and approval.

4.3 **Construction Requirements.**

4.3.1 **Insurance**. The Developer shall not commence or permit to be commenced any Work on the Park Space and Public Areas Improvements until first meeting all insurance requirements of Article 8 of the Development Agreement and any applicable requirements set forth in City Code.

4.3.2 **Indemnification**. These Infrastructure Conditions, and Developer's performance hereunder, are subject to the indemnity provisions of Article 7 of the Development Agreement and any applicable requirements set forth in City Code.

4.3.3 **Permits.** The Developer shall not commence or permit to be commenced any Work on the Park Space and Public Areas Improvements until the Developer has obtained, and paid all required fees for, all Regulatory Approvals with respect to such Work.

4.3.4 **Testing and Monitoring.** The Developer shall provide all professional engineering and testing services necessary to appropriately monitor and assess all Work in accordance with applicable industry standards and practices

The Developer shall provide to the EDA copies of all reports produced as a result of the performance of any such professional engineering and testing services. All engineering

reports must be certified by a person licensed as a professional engineer in the Commonwealth of Virginia.

4.3.5 **Design and Construction Meetings and Schedule.** The Developer shall schedule and coordinate Design meetings at the Preliminary, Sixty-Percent and Final Plan submissions with the EDA and City. The Developer shall schedule a pre-construction conference for the Park Space and Public Areas Improvements and shall schedule and attend monthly progress meetings with the EDA and City. The Developer shall give 30-days notice to the EDA and City in advance to the actual beginning of construction, and thereafter shall coordinate its construction schedule with the EDA and City.

4.3.6 **Manner of Construction**. All Park Space and Public Areas Improvements, shall be constructed in a sound professional manner, in accordance with the Public Realm Design Standards, the Development Agreement, these Infrastructure Conditions, and the EDA-approved Final Plans.

4.4 **Surety, Warranty, Default.**

4.4.1 **Requirement for Construction Performance Security**. Prior to commencing construction of the Park Space and Public Areas Improvements, the Developer shall furnish to the EDA a Letter of Credit (LOC), Surety Bond, or Certified Corporate Check in a form approved by the City Attorney, or other such Construction Performance Security, as defined by and contemplated in the Development Agreement.

4.4.2 **Warranties**. The Developer hereby warrants that (i) the Park Space and Public Areas Improvements will be constructed in a good and workmanlike manner in accordance with the Final Plans, (ii) there are no unsatisfied liens on any part of the Park Space and Public Areas, (iii) the Park Space and Public Areas will be free of defects during the Warranty Period, and (iv) the Developer shall repair any defects that are discovered or may arise during the Warranty Period. During the course of construction and upon completion of such construction, Developer shall furnish to EDA evidence, satisfactory to EDA in EDA's sole discretion, showing that there has not been filed with respect to the property and improvements to be conveyed to EDA, or any part thereof, any vendor's, mechanic's, laborer's, materialmen's or similar lien which has not been discharged of record.

4.4.3 **Release of Surety**. After a warranty inspection by the EDA at the end of the Warranty Period, release of the performance bond, letter of credit, or other financial security that the Developer provided pursuant to these Infrastructure Conditions will occur upon the EDA's issuance to the Developer of a letter indicating that such performance bond, letter of credit, or other financial security is released. The EDA will issue such a letter only if the EDA determines that, based on all requirements and standards applicable to the Park Space and Public Areas Improvements, no defects remain that the Developer is required to correct.

4.5 **Substantial Completion; Certification and Acceptance; Operations and Maintenance.**

4.5.1 **Substantial Completion; Certification.** Certification that Developer has achieved Substantial Completion of the Park Space and Public Areas Improvements in accordance

with the Development Agreement will occur upon the EDA's issuance to the Developer of a letter indicating that the EDA certifies Developer's satisfactory Substantial Completion of the Park Space and Public Areas Improvements.

4.5.2 **Acceptance**. Upon the EDA's certification that Developer has achieved Substantial Completion of the Park Space and Public Areas Improvements, the Developer shall convey to the EDA the underlying Park Space and Public Areas, including the Park Space and Public Areas Improvements and any other improvements thereon. To the extent necessary in order to effectuate the Developer's conveyance and the EDA's acceptance thereof (as determined by the EDA), the Developer agrees to provide deed(s) and any other required documentation to the EDA in a form approved by the Office of the City Attorney.

4.5.3 **Continued Operation and Maintenance**. Following the Developer's conveyance of any Park Space and Public Areas to the EDA, the Developer shall operate and maintain such Park space and Public Areas on the EDA's behalf in accordance with the O&M Contract executed by the EDA and the Developer pursuant to the Development Agreement.

END OF INFRASTRUCTURE CONDITIONS

ATTACHMENT 1

(Conceptual Park Space and Public Areas Master Plan)

to

EXHIBIT G

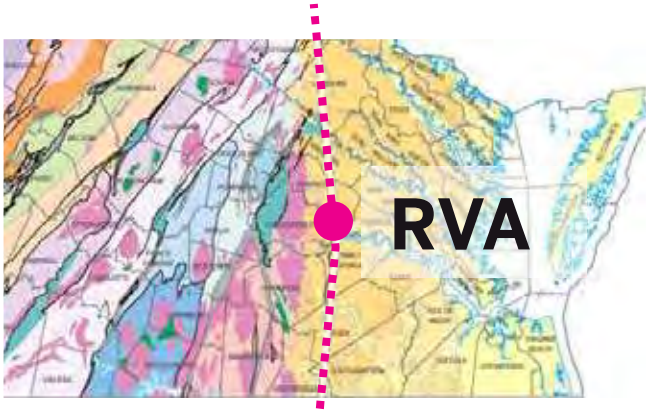
(Infrastructure Conditions)

Conceptual Park Master Plan

Where tectonic plates collide, Fall Lines are created as the physical manifestation of millions of years of geologic energy. These district transitions form where two different geologies intersect and overlap creating more diversity in the ensuing flora and fauna.

The Diamond District lies in the heart of Richmond's seven-mile wide Fall Line zone, marking a transition between the hard bedrock of the Piedmont and the soft sediments of the Coastal Plain. Its physical manifestation is most dramatically evident in the rapids and waterfalls that mark a 100 foot elevation change on the James River, which influenced the location of the city, due to ships inability to travel further inland.

Our vision for the Diamond District's signature open space is to celebrate the geological phenomena of the Fall Line by marking transitions, celebrating diversity, and embracing expression – of this place and its people. Specifically, we propose a series of landscape features that tell the rich story of Richmond's geological history and its diverse ecology. Parallel to and intersecting those features, we propose a gently meandering path that traces the life and legacy of Arthur Ashe.



Piedmont Coastal Plain



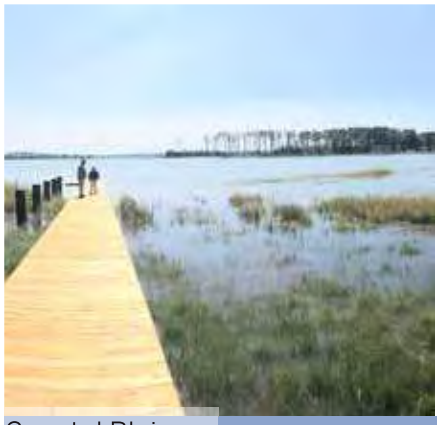
Diamond District Tectonics



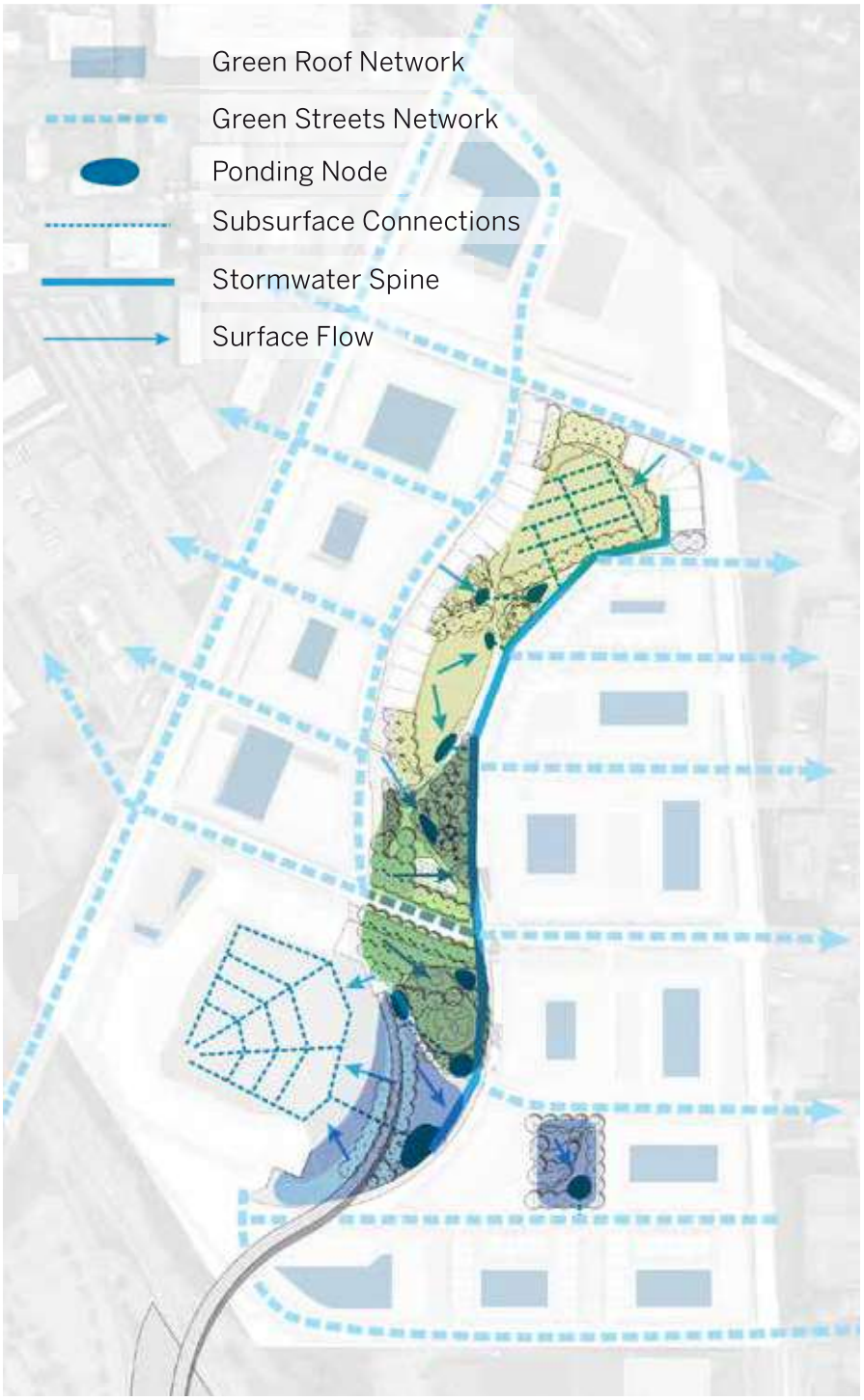
Piedmont Fields and Meadows



Piedmont Forests and Clearings



Coastal Plain



Ecological Zones and Stormwater

Crescent Park



Fall Line - Cultural/Ecological History

Plants, stormwater, materials, and text at the Fall Line interventions shift visitor's attention to the site's cultural, ecological, and geological history.



Piedmont Playgrounds

Landscape forms of the Piedmont Playgrounds mimic geologic formations while creating dynamic spaces for play. Two age-appropriate spaces on either side of the Flex Lawn engage children with the local flora and fauna.



The Grove - Urban Bosque

The Grove is a block-scale urban forest that counters the urban heat island effect notably intense in this part of the city. The seasonal shade re-introduces a healthy tree canopy to build on Richmond 300 campaign.



Forest Falls - Splash Pad

Forest Falls sits east of the Grove providing a refreshing refuge from the summer sun and the flexibility of an open plaza for a variety of events and uses throughout the year.



The Bowls - Skate Park

The Bowls animate and diversify the broadened Sherwood Ave pedestrian way. Sculptural and iconic, the Bowls also play a functional role retaining stormwater during the first flush.



Stormfalls - Stormwater Park

Referencing the fall zone in the James River, Storm Falls intertwines geology, hydrology, and ecology to create a variety of experiences that are both functional and recreational.

Open Space Plan









Landscape Illustrative Plan



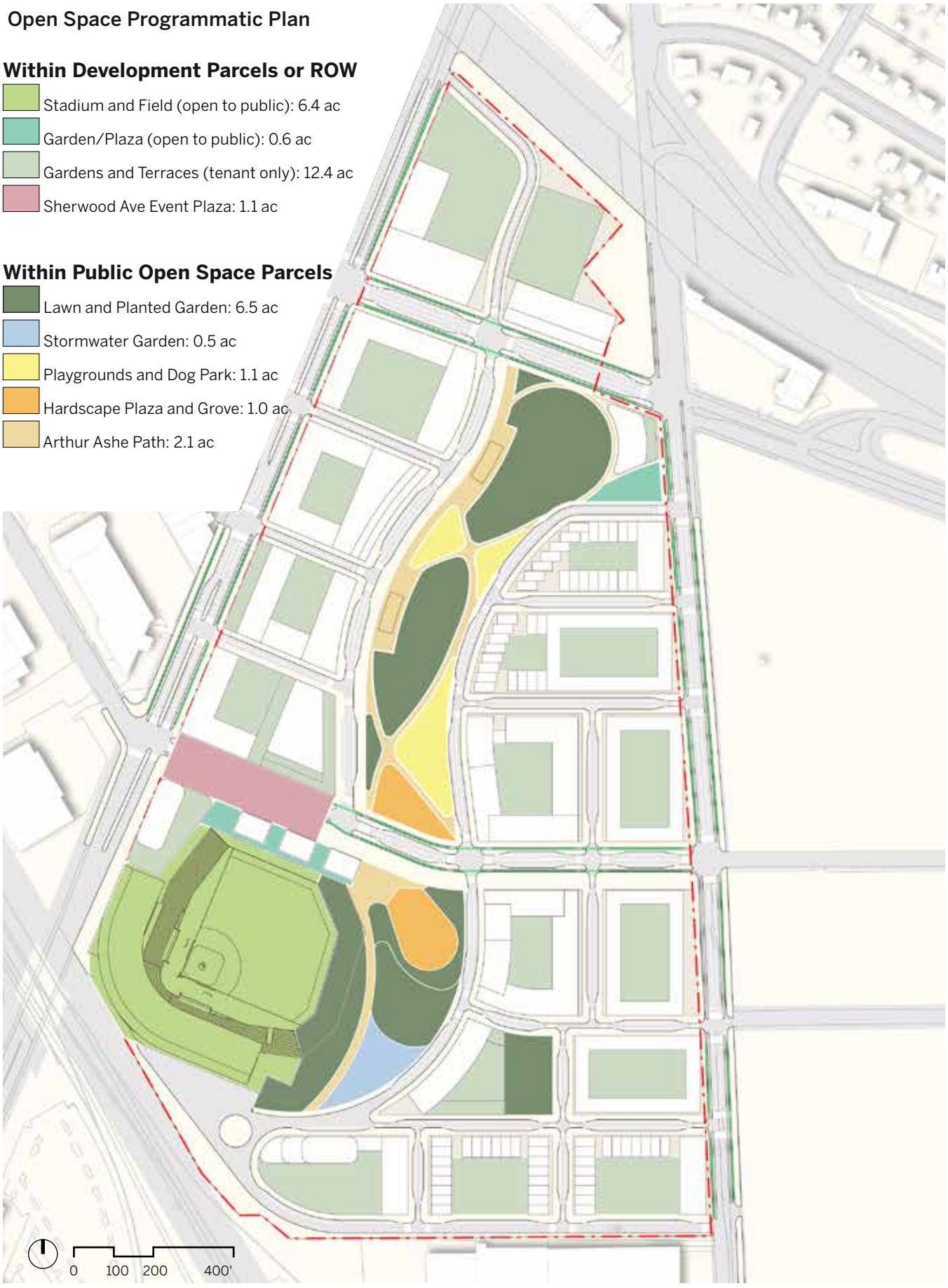
Open Space Programmatic Plan

Within Development Parcels or ROW

- Stadium and Field (open to public): 6.4 ac
- Garden/Plaza (open to public): 0.6 ac
- Gardens and Terraces (tenant only): 12.4 ac
- Sherwood Ave Event Plaza: 1.1 ac

Within Public Open Space Parcels

- Lawn and Planted Garden: 6.5 ac
- Stormwater Garden: 0.5 ac
- Playgrounds and Dog Park: 1.1 ac
- Hardscape Plaza and Grove: 1.0 ac
- Arthur Ashe Path: 2.1 ac



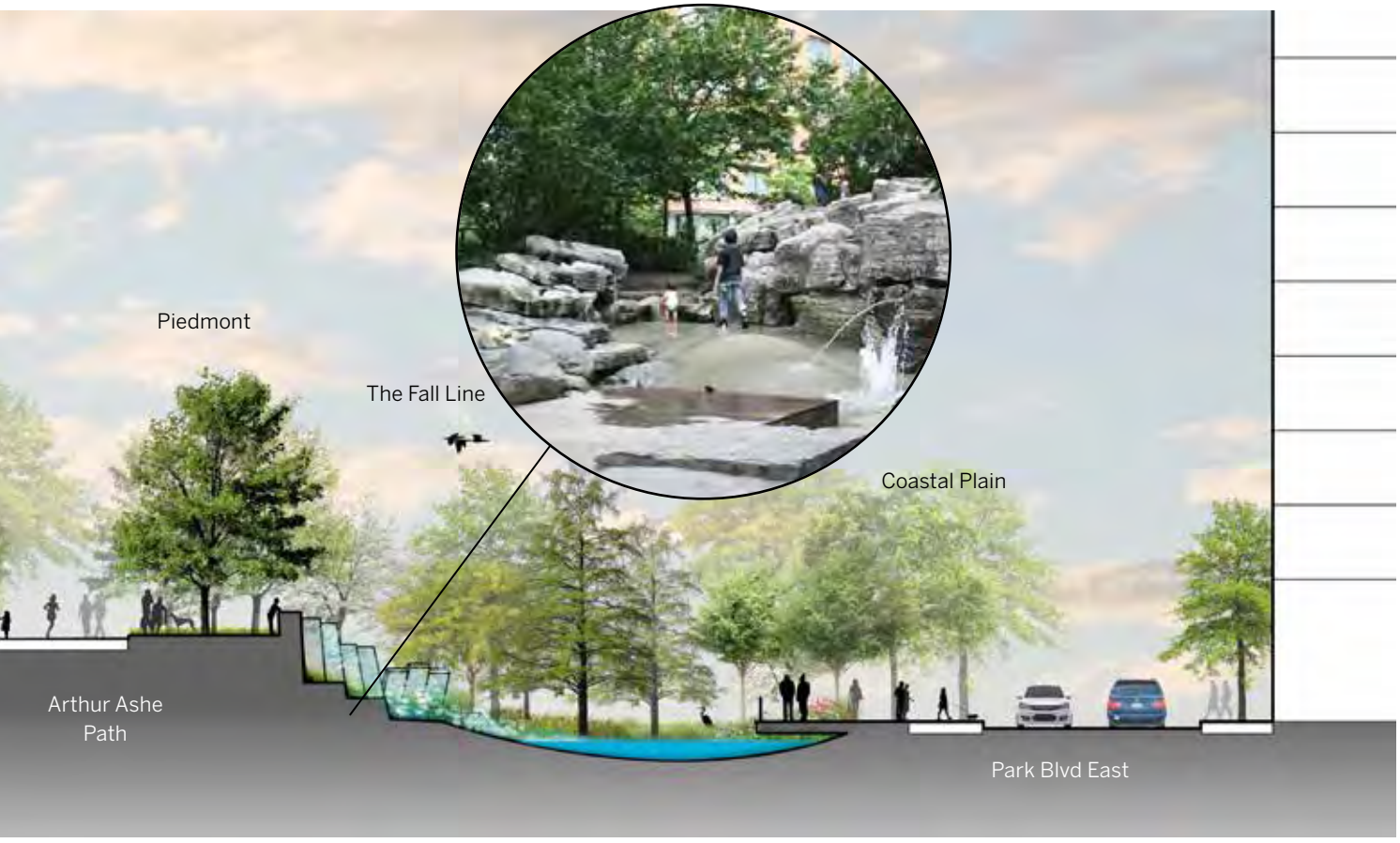
Crescent Park



Diamond Slopes, Flyover Walk, Stormfalls



Park Pavilions, Flex Lawn, Piedmont Climb Playground


Piedmont
The Fall Line
Coastal Plain
Arthur Ashe
Path
Park Blvd East


Play
Park Blvd East


OAK GROVE
RESIDENTIAL COMMUNITY
ARTHUR ASHE PATH
"From what we get, we can make a living. What we give; however, makes a life."
POLLINATOR MEADOW
STORMWATER CATCHMENT

CRESCENT PARK: IMMERSIVE, ECOLOGICAL, WITH PROGRAMS FOR ALL



EXHIBIT H

HOTEL USE COVENANT

[TO BE ATTACHED]

EXHIBIT H

<INSERT RECORDING INFORMATION>

<TAX MAP PARCEL NUMBER>

DECLARATION OF HOTEL USE COVENANTS

This DECLARATION OF HOTEL USE COVENANTS ("Covenant") is made as of the day of_____, 20__ (the "Effective Date"), by_____, a _____ corporation ("Declarant"), identified for indexing purposes as Grantor and Grantee.

RECITALS

R-1. Declarant is the fee simple owner of certain real property, known as <INSERT PARCEL> and as further described in **Exhibit A** (the "***Property***").

R-2. The City of Richmond, Virginia (the "***City***") seeks to redevelop a portion of the Greater Scott's Addition area of the City that currently is home to The Diamond baseball stadium and that is not utilized to its full market potential, with the aim that such redevelopment results in additional taxable value in both the project area and in surrounding properties.

R-3. The City, the Economic Development Authority of the City of Richmond, Virginia (the "***EDA***"), and RVA Diamond Partners LLC (the "***Developer***") entered into that certain Development Agreement dated _____ (the "***Development Agreement***") and the EDA and Developer entered into that certain Purchase and Sale Agreement dated _____ (the "***PSA***"), whereby the City, the EDA, and the Developer agreed upon the terms under which the Developer agreed, among other things, to design, develop and construct a minimum 180 room guest hotel as part of the Phase 1 Project (the "***Hotel***"). The Declarant further shall enter into a Franchise Agreement with a Selected Hotel Brand for a period of time at least contemporaneous with the period of time the Bonds remain outstanding.

R-4. The Declarant was formed to acquire title to the Property and to oversee development and construction of the Hotel on behalf of the Developer.

R-5. The Hotel shall be developed and constructed in accordance with the Development Agreement, PSA and the Memorandum of Development Agreement (as defined herein).

NOW THEREFORE, in consideration of the foregoing and other good and valuable consideration, the Declarant hereby declares that the Property shall be subject to this Covenant, which shall be binding in accordance with the terms herein on the Declarant and on all tenants and purchasers of the Hotel and all Transferees (as defined herein) of the Property until the payment in full or defeasance of the Bonds (as defined herein). Wherever "Declarant" is used in this Covenant, the term includes any Transferee.

ARTICLE I

DEFINITIONS AND MISCELLANEOUS PROVISIONS

1.1 DEFINITIONS. For the purposes of this Covenant, the following capitalized terms shall have the meanings ascribed to them below and, unless the context clearly indicates otherwise, shall include the plural as well as the singular:

"***Affiliate***" means any Person directly or indirectly Controlling, Controlled by, or under Common Control with another Person.

"***Bonds***" shall have the meaning provided in the Development Agreement.

"***Business Day***" means any day that is neither a Saturday, a Sunday, nor a day observed as a legal holiday by the City of Richmond, Virginia, the Commonwealth of Virginia, or the United States government.

"CDA" means the community development authority formed or to be formed in accordance with the CDA as set forth in the Development Agreement.

"Control" means (i) the ownership, direct or indirect, by one Person of more than 50 percent of the profits, capital, or equity interest of another Person, or (ii) the power to direct the affairs or management of another Person, whether by contract, other governing documents, or by operation of law.

"***Controlling Interest***" shall mean (i) the ownership, direct or indirect, by one Person of more than 50 percent of the profits, capital, or equity interest of another Person or (ii) the power to direct the affairs or management of another Person, whether by contract, other governing documents, or by operation of law.

"***Debt Financing***" shall mean non-equity funds procured from a lender to fund the construction and development of the Hotel.

"***Declarant***" is defined in the introductory paragraph.

"***Declarant Party***" means the Declarant, any Affiliate of Declarant, a Declarant Subcontractor, the Developer, each Construction Contractor, any Contractor, advisor or agent of Declarant and their successors and permitted assigns.

"***Development Agreement***" is defined in the Recitals which is recorded in the Land Records.

"Developer" is defined in the Recitals.

"***Equity Interest***" shall mean with respect to any entity, (A) the legal (other than as a nominee) or beneficial ownership of outstanding voting or non-voting stuck of such entity if such entity is a business corporation, a real estate investment trust or a similar entity, (B) the legal (other than as a nominee) or a beneficial ownership of any partnership, membership or other voting or non-voting ownership interest in a partnership, joint venture, limited liability company or similar entity, (C) a legal (other than as a nominee) or beneficial voting or non- voting interest in a trust if

such entity is a trust, and (D) any other voting or non-voting interest that is the function al equivalent of any of the foregoing.

"***Foreclosure Transfer***" shall mean a transfer, sale or assignment occurring as a result of the foreclosure of, or other action in enforcement of, a Mortgage, or any transfer, sale or assignment of any or all of the Property, or any other transfer, sale or assignment of all or any part of the Property by judicial or other proceedings under, pursuant or pertaining to a Mortgage, or by virtue of the exercise of any power or right contained in a Mortgage, or by deed, assignment, or other conveyance-in-lieu of foreclosure or other action in enforcement of a Mortgage, or otherwise, or a transfer of some or all of the Equity Interests in Declarant occurring as a result of, or pursuant to, or in connection with a pledge, hypothecation or other collateral assignment of such Equity Interests, or any sale, transfer or assignment of some or all of the Equity Interest in Declarant, or in any Person holding, directly or indirectly, some or all of the Equity Interest in Declarant in any Person holding, directly or indirectly, some or all of the Equity Interests in Declarant by virtue of, or pursuant to, any right or power contained in a Mortgage or in any other document or instrument evidencing or securing a loan secured by a Mortgage, or by deed, assignment or other conveyance of some or all of such equity interests in lieu of a foreclosure, sale or other enforcement action, or otherwise (it being the intention of the parties that the term "Foreclosure Transfer" shall be given the broadest possible interpretation to over, reach, include and permit any sale, assignment or transfer whatsoever, and however effected or structured, of some or all of the Property, some or all of the Equity Interests in Declarant or in any Person holding, directly or indirectly, some or all of the Equity Interests in Declarant following an uncured default under a Mortgage (including any document or instrument, whether or not recorded, that evidences or secures a debt secured by a Mortgage)):

(x) to a Mortgagee or its Designee or Foreclosure Transferee: or

(y) to any Person that is not a Prohibited Person and that purchases or otherwise acquires some or all of the Property, or some or all of the Equity Interests in Declarant from a Mortgagee or its designee after such Mortgagee or designee has purchased or otherwise acquired some or all of the Property, or some or all of the Equity Interests in Declarant in a Foreclosure Transfer described in the immediately preceding clause (x).

Each Foreclosure Transfer shall be deemed, for the purposes hereof, to have occurred as of the date of the transfer, sale, assignment or conveyance-in-lieu thereof in question.

"***Franchise Agreement***" shall mean the franchise license agreement by and between the Declarant and a Permitted Franchisor, as it may be amended, supplemented, modified, substituted or replaced.

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

"***Improvements***" means any and all site and vertical improvements, including the systems, cables, materials, equipment, property, buildings, structures, appurtenances, subsystem or other improvement any of which comprises the Hotel on or within the Property.

"***Land Records***" means the land records of the City of Richmond, Virginia.

"***Law***" or "***Laws***" means any one or more present and future laws, ordinances, rules,

regulations, permits, authorizations, orders, judgments, and requirements, to the extent applicable to the City, the EDA, the Declarant, a Declarant Party, the Hotel or to the Property or any portion thereof, including, without limitation, whether or not in the present contemplation of the City, the EDA, or the Declarant, all consents or approvals (including Regulatory Approvals) required to be obtained from, and all rules and regulations of, and all building and zoning laws of, all federal, state, and local governments, authorities, courts, and any other body or bodies exercising similar functions, having or acquiring jurisdiction of, or which may affect or be applicable to, the Property or any part thereof, including, without limitation, any subsurface area, the use thereof and of the buildings and improvements thereon.

"***Master Plan***" means the master plan for Developer's entire project under the Development Agreement.

"***Member***" means any Person with an interest in Declarant.

"***Memorandum of Development Agreement***" means the Memorandum of Development Agreement to be recorded against title to each Phase of Purchased Property as set forth in, and as required by, the Development Agreement.

"***Mortgage***" means any mortgage, deed of trust or other similar instrument securing Debt Financing.

"***Mortgagee***" shall mean any provider of Debt Financing.

"***Notice Address***" shall mean the address for notice set forth below, as amended from time to time by notice sent to the other party as provided herein:

A. To the City:

Chief Administrative Officer
City of Richmond, Virginia
900 East Broad Street, Suite 201
Richmond, Virginia 23219

with a copy to:

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

B. To the Developer:

RVA Diamond Partners LLC
_____
_____

with a copy to:

McGuireWoods LLP
Gateway Plaza
800 East Canal Street
Richmond, Virginia 23219
Attention: George Keith Martin, Esquire

C. To the EDA:

_____
_____
_____

D. To the Declarant

_____
c/o Capstone Development, LLC
4445 Willard Avenue, Suite 600
Chevy Chase, Maryland 20815
Attention: Norman Jenkins

"***Operating Standard***" shall mean the standard consistent with the maintenance and operational standards applicable to the Selected Hotel Brand or other brand approved by the EDA.

"***Permitted Franchisor***" shall mean a Person who is not a Prohibited Person and is franchisor of a Selected Hotel Brand or other comparable hotel brand approved by the EDA in accordance with Section 5.1 of this Covenant.

"***Person***" means any individual, corporation, partnership, association, cooperative, limited liability company, trust, business trust, joint venture, government, political subdivision or any other legal or commercial entity and any successor, representative, agent, agency or instrumentality thereof.

"Phase 1 Project" means the Project components to be constructed on the Phase 1 Project Site (as defined in the Development Agreement) in material conformity to the requirements of the Development Agreement.

"***Prohibited Person***" shall mean any of the following Persons:

(a) Any Person (or any Person whose operations are directed or controlled by a Person) who has been convicted of or has pleaded guilty in a criminal proceeding for a felony or who is an on-going target of a grand jury investigation convened pursuant to applicable Laws concerning organized crime; or

(b) Any Person organized in or controlled from a country, the effects of the activities with respect to which, are regulated or controlled pursuant to the following United States laws and the regulations or executive orders promulgated thereunder: (x) the Trading with the Enemy Act of 1917, 50 U.S.C. App. §1, et seq., as amended (which countries are, as of the date hereof, North Korea and Cuba); (y) the International Emergency Economic Powers Act of 1976, 50 U.S.C. §1701, et seq., as amended; and (z) the Anti-Terrorism and Arms Export Amendments Act of 1989, codified at Section 6(j) of the Export Administration Act of 1979, 50 U.S.C. App. § 2405(j), as amended (which countries are, as of the date hereof, Iran, Sudan and Syria); or

(c) Any Person who has engaged in any dealings or transactions (i) in contravention of the applicable money laundering laws or regulations or conventions or (ii) in contravention of Executive Order No. 13224 dated September 24, 2001 issued by the President of the United States (Executive Order Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism), as may be amended or supplemented from time-to-time or any published terrorist or watch list that may exist from time to time; or

(d) Any Person who appears on or conducts any business or engages in any transaction with any person appearing on the list maintained by the U.S. Treasury Department's Office of Foreign Assets Control list located at 31 C.F.R., Chapter V, Appendix A or is a person described in Section 1 of the Anti-Terrorism Order; or

(e) Any Affiliate of any of the Persons described in paragraphs (a) through (d) above.

"***Project***" shall have the meaning provided in the Development Agreement.

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

"PSA" is defined in the Recitals.

"***Selected Hotel Brand***" means one of the following brands: AC Hotels by Marriott; Autograph Collection; Canopy by Hilton; Curio Collection; Hilton; Tempo by Hilton; Hyatt; Hyatt Centric; Hyatt Regency; JdV by Hyatt; Kimpton; Le Meridien; Marriott;; Tapestry Collection; Tribute Portfolio; and Westin.

"Substantial Controlling Interest" shall mean such ownership of Declarant or a Transferee as to give day-to-day control over Declarant or ownership or control of the votes necessary to elect a majority of the board of directors or other governing body, or appoint the managing member or Operator, or such Person.

"***Transfer***" shall mean (A) any change, by operation of law or otherwise, in ownership of an Equity Interest in Declarant, where such change in ownership directly or indirectly produces any change in the Substantial Controlling Interest of Declarant, or (B) any transaction or series of transactions, by operation of law or otherwise, including, without limitation, the issuance of additional Equity Interests or the direct or indirect revision of the beneficial ownership or control structure of the management or operation of Declarant or any direct or indirect constituent entity of Declarant, which, in either case, produces any change, by operation of law or otherwise, in the Substantial Controlling Interest in Declarant. With respect to the Property, the term "Transfer" shall mean any sale, assignment, conveyance, lease, deed of trust or encumbrance on the Property or of any portion of or any interest in the Property.

"***Transferee***" shall mean any Person to which the ownership of the Hotel has been Transferred.

1.2 GOVERNING LAW. This Covenant shall be governed by and construed in accordance with the laws of the city of Richmond, Virginia (without reference to conflicts of law principles).

1.3 CAPTIONS, NUMBERINGS, AND HEADINGS. Captions, numberings, and

headings of Articles, Sections, and Exhibits in this Covenant are for convenience of reference only and shall not be considered in the interpretation of this Covenant.

1.4 NUMBER; GENDER. Whenever required by the context, the singular shall include the plural, the neuter gender shall include the male gender and female gender, and vice versa.

1.5 BUSINESS DAY. In the event that the date for performance of any obligation under this Covenant falls on other than a Business Day, then such obligation shall be performed on the next succeeding Business Day.

1.6 COUNTERPARTS. This Covenant may be executed in multiple counterparts, each of which shall constitute an original and all of which shall constitute one and the same agreement.

1.7 SEVERABILITY. In the event that one or more of the provisions of this Covenant shall be held to be illegal, invalid, or unenforceable, each such provision shall be deemed severable and the remaining provisions of this Covenant shall continue in full force and effect, unless this construction would operate as an undue hardship on EDA or Declarant or would constitute a substantial deviation from the general intent of the parties as reflected in this Covenant.

1.8 EXHIBITS. All Exhibits referenced in this Covenant are incorporated by this reference as if fully set forth in this Covenant.

1.9 INCLUDING. The word "including," and variations thereof, shall mean "including without limitation."

1.10 NO CONSTRUCTION AGAINST DRAFTER. This Covenant has been negotiated and prepared by City, EDA, and Declarant and their respective attorneys and, should any provision of this Covenant require judicial interpretation, the court interpreting or construing such provision shall not apply the rule of construction that a document is to be construed more strictly against one party.

1.11 CONFLICTS. In the event of a conflict between this Covenant and the Memorandum of Development Agreement prior to the release of the Memorandum of Development Agreement, the terms of the Memorandum of Development Agreement shall govern.

ARTICLE II

USE COVENANTS

2.1 OPERATION. Subject to the provisions of this Covenant, the Declarant shall continue to operate the Property as a Hotel consistent with the Master Plan, the Operating Standard and the other provisions of this Covenant.

2.2 GENERAL USES. Prior to the full repayment or defeasance of the Bonds, the Property shall only be utilized in a manner consistent with Section 2.1 hereof.

2.3 MAINTENANCE OF HOTEL. Declarant hereby covenants and agrees to maintain the Hotel and the Improvements during the term of this Covenant in accordance with the Operating Standard.

2.4 FINANCIAL REPORTING. For so long as the Bonds remain outstanding, the

Declarant shall, and shall cause any tenants and subtenants to, make the following reports to the City's Director of Finance, with a copy to the EDA:

(a) once each month, at a time during each month prescribed by the City's Director of Finance, which, if applicable, shall be no earlier than the date such information would otherwise be required to be reported pursuant to applicable Law, a report setting forth (A) the sales taxes remitted to the Commonwealth of Virginia attributable to the Property (including the Hotel) and (B) the Person who collected and remitted those sales taxes;

(b) once each month, at a time during each month prescribed by the City's Director of Finance, which, if applicable, shall be no earlier than the date such information would otherwise be required to be reported pursuant to applicable Law, a report setting forth (A) the amount of meals taxes remitted to the City attributable to the Property (including the Hotel) and (B) the name of the Person who collected and remitted those meals taxes to the City;

(c) once each calendar year, at a time during the year prescribed by the City's Director of Finance, which, if applicable, shall be no earlier than the date such information would otherwise be required to be reported pursuant to applicable Law, a report setting forth (A) the amount of business, professional, and occupational license taxes paid to the City attributable to the Property (including the Hotel), (B) the name of the Person who paid those business, professional, and occupational license taxes, and (C) the type of business, as classified by the City's Director of Finance, for which the Person paid those business, professional, and occupational license taxes;

(d) once each month, at a time during each month prescribed by the City's Director of Finance, which, if applicable, shall be no earlier than the date comparable sales tax information would otherwise be required to be reported pursuant to applicable Law, a report setting forth (A) the amounts generated from the collection of the Consumer Purchase Surcharge on the Property (including the Hotel) and (B) the Person who collected and transferred those amounts as provided for under the financing documents for the Bonds; and

(e) once each month, at a time during each month prescribed by the City's Director of Finance, which, if applicable, shall be no earlier than the date comparable hotel tax information would otherwise be required to be reported pursuant to applicable Law, a report setting forth (A) the amounts generated from the collection of the Hotel Use Surcharge on the Property (including the Hotel) and (B) the Person who collected and transferred those amounts as provided for under the financing documents for the Bonds.

ARTICLE III

TERM

3.1 TERM. All other obligations, liabilities, terms, and conditions set forth herein shall run with the land, binding Declarant and its successors and assigns until the repayment or defeasance of the Bonds in accordance with the Indenture.

ARTICLE IV

INTENTIONALLY OMITTED

ARTICLE V

FRANCHISOR; CHAIN AFFILIATION

5.1 FRANCHISOR; CHAIN AFFILIATION.

(a) Declarant shall cause the Hotel to be affiliated with a Selected Hotel Brand that is a Permitted Franchisor (provided that there has been no material adverse change in the financial condition of such Permitted Franchisor since the date of this Covenant) or a chain or "flag" approved by EDA pursuant to Section 5.1(c) (a "Franchisor") in accordance with the terms and conditions of this Covenant pursuant to a written Franchise Agreement providing for a national or international reservation and marketing system to which the Hotel has access and in which the Hotel is included, the use of trademarks, service marks, logos, the "flag" and other identifying items provided to other hotels in such reservation and marketing system of the Franchisor and providing for such other services, and containing terms and conditions, reasonable and customary for license agreements for hotels.

(b) As between EDA and Declarant, in the event of any conflict between the obligations of Declarant under the terms of this Covenant and the terms of the Franchise Agreement, the terms of this Covenant shall govern and Declarant shall remain responsible for performing all of its obligations hereunder notwithstanding the fact that the Hotel is affiliated with the Franchisor.

(c) Developer shall, at least thirty (30) days prior to engagement of the initial or a new Franchisor for the Hotel (a "Franchisor Engagement") **other than with a Permitted Franchisor**, submit to the EDA the following information, for EDA approval:

1. The franchise disclosure document as described in 16 C.F.R. §436;

2. such other additional information as EDA shall reasonably request, which information may include information regarding ownership, banking and financial matters, in connection with its evaluation of such transaction to the extent reasonably available to Declarant, provided EDA shall make such request within twenty (20) Business Days after receipt of the initial information; provided, however, that where a change in any Franchisor Engagement occurs in connection with a Foreclosure Transfer such information shall be submitted EDA as soon as practicable but in no event later than thirty (30) days after the Foreclosure Transfer; and

(d) If EDA approves the Franchisor Engagement, EDA shall deliver written confirmation of such approval within twenty (20) days after receipt of the materials provided to EDA under Section 5.1(c). If EDA disapproves the Franchisor Engagement pursuant to the provisions of Section 5.1(c), then within the aforementioned twenty (20) day period EDA shall specify in writing to Developer the reasons for its disapproval. Franchisor Engagements that have not been act upon by EDA within sixty (60) days of submission of a complete request in accordance with Section 5.1(c) shall be deemed approved.

(e) Declarant shall deliver to EDA, or shall cause to be delivered to the EDA, within ten (10) Business Days after the execution thereof, a true and correct copy of the instrument of transfer or engagement and a true and correct copy of Franchise Agreement.

(f) In the event of any Franchisor Engagement that does not comply with the provisions of this Covenant, EDA shall have the right to seek such equitable relief (either mandatory or injunctive in nature) as may be necessary to enjoin such Franchisor Agreement or to cause the licensor to comply with such applicable provisions, or, if necessary, to transfer the Franchise Agreement to another Person in accordance with such applicable provisions, it being understood that monetary damages will be inadequate to compensate EDA for harm resulting from such noncompliance. Compliance with the delivery requirements of this Section shall be evidenced by either (i) a written acknowledgment signed by EDA, or (ii) proof of delivery of the items required by this Section to the Notice Address for EDA (including but not limited to time-stamped copies of the items transmitted or return receipts for certified mail or electronic verification by a reputable courier company), without the necessity for a signature by an EDA official.

(g) In the event of a Franchise Engagement with a new Permitted Franchisor, the Developer shall deliver to EDA such of the information specified in Section 5.1(c) with respect to the new Permitted Franchisor as EDA shall request, but EDA shall have no right of approval of the new Permitted Franchisor.

5.2 DECLARANT'S RESPONSIBILITIES. Declarant will (a) perform or cause to be performed Declarant's material obligations under the Franchise Agreement, (b) enforce the performance by Franchisor of all of Franchisor's material obligations under the Franchise Agreement, (c) give EDA prompt written notice and a copy of any notice of default, event of default, termination or cancellation sent or received by Declarant and (d) promptly deliver to the EDA executed copies of any amendment or modification of the Franchise Agreement, or if applicable, any new Franchise Agreement.

ARTICLE VI

DEFAULT AND REMEDIES

6.1 DECLARANT DEFAULT

6.1.1 Events of Default by Declarant. Upon the occurrence of one of the events enumerated in Sections 6.1.1(a)-(g) below and if such default shall continue uncured for sixty (60) days alter written notice of such default from EDA, such event shall constitute an "Event of Default" by the Declarant, provided that such sixty (60) day period may be extended for an additional period of time, at the reasonable discretion of EDA, if the Declarant has timely commenced and is diligently pursuing the cure of the default, but in no event shall any cure period be extended beyond one-hundred twenty (120 days):

(a) Declarant fails to perform any covenant, obligation, term, or provision under this Covenant;

(b) if a Transfer occurs in violation of the conditions stated in this Covenant;

(c) if Declarant admits, in writing, that it is generally unable to pay its debts as such become due;

6.1.2 EDA Remedies to Events of Default by Declarant. If any Event of Default by

Declarant occurs and is continuing the EDA may take any one or more of the following remedial steps as determined in the EDA's sole and absolute discretion:

(a) seek any available remedy at law (subject to any limitations set forth in the Development Agreement); or

(b) seek enforcement of Declarant's obligations hereunder by any and all remedies available in equity, including without limitation, specific performance and injunctive relief.

6.2 RIGHTS AND REMEDIES CUMULATIVE. The rights and remedies of the EDA under this Covenant, whether provided by law, in equity, or by this Covenant, shall be cumulative, and the exercise of any one or more of such remedies shall not preclude the exercise of any other remedies for the same such default or breach.

ARTICLE VII

COVENANTS BINDING ON SUCCESSORS AND ASSIGNS

This Covenant is and shall be binding upon the Property and shall run with the land for the period of time stated herein. The rights and obligations of City, EDA, Declarant, and their respective successors and assigns shall be binding upon and inure to the benefit of the foregoing parties and their respective successors and assigns; provided, however, that all rights of EDA pertaining to the monitoring or enforcement of the obligations of Declarant hereunder shall not convey with the transfer of title or any lesser interest in the Property, but shall be retained by EDA, or such other designee as EDA may so determine.

ARTICLE VIII

AMENDMENT OF COVENANT

This Covenant shall not be amended, modified, or released other than by an instrument in writing executed by a duly authorized official of the EDA on behalf of the EDA and approved by City Attorney for legal sufficiency. Any amendment to this Covenant that materially alters the terms of this Covenant shall be recorded among the Land Records before it shall be deemed effective.

ARTICLE IX

COVENANTS OF DECLARANT

Declarant covenants that, by execution and delivery of this Covenant, the performance of its obligations under this Covenant, including the development and operation of the Hotel, have been duly authorized by all requisite corporate action. Upon execution and delivery hereof by Declarant, this Covenant will, assuming enforceability against the EDA, constitute the legal, valid and binding obligation of Declarant, enforceable in accordance with its terms, except to the extent that enforceability may be limited by applicable bankruptcy, insolvency or other similar laws of general application or equitable principles relating to or affecting the enforcement of contracts generally against persons similarly situated.

ARTICLE X

NOTICES AND REPRESENTATIVES

Notices served upon Declarant or City or EDA at the respective party's Notice Address shall be deemed to have been received for all purposes hereunder: (i) if hand delivered to the other party at the Notice Address, when the copy of the notice is receipted; (ii) if given by overnight courier service, on the next Business Day after the notice is deposited to the Notice Address with the overnight courier service; (iii) if given by certified mail to the Notice Address, return receipt requested, postage pre-paid, on the date of actual delivery or refusal thereof at the Notice Address. If notice is tendered under the terms of this Covenant and is refused by the intended recipient of the notice, the notice shall nonetheless be considered to have been received and shall be effective as of the date provided in this Covenant.

ARTICLE XI

MISCELLANEOUS

11.1 RISK OF LOSS. Except as otherwise provided herein, the risk of loss with respect to any and all existing and new improvements on the Property shall be borne by the Declarant.

11.2 INDEPENDENT CONTRACTOR. Declarant is and shall remain an independent contractor and not the agent or employee of the City or the EDA. The City and the EDA shall not be responsible for making payments to any contractor, subcontractor, agent, consultant, employee or supplier of the Declarant.

11.3 CITY AS AGENT OF EDA**.** The Declarant acknowledges and agree that the City and its employees, contractors, agents and designees shall be responsible for performing all functions of the EDA under the Development Agreement and this Covenant and shall have the power to exercise all of the rights of EDA under the Development Agreement and this Covenant. Unless the context provides otherw i s e all references in this Covenant to the EDA shall include the City.

(Signatures on following page)

EXHIBIT H (HOTEL USE COVENANT)
TO
DIAMOND DISTRICT REDEVELOPMENT PROJECT DEVELOPMENT AGREEMENT

IN TESTIMONY WHEREOF, Declarant has caused these presents to be signed, acknowledged and delivered in its name by_____, its duly authorized _____ and witnessed by _____its_____.

WINTESS

By:_____
Name:_____
Title: _____

DECLARANT [SEAL]

By:_____
Name:_____
Title: _____

COMMONWEALTH OF VIRGINIA

CITY OF RICHMOND, to-wit:

_____, a Notary Public in and for the Commonwealth of Virginia, DO HEREBY CERTIFY THAT who is personally known to be (or approved by oaths of credible witnesses to be) the person named as_____for in the foregoing and annexed Hotel Use Covenant, bearing the date of the personally appeared before me_____and as_____acting on behalf of _____, as aforesaid, acknowledged the same to be his/her free act and deed.

Given under my hand and seal this_____day of_____

_____
Notary Public

My Commission Expires: _____

EXHIBIT H (HOTEL USE COVENANT)
TO
DIAMOND DISTRICT REDEVELOPMENT PROJECT DEVELOPMENT AGREEMENT

APPROVED AND ACCEPTED THIS DAY OF , 20 :

CITY OF RICHMOND,

By:_____
Chief Administrative Officer

Approved as to form:

By:_____
City Attorney

EXHIBIT A

Legal Description of Property

EXHIBIT H (HOTEL USE COVENANT)
TO
DIAMOND DISTRICT REDEVELOPMENT PROJECT DEVELOPMENT AGREEMENT

EXHIBIT I

AFFORDABLE HOUSING COVENANTS

[TO BE ATTACHED]

EXHIBIT I

<INSERT RECORDING INFORMATION>

<TAX MAP PARCEL NUMBER>

DECLARATION OF AFFORDABLE DWELLING UNITS COVENANTS

This DECLARATION OF AFFORDABLE DWELLING UNITS COVENANTS ("Covenant") is made as of the _____ day of _____, 20___ (the "Effective Date"), by <INSERT>, ("Declarant"), identified for indexing purposes as Grantor and Grantee.

RECITALS

R-1. The Declarant is the fee simple owner of certain real property as further described in **Exhibit A** (the "Property").

R-2. The City of Richmond, Virginia (the "City") has determined to further its public policy of increasing the affordable housing stock in that portion of the Greater Scotts Addition area of the City that is currently home to the Diamond baseball stadium, and in particular, on the Property.

R-3. The City, the Economic Development Authority of the City of Richmond, Virginia (the "EDA"), and RVA Diamond Partners, LLC (the "Developer") entered into that certain Development Agreement dated _____ ("Development Agreement") and the EDA and the Developer entered into that certain Purchase and Sale Agreement dated _____ ("PSA"), whereby the City, the EDA, and the Developer agreed upon the terms under which the Developer agreed, among other things, to directly develop and construct at least five hundred and sixty-one (561) Affordable Housing Units (as defined herein, and consistent with the Minimum Development Progress Requirements set forth in the Development Agreement) dispersed among several of the Private Development Parcels (as defined in the Development Agreement) pursuant to the Development Agreement (the "Affordable Housing Parcels").

R-4. The Property is one of the Affordable Housing Parcels.

R-5. The Declarant was formed to acquire title to the Property and to oversee development and construction of the Improvements (as defined in the Development Agreement) on the Property in accordance with the Development Agreement and the PSA, including certain Affordable Housing Units.

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, Declarant hereby declares that the Property shall be subject to this Covenant, which shall be binding in accordance with the terms herein on Declarant and on all tenants and purchasers of the Affordable Housing Units and all Transferees (as defined herein) of the Property until expiration of the Affordability Period. For purposes herein, Transferees shall be deemed all persons that may hereafter acquire any interest whatsoever in the Property, or any part thereof,

from Declarant, or any successor or assign of Declarant, or any other party, whether by sale, lease, assignment, hypothecation, or any other means of transfer (any and all of the foregoing means of transfer being herein referred to as "Transfer"), for the Affordability Period. Wherever "Declarant" is used in this Covenant, the term includes any Transferee. In the event of a conflict between this Covenant and any terms of Internal Revenue Code Section 42 or a covenant required by Virginia Housing Development Authority, the provisions of the latter shall prevail.

ARTICLE I
DEFINITIONS

For the purposes of this Covenant, the capitalized terms used herein shall have the meanings ascribed to them below and, unless the context clearly indicates otherwise, shall include the plural as well as the singular.

Affordability Period: is defined in Article X.

Affordability Requirement: is the requirement that Declarant develop and construct 560 Affordable Housing Units, subject to the following requirements: a: (i) no less than 452 of the units so constructed and operated on the Property shall meet the definition of a low income housing unit and be rent-restricted under Internal Revenue Code Section 42(g), (ii) no less than 95 of the units so constructed and operated on the Property shall be leased for occupancy by households earning up to 30% of the Area Median Income, and (iii) no less than 13 of the units shall be sold to households earning between 60% and 70% of the Area Median Income.

Affordable Housing Units: are dwelling units that are reserved for occupancy by households earning up to the Maximum Annual Household Incomes described herein.

Affordable Unit Owner: means a Qualified Purchaser who own(s) a For Sale Affordable Unit.

Affordable Unit Tenant: means a Qualified Tenant who lease(s) a Rental Affordable Unit.

Area Median Income or AMI: means the most recent annually adjusted median income for the Richmond, VA Metropolitan Statistical Area published by the United States Department of Housing and Urban Development adjusted for household size.

Annual Household Income: means the aggregate annual income of a Household as determined by using the standards set forth in 24 CFR § 5.609, as may be amended.

Annual Report: has the meaning given in Section 4.9.

Business Day: means Monday through Friday, inclusive, other than holidays recognized by the City of Richmond, Virginia, the Commonwealth of Virginia, or the United States government.

Certificate of Purchaser Eligibility: means a certification executed by a Household prior to its purchase of an Affordable Housing Unit, in a form approved by the City (such approval not

to be unreasonably withheld), that shall be given to the City, or its designee, and Declarant, representing and warranting the following: (a) the Household is a Qualified Purchaser and has disclosed all of its Annual Household Income and has provided reasonably satisfactory documentation evidencing such Annual Household Income, (b) the Household's Annual Household Income is at or below the Maximum Annual Household Income for the applicable Affordable Housing Unit, (c) the Household has been informed of its rights and obligations under this Covenant, (d) the Household intends to occupy the Affordable Housing Unit as its principal residence, (e) that the Household size is within the Occupancy Standard for the Affordable Housing Unit, and (f) any other reasonable and customary representations requested by the City or Declarant.

Certificate of Tenant Eligibility: means a certification by a Household at its initial occupancy of an Affordable Housing Unit, in a form approved by the City (such approval not to be unreasonably withheld), that shall be given to the City, or its designee, and Declarant representing and warranting the following: (a) the Household is a Qualified Tenant and has disclosed all of its Annual Household Income, (b) the Household's Annual Household Income is at or below the Maximum Annual Household Income for the applicable Affordable Housing Unit, (c) the Household has been informed of its rights and obligations under this Covenant, (d) the Household intends to occupy the Affordable Housing Unit as its principal residence, (e) that the Household size is within the Occupancy Standard for the Affordable Housing Unit, and (f) any other reasonable and customary representations requested by the City or Declarant.

Certification of Compliance: means a certification by Declarant that it has performed or caused to be performed an inspection of all Rental Affordable Units in the Property and that, to the best of Declarant's knowledge, the Property is in compliance with all applicable statutory and regulatory requirements, in such form as the City approves (such approval not to be unreasonably withheld) and allowing for reasonable review by Declarant.

Certification of Residency: means a certification made by Affordable Unit Owner that states that each Rental Affordable Unit within the Property is occupied by an Affordable Unit Tenant as its principal residence, in such form as the City approves (such approval not to be unreasonably withheld) and allowing for reasonable review by Declarant.

Designated Affordability Level: means the percentage of AMI assigned to each Affordable Housing Unit, at or below which a Qualified Purchaser's or Qualified Tenant's, as applicable, Annual Household Income must fall.

Declarant: is identified in the preamble of this Covenant, and when used herein includes any Transferee.

For Sale Affordable Unit: means an Affordable Housing Unit designated for sale to households earning between 60% and 70% of the Area Median Income, which shall be sold to a Qualified Purchaser.

Household(s): means all persons who will occupy the Affordable Housing Unit, including all persons over eighteen (18) years of age whose names will appear on the lease, the purchaser's

or tenant's, as applicable, spouse or domestic partner and children under eighteen (18) years of age.

Household Size Adjustment Factor (HAF): means the factor related to the number of individuals in a Household for the purpose of establishing the Maximum Annual Household Income of a For Sale Affordable Housing Unit, as set forth in the following table:

Household Size	Household Adjustment Factor
1	0.7
2	0.8
3	0.9
4	1
5	1.1
6	1.2

Housing Cost: means (a) the total monthly payments for rent and Utilities for a Rental Affordable Unit, less any rental subsidies paid on behalf of the Qualified Tenant leasing that Rental Affordable Unit, or (b) the total monthly mortgage payments, property tax, hazard insurance, if applicable, and condominium or homeowner fees for a For Sale Affordable Unit.

HUD: means the United States Department of Housing and Urban Development.

Land Records: means the real property records for the City of Richmond, Virginia.

Market-Rate Unit: means each Residential Unit that is not an Affordable Housing Unit.

Maximum Allowable Rent: is defined in Section 4.3.2.

Maximum Annual Household Income or **MAXI:** means the maximum Annual Household Income of a Household occupying an Affordable Housing Unit as calculated pursuant to (a) Section 4.4.1 for Rental Affordable Units and (b) Section 5.2.1 for For Sale Affordable Units.

Maximum Resale Price: means the maximum resale price of a For Sale Affordable Unit as described in Section 5.1.2 and determined pursuant to the procedures contained in **Schedule** 2 attached hereto.

Maximum Sales Price: as defined in Section 5.1.1.

Minimum Annual Household Income or **MINI:** is the minimum Annual Household Income of a Household occupying an Affordable Housing Unit as calculated pursuant to (a) Section 4.4.2 for Rental Affordable Units and (b) Section 5.2.1 for For Sale Affordable Units.

Mortgage: means a mortgage, deed of trust, mortgage deed, or such other classes of instruments as are commonly given to secure a debt under the laws of the Commonwealth of Virginia.

Mortgagee: means the holder of a Mortgage.

Occupancy Standard: means the minimum number of individuals permitted to occupy any given Affordable Housing Unit, as identified in the following chart:

Affordable Housing Unit Size (Number of Bedrooms)	Minimum Number of Individuals in Affordable Housing Unit
Studio/Efficiency	1
1	1
2	2
3	3
4	4

Occupancy Standard Factor: means the factor related to the assumed number of occupants for the purpose of establishing the Maximum Sales Price of a For Sale Affordable Unit as set forth in the following table:

Size of For Sale Affordable	Occupancy Pricing Standard	Occupancy Standard Factor
Efficiency/Studio	1	.7
1 Bedroom	2	.8
2 Bedroom	3	.9
3 Bedroom	5	1.1

Over-Income Tenant: is defined in Section 4.5.5.

Owner: means, in the context of Rental Affordable Units, Declarant, and in the context of For Sale Affordable Units, Declarant for so long as Declarant owns the applicable For Sale Affordable Unit, and then thereafter, the Affordable Unit Owner that owns such For Sale Affordable Unit.

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

Property: is defined in the Recitals.

Qualified Purchaser: means a Household that (i) has an Annual Household Income less than or equal to the Maximum Annual Household Income for the applicable Affordable Housing Unit, (ii) shall occupy the Affordable Housing Unit as its principal residence during its ownership of such Affordable Housing Unit, (iii) shall not permit exclusive occupancy of the Affordable Housing Unit by any other Person, and (iv) shall use, occupy, hold and sell the Affordable Housing Unit as an Affordable Housing Unit subject to the Affordability Requirement (including the requirement to sell the Affordable Housing Unit to a Qualified Purchaser) and this Covenant.

Qualified Tenant: means a Household that (i) has an Annual Household Income less than or equal to the Maximum Annual Household Income for the applicable Affordable Housing Unit at the time of leasing and subsequent lease renewals, (ii) shall occupy the Affordable Housing Unit as its principal residence during its lease of such Affordable Housing Unit, (iii) shall not permit exclusive occupancy of the Affordable Housing Unit by any other Person, and (iv) shall use and occupy the Affordable Housing Unit as an Affordable Housing Unit subject to the Affordability Requirement and this Covenant.

Rental Affordable Unit: means an Affordable Housing Unit designated to be leased for occupancy by households earning either (i) up to 60% of the Area Median Income or (ii) up to 30% of the Area Median Income, as applicable, which shall be leased to a Qualified Tenant.

Rental Affordable Unit Lease Rider: is that certain lease rider, which is attached to this Covenant as **Exhibit B** and incorporated herein, as the same may be amended from time to time with the written approval of the City (such approval not to be unreasonably withheld).

Residential Unit: is any dwelling unit developed and constructed on the Property to be sold or leased for Residential Use, including all Affordable Housing Units.

Sale: is defined in Section 5.1.

Successor In Interest: is defined in Section 5.8.

Utilities: means water, sewer, electricity, and natural gas.

Virginia Housing: means the Commonwealth of Virginia's housing finance agency, also known as the Virginia Housing Development Authority.

ARTICLE II
AFFORDABILITY REQUIREMENT

2.1 **Requirement of Affordability.** Declarant shall construct, reserve, and either, or both (as applicable), maintain and lease as Rental Affordable Units, or sell as For Sale Affordable Units that number of Affordable Housing Units that are required by the Affordability Requirement.

2.2 **Affordable Unit Standards and Location.**

2.2.1 *Size.* Each category of Residential Unit (studio, one-bedroom, two-bedrooms, etc.) developed and constructed as an Affordable Housing Unit must be of a size substantially similar to the same category of Residential Unit developed and constructed as Market-Rate Units within the same building.

2.2.2 *Exterior Finishes, Amenities.* Exteriors of buildings housing Affordable Housing Units will be of durable, high quality materials; the building architecture will complement and contribute positively to the character of the surrounding neighborhood; will include exterior architectural features and design elements that add visual interest and appeal. ; and buildings will provide amenities appropriate for the target resident community, including but not necessarily

limited to, spaces to facilitate recreational and social opportunities, community / multi-purpose room(s) with kitchen / kitchenette to accommodate resident functions, fully equipped fitness center, indoor and outdoor seating areas, etc.

2.2.3 *Interior Finishes.* Interior finishes, fixtures, materials, appliances and equipment in the Affordable Housing Units must be equivalent to that of the Market-Rate Units within the same building.

2.2.4 *Affordable Unit Location.* Affordable Housing Units shall be disbursed throughout the Property on the parcels designated for affordable housing as outlined on the Master Plan attached to the Development Agreement

2.3 **Certification.** Upon request, the Owner will provide the City, or a designee of the City, such documentation as may be reasonably requested in order to review and verify a Household's Annual Household Income and Household's size and determine whether the Household is a Qualified Tenant or Qualified Purchaser, as applicable. The City may require, and may designate a third party to issue, such certifications as it may deem necessary or desirable to memorialize such qualification. The City may also elect to rely on reports and documentation provided to VHDA for this purpose. Wherever "City" is used in this Covenant with regard to review, administration, or reporting requirements designed to ensure Household eligibility, "City" will include any such designee.

ARTICLE III
USE

3.1 **Use.** Except as provided herein, all Affordable Unit Owners and Affordable Unit Tenants shall have the same and equal use and enjoyment of all of the amenities of the Property and services provided at the Property as the owners or tenants of the comparable Market-Rate Units. No restrictions, requirements or rules shall be imposed on Affordable Unit Owners or Affordable Unit Tenants that are not imposed equally on the owners or tenants of the comparable Market-Rate Units. If amenities, services, upgrades, or ownership or rental of parking and other facilities are offered as an option at an additional upfront and or recurring cost or fee to the comparable Market-Rate Units, such amenities, services, upgrades, or ownership or rental of parking and other facilities shall be offered to the Affordable Unit Owners and Affordable Unit Tenants of comparable Affordable Housing Units at the same upfront and or recurring cost or fee charged to the Market-Rate Units. If there is no cost or fee charged to the owners or tenants of the comparable Market-Rate Units for such amenities, services, upgrades, or ownership or rental of parking and other facilities, there shall not be a cost or fee charged to Affordable Unit Owners or Affordable Unit Tenants of comparable Affordable Housing Units.

3.2 **Demolition/Alteration.** Owner shall maintain, upkeep, repair and replace interior components (including fixtures, appliances, flooring and cabinetry) of any Affordable Housing Unit with interior components of equal or better quality than those interior components being replaced. Owner shall not demolish or otherwise structurally alter an Affordable Housing Unit or remove fixtures or appliances installed in an Affordable Housing Unit other than for maintenance and repair (and replacement, if necessary, subject to the terms of the preceding sentence) without prior notification to the City.

ARTICLE IV

RENTAL OF AFFORDABLE HOUSING UNITS

4.1 **Lease of Rental Affordable Units.** In the event the Property contains Rental Affordable Units, Declarant shall reserve, maintain and lease the Rental Affordable Units to Qualified Tenants (a) in accordance with this Covenant, and (b) at a rental rate at or below the Maximum Allowable Rent.

4.2 **Rental Affordable Unit Lease Requirements.**

4.2.1 *Form of Lease.* To lease a Rental Affordable Unit to a Qualified Tenant, Declarant shall use a lease agreement to which is attached and incorporated a Rental Affordable Unit Lease Rider. The Rental Affordable Unit Lease Rider must be executed by Declarant and each Qualified Tenant prior to the Qualified Tenant's occupancy of the Rental Affordable Unit. Any occupant of the Rental Affordable Unit who is eighteen (18) years or older shall be a party to the lease agreement and shall execute the Rental Affordable Unit Lease Rider. A Rider in a format acceptable to VHDA will also be accepted by the City for this purpose.

4.2.2 *Effectiveness of Lease.* The lease of a Rental Affordable Unit will only be effective if a Rental Affordable Unit Lease Rider and a Certificate of Tenant Eligibility are attached as exhibits to the lease agreement. Failure to attach the foregoing shall render the lease null and void *ab initio.*

4.2.3 *Declarant to Maintain Copies.* Declarant shall maintain or cause to be maintained copies of all initial and renewal leases executed with Qualified Tenants for a period of no less than five (5) years from the expiration or termination of such lease, or for such period of time as required by law, whichever is longer.

4.3 **Initial Rental Affordable Unit Lease Terms.**

4.3.1 *Term.* The term of any Rental Affordable Unit lease agreement shall be for a period of one (1) year.

4.3.2 *Establishment of Maximum Rent.* The maximum allowable monthly rent **("Maximum Allowable Rent"** or **"MAR")** for each Rental Affordable Unit shall be an amount equal to the equivalent of the then current Maximum LIHTC Gross Rent for such size of Affordable Housing Unit (studio, one-bedroom, two-bedrooms, etc.) permitted to be charged by Virginia Housing by owners of projects in the City of Richmond, Virginia that are participating in the Federal Low-Income Housing Tax Credit (LIHTC) program, before deducting a Utility Allowance in the determination of such rents.

4.4 **Income Determinations.** The Annual Household Income for a prospective tenant of a Rental Affordable Unit shall be determined as of the date of the lease and any lease renewals for such Rental Affordable Unit. A Household's income eligibility to rent a Rental Affordable Unit is determined by calculating both the Maximum Annual Household Income for a Household

occupying the Rental Affordable Unit and the Minimum Annual Household Income for a Household occupying the Rental Affordable Unit.

4.4.1 *Maximum Annual Household Income.* The Maximum Annual Household Income is determined through the use of the formula: MAXI = (AMI * DAL * HAF).

4.4.2 *Minimum Annual Household Income.* The Minimum Annual Household Income is determined by multiplying the monthly Housing Cost by twelve (12) and dividing this number by thirty-eight percent (38%).

4.5 Subsequent Lease Years.

4.5.1 *Establishment of Maximum Rent.* Declarant shall determine the Maximum Allowable Rent in lease years after the first lease year in accordance with Section 4.3.2 above.

4.5.2 *Renewal by Affordable Unit Tenant.* For each Affordable Unit Tenant who intends to renew its residential lease, no earlier than ninety (90) days and no later than thirty (30) days before each anniversary of the first day of a residential lease, Declarant shall request the following: (i) a Certification of Residency from each such Affordable Unit Tenant; and (ii) a certification of income. Declarant shall not permit a renewal of an Affordable Unit Tenant's lease unless the Affordable Unit Tenant has provided Declarant with these documents as required herein and the tenant is determined to be a Qualified Tenant. If the Affordable Unit Tenant fails to provide such documents, Declarant shall treat such tenant as an Over-Income Tenant and charge market-rate rent, upon which Declarant shall designate another unit as a Rental Affordable Unit. in accordance with Section 4.5.6.

4.5.3 *Annual Recertification of Tenants.* Upon receipt of an Affordable Unit Tenant's renewal documents at annual recertification, Declarant shall determine the Affordable Unit Tenant's income eligibility pursuant to Section 4.5 for the subject Rental Affordable Unit and notify Affordable Unit Tenant of the same within fifteen (15) days prior to the expiration of the then-current lease term. Any Affordable Unit Tenant whose Annual Household Income remains at or below the Maximum Annual Household Income for the subject Rental Affordable Unit will be eligible to remain in the Rental Affordable Unit and to renew the lease at the then-current lease rate for the particular Rental Affordable Unit.

4.5.4 *Annual Recertification of Under Income Tenants.* Upon annual recertification, any Affordable Unit Tenant whose Annual Household Income remains at or below the Maximum Annual Household Income for the subject Rental Affordable Unit, but whose Annual Household Income is less than the Minimum Annual Household Income for the subject Rental Affordable Unit, may elect either to (i) remain in the Rental Affordable Unit paying rent, as established by Owner, up to the then-current Maximum Allowable Rent for the subject Rental Affordable Unit or (ii) vacate the Rental Affordable Unit at the end of the tenant's lease term.

4.5.5 *Annual Recertification of Over-Income Tenants.* Upon annual recertification, if an Affordable Unit Tenant's Annual Household Income is determined to exceed the Maximum Annual Household Income for the subject Rental Affordable Unit (such tenant, an "Over-Income Tenant"), then the Over-Income Tenant may elect to remain in the Rental Affordable Unit and pay the rent applicable to (a) a higher Designated Affordability Level, if a higher Designated

Affordability Level exists for the Property, for which the Over-Income Tenant's Annual Household Income qualifies, whereupon Declarant shall change the Designated Affordability Level of the Rental Affordable Unit to the higher Designated Affordability Level pursuant to Section 4.5.6, or (b) a like-sized Market-Rate Unit, if the Over-Income Tenant's Annual Household Income does not qualify for a higher Designated Affordability Level, but qualifies for a like-sized Market Rate Unit, whereupon Declarant shall designate a Market-Rate Unit as a Rental Affordable Unit pursuant to Section 4.5.6.

4.5.6 *Changes to Unit Location.* Declarant may only change the designation of a Rental Affordable Unit to a new Designated Affordability Level or to a Market-Rate Unit as necessary to allow an Over-Income Tenant to remain in the unit. Following any change in designation of a Rental Affordable Unit to a higher Designated Affordability Level or to a Market-Rate Unit, as applicable, Declarant shall designate the next available Rental Affordable Unit at that same higher Designated Affordability Level or Market-Rate Unit of the similar size and location in the Property to the lower Designated Affordability Level from which the original Rental Affordable Unit had been changed in order to bring the Property in conformity with the Affordability Requirement.

4.5.7 *Rent from Subsidies.* Nothing herein shall be construed to prevent Declarant from collecting rental subsidy or rental-related payments from any federal or state agency paid to Declarant or the Affordable Unit Tenant, or on behalf of an Affordable Unit Tenant, to the extent receipt of such payment is otherwise in compliance with the requirements of this Covenant. Such rental subsidy or rental related payment shall be included in the calculation to determine if a tenant is a Qualified Tenant.

4.6 **No Subleasing of Rental Affordable Units.** An Affordable Unit Tenant may not sublease any portion of its Rental Affordable Unit or assign its lease to any other Household and Declarant shall not knowingly allow such Rental Affordable Unit to be subleased.

4.7 **Representations of Affordable Unit Tenant.** By execution of a lease for a Rental Affordable Unit, each Affordable Unit Tenant shall be deemed to represent and warrant to the Declarant, whom may rely thereon, that the Affordable Unit Tenant meets, and will continue to meet, all eligibility requirements contained in this Covenant for the rental of a Rental Affordable Unit.

4.8 **Representations of Declarant.** By execution of a lease for a Rental Affordable Unit, Declarant shall be deemed to represent and warrant to the City, which may rely on the following, that: (i) the Household is determined to be a Qualified Tenant, and (ii) Declarant is not collecting more than the Maximum Allowable Rent.

4.9 **Annual Reporting Requirements.** Beginning with the first anniversary of the Property achieving 100% qualified occupancy and on each anniversary date thereafter, Declarant shall provide copies of the books an annual report ("Annual Report") to the City regarding the Rental Affordable Units. The Annual Report shall include the following:

(a) the number and identification of the Rental Affordable Units, by bedroom count, that are occupied;

(b) the number and identification of the Rental Affordable Units, by bedroom count, that are vacant;

(c) for each Rental Affordable Unit that is vacant or that was vacant for a portion of the reporting period, the manner in which the Rental Affordable Unit became vacant (e.g. eviction or voluntary departure) and the progress in re-leasing that unit;

(d) for each occupied Rental Affordable Unit, the names and ages of all persons in the Household, the Household size, date of initial occupancy, and total Annual Household Income;

(e) a sworn statement that, to the best of Declarant's information and knowledge, the Household occupying each Rental Affordable Unit meets the eligibility criteria of this Covenant;

(f) a copy of each new or revised Certification of Residency for each Household renting a Rental Affordable Unit;

(g) a copy of each inspection report and Certification of Inspection for each Rental Affordable Unit; and

(h) a copy of all forms, policies, procedures, and other documents reasonably requested by the City related to the Rental Affordable Units.

The Annual Reports shall be retained by Declarant for a minimum of five (5) years after submission and shall be available, upon reasonable notice, for inspection by the City's Chief Administrative Officer or a designee thereof. The City may request Declarant to provide additional information in support of its Annual Report, and the Declarant shall make reasonable efforts to provide such information.

4.10 **Confidentiality.** Except as may be required by applicable law, including, without limitation, the Virginia Freedom of Information Act, Declarant will not disclose to third parties the personal information of the Households, including the identity of the Households, submitted as a part of the Annual Report.

4.11 **Inspection Rights.** The City's Chief Administrative Officer or a designee thereof shall have the right to inspect the Rental Affordable Units, upon reasonable advance notice to Declarant, but in no event less than forty-eight (48) hours' notice. If Declarant receives such notice, Declarant shall, in turn, give reasonable advance notice of the inspection to the tenant(s) occupying the specific Rental Affordable Unit(s). Subject to the rights of the tenants occupying the applicable Rental Affordable Units, the City's Chief Administrative Officer or a designee thereof shall have the right to inspect a random sampling of the Rental Affordable Units to confirm that the units are in compliance with applicable statutory and regulatory housing requirements and as otherwise permitted under this Covenant. The City's Chief Administrative Officer or a designee thereof shall have the right to conduct audits of a random sampling of the Rental Affordable Units and associated files and documentation to confirm compliance with the requirements of this Covenant.

ARTICLE V

SALE OF AFFORDABLE UNITS

5.1 **Sale of For Sale Affordable Units.** In the event the Property contains For Sale Affordable Units, the Owner shall comply with the provisions of this Article V for the sale of such Affordable Housing Units. Owner shall not convey all or any part of its fee interest ("Sale"), whether or not for consideration, in a For Sale Affordable Unit to any Person other than a Qualified Purchaser. Owner shall only sell to a buyer who has provided a certification of income and who is a Qualified Purchaser. Any Sale of a For Sale Affordable Unit to a Person who is not a Qualified Purchaser shall be null and void.

5.1.1 *Maximum Sales Price.* The sale price of each For Sale Affordable Unit upon an initial Sale shall not exceed an amount (the "Maximum Sales Price") that is affordable to a Household with an Annual Household Income at the Designated Affordability Level, adjusted by the Occupancy Standard Factor, spending not more than forty-one percent (41%) of their Annual Household Income on Housing Cost. The Housing Cost includes mortgage payments, property taxes, condominium and homeowner fees, and hazard insurance, if applicable, and shall be calculated in accordance with Schedule 1 attached hereto and incorporated herein. The Declarant shall submit to the City the proposed sales price for each For Sale Affordable Unit for approval prior to the marketing and sale of such For Sale Affordable Unit, such approval or disapproval not to be unreasonably withheld or delayed.

5.1.2 *Maximum Resale Price.* The Maximum Resale Price for each Sale subsequent to the initial Sale shall be calculated in accordance with Schedule 2 attached hereto and incorporated herein.

5.1.3 *Subsidized funding.* The Maximum Sales Price and Maximum Resale Price of a For Sale Affordable Unit shall be determined as described in Sections 5.1.1 and 5.1.2, regardless of the prospective buyer's use of any available subsidized funding for the purchase of the For Sale Affordable Unit.

5.2 **Procedures for Sales.** The following procedures shall apply to (i) Declarant with respect to the initial Sale of a For Sale Affordable Unit, and (ii) an Affordable Unit Owner of a For Sale Affordable Unit desiring to sell his or her For Sale Affordable Unit.

5.2.1 *Income Eligibility.* For any Qualified Purchaser, the Annual Household Income shall be determined as of the date of the sales contract for such For Sale Affordable Unit. To the extent settlement for a For Sale Affordable Unit will not occur within 90 days after the sales contract, the Annual Household Income of the prospective Qualified Purchaser shall be determined again within 90 days prior to settlement. A Household's eligibility to purchase a For Sale Affordable Unit is determined by calculating both the Maximum Annual Household Income for a Household seeking to occupy the For Sale Affordable Unit and the Minimum Annual Household Income for a Household seeking to occupy the For Sale Affordable Unit and verifying that the prospective Household's Annual Household Income is between the MAXI and MINI. The Maximum Annual Household Income is determined through the use of the formula: MAXI = (AMI * DAL * HAF). Examples of the calculation of Maximum Annual Household Income are included in the attached Schedule 1. The Minimum Annual Household Income is determined by multiplying the total Housing Cost by twelve (12) and dividing this number by forty one percent (41%). Examples of

the calculation of Minimum Annual Household Income are included in the attached Schedule 1. The Housing Cost is determined by calculating the monthly mortgage payments using the actual terms of the Household's approved mortgage, and adding all applicable property taxes, homeownership or condominium fees, and hazard insurance, if applicable.

5.2.2 *Sale.* A Sale of a For Sale Affordable Unit shall only be effective if a Certificate of Purchaser Eligibility submitted by a Household to Owner and dated within ninety (90) days of the closing of such Sale is recorded prior to or contemporaneous with the deed conveying the For Sale Affordable Unit and (b) a certification of income is completed within ninety (90) days before closing of such Sale. Owner, Mortgagee(s), City and any title insurer shall each be a third party beneficiary of each such Certificate of Purchaser Eligibility.

5.3 **Closing Procedures and Form of Deed.**

5.3.1 *Owner to Provide Copy of Covenant.* Owner shall provide the Qualified Purchaser with a copy of this Covenant prior to or at the closing on the Sale of the For Sale Affordable Unit.

5.3.2 *Form of Deed.* All deeds used to convey a For Sale Affordable Unit must have a fully executed Certificate of Purchaser Eligibility attached, and shall include the following statement in twelve (12) point or larger type, in all capital letters, on the front page of the deed:

THIS DEED IS DELIVERED AND ACCEPTED SUBJECT TO THE PROVISIONS AND CONDITIONS SET FORTH IN THAT CERTAIN DECLARATION OF AFFORDABLE DWELLING UNITS COVENANTS, DATED AS OF 20_ RECORDED AMONG THE LAND RECORDS OF THE CITY OF RICHMOND, VIRGINIA, AS INSTRUMENT NUMBER ON 20 , WHICH AMONG OTHER THINGS IMPOSES RESTRICTIONS ON THE SALE AND CONVEYANCE OF THE SUBJECT PROPERTY.

5.3.3 *Deed for For Sale Affordable Unit.* A deed for a For Sale Affordable Unit shall not be combined with any other property, including parking spaces or storage facilities, unless the price of such property is included in the Maximum Sales Price (for initial Sales) or Maximum Resale Price (for subsequent Sales).

5.3.4 *Post-Closing Obligations.* The purchaser of a For Sale Affordable Unit shall submit to the City within thirty (30) days after the closing a copy of the final executed settlement statement, a copy of the deed recorded in the Land Records, the Certificate of Purchaser Eligibility, and the certification of income.

5.4 **Rejection of Applicants.** In connection with the Sale of a For Sale Affordable Unit, Owner may reject any applicant seeking to acquire a For Sale Affordable Unit who has provided a certification of income or other evidence of eligibility, if, based on such applicant's application, background, or creditworthiness (including, without limitation, the applicant's inability to provide credible evidence that such applicant will qualify for sufficient financing to purchase the For Sale Affordable Unit), Owner determines in good faith that such applicant does not meet the criteria to purchase or occupy a For Sale Affordable Unit, provided that such criteria does not violate applicable laws and is the same criteria as Market-Rate Units, except as required by this Covenant. In the event any rejected applicant raises an objection or challenges Owner's rejection

of such applicant, Owner shall be solely responsible for ensuring that its rejection of any applicant is not in violation of law. Owner shall provide the City with all documents evidencing Owner's review and rejection of an applicant, upon the request of the City.

5.5 **Representations of Owner.** By execution of a deed for a For Sale Affordable Unit, Declarant (for initial Sales) and the Affordable Unit Owner (for subsequent Sales) shall be deemed to represent and warrant to the City and, if applicable, the title company, each of whom may rely on the following: that (i) the Household is determined to be a Qualified Purchaser at the Designated Affordability Level, and (ii) the sale price satisfies the terms of this Covenant.

5.6 **Annual Certification of Residency.** During the Affordability Period, the Affordable Unit Owner shall submit to the City annually on the anniversary of the closing date for a For Sale Affordable Unit, a Certification of Residency. The Certification of Residency shall be submitted on or with such form as may be prescribed by City.

5.7 **Leasing For Sale Affordable Units.** An Affordable Unit Owner shall not lease, or permit a sublease of, a For Sale Affordable Unit.

5.8 **Succession.** Except as provided in Article VIII, in the event an Affordable Unit Owner voluntarily or involuntarily transfers all or part of the For Sale Affordable Unit pursuant to operation of law, court order, divorce, or death to a transferee, heir, devisee or other personal representative of such owner of a For Sale Affordable Unit (each a "Successor in Interest"), such Successor in Interest, shall automatically be bound by all of the terms, obligations and provisions of this Covenant; and shall either: (i) occupy the For Sale Affordable Unit if he or she is a Qualified Purchaser, or (ii) if the Successor in Interest does not wish to or is unable to occupy the For Sale Affordable Unit, he or she shall promptly sell it in accordance with this Covenant.

5.9 **Prohibition on Occupancy.** In no event shall a Successor in Interest who is not a Qualified Purchaser reside in a For Sale Affordable Unit for longer than ninety (90) days.

5.10 **Progress Reports.** Until all initial Sales of For Sale Affordable Units are completed, Declarant shall provide City with annual progress reports, or more frequently upon request, on the status of its sale of the For Sale Affordable Units.

ARTICLE VI
DEFAULT; ENFORCEMENT AND REMEDIES

6.1 **Default; Remedies.** Except as otherwise provided in Section 6.2, in the event Owner, defaults under any term of this Covenant and does not cure such default within thirty (30) days following written notice of such default from the City, the City shall have available to it all remedies at law and in equity, including the right to seek specific performance, injunctive relief, or other equitable remedies, including compelling the re-sale or leasing of an Affordable Housing Unit and the disgorgement of rents and sale proceeds in excess of the rental rates and sale prices permitted hereunder, for defaults under this Covenant.

6.2 **Right to Cure Period.** Notwithstanding anything contained in Section 6.1 above to the contrary, if a default by the Declarant occurs under this Covenant, the City shall provide the

Declarant with written notice setting forth the alleged violation with particularity and shall provide at least forty-five (45) days to cure the alleged violation, prior to exercising its remedies. The City may extend the cure period in its sole discretion, provided that the cure period shall be extended for an additional ninety (90) days if the Declarant commences to cure the alleged violation within the initial forty-five (45) day period and diligently pursues the cure during such period.

6.3 **No Waiver.** Any delay by the City in instituting or prosecuting any actions or proceedings with respect to a default hereunder, in asserting its rights or pursuing its remedies hereunder shall not operate as a waiver of such rights.

6.4 **Right to Attorney's Fees.** If the City shall prevail in any such legal action to enforce this Covenant, then Owner, Affordable Unit Tenant, Person or Household against whom the City prevails, shall pay City all of its costs and expenses, including reasonable attorney fees (to include the cost of attorneys employed in the Office of the City Attorney), incurred in connection with City efforts to enforce this Covenant.

ARTICLE VII
COVENANTS BINDING ON SUCCESSORS AND ASSIGNS

This Covenant is and shall be binding upon the Property and each Affordable Housing Unit and shall run with the land as of the Effective Date through the Affordability Period. The rights and obligations of City, Declarant, Affordable Unit Owner, and their respective successors, heirs, and assigns shall be binding upon and inure to the benefit of the foregoing parties and their respective successors, heirs, and assigns; provided however that all rights of City pertaining to the monitoring and enforcement of the obligations of Declarant or Affordable Unit Owner hereunder shall be retained by City, or such designee of the City as the City may so determine. No Sale, transfer or foreclosure shall affect the validity of this Covenant, except as provided in Article VIII.

ARTICLE VIII
MORTGAGES

8.1 **Subordination of Mortgages.** All Mortgages placed against the Property, or any portion thereof, shall be subject and subordinate to this Covenant, except as provided in Section 8.3.

8.2 **Amount of Mortgage.** In no event shall the aggregate amount of all Mortgages placed against a For Sale Affordable Unit exceed an amount equal to one hundred five percent (105%) of the Maximum Resale Price for such unit. Prior to obtaining any Mortgage or refinancing thereof, the Affordable Unit Owner shall request from the City the then-current Maximum Resale Price for its For Sale Affordable Unit.

8.3 **Default of Mortgage and Foreclosure.**

8.3.1 *Notice of Default.* The Mortgagee shall provide to the City written notice of any notice of default and notice of intent to foreclose under the Mortgage on the For Sale Affordable Unit. Notwithstanding the foregoing, in no event shall failure to provide such notices preclude the Mortgagee's right to proceed with its remedies for default under the Mortgage.

8.3.2 *Termination Upon Foreclosure and Assignment.* In the event title to a For Sale Affordable Unit is transferred following foreclosure by, or deed in lieu of foreclosure to a Mortgagee in first position, or a Mortgage in first position is assigned to the Secretary of HUD, the terms of this Covenant applicable to such unit shall automatically terminate subject to Sections 8.3.3.

8.3.3 *Apportionment of Proceeds.* In the event title to a For Sale Affordable Unit is transferred according to the provisions of Section 8.3.2, the proceeds from such foreclosure or transfer shall be apportioned and paid as follows: first, to the Mortgagee, in the amount of debt secured under the Mortgage, including commercially reasonable costs and expenses, if any, incurred by Mortgagee and due and payable by the Affordable Unit Owner under the terms of the Mortgage; second, to any junior Mortgagees, in the amount of the debt secured under such Mortgages; and third, to the For Sale Affordable Unit Owner, up to the amount of the Maximum Resale Price as of the date of such sale or transfer.

8.3.4 *Effect of Foreclosure on this Covenant.* Except as provided in Section 8.3.2 in the event of foreclosure or deed in lieu thereof, this Covenant shall not be released or terminated and the Mortgagee or any Person who takes title to an Affordable Housing Unit through a foreclosure sale shall become a Successor in Interest in accordance with Section 5.8.

ARTICLE IX
AMENDMENT OF COVENANT

Neither this Covenant, nor any part hereof, can be amended, modified or released other than as provided herein by an instrument in writing duly authorized by the City, and by a duly authorized representative of Owner of such Affordable Housing Unit affected by such amendment. Any amendment to this Covenant that alters the terms and conditions set forth herein shall be recorded among the Land Records before it shall be deemed effective.

ARTICLE X
AFFORDABILITY PERIOD

All Affordable Housing Units on the Property shall be sold or leased in accordance with the terms of this Covenant for the duration of the applicable Affordability Period. The Affordability Period for each For Sale Affordable Unit shall be a period of ten (10) years beginning on the date of the Sale of the unit to the initial Affordable Unit Owner. The Affordability Period for each Rental Affordable Unit shall be a period of thirty (30) years beginning on the date upon which the building containing the Rental Affordable Unit is placed in service.

ARTICLE XI

NOTICES

Any notices given under this Covenant shall be in writing and delivered by certified mail (return receipt requested, postage pre-paid), by hand, or by reputable private overnight commercial courier service to the applicable Person at the addresses specified in this Article, or to such other persons or locations as may be designated by the City or the Declarant from time to time. All notices shall be sent to the following address:

A. To the City:

Chief Administrative Officer
City of Richmond, Virginia
900 East Broad Street, Suite 201
Richmond, Virginia 23219

with a copy to:

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

B. To the Developer:

_____
_____
_____
Attention: _____

C. To the EDA:

D. To the Declarant:

All notices to be sent to the Affordable Unit Owner shall be sent to the address on record with the Office of the Assessor of the City of Richmond. All notices to be sent to any Affordable Unit Tenant shall be sent to the unit number referenced in its lease. It shall be the responsibility of the applicable Person and any successor to the applicable Person to provide the City with a

current address. The failure of the applicable Person to provide a current address shall be a default under this Covenant.

Notices shall be deemed delivered as follows: (i) if hand delivered, then on the date of delivery or refusal thereof; (ii) if by overnight courier service, then on the next business day after deposit with the overnight courier service; and (iii) if by certified mail (return receipt requested, postage pre-paid), then on the date of actual delivery or refusal thereof.

ARTICLE XII
MISCELLANEOUS

12.1 **Applicable Law: Forum for Disputes**. This Covenant shall be governed by, interpreted under, and construed and enforced in accordance with the laws of the Commonwealth of Virginia, without reference to the conflicts of laws provisions thereof. Owner, Affordable Unit Tenants and the Declarant irrevocably submit to the jurisdiction of the Circuit Court of the City of Richmond, Virginia for the purposes of any suit, action or other proceeding arising out of this Covenant or any transaction contemplated hereby. Owner, Affordable Unit Tenants and the Declarant irrevocably and unconditionally waive any objection to the laying of venue of any action, suit or proceeding arising out of this Covenant or the transactions contemplated hereby in the Circuit Court of the City of Richmond, Virginia, and hereby further waive and agree not to plead or claim in any such court that any such action, suit or proceeding brought in any such court has been brought in an inconvenient forum.

12.2 **Counterparts.** This Covenant may be executed in any number of counterparts, each of which shall be an original but all of which shall together constitute one and the same instrument.

12.3 **Time of Performance.** All dates for performance (including cure) shall expire at 5:00 p.m. (Eastern Time) on the performance or cure date. A performance date which falls on a day other than a business day shall automatically be extended to the next business day.

12.4 **Further Assurances.** Each party agrees to execute and deliver to the other party such additional documents and instruments as the other party reasonably may request in order to fully carry out the purposes and intent of this Covenant; provided that such additional documents and instruments do not materially increase the obligations or burdens upon the second party.

12.5 **Severability.** If any provision of this Covenant is held to be unenforceable or illegal for any reason, said provision shall be severed from all other provisions. Said other provisions shall remain in effect without reference to the unenforceable or illegal provision.

12.6 **Limitation on Liability.** Provided that Owner has exercised reasonable due diligence in the performance of its obligations and duties herein, no Owner shall be liable in the event a Household submits falsified documentation, commits fraud, or breaches any representation or warranty contained in this Covenant. Notwithstanding the foregoing, Owner shall be liable if Owner has knowledge, or should have knowledge, that a Household submitted falsified documentation, committed fraud, or breached any representation or warranty contained in this Covenant.

12.7 **City Limitation on Liability.** Any review or approval by the City shall not be deemed to be an approval, warranty, or other certification by the City as to compliance of such submissions, the Property, or any Affordable Housing Unit with any building codes, regulations, standards, laws, or any other requirements contained in this Covenant or any other covenant granted in favor of the City that is filed among the Land Records; or otherwise contractually required. The City shall incur no liability in connection with the City's review of any submissions required under this Covenant as its review is solely for the purpose of protecting the City's interest under this Covenant.

12.8 **No Third Party Beneficiary.** Except as expressly set forth in this Covenant, there are no intended third party beneficiaries of this Covenant, and no Person other than City shall have standing to bring an action for breach of or to enforce the provisions of this Covenant.

12.9 **Representations of Declarant.** As of the date hereof, Declarant hereby represents and warrants as follows:

(a) This Covenant has been duly executed and delivered by Declarant, and constitutes the legal, valid and binding obligation of Declarant, enforceable against Declarant, and its successors and assigns, in accordance with its terms;

(b) Neither the entering into of this Covenant nor performance hereunder will constitute or result in a violation or breach by Declarant of any agreement or order which is binding on Declarant; and

(c) Declarant (i) is duly organized, validly existing and in good standing under the laws of its state of jurisdiction and is qualified to do business and is in good standing under the laws of the Commonwealth of Virginia; (ii) is authorized to perform under this Covenant; and (iii) has all necessary power to execute and deliver this Covenant.

12.10 **Federal Affordability Restrictions.** In the event the Property is encumbered by other affordability restrictions **("Federal Affordability Restrictions")** as a result of federal funding or the issuance of Low-Income Housing Tax Credits for the Project, it is expressly understood and agreed that in the event the requirements in this Covenant would cause a default of or finding of non-compliance **("Conflict")** with the Federal Affordability Restrictions during the compliance period for the Federal Affordability Restrictions, then the requirements of the Federal Affordability Restrictions shall control to the extent of the Conflict. In all other instances, the requirements of this Covenant shall control.

12.11 **Authorization to Act.** The Chief Administrative Officer of the City of Richmond, Virginia or a designee thereof is authorized to act on behalf of the City under this Covenant.

[Signatures on Following Pages]

IN TESTIMONY WHEREOF, Declarant has caused these presents to be signed, acknowledged and delivered in its name by _____ , its duly authorized _____ and witnessed by _____its _____.

WITNESS

By:_____
Name: _____
Title: _____

DECLARANT [SEAL]

By:_____
Name: _____
Title: _____

COMMONWEALTH OF VIRGINIA

CITY OF RICHMOND, to-wit:

_____, a Notary Public in and for the Commonwealth of Virginia, DO HEREBY CERTIFY THAT who is personally known to be (or approved by oaths of credible witnesses to be) the person named as _____ for _____ in the foregoing and annexed Declaration of Affordable Dwelling Units Covenants, bearing the date of _____ personally appeared before me_____ and as _____ acting on behalf of _____, as aforesaid, acknowledged the same to be his/her free act and deed.

Given under my hand and seal this_____day of_____

_____

Notary Public

My Commission Expires: _____

EXHIBIT I (AFFORDABLE HOUSING COVENANT)
TO
DIAMOND DISTRICT REDEVELOPMENT PROJECT DEVELOPMENT AGREEMENT

APPROVED AND ACCEPTED THIS DAY OF , 20 :

CITY OF RICHMOND,

By: _____
Chief Administrative Officer

Approved as to form:

By: _____
City Attorney

EXHIBIT A
Legal Description of Property

[See attached]

EXHIBIT I (AFFORDABLE HOUSING COVENANT)
TO
DIAMOND DISTRICT REDEVELOPMENT PROJECT DEVELOPMENT AGREEMENT

EXHIBIT B

Rental Affordable Unit Lease Rider

This Affordable Unit Lease Rider ("Rider") is attached to and incorporated into the lease dated ("Lease") between ("Resident" or "You") and , as Management Agent ("Manager") for ("Owner") for Apartment ("Premises"). All capitalized terms not defined in this Rider shall have the meaning provided in the Affordable Housing Covenant (as defined below).

In consideration of the mutual covenants set forth in the Lease and below, you agree that your use and possession of the Premises is subject to the terms and conditions set forth in the Lease and the following terms and conditions, which are in addition to and supplement the Lease. The following terms and conditions are material terms of the Lease and your failure to comply with them will be grounds for lease termination:

AFFORDABLE UNIT: Resident acknowledges that the Premises is subject to that certain Declaration of Affordable Dwelling Units Covenants dated [date], 20_, as may be subsequently amended (the "Affordable Housing Covenant"). The Premises is currently designated as an Affordable Housing Unit, which requires the Resident's household income to be less than or equal to ____ of the Area Median Income (AMI).

DEFINED TERMS: Those terms not specifically defined herein shall be assigned the definition provided in the Affordable Housing Covenant.

ELIGIBILITY: In order for you, as Resident, to be eligible to rent an Affordable Housing Unit, you must be and remain an "Affordable Unit Tenant" as defined in the Affordable Housing Covenant.

INCOME CERTIFICATION / INCOME RECERTIFICATION: No more than ninety (90) days and no less than thirty (30) days before each anniversary of the first day of the Lease, Manager will request the Resident to provide the following:

(i) an executed Certification of Residency that states that Resident occupies the Premises as his/her/their principal residence,

(ii) all information pertaining to the Resident's household composition and income for all household members,

(iii) a release authorizing third party sources to provide relevant information regarding the Resident's eligibility for the Affordable Housing Unit, as well as how to contact such sources, and

(iv) any other reasonable and customary representations, information or documents requested by the Manager.

Resident shall submit the foregoing listed documentation within fifteen (15) days of Manager's request. Within ten (10) days of City's receipt of the foregoing documentation and based on the results of the annual income recertification review, City will determine whether the Resident remains income eligible for the Premises and notify the Resident of his or her household's AMI percentage, and (a) if the Resident is no longer income eligible for the Premises, the income category for which the Resident is income eligible to lease a unit in the apartment community, or

(b) if the Resident is income eligible for the Premises, provide a certification of income verifying that the income of the Resident meets income eligibility for the Premises.

Resident's failure to provide such documents shall be grounds for lease termination and eviction. Pending any such termination and eviction, Declarant shall treat the Resident as an Over Income Tenant and charge market rate rent.

Upon annual recertification, if the Resident remains income eligible for the Premises, the Resident will be eligible to remain in the Premises and to renew this Lease at the then-current lease rate for the Premises. If the Resident's Annual Household Income is determined to exceed the Maximum Annual Household Income applicable to the Premises, then the Resident may remain in the Premises and pay the rent applicable to an Affordable Housing Unit at a higher affordability level for which the Resident's Annual Household Income qualifies. If the Resident's Annual Household Income is determined to exceed the Maximum Annual Income for the Affordable Housing Unit with the highest AMI level in the Property, then the Owner may allow the Resident to remain in the Premises and to pay the applicable market-rate rent for the Premises.

Manager will notify Resident of all options (i.e., an Affordable Housing Unit at a different AMI category or a market rate unit) for which Resident is income eligible prior to the expiration of the Resident's lease term. Prior to the expiration of the Resident's lease term, the Resident shall notify Manager in writing of the Resident's election to either (i) remain in the Premises and pay the rental rate applicable to the Resident's then current AMI category if the Resident's Annual Household Income is at or below the established AMI categories of [ ]AMI or [ ] AMI, (ii) remain in the Premises paying the market rate rent for that unit if the Resident's then current income is above the highest AMI level, or (iii) vacate the Premises at the end of the Resident's lease term. Resident's failure to notify Manager of Resident's election prior to the expiration of the lease term will be deemed by Manager as Resident's election to vacate the Premises.

In the event that Resident fails to pay the applicable rental rate or vacate the Premises upon expiration of the lease term, Manager shall pursue an action for eviction of Resident. Resident's agreement to pay the applicable rental rate or vacate was a condition precedent to Manager's initial acceptance of Resident's eligibility and Manager has relied on Resident's agreement. Resident acknowledges and agrees that failure to vacate the Premises or pay the applicable rental rate is both a default under the Lease and in violation of the Affordable Housing Covenant.

PROHIBITION ON SUBLETS AND ASSIGNMENTS: Resident may not sublease any portion of the Premises or assign its Lease to any other person.

LEASE EFFECTIVE: The Lease of the Premises shall only be effective if this executed Rider, a certification of income, a Certification of Tenant Eligibility (for initial lease term), and a Certificate of Residency (for lease renewals) are attached as exhibits to the Lease.

Resident Signature _____ Date _____

Resident Signature _____ Date _____

SCHEDULE 1

Maximum Sales Price

The following assumptions shall be used in calculating the Maximum Sales Price of a For Sale Affordable Unit.

i. *Condominium Fees, if applicable:* Use the actual monthly condominium fees, or if unknown, estimate monthly condominium fees at $0.60 per square foot. If the actual size of the For Sale Affordable Unit is unknown, use the square footage estimated in the chart below based on unit type.

Multi-Family Development

Studio	1-Bedroom	2-Bedroom	3-Bedroom
500	625	900	1,050

ii. *Homeowner Fees, if applicable:* Use the actual monthly homeowner fees, or if unknown, estimate monthly homeowner fees at $0.10 per square foot. If the actual size of the For Sale Affordable Unit is unknown, use the square footage estimated in the chart below based on home type.

Single-Family Development

2-Bedroom	3-Bedroom	4-Bedroom
1,100	1,300	1,500

iii. *Monthly Hazard Insurance, if single family home:* Estimated to be $125.00 per month. If a more recent survey or source is available, the City shall instruct Declarant to use a different estimate.

iv. *Monthly Real Property Taxes:* Base monthly real property taxes on the estimated price of the For Sale Affordable Unit at current real estate tax rates ($1.20 per $100 in 2023).

v. *Mortgage Rate:* Mortgage rates are determined by the most recent monthly average of a 30 year fixed rate mortgage at www.freddiemac.com plus a one percent (1%) cushion. For this example, assume an average rate of 4.40%. After adding the 1% cushion, the rate for calculation of the Maximum Resale Price would be 5.40%.

vi. *Down payment:* Assume a down payment of 5% on the purchase of the For Sale Affordable Unit.

SCHEDULE 2

Provisions Governing Calculation of Maximum Resale Price

1. The Maximum Resale Price ("MRP") for a subsequent sale of a For Sale Affordable Unit shall be determined through use of the formula MRP = P x (F) + V ("Formula"), where:

(a) P = the price Owner paid for the For Sale Affordable Unit;

(b) V = the sum of the value of the Eligible Capital Improvements and Eligible Replacement and Repair Costs, as determined by the City pursuant to this section; and

(c) F = the average of the Ten Year Compound Annual Growth Rates of the Area Median Income ("AMI") from the first year of ownership of the For Sale Affordable Unit to the year of the sale of the For Sale Affordable Unit by the Affordable Unit Owner. This average may be expressed:

As the result of the formula F = (1 + [((AMI Year m /AMI Year m-10) A (1/10) -1) +...((AMI Year k /AMI year k-10) ^{A} (1/10) -1) / n]) ^{A} n, where m = the year after the For Sale Affordable Unit was purchased by Owner, k = the year in which the For Sale Affordable Unit is sold by Owner, and n = the number of years the For Sale Affordable Unit is owned by Owner.

2. For the purposes of determining the value of "V" in the Formula, the following improvements made to a For Sale Affordable Unit after the date of purchase may be included at the percentage of cost indicated, to the extent they are permanent in nature and add to the market value of the property:

(a) Eligible Capital Improvements, which will be valued at 100% of reasonable cost, as determined by the City; and

(b) Eligible Replacement and Repair Costs, which shall be valued at 50% of reasonable cost, as determined by the City.

3. Ineligible costs shall not be included in the determining the value of "V" in the Formula.

4. The value of improvements may be determined by the City based upon documentation provided by the Affordable Unit Owner or, if not provided, upon a standard value established by the City.

5. The City may disallow an Eligible Capital Improvement or Eligible Replacement and Repair Cost if the City finds that the improvement diminished or did not increase the fair market value of the For Sale Affordable Unit or if the improvements make the For Sale Affordable Unit unaffordable to all Qualified Purchasers at the Designated Affordability Level.

6. The City may reduce the value of a capital improvement if there is evidence of abnormal physical deterioration of, or abnormal wear and tear to, the capital improvement.

7. Owner shall permit a representative of the City to inspect the For Sale Affordable Unit upon request to verify the existence and value of any capital improvements that are claimed by Owner.

8. No allowance shall be made in the Maximum Resale Price for the payment of real estate brokerage fees associated with the sale of the For Sale Affordable Unit.

9. The value of personal property transferred to a purchaser in connection with the resale of a For Sale Affordable Unit shall not be considered part of the sales price of the For Sale Affordable Unit for the purposes of determining whether the sales price of the For Sale Affordable Unit exceeds the MRP.

10. Any capitalized terms used in this Schedule that are not defined herein shall have the meanings set forth in the Covenant. As used in this Schedule, the following capitalized terms shall have the meanings indicated below:

Eligible Capital Improvement: major structural system upgrades, special assessments, new additions, and improvements related to increasing the health, safety, or energy efficiency of a For Sale Affordable Unit. Such improvements generally include: (i) major electrical wiring system upgrades; (ii) major plumbing system upgrades; (iii) room additions; (iv) installation of additional closets and walls; (v) alarm systems; (vi) smoke detectors; (vii) removal of toxic substances, such as asbestos, lead, mold, or mildew; (viii) insulation or upgrades to double-paned windows or glass fireplace screens; and (ix) upgrade to Energy Star built-in appliances, such as furnaces, water heaters, stoves, ranges, dishwashers, and microwave hoods. Improvements that meet these criteria will be given 100% credit by the City.

Eligible Replacement and Repair Cost: in-kind replacement of existing amenities and repairs and general maintenance that keep a For Sale Affordable Unit in good working condition. Such improvements generally include: (i) electrical maintenance and repair, such as switches and outlets; (ii) plumbing maintenance and repair, such as faucets, supply lines, and sinks; (iii) replacement or repair of flooring, countertops, cabinets, bathroom tile, or bathroom vanities; (viii) non-Energy Star replacement of built-in appliances, including furnaces, water heaters, stoves, ranges, dishwashers, and microwave hoods; (ix) replacement of window sashes; (x) fireplace maintenance or in-kind replacement; (xi) heating system maintenance and repairs; and (xii) lighting system. Costs that meet these criteria will be given 50% credit for repairs as determined by the City.

Ineligible Costs: means costs of cosmetic enhancements, installations with limited useful life spans and non-permanent fixtures not eligible for capital improvement credit as determined by the City.

EXHIBIT J

FORM OF PARENT GUARANTY

[TO BE ATTACHED]

EXHIBIT J
FORM OF PARENT GUARANTY

This **GUARANTY** (this "Guaranty") is made as of [●], by **[●],** a [●] (the "Guarantor"), to RVA Diamond Partners LLC (the "Developer"), a Virginia limited liability company, with respect to the obligations of [***Name of Construction Contractor or O&M Contractor***], a [●] (the "Contractor"), pursuant to that certain Diamond District Redevelopment Project Development Agreement, dated as of [●], by and between the Developer, the City of Richmond, a municipal corporation and political subdivision of the Commonwealth of Virginia (the "City") and the Economic Development Authority of the City of Richmond, Virginia, a political subdivision of the Commonwealth of Virginia (the "EDA") (as amended, altered, varied or supplemented, the "Development Agreement"), and pursuant to that certain Contract, dated as of [●], by and between the Developer and the Contractor (as amended, altered varied or supplemented, the "Contract". The Development Agreement and the Contract are hereby incorporated by reference herein, and capitalized terms used herein and not otherwise defined herein shall have the meanings set forth in the Development Agreement and the Contract, as the context requires. The Guarantor is an Affiliate of the Contractor. The Guarantor acknowledges that financial and direct benefits will accrue to the Guarantor by virtue of entering into this Guaranty and that such benefits constitute adequate consideration therefor.

This Guaranty is provided pursuant to [Sections 4.2(b), 5.6(b) and 5.7(c)] of the Development Agreement.

1. GUARANTY

1.1. Guaranty. The Guarantor guarantees to the Developer, absolutely, unconditionally and irrevocably, that each and every payment and performance obligation and other liability of the Contractor now or hereafter arising under the Contract, including but not limited to all obligations and liabilities of the Contractor under any and all representations and warranties made or given by the Contractor under the Contract, under any and all liquidated or stipulated damage provisions of the Contract, and under any and all indemnities given by the Contractor under the Contract (collectively the "Guaranteed Obligations") will be paid promptly and satisfied in full when due and without offset, and performed and completed when required. This is a continuing guaranty of payment and performance of the Guaranteed Obligations.

1.2. Obligations. Except as otherwise provided in Section 4.6 below, the obligations of the Guarantor hereunder are absolute and unconditional and independent of the [Guaranteed Obligations] and shall remain in full force and effect until all the Guaranteed Obligations have been paid, performed and completed in full, irrespective of any assignment, amendment, modification or termination of the Contract.

1.3. No Exoneration. Except as otherwise provided in Section 4.6 below, the obligations of the Guarantor hereunder shall not be released, discharged, exonerated or impaired in any way by reason of:

1.3.1. any failure of the Contractor to retain or preserve any rights against any person, except to the extent the Contractor is required to do so under the terms of the Contract and such failure prejudices Guarantor;

1.3.2. the lack of prior enforcement by the Contractor of any rights against any person and the lack of exhaustion of any bond, letter of credit or other security held by the Contractor, except to the extent the Contractor is required to do so under the terms of the Contract and such failure prejudices Guarantor;

1.3.3. the lack of authority or standing of the Contractor or the dissolution of the Guarantor or the Contractor;

1.3.4. with or without notice to the Guarantor, the amendment, alteration, acceleration, extension, waiver, retirement, suspension, surrender, compromise, settlement, release, revocation or termination of, or failure to assert, any portion of the Guaranteed Obligations, the Contract, the Development Agreement, any rights or remedies of the Developer (including rights of offset) against the Contractor, or any bond, letter of credit, other guaranty, instrument, document, collateral security or other property given or available to the Developer to secure all or any part of the Guaranteed Obligations; *provided* that, notwithstanding the foregoing, the Guarantor shall have available to it any and all defenses relating to the Guaranteed Obligations that may be available to the Contractor based on any such amendment, alteration, acceleration, extension, waiver, retirement, suspension, surrender, compromise, settlement, release, revocation or termination or failure to assert voluntarily made by the Developer, except defenses available to the Contractor under any federal or state law respecting bankruptcy, arrangement, reorganization or similar relief of debtors and those expressly waived under this Guaranty;

1.3.5. the extension of the time for payment of any amount owing or payable under the Contract or of the time for performance or completion of any Guaranteed Obligation; *provided, however,* that to the extent the Developer grants the Contractor an extension of time under the Contract for performance of any of the obligations of the Contractor thereunder, such extension of time shall likewise extend the time for performance by the Guarantor;

1.3.6. the existence now or hereafter of any other guaranty or endorsement by the Guarantor or anyone else of all or any portion of the Guaranteed Obligations;

1.3.7. the acceptance, release, exchange or subordination of additional or substituted security for all or any portion of the Guaranteed Obligations;

1.3.8. the taking of any action or the failure to take any action simply because it would constitute a legal or equitable defense, release or discharge of a surety;

1.3.9. any bankruptcy, arrangement, reorganization or similar proceeding for relief of debtors under federal or state law hereafter initiated by or against the Contractor [or any of its members];[1]

1.3.10. any full or partial payment or performance of any Guaranteed Obligation which is required to be returned as a result of or in connection with the insolvency, reorganization or bankruptcy of the Contractor [or any of its members or otherwise];

1.3.11. the rejection of the Contract in connection with the insolvency, reorganization or bankruptcy of the Contractor [or any of its members];

1.3.12. an impairment of or limitation on damages otherwise due from the Contractor by operation of law as a result of any insolvency, reorganization or bankruptcy proceeding by or against the Contractor or any of its members;

1.3.13. failure by the Developer to file or enforce a claim against the estate (either in administration, bankruptcy or other proceedings) of the Contractor, [any of its members,] the Guarantor or any other guarantor;

1.3.14. any merger, consolidation or other reorganization to which the Contractor or the Guarantor is a party;

1.3.15. any sale or disposition of all or any portion of the Guarantor's direct or indirect ownership in the Contractor, or action by the Guarantor or its Affiliates which results in discontinuation or interruption in the business relations of the Contractor with the Guarantor (unless another entity acceptable to the Developer, in the Developer's sole discretion, assumes the Guarantor's liability hereunder); or

1.3.16. the failure of the Developer to assert any claim or demand, bring any action or exhaust its remedies against the Contractor or any security before proceeding against the Guarantor hereunder after the expiration of applicable notice and cure periods.

1.4. <u>Enforcement of the Contract and Guaranteed Obligations</u>.

1.4.1. Nothing contained herein shall prevent or limit the Developer from pursuing any of its rights and remedies under the Contract. The Developer may apply any available moneys, property or security in such manner and amounts and at such times to the payment or reduction or performance of any Guaranteed Obligation as it may elect, and may generally deal with the Contractor, the Guaranteed Obligations, such security and property as the Developer may see fit. Notwithstanding the foregoing, the Guarantor shall remain bound by this Guaranty.

[1] **Note to Draft:** To be included if the Construction Contractor is structured as a joint venture or partnership.

1.4.2. In the event that Contractor defaults on any of the Guaranteed Obligations, the Guarantor shall be obligated to undertake all curative actions (which may include payments relating to the Guaranteed Obligations and/or performance of the Guaranteed Obligations) within fourteen (14) days (or immediately, in the case of emergency conditions) following notice under Section 4.6 below (to the extent not prohibited thereunder). Thereafter, the Guarantor shall use commercially reasonable efforts to effectuate such curative actions without further notice. If the Guarantor fails to undertake such curative actions in a timely manner, the Developer shall have the right to perform or have performed by third parties the necessary curative actions, and the costs thereof shall be borne by the Guarantor. Any payment by the Guarantor to the Developer shall be in U.S. dollars.

1.4.3. The Developer may bring and prosecute a separate action or actions against the Guarantor to enforce its liabilities hereunder, regardless of whether any action is brought against the Contractor and regardless of whether any other person is joined in any such action or actions. Nothing shall prohibit the Developer from exercising its rights against the Guarantor, the Contractor, any other guarantor of the Guaranteed Obligations, a performance bond or other security, if any, which insures the payment relating to or performance of the Guaranteed Obligations, or any other person simultaneously, or any combination thereof jointly and/or severally. The Developer may proceed against the Guarantor from time to time as it sees fit in its sole and absolute discretion; *provided, however*, the Developer shall not be entitled to enforce its rights and claims under this Guaranty for a breach of the Guaranteed Obligations to the extent that it has already received payment or discharge or has otherwise been compensated in respect of the same breach of Guaranteed Obligations, including through insurance proceeds or call of any other security that the Developer may hold under the Contract.

2. REPRESENTATIONS AND WARRANTIES

2.1. Representations and Warranties. The Guarantor hereby represents and warrants, which shall be continuing representations and warranties until the expiration of the Guarantor's obligations under this Guaranty, that:

2.1.1. Consents. Consent of the Contractor to any modification or amendment of the Contract to which it is a party constitutes knowledge thereof and consent thereto by the Guarantor;

2.1.2. Organization and Existence. The Contractor is a [●] duly organized, validly existing and in good standing under the laws of its state of formation. The Guarantor is a corporation duly organized, validly existing and in good standing under the laws of [●];

2.1.3. Power and Authority. The Guarantor has the full power and authority to execute, deliver and perform this Guaranty, and to own and lease its properties and to carry on its business as now conducted and as contemplated hereby;

2.1.4. Authorization and Enforceability**.** This Guaranty has been duly authorized, executed and delivered by the Guarantor and constitutes the legal, valid and binding obligation of the Guarantor, enforceable against it in accordance with the terms hereof, subject as to enforceability of remedies to limitations imposed by bankruptcy, insolvency, reorganization, moratorium or other similar laws relating, to or affecting the enforcement of creditors' rights generally, as applicable to the Guarantor, and to general principles of equity;

2.1.5. No Governmental Consents. No authorization, consent or approval of, notice to or filing with, any governmental authority, is required for the execution, delivery and performance by the Guarantor of this Guaranty;

2.1.6. No Conflict or Breach. Neither the execution, delivery or performance by the Guarantor of this Guaranty, nor compliance with the terms and provisions hereof, conflicts or will conflict with or will result in a breach or violation of any material terms, conditions, or provisions of any Laws, regulations and ordinances applicable to the Guarantor or the charter documents, as amended, or bylaws or equivalent governing documents, as amended, of the Guarantor, or any order, writ, injunction or decree of any court or governmental authority against the Guarantor or by which it or any of its properties are bound, or any indenture, mortgage or contract or other agreement or instrument to which the Guarantor is a party or by which it or any of its properties are bound, or constitutes or will constitute a default thereunder or will result in the imposition of any lien upon any of its properties;

2.1.7. No Proceedings. There are no suits or proceedings pending, or, to the knowledge of the Guarantor, threatened in any court or before any regulatory commission, board or other governmental administrative agency against the Guarantor which could reasonably be expected to have a material adverse effect on the business or operations of the Guarantor, financial or otherwise, or on its ability to fulfill its obligations hereunder;

2.1.8. Contract. The Guarantor is fully aware of and consents to the terms and conditions of the Contract;

2.1.9. Financial Statements. All financial statements and data that have been given to the Developer by the Guarantor with respect to the Guarantor: (i) are complete and correct in all material respects as of the date given; (ii) accurately present in all material respects the financial condition of the Guarantor as of the date thereof; and (iii) have been prepared in accordance with generally accepted accounting principles consistently applied throughout the periods covered thereby;

2.1.10. No Adverse Change. There has been no material adverse change in the financial condition of the Guarantor since the date of the most recent financial statements given to the Developer with respect to the Guarantor;

2.1.11. No Default. The Guarantor is not in default in the performance, observance or fulfillment of any of the obligations, covenants or

conditions set forth in any agreement or instrument to which the Guarantor is a party, which default may materially and adversely affect the Guarantor's ability to fulfill its obligations hereunder;

2.1.12. Accuracy of Information. All other reports, papers and written data and information given to the Developer by the Guarantor with respect to the Guarantor are accurate and correct in all material respects and complete; and

2.1.13. Notice of Change. The Guarantor shall advise the Developer in writing of any material adverse change in the business or financial condition of the Guarantor and promptly furnish to the Developer such information about the financial condition of the Guarantor as the Developer shall reasonably request.

3. WAIVERS, SUBROGATION AND SUBORDINATION

3.1. Waivers.

3.1.1. The Guarantor hereby unconditionally waives:

3.1.1.1. notice of acceptance of this Guaranty or of the intention to act in reliance hereon and of reliance hereon;

3.1.1.2. notice of the incurring, contracting, amendment, alteration, acceleration, extension, waiver, retirement, suspension, surrender, compromise, settlement, release, revocation or termination of, or of the failure to assert, any Guaranteed Obligation;

3.1.1.3. demand on the Guarantor in the event of default of the Contractor under the Contract (but not the giving of notice to the extent required in Section 4.6 below);

3.1.1.4. any invalidity of the Contract due to lack of proper authorization of or a defect in execution thereof by the Contractor, its purported representatives or agents;

3.1.1.5. demand for payment or performance, presentment, protest and notice of nonpayment or dishonor to the Guarantor respecting any Guaranteed Obligation;

3.1.1.6. any right of the Guarantor to receive notices to the Contractor to which the Guarantor might otherwise be entitled except notice to the extent required in Section 4.6 below;

3.1.1.7. any demand for payment hereunder (but not the giving of notice to the extent required in Section 4.6 below); and

3.1.1.8. any duty on the part of the Developer to disclose to the Guarantor any facts the Developer may now or hereafter know with regard to the Contractor.

3.1.2. The Guarantor also hereby waives any right to require, and the benefit of all laws now or hereafter in effect giving the Guarantor the right to require, any prior enforcement as referred to in Section 1.3.2 above, and the Guarantor agrees that any delay in enforcing or failure to enforce any such rights or in making demand on the Guarantor for the performance of the obligations of the Guarantor under this Guaranty shall not in any way affect the liability of the Guarantor hereunder.

3.1.3. The Guarantor hereby waives, as against the Developer or any person claiming under the Developer, all rights and benefits which might accrue to the Guarantor by reason of any bankruptcy, arrangement, reorganization or similar proceedings by or against the Contractor and agrees that its obligations and liabilities hereunder shall not be affected by any modification, limitation or discharge of the obligations of the Contractor that may result from any such proceedings.

3.1.4. Until the Contractor shall have fully and satisfactorily paid, performed, completed and discharged all the Guaranteed Obligations, the Guarantor hereby agrees not to file, or solicit the filing by others of, any involuntary petition in bankruptcy against the Contractor.

3.2. Subrogation. Until the Contractor shall have fully and satisfactorily paid, performed, completed and discharged all the Guaranteed Obligations, the Guarantor shall not (absent the Developer's prior written consent) claim or enforce any right of subrogation, reimbursement or indemnity against the Contractor, or any other right or remedy which might otherwise arise on account of any payment made by the Guarantor or any act or thing done by the Guarantor on account of or in accordance with this Guaranty.

3.3. Subordination.

3.3.1. All existing or future indebtedness of the Contractor to the Guarantor is subordinated to all of the Guaranteed Obligations. Whenever and for so long as the Contractor shall be in default in the performance or payment of any Guaranteed Obligation, no payments with respect to any such indebtedness shall be made by the Contractor to the Guarantor without prior written notice to the Developer.

3.3.2. In the event that the Developer provides written consent pursuant to Section 3.2, the Guarantor shall file all claims against the Contractor in any bankruptcy or other proceedings in which the filing of claims is required or permitted by law upon any obligation or indebtedness of the Contractor to the Guarantor, and shall have assigned to the Developer all of the Guarantor's rights thereunder to the extent of outstanding and unsatisfied Guaranteed Obligations. If the Guarantor does not file any such claim, the Developer is authorized as the Guarantor's

attorney-in-fact to do so in the Guarantor's name, or in the discretion of the Developer, the Developer is authorized to assign the claim to, and cause proof of claim to be filed in the name of the Developer or its nominee. In all such cases, whether in administration, bankruptcy, or otherwise, the person or persons authorized to pay such claim shall pay to the Developer or its nominee the full amount payable on the claim in the proceeding before making any payment to the Guarantor, and to the full extent necessary for that purpose, the Guarantor assigns to the Developer all of its rights to any payments or distributions to which it otherwise would be entitled. If the amount so paid is in excess of the Guaranteed Obligations covered hereby, the Developer shall pay the amount of the excess to the party determined by it to be entitled thereto.

4. MISCELLANEOUS

4.1. Enforcement of Guaranty.

4.1.1. The terms and provisions of this Guaranty shall be governed by and interpreted in accordance with the laws of the Commonwealth of Virginia.

4.1.2. No supplement, amendment, modification, waiver or termination of this Guaranty shall be binding unless executed in writing and duly signed by the Guarantor and the Developer. No waiver of any of the provisions of this Guaranty shall be deemed or shall constitute a waiver of any other provisions hereof whether or not similar, nor shall such waiver constitute a continuing waiver unless otherwise expressly provided. No failure on the part of the Developer to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right hereunder preclude any other or further exercise of any other right.

4.1.3. All disputes between the Developer and the Guarantor arising under or relating to this Guaranty or its breach shall be filed, heard and decided in the Circuit Court for the City of Richmond, Virginia, Division I, and any appellate court deriving jurisdiction therefrom, which shall have exclusive jurisdiction and venue. The Guarantor hereby irrevocably waives the defense of an inconvenient forum to the maintenance of any action or proceedings in such court arising out of or relating to this Guaranty. The Guarantor agrees that a final non-appealable judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. The Guarantor agrees and consents to service of process by delivery in the manner and to the address set forth in Section 4.2 below. Nothing in this section shall affect the right of the Developer or to serve legal process in any other manner permitted by law.

4.1.4. The rights of the Developer hereunder are cumulative and shall not be exhausted by any one or more exercises of said rights against the Guarantor or other guarantors or by any number of successive actions until and unless all Guaranteed Obligations have been fully paid or performed.

4.1.5. The Developer acknowledges and agrees that this Guaranty does not and is not intended to impose, in the event the Guaranty is called upon, any greater obligations upon the Guarantor than are imposed upon the Contractor under the Contract, other than with respect to the Guarantor's obligation hereunder to pay the Developer for its reasonable costs and expenses of enforcing this Guaranty.

4.1.6. The Guarantor shall pay to the Developer all reasonable out-of-pocket legal fees and other reasonable out-of-pocket costs and expenses (including fees and costs on appeal) it incurs by reason of any permitted enforcement of its rights hereunder, *provided* that it is the prevailing party with respect to a substantial portion of its claim.

4.1.7. THE PARTIES HEREBY KNOWINGLY, VOLUNTARILY, AND INTENTIONALLY WAIVE ANY RIGHTS THEY MAY HAVE TO A TRIAL BY JURY IN ANY LITIGATION OR CLAIM WHICH IS BASED ON, OR ARISES OUT OF, UNDER OR IN CONNECTION WITH, THIS GUARANTY OR THE TRANSACTIONS CONTEMPLATED BY THIS GUARANTY.

4.1.8. Notwithstanding anything to the contrary, if at any time payment of any of the Guaranteed Obligations is rescinded or must otherwise be returned upon bankruptcy, reorganization or similar proceeding for relief of debtors under federal or state law, the Guarantor shall continue to remain liable therefor.

4.2. Notices. All notices, demands or other communications under this Guaranty shall be in writing and shall be sent to each other party, at its address specified below (or such other address as a party may from time to time specify to the other parties by notice given in accordance with this Guaranty), and shall be deemed to have been duly given when actually received by the addressee or when served:

4.2.1. personally;

4.2.2. by independent, reputable, overnight commercial courier; or

4.2.3. by deposit in the United States mail, postage and fees fully prepaid, registered or certified mail, with return receipt requested, addressed as follows:

If to the Developer:

[●]

With a copy to:

George Keith Martin, Esq.
Partner
McGuireWoods LLP
800 East Canal Street

Richmond, Virginia 23219

With a copy to:

General Counsel
Economic Development Authority of the Developer of Richmond, Virginia
900 East Broad Street, Suite 400
Richmond, Virginia 23219

If to the Guarantor:

[●]
[●]
Attention: [●]

4.3. Severability. If any provision of this Guaranty shall for any reason be held invalid or unenforceable, to the fullest extent permitted by law, such invalidity or unenforceability shall not affect any other provisions hereof, but this Guaranty shall be construed as if such invalid or unenforceable provision had never been contained herein.

4.4. Assignment. Neither this Guaranty nor any of the rights, interest or obligations hereunder shall be assigned or delegated by the Guarantor without the prior written consent of the Developer. The Developer may assign this Guaranty, with prior notice but without need for the consent of Guarantor, but only together with an assignment of the Contract. This Guaranty and all of the provisions hereof shall be binding upon the Guarantor and its successors and permitted assigns and shall inure to the benefit of the Developer and its successors and assigns.

4.5. No Third Party Beneficiaries. Nothing in this Guaranty shall entitle any person other than the Developer and its successors and assigns to any claim, cause or action, remedy or right of any kind.

4.6. Certain Rights, Duties, Obligations and Defenses. Notwithstanding Sections 1. 1, 1. 2, 1. 3, 3. 1 and 4. 8 hereof, the Guarantor shall have all rights, duties, obligations and defenses available to the Contractor under the Contract relating to waiver, surrender, compromise, settlement, release or termination voluntarily made by the Developer, failure to give notice of default to the Contractor to the extent required by the Contract (except to the extent the giving of notice is precluded by bankruptcy or other applicable law), interpretation or performance of terms and conditions of the Contract, or other defenses available to the Contractor under the Contract except those expressly waived (otherwise than in Section 1.2) in this Guaranty and defenses available to the Contractor as a result of any federal or state law respecting bankruptcy, arrangement, reorganization or similar relief of debtors. The Guarantor's duties under Section 1.4 above shall be subject to no prior notice or demand except for fourteen (14) days' prior written notice to the Guarantor (except to the extent the giving of notice to the Guarantor is precluded by bankruptcy or other applicable law affecting the Guarantor) in the case of

any demand relative to any Guaranteed Obligation not paid or performed when due under the Contract setting forth the default of the [Construction/OM&C] Contractor.

4.7. Mergers, etc. The Guarantor shall not, in a single transaction or through a series of related transactions, consolidate with or merge with or into any other person or sell, assign, convey, transfer, lease or otherwise dispose of any material portion of its properties and assets to any person(s) or group of affiliated persons, unless:

4.7.1. in case of a merger, the Guarantor shall be the continuing corporation; or

4.7.2. the person (if other than the Guarantor) formed by such consolidation or into which the Guarantor merges or the person(s) (or group of affiliated persons) that acquires by sale, assignment, conveyance, transfer, lease or other disposition a material portion of the properties and assets of the Guarantor shall expressly agree to perform all of the obligations of the Guarantor hereunder, as a joint and several obligor with the Guarantor if the Guarantor continues to exist after such transaction, by a writing in form and substance reasonably satisfactory to the Developer.

Notwithstanding the agreement by any such person to perform the obligation of the Guarantor hereunder, the Guarantor shall not be released from its obligations hereunder unless released by operation of law or by consent.

4.8. Survival. The obligations and liabilities of the Guarantor hereunder shall survive termination of any or all of the Contract, or the Contractor's rights thereunder due to default by the Contractor thereunder; *provided, however*, that for the avoidance of doubt, such obligations and liabilities are only in respect of the Guaranteed Obligations.

4.9. Headings. The Article and Section headings in this Guaranty are for convenience of reference only and shall not be deemed to alter or affect the meaning or interpretation of any provisions hereof.

4.10. Counterparts. This Guaranty may be executed in one or more counterparts, all of which shall constitute one and the same instrument.

4.11. Entire Agreement. This Guaranty constitutes the entire agreement of the parties hereto with respect to the subject matter hereof. The Guarantor agrees to execute, have acknowledged and delivered to the Developer such other and further instruments as may be reasonably required by the Developer to effectuate the intent and purpose hereof.

IN WITNESS WHEREOF, the Guarantor has caused this Guaranty to be executed as of the day and year first above written by its duly authorized officer.

[●],
a [●]

By: _____
Name: _____
Title: _____

Receipt of this Guaranty is hereby acknowledged and accepted effective as of the [●].

RVA DIAMOND PARTNERS LLC,
A Virginia limited liability company

By: _____
Name: _____
Title: _____

EXHIBIT K

FORM OF PERFORMANCE BOND AND PAYMENT BOND

[TO BE ATTACHED]

EXHIBIT K
FORM OF EXPEDITED DISPUTE RESOLUTION PERFORMANCE BOND

Bond No.

KNOW ALL WHO SHALL SEE THESE PRESENTS:

THAT WHEREAS, the Economic Development Authority of the City of Richmond, a political agency of the Commonwealth of Virginia (the "Owner") and RVA Diamond Partners, LLC, a Virginia limited liability company (the "Obligee"), are each parties to that certain Diamond District Redevelopment Project Development Agreement (the "Agreement") to develop, design, build, operate and maintain the Diamond District Project (the "Project"), dated as of [●].

AND WHEREAS, the Obligee has entered into a Design-Build Contract (the "Construction Contract") with [●], as DB Contractor (hereinafter, the "Principal"), bearing the date of [●], for the performance of design and construction of the Project and certain other work for the Project defined in the Construction Contract as the "Design-Build Work", which the Construction Contract and all items incorporated into the Construction Contract, together with any and all changes, extensions of time, alterations, modifications, or additions to the Construction Contract or to the work to be performed thereunder, shall hereafter be referred to as the "Contract."

AND WHEREAS, it is one of the conditions of the Agreement and the Contract that separate performance security shall be executed by the Principal with respect to the performance of the Contract for this Project (the "Performance Security").

NOW THEREFORE, we, the undersigned Principal, and [●] (the "Surety"[, and collectively, the "Co-Sureties"]) are firmly bound and held unto the Obligee, in the penal sum of [●] Dollars ($[●]) good and lawful money of the United States of America for the payment whereof, well and truly to be paid to the Obligee, we bind ourselves, our heirs, successors, executors, administrators, and assigns, jointly and severally, firmly by these presents. [Any reference to the "Surety" in this Bond shall be read as a reference to the Co-Sureties and each of them on the basis of such joint and several liability.]

THE CONDITION OF THE FOREGOING OBLIGATION IS SUCH THAT:

1. If the Principal shall in all things stand to and abide by and well and truly keep, perform and complete all covenants, conditions, agreements, and obligations under the Contract, including any and all amendments, supplements, and alterations made to the Contract as therein provided, on the Principal's part to be kept and performed at the time and in the manner therein specified, if the Principal shall indemnify and save harmless the Obligee, its directors, officers, employees and agents, as therein stipulated, and if the Principal shall reimburse upon demand of the Obligee any sums paid the Principal which exceed the final payment determined to be

due upon completion of the Project, then these presents shall become null and void; otherwise they shall remain in full force and effect unconditionally, irrevocably and shall be non-cancellable; provided, however, that this Bond shall be released by the Obligee upon the achievement of the [Project Completion Date][1] for the Project (as defined in the Contract).

2. The obligations covered by this Bond, as defined in Schedule A specifically include payments to subcontractors, payments to suppliers and liability for liquidated damages and warranties as specified in the Contract, but in no event shall the Surety's aggregate liability exceed the penal sum of this Bond.

3. The obligations covered by this Bond solely cover the design and construction work and the Design-Build Work to be performed under the Contract.

4. The Surety agrees that no fraud practiced by any person other than the Obligee(s) seeking to recover on this Bond, as well as no change, extension of time, alterations, additions, omissions or other modifications of the terms of the following shall in any way affect Surety's obligations on this Bond, and it does hereby waive notice of such changes, extensions of time, alterations, additions, omissions or other modifications to:

   a) the Contract, or

   b) in the Design-Build Work to be performed with respect to the Project, or

   c) in the specifications or plans, or any change or modification of any terms of payment or extension of time for any payment pertaining or relating to the Contract, or

   d) any conditions precedent or subsequent in this Bond attempting to limit the right of recovery of Obligee(s) otherwise entitled to recover under this Bond.

5. Whenever the Principal shall be, and is declared by Obligee to be in default under the Contract, the Surety shall within fifteen (15) days of receipt of a letter from Obligee in the form set forth in Schedule A:

   a) remedy such default, or

   b) complete the Design-Build Work covered by this Bond in accordance with the terms and conditions of the Contract then in effect, or

   c) select a contractor or contractors to complete all Design-Build Work covered by this Bond in accordance with the terms and conditions of the Contract then in effect, using a contractor or contractors approved by the Obligee as required by the Contract (provided, that the Surety may not select the Principal or any affiliate of the Principal to complete the Design-Build Work for and on behalf of the Surety without Obligee's express written consent), arrange for a contract meeting the requirements of the Contract between such

[1] ***Note to Draft*** – Defined terms are bracketed to form with terminology in Construction Contract.

contractor or contractors and Obligee, and make available as Design-Build Work progresses (even though there should be a default or a succession of defaults under such contract or contracts of completion arranged under this paragraph) sufficient funds to pay the cost of completion less the unpaid balance of the contract price; but not exceeding, including other costs and damages for which Surety is liable hereunder, the bonded sum; or

d) waive the Surety's right to perform and complete, arrange for completion, or obtain a new contractor and with reasonable promptness under the circumstances, make payment of the full penal sum of the bond to the Obligee.

The Surety's actions as stated in (a)-(d) above shall each include payment to the Obligee of any liquidated damages or other sums due and owing under the Contract by the Principal.

6. In the event that the Surety disputes its liability pursuant to this Bond, which includes any allegations of fraud, such dispute shall be determined in the first instance in accordance with the dispute resolution process ("DRP") attached hereto as Schedule B. If the Surety fails to make an election within the fifteen (15) days set forth in Paragraph 5 of this Bond, then the claim shall be deemed to be in dispute for the purposes of this paragraph. A Decision, as defined in Schedule B, shall be rendered within thirty (30) days of the Adjudication Commencement Date, as defined in Schedule B, or as otherwise extended pursuant to the DRP. The Decision shall be binding on the Surety, the Principal and the Obligee as to their respective rights and obligation under this Bond but subject to each party's right to commence a de novo appeal of the Decision to a court of competent jurisdiction at any time. The parties shall immediately begin to comply with the Decision and the terms of this Bond (which in the case of making payments owed per the Decision shall mean making such payments immediately) and shall continue to comply with the Decision and the terms of the bond until the [Project Completion Date] under the Contract notwithstanding the commencement of, and during, any appeal de novo of the Decision and unless or until such time as a court of competent jurisdiction issues a final order or ruling vacating or modifying the Decision, either in whole or in part, at the conclusion of any de novo appeal of the Decision (the "Obligation to Comply with the Decision"), Surety's Obligation to Comply with the Decision is limited by the penal sum of the Bond.

7. The parties acknowledge that the Obligation to Comply with the Decision is of the essence of the Bond, and the parties agree that the Surety's failure to fulfill its Obligation to Comply with the Decision will cause irreparable harm to the Principal and the Obligee. Accordingly, Surety waives and releases any right it may have to initiate any action in court seeking a stay of its obligations arising pursuant to the Decision or seeking a stay of enforcement of the Decision. Surety's only recourse to court processes in connection with the Decision is to file for a de novo appeal of the Decision while continuing to fulfill its Obligation to Comply with the

Decision. In any such de novo appeal or in any action seeking enforcement of the Decision, the Surety (a) waives any right to file for an interim stay of its obligations arising pursuant to the Decision or to seek a stay of enforcement of the Decision, (b) waives any right to object to or contest an action brought to enforce specific performance of Surety's obligations arising pursuant to the Decision and waives all defenses in such an action, and (c) consents to an order or ruling directing and requiring Surety to perform its obligations arising pursuant to the Decision, and that an action for such an order or ruling may be sought on an expedited (emergency) basis under the rules of the court. The parties' Obligation to Comply with the Decision does not alter either party's right to pursue a de novo appeal of the Decision in a court of competent jurisdiction.

8. [If multiple or co-sureties] The Co-Sureties agree to empower a single representative with authority to act on behalf of all of the Co-Sureties with respect to this Bond, so that the Obligee will have no obligation to deal with multiple sureties hereunder. All correspondence from the Obligee to the Co-Sureties and all claims under this Bond shall be sent to such designated representative. The designated representative may be changed only by delivery of written notice (by personal delivery or by certified mail, return receipt requested) to the Obligee designating a single new representative, signed by all of the Co-Sureties. The initial representative shall be [●], whose contact information is [●].

9. Schedules A and B are an integral part of this Bond and are specifically incorporated herein as if set out in full in the body of this Bond.

10. If any provision of this Bond is found to be unenforceable as a matter of law, all other provisions shall remain in full force and effect.

11. This Bond shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia and for any de novo appeal of the Decision or any action seeking enforcement of the Decision the parties consent to jurisdiction in the courts of the Commonwealth of Virginia.

IN WITNESS WHEREOF, we have hereunto set our hands and seals on this at [●] on this [●] day of [●], 20[●].

PRINCIPAL (full legal name):
Address:

By: _____
Title:
Contact Name:
Phone: ( )

SURETY (full legal name):
Address:

By: _____
Title:
Contact Name:
Phone: ( )

[Note: If more than one surety, then add appropriate number of lines to signature block.]

[Note: A copy of a certificate that the Surety (or Co-Sureties) is (are) authorized to transact business in Virginia must be attached.]

[Note: The Bond shall be signed by authorized persons. Where such persons are signing in a representative capacity (e.g., an attorney-in-fact), but are not a members of the firm, partnership, or joint venture, or an officer of the legal entity involved, evidence of authority including the appropriate power of attorney documentation must be attached.]

Schedule A
Form of Demand

Date

Re: Performance Bond No.: [●] (the "Bond")

Principal: [●] (the "Principal")

Owner: Economic Development Authority of the City of Richmond (the "Owner")

Obligee: RVA Diamond Partners, LLC (the "Obligee")

Obligees: The Owner and the Obligee (collectively, the "Obligees")

Contract: The Construction Contract, dated [●] between the Principal as DB Contractor and Obligee as Developer for the Diamond District Redevelopment Project (the "Contract")

Dear Sir:

Pursuant to the Bond, the Obligees hereby certify that:

1. the Principal is and continues to be in default of the Principal's obligations under the Contract;

2. the Obligee has issued a notice of default to the Principal in accordance with the provisions of the Contract; and

3. the Obligee has honored and will continue to honor and perform in all material respects its obligations under the Contract.

We hereby demand that the Surety honor its obligations under the Bond forthwith.

The Obligees acknowledge that if the Surety intends to dispute its liability pursuant to the Bond, then the parties shall proceed immediately with the DRP set forth in Schedule B.

Yours truly,

Obligee

RVA Diamond Partners, LLC

By: _____
Name:
Title:

Owner

Economic Development Authority of the City of Richmond

By: _____
Name:
Title:

Schedule B
Dispute Resolution Process

Given the on default nature of the Bond, the Principal, the Surety and the Obligees acknowledge that they may not agree whether the Surety is liable to make payment pursuant to the Bond. In order to ensure that such disputes are determined quickly so as to allow for the orderly and timely completion of the Contract, the Principal, the Surety and the Obligees agree to submit such disputes to the dispute resolution process set out below. Terms not defined herein shall have the meaning ascribed to them in the body of the Bond. The parties acknowledge that any decision rendered in the dispute resolution process (an "Award") will be binding, but subject to appeal de novo by any party at any time to a court of competent jurisdiction.

1. "Dispute" means a disagreement as to the Surety's liability pursuant to the Bond following an Obligee's Demand.
2. Disputes arising out of or in connection with the Bond shall be submitted for binding resolution to adjudication (the "Adjudication") administered by JAMS – The Resolution Experts! ("JAMS") in accordance with the procedure set out below. The JAMS' Dispute Resolution Rules for Surety Bond Disputes, effective [●] shall apply to the resolution of any Dispute unless modified by the provisions herein, in which case, the provisions of this Bond shall govern.
3. The Surety or the Obligees shall demand Adjudication by filing an Adjudication statement electronically with JAMS, and serving electronic copies by email upon the Principal and the Obligee, utilizing the electronic forms and filing directions provided by JAMS on its website at www.jamsadr.com. The Adjudication statement shall set forth in detail the factual and legal issues submitted for Adjudication and shall be sent no later than 10 days following either Obligee's Demand.
4. Within three (3) Business Days after the Adjudication statement is filed and served, the parties shall appoint an adjudicator (the "Adjudicator") who shall be a panelist on the JAMS Global Engineering & Construction Panel ("JAMS GEC Panel") of dispute adjudicators. JAMS shall appoint an Adjudicator administratively from the JAMS GEC Panel if the parties fail to appoint an Adjudicator within the three day period. The Adjudicator shall be under a duty to act impartially and fairly and shall serve as an independent neutral.
5. The Adjudication shall commence on the date that JAMS receives the Adjudication statement and initial deposit of funds, and confirms the appointment of the Adjudicator (the "Adjudication Commencement Date"). Unless the Adjudicator decides otherwise, the Principal, the Surety and the Obligee shall pay the final fees and expenses of Adjudication in accordance with the provisions set forth in the Contract governing the payment of fees and expenses of dispute resolution. In an Adjudication in which the Adjudicator determines that the Principal and Surety are aligned with the same commonality of interest against the Obligees, the Principal and Surety jointly shall be charged with one share and the Obligees

will be charged with one share. Should any party fail to deposit funds as required by JAMS, any other party may advance the deposit, and the amount of that advance deposit will be taken into consideration in the Adjudicator's decision.

6. Upon commencement of the Adjudication, the Adjudicator is empowered to take the initiative in ascertaining the facts and the law, and to exercise sole discretion in managing the Adjudication process. Among other things, the Adjudicator may require the parties to make additional factual submissions such as sworn witness statements and business documents, may interview important witnesses after notice to the parties and affording opportunity to attend, may request and consider expert reports and may call for memoranda on legal issues. Notwithstanding the foregoing, the Adjudicator must decide the following questions:
   a. Is the Principal in default of the Principal's obligations under the Contract?
   b. Is the Surety liable to perform in accordance with Paragraph 5 of the Bond?
7. The Adjudicator shall issue a written decision (the "Decision") which shall be binding upon and enforceable by the parties through the completion of the Principal's obligations under the Contract, subject to any party's right to commence an appeal de novo in a court of competent jurisdiction at any time in accordance with the terms of the Bond. Any payment required in the Decision shall be made immediately. The Decision shall be issued through JAMS as soon as practicable but in no event later than thirty (30) calendar days of the Adjudication Commencement Date or within any later time agreed upon by the parties. Unless the parties agree otherwise, the Decision shall state reasons therefore and shall be admissible in later administrative, arbitral or judicial proceedings between the parties.
8. This thirty- (30-) calendar day period also may be extended by the Adjudicator in its sole discretion up to fourteen (14) days in the event that JAMS has requested any party to make an additional fee and expense deposit and such funds have not been deposited as requested or advanced by another party.
9. Any party may request clarification of the Decision within five (5) business days after issuance, and the Adjudicator shall endeavor to respond within an additional five (5) business days, and any payment shall be made immediately thereafter. Unless the parties agree otherwise, the Decision shall state reasons therefore and shall be admissible in later administrative, arbitral or judicial proceedings between the parties. The parties shall comply with the Decision, unless and until subsequently vacated or modified, through the completion of the Principal's obligations under the Contract.
10. Upon any settlement by the parties of the dispute prior to issuance of a Decision, the parties shall jointly terminate the Adjudication. Such removal or termination shall not affect the parties' continuing joint and several obligations for payment to JAMS of unpaid fees and expenses.

If the Decision is that the Surety is liable to perform in accordance with Paragraph 5 of the Bond, then notwithstanding the commencement of any appeal de novo of the Decision, the Surety shall

perform in accordance with the Decision and with the terms of the Bond until the Principal's Obligations under the Contract are completed, but not to exceed the penal sum of the Bond.

EXHIBIT K
FORM OF PAYMENT BOND

BOND NO. _____
AMOUNT: $_____

KNOW ALL WHO SEE THESE PRESENTS, that _____

of _____

hereinafter called the PRINCIPAL, and _____

_____ a corporation duly organized and

existing under and by virtue of the laws of the State of _____, hereinafter called the SURETY, and authorized to transact business within the Commonwealth of Virginia, as

SURETY, are held and firmly bound unto _____

as OBLIGEE, in the sum of: _____
_____ DOLLARS ($_____), lawful money of the United States of America, for payment of which, well and truly be made to the OBLIGEE, the PRINCIPAL and the SURETY bind themselves and each of their heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents as follows:

THE CONDITION OF THE ABOVE OBLIGATION IS SUCH THAT:

WHEREAS, the PRINCIPAL has executed and entered into a certain [Construction Contract][1] hereto attached, with the OBLIGEE, dated [●], 20[●] for the performance of design and construction of the [Project] and certain other work for the [Project] defined in the [Construction Contract] as the "Design-Build Work" (the [Construction Contract], and all items incorporated into the [Construction Contract], together with any and all changes, extensions of time, alternations, modifications or additions to the [Construction Contract] or to the work to be performed thereunder, shall hereafter be referred to as the "Contract").

NOW, THEREFORE, if the PRINCIPAL shall promptly make payment to all persons, firms, subcontractors, and corporations furnishing materials for or performing labor in the prosecution of the work provided for in the Contract (the "Claimants"), and any authorized extension or modification thereof, including all amounts due for materials, lubricants, oil, gasoline, coal and coke, repairs on machinery, equipment, and tools consumed or used in connection with the construction of the work, and all insurance premiums on the work, and for all labor performed in the work, whether by subcontractor or otherwise, then this obligation shall be void; otherwise to remain in full force and effect.

PROVIDED, FURTHER, that all Claimants shall have direct right of action only against the PRINCIPAL and the SURETY under this bond, *provided, however*, that no claim, suit or action

[1] ***Note to Draft*** –Defined terms are bracketed to conform with terminology in Construction Contract.

shall be brough by any Claimant after the expiration of one (1) year following the date on which the Claimant last furnished materials for or performed labor in the prosecution of the work provided for in the Contract. Any and all claim, suit or action arising out of or in connection with this bond shall be brought, and any judicial proceeding shall take place, only in the Circuit Court of the City of Richmond, Virginia.

PROVIDED, FURTHER, that any Claimant who does not have a direct contractual relationship with the PRINCIPAL shall, as a condition precedent to bringing such a claim, suit or action, provide written notice thereof to the PRINCIPAL, SURETY, and OBLIGEE, no later than ninety (90) days from the date the Claimant last furnished materials for or performed labor in the prosecution of the work provided for in the Contract, stating with substantial accuracy the amount claimed, the name of the person for whom the work was performed or to whom the material was furnished, and the dates on which such materials or labor were supplied.

PROVIDED, FURTHER, SURETY shall, after receipt of reasonable notice to SURETY of any claim, demand, suit or action brought against OBLIGEE by a Claimant, defend, with counsel approved by OBLIGEE, indemnify and hold harmless OBLIGEE from any and all claims, demands, suits or actions brought by any Claimant. OBLIGEE shall have a direct right of action against SURETY and PRINCIPAL for any breach by SURETY of its obligation to defend, indemnify and hold harmless OBLIGEE.

PROVIDED, FURTHER, that the SURETY, for value received hereby stipulates and agrees that no change, extension of time, alteration, or addition to the terms of the Contract, or to work to be performed thereunder, or the Specifications accompanying the same, shall in any way affect its obligation on this bond, and it does hereby waive notice of any such change, extension of time, alteration, or addition to the terms of the Contract, or to the work, or to the [Specifications].

PROVIDED, FURTHER, that no final settlement between the OBLIGEE and the PRINCIPAL shall abridge the right of any beneficiary hereunder, whose claim may be unsatisfied.

[*Signature Page Follows*]

IN WITNESS WHEREOF, the above parties bounded together have executed this instrument

this [●] day of [●], 20[●], the name and corporate seal of each corporate party being hereto affixed and those presents duly signed by its undersigned representative, pursuant to authority of its governing body.

PRINCIPAL

_____

By _____(Seal)

_____

Attest

SURETY

_____

By _____(Seal)

_____

Attest

APPROVED AS TO FORM: _____, 20__.

_____, OBLIGEE

NOTE: Date of bond must not be prior to date of Contract. If PRINCIPAL is a partnership, all partners should execute bond.

IMPORTANT: The SURETY named on this bond shall be one who is licensed to conduct business in the Commonwealth of Virginia, and named in the current list of Companies Holding Certificates of Authority as Acceptable Sureties on Federal Bonds and as Acceptable Reinsuring Companies, as published in Circular 570 (amended) by the Audit Staff Bureau of Accounts, U.S. Treasury Department. All bonds signed by an agent must be accompanied by a certified copy of the authority to act for the SURETY at the time of the signing of this bond.

EXHIBIT L

GRANT AND COOPERATION AGREEMENT

[TO BE ATTACHED]

GRANT AND COOPERATION AGREEMENT

THIS **GRANT AND COOPERATION AGREEMENT** (this "Agreement") is made as of [_____ ___, 2023], by and between the **CITY OF RICHMOND, VIRGINIA**, a municipal corporation and political subdivision of the Commonwealth of Virginia (the "City"); the **ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF RICHMOND, VIRGINIA**, a political subdivision of the Commonwealth of Virginia (the "EDA").

WITNESSETH

WHEREAS, the City, the EDA and RVA Diamond Partners LLC (the "Developer") have entered into the Diamond District Redevelopment Project Development Agreement dated as of [_____ __, 2023] (the "Development Agreement"), to provide for the redevelopment of a portion of the Greater Scott's Addition area of the City that currently is home to The Diamond baseball stadium and that is not utilized to its full market potential, with the aim that such redevelopment results in additional taxable value in both the project area and in surrounding properties;

WHEREAS, the Development Agreement provides for the design, financing and construction of a new stadium (the "Stadium") to replace The Diamond baseball stadium;

WHEREAS, the Development Agreement further provides for the development of a full spectrum of new, privately financed affordable housing, retail and office spaces and hotels within the Diamond District (as further described in the Development Agreement, the "Mixed-Use Development") and certain publicly financed infrastructure that will serve the Diamond District and connect the project area with adjacent communities (as further described in the Development Agreement, the "Public Infrastructure");

WHEREAS, as contemplated in the Development Agreement and the other necessary documents to effect the Stadium Project and the Mixed-Use Development, the Developer is responsible for, among other things, the design and construction of the Stadium and the Public Infrastructure (the "Stadium Development Projects");

WHEREAS, as contemplated in the Development Agreement, the City has agreed to make available certain incremental tax revenues to support the financing of the Stadium Development Projects;

WHEREAS, as contemplated in the Development Agreement, the EDA has agreed to participate in the financing of the Stadium and the Public Infrastructure either by issuing its own bonds or facilitating the issuance of bonds by a to-be-created community development authority (the "CDA") (with any of such bonds to be secured, in part, by certain incremental tax revenues and other project revenues made available pursuant to the terms of this Agreement) to pay the costs of the Stadium Development Projects and the related costs of financing the Stadium Development Projects;

WHEREAS, as contemplated in the Development Agreement, the EDA has agreed to assume certain responsibilities and to perform certain activities to facilitate the redevelopment of

the Project Site into the Mixed-Use Development and the Stadium Project and will incur costs in connection with the performance of such undertakings;

WHEREAS, as an inducement to the EDA to perform its undertakings pursuant to the Development Agreement and any other related agreements necessary to effect the transactions contemplated by the Development Agreement, the City desires, subject to annual appropriation by the City Council of sufficient amounts for such purpose, to make available to the EDA such funds as may be necessary to enable the EDA to satisfy its undertakings pursuant to the Development Agreement and any other related agreements necessary to effect the transactions contemplated by the Development Agreement;

WHEREAS, the transactions contemplated by this Agreement will benefit the citizens of the City by promoting increased employment opportunities, a strengthened economic base, increased tax revenues, affordable housing and additional business, retail and recreational opportunities; and

WHEREAS, the parties wish to set forth in this Agreement several undertakings with respect to the plan to finance the Stadium Development Projects and to provide funding for the EDA to perform its undertakings pursuant to the Development Agreement and any other related agreements necessary to effect the transactions contemplated by the Development Agreement:

NOW, THEREFORE, in consideration of the foregoing, the parties set forth the following agreements and understandings:

1. Definitions. Capitalized terms used, but not defined in this Agreement will have the meanings set forth in the Development Agreement, as the context requires. The following terms will have the meanings specified below unless otherwise expressly provided or the context otherwise requires:

"Administrative Expenses" has the meaning set forth in Section 3(e).

"Annual Installments" has the meaning set forth in Section 3(a)(ii).

"Appropriated Revenues" has the meaning set forth in Section 2(b).

"Bonds" means (a) any bonds issued by the EDA or the CDA for the purpose of paying the costs of the Stadium Development Projects and the related costs of financing the Stadium Development Projects, including, without limitation, capitalized interest, required reserves and costs of issuance, and (b) any bonds issued by the EDA or the CDA, as applicable, to refund or defease such bonds.

"CDA" has the meaning set forth in the Recitals hereto.

"CDA Administrator" has the meaning set forth in Section 4(c).

"CDA District" means the land comprising the geographic boundaries of the CDA, which will include all of the Development Parcels less any portions thereof excluded pursuant to the approvals and documents providing for the formation of the CDA.

"City" means the City of Richmond, Virginia.

"City Council" means the City Council of the City of Richmond, Virginia.

"Consumer Purchase Surcharge Revenues" has the meaning set forth in Section 3(c).

"Debt Service Payment Date" means each principal and interest payment date for the Bonds.

"EDA" means the Economic Development Authority of the City of Richmond, Virginia.

"Fiscal Year Payment Requirements" has the meaning set forth in Section 3(d)(ii).

"Grant Term" means the period beginning on the effective date of the Development Agreement and ending on the date as of which all Bonds have been paid in full or provision for their payment in full has been made, during which period the Incremental Tax Revenues will be calculated and amounts derived therefrom (i.e., the Appropriated Revenues) will be made available for payment of the Bonds as set forth in this Agreement.

"Hotel Use Surcharge Revenues" has the meaning set forth in Section 3(b).

"Incremental Tax Financing Area" means the geographic area described in Exhibit Q to the Development Agreement.

"Incremental Tax Revenues" means the various incremental tax revenues described in, and calculated in accordance with, Section 3(d)(vii) resulting from the Stadium Project and the Mixed-Use Development.

"Indenture" means the indenture of trust to be entered into between the Trustee and the issuer of the Bonds (which may be either the CDA or the EDA), as it may be supplemented and amended from time to time and pursuant to which the Bonds will be issued.

"Project Revenues" means, collectively, (a) the Appropriated Revenues, (b) the Hotel Use Surcharge Revenues, (c) the Consumer Purchase Surcharge Revenues and (d) such other revenues as the parties may determine are necessary and appropriate to provide further security for the Bonds; provided that the parties will execute a supplement to this Agreement identifying any such additional revenues as well as the method for calculating and transferring such revenues.

"Property Owners" has the meaning set forth in Section 3(a)(i).

"Rate and Method" means the rate and method of apportionment of special assessments to be prepared by the CDA Administrator and approved by the City, the CDA and the Developer, which will provide for the apportionment of the Special Assessments among the taxable real property comprising the CDA District.

"Special Assessment Agreement" means the special assessment agreement to be entered into by the City, the CDA and the Developer, which will subject the CDA and the Developer to the terms of this Agreement and confirm the Developer's agreement to the imposition of the Special Assessments pursuant to the terms of this Agreement and the Rate and Method.

"Special Assessment Revenues" has the meaning set forth in Section 3(a)(iii).

"Special Assessments" has the meaning set forth in Section 3(a)(i).

"Stadium Bonds" means any Bonds issued to finance or refinance the costs of designing, acquiring, constructing and equipping the Stadium.

"Stadium Development Projects" has the meaning set forth in the Recitals hereto.

"VCU Lease Revenues" means the rents, fees and charges and other amounts payable by VCU to the EDA pursuant to the terms of the VCU Stadium Lease.

"Trustee" means the trustee for the Bonds to be appointed by the CDA or the EDA, as applicable.

"Virginia Code" means the Code of Virginia of 1950, as amended.

2. Plan of Development and Finance for Stadium Development Projects.

(a) The Developer will arrange for the design, acquisition, construction, equipping, operation, commercialization and maintenance of the Stadium Development Projects in accordance with the Development Agreement and the other necessary documents to effect the Stadium Development Projects.

(b) In return for the Developer's undertaking of the Stadium Development Projects and the Mixed-Use Development, the City and the EDA will facilitate the financing of the Stadium Development Projects. As contemplated in the Development Agreement and as further detailed in and subject to the terms of this Agreement, the City will make available amounts derived from the Incremental Tax Revenues for the purpose of financing the Stadium Development Projects (as calculated and appropriated pursuant to Section 3(d), the "Appropriated Revenues"). To enable the application of the Appropriated Revenues for such purpose, the EDA will either (i) issue the Bonds and pledge the Appropriated Revenues as security therefor or (ii) if it is determined that the CDA will issue the Bonds, assign its interest in the Appropriated Revenues to the CDA to be pledged as security therefor. Notwithstanding any provision herein to the contrary and as further described herein, the City's and the EDA's undertakings pursuant to this Agreement are subject to appropriation from time to time of sufficient amounts for such purposes by the City Council.

(c) As contemplated in the Development Agreement, the Bonds will be secured, directly or indirectly (depending on the issuer of the Bonds), by (i) the Appropriated Revenues, (ii) the Hotel Use Surcharge Revenues, (iii) the Consumer Purchase Surcharge Revenues, (iv) the VCU Lease Revenues (except to the extent that the VCU Lease Revenues may be pledged exclusively to the Stadium Bonds as described in Section 2(d)), (v) the amounts on deposit in Special Reserve Fund A and Special Reserve Fund B, subject to the requirement set forth in Section 6.1(b)(vii) of the Development Agreement that any amount in either such reserve fund not previously applied to the payment of debt service on the Phase 1 Bonds will be applied to retire the Phase 1 Bonds at maturity, and (vi) such other revenues, funds and accounts as the parties may determine are necessary or appropriate. If the EDA, in consultation with a financial advisor and bond counsel, determines that it will be advantageous to the overall plan of finance for the Stadium Development Projects, the Stadium Bonds and the Public Infrastructure Bonds may be issued as a

single series of Bonds, provided that the proceeds thereof allocable to Stadium Bonds may only be used for the Stadium Project (which may include related Eligible Mass Grading) and the proceeds thereof allocable to Public Infrastructure Bonds may only be used for Public Infrastructure and Eligible Mass Grading as contemplated in the Development Agreement.

(d) The parties understand and agree that the Bonds are intended to be repaid from (i) the Project Revenues and (ii) the VCU Lease Revenues, provided that VCU Lease Revenues may be pledged exclusively to the Stadium Bonds if the EDA, in consultation with a financial advisor and bond counsel, determines that such dedication is advantageous to the overall plan of finance for the Stadium Development Projects. To the extent that the Project Revenues and, if applicable, the VCU Lease Revenues are less than the amounts due on the Bonds, any such deficiency will be satisfied by the collection of the Annual Installments of the Special Assessments as described herein

(e) Any Bonds issued for the purpose of financing the costs of the Stadium Development Projects will mature no later than 40 years from their respective issue dates. Bonds issued to refund or defease any prior Bonds may only be issued with the prior written consent of the City.

3. <u>Special Assessments and Project Revenues</u>.

(a) <u>Special Assessments</u>.

(i) *Property Owners' Agreement with Respect to Assessments*. As provided contemplated in the Development Agreement, the Developer, as the initial owner of the taxable real property within the CDA District, will agree to the imposition of special assessments (the "Special Assessments") on such property pursuant to Virginia Code Sections 15.2-5158(A)(5) and 15.2-2405. The Special Assessments will be levied, apportioned and collected in accordance with the Special Assessment Agreement and the Rate and Method. Pursuant to the Special Assessment Agreement, the Developer, on behalf of itself and the future owners of such real property (collectively the "Property Owners"), will represent and agree that the Special Assessments, as apportioned pursuant to the Rate and Method, do not exceed the peculiar benefit to the assessed property resulting from the Stadium Development Projects and are apportioned to the property within the CDA District on a rational basis.

(ii) *Request for Collection of Special Assessments.* Not later than March 1 of each year, commencing in 2023, the CDA will request the City to collect annual installments (the "Annual Installments") of the Special Assessments within the CDA District pursuant to Virginia Code Section 15.2-5158(A)(5) in amounts to be determined in accordance with the Rate and Method, which amount may be zero for a particular collection date to the extent that (A) there are sufficient funds available under the Indenture to pay (1) debt service due on the Bonds on the applicable Debt Service Payment Date and (2) any accrued and unpaid Administrative Expenses on the applicable Debt Service Payment Date and (B) no Special Assessment Revenues are needed to (1) restore any required balance in any reserve fund for the Bonds or (2) pay any arbitrage rebate liability with respect to the Bonds. In making the above request, the CDA will provide such information as the City may request to enable it to collect the Annual Installments. The Annual Installments will be collected semiannually on the due dates for real property taxes, and each semiannual portion thereof will be in an amount equal to (W) the debt service due on the Bonds

on the applicable Debt Service Payment Date that immediately follows such due date plus (X) any accrued and unpaid Administrative Expenses plus (Y) the amount needed to (1) restore any required balance in any reserve fund for the Bonds and (2) pay any arbitrage rebate liability with respect to the Bonds less (Z) the funds then available under the Indenture for the payment of such debt service, Administrative Expenses and arbitrage rebate liability (including but not limited to Project Revenues and, if applicable, VCU Lease Revenues received by the Trustee and any available funds on deposit in any capitalized interest, stabilization or other reserve accounts, but excluding any funds on deposit in any debt service reserve account that is intended to be the final source of repayment for any Bonds), all as more fully described in the Rate and Method.

(iii) *City's Agreement with respect to Special Assessments*. Subject to the request of the CDA pursuant to clause (ii) above, the Chief Administrative Officer will ask the Mayor to propose the requisite legislation for the City Council to approve the collection of the applicable Annual Installments; it being understood that the collection of each Annual Installment will be made only to the extent that the Project Revenues as calculated and made available pursuant to this Agreement and any supplements hereto in the applicable fiscal year, together with any other amounts available under the Indenture (including any VCU Lease Revenues that have been deposited with the Trustee for purposes of paying all or a portion of the Bonds and any available funds on deposit in any capitalized interest, stabilization or other reserve accounts, but excluding any funds on deposit in any debt service reserve account that is intended to be the final source of repayment for any Bonds), will be insufficient to pay the debt service due on the Bonds, the accrued and unpaid Administrative Expenses and any arbitrage rebate liability with respect to the Bonds and to restore any required balance in any reserve fund for the Bonds on the succeeding Debt Service Payment Date. So long as any Bonds remain outstanding, the City will collect the Annual Installments and, subject to annual appropriation by the City Council, pay the amounts received thereunder to, or at the direction of, the CDA (the "Special Assessment Revenues"). The City will assign all of its right, title and interest in the Annual Installments and the Special Assessment Revenues to the CDA (except such portion thereof as may be withheld by the City pursuant to Section 3(e)). The Annual Installments assigned by the City will include any payments from foreclosures, less costs of collection, and exclude amounts retained by the City in satisfaction of its portion of the Administrative Expenses (as described in Section 3(e) below) and any interest or late payment fees or penalties retained by the City (as described in Section 3(a)(v)). The CDA, in turn, will assign all of its right, title and interest in the Annual Installments and the Special Assessment Revenues to the Trustee, who will use the moneys received to pay debt service on the Bonds, Administrative Expenses and pay any arbitrage rebate liability with respect to the Bonds and to restore any required balance in any reserve fund for the Bonds before forwarding any remainder to the CDA.

The City's obligation to make payments of the Special Assessment Revenues to the Trustee, on behalf of the CDA, will not be deemed to be a general obligation of the City, will be payable solely from payments of the Annual Installments received by the City and will be subject to and dependent on appropriations being made from time to time of the Special Assessment Revenues by the City Council for such purpose.

(iv) *Billing and Collection of Annual Installment.* The City will bill the Annual Installments, to the extent needed to satisfy any deficiency in the Project Revenues or the VCU Lease Revenues, in the same manner and at the same time as it bills its real estate taxes. The amount of the Annual Installments for each tax parcel will be recorded in the City land records

such that the public will have access to its existence. Penalties and interest on delinquent payments of the Annual Installments will be charged as provided by law. The Annual Installments will be billed and collected on the same dates as the City's real estate taxes. Payments of the Annual Installment collected by the City will be segregated from all other funds of the City and may not be used for any other purpose by the City.

(v) *Collection of Delinquent Assessments*. The City's customary tax payment enforcement proceedings will apply to the collection of any delinquent payment of an Annual Installment except that foreclosure proceedings may be instituted to sell any parcel (except for owner-occupied residential property, to which the provisions of Virginia Code Section 58.1-3965 will apply) when any payment of the Annual Installment for such parcel remains unpaid one year from its initial due date in accordance with Virginia Code Section 58.1-3965.2. The City will pursue the collection of delinquent payments with the same diligence it employs in the collection of the City's general ad valorem real estate taxes, including the commencement of tax foreclosure proceedings to the extent provided by the then-current statutes of the Commonwealth of Virginia. The City agrees that it will provide notice to the CDA of any legal proceedings to be instituted for the collection of delinquent payments of Annual Installments. The parties understand and agree that the City's ordinary discretion in this regard allows it to decide not to expend resources to collect de minimis outstanding amounts; provided that the City will obtain the CDA's consent with respect to waiving collection of any such amounts in excess of $200. The CDA will cooperate with the City in any such enforcement action. Any interest or late payment fees or penalties collected by the City on delinquent payments of the Annual Installments will be retained by the City.

The Developer, on behalf of itself and any future Property Owners, will acknowledge that the City may commence foreclosure proceedings for the collection of delinquent payments of the Installments in accordance with the foregoing provisions. In order to reduce the likelihood of any prolonged foreclosure actions, the Property Owners will provide for facilitated service of process with respect to any foreclosure action in respect of any delinquent payments of the Annual Installments and will waive affirmative defenses to any such foreclosure action pertaining to the formation of the CDA District and its financing structure, including but not limited to the apportionment of the Special Assessment provided for in the Rate and Method, the validity of the Bonds (or any CDA payment obligations otherwise secured by the Special Assessments), any requirements of the Indenture and the priority of CDA District liens and foreclosure of liens to collect delinquent payments of the Annual Installments; provided, however, that such waiver will not be deemed to prevent any Property Owner from asserting in a separate legal action (and not as an affirmative defense in any foreclosure action) a challenge to (A) any levy or collection not made in accordance with the terms of this Agreement, the Rate and Method or the Virginia Code or (B) a foreclosure not undertaken in accordance with the City's generally applicable foreclosure procedures.

(vi) *Priority of Rate and Method*. In the event of any conflict between the provisions of this Section 3(a) and the provisions of the Rate and Method, the provisions of the Rate and Method will control.

(vii) *Notice to Subsequent Property Owners*. Each Property Owner will include in each sales contract and each deed for the conveyance of a fee simple interest in any portion of land within the CDA District that is subject to an outstanding Special Assessment a disclosure

statement that includes a statement of the amount of the applicable portion of the Special Assessment and setting forth the name and address of the CDA Administrator or other location where information regarding the CDA and the Special Assessment may be obtained. All such sales contracts and deeds will also include a covenant that all subsequent deeds conveying any fee simple interest in land within the CDA District that is subject to an outstanding Special Assessment include such disclosure statement. Each Property Owner will notify the CDA and the CDA Administrator in writing, within ten (10) days after recordation of a deed of conveyance, of the sale of any land owned by such Property Owner indicating the tax map parcel number of the property sold and the purchaser of the property.

(b) Hotel Use Surcharge. As contemplated by the Development Agreement and pursuant to Virginia Code Section 15.2-5158(A)(6), a Hotel Use Surcharge of 2.00% will be imposed on all room reservations at any hotels within the CDA District commencing no later than date of issuance of the initial series of Bonds and for so long as any Bonds remain outstanding under the Indenture. The Property Owners of hotels within the CDA District will include the Hotel Use Surcharge on hotel guest billing folios and, on behalf of the CDA, will remit Hotel Use Surcharge collections to the Trustee on a monthly basis and not later than the fifteenth day of the month following the month in which such amounts are collected (such remitted collections, the "Hotel Use Surcharge Revenues"). The Property Owners of hotels within the CDA District will provide the CDA, the Trustee and the CDA Administrator such information as may be reasonably requested to verify the amount of Hotel Use Surcharge Revenues remitted each month. The Developer, on behalf of itself and any future Property Owners, will acknowledge that neither the City, the CDA nor the EDA will be responsible for collecting the Hotel Use Surcharge and that any failure by the Developer, or such future Property Owners, to collect the Hotel Use Surcharge and to remit such collections to the Trustee, on behalf of the CDA, could result in a deficiency in Project Revenues necessitating collection of the Annual Installments.

(c) Consumer Purchase Surcharge. As contemplated by the Development Agreement and pursuant to Virginia Code Section 15.2-5158(A)(6), a Consumer Purchase Surcharge of 0.25% will be imposed on all purchases within the CDA District commencing no later than date of issuance of the initial series of Bonds and for so long as any Bonds remain outstanding under the Indenture. The Property Owners will include the Consumer Purchase Surcharge on the purchasers' bills and, on behalf of the CDA, will remit Consumer Purchase Surcharge collections to the Trustee on a monthly basis and not later than the fifteenth day of the month following the month in which such amounts are collected (such remitted collections, the "Consumer Purchase Surcharge Revenues"). The Property Owners will provide the CDA, the Trustee and the CDA Administrator such information as may be reasonably requested to verify the amount of Consumer Purchase Surcharge Revenues remitted each month. The Developer, on behalf of itself and any future Property Owners, will acknowledge that neither the City, the CDA nor the EDA will be responsible for collecting the Consumer Purchase Surcharge and that any failure by the Developer, or such future Property Owners, to collect the Consumer Purchase Surcharge and to remit such collections to the Trustee, on behalf of the CDA, could result in a deficiency in Project Revenues necessitating collection of the Annual Installments.

(d) Incremental Tax Revenues and Appropriated Revenues.

(i) *City's Agreement to Pay Incremental Tax Revenues Generated During Initial Capitalized Interest Period*. Subject to the provisions of clauses (iv) and (vi) below, for

fiscal years 2025 through 2027, the City agrees to pay to, or at the direction of, the EDA an amount equal to the full amount of the Incremental Tax Revenues (calculated in accordance with clause (vii) below) collected during the preceding calendar year. The City will make each such payment no later than August 15 of the applicable fiscal year.

(ii) *City's Agreement to Pay Incremental Tax Revenues Generated After Initial Capitalized Interest Period*. Subject to the provisions of clauses (iv), (vi) and (viii) below and the immediately succeeding sentence in this clause (ii), for fiscal year 2028 and each fiscal year thereafter through the end of the Grant Term, the City agrees to pay to, or at the direction of, the EDA an amount equal to the portion of the Incremental Tax Revenues (calculated in accordance with clause (vii) below) collected during the preceding calendar year as may be necessary to pay debt service on the Bonds and Administrative Expenses due in such fiscal year (the "Fiscal Year Payment Requirements"). Subject to the availability, and only to the extent, of such amounts as described herein, the City will make available Appropriated Revenues in such amount as is necessary to cover any deficiency between the Fiscal Year Payment Requirements and the amounts realized from the VCU Lease Revenues, the Hotel Use Surcharge Revenues and the Consumer Purchase Surcharge Revenues. The City will make each such payment no later than August 15 of the applicable fiscal year.

(iii) *Request for Inclusion in Annual Budget.* For each fiscal year through the end of the Grant Term, the Chief Administrative Officer will request that the Mayor include in the Mayor's proposed current expense budget for the general operation of the City government to be submitted to the City Council for each fiscal year a recommendation to appropriate an amount equal to the payment described in clause (i) or (ii) above, as applicable, to fulfill the City's undertaking pursuant to this Section 3(d). If the Mayor does not include such recommendation in the Mayor's proposed current expense budget, the Chief Administrative Officer will give notice thereof to the EDA, the City, the Trustee and the Developer as soon as possible after the Mayor has submitted such proposed budget to the City Council.

(iv) *City's Undertaking Limited to Actual Incremental Tax Revenue Collections*. Notwithstanding anything to the contrary in this Agreement, the City will make the payments of Appropriated Revenues in accordance with clauses (i) and (ii) above only to the extent it has collected Incremental Tax Revenues for such calendar years. Further, the City's agreement to pay Appropriated Revenues to, or at the direction of, the EDA as provided in this Agreement is made in consideration of the Developer undertaking the Stadium Project and the Mixed-Use Development as set forth in the Development Agreement. In the event the Developer fails to execute the Special Assessment Agreement or is in default under the Development Agreement, the City will have no obligation to make any payments provided in this Section 3(d) until such time as the Developer has satisfied such obligations.

(v) *Application of Appropriated Revenues*. The payments of Appropriated Revenues described in clauses (i) and (ii) above will be used to pay debt service on the Bonds and Administrative Expenses due in the fiscal year for which such amounts are appropriated.

(vi) *Subject to Appropriation*. The City's undertaking to make payments described in clauses (i) and (ii) above will not be deemed to be a general obligation of the City and will be subject to and dependent on appropriations being made from time to time by the City Council for such purpose.

(vii) *Calculation of Incremental Tax Revenues*. The Incremental Tax Revenues for each calendar year will equal the sum of:

(A) The amount of real estate taxes levied pursuant to Chapter 26, Article V of the City Code on real estate in the Incremental Tax Financing Area by the City in each calendar year beginning with the calendar year commencing January 1, 2023, that exceeds the amount of such real estate taxes levied on real estate in the Incremental Tax Financing Area in the calendar year commencing January 1, 2022. For such purposes, the real estate tax revenues derived from the property comprising the CDA District will be assumed to be $0.00 for the calendar year commencing January 1, 2022.

(B) The amount of meals taxes levied pursuant to Chapter 26, Article VIII of the City Code at a rate of six percent (6%) on meals purchased in the Incremental Tax Financing Area in each calendar year beginning with the calendar year commencing January 1, 2023, that exceeds the amount of such meals taxes levied at a rate of six percent on meals purchased in the Incremental Tax Financing Area in the calendar year commencing January 1, 2022. For such purposes, the meals tax revenues derived from the activity within the CDA District will be assumed to be $0.00 for the calendar year commencing January 1, 2022. It is not intended that any portion of the additional meals tax levy pursuant to Section 2 of Ordinance No. 2018-017, adopted February 12, 2018, be included when calculating meals taxes to be included in the Incremental Tax Revenues.

(C) The amount of state retail sales and use taxes attributable to transactions occurring in the Incremental Tax Financing Area remitted by the Commonwealth to the City in each calendar year beginning with the calendar year commencing January 1, 2023, that exceeds the amount of Virginia retail sales and use taxes attributable to transactions occurring within the Incremental Tax Financing Area remitted by the Commonwealth to the City for the calendar year commencing January 1, 2022. For such purposes, the retail sales and use tax revenues derived from the activity within the CDA District will be assumed to be $0.00 for the calendar year commencing January 1, 2022.

(D) The amount of license taxes levied pursuant to Chapter 26, Article XV of the City Code on persons engaged in a business, profession or occupation in the Incremental Tax Financing Area in each calendar year beginning with the calendar year commencing January 1, 2023, that exceeds the amount of such license taxes levied that is attributable to the Incremental Tax Financing Area for the calendar year commencing January 1, 2022. For such purposes, the license tax revenues derived from the activity within the CDA District will be assumed to be $0.00 for the calendar year commencing January 1, 2022.

(E) The amount of admission taxes levied pursuant to Chapter 26, Article IX of the City Code in the Incremental Tax Financing Area in each calendar year beginning with the calendar year commencing January 1, 2023, that exceeds the amount of such admission taxes levied in the Incremental Tax Financing Area for the calendar year commencing January 1, 2022. For such purposes, the admission tax revenues derived from the activity within the CDA District will be assumed to be $0.00 for the calendar year commencing January 1, 2022.

Notwithstanding the foregoing, Incremental Tax Revenues will not include any amounts realized from penalties or interest collected in connection with payments of delinquent taxes.

(viii) *Return of Excess Appropriated Revenues.* Except as provided in the following sentence, any excess Appropriated Revenues not needed to pay debt service on the Bonds and Administrative Expenses in the fiscal year for which they were appropriated will be returned to the City by the Trustee, on behalf of the EDA or the CDA, as applicable, at the conclusion of such fiscal year and available for the City's general use and will not be credited against any debt service on the Bonds due in any other fiscal year or otherwise applied to reduce the Special Assessment lien. Any Appropriated Revenues derived from Incremental Tax Revenues collected in calendar years 2023 through 2026 will either be applied to pay debt service on the Bonds and Administrative Expenses due in such fiscal years or deposited to Special Reserve Fund A.

(ix) *Release of Incremental Tax Revenues*. At the conclusion of the Grant Term, the tax increment contribution plan will expire, and the City will have no obligation appropriate any amounts derived from the Incremental Tax Revenues for any purpose other than its own general use.

(e) Administrative Expenses. The CDA will reimburse the City and the EDA for their reasonable costs and expenses associated with the CDA, including but not limited to the administration and collection of the Incremental Tax Revenues and the Special Assessments. The Trustee will maintain an administrative expense fund, and the Trustee will deposit in such fund sufficient money to pay the fees of the Trustee and the administrative expenses of the EDA, the CDA and the City, including but not limited to the fees of their respective counsel, the cost of the CDA's audit and the fees of the CDA Administrator (collectively, the "Administrative Expenses"); provided that the City may deduct the City's and the EDA's portions of the Administrative Expenses from the payments of the Appropriated Revenues (or the payments of Special Assessment Revenues, if any) made to the Trustee. In addition to its portion of the Administrative Expenses, the City will be entitled to recover any additional costs incurred by the City in conjunction with any and all proceedings to collect the amounts payable to the CDA hereunder, including tax foreclosure, administrative and other proceedings.

4. Additional Covenants.

(a) Public Ownership of Improvements. The City and the EDA agree, and the Developer, on behalf of itself and future Property Owners, will agree, that the Stadium Development Projects will be conveyed to the City, the EDA, the CDA or other appropriate public entity or that the City, the EDA, the CDA or other appropriate public entity will have a long term-interest in such improvements via a lease, an easement or other property right. The City and the EDA agree, and the Developer, on behalf of itself and future Property Owners, will agree, further that the City will not be required to undertake ownership, operation or maintenance of any improvements unless the City agrees to such undertaking.

(b) Bonds Not Secured by City's Full Faith and Credit. Neither the Bonds nor any related CDA payment obligations will constitute a debt or a pledge of the full faith and credit of the City or impose any liability on the City. The documents pursuant to which the Bonds will be issued and sold will contain a statement to such effect in form satisfactory to the City.

(c) CDA Administrator; Financial Reports. The CDA will engage a professional administrator (the "CDA Administrator") to oversee its financial affairs and will obtain an annual report of the CDA's finances from the CDA Administrator. Copies of such financial report and all other reports required by the Trustee for the Bonds and the owners of the Bonds will be furnished to the Chief Administrative Officer as soon as they are available to the CDA. The CDA will provide draft annual financial statements to the City by September 15 and audited financial statements to the City by October 15 of each year prepared in accordance with generally accepted accounting principles. Unless otherwise approved by the City, the CDA's audited financial statements will be audited by the auditor engaged by the City to audit the City's financial statements. The fiscal year of the CDA will be from July 1 through June 30.

(d) Assets upon Dissolution. Upon dissolution of the CDA, any assets of the CDA not previously conveyed to another governmental entity will be transferred to or at the direction of the City.

5. Approved Budget and Notice of Appropriation. Throughout the Grant Term, the Chief Administrative Officer will deliver to the EDA, the CDA, the Trustee and the Developer within 10 days after adoption of the annual budget submitted to the City Council for each fiscal year, but not later than the first day of the fiscal year, a certificate stating whether the City Council has included in its annual budget the payments to, or at the direction of, the CDA described in Section 3(d)(i) or (ii), as applicable. If, by 15 days after the beginning of the fiscal year, the City Council has not appropriated to, or at the direction of, the CDA an amount equal to the payments described in Section 3(d)(i) or (ii) above, as applicable, the Chief Administrative Officer will give written notice to the City Council setting forth the consequences of the failure to appropriate, including the possible effects upon the ability of the EDA or the CDA, as the case may be, to pay debt service due on the Bonds and will request the Mayor to submit to the City Council, as promptly as practicable, a request for an amendment to the budget of the then-current fiscal year to include an additional appropriation that will provide sufficient moneys to cover such difference.

6. Approval by City. Any approval or consent required of the City under this Agreement may be given by the Chief Administrative Officer or such officer's designee unless action by the City Council is expressly required.

7. EDA's Obligations Subject to Availability of Funds. The EDA's obligation to undertake and perform any of its responsibilities under this Agreement is specifically conditioned on the availability of funds for the EDA to perform such responsibilities. The EDA will not be required to expend any funds the EDA derives from sources other than those provided for by or described in this Agreement or otherwise appropriated to the EDA by the City Council for the performance of such responsibilities. The EDA's obligation to undertake the responsibilities herein is specifically conditioned upon the City providing funding on a timely basis; provided, however, the City's obligation is subject to appropriation by the City Council and availability of funds.

8. Audit by City. Pursuant to Section 2-187(c) of the City Code, the EDA, the CDA and the Developer will be subject to periodic audits by the City Auditor, at the City's expense, on demand and without notice of their respective finances and expenditures under this Agreement. In addition, the EDA, the CDA and the Developer will afford the City access to all records relating to their respective expenditures under this Agreement, wherever located, for such examination and

audit by the City as the City may desire. The EDA, the CDA and the Developer will afford the City the opportunity to make copies of any records that the City has the rights under this Agreement to access, examine, and audit.

9. Certain Payments. Subject to annual appropriation by the City Council of sufficient amounts for such purpose, the City agrees to take all actions reasonably necessary to raise and to grant to the EDA sufficient funds to perform its undertakings pursuant to the Development Agreement and any other related agreements necessary to effect the transactions contemplated by the Development Agreement (including, but not limited to, providing sufficient funds to meet the EDA's payment obligations with respect to the Startup EDA Bonds and the EDA Stadium Design Note), provided such agreements are approved by the EDA and are consistent with the terms and purposes of the Development Agreement.

10. No Agency, Joint Venture, or Other Relationship. Neither the execution of this Agreement nor the performance of any act or acts pursuant to the provisions of this Agreement will be deemed to have the effect of creating between the City, the EDA, the CDA and the Developer, or any of them, any relationship of principal and agent, partnership, or relationship other than the relationship established by this Agreement.

11. Binding Effect on CDA and Developer. This Agreement will become binding upon, inure to the benefit of and be enforceable by the CDA and the Developer upon their respective execution of the Special Assessment Agreement.

12. Successors and Assigns. This Agreement will be binding upon, inure to the benefit of and be enforceable by the parties and their respective successors and assigns.

13. Amendments. This Agreement may be amended only in writing signed by each of the parties hereto or their successors and assigns; provided, however, any Property Owner's consent to and execution of an amendment will only be required with respect to amendments affecting such Property Owner.

14. Term. This Agreement will be in full force and effect until all Bonds and any related CDA payment obligations have been paid in full or deemed no longer outstanding.

15. Severability. If any clause, provision or section of this Agreement is held to be illegal or invalid by any court, the invalidity of the clause, provision or section will not affect any of the remaining clauses, provisions or sections, and this Agreement will be construed and enforced as if the illegal or invalid clause, provision or section had not been contained in it.

16. Counterparts. This Agreement may be executed in any number of counterparts, each of which will be deemed to be an original, and all of which together will constitute but one and the same instrument.

17. Recitals. The recitals set forth at the beginning of this Agreement are incorporated into and made a part of this Agreement as though they were fully set forth in this Section 17 and constitute representations and understandings of the parties hereto.

18. Governing Law and Venue. This Agreement will be governed by the laws of the Commonwealth of Virginia without regard to its conflict of law rules. Any action or dispute

arising out of this Agreement that cannot be resolved among the parties will be resolved in the City of Richmond Circuit Court or in the United States District Court, Eastern District of Virginia, Richmond Division and in no other forum.

19. Public Records. The City and the EDA acknowledge and agree, and the Developer will acknowledge and agree, that this Agreement and any other records furnished, prepared by, or in the possession of the EDA, the City or the CDA may be subject to the retention and disposition requirements of the Virginia Public Records Act and the public disclosure requirements of the Virginia Freedom of Information Act.

20. Notices. Any notice, request or other deliveries required to be given hereunder will be deemed given if sent by registered or certified mail, or overnight delivery service, postage prepaid, addressed to the following addresses:

City:	Chief Administrative Officer City of Richmond, Virginia 900 East Broad Street, Suite 201 Richmond, Virginia 23219
with a copy to:	City Attorney City of Richmond, Virginia 900 East Broad Street, Suite 400 Richmond, Virginia 23219
EDA:	Chairman Economic Development Authority of the City of Richmond, Virginia [_____] [_____]
with a copy to:	[_____] [_____] [_____] [_____]

Any such notice will also be given to the CDA at such address as may be provided in the Special Assessment Agreement.

Any party may designate any other addresses for notices or requests or other deliveries by giving notice under this Section 20.

WITNESS the following signatures.

CITY OF RICHMOND, VIRGINIA

By: _____
Name: _____
Title: _____

APPROVED AS TO FORM:

_____
City Attorney

ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF RICHMOND, VIRGINIA

By: _____
Name: _____
Title: _____

In connection with the execution of the foregoing Cooperation and Grant Agreement, the undersigned Treasurer of the City of Richmond, Virginia, hereby acknowledges and agrees to (a) perform any obligations of the City pertaining to the assessment, billing, collection and reporting of any taxes, assessments, fees or other charges described in the Cooperation and Grant Agreement, to the extent those obligations fall within the purview of the duties of the Treasurer as prescribed by the Code of Virginia, the City Charter, the City Code and any other applicable law or ordinance and (b) undertake normal and customary collection efforts of any Annual Installments of the Special Assessments in the same manner in which she would undertake the collection of the City's real estate taxes.

Dated _____ __, 20__.

_____

[_____], Treasurer of the City of Richmond, Virginia

EXHIBIT M-1

PHASE 1 LAND PURCHASED PROPERTY BOUNDARIES

[TO BE ATTACHED]

Exhibit M-1 – Phase 1 Land Purchased Property Boundaries

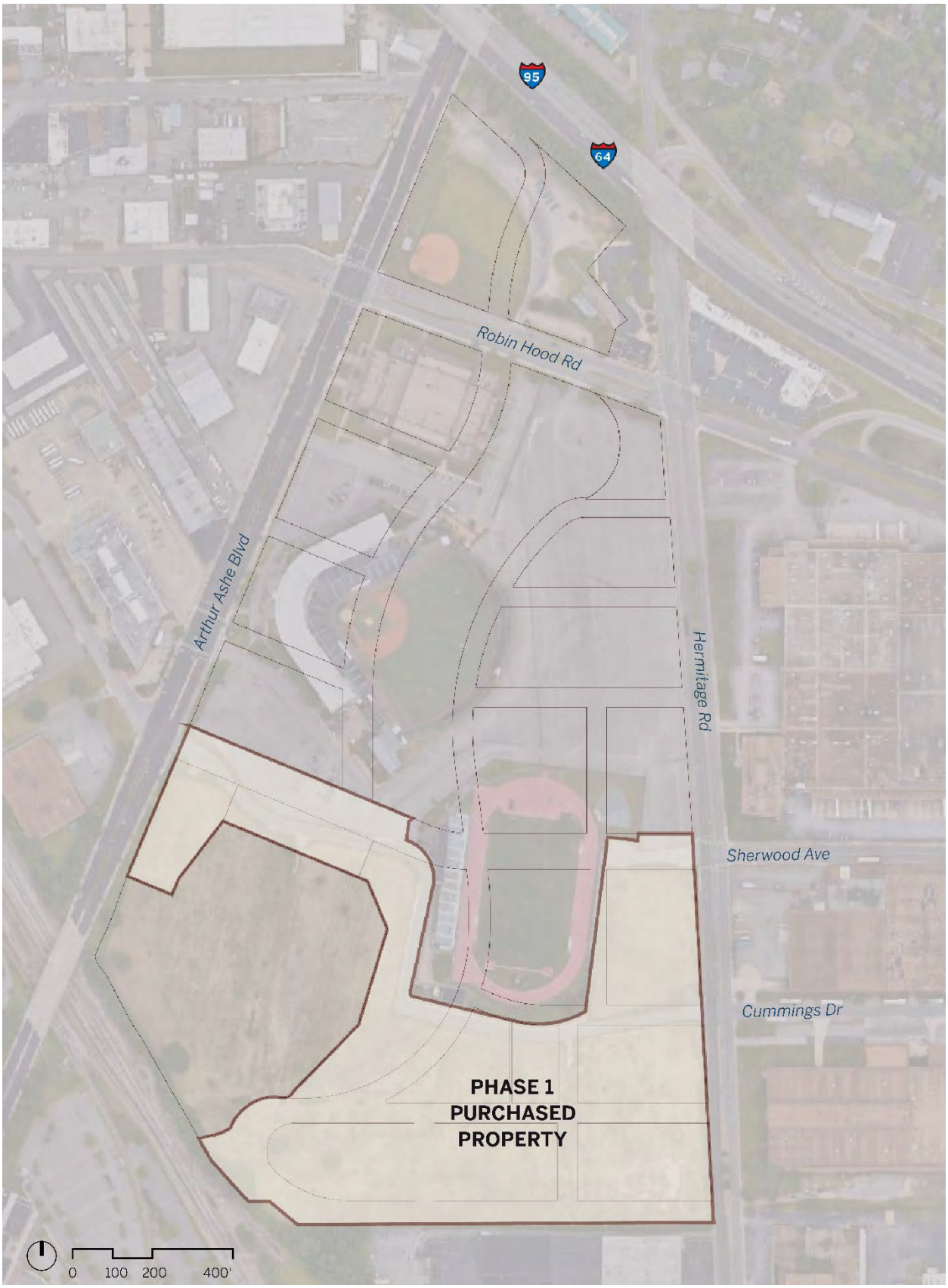


EXHIBIT M-2

SPORTS BACKERS PARCEL BOUNDARIES

[TO BE ATTACHED]

Exhibit M-2 – Sports Backers Parcel Boundaries



EXHIBIT M-3

PHASE 2 LAND PURCHASED PROPERTY BOUNDARIES

[TO BE ATTACHED]

Exhibit M-3 – Phase 2 Land Purchased Property Boundaries



EXHIBIT M-4

PHASE 3 LAND PURCHASED PROPERTY BOUNDARIES

[TO BE ATTACHED]

Exhibit M-4 – Phase 3 Land Purchased Property Boundaries



EXHIBIT M-5

PHASE 4 LAND PURCHASED PROPERTY BOUNDARIES

[TO BE ATTACHED]

Exhibit M-5 – Phase 4 Land Purchased Property Boundaries

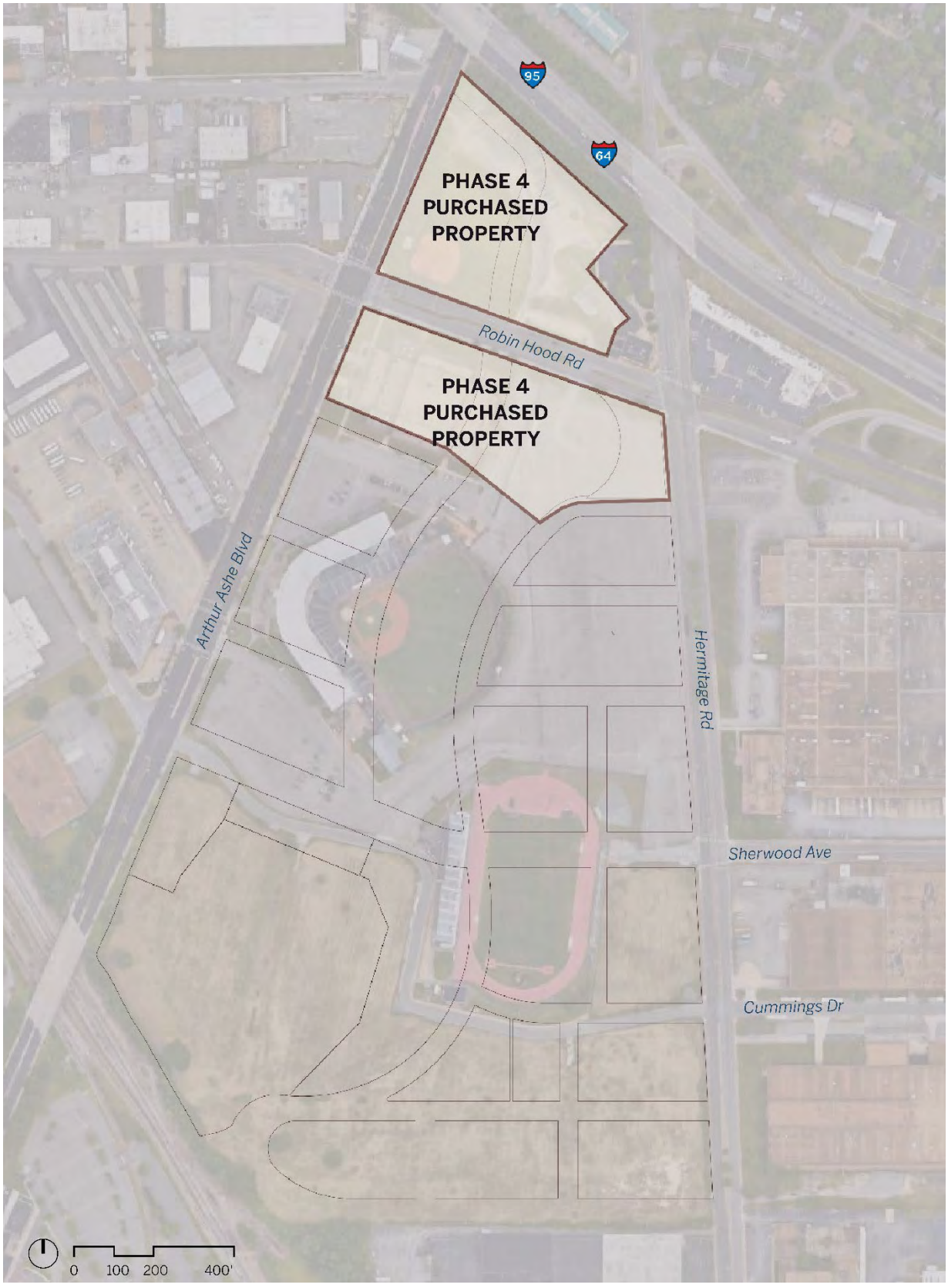


EXHIBIT N

MORALS CLAUSE

[TO BE ATTACHED]

EXHIBIT N

Morals Clause

Any advertising, signage or promotional material affixed or attached to the Project Site or the Improvements on or within the Project shall not fall within any one or more of the following categories:

1. Promotes or opposes a political party, or promotes or opposes any ballot referendum or the election of any candidate or group of candidates for federal, state, judicial, or local government offices.

2. Is false, misleading, or deceptive.

3. Promotes unlawful or illegal goods, services, or activities, or involves other unlawful conduct.

4. Falsely implies or declares an endorsement by the City or the EDA of any service, product, or point of view.

5. Encourages or depicts illegal or unsafe behavior.

6. Depicts or describes in a patently offensive manner sexual or excretory activity so as to satisfy the definition of obscene material under applicable Law.

7. Contains an image of a person who appears to be a minor in sexually suggestive dress, pose, or context.

8. Contains material the display of which the EDA reasonably foresees would imminently incite or provoke violence or other immediate breach of the peace, and so harm, disrupt, or interfere with safe, efficient, and orderly operations of the Stadium, the Public Infrastructure, or the City.

9. Contains material that demeans or disparages an individual or group of individuals. For purposes of determining whether an advertisement contains such material, the EDA will determine whether a reasonably prudent person, knowledgeable of Richmond, VA and using prevailing community standards, would believe that the advertisement contains material that is abusive to, or debases the dignity of, an individual or group of individuals.

10. Contains sexually explicit material that appeals to the prurient interest in sex or is so violent, frightening, or otherwise disturbing as to reasonably be deemed harmful to minors.

11. Promotes an escort service or sexually oriented business.

DRAFT

EXHIBIT O

DIAMOND DISTRICT PUBLIC REALM DESIGN STANDARDS – DRAFT SCOPE OF WORK

[TO BE ATTACHED]

Exhibit O

Diamond District Public Realm Design Standards – Draft Scope of Work

The Developer shall engage a consultant to work with a project management team (made of the Developer and EDA representatives) to develop the Diamond District Public Realm Design Standards. Outlined below is a draft Scope of Work to be performed. The Public Realm Design Standards shall be followed for the CDA District. Additionally, the Public Realm Design Standards may be used to guide the development of public realm elements in the general area surrounding the Diamond District.

The Public Realm Design Standards will include the following elements (the list below is not exhaustive):

1. **Street Hierarchy**
    - Map of the streets with hierarchies assigned
    - General widths and sections for all streetscape types based on street hierarchy

2. **Public Realm Elements**
    - Pavement types in the Sidewalk and Amenity Zones
    - Pavement types in the Building Zone and Public Spaces
    - Landscape materials
    - Architectural materials for elements that create space and place activities
        - Gathering elements
        - Play elements
        - Water elements
    - Furnishing and Fixture elements
        - Lighting
        - Shelters
        - Seating
        - Trash and Recycling Receptacles
        - Bollards and Planters
        - Wayfinding signage
    - Public Art

The Diamond District Public Realm Design Standards are not a substitute for the codes and ordinance provisions associated with the development review process.

Task 1 –Project Management Team + City Staff Meeting and Project Management

1.1 City Project management Team Meeting + Site Tour

A meeting with the consultant team and Project Management Team to review the project scope, schedule, and major project milestones and deliverables. The consultant team will provide an outline for a schedule of events for review and discussion prior to the meeting. The Project

Management Team and consultant team will also tour recent developments and other sites to understand the key issues to be addressed in the guidelines and obtain site photos.

1.2 Project Management (Ongoing)

Ongoing project management includes regular updates to the Project Management Team, the coordination of project tasks for team members and sub consultants, project billing, and coordination with City and EDA staff.

1.3 City Project Management Team

Up to five meetings with staff are anticipated during the project to review interim deliverables, plan for public engagement events and discuss the results, review the project schedule, and other project coordination tasks.

Task 2 - Existing Conditions Assessment

2.1 Gap Analysis of Existing Guidelines + Zoning Ordinance Code

The consultant team will review all existing guidelines in the city and the relative sections of development regulations in the City's Zoning Ordinance. The review and analysis will identify existing gaps in information and recommendations for the design guidelines update including new guidelines, standards, graphics, policies, administration, and the overall design process. In addition, the gap analysis will include a best practice review of plans and design guidelines from other cities. The gap analysis will inform the development of an outline for the design guidelines update with a unified structure and framework.

2.2 Stakeholder Interview/Focus Groups

As part of the baseline assessment of existing conditions it would be beneficial to interview key stakeholders that have been involved in the design review process including members of the City staff, designers, engineers, developers, and property owners of land in the Diamond District area. The input received during the stakeholder interviews and/or focus groups will be summarized with the key themes to inform the gap analysis and existing conditions analysis.

2.3 Existing Conditions Report

The information compiled under 2.1 and 2.2 will be summarized in an existing conditions report for review and input from City and EDA staff, the Developer, and other stakeholders. This input will inform the final existing conditions report and the next phase of work.

2.3 Final Existing Conditions Report

Based on input received under 2.3 the consultant team will finalize the existing conditions report.

- **Deliverable: Existing Conditions Report**

Task 3 – Standards Development

3.1 Workshop

The consultant will work with the Project Management Team to host a stakeholder workshop to charrette the street network and public realm design elements.

3.2 Draft Standards

The consultant will create draft design standards to share with the Project Management Team for review. The Project Management Team will gather input from City and EDA departments and other stakeholders to share with the consultant.

- Deliverable: Draft standards

3.3 Final Standards

The consultant will revise the standards based on input from stakeholders and share with the Project Management Team for review.

- Deliverable: Final standards

Task 4 – Standards Document

4.1 Document Design and Table of Contents

- Deliverable: Document Template and Table of Contents

4.2 Graphic Production

- Deliverable: Final Graphics

4.3 Draft Design Standards

- Deliverable: Draft Design Standards

4.4 Final Design Standards

- Deliverable: Final Design Standards

Timeline

Draft SOW Timeline Subject to change:

- Commencement Date: within 30 days of the execution of the Development Agreement
- Standards Finalized: September 30, 2023

*Dates are subject to change at the Project Management Team's sole discretion.

EXHIBIT P

SUBCONTRACTOR DIRECT AGREEMENT

[TO BE ATTACHED]

EXHIBIT P
FORM OF SUBCONTRACTOR DIRECT AGREEMENT

THIS SUBCONTRACTOR DIRECT AGREEMENT (this "**Agreement**") is made on [●], 20[●]:

AMONG:

(1) [●], a [●] (the "**Contractor**");

(2) [●], a [●] (the "**Guarantor,**" whether one or more);

(3) **THE ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF RICHMOND**, **VIRGINIA** a political subdivision of the Commonwealth of Virginia (the "**EDA**"); and

(4) **RVA DIAMOND DISTRICT PARTNERS LLC**, a Virginia limited liability company (the "**Developer**"),

collectively, the "**Parties**".

RECITALS:

(A) By the Diamond District Redevelopment Project Development Agreement, dated [●], between the City of Richmond, a municipal corporation and political subdivision of the Commonwealth of Virginia (the "**City**"), the EDA, and the Developer (the "**Development Agreement**"), the EDA has appointed the Developer, and Developer has agreed, to carry out, directly or indirectly, the Work.

(B) By a Construction Contract between the Developer and the Contractor dated [●] (the "**Contract**"), the Developer has appointed the Contractor to carry out the Work in relation to the Project.

(C) The Guarantor has guaranteed the obligations of the Contractor under the Contract pursuant to guarantees in favor of the Developer dated [●] (the "**Parent Guaranty**").

THE PARTIES AGREE as follows:

1. **INTERPRETATION**

1.1 **Defined Terms**

Unless expressly defined otherwise in this Agreement, any defined term in this Agreement will have the same meaning given to such term in the Contract. In addition, "**Work**" means all Work and other obligations to be performed by the Contractor under the Contract.

1.2 **Interpretation**

The rules of interpretation set out in Section 18.14 (*Interpretation*) of the Development Agreement will apply to this Agreement.

2. THE CONTRACTOR'S WARRANTY AND LIABILITY

2.1 Warranty

The Contractor warrants to the EDA that:

(a) it has carried out and performed and will continue to carry out and perform its obligations under the Contract in accordance with the Contract; and

(b) it has exercised and will continue to exercise in the performance of those obligations the reasonable skill, care and diligence to be expected of a properly qualified member of its profession experienced in carrying out obligations such as its duties under the Contract in relation to works of similar scope, nature and complexity to the Work.

2.2 Defense and Liability

In any action or proceedings by the EDA pursuant to Section 2.1 (*Warranty*):

(a) the Contractor may raise any defense (except for set off or counterclaim) as it would have against the Developer under the Contract; and

(b) the Contractor's liability to the EDA will be no greater or for longer duration than it would have been if the EDA had been a party to the Contract as joint employer.

3. INTELLECTUAL PROPERTY AND DOCUMENTS

3.1 To the extent that any [Project Data] is in the ownership or possession of the Contractor or any [Intellectual Property] is owned or licensable by the Contractor, the Contractor undertakes (for the benefit of the EDA) to comply with the terms of the Section [●] of the Development Agreement as if such terms were incorporated into this Agreement and the Contractor was the Developer.

3.2 The Contractor agrees on reasonable request at any time and following reasonable written prior notice to give the EDA or those authorized by it access to the [Project Data] relating to the Work and to provide copies (including copy negatives and CAD disks) thereof at the EDA expense.

3.3 The Contractor warrants to the EDA that it has used the standard of skill, care and diligence as set out in Section 2.1 (*Warranty*) to see that the [Project Data] relating to the Work (save to the extent duly appointed subcontractors have been used to prepare the same) is its own original work and that in any event their use in connection with the Work will not infringe the rights of any third party.

4. CURE RIGHTS AND STEP-IN RIGHTS IN FAVOR OF THE EDA

4.1 **Notice of Termination and Cure Period**

Each of the Contractor and the Guarantor shall not exercise or seek to exercise any right which may be or become available to it to terminate or treat as terminated or repudiated (as relevant) the Contract and the Parent Guaranty, or its engagement under the Contract and the Parent Guaranty, or discontinue or suspend the performance of any duties or obligations under the Contract and the Parent Guaranty (including the Contractor's obligations with respect to the Performance Security) without first giving to the EDA not less than forty-five (45) days' prior written notice specifying the Contractor's and the Guarantor's grounds for terminating or treating as terminated or repudiated (as relevant) the Contract and the Parent Guaranty, or its engagement under the Contract and the Parent Guaranty or discontinuing or suspending its performance and stating the amount (if any) of monies outstanding under the Contract and the Parent Guaranty.

4.2 **Cure Right**

(a) Within the period of notice stated in Section 4.1 (*Notice of Termination and Cure Period*):

(i) the EDA may give written notice to the Contractor and Guarantor that the EDA will become the Developer under the Contract and the Parent Guaranty to the exclusion of the Developer and each of the Contractor and the Guarantor will admit that the EDA is Developer under the Contract and the Parent Guaranty, respectively, and each of the Contract and the Parent Guaranty will be and remain in full force and effect despite any of the said grounds;

(ii) if the EDA has given notice under Section 4.2(a)(i) or Section 4.2(c), the EDA shall accept liability for the Developer's obligations under the Contract and will promptly remedy any outstanding breach by the Developer which is capable of remedy by the EDA; and

(iii) if the EDA has given notice under Section 4.2(a)(i) or Section 4.2(c), the EDA will from the service of such notice become responsible for all sums properly payable to the Contractor under the Contract accruing due before and after the service of such notice but the EDA will in paying such sums be entitled to the same rights of set-off and deduction as would have applied to the Developer under the Contract.

(b) Despite anything contained in this Agreement and despite any payments which may be made by the EDA to the Contractor, the EDA will not be under any obligation to the Contractor or the Guarantor nor will the Contractor or the Guarantor have any claim or cause of action against the EDA unless and until the EDA has given written notice to the Contractor and the Guarantor pursuant to Section 4.2(a)(i) or Section 4.2(c).

(c) Each of the Contractor and the Guarantor further covenants with the EDA that if the Development Agreement is terminated by the EDA, it will, if requested by the

EDA by notice in writing and subject to Section 4.2(a)(ii) and Section 4.2(a)(iii), accept the instructions of the EDA to the exclusion of the Developer with respect to its duties under the Contract or the Parent Guaranty, as the case may be, upon the terms and conditions of the Contract or the Parent Guaranty and will if so requested in writing enter into a novation agreement where the EDA is substituted for the Developer under the Contract and the Parent Guaranty.

(d) The Developer acknowledges that each of the Contractor and the Guarantor will be entitled to rely on a notice given to it by the EDA under Section 4.2(c) as conclusive evidence that the Development Agreement has been terminated by the EDA.

5. NOTICES

5.1 Notices under this Agreement will be in writing and:

(a) delivered personally;

(b) sent by certified mail, return receipt requested;

(c) sent by a recognized overnight mail or courier service, with delivery receipt requested; or

(d) sent by e-mail communication followed by a hard copy and with receipt confirmed by telephone, to the following addresses (or to such other address as may from time to time be specified in writing by such person):

(i) All notices, correspondence and other communications to Contractor will be delivered to the following address:

Contractor	[●]
Address:	[●]
Attention:	[●]
Email:	[●]
Telephone:	[●]

(ii) All notices, correspondence and other communications to the Developer will be delivered to the following address or as otherwise directed by the EDA (as set forth in the Development Agreement):

RVA Diamond Partners LLC	[●]
Address:	[●]
Attention:	[●]
Email:	[●]
Telephone:	[●]

(iii) All notices, correspondence and other communications to the EDA will be marked as regarding the Project and will be delivered to the following address or as otherwise directed by the EDA (as set forth in the Development Agreement):

Economic Development Authority of the City of Richmond
Address: [●]

Attention: [●]
Email: [●]
Telephone: [●]

(iv) All notices, correspondence and other communications to Guarantor will be delivered to the following address:

Guarantor
Address: [●]

Attention: [●]
Email: [●]
Telephone: [●]

5.2 Notices will be deemed received when actually received in the office of the addressee (or by the addressee if personally delivered) or when delivery is refused, as shown on the receipt of the U.S. Postal Service, private carrier or other person making the delivery. Notwithstanding the foregoing notices received after 5:00 p.m. Central Time will be deemed received on the first business day following delivery.

6. ASSIGNMENT

No Party to this Agreement may assign or transfer any part of its rights or obligations this Agreement without the prior written consent of the other Parties.

7. EDA'S REMEDIES

The rights and benefits conferred upon the EDA by this Agreement are in addition to any other rights and remedies it may have against the Contractor, including any remedies in negligence.

8. INSPECTION OF DOCUMENTS

Each of the Contractor's and the Guarantor's liabilities under this Agreement will not be in any way reduced or extinguished by reason of any inspection or approval of the [Project Data] or attendance at Project meetings or other enquiry or inspection which the EDA may make or procure to be made for its benefit or on its behalf.

9. GOVERNING LAW AND JURISDICTION

9.1 **Governing Law**

This Agreement will be governed by and construed and interpreted in accordance with the laws of the Commonwealth of Virginia the laws of the Commonwealth of Virginia, without giving effect to any choice of law or conflict of laws rules or provisions, whether of the Commonwealth of Virginia or any other jurisdiction, that would cause the application of the laws of any jurisdiction other than those of the Commonwealth of Virginia..

9.2 **Submission to Jurisdiction**

The Parties consent to the jurisdiction of Circuit Court of the City of Richmond, waiving any claim or defense that such forum is not convenient or proper. Each of the Developer, the Contractor and the Guarantor agrees that such court shall have *in personam* jurisdiction over it, and consents to service of process in any manner authorized by Applicable Law.

9.3 **Waiver of Jury Trial**

THE PARTIES HEREBY KNOWINGLY, IRREVOCABLY, VOLUNTARILY AND INTENTIONALLY WAIVE ANY RIGHTS THAT ANY MAY HAVE TO A TRIAL BY JURY WITH RESPECT TO ANY ACTION, PROCEEDING, COUNTERCLAIM OR DEFENSE BASED ON THIS AGREEMENT, OR ARISING OUT OF, UNDER OR IN ANY CONNECTION WITH THIS AGREEMENT, OR WITH RESPECT TO ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER ORAL OR WRITTEN) OR ACTIONS OF ANY PARTY HERETO RELATING TO THIS AGREEMENT. THIS PROVISION IS A MATERIAL INDUCEMENT FOR ALL PARTIES ENTERING INTO THIS AGREEMENT. THIS PROVISION APPLIES ONLY TO SUITS BETWEEN THE PARTIES ARISING OUT OF OR RELATED TO THIS AGREEMENT AND DOES NOT APPLY TO THIRD PARTY CLAIMS OR SUITS BY OR ON BEHALF OF THE PARTIES FOR PROJECT PROPERTY ACQUISITION AND/OR CONSTRUCTION CONTRACT CLAIMS AND DEFENSES. Each of the Parties hereby (a) certifies that no representative, agent, attorney or any other Person has represented, expressly or otherwise, that such other Person would not, in the event of any suit, action or proceedings relating to this Agreement, seek to enforce the foregoing waiver and (b) acknowledges that it has been induced to enter into this Agreement by, among other things, the mutual waivers and certifications in this Section 9.3.

10. **GENERAL PROVISIONS**

10.1 **Third Party Rights**

This Agreement is only enforceable by the original parties to it and by their successors in title and permitted assignees.

10.2 **Severability**

If any term or provision of this Agreement should be invalid, illegal, or unenforceable in any respect, the validity, legality, and enforceability of the remaining provisions will not

in any way be affected or impaired thereby. In addition, the Parties shall endeavor in good-faith negotiations to replace any such invalid, illegal, or unenforceable provisions with valid, legal, and enforceable provisions with the same or comparable economic effect and benefit as such invalid, illegal, or unenforceable provisions.

10.3 **Inconsistency with Other Documents**

If this Agreement is inconsistent with the Contract or Parent Guaranty, this Agreement prevails.

10.4 **Entire Agreement**

This Agreement contains the entire understanding of the Parties with respect to the subject matter of this Agreement and supersedes all prior agreements, understandings, statements, representations and negotiations between the Parties with respect to their subject matter.

10.5 **Amendments**

This Agreement can only be amended or replaced by another document executed by the Parties.

10.6 **Waivers**

(a) A waiver of any term, provision or condition of, or consent granted under, this Agreement will be effective only if given in writing and signed by the waiving or consenting Party and then only in the instance and for the purpose for which it is given.

(b) No failure or delay on the part of any Party in exercising any right, power or privilege under this Agreement will operate as a waiver thereof, nor will any single or partial exercise of any such right, power or privilege preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

(c) No breach of any provision of this Agreement will be waived or discharged except with the express written consent of the other Party.

10.7 **Counterparts or Electronic Execution**

This Agreement and any amendments, waivers, consents or supplements hereto or in connection herewith may be executed in any number of counterparts and by different Parties in separate counterparts, each of which when so executed and delivered will be deemed an original, but all such counterparts together will constitute but one and the same instrument; signature pages may be detached from multiple separate counterparts and attached to a single counterpart so that all signature pages are physically attached to the same document. Any copies of this Agreement or signatures on this Agreement delivered by email or other electronic means will, for all purposes, be deemed to be originals.

The parties are signing this Agreement on the date stated in the introductory clause.

[*Signature Pages to Follow*]

SIGNATORIES

RVA DIAMOND PARTNERS LLC,
a Virginia limited liability company

By: _____
Title: _____

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

By: _____
Title: _____

CONTRACTOR,
a [●]

By: _____
Title: _____

GUARANTOR,
a [●]

By: _____
Title: _____

EXHIBIT Q

INCREMENTAL TAX FINANCING AREA

[TO BE ATTACHED]

Exhibit O – Incremental Financing Area

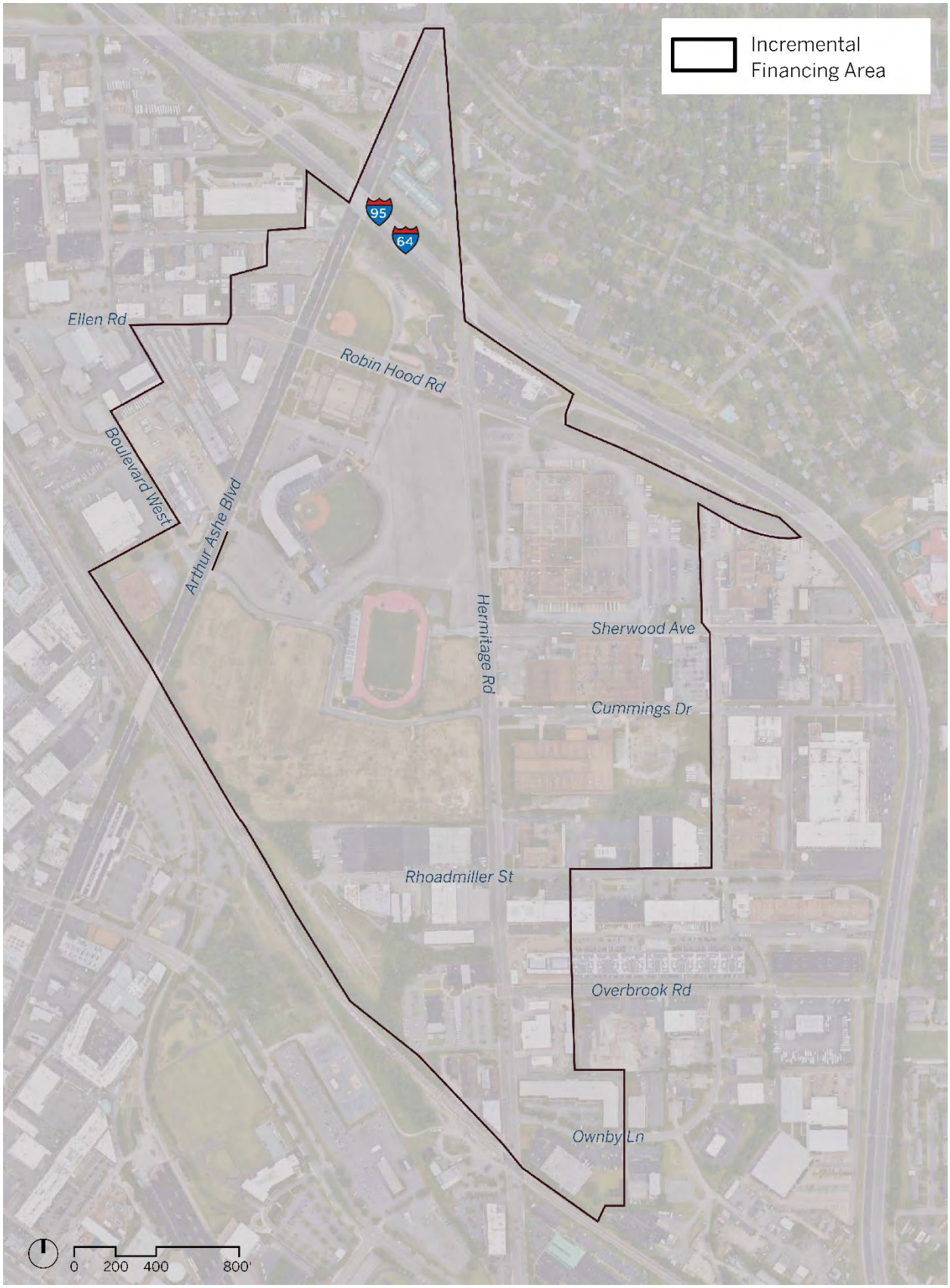


EXHIBIT R

[RESERVED]

EXHIBIT S

RIGHT OF ENTRY AGREEMENT

THIS RIGHT-OF-ENTRY AGREEMENT ("**Agreement**") is entered into this ___ day of _____ 202_ ("**Agreement Date**") by and between the City of Richmond, Virginia, a municipal corporation and political subdivision of the Commonwealth of Virginia ("**City**") and RVA Diamond Partners LLC, a Virginia limited liability company ("**Grantee**"). Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Development Agreement or the Purchase and Sale Agreement, as applicable (each as defined herein).

WHEREAS, Grantee proposes, the development of a mixed-use development as part of the redevelopment of an area of approximately 67.57 acres within an area comprised of property identified as 2907, 2909, 2911, 3001, 3017, and 3101 North Arthur Ashe Boulevard and 2728 Hermitage Road, known as the "Diamond District";

WHEREAS, the City, Grantee and the Economic Development Authority of the City of Richmond, Virginia ("**EDA**") entered into the Diamond District Redevelopment Project Development Agreement (the "**Development Agreement**") dated [_____], 2023, to establish each Party's obligations, rights and limitations with respect to delivering the Stadium Project, the Mixed-Use Development, the Public Infrastructure and such other improvements or commitments as provided in the Development Agreement;

WHEREAS, pursuant to the Development Agreement, the City has agreed to convey to the EDA all of the Purchased Property (excluding the Sports Backers Parcel) on or before the Closing Date for the Phase 1 Purchased Property and the Sports Backers Parcel and the EDA has agreed to acquire the Sports Backers Parcel not later than the Closing Date for the Phase 1 Purchased Property;

WHEREAS, the EDA and Grantee have entered into a Purchase and Sale Agreement dated [_____], 2023 (the "**Purchase and Sale Agreement**"), pursuant to which the EDA has agreed to sell the Purchased Property to Grantee in accordance with the terms of the Purchase and Sale Agreement and the Development Agreement;

WHEREAS, Grantee has requested entry onto land currently owned by the City (as well as such additional property as may be acquired by the City or the EDA) within the Diamond District prior to consummation of any purchase of the Purchased Property in order to perform certain due diligence; and

WHEREAS, the City agrees to grant such entry, and Grantee agrees to exercise such right to enter City property, on the terms and conditions contained herein.

NOW THEREFORE, Grantee agrees to the right-of-entry hereby granted on the following terms and conditions.

1.0 **Right of Entry**

1.1 **Scope and Purpose**.

1.1.1. **Meaning of Property**. As used herein, "**Property**" means the City-owned real property, including any improvements thereon, located within the Diamond District and commonly known as 2907, 2909, 3001, 3017, and 3101 North Arthur Ashe Boulevard and 2728 Hermitage Road.

1.1.2. **Conduct of Due Diligence**.

1.1.2.1 **Generally**. In connection with its right of entry, and as the sole purpose of the right of entry, Grantee shall perform Due Diligence (as defined herein) on the Property. During the Due Diligence Period (as defined herein) with respect to each Purchased Property Phase, Grantee shall have the right to enter and access such Purchased Property Phase for the purposes of conducting such additional due diligence as Grantee determines is necessary in its reasonable discretion to determine the feasibility of developing each Purchased Property Phase for the purposes set forth in the Development Agreement, which additional due diligence shall include but not be limited to (i) conducting any and all studies, tests, evaluations and investigations (collectively, the "**Studies**") that Grantee determines are necessary in Grantee's reasonable discretion to determine the feasibility of the intended use and development of such Purchased Property Phase, (ii) conducting the Survey for such Purchased Property Phase as required by Section 5(b) of the Purchase and Sale Agreement and (iii) satisfying any other requirements to be undertaken during the Due Diligence Period required elsewhere in the Purchase and Sale Agreement with respect to such Purchased Property Phase (collectively, the "**Due Diligence**"). As used herein, the term "**Due Diligence Period**" shall mean (a) with respect to the Phase 1 Purchased Property, a period of ninety (90) Days commencing upon the Agreement Date, and (b) with respect to each subsequent Purchased Property Phase, the period commencing upon the Agreement Date and terminating on the date that is ninety (90) Days prior to the Outside Closing Date for such Purchased Property Phase (as such Outside Closing Date may be extended pursuant to the terms of the Development Agreement or the Purchase and Sale Agreement), provided that any right to enter and access the Sports Backers Parcel will only be effective to the extent that the EDA is the fee simple owner of the Sports Backers Parcel. If the Due Diligence Period terminates on a Saturday, Sunday or legal holiday, the Due Diligence Period will be deemed to terminate on the Business Day immediately prior thereto.

1.1.2.2 **Survey Requirement**. So long as this Agreement is not terminated by either party prior to the expiration of the Due Diligence Period pursuant to Section 1.6 below, Grantee covenants and agrees, as part of the Due Diligence, to obtain a current ALTA survey of the Property prior to the expiration of the Due Diligence Period in accordance with the requirement of the Purchase and Sale Agreement, including specifically, but not limited to, those portions of the Property to be divided or subdivided for conveyance or leasing to Grantee.

1.1.2.3 **Work Product**. Grantee shall deliver copies of all Studies prepared by third-parties regarding the physical condition of the Property and title thereto, including, without limitation, any environmental reports, soils reports, property condition reports, title commitments and surveys, to the City, without representation or warranty of any kind from Grantee, within five (5) Business Days of receipt of such Studies. The City shall have a full and non-exclusive right to use any of the Studies in any manner not inconsistent with applicable law; however, this Agreement does not allow the City to rely upon any such Studies without the prior written consent of the party preparing such Studies. This Section 1.1.2.3 will survive termination of this Agreement.

1.2 **Grant of Right of Entry**. For the duration set forth in Section 1.5 and pursuant to the terms of this Agreement, the City hereby grants to Grantee, and its agents, contractors and employees, the nonexclusive right to enter upon the Property for the purpose of enabling Grantee to perform its Due Diligence thereon. Grantee understands, acknowledges, and agrees that this grant conveys no interest or estate in the Property but merely grants to Grantee the personal privilege to enter the Property for the purposes and on the terms set forth herein. The right of entry hereby granted, and all terms and conditions contained herein, will terminate automatically as to each Purchased Property Phase upon the expiration of the Due Diligence Period with respect to each Purchased Property Phase.

1.3 **Access**. Grantee shall provide two (2) Business Days' prior written notice to the City before accessing any Purchased Property Phase and shall schedule the timing of access to such Purchased Property Phase with the City's point of contact identified in Section 4.5. Grantee shall permit the City to have a representative present during every entry upon the Property. Grantee shall abide by reasonable security, safety and access restrictions as may be required by the City. If the intended Due Diligence includes intrusive physical or environmental testing of the Property, or any portion thereof, Grantee's notice shall include a reasonably detailed description of the type, scope, manner and duration of the Due Diligence to be conducted. Grantee shall not undertake any such physically or environmentally intrusive Due Diligence without the prior written consent of the City, which shall not be unreasonably withheld, conditioned or delayed.

1.4 **No Relationship between Parties**. Grantee acknowledges that it is in no way to be considered an employee, partner, agent or associate, whether by joint venture or otherwise, of the City in the performance of its activities under this grant.

1.5 **Duration**. The right of entry hereby granted, and all terms and conditions contained herein, will terminate automatically upon the earlier of (i) Grantee's written notification to the City of the completion of Grantee's Due Diligence, (ii) the expiration of the Due Diligence Period or (iii) termination by the City or Grantee as provided in Section 1.6.

1.6 **Termination**. Either party may terminate this Agreement at will by giving notice to the other party.

2.0 **Repairs and Non-Interference**.

2.1 **No Disruption**. Grantee shall not unreasonably disrupt or interfere with the City's business activities on any Purchased Property Phase or ordinary traffic flow in or around any Purchased Property Phase. Grantee shall not alter, damage, discard, remove or allow the alteration, damage, discarding or removal of any fixture or personal property located in or on any Purchased Property Phase. Grantee shall not move any equipment that is not a fixture located in or on any Purchased Property Phase without the City's prior consent, which may be given by the City representative to which Section 1.3 refers. Grantee may move, within or on any Purchased Property Phase, personal property other than equipment as Grantee may require to perform the Due Diligence, provided Grantee complies with all other requirements of this Agreement.

2.2 **Utility Protection**. Grantee shall protect all private and publicly owned utilities located within the Property and shall not permit any utilities interruption.

2.3 **Condition of Property**. Upon completion of the Due Diligence Period, or upon earlier termination or cancellation of this Agreement, Grantee shall, at its sole expense: (i) repair any damage to any Purchased Property Phase or to any equipment, fixture or personal property located therein or thereon, caused by the Due Diligence or any activities conducted in connection therewith; (ii) remove all materials and equipment from any Purchased Property Phase which Grantee brought or caused to be brought onto such Purchased Property Phase; and (iii) otherwise restore each Purchased Property Phase and any equipment, fixture or personal property located therein or thereon to a condition satisfactory to the City in the City's reasonable discretion. If Grantee fails to comply with this Section 2.3, the City may undertake repair, removal or restoration at Grantee's cost. This Section 2.3 will survive the termination of this Agreement.

3.0 **Liability**

3.1 **Release**. The City shall not be liable for any personal injury or property damage to Grantee or its agents, contractors, employees, invitees, licensees, officers or volunteers irrespective of how the injury or damage is caused, and Grantee hereby

releases the City from any liability, real or alleged, for any personal injury or property damage to Grantee or its agents, contractors employees, invitees, licensees, officers or volunteers irrespective of how the injury or damage is caused. Nothing herein shall be construed as a waiver of the sovereign immunity of the City. This Section 3.1 will survive the termination of this Agreement. For the purposes of this Section 3.1, the EDA is to be considered a third-party beneficiary.

3.2 **Indemnity**. Grantee shall indemnify and defend the City and the EDA, as applicable, and their respective agents, contractors, employees, officers and volunteers from and against any and all losses, liabilities, claims, damages and expenses, including court costs and reasonable attorneys' fees, caused by, resulting from, or arising out of any claim, action, or other proceeding, including any claim, action or other proceeding initiated or maintained by any of Grantee's agents, contractors, employees, invitees, licensees, officers or volunteers, that is based on or related to (i) Grantee's breach of this Agreement; (ii) the use of the Property by the Grantee or its agents, contractors, employees, invitees, licensees, officers or volunteers pursuant to this Agreement; (iii) the performance of the Due Diligence on or outside of any Purchased Property Phase by the Grantee or its agents, contractors, employees, invitees, licensees, officers or volunteers; (iv) the presence on or about any Purchased Property Phase of the Grantee or its agents, contractors, employees, invitees, licensees, officers or volunteers; (v) the conduct or actions of the Grantee or its agents, contractors, employees, invitees, licensees, officers or volunteers within or outside the scope of the conduct of Due Diligence with respect to any Purchased Property Phase; and (vi) any error, omission, negligent act or intentional act of the Grantee or its agents, contractors, employees, invitees, licensees, officers or volunteers. Without limiting the generality of the foregoing obligation, Grantee further agrees that it shall indemnify the City and the EDA, as applicable, and their respective agents, contractors, employees, officers and volunteers from all liabilities, remedial costs, environmental claims, fees or other expense related to, arising from, or attributable to, any Hazardous Substances introduced by Grantee (including effluent discharged on any Purchased Property Phase) or disturbed as a result of Grantee's activities on any Purchased Property Phase. This Section 3.2 will survive the termination of this Development Agreement. For the purposes of this Section 3.2, the EDA is to be considered a third-party beneficiary.

3.3 **Insurance**. Prior to engaging in any Due Diligence, Grantee shall carry and maintain, and shall cause its agents and contractors to carry and maintain, insurance in accordance with the requirements of Article 8 (*Insurance*) of the Development Agreement.

4.0 **Miscellaneous**.

4.1 **Assignment**.

4.1.1 Grantee shall not transfer or assign its rights or obligations under this Agreement.

4.1.2 The City may assign, or otherwise transfer all or any part of, its rights or obligations under this Agreement to the EDA, without the prior written consent of Grantee.

4.2 **Dispute Resolution**. Any and all disputes, claims, and causes of action arising out of or in connection with this Agreement, or any performances made hereunder, shall be resolved in accordance with the dispute resolution procedures set forth in Article 13 (*Dispute Resolution Provisions*) of the Development Agreement.

4.3 **Modifications**. This Agreement contains the complete understanding and agreement of the parties with respect to the matters covered herein and may not be modified except in a written instrument signed by the duly authorized representatives of each of the parties hereto.

4.4 **No Third-Party Beneficiaries**. Except otherwise expressly provided in this Agreement, the City and Grantee hereby agree that: (i) no individual or entity shall be considered, deemed or otherwise recognized to be a third-party beneficiary of this Agreement; (ii) the provisions of this Agreement are not intended to be for the benefit of any individual or entity other than the City and Grantee; (iii) no individual or entity shall obtain any right to make any claim against the City or Grantee under the provisions of this Agreement; and (iv) no provision of this Agreement shall be construed or interpreted to confer third-party beneficiary status on any individual or entity. For purposes of this section, the phrase "individual or entity" means any individual or entity, including, but not limited to, individuals, tenants, subtenants, contractors, subcontractors, vendors, sub-vendors, assignees, licensors and sub-licensors, regardless of whether such individual or entity is named in this Agreement.

4.5 **Notices**. All notices, offers, consents, or other communications required or permitted to be given pursuant to this Agreement shall be in writing and shall be considered as properly given or made if delivered personally, by messenger, by recognized overnight courier service or by registered or certified U.S. mail with return receipt requested, and addressed to the address of the intended recipient at the following addresses:

A. To the City:

Chief Administrative Officer
City of Richmond, Virginia
900 East Broad Street, Suite 201
Richmond, Virginia 23219
Attention: Jeff L. Gray

with a copy to:

City Attorney
City of Richmond, Virginia
900 East Broad Street, Suite 400
Richmond, Virginia 23219
Attention: Bonnie M. Ashley

B. To the Grantee:

RVA Diamond Partners LLC
[_____]
[_____]

with copies to:

[_____]
[_____]

Either party may change any of its address information given above by giving notice in writing stating its new address to the other party. All notices, offers, consents or other communications required or permitted to be given pursuant to this Agreement shall be in writing and shall be considered as properly given or made if delivered personally, by messenger, by recognized overnight courier service or by registered or certified U.S. mail with return receipt requested, and addressed to the address of the intended recipient.

4.6 **Compliance with Laws**. Grantee shall obtain all necessary governmental approvals and permits and shall perform such acts as are necessary to effect the compliance with all laws, rules, ordinances, statutes and regulations of any governmental authority applicable to the completion of the Due Diligence and shall ensure the same compliance by its agents, consultants, contractors and subcontractors.

4.7 **Counterparts**. This Agreement may be executed by the City and Grantee in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same Agreement.

IN WITNESS WHEREOF, the City and the Developer have executed this Right of Entry Agreement as of the day and year written first above.

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

By: _____
Chief Administrative Officer

APPROVED AS TO FORM:

_____
Deputy City Attorney

RVA DIAMOND PARTNERS LLC,
a Virginia limited liability company

By: _____
Title: _____

EXHIBIT T

KEY PERSONNEL

[TO BE ATTACHED]

EXHIBIT T
KEY PERSONNEL

Jason Guillot, RVA Diamond Partners, LLC

Susan Cronin, Loop Capital

Gregory Peck, Loop Capital

Kenny Jones, Prestige Construction

Brendan Carrol, Whiting-Turner

Bryan Olzin, Whiting-Turner

Chad Rexrode, Whiting-Turner

Bob Carlson, DLR Group

Norman Jenkins, Capstone Development, LLC

Darren Linnartz, Capstone Development, LLC

Ivy Carter, Pennrose

Patrick Stewart, Pennrose

Mike Hopkins, The M Companies

Robert Easter, KEi Architects

Marcus Thomas, KEi Architects

Gracetta Washington, J&G Workforce Development Services

INTRODUCED: April 8, 2024

AN ORDINANCE No. 2024-114

To approve a plan to finance certain public infrastructure in connection with the redevelopment of the area known as the "Diamond District" through the issuance of revenue bonds by the Economic Development Authority of the City of Richmond, Virginia (the "Authority"); to approve the form of a Cooperation Agreement pursuant to which the City of Richmond, Virginia (the "City"), will undertake, subject to annual appropriation by the Council of the City of sufficient amounts for such purposes, to make available to the Authority such funds as may be necessary to enable the Authority to (a) satisfy its undertakings pursuant to the Purchase and Sale and Development Agreement, the Stadium Development Agreement and the Stadium Lease, each to be entered into in connection with the Diamond District redevelopment project, (b) pay the debt service on the revenue bonds to be issued to finance such public infrastructure and (c) pay certain other costs and fees and fund other obligations required pursuant to the terms of the financing documents pursuant to which such revenue bonds are to be issued; and to authorize the Chief Administrative Officer and other appropriate officers of the City to execute and deliver the Cooperation Agreement and such other documents as may be necessary or appropriate to accomplish the plan of finance with respect to the public infrastructure.

Patrons – Mayor Stoney, Ms. Jordan, President Nye, Ms. Newbille, Ms. Trammell, Mr. Addison, Ms. Lynch and Ms. Robertson

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Approved as to form and legality
by the City Attorney

PUBLIC HEARING: MAY 8 2024 AT 3 P.M.

WHEREAS, the Economic Development Authority of the City of Richmond, Virginia (the "Authority"), pursuant to the Industrial Development and Revenue Bond Act (the "Act") under which it is created, is authorized to exercise all the powers set forth in the Act, which include,

AYES: 6 NOES: 0 ABSTAIN: _____

ADOPTED: MAY 8 2024 REJECTED: _____ STRICKEN: _____

among other things, the power to finance "authority facilities" (as defined in the Act), to issue its revenue bonds, notes and other obligations from time to time for such purpose and to pledge all or any part of its revenues and receipts derived from payments received by the Authority from any source as security for the payment of principal of and premium, if any, and interest on any such obligations;

WHEREAS, the City of Richmond, Virginia (the "City"), the Authority and Diamond District Partners, LLC (the "Developer"), are expected to enter into a Purchase and Sale and Development Agreement (the "Development Agreement"), to provide for the redevelopment of a portion of the Greater Scott's Addition area that is known as the "Diamond District" and is home to The Diamond baseball stadium, the operation of which is no longer economically viable as a result of age, limited seating capacity and operational deficiencies;

WHEREAS, the Development Agreement will provide for the development of a full spectrum of new, privately financed housing (including both market rate and affordable housing), retail and office spaces and a hotel within the Diamond District and certain publicly financed public infrastructure that will serve the Diamond District and connect the project area with adjacent communities (as further described herein, the "Public Infrastructure");

WHEREAS, such Public Infrastructure is expected to include: (a) park and public space improvements, (b) parking facilities, (c) cultural facilities, (d) water, sewer, storm water, gas and electric utility improvements, (e) utility installations, relocations and abandonments, (f) road, alley and sidewalk improvements and (g) streetlight, traffic signal, traffic control, street signage, curb, gutter, streetscape and landscaping improvements;

WHEREAS, the Authority and Navigators Baseball, LP (the "Team"), are expected to enter into a Stadium Development Agreement (the "Stadium Development Agreement"), to provide for the design, construction and delivery of a new minor league baseball stadium (the "Stadium");

WHEREAS, the Authority and Team are expected to enter into a Stadium Lease (the "Stadium Lease"), to provide for the Team's lease and use of the Stadium;

WHEREAS, in accordance with the terms of the Development Agreement, the Council of the City of Richmond, Virginia (the "Council"), has approved the issuance of general obligation public improvement bonds to finance the costs of the design, construction and equipping of the Stadium;

WHEREAS, pursuant to the terms of the Development Agreement, the Authority will undertake to finance the costs of the design, construction and equipping of the Public Infrastructure (the "Public Infrastructure Project") through the issuance and sale of one or more series of revenue bonds (the "Public Infrastructure Bonds"), which will be secured by and payable from amounts appropriated by the Council for such purpose but are expected to be paid from rent payments made by the Team to the Authority pursuant to the Stadium Lease (the "Rent Payments");

WHEREAS, the City desires to assist the Authority in the performance of its undertakings pursuant to the Development Agreement, the Stadium Development Agreement and the Stadium Lease and the financing of the Public Infrastructure by entering into a Cooperation Agreement with the Authority (the "Cooperation Agreement"), pursuant to which (a) the City will agree, subject to annual appropriation by the Council of sufficient amounts for such purposes, to make available to the Authority such funds as may be necessary to enable the Authority to (i) satisfy its undertakings pursuant to the Development Agreement, the Stadium Development Agreement and the Stadium Lease, (ii) pay the debt service on the Public Infrastructure Bonds, (iii) if applicable,

replenish any debt service reserve fund established in connection with the Public Infrastructure Bonds, (iv) if applicable, pay the bond trustee its reasonable fees and expenses in connection with the performance of its duties as bond trustee and any other costs or expenses necessary to cancel and discharge the trust agreement pursuant to which the Public Infrastructure Bonds are to be issued and (v) pay any arbitrage rebate liability with respect to the Public Infrastructure Bonds and (b) the Authority will agree to apply the Rent Payments to pay debt service on the Public Infrastructure Bonds and to credit such Rent Payments toward the City's undertaking to make payments in amounts sufficient to timely pay debt service on the Public Infrastructure Bonds;

WHEREAS, the transactions contemplated by the Cooperation Agreement will benefit the citizens of the City by promoting increased employment opportunities, a strengthened economic base, increased tax revenues, market rate and affordable housing and additional business, retail and recreational opportunities; and

WHEREAS, a public hearing on this ordinance has been advertised and held in the manner required by Section 4.10 of the Charter of the City;

NOW, THEREFORE,

THE CITY OF RICHMOND HEREBY ORDAINS:

§ 1. The Council finds that the undertaking of the Public Infrastructure Project will be in the best interests of the City and its citizens and authorizes the City, in collaboration with the Authority, to undertake the following plan of finance to accomplish the same. The Authority shall issue the Public Infrastructure Bonds to finance the Public Infrastructure Project and to pay related issuance and financing costs. The Public Infrastructure Bonds shall (a) be issued in an aggregate principal amount not to exceed $40,000,000, (b) mature or be subject to mandatory sinking fund redemption in annual installments ending no later than December 31, 2058, (c) have a "true" or

"Canadian" interest cost not exceeding 8.00% (taking into account any original issue discount or premium), (d) be sold to the underwriter(s) thereof at a price not less than 97% of the aggregate principal amount thereof (without taking into account any original issue discount or premium) and (e) be subject to optional redemption on such terms as the Director of Finance, with the approval of the Chief Administrative Officer, and the Chair or Vice Chair of the Authority determine to be in the best interests of the City and the Authority. Pursuant to and in accordance with the terms of the Cooperation Agreement, the City will undertake to make payments to the Authority in amounts sufficient to enable the Authority to (i) satisfy its undertakings pursuant to the Development Agreement, the Stadium Development Agreement and the Stadium Lease, (ii) pay the debt service on the Public Infrastructure Bonds, (iii) if applicable, replenish any debt service reserve fund established in connection with the Public Infrastructure Bonds, (iv) if applicable, pay the bond trustee its reasonable fees and expenses in connection with the performance of its duties as bond trustee and any other costs or expenses necessary to cancel and discharge the trust agreement pursuant to which the Public Infrastructure Bonds are to be issued and (v) pay any arbitrage rebate liability with respect to the Public Infrastructure Bonds. The obligation of the Authority to pay principal of and premium, if any, and interest on the Public Infrastructure Bonds will be limited to such payments from the City, provided that, pursuant to the terms of the Cooperation Agreement, the Authority will apply the Rent Payments to pay debt service on the Public Infrastructure Bonds and credit such Rent Payments toward the City's undertaking to make payments in amounts sufficient to timely pay debt service on the Public Infrastructure Bonds. Notwithstanding the foregoing sentence describing the Authority's undertaking to apply Rent Payments to the payment of debt service on the Public Infrastructure Bonds, the Public Infrastructure Bonds will be secured solely by an assignment of payments made by the City for such purpose pursuant to the

Cooperation Agreement. The undertaking by the City to make such payments pursuant to the Cooperation Agreement will be subject to appropriation by the Council from time to time of sufficient amounts for such purposes. The plan of finance for the Public Infrastructure Project may contain such additional requirements and provisions as may be approved by the Director of Finance, with the approval of the Chief Administrative Officer, and the Chair or Vice Chair of the Authority. The actions of the Director of Finance in approving the terms of the Public Infrastructure Bonds and the Cooperation Agreement shall be conclusive, and no further action shall be necessary on the part of the Council.

§ 2. In consideration of the Authority's undertakings with respect to the Development Agreement, the Stadium Development Agreement, the Stadium Lease and the Public Infrastructure Bonds, the Chief Administrative Officer, for and on behalf of the City, is authorized and directed to execute and deliver the Cooperation Agreement. The Cooperation Agreement must be approved as to form by the City Attorney and shall be substantially in the form of the document attached to this ordinance.

§ 3. The Council, while recognizing that it is not empowered to make any binding commitment to make appropriations beyond the current fiscal year, states its intent to make appropriations in future fiscal years in amounts sufficient to make all payments due under the Cooperation Agreement and recommends that future Councils do likewise during the term of the Cooperation Agreement. The Council confirms that the components of the Public Infrastructure Project are important to the welfare or quality of life of the citizens of the City, and the Council anticipates that such components will continue to be so during the term of the Cooperation Agreement.

§ 4. The Chief Administrative Officer and the Director of Finance are authorized and directed to coordinate with the appropriate officers of the Authority to have prepared and distributed, in accordance with standard practices for municipal securities, one or more Preliminary Official Statements of the Authority describing the Public Infrastructure Bonds, the security therefor and providing any other pertinent or relevant information. The Director of Finance, together with appropriate officers of the Authority, shall make such completions, omissions, insertions and changes in each such Preliminary Official Statement not inconsistent with this ordinance as are necessary or desirable to complete it as a final Official Statement. The City shall arrange for the delivery to the purchasers of the Public Infrastructure Bonds of a reasonable number of copies of any final Official Statement, within seven business days after the date the Public Infrastructure Bonds have been awarded, for delivery to each potential investor requesting a copy of such final Official Statement and to each person to whom such underwriter or bidder and members of the underwriting or bidding group initially sell Public Infrastructure Bonds.

§ 5. The Director of Finance is authorized, on behalf of the City, to deem each such Preliminary Official Statement and Official Statement in final form, each to be final as of its date within the meaning of Rule 15c2-12 (the "Rule") of the Securities and Exchange Commission (the "SEC"), except for the omission from each such Preliminary Official Statement of certain pricing and other information permitted to be omitted pursuant to the Rule. The distribution of any Preliminary Official Statement or Official Statement in final form shall be conclusive evidence that it has been deemed final as of its date by the City, except for the omission from any Preliminary Official Statement of such pricing and other information permitted to be omitted pursuant to the Rule.

§ 6. All other actions of officers of the City in conformity with the purposes and intent of this ordinance and in furtherance of the plan of finance for the Public Infrastructure Project are hereby ratified, approved and confirmed. The officers of the City are authorized and directed to execute and deliver all certificates and instruments and to take all such further action as may be considered necessary or desirable in connection with the execution and delivery of the Cooperation Agreement, the financing of the Public Infrastructure Project and the issuance, sale and delivery of the Public Infrastructure Bonds, including, but not limited to, entering into (a) a continuing disclosure agreement pursuant to which the City will agree to provide certain annual financial information and operating data and notices of the occurrence of certain events in order to assist the underwriters of the Public Infrastructure Bonds in complying with the Rule and (b) a certificate setting forth the expected use and investment of the proceeds of the Public Infrastructure Bonds to show that such expected use and investment will not violate the provisions of Section 148 of the Internal Revenue Code of 1986, as amended, and regulations thereunder applicable to "arbitrage bonds." The authorization granted by this ordinance to the Director of Finance, the Chief Administrative Officer and the City Attorney shall apply equally to any person serving in such capacity on an interim or acting basis pending a permanent appointment to any such office.

§ 7. This ordinance shall be in force and effect upon adoption.

APPROVED AS TO FORM:

_____
CITY ATTORNEY'S OFFICE

A TRUE COPY:
TESTE:

Camelia D. Reid

City Clerk

RECEIVED
By City Attorney at 5:03 pm, Apr 08, 2024

City of Richmond

900 East Broad Street
2nd Floor of City Hall
Richmond, VA 23219
www.rva.gov

Master

File Number: Admin-2024-0291

File ID:	Admin-2024-0291	**Type:**	Request for Ordinance or Resolution	**Status:**	Regular Agenda
Version:	1	**Reference:**		**In Control:**	DCAO For Planning and Economic Development
Department:		**Cost:**		**File Created:**	04/08/2024
Subject:				**Final Action:**	

Title: To authorize the Chief Administrative Officer to execute a Cooperation Agreement between the City and the EDA for the purpose of facilitating the financing of the stadium and public improvements in the Diamond District.

Internal Notes:

Code Sections:

Agenda Date: 04/08/2024

Indexes:

Agenda Number:

Patron(s):

Enactment Date:

Attachments: Admin-2024-0291_Diamond District - Cooperation Agreement - AATF.pdf.pdf, Admin-2024-0291_Ordinance - Diamond District - Cooperation Agreement AATF.pdf.pdf

Enactment Number:

Contact:

Introduction Date:

Drafter: Cordell Hayes

Effective Date:

Related Files:

Approval History

Version	Seq #	Action Date	Approver	Action	Due Date
1	1	4/8/2024	Sharon Ebert - FYI	Notified - FYI	
1	2	4/8/2024	Lincoln Saunders	Approve	4/10/2024
1	3	4/8/2024	Mayor Stoney	Approve	4/10/2024

History of Legislative File

Version:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:

Text of Legislative File Admin-2024-0291

Title

To authorize the Chief Administrative Officer to execute a Cooperation Agreement between the City and the EDA for the purpose of facilitating the financing of the stadium and public improvements in the Diamond District.

Body

O & R Request

DATE: April 8, 2024 **EDITION:** 1

TO: The Honorable Members of City Council

THROUGH: The Honorable Levar M. Stoney, Mayor

THROUGH: Lincoln Saunders, Chief Administrative Officer

FROM: Sharon L. Ebert, DCAO - Planning & Economic Development Portfolio

RE: To authorize the CAO to execute a Cooperation Agreement between the City and the EDA for the purpose of facilitating the financing of the stadium and public improvements in the Diamond District.

PURPOSE: To authorize the CAO to execute a Cooperation Agreement between the City and the EDA for the purpose of facilitating the financing of the stadium and public improvements in the Diamond District.

BACKGROUND: The execution of this Cooperation Agreement will assist the Authority in the performance of its undertakings pursuant to the Development Agreement, the Stadium Development Agreement and the Stadium Lease and the financing of the Public Infrastructure by entering into a Cooperation Agreement with the Authority (the "Cooperation Agreement"), pursuant to which (a) the City will agree, subject to annual appropriation by the Council of sufficient amounts for such purposes, to make available to the Authority such funds as may be necessary to enable the Authority to (i) satisfy its undertakings pursuant to the Development Agreement, the Stadium Development Agreement and the Stadium Lease, (ii) pay the debt service on the Public Infrastructure Bonds, (iii) if applicable, replenish any debt service reserve fund established in connection with the Public Infrastructure Bonds, (iv) if applicable, pay the bond trustee its reasonable fees and expenses in connection with the performance of its duties as bond trustee and any other costs or expenses necessary to cancel and discharge the trust agreement pursuant to which the Public Infrastructure Bonds are to be issued and (v) pay any arbitrage rebate liability with respect to the Public Infrastructure Bonds and (b) the Authority will agree to apply the Rent Payments to pay debt service on the Public Infrastructure Bonds and to credit such Rent Payments toward the City's undertaking to make payments in amounts sufficient to timely pay debt service on the Public Infrastructure Bonds.

COMMUNITY ENGAGEMENT: The goals for development of the Diamond District are based upon the Richmond 300 Master Plan. The City hosted numerous public meetings as part of the Richmond 300 process generally, and four meetings specifically about the Greater Scott's Addition Area to guide the creation of the Small Area Plan. The City also hosted two surveys specific to Greater Scott's Addition and garnered over 1,300 responses. The meetings and survey responses aided the City in drafting the vision and primary next steps as well as the district and open space plans included in Richmond 300 to guide the redevelopment of Greater Scott's Addition. The draft Greater Scott's Addition Small Area Plan was presented to the community in February 2020 and the final Plan was adopted as part of Richmond 300 in December 2020. During the process to rezone several hundred acres of land in Greater Scott's Addition, the City hosted two public meetings and received generally positive feedback on the proposed rezoning. The rezoning was approved by City Council in July 2021.

City staff gave update presentations on the solicitation process at six City Council meetings from October 2021 to August 2022.

STRATEGIC INITIATIVES AND OTHER GOVERNMENTAL: Richmond 300 Master Plan

FISCAL IMPACT: See attached document entitled "Discussion Materials Diamond District Project" dated March 28, 2024 from the City's Financial Advisor (the "Davenport Update to DD Project Fiscal/Economic Impact Analysis")

DESIRED EFFECTIVE DATE: Upon adoption

REQUESTED INTRODUCTION DATE: April 8, 2024

CITY COUNCIL PUBLIC HEARING DATE: April 22, 2024

REQUESTED AGENDA: Consent Agenda

RECOMMENDED COUNCIL COMMITTEE:

- Finance and Economic Development Standing Committee

AFFECTED AGENCIES: Mayor, Chief Administrative Officer, Office of the City Attorney, Department of Economic Development, Department of Planning & Development Review, Department of Finance, Department of Public Works, Department of Public Utilities

RELATIONSHIP TO EXISTING ORD. OR RES.: This ordinance is expected to be introduced along with the following three companion papers: (1) An ordinance to authorize the issuance of G.O. Bonds for stadium construction. (2) An ordinance to create the Diamond District Community City of Richmond Page 5 Printed on 4/8/2024 Master Continued (Admin-2024-0289) Development Authority.

ATTACHMENTS:
Approved to Form Cooperation Agreement

Approved to Form Ordinance for Cooperation Agreement.

STAFF:
Sharon Ebert, DCAO - Planning & Economic Development Portfolio
Leonard Sledge, Director - Department of Economic Development
Matt Welch, Senior Policy Advisor - Planning & Economic Development Portfolio

COOPERATION AGREEMENT

THIS COOPERATION AGREEMENT is made as of [_____ __], 2024, between the **CITY OF RICHMOND, VIRGINIA** (the "City"), and the **ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF RICHMOND, VIRGINIA** (the "Authority"), a political subdivision of the Commonwealth of Virginia;

WITNESSETH:

WHEREAS, the Authority is organized and operating under the Virginia Industrial Development and Revenue Bond Act (the "Act"), Chapter 49, Title 15.2 of the Code of Virginia of 1950, as amended;

WHEREAS, the Act authorizes the Authority to finance "authority facilities," as defined in the Act, to issue its revenue bonds, notes and other obligations from time to time for such purposes and to pledge all or any part of its revenues and receipts derived from payments received by the Authority from any source as security for the payment of principal of and interest on any such obligations;

WHEREAS, the City, the Authority and Diamond District Partners, LLC, have entered into the Diamond District Redevelopment Project Purchase and Sale and Development Agreement dated as of [_____ __, 2024] (the "Development Agreement"), to provide for the redevelopment of a portion of the Greater Scott's Addition area that is known as the "Diamond District" and is home to The Diamond baseball stadium, the operation of which is no longer economically viable as a result of age, limited seating capacity and operational deficiencies;

WHEREAS, the Development Agreement provides for the development of a full spectrum of new, privately financed housing (including both market rate and affordable housing), retail and office spaces and a hotel within the Diamond District (as further described in the Development Agreement, the "Mixed-Use Development") and certain publicly financed public infrastructure that will serve the Diamond District and connect the project area with adjacent communities (as further described in the Development Agreement, the "Public Infrastructure");

WHEREAS, the Authority and Navigators Baseball, LP (the "Team"), have entered into the Stadium Development Agreement dated [_____ __, 2024] (as it may be amended from time to time, the "Stadium Development Agreement"), to provide for the design, construction, and delivery of a new minor league baseball stadium (the "Stadium") in accordance with the requirements set forth in the Stadium Development Agreement (the "Stadium Project");

WHEREAS, the Authority and the Team have entered into the Stadium Lease dated [_____ __, 2024] (as it may be amended from time to time, the "Stadium Lease"), to provide for the Team's lease and use of the Stadium as its home venue and for other purposes described therein;

WHEREAS, the City has approved the issuance of issue one or more series of general obligation public improvement bonds to finance the costs of the Stadium Project (the "Stadium Bonds");

WHEREAS, pursuant to the terms of the Development Agreement, the Authority has agreed to finance the costs of the Public Infrastructure through the issuance and sale of one or more series of revenue bonds (the "Public Infrastructure Bonds"), which will be secured by and payable from amounts appropriated by the Council of the City of Richmond, Virginia (the "Council"), for such purpose pursuant to the terms of this Cooperation Agreement;

WHEREAS, the Authority has further agreed to apply the Rent Payments as a credit toward the City's undertaking, subject to annual appropriation by the Council of sufficient amounts for such purpose, to make payments in amounts sufficient to timely pay debt service on the Public Infrastructure Bonds;

WHEREAS, as contemplated in the Development Agreement, the Authority has agreed to assume certain responsibilities and to perform certain activities to facilitate the redevelopment of the Phase 1 Property (as defined in the Development Agreement) into the Mixed-Use Development and the Stadium Project and will incur costs in connection with the performance of such undertakings in addition to the costs of funding the Public Infrastructure;

WHEREAS, to assist the Authority in the performance of its undertakings pursuant to the Development Agreement, the Stadium Development Agreement and the Stadium Lease and the financing of the Public Infrastructure, the City desires, subject to annual appropriation by the Council of sufficient amounts for such purpose, to make available to the Authority such funds as may be necessary to enable the Authority to (a) satisfy its undertakings pursuant to the Development Agreement, the Stadium Development Agreement and the Stadium Lease, (b) pay the debt service on the Public Infrastructure Bonds, (c) if applicable, replenish any debt service reserve fund established in connection with the Public Infrastructure Bonds, (d) if applicable, pay the bond trustee its reasonable fees and expenses in connection with the performance of its duties as bond trustee and any other costs or expenses necessary to cancel and discharge the trust agreement pursuant to which the Public Infrastructure Bonds are to be issued (the "Trust Agreement") and (e) pay any arbitrage rebate liability with respect to the Public Infrastructure Bonds;

WHEREAS, the transactions contemplated by this Cooperation Agreement will benefit the citizens of the City by promoting increased employment opportunities, a strengthened economic base, increased tax revenues, affordable housing and additional business, retail and recreational opportunities; and

WHEREAS, all acts, conditions and things required by law to happen, exist and be performed precedent to and in connection with the execution of and entering into this Cooperation Agreement have happened, exist and have been performed in regular and due time and in form and manner as required by law, and the parties hereto are now duly empowered to execute and enter into this Cooperation Agreement;

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter contained and other valuable consideration, the parties hereto covenant and agree as follows:

1. Definitions. Capitalized terms used, but not defined in this Cooperation Agreement will have the meanings set forth in the Development Agreement, as the context requires. The following terms will have the meanings specified below unless otherwise expressly provided or the context otherwise requires:

"Act" shall have the meaning set forth in the Recitals hereto.

"Annual Budget" shall have the meaning set forth in Section 4(b).

"Annual Rent" shall have the meaning set forth in the Stadium Lease.

"Authority" shall mean the Economic Development Authority of the City of Richmond, Virginia, together with its successors and assigns.

"Bond Cost Payment" shall have the meaning set forth in Section 3(c).

"Bond-Related Costs" shall mean any amounts (other than Debt Service Requirements) payable by the Authority in connection with Public Infrastructure Bonds pursuant to the terms of the Trust Agreement, including, but not limited to, amounts necessary to (a) replenish any debt service reserve fund established in connection with the Public Infrastructure Bonds, (b) pay the bond trustee its reasonable fees and expenses in connection with the performance of its duties as bond trustee and any other costs or expenses necessary to cancel and discharge the Trust Agreement and (c) pay any arbitrage rebate liability with respect to the Public Infrastructure Bonds.

"City" shall mean the City of Richmond, Virginia, together with its successors and assigns.

"Contract Performance Costs" shall mean the Authority's reasonable costs incurred in the satisfaction of its undertakings pursuant to the Development Agreement and any other related agreements necessary to effect the transactions contemplated by the Development Agreement.

"Contract Performance Payment" shall have the meaning set forth in Section 3(a).

"Cooperation Term" shall have the meaning set forth in Section 12.

"Council" shall have the meaning set forth in the Recitals hereto.

"Debt Service Payment" shall have the meaning set forth in Section 3(b).

"Debt Service Requirements" shall mean the payments of principal and interest due on the Public Infrastructure Bonds on each principal and interest payment date.

"Development Agreement" shall have the meaning set forth in the Recitals hereto.

"Fiscal Year" shall mean the twelve-month period beginning July 1 of one year and ending June 30 of the following year.

"Mixed-Use Development" shall have the meaning set forth in the Recitals hereto.

"Public Infrastructure" shall have the meaning set forth in the Recitals hereto.

"Public Infrastructure Bonds" shall have the meaning set forth in the Recitals hereto.

"Rent Payments" shall mean all payments of Annual Rent due under the Stadium Lease.

"Stadium" shall have the meaning set forth in the Recitals hereto.

"Stadium Development Agreement" shall have the meaning set forth in the Recitals hereto.

"Stadium Lease" shall have the meaning set forth in the Recitals hereto.

"Stadium Project" shall have the meaning set forth in the Recitals hereto.

"Trust Agreement" shall have the meaning set forth in the Recitals hereto.

2. Financing of Public Infrastructure. Pursuant to the terms of the Development Agreement, the Authority will finance the costs of the Public Infrastructure through the issuance of the Public Infrastructure Bonds in accordance with the provisions of the Act.

3. City Support for Authority Undertakings. Subject to the provisions of Section 4, the City agrees to provide financial support to the Authority as follows:

(a) The City shall make payments to the Authority from time to time in amounts sufficient to enable the Authority to pay, or to reimburse the Authority for any prior payment of, Contract Performance Costs incurred by the Authority (each such payment by the City shall be referred to herein as a "Contract Performance Payment").

(b) No later than 10 days prior to each principal or interest payment date on the Public Infrastructure Bonds, the City shall pay to the Authority or its assignee (which may include the bond trustee) an amount sufficient to satisfy the Debt Service Requirements on the Public Infrastructure Bonds on such principal or interest payment date (each such payment by the City shall be referred to herein as a "Debt Service Payment"). The City shall receive a credit against its undertaking to make each Debt Service Payment due under this Cooperation Agreement in an amount equal to (i) any amounts on deposit with the bond trustee under the Trust Agreement available to make the corresponding debt service payment on the Public Infrastructure Bonds and not previously applied as a credit with respect to any Debt Service Payment payable pursuant hereto and (ii) any Rent Payments received by the Authority and not previously applied by the Authority to pay debt service on the Public Infrastructure Bonds in accordance with the provisions of Section 5.

(c) No later than the date on which any Bond-Related Cost is required to be paid or funded by the Authority pursuant to the terms of the Trust Agreement, the City shall pay to the Authority or the bond trustee, as applicable, an amount sufficient to satisfy such payment or funding obligation (each such payment by the City shall be referred to herein as a "Bond Cost Payment").

4. Appropriation of Funds.

(a) While recognizing that it is not empowered to make any binding commitment to make any Contract Performance Payments, Debt Service Payments or Bond Cost Payments beyond the current Fiscal Year, the Council in authorizing the execution of this Cooperation Agreement has stated its intent to make appropriations from time to time in amounts sufficient to make Contract Performance Payments, Debt Service Payments and Bond Cost Payments when due.

(b) Notwithstanding anything in this Cooperation Agreement to the contrary, the City's undertakings to make Contract Performance Payments, Debt Service Payments and Bond Cost Payments shall be subject to and dependent upon appropriations being made from time to time by the Council for such purposes; provided, however, that, during the Cooperation Term, the Chief Administrative Officer (or other officer charged with the responsibility for preparing the City's Annual Budget) will request that the Mayor include in the Mayor's proposed current expense budget for the general operation of the City government (the "Annual Budget") to be submitted to the Council for each Fiscal Year a recommendation to appropriate an amount equal to the scheduled Debt Service Requirements and any estimated Contract Performance Costs and Bond-Related Costs for such Fiscal Year. If the Mayor does not include such recommendation in the Mayor's proposed Annual Budget, the Chief Administrative Officer or other appropriate City officer will give notice thereof to the Authority and the bond trustee as soon as possible after the Mayor has submitted such proposed budget to the Council.

Throughout the term of this Cooperation Agreement, the Chief Administrative Officer or other appropriate City officer shall deliver to the Authority and the bond trustee within 15 days after the adoption of the Annual Budget for each Fiscal Year, a certificate stating whether an amount equal to the scheduled Debt Service Requirements and estimated Contract Performance Costs and Bond-Related Costs for such Fiscal Year has been appropriated by the Council in such Annual Budget.

If any adopted Annual Budget does not include an approval of funds sufficient to pay the scheduled Debt Service Requirements and estimated Contract Performance Costs and Bond-Related Costs for such Fiscal Year, the Council shall take a roll call vote immediately after adoption of such Annual Budget acknowledging the impact of its failure to approve such funds. In addition, the Chief Administrative Officer or other appropriate City officer shall deliver to the Authority and the bond trustee within 15 days after the beginning of each Fiscal Year, a certificate stating whether an amount equal to the scheduled Debt Service Requirements and estimated Contract Performance Costs and Bond-Related Costs for such Fiscal Year has been appropriated by the Council. If, by 15 days after the beginning of the Fiscal Year, the Council has not appropriated funds for the payment of the scheduled Debt Service Payments and estimated Contract Performance Payments and Bond Cost Payments for such Fiscal Year, the Chief Administrative Officer (or other officer charged with the responsibility for preparing the City's Annual Budget) shall (1) give written notice to the Council of the consequences of such failure to appropriate, including the possible effects upon the ability of the EDA to pay debt service on the Public Infrastructure Bonds and perform its obligations under the Development Agreement, and (2) request the Mayor to submit to the Council, as promptly as practicable, a request for an

amendment to the Annual Budget of the then-current Fiscal Year to include an additional appropriation that will provide sufficient moneys for such purposes.

If, during any Fiscal Year, the City determines that the actual Debt Service Requirements, Contract Performance Costs and Bond-Related Costs payable in such Fiscal Year will exceed the amount appropriated by the Council, the Chief Administrative Officer or other appropriate City officer charged with the responsibility for preparing the City's Annual Budget) (1) within 15 days of making such determination, shall notify the Authority and the bond trustee of such deficiency and (2) within 45 days of making such determination, request the Mayor to submit to the Council, as promptly as practicable, a request for an amendment to the Annual Budget of the then-current Fiscal Year to include an additional appropriation in an amount sufficient to satisfy such additional Annual Debt Funding Requirements, Contract Performance Costs and Bond-Related Costs. If the Council fails to make a supplemental appropriation of a sufficient amount within 75 days of such determination by the Chief Administrative Officer or other appropriate City officer, the Council shall take a roll call vote immediately after such failure acknowledging the impact of its failure to approve such funds. In addition, the Chief Administrative Officer or other appropriate City officer shall deliver to the Authority and the bond trustee no later than 15 days after such action by the Council, a certificate stating whether an amount sufficient to satisfy such additional Debt Service Requirements, Contract Performance Costs and Bond-Related Costs has been appropriated by the Council.

(c) For the avoidance of doubt, in no event shall the failure to appropriate funds hereunder for any reason constitute a default or an event of default by the City under this Cooperation Agreement.

5. Application of Rent Payments. The Team will make quarterly Rent Payments to the Authority for the term set forth in and in accordance with the provisions of the Stadium Lease. Although the Authority will not pledge the Rent Payments as security for the payment of the Public Infrastructure Bonds, the Authority and the City hereby agree that the Authority shall apply the Rent Payments as described herein to pay debt service on the Public Infrastructure Bonds and for no other purpose. For so long as any Public Infrastructure Bonds remain outstanding, the Authority shall transfer each quarterly Rent Payment to the bond trustee to satisfy the Debt Service Requirements. Any Rent Payments applied in satisfaction of the Debt Service Requirement for a principal or interest payment date shall be credited against the City's undertaking to make the corresponding Debt Service Payment pursuant to Section 3(b), and, subject to the provisions of Section 4, the City shall only make a Debt Service Payment equal to the amount by which the Debt Service Requirement for such principal or interest payment date exceeds such Rent Payments and any other funds available under the Trust Agreement to make such debt service payment as described in Section 3(b).

6. Assignment.

(a) Neither the City nor the Authority shall have the right to assign or transfer their respective rights, liabilities and obligations under this Cooperation Agreement to any person without the prior written consent of the other party. This Cooperation Agreement shall be binding upon, inure to the benefit of and be enforceable by the City and the Authority and their respective successors and permitted assigns. So long as any Public Infrastructure Bonds remain outstanding,

any assignment or transfer of either party's rights, liabilities or obligations under this Cooperation Agreement shall be subject to such additional conditions or limitations, if any, as may be set forth in the Trust Agreement.

(b) The Authority's rights, title and interest to (i) receive Debt Service Payments under Section 3(b), (ii) receive Bond Cost Payments under Section 3(c), but only to the extent such Bond Cost Payments relate the replenishment of any debt service reserve fund established in connection with the Public Infrastructure Bonds and (iii) seek performance by the City of its undertakings pursuant to Section 4 are hereby assigned to the bond trustee as security for the payment in full of the Public Infrastructure Bonds. By its execution and delivery of this Cooperation Agreement, the City has evidenced its consent to such assignment. Notwithstanding any provision of this Cooperation Agreement or the Trust Agreement to the contrary, neither the bond trustee nor the holders of the Public Infrastructure Bonds shall have any rights, title or interest with respect to the application of Rent Payments pursuant to Section 5.

(c) The City consents to any such assignment by the Authority to the bond trustee for the benefit of the holders of the Public Infrastructure Bonds.

7. Notices. Any notice, request or other deliveries required to be given hereunder will be deemed given if sent by registered or certified mail, or overnight delivery service, postage prepaid, addressed to the following addresses:

City:	Chief Administrative Officer City of Richmond, Virginia 900 East Broad Street, Suite 201 Richmond, Virginia 23219
with a copy to:	City Attorney City of Richmond, Virginia 900 East Broad Street, Suite 400 Richmond, Virginia 23219
Authority:	Chairman Economic Development Authority of the City of Richmond, Virginia 1500 East Main Street; 4th Floor Richmond, Virginia 23219
with a copy to:	General Counsel Economic Development Authority of the City of Richmond, Virginia 900 East Broad Street, Suite 400 Richmond, Virginia 23219

Either party may designate any other address for notices or requests by giving notice under this Section 7.

8. Amendments. This Cooperation Agreement may only be supplemented, amended or modified in writing signed by each of the parties hereto or their successors and assigns. So long as any Public Infrastructure Bonds remain outstanding, any supplement, amendment or modification to this Cooperation Agreement shall be subject to such additional conditions or limitations, if any, as shall be set forth in the Trust Agreement. Notwithstanding any provision of this Cooperation Agreement or the Trust Agreement to the contrary, neither the bond trustee nor the holders of the Public Infrastructure Bonds shall have any right to consent to any supplements, modifications or amendments to the provisions of Section 5 of this Cooperation Agreement.

9. Limited Liability of City. Notwithstanding any provision of this Cooperation Agreement to the contrary, the undertakings of the City hereunder are not general obligations of the City, but are limited obligations payable solely from payments of Contract Performance Payments, Debt Service Payments and Bond Cost Payments. No officer, official, employee or agent of the City shall be personally liable on the City's obligations hereunder.

10. Governing Law and Venue. This Cooperation Agreement will be governed by the laws of the Commonwealth of Virginia without regard to its conflict of law rules. Any action or dispute arising out of this Cooperation Agreement that cannot be resolved among the parties will be resolved in the City of Richmond Circuit Court or in the United States District Court, Eastern District of Virginia, Richmond Division and in no other forum.

11. Severability. If any clause, provision or section of this Cooperation Agreement shall be held illegal or invalid by any court, the illegality or invalidity of such clause, provision or section shall not affect the remainder of this Cooperation Agreement, which shall be construed and enforced as if such illegal or invalid clause, provision or section had not been contained in this Cooperation Agreement.

12. Term of Cooperation Agreement. This Cooperation Agreement shall remain in full force and effect from the date hereof until the later of (a) the date on which of the Term of the Development Agreement expires and (b) the date on which all Public Infrastructure Bonds have been paid in full or otherwise deemed no longer outstanding (the "Cooperation Term").

13. Counterparts. This Cooperation Agreement may be executed in any number of counterparts, each of which will be deemed to be an original, and all of which together will constitute but one and the same instrument.

[Remainder of Page Intentionally Left Blank;
Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have each caused this Cooperation Agreement to be executed in their respective names as of the date first above written.

CITY OF RICHMOND, VIRGINIA

By_____

Name:_____

Title:_____

Approved as to form:

Deputy City Attorney

ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF RICHMOND, VIRGINIA

By_____

Name:_____

Title:_____

CITY OF RICHMOND

Housing &
Community Development

March 5, 2026

Patrick Stewart
Regional Vice President
Pennrose, LLC
Diamond District Phase 1 Nine, LLC
2728 Hermitage Rd
Richmond, Virginia 23220 pstewart@pennrose.com

Project Name: Diamond District 9% (50 units)

Dear Mr. Stewart:

This Letter is to confirm that the City of Richmond ("City") is in receipt of the Affordable Housing Performance Grant ("AHPG") application for the above-referenced project. Initial review indicates that the project meets the requirements of the program.

As a 100% affordable development, the project qualifies for a 30-year performance grant tax rebate on the real estate tax increase above the base real estate tax amount prior to construction.

Thanks for providing affordable housing in the City of Richmond.

Sincerely,

Merrick T. Malone

Merrick Malone, Esq.
Director, Housing & Community Development

Tab K.2

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

Virginia Housing

Surveyor's Certification of Proximity to Transportation

General Instructions

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

Date: 2/23/2026

TO: Virginia Housing

601 South Belvidere Street

Richmond, Virginia 23220 2025 Tax Credit Reservation Request

Name of Development Diamond District Phase 1 (9%)

Name of Owner Diamond District Phase 1 Nine, LLC

RE:

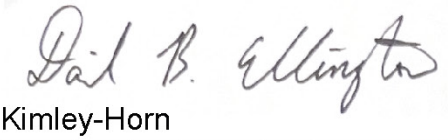
Ladies and Gentlemen:

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 Kimley-Horn

By David Ellington

Its Vice President | 0402043905 (VA) expires 07-31-2027

Title

Tab L:

PHA / Section 8 Notification Letter

PHA or Section 8 Notification Letter

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

General Instructions

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

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

PHA or Section 8 Notification Letter

Date: 2/22/2026

To: Colene S. Orsini, Vice President of Procurement & Contract Administration
600 East Broad Street, 4th Floor Richmond, VA 23219
colene.orsini@rrha.com

Re: Proposed Affordable Housing Development

Name of Development: Diamond District Phase 1 (9%)

Name of Owner: Diamond District Phase 1 Nine, LLC

I would like to take this opportunity to notify you of a proposed affordable housing development to be completed in your jurisdiction. We are in the process of applying for federal low-income housing tax credits from Virginia Housing. We expect to make a representation in that application that we will give leasing preference to households on the local PHA or Section 8 waiting list. Units are expected to be completed and available for occupancy beginning on January 31, 2028 (date).

The following is a brief description of the proposed development:

Development Address: 2728 Hermitage Rd, Richmond, VA 23220

50-unit affordable multifamily development serving individuals and families

100% affordable, serving range of incomes <=30%AMI up to <=60%

Proposed improvements:

New Construction:	# Units	50	# Buildings	1
Adaptive Reuse	# Units		# Buildings	
Rehabilitation:	# Units		# Buildings	

Proposed Rents:

GROSS RENTS / MONTH	30% AMI	40% AMI	50% AMI	60% AMI
1BR (LIHTC ONLY)	$ 638.00	$ 851.00	$1,064.00	$1,277.00
1BR (PBV Payment Std)	$1,658.00	$1,658.00	$1,658.00	$1,658.00
2BR (LIHTC ONLY)	$ 766.00	$1,022.00	$1,277.00	$1,533.00
2BR (PBV Payment Std)	$1,821.00	$1,821.00	$1,821.00	$1,821.00
3BR (LIHTC ONLY)	$ 885.00	$1,180.00	$1,475.00	$1,770.00
3BR (PBV Payment Std)	$2,279.00	$2,279.00	$2,279.00	$2,279.00

Other Descriptive Information:

We responded to the RRHA-RFP-2025-01 for Project Based Vouchers.

PHA or Section 8 Notification Letter

We Appreciate your assistance with identifying qualified tenants.

If you have any questions about the proposed development, please call me at 443.423.1624.

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

Sincerely yours.

Name Timothy I. Henkel

Title Chief Executive Officer | Pennrose Holdings, LLC

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

Seen and acknowledged by: Colene Sue Orsini

Printed Name: Colene S Orsini

Title: VP of Procurement and Contract Administration

Phone: (804) 517-6309

Date: March 5, 2026

From: John Michels
To: Orsini, Colene
Cc: Brianna Thornhill; Patrick Stewart
Subject: RE: [External] Do Not Reply -Delivery Notification for Order 1038044.00
Date: Tuesday, March 4, 2025 11:53:00 AM
Attachments: DD-9 - Tab L PHA Section 8 Notification Letter 2025.pdf
image001.png
image002.png
image003.png
image004.png
image005.png
image006.png
image007.png
image008.png

Ms. Orsini,
As part of our 9% LIHTC application, we're supposed to have conveyed the attached Notification Letter to RRHA. Are you or the relevant signatory authority at the Housing Authority able to countersign this notification letter acknowledging that it has been sent to you (on page 2 of the attached PDF)? Please let me know if you can get this back to us by Thursday of this week. I'm trying to pull together a complete application before the end of this week.
Thanks!
-John M.

From: Orsini, Colene <colene.orsini@rrha.com>
Sent: Friday, February 21, 2025 9:10 AM
To: John Michels <jmichels@pennrose.com>
Cc: Brianna Thornhill <bthornhill@pennrose.com>; Patrick Stewart <pstewart@pennrose.com>
Subject: Re: [External] Do Not Reply -Delivery Notification for Order 1038044.00

Yes, I received it. Mr. Nesmith put it on my chair.

Colene S. Orsini, VCA

Vice President of
Procurement & Contract
Administration

O: 804 780-6184

M: 804 517-6309

E: colene.orsini@rrha.com

600 East Broad Street,
4th Floor

Richmond, VA 23219

www.rrha.com

iACT – Integrity, Accountability, Customer Focus, Teamwork
Defining who we are and how we do business!

From: John Michels <jmichels@pennrose.com>
Sent: Friday, February 21, 2025 9:02 AM
To: Orsini, Colene <colene.orsini@rrha.com>
Cc: Brianna Thornhill <bthornhill@pennrose.com>; Patrick Stewart <pstewart@pennrose.com>
Subject: FW: [External] Do Not Reply -Delivery Notification for Order 1038044.00

Good morning, Colene,
Emailing to let you know that our PBV applications were delivered to your building this morning at 8:43am and signed for by Steven Nesmith (see confirmation email below). Would you please confirm receipt of our submissions?
Thanks!
-John M.

John Michels

Developer
Pennrose, LLC

Pennrose.com

1501 St. Paul Street, Suite 118 | Baltimore, MD 21202
Phone: 443.423.1496 | Email: jmichels@pennrose.com

Mission: Our committed team of exceptional professionals transforms communities by creating high quality real estate developments and delivering outstanding value to our clients and partners.

Disclaimer

The information contained in this communication from the sender is confidential. It is intended solely for use by the recipient and others authorized to receive it. If you are not the recipient, you are hereby notified that any disclosure, copying, distribution or taking action in relation of the contents of this information is strictly prohibited and may be unlawful.

From: Darlene Holmes <dholmes@pennrose.com>
Sent: Friday, February 21, 2025 8:53 AM
To: Brianna Thornhill <bthornhill@pennrose.com>; John Michels <jmichels@pennrose.com>; Patrick Stewart <pstewart@pennrose.com>
Subject: FW: [External] Do Not Reply -Delivery Notification for Order 1038044.00

From: Expedited Courier Group - 1038044.00 <operation@expeditedcouriergroup.com>
Sent: Friday, February 21, 2025 8:52 AM
To: Darlene Holmes <dholmes@pennrose.com>
Cc: operation@expeditedcouriergroup.com
Subject: [External] Do Not Reply -Delivery Notification for Order 1038044.00

Thanks for your delivery order. Your delivery has been completed by Expedited Courier Group. Please note that this email was automatically generated by a computer. Please do not reply to this e-mail address. If you have any questions regarding this delivery, please call 410-528-1920 or email: info@expeditedcouriergroup.com .Please note this is a Do Not Reply email generated by our server operation@expeditedcouriergroup.com.

By giving us your package to deliver you agree to the following terms and conditions. You are responsible for adequately packaging your goods. Our liability in connection with your delivery is limited to the lesser of your actual damage or $100, unless you declare a higher value, pay an additional charge, and document your actual loss in a timely manner. The highest declared value allowed for a shipment is $500.

We are not liable for any damages, whether direct, incidental, special or consequential in excess of the declared value of a shipment. We are not liable for any loss or income or profits. We are not liable for the value of any products that are perishable.

If you desire to ship an item of extraordinary value, you must assume responsibility for any loss and /or obtain separate insurance. You understand and accept that deliveries may be affected by traffic,weather conditions, acts of God, mechanical failures and other unforeseen conditions. We do not accept responsibility for any deadlines that you are responsible for. We appreciate your business.

Thank you.

PROOF OF DELIVERY (POD)

Order 1038044.00 was delivered at 02/21/25 8:43 AM.

Signed for by: Steven Nesmith
Pkg or Env1
Track future orders online at http://url245.expeditedcouriergroup.com/ls/click?upn=u001.i7FrQrquYAd0Pd2RX5KfybjQvlUuGhNt-2F3zF71pw4e-2Fhy9XPYtsB14tCmJHfhLRKeKCR_9p43i7ZjwkLEuLojExAljh-2FXRXG1qZWTCyqytN1Ny7agAxx8J8VhYXyNYZfWBBbA065PNkuJlylvpOfHpyh1IM2moXp3MSCXxkgLsFQjX5gsoFmlV5-2BjwDZaTZOSM7zJtB6HpaVQzbtt0cCWZwkkI9tEYNxfkKadHWlGqWMHNxKk9eRu13iu6oY0djV4wvA46G2jMwB44l4RpNJTlibD8g-3D-3D

Order placed by: Briana Thornhill

Origin

Pennrose
1501 St Paul St
Ste 118
Baltimore MD 21202

Destination

Richmond Redevelopment Housing Authority
600 E Broad St
Ste 400
Richmond VA 23219

Details

Reference1:

This electronic mail message is intended exclusively for the individual or entity to which it is addressed. This message, together with any attachment, may contain confidential and privileged information. Any unauthorized review, use, print, retention, copy disclosure or distribution is strictly prohibited. If you have received this message in error, please immediately advise the sender by reply email message and delete all copies of this message. Thank you.

Richmond RHA
Building Communities. Changing Lives.

P.O. Box 26887
Richmond VA 23261-6887
600 East Broad Street, 4th Floor
Richmond, VA 23219

(O) (804) 780-4200
TTY: Dial 7-1-1

info@rrha.com
www.rrha.com

Chief Executive Officer
Steven B. Nesmith

Board of Commissioners
W.R. "Bill" Johnson, Jr., Chair
Charlene Pitchford, Vice Chair
Dyanne Broidy
Kyle R. Elliott
Barrett Hardiman
Eddie L. Jackson, Jr.
Gregory Lewis
Marika McCray
Harold Parker, Jr.

March 11, 2025

Penrose, LLC
Attn: Patrick Steward, RVP
230 Wyoming Ave.
Kingston, PA 18704

RE: RRHA RFP 2025-01 Project Based Vouchers – Diamond District 9%

Dear Mr. Steward:

Thank you for responding to Richmond Redevelopment and Housing Authority's Request for Proposal No. RRHA-RFP-2025-01 for Project Based Vouchers (PBVs) issued on **January 16, 2025.** In response to your proposal, I am pleased to inform you that you have been awarded **12** PBVs for your project located at **2728 Hermitage Rd., Richmond, VA 23220.** The term of the PBVs will be for 20 years subject to the execution of a HAP contract. This commitment is in effect from March 11, 2025 – March 10, 2027 (two years) subject to your satisfactory compliance with the terms and conditions stipulated in the aforementioned RFP.

In addition, if you indicated in your response to the aforementioned RFP that your project was applying for Low-Income Housing Tax Credits (LIHTCs) through Virginia Housing, then this commitment is contingent upon receiving an allocation of Low-Income Housing Tax Credits no later than March 10, 2026. If you do not receive an allocation of tax credits or execute the HAP contract by the defined deadlines, you will be required to request PBVs from RRHA by any open available method, i.e. a future RFP for competitive award of PBVs.

Congratulations on receiving this commitment. We look forward to working with you. If you have any additional questions, you may contact me by e-mail at colene.orsini@rrha.com.

Sincerely,

Colene Sue Orsini

Colene S. Orsini, VCA
VP of Procurement and Contract Administration

CC: Fatimah Smothers-Hargrove, RRHA
Corey Franklin, RRHA
Sherrill Hampton, RRHA

Richmond RHA
Building Communities. Changing Lives.

P.O. Box 26887
Richmond VA 23261-6887
600 East Broad Street, 4th Floor
Richmond, VA 23219

(O) (804) 780-4200
TTY: Dial 7-1-1

info@rrha.com
www.rrha.com

Chief Executive Officer
Steven B. Nesmith

Board of Commissioners
Eddie L. Jackson, Jr., Chair
Harold Parker, Jr., Vice Chair
Dyanne Broidy
Kyle R. Elliott
Barrett Hardiman
W.R. "Bill" Johnson, Jr.
Gregory Lewis
Marika McCray
Charlene Pitchford

March 05, 2026

Penrose, LLC
Attn: Patrick Steward, RVP
230 Wyoming Ave.
Kingston, PA 18704

RE: RRHA RFP 2025-01 Project-Based Vouchers – Diamond District 9%

Dear Mr. Steward:

On March 11, 2025, Richmond Redevelopment & Housing Authority awarded **12** PBVs for your project located at **2728 Hermitage Rd., Richmond, VA 23220.** This letter reconfirms the award with the following changes:

- The pre-commitment period has been changed and is now in effect from March 11, 2025, to December 31, 2027, and is subject to satisfactory compliance with the terms and conditions stipulated in the associated RFP under which the award was made, and also subject to Voucher availability, funding, and HUD regulations.

- This commitment is also contingent on the receipt of Low-Income Housing Tax Credits and closing by January 31, 2027.

Sincerely,

Colene Sue Orsini

Colene S. Orsini, VCA
VP of Procurement and Contract Administration

CC: Fatimah Smothers-Hargrove, RRHA
Corey Franklin, RRHA
Sherrill Hampton, RRHA

Tab M:

Intentionally Blank

Tab N:

Homeownership Plan

Tab O:

Plan of Development Certification Letter

Plan of Development Certification

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

General Instructions

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

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

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

Plan of Development Certification

DATE: 3/10/2026

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

RE: PLAN OF DEVELOPMENT CERTIFICATION

Name of Development: Diamond District Phase 1 (9%)

Name of Owner/Applicant: Diamond District Phase 1 Nine, LLC

Name of Seller/Current Owner: Diamond District Partners, LLC

The above-referenced Owner/Applicant has asked this office to complete this form letter regarding the site plan of the proposed Development (more fully described below). This certification is rendered solely for the purpose of confirming the status of plan of development or site plan approval of the Development. It is understood that this letter will be used by the Virginia Housing Development Authority solely for the purpose of determining whether the Development qualifies for points available under Virginia Housing's Qualified Allocation Plan for housing tax credits.

DEVELOPMENT DESCRIPTION:

Development Address:

2728 Hermitage Road
Richmond, VA 23220

Legal Description:

_Beginning at a point on the southeasterly corner of Parcel E3, at the intersection of Road A and Road B:
THENCE (1) South 89°45'49" West, 218.58 feet to the beginning of a curve concave northerly, said curve has a radius of 318.25 feet;
THENCE (2) westerly along said curve through a central angle of 37°42'17" an arc distance of 209.43 feet to a point of compound curvature, said curve is concave northeasterly and has a radius of 6.25 feet;
THENCE (3) northwesterly along said curve through a central angle of 56°27'09" an arc distance of 6.16 feet to a point of reverse curvature, said curve is concave westerly and has a radius of 55.75 feet;
THENCE (4) northerly along said curve through a central angle of 33°06'36" an arc distance of 32.22 feet to a point of non-tangency;
THENCE (5) North 29°22'49" West, 62.78 feet to a point of non-tangency;
THENCE (6) North 60°37'11" East, 271.63 feet to a point of non-tangency;
THENCE (7) North 89°45'49" East, 215.46 feet to a point of non-tangency;
THENCE (8) South 0°17'55" East, 290.00 feet;
Containing 106,731.83 square feet, 2.45 acres of land

Plan of Development Number: SITE-176353-2025

Proposed Improvements:

New Construction:	# Units	50	# Buildings	1	Total Floor Area	67,320
Adaptive Reuse	# Units		# Buildings		Total Floor Area	
Rehabilitation:	# Units		# Buildings		Total Floor Area	

Other Descriptive Information:

The subject parcel (E3) is part of a greater master plan mixed-use development. This parcel is a part of Phase IA of the master plan development which must provide a minimum of 161 Affordable Housing Units as required by the Diamond District Redevelopment Project Purchase and Sale and Development Agreement.

LOCAL CERTIFICATION:

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

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

The above plan of development approval is in effect until: 03-09-2030

Kevin J. Vonck
Digitally signed by Kevin J. Vonck
Date: 2026.03.10 08:55:57 -04'00'
Signed

Kevin J. Vonck
Printed Name

Director, Planning and Development Review
Title

804-646-3741
Phone

10 March 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 **reduction of points** under the scoring system. If you have any questions, please contact the Tax Credit Allocation Department at taxcreditapps@virginiahousing.com

Tab P:

Zero Energy or Passive House documentation for prior allocation by this developer

BUILDING ADVISORS
PROVIDENCE | PHILADELPHIA | RICHMOND

October 16, 2025

Whitney Ellis
Pennrose, LLC
VIA EMAIL

Re: Ridley Place/Choice Neighborhoods III-R:
Confirmed Ratings Report

Ms. Ellis:
Innova Building Advisors, LLC ("Innova") was engaged by the Pennrose, LLC ("Owner") to verify compliance of the dwellings within the above-referenced property with the DOE Zero Energy Ready Homes (v.1) program (ZERH). Innova was also engaged to certify the project under the 2020 Enterprise Green Communities standard.

This letter is provided to confirm that all the dwellings referenced herein have earned ZERH certification, inclusive of EPA ENERGY STAR for Multifamily New Construction (MFNC) and Indoor AirPLUS (IAP) certifications. All such certificates are attached hereto as Attachment B. Certification under the Enterprise Green Communities program is granted following the submission of close out documentation, which is underway.

The following conditions were observed to be at variance with those assumed in the Projected HERS Ratings:

- Energy rating software change: REM-Rate version 16.3.4. used for Projected HERS Ratings; Ekotrope version 4.2.2.3730 used for confirmed and registered ratings.

The following rated features were confirmed by Innova's HERS Raters and RFIs and during construction:

1.1. Weather Data: Normalization based on weather data for Newport News City County climate (IECC Climate Zone 3A)
1.2. Enclosure
  1.2.1. General
  1.2.2. Slab: R-10 rigid at slab edge, R-10 rigid vertical insulation at inside face of foundation wall extending from slab to top of footing around full perimeter of building; R-10 rigid horizontal insulation 2' wide around full perimeter of building; RESNET Grade I at each plane.
  1.2.3. Exterior Walls: 2"x6" wood framed, 16" O.C., with RESNET Grade I 5.5" fiberglass batt cavity insulation (R-20).
  1.2.4. Rim joists: R-20 open cell spray foam at the interior.
  1.2.5. Wall finish: 5/8" drywall
  1.2.6. Roof:
    1.2.6.1. Mixed Use Building: sealed attic assembly, R-30 rigid insulation 100% above roof deck, RESNET Grade I installation.
    1.2.6.2. Stacked flats and Townhomes: sealed attic assembly, R-30 rigid insulation 100% above roof deck, R-19 open-cell spray foam applied to underside of roof deck. RESNET Grade I installation.
  1.2.7. Windows: double-glazed vinyl, single-hung; U-0.28, SHGC-0.22; Low-E, Argon fill.
  1.2.8. Doors
    1.2.8.1. Townhomes and stacked flats: Exterior entry: 1-3/4" insulated fiberglass, R-5.88.

1.2.8.2. Mixed used building: 1-3/4 solid wood entry from corridors.

1.3. Mechanical (all individual systems)
- 1.3.1. 1BR Units: ductless inverter-driven mini-split air source heat pump, 18 kBTU (outdoor unit), 18.0 SEER2, 8.7 HSPF2.
- 1.3.2. 2-, 3- and 4BR units: ducted vertical inverter-driven air source heat pump, 17.2 kBTU 15.2 SEER2, 7.8 HSPF2.
- 1.3.3. Ductwork: 100% located within conditioned space, insulated to R-4
  - 1.3.3.1. Duct leakage to outside (maximum)(townhomes only): 4 CFM25 per 100 sf of conditioned floor area
  - 1.3.3.2. Total duct leakage (maximum): 8 CFM25 per 100 sf of conditioned floor area
- 1.3.4. Ventilation: whole-house exhaust only ventilation via a bathroom exhaust fan that operates 24/7. Flow rates set to ASHRAE 62.2 minimum.
- 1.3.5. Infiltration: maximum 0.30 CFM50 per square foot of enclosure;
- 1.3.6. Water heating: individual electric tank water heaters, 0.91 EF.

1.4. Lighting: 100% LED interior and exterior

1.5. Appliances:
- 1.5.1. ENERGY STAR labeled refrigerator at 602 kWh/yr .
- 1.5.2. ENERGY STAR labeled dishwasher at 240 kWh/yr.
- 1.5.3. ENERGY STAR labeled clothes washer
- 1.5.4. Electric clothes dryer
- 1.5.5. Electric range/oven.

1.6. Additional compliance:
- 1.6.1. Certification under EPA ENERGY STAR for Multifamily New Construction, v. 1.1. (MFNC)
- 1.6.2. Certification under EPA Indoor AirPLUS, v. 1. (IAP)
- 1.6.3. Compliance with all provisions of the following checklists:
  - 1.6.3.1. DOE ZERH Renewable Energy Ready Home
  - 1.6.3.2. EPA IAP Verification Checklist
  - 1.6.3.3. MFNC Rater Design Review Checklist
  - 1.6.3.4. MFNC HVAC Design Report
  - 1.6.3.5. MFNC Rater Field Checklist
  - 1.6.3.6. MFNC HVAC Functional Testing Checklist
  - 1.6.3.7. MFNC Water Management System Requirements.

The Target and Confirmed HERS Ratings are identified by unit on Attachment A hereto; ZERH certificates attached hereto as Attachment B.

Please do not hesitate to contact the undersigned with any questions or concerns.

Sincerely,



Adam Blackburn
Vice President and Principal
Innova Building Advisors, LLC

Att. A: HERS Ratings Table; B: ZERH Certificates

ATTACHMENT A: HERS Rating Table

Address (Unit)	Target HERS	Confirmed HERS
600 Ridley Circle, Unit 211	60	56
600 Ridley Circle, Unit 109	60	56
600 Ridley Circle, Unit 106	58	56
600 Ridley Circle, Unit 213	57	54
600 Ridley Circle, Unit 305	57	50
600 Ridley Circle, Unit 202	59	55
600 Ridley Circle, Unit 210	59	55
600 Ridley Circle, Unit 310	59	55
600 Ridley Circle, Unit 104	59	59
600 Ridley Circle, Unit 101	59	59
600 Ridley Circle, Unit 103	59	59
600 Ridley Circle, Unit 107	59	59
600 Ridley Circle, Unit 108	59	59
600 Ridley Circle, Unit 206	57	56
600 Ridley Circle, Unit 216	57	56
600 Ridley Circle, Unit 306	57	56
600 Ridley Circle, Unit 316	57	56
600 Ridley Place, Unit 314	59	57
600 Ridley Place, Unit 214	59	57
600 Ridley Place, Unit 102	60	58
600 Ridley Place, Unit 302	60	58
600 Ridley Place, Unit 309	60	58
600 Ridley Place, Unit 311	60	58
600 Ridley Place, Unit 201	58	56
600 Ridley Place, Unit 203	58	56
600 Ridley Place, Unit 204	58	56
600 Ridley Place, Unit 208	58	56
600 Ridley Place, Unit 207	58	56
600 Ridley Place, Unit 215	58	56
600 Ridley Place, Unit 315	58	56
600 Ridley Place, Unit 304	58	56
600 Ridley Place, Unit 307	58	56
600 Ridley Place, Unit 308	58	56
600 Ridley Place, Unit 301	58	56
600 Ridley Place, Unit 303	58	56
600 Ridley Place, Unit 105	58	52

600 Ridley Place, Unit 205	58	53
600 Ridley Place, Unit 209	58	55
600 Ridley Place, Unit 312	58	51
600 Ridley Place, Unit 212	58	51
600 Ridley Place, Unit 313	58	51
668 18TH ST (1-04)	60	54
664 18TH ST (1-05)	60	54
658 18TH ST (1-08)	60	54
656 18TH ST (1-09)	60	54
1668 LEGACY WAY (2-05)	60	54
1666 LEGACY WAY (2-06)	60	55
667 16TH ST (3-04)	60	55
669 16TH ST (3-05)	60	55
1672 LEGACY WAY (2-03)	59	53
1670 LEGACY WAY (2-04)	59	53
671 16TH ST (3-06)	59	53
673 16TH ST (3-07)	59	53
660 18TH ST (1-07)	59	53
675 16TH ST (3-08)	59	52
677 16TH ST (3-09)	58	55
1676 LEGACY WAY (2-01)	58	53
1674 LEGACY WAY (2-02)	57	55
654 18TH ST (1-11)	58	53
1662 LEGACY WAY (2-08)	58	53
652 18TH ST (1-10)	59	54
1664 LEGACY WAY (2-07)	59	54
650 18TH ST(1-12)	59	52
1660 LEGACY WAY (2-09)	59	52
670 18TH ST (1-02)	58	51
663 16TH ST (3-02)	58	51
674 18TH ST (1-03)	58	54
665 16TH ST (3-03)	58	54
661 16TH ST (3-01)	57	51
672 18TH ST (1-01)	57	51
662 18TH ST (1-06)	59	53

ATTACHMENT B: ZERH Certificates

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

600 Ridley Circle, Unit 211, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 573192615

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-11

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3729

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	56	N/A	60

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

600 Ridley Circle, Unit 202, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 042440235

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-11

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3729

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	55	N/A	59

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

600 Ridley Circle, Unit 210, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 603505397

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-11

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3729

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	55	N/A	59

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

600 Ridley Circle, Unit 310, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 625789974

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-11

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3729

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	55	N/A	59

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

600 Ridley Circle, Unit 102, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 408404001

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-11

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3729

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	58	N/A	60

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

600 Ridley Circle, Unit 302, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 000828347

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-11

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3729

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	58	N/A	60

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

600 Ridley Circle, Unit 309, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 222126995

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-11

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3729

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	58	N/A	60

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

600 Ridley Circle, Unit 311, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 690509023

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-11

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3729

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	58	N/A	60

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

600 Ridley Circle, Unit 109, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 392722379

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-26

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3729

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	56	N/A	60

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

600 Ridley Circle, Unit 104, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 238695023

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-11

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3729

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	59	N/A	59

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

600 Ridley Circle, Unit 101, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 016834389

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-11

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3729

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	59	N/A	59

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

600 Ridley Circle, Unit 103, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 923434124

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-11

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3729

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	59	N/A	59

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

600 Ridley Circle, Unit 208, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 646364472

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-26

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3729

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	56	N/A	58

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

600 Ridley Circle, Unit 207, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 241314263

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-26

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3729

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	56	N/A	58

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

600 Ridley Circle, Unit 215, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 865276859

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-26

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3729

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	56	N/A	58

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

600 Ridley Circle, Unit 315, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 516258183

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-26

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3729

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	56	N/A	58

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

600 Ridley Circle, Unit 203, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 157998590

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-26

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3729

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	56	N/A	58

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

600 Ridley Circle, Unit 201, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 138769364

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-26

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3729

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	56	N/A	58

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

600 Ridley Circle, Unit 204, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 665702164

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-26

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3729

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	56	N/A	58

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

600 Ridley Circle, Unit 304, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 243118894

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-26

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3729

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	56	N/A	59

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

600 Ridley Circle, Unit 307, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 588733014

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-26

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3729

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	56	N/A	59

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

600 Ridley Circle, Unit 308, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 069214653

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-26

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3729

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	56	N/A	59

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

600 Ridley Circle, Unit 301, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 472441506

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-26

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3729

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	56	N/A	59

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

600 Ridley Circle, Unit 303, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 221676611

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-26

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3729

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	56	N/A	59

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

600 Ridley Circle, Unit 107, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 647454391

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-11

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3729

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	59	N/A	59

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

600 Ridley Circle, Unit 108, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 806306226

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-11

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3729

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	59	N/A	59

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

600 Ridley Circle, Unit 206, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 918749774

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-11

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3729

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	56	N/A	57

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

600 Ridley Circle, Unit 216, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 654895651

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-11

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3729

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	56	N/A	57

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

600 Ridley Circle, Unit 306, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 597697247

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-11

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3729

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	56	N/A	57

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

600 Ridley Circle, Unit 316, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 414889517

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-11

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3729

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	56	N/A	57

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

600 Ridley Circle, Unit 106, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 034696610

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-11

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3729

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	56	N/A	58

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

600 Ridley Circle, Unit 209, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 475256537

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-26

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3729

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	55	N/A	58

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

600 Ridley Circle, Unit 314, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 321991635

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-11

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3729

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	57	N/A	59

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

600 Ridley Circle, Unit 214, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 334787058

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-11

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3729

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	57	N/A	59

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

600 Ridley Circle, Unit 305, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 253428507

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-11

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3729

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	50	N/A	57

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

600 Ridley Circle, Unit 105, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 362263078

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-26

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3729

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	52	N/A	58

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

600 Ridley Circle, Unit 205, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 423154943

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-26

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3729

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	53	N/A	56

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

600 Ridley Circle, Unit 312, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 980325279

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-29

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3729

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	51	N/A	58

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

600 Ridley Circle, Unit 212, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 684967923

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-29

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3729

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	51	N/A	58

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

600 Ridley Circle, Unit 313, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 490794296

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-29

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3729

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	51	N/A	58

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

600 Ridley Circle, Unit 213, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 216351554

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-11

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3729

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	54	N/A	57

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

1664 Legacy Way, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 780766460

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-26

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3729

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	55	N/A	58

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

675 16th Street, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 538574829

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-29

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3729

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	52	N/A	59

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

677 16th Street, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 468959616

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-29

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3729

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	55	N/A	58

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

1676 Legacy Way, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 065556746

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-29

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3729

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	53	N/A	58

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

1674 Legacy Way, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 308356091

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-29

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3729

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	55	N/A	57

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

654 18th Street, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 042682083

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-29

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3729

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	53	N/A	58

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

1662 Legacy Way, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 945341332

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-29

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3729

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	53	N/A	58

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

652 18th Street, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 483621395

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-29

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3729

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	54	N/A	59

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

650 18th Street, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 877361345

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-29

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3729

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	52	N/A	59

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

1660 Legacy Way, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 061189722

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-29

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3729

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	52	N/A	59

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

670 18th Street, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 866361120

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-29

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3729

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	51	N/A	58

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

663 16th Street, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 695196493

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-29

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3729

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	51	N/A	58

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

665 16th Street, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 950928110

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-11

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3729

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	54	N/A	58

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

674 18th Street, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 569933996

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-11

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3729

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	54	N/A	58

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

661 16th Street, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 475151067

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-29

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3729

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	51	N/A	57

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

672 18th Street, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 617070771

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-29

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3729

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	51	N/A	57

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

668 18th Street, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 147973807

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-29

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3729

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	54	N/A	60

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

664 18th Street, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 479307794

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-29

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3729

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	54	N/A	60

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

658 18th Street, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 932854964

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-29

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3729

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	54	N/A	60

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

656 18th Street, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 776690779

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-29

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3729

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	54	N/A	60

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

1668 Legacy Way, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 930279961

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-29

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3729

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	54	N/A	60

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

1666 Legacy Way, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 056275391

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-29

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3729

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	55	N/A	60

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

667 16th Street, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 075670251

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-29

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3729

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	55	N/A	60

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

669 16th Street, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 608444633

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-29

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3729

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	55	N/A	60

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

1672 Legacy Way, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 237438207

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-29

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3729

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	53	N/A	59

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

1670 Legacy Way, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 601465828

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-29

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3729

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	53	N/A	59

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

671 16th Street, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 967593198

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-29

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3729

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	53	N/A	59

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

673 16th Street, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 341202412

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-29

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3729

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	53	N/A	59

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

660 18th Street, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 711712671

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-29

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3729

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	53	N/A	59

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

662 18th Street, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 185458867

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-29

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3729

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	53	N/A	59

BUILDING ADVISORS
PROVIDENCE | PHILADELPHIA | RICHMOND

October 16, 2025

Whitney Ellis
Pennrose, LLC
VIA EMAIL

Re: Ridley Place/Choice Neighborhoods IV-R:
Confirmed Ratings Report

Ms. Ellis:
Innova Building Advisors, LLC ("Innova") was engaged by the Pennrose, LLC ("Owner") to verify compliance of the dwellings within the above-referenced property with the DOE Zero Energy Ready Homes (v.1) program (ZERH). Innova was also engaged to certify the project under the 2020 Enterprise Green Communities standard.

This letter is provided to confirm that all the dwellings referenced herein have earned ZERH certification, inclusive of EPA ENERGY STAR for Multifamily New Construction (MFNC) and Indoor AirPLUS (IAP) certifications. All such certificates are attached hereto as Attachment B. Certification under the Enterprise Green Communities program is granted following the submission of close out documentation, which is underway.

The following conditions were observed to be at variance with those assumed in the Projected HERS Ratings:

- Energy rating software change: REM-Rate version 16.3.4. used for Projected HERS Ratings; Ekotrope version 4.2.2.3730 used for confirmed and registered ratings.

The following rated features were confirmed by Innova's HERS Raters and RFIs and during construction:

1.1. Weather Data: Normalization based on weather data for Newport News City County climate (IECC Climate Zone 3A)
1.2. Enclosure
  1.2.1. General
  1.2.2. Slab: R-10 rigid at slab edge, R-10 rigid vertical insulation at inside face of foundation wall extending from slab to top of footing around full perimeter of building; R-10 rigid horizontal insulation 2' wide around full perimeter of building; RESNET Grade I at each plane.
  1.2.3. Exterior Walls: 2"x6" wood framed, 16" O.C., with RESNET Grade I 5.5" fiberglass batt cavity insulation (R-20).
  1.2.4. Rim joists: R-20 open cell spray foam at the interior.
  1.2.5. Wall finish: 5/8" drywall
  1.2.6. Roof: sealed attic assembly, R-30 rigid insulation 100% above roof deck, R-19 open-cell spray foam applied to underside of roof deck. RESNET Grade I installation.
  1.2.7. Windows: double-glazed vinyl, single-hung; U-0.28, SHGC-0.22; Low-E, Argon fill.
  1.2.8. Doors: Exterior entry: 1-3/4" insulated fiberglass, R-5.88.
1.3. Mechanical (all individual systems)
  1.3.1. 1BR Units: ductless inverter-driven mini-split air source heat pump, 18 kBTU (outdoor unit), 18.0 SEER2, 8.7 HSPF2.
  1.3.2. 2-, 3- and 4BR units: ducted vertical inverter-driven air source heat pump, 17.2 kBTU 15.2 SEER2, 7.8 HSPF2.

1.3.3. Ductwork: 100% located within conditioned space, insulated to R-4
1.3.3.1. Duct leakage to outside (maximum)(townhomes only): 4 CFM25 per 100 sf of conditioned floor area
1.3.3.2. Total duct leakage (maximum): 8 CFM25 per 100 sf of conditioned floor area
1.3.4. Ventilation: whole-house exhaust only ventilation via a bathroom exhaust fan that operates 24/7. Flow rates set to ASHRAE 62.2 minimum.
1.3.5. Infiltration: maximum 0.30 CFM50 per square foot of enclosure;
1.3.6. Water heating: individual electric tank water heaters, 0.91 EF.
1.4. Lighting: 100% LED interior and exterior
1.5. Appliances:
1.5.1. ENERGY STAR labeled refrigerator at 602 kWh/yr .
1.5.2. ENERGY STAR labeled dishwasher at 240 kWh/yr.
1.5.3. ENERGY STAR labeled clothes washer
1.5.4. Electric clothes dryer
1.5.5. Electric range/oven.
1.6. Additional compliance:
1.6.1. Certification under EPA ENERGY STAR for Multifamily New Construction, v. 1.1. (MFNC)
1.6.2. Certification under EPA Indoor AirPLUS, v. 1. (IAP)
1.6.3. Compliance with all provisions of the following checklists:
1.6.3.1. DOE ZERH Renewable Energy Ready Home
1.6.3.2. EPA IAP Verification Checklist
1.6.3.3. MFNC Rater Design Review Checklist
1.6.3.4. MFNC HVAC Design Report
1.6.3.5. MFNC Rater Field Checklist
1.6.3.6. MFNC HVAC Functional Testing Checklist
1.6.3.7. MFNC Water Management System Requirements.

The Target and Confirmed HERS Ratings are identified by unit on Attachment A hereto; ZERH certificates attached hereto as Attachment B.

Please do not hesitate to contact the undersigned with any questions or concerns.

Sincerely,



Adam Blackburn
Vice President and Principal
Innova Building Advisors, LLC

Att. A: HERS Ratings Table; B: ZERH Certificates

ATTACHMENT A: HERS Rating Table

Address (Unit)	Target HERS	Confirmed HERS
144 JOHN RIDLEY WAY (9-01)	57	50
665 14TH ST (9-02)	58	51
667 14TH ST (9-03)	58	54
146 JOHN RIDLEY WAY (9-09)	58	53
1452 LEGACY WAY (7-01)	58	53
660 16TH ST (4-01)	59	51
662 14TH ST (10-01)	59	51
659 12TH ST (14-01)	59	51
678 16TH ST (4-10)	58	53
1552 LEGACY WAY (5-01)	58	53
678 14TH ST (10-09)	58	53
666 16TH ST (4-04)	60	53
672 16TH ST (4-07)	60	53
674 16TH ST (4-08)	60	53
1548 LEGACY WAY (5-03)	60	53
1546 LEGACY WAY (5-04)	60	53
668 16TH ST (4-05)	60	53
670 16TH ST (4-06)	60	53
1544 LEGACY WAY (5-05)	60	53
127 JOHN RDILEY WAY (6-03)	60	53
125 JOHN RIDLEY WAY (6-04)	60	53
676 16TH ST (4-09)	57	55
1550 LEGACY WAY (5-02)	57	55
1450 LEGACY WAY (7-02)	57	55
677 14TH ST (9-08)	57	55
676 14TH ST (10-08)	57	55
662 16TH ST (4-02)	58	53
664 14TH ST (10-02)	58	53
661 12TH ST (14-02)	58	53
664 16TH ST (4-03)	59	54
663 12TH ST (14-03)	59	54
666 14TH ST (10-03)	59	54
1542 LEGACY WAY (5-06)	59	52
129 JOHN RIDLEY WAY (6-02)	59	52
123 JOHN RIDLEY WAY (6-05)	59	52
1442 LEGACY WAY (7-06)	59	52

149 JOHN RIDLEY WAY (8-02)	59	52
1540 LEGACY WAY (5-07)	58	55
131 JOHN RIDLEY WAY (6-01)	58	55
121 JOHN RIDLEY WAY (6-06)	58	55
1440 LEGACY WAY (7-07)	58	55
147 JOHN RIDLEY WAY (8-01)	58	55
1448 LEGACY WAY (7-03)	60	53
151 JOHN RIDLEY WAY (8-03)	60	53
153 JOHN RIDLEY WAY (8-04)	60	53
673 14TH ST (9-06)	60	53
675 14TH ST (9-07)	60	53
1446 LEGACY WAY (7-04)	60	53
1444 LEGACY WAY (7-05)	60	53
669 14TH ST (9-04)	60	53
671 14TH ST (9-05)	60	53
672 14TH ST (10-06)	60	53
155 JOHN RIDLEY WAY (8-05)	59	52
1342 LEGACY WAY (11-06)	59	52
139 BOLDEN ST (12-02)	59	52
133 BOLDEN ST (12-05)	59	52
1250 LEGACY WAY (13-02)	59	52
157 JOHN RIDLEY WAY (8-06)	58	55
1340 LEGACY WAY (11-07)	58	55
141 BOLDEN ST (12-01)	58	55
131 BOLDEN ST (12-06)	58	55
1252 LEGACY WAY (13-01)	58	55
668 14TH ST (10-04)	60	54
670 14TH ST (10-05)	60	54
1348 LEGACY WAY (11-03)	60	54
137 BOLDEN ST (12-03)	60	54
135 BOLDEN ST (12-04)	60	54
674 14TH ST (10-07)	60	52
1346 LEGACY WAY (11-04)	60	52
1344 LEGACY WAY (11-05)	60	52
1248 LEGACY WAY (13-03)	60	52
1246 LEGACY WAY (13-04)	60	52
1352 LEGACY WAY (11-01)	58	52
1240 LEGACY WAY (13-07)	58	52
677 12TH ST (14-10)	58	52
1350 LEGACY WAY (11-02)	57	55
1242 LEGACY WAY (13-06)	57	55

675 12TH ST (14-09)	57	55
1244 LEGACY WAY (13-05)	60	54
665 12TH ST (14-04)	60	54
673 12TH ST (14-08)	60	54
671 12 TH ST (14-07)	60	54
667 12TH ST (14-05)	60	56
669 12TH ST (14-06)	60	56

ATTACHMENT B: ZERH Certificates

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

123 John Ridley Way, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 179534778

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-10-14

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	52	N/A	59

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

1542 Legacy Way, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 153195130

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-10-14

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

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SCORES	52	N/A	59

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

129 John Ridley Way, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 192974912

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-10-14

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

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SCORES	52	N/A	59

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

1442 Legacy Way, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 992559106

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

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RESNET

DATE HOME CERTIFIED

2025-10-14

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

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SCORES	52	N/A	59

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

149 John Ridley Way, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 114046339

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

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RESNET

DATE HOME CERTIFIED

2025-10-14

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	52	N/A	59

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

139 Bolden St., Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 271037621

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-10-14

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

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SCORES	52	N/A	59

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

155 John Ridley Way, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 707736422

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-10-14

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

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SCORES	52	N/A	59

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

1342 Legacy Way, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 706347099

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-10-14

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

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SCORES	52	N/A	59

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

133 Bolden St., Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 671160678

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-10-14

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	52	N/A	59

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

1250 Legacy Way, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 829708420

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-10-14

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	52	N/A	59

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

131 John Ridley Way, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 647086880

BUILDER OF RECORD

Pennrose

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-10-14

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	55	N/A	58

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

1540 Legacy Way, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 351867566

BUILDER OF RECORD

Pennrose

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-10-14

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	55	N/A	58

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

121 John Ridley Way, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 510823548

BUILDER OF RECORD

Pennrose

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-10-14

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	55	N/A	58

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

1440 Legacy Way, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 479166253

BUILDER OF RECORD

Pennrose

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-10-14

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	55	N/A	58

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

147 John Ridley Way, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 357538030

BUILDER OF RECORD

Pennrose

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-10-14

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	55	N/A	58

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

1340 Legacy Way, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 936406469

BUILDER OF RECORD

Pennrose

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-10-14

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	55	N/A	58

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

157 John Ridley Way, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 465487240

BUILDER OF RECORD

Pennrose

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-10-14

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	55	N/A	58

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

141 Bolden St., Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 970477491

BUILDER OF RECORD

Pennrose

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-10-14

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	55	N/A	58

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

131 Bolden St., Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 533930515

BUILDER OF RECORD

Pennrose

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-10-14

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	55	N/A	58

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

1252 Legacy Way, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 345525710

BUILDER OF RECORD

Pennrose

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-10-14

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	55	N/A	58

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

146 John Rildey Way, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 451203054

BUILDER OF RECORD

Pennrose

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-10-14

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	53	N/A	58

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

1452 Legacy Way, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 655216469

BUILDER OF RECORD

Pennrose

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-10-14

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	52	N/A	58

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

1552 Legacy Way, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 467757432

BUILDER OF RECORD

Pennrose

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-10-14

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	53	N/A	58

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

678 16th St., Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 071908846

BUILDER OF RECORD

Pennrose

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-10-14

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	53	N/A	58

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

678 14th St., Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 875083982

BUILDER OF RECORD

Pennrose

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-10-14

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	53	N/A	58

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

1240 Legacy Way, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 433388987

BUILDER OF RECORD

Pennrose

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-10-14

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	52	N/A	58

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

1352 Legacy Way, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 538095401

BUILDER OF RECORD

Pennrose

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-10-14

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	52	N/A	58

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

677 12th St., Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 582843260

BUILDER OF RECORD

Pennrose

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-10-14

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	52	N/A	58

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

676 14th St., Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 815552112

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-29

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	55	N/A	57

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

676 16th St., Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 816780054

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-29

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	55	N/A	57

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

1550 Legacy Way, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 998066468

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-29

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	55	N/A	57

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

1450 Legacy Way, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 980802050

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-29

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	55	N/A	57

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

677 14th St., Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 416243062

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-29

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	55	N/A	57

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

1350 Legacy Way, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 072116423

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-29

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	55	N/A	57

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

1242 Legacy Way, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 059265217

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-29

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	55	N/A	57

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

675 12th St., Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 060505468

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-09-29

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	55	N/A	57

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

662 16th Street, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 750786824

BUILDER OF RECORD

Pennrose

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-10-14

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	53	N/A	58

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

664 14th St., Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 693146090

BUILDER OF RECORD

Pennrose

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-10-14

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	53	N/A	58

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

661 12th St., Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 190111322

BUILDER OF RECORD

Pennrose

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-10-14

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	53	N/A	58

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

664 16th St., Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 073600434

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-10-14

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	54	N/A	59

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

663 12th St., Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 769454753

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-10-14

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	54	N/A	59

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

666 14th St., Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 023070846

BUILDER OF RECORD

Pennrose, LLC

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-10-14

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	54	N/A	59

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

662 14th Street, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 771975481

BUILDER OF RECORD

Pennrose

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-10-14

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	51	N/A	59

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

660 16th St., Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 016501786

BUILDER OF RECORD

Pennrose

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-10-14

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	51	N/A	59

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

659 12th St., Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 683871546

BUILDER OF RECORD

Pennrose

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-10-14

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	51	N/A	59

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

665 14th Street, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 548762176

BUILDER OF RECORD

Pennrose

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-10-10

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	51	N/A	58

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

667 14th Street, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 513715605

BUILDER OF RECORD

Pennrose

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-10-10

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	54	N/A	58

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

144 John Ridley Way, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 881996893

BUILDER OF RECORD

Pennrose

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-10-10

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	50	N/A	57

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ADDRESS

1548 Legacy Way, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 550199220

BUILDER OF RECORD

Pennrose

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-10-14

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	53	N/A	60

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

666 16th St., Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 199116271

BUILDER OF RECORD

Pennrose

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-10-14

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	53	N/A	60

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

672 16th St., Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 001107831

BUILDER OF RECORD

Pennrose

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-10-14

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	53	N/A	60

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

674 16th St., Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 484820960

BUILDER OF RECORD

Pennrose

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-10-14

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	53	N/A	60

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

1546 Legacy Way, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 764743920

BUILDER OF RECORD

Pennrose

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-10-14

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	53	N/A	60

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

151 John Ridley Way, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 000338285

BUILDER OF RECORD

Pennrose

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-10-14

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	53	N/A	60

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

1448 Legacy Way, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 731200686

BUILDER OF RECORD

Pennrose

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-10-14

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	53	N/A	60

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

153 John Ridley Way, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 364165984

BUILDER OF RECORD

Pennrose

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-10-14

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	53	N/A	60

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

673 14th St., Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 516322143

BUILDER OF RECORD

Pennrose

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-10-14

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	53	N/A	60

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

675 14th St., Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 906982085

BUILDER OF RECORD

Pennrose

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-10-14

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	53	N/A	60

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

137 Bolden St., Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 381411999

BUILDER OF RECORD

Pennrose

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-10-14

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	54	N/A	60

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

668 14th St., Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 565725270

BUILDER OF RECORD

Pennrose

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-10-14

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	54	N/A	60

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

670 14th St., Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 216521335

BUILDER OF RECORD

Pennrose

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-10-14

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	54	N/A	60

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

1348 Legacy Way, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 006824421

BUILDER OF RECORD

Pennrose

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-10-14

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	54	N/A	60

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

135 Bolden St., Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 180751376

BUILDER OF RECORD

Pennrose

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-10-14

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	54	N/A	60

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

665 12th St., Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 588070559

BUILDER OF RECORD

Pennrose

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-10-14

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	54	N/A	60

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

1244 Legacy Way, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 896580255

BUILDER OF RECORD

Pennrose

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-10-14

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	54	N/A	60

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

673 12th St., Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 134746512

BUILDER OF RECORD

Pennrose

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-10-14

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	54	N/A	60

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

671 12th St., Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 559163459

BUILDER OF RECORD

Pennrose

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-10-14

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	54	N/A	60

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

127 John Ridley Way, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 594745977

BUILDER OF RECORD

Pennrose

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-10-14

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	53	N/A	59

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

668 16th St., Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 954405231

BUILDER OF RECORD

Pennrose

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-10-14

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	53	N/A	59

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

670 16th St., Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 072845764

BUILDER OF RECORD

Pennrose

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-10-14

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	53	N/A	59

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

1544 Legacy Way, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 143618616

BUILDER OF RECORD

Pennrose

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-10-14

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	53	N/A	59

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

125 John Ridley Way, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 285120319

BUILDER OF RECORD

Pennrose

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-10-14

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	53	N/A	59

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

1446 Legacy Way, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 970013211

BUILDER OF RECORD

Pennrose

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-10-14

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	53	N/A	59

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

1444 Legacy Way, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 903056519

BUILDER OF RECORD

Pennrose

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-10-14

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	53	N/A	59

U.S. DEPARTMENT OF ENERGY

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SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

669 14th St., Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 196487341

BUILDER OF RECORD

Pennrose

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-10-14

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

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	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	53	N/A	59

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

671 14th St., Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 931665490

BUILDER OF RECORD

Pennrose

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-10-14

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	53	N/A	59

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

672 14th St., Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 496689639

BUILDER OF RECORD

Pennrose

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-10-14

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	53	N/A	59

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

1248 Legacy Way, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 337365063

BUILDER OF RECORD

Pennrose

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-10-14

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

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SCORES	52	N/A	59

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

674 14th St., Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 028894013

BUILDER OF RECORD

Pennrose

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-10-14

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	52	N/A	59

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

1346 Legacy Way, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 923793752

BUILDER OF RECORD

Pennrose

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-10-14

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	52	N/A	59

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

1344 Legacy Way, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 297377926

BUILDER OF RECORD

Pennrose

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-10-14

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

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SCORES	52	N/A	59

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

1246 Legacy Way, Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 371121586

BUILDER OF RECORD

Pennrose

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-10-14

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

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U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

667 12th St., Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 181426214

BUILDER OF RECORD

Pennrose

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

DATE HOME CERTIFIED

2025-10-14

SOFTWARE USED TO CALCULATE ENERGY RATING INDEX (ERI) SCORE

Ekotrope RATER - Version 4.2.2.3730

	HOME'S ERI SCORE (WITHOUT ONSITE POWER PRODUCTION)	HOME'S ERI SCORE (INCLUDING ONSITE POWER PRODUCTION)	ZERH TARGET ERI SCORE
SCORES	56	N/A	59

U.S. DEPARTMENT OF ENERGY

Zero Energy Ready Home Program Certified Home

SPECIFICATION
Version 1

ZERO ENERGY READY HOME
U.S. DEPARTMENT OF ENERGY

ADDRESS

669 12th St., Newport News, VA 23607

CERTIFICATION ID NUMBER

RESNET Registry ID: 565870916

BUILDER OF RECORD

Pennrose

ZERH PARTNER ID

2608

ENERGY RATING COMPANY

Innova Building Advisors, LLC

RATER OF RECORD

Adam Blackburn

CERTIFIED UNDER DOE-RECOGNIZED HCO FOR ZERH

RESNET

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SCORES	56	N/A	59

Tab Q:

Documentation of Rental Assistance, Tax Abatement and/or existing RD or HUD Property

Richmond RHA
Building Communities. Changing Lives.

P.O. Box 26887
Richmond VA 23261-6887
600 East Broad Street, 4th Floor
Richmond, VA 23219

(O) (804) 780-4200
TTY: Dial 7-1-1

info@rrha.com
www.rrha.com

Chief Executive Officer
Steven B. Nesmith

Board of Commissioners
Eddie L. Jackson, Jr., Chair
Harold Parker, Jr., Vice Chair
Dyanne Broidy
Kyle R. Elliott
Barrett Hardiman
W.R. "Bill" Johnson, Jr.
Gregory Lewis
Marika McCray
Charlene Pitchford

March 05, 2026

Penrose, LLC
Attn: Patrick Steward, RVP
230 Wyoming Ave.
Kingston, PA 18704

RE: RRHA RFP 2025-01 Project-Based Vouchers – Diamond District 9%

Dear Mr. Steward:

On March 11, 2025, Richmond Redevelopment & Housing Authority awarded **12** PBVs for your project located at **2728 Hermitage Rd., Richmond, VA 23220.** This letter reconfirms the award with the following changes:

- The pre-commitment period has been changed and is now in effect from March 11, 2025, to December 31, 2027, and is subject to satisfactory compliance with the terms and conditions stipulated in the associated RFP under which the award was made, and also subject to Voucher availability, funding, and HUD regulations.

- This commitment is also contingent on the receipt of Low-Income Housing Tax Credits and closing by January 31, 2027.

Sincerely,

Colene Sue Orsini

Colene S. Orsini, VCA
VP of Procurement and Contract Administration

CC: Fatimah Smothers-Hargrove, RRHA
Corey Franklin, RRHA
Sherrill Hampton, RRHA

Richmond RHA
Building Communities. Changing Lives.

P.O. Box 26887
Richmond VA 23261-6887
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Chief Executive Officer
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Board of Commissioners
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Barrett Hardiman
Eddie L. Jackson, Jr.
Gregory Lewis
Marika McCray
Harold Parker, Jr.

March 11, 2025

Penrose, LLC
Attn: Patrick Steward, RVP
230 Wyoming Ave.
Kingston, PA 18704

RE: RRHA RFP 2025-01 Project Based Vouchers – Diamond District 9%

Dear Mr. Steward:

Thank you for responding to Richmond Redevelopment and Housing Authority's Request for Proposal No. RRHA-RFP-2025-01 for Project Based Vouchers (PBVs) issued on **January 16, 2025.** In response to your proposal, I am pleased to inform you that you have been awarded **12** PBVs for your project located at **2728 Hermitage Rd., Richmond, VA 23220.** The term of the PBVs will be for 20 years subject to the execution of a HAP contract. This commitment is in effect from March 11, 2025 – March 10, 2027 (two years) subject to your satisfactory compliance with the terms and conditions stipulated in the aforementioned RFP.

In addition, if you indicated in your response to the aforementioned RFP that your project was applying for Low-Income Housing Tax Credits (LIHTCs) through Virginia Housing, then this commitment is contingent upon receiving an allocation of Low-Income Housing Tax Credits no later than March 10, 2026. If you do not receive an allocation of tax credits or execute the HAP contract by the defined deadlines, you will be required to request PBVs from RRHA by any open available method, i.e. a future RFP for competitive award of PBVs.

Congratulations on receiving this commitment. We look forward to working with you. If you have any additional questions, you may contact me by e-mail at colene.orsini@rrha.com.

Sincerely,

Colene Sue Orsini

Colene S. Orsini, VCA
VP of Procurement and Contract Administration

CC: Fatimah Smothers-Hargrove, RRHA
Corey Franklin, RRHA
Sherrill Hampton, RRHA

Docusign Envelope ID: F4D78EB0-80A4-4D0F-AFB7-4185E40B2F85

Richmond RHA
Building Communities. Changing Lives.

P.O. Box 26887
Richmond VA 23261-6887
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Chief Executive Officer
Steven B. Nesmith

Board of Commissioners
W.R. "Bill" Johnson, Jr., Chair
Charlene Pitchford, Vice Chair
Veronica G. Blount
Dyanne Broidy
Kyle R. Elliott
Barrett Hardiman
Edward L. Jackson, Jr.
Gregory Lewis
Harold Parker, Jr.

September 22, 2025

Re: Housing Choice Voucher Program Payment Standards effective January 1, 2026

Richmond Redevelopment and Housing Authority will establish payment standards that are **110%** of the FY 2025 Final Fair Market Rents (FMR) for **tenant-based and project-based vouchers** as set below:

Bedroom Size	EFF	1 BR	2 BR	3 BR	4 BR	5 BR	6 BR
FMR	$1,442	$1,507	$1,655	$2,072	$2,553	$3,229	$3,650
PS	$1,586	$1,658	$1,821	$2,279	$2,808	$3,229	$3,650

DocuSigned by:
Steven Nesmith
08E467882AB7473...
Signature

09-22-2025 | 8:48 PM EDT
Date

CEO
Title

*"**Building Communities. Changing Lives**." is the vision of the Richmond Redevelopment and Housing Authority. RRHA is Virginia's largest public housing authority serving over 10,000 residents and managing nearly 4,000 units through the public housing program. RRHA provides subsidized housing assistance to more than 3,000 families and is a catalyst for quality affordable housing and community revitalization. For more information about RRHA programs and objectives, visit rrha.com, or keep up with us on social media: Facebook, Twitter, Instagram or Linkedin.*

CITY OF RICHMOND

Housing &
Community Development

March 5, 2026

Patrick Stewart
Regional Vice President
Pennrose, LLC
Diamond District Phase 1 Nine, LLC
2728 Hermitage Rd
Richmond, Virginia 23220 pstewart@pennrose.com

Project Name: Diamond District 9% (50 units)

Dear Mr. Stewart:

This Letter is to confirm that the City of Richmond ("City") is in receipt of the Affordable Housing Performance Grant ("AHPG") application for the above-referenced project. Initial review indicates that the project meets the requirements of the program.

As a 100% affordable development, the project qualifies for a 30-year performance grant tax rebate on the real estate tax increase above the base real estate tax amount prior to construction.

Thanks for providing affordable housing in the City of Richmond.

Sincerely,

Merrick T. Malone

Merrick Malone, Esq.
Director, Housing & Community Development

Tab R:

Documentation of Utility Allowance calculation

innova
BUILDING ADVISORS
1548 S. 16TH STREET | PHILADELPHIA PA 19146

February 23, 2026

John Michels
Pennrose, LLC

VIA EMAIL

Re: Utility Allowance Calculation - HUSM
Diamond District Phase 1 (9%)
Richmond, VA 23220

Mr. Michels:

Innova Building Advisors, LLC ("Innova") is pleased to submit the attached estimated utility allowance calculation for each unit type for the above-referenced new construction project.

The following analysis was prepared using the HUD Utility Schedule Model (HUSM).

The attached analysis is composed of four sections: (1) Executive Summary, including compliance statement regarding methodology and itemization of the documents used to construct the models; (2) HUD Utility Schedule Model Projected Family Allowances; (3) HUD Utility Schedule Model Inputs; and (4) Utility Rate Assumptions.

Please do not hesitate to contact the undersigned with any questions or concerns.

Thank you,



Adam Blackburn
Vice President and Principal
Innova Building Advisors, LLC

1. Executive Summary

Innova completed a HUD Utility Schedule Model (HUSM) based on our understanding that the building will be regulated by the Department of Housing and Urban Development (HUD) and receive project-based rental assistance. As such, the utility allowance projected by the model shall apply to all units.

The HUSM itemizes Projected Family Allowances for 0-5 Bedroom units. The project consists of (10) 1-bedroom apartments, (30) 2-bedroom apartments and (10) 3-bedroom apartments contained (1) in 4-story building. Projected allowances are provided for each type.

It is assumed that each unit will be individually metered for electric and that residents will pay only for heating, cooling, water heating, cooking, plugloads and lighting within the dwelling units. Owner-paid electrical usage for common area systems are not contemplated in this calculation.

The estimates are based on current utility rates obtained from Dominion Energy for electric service. Such rates are described in Section 4, Utility Rate Assumptions.

Projected monthly utility costs are provided in the table on the following page for all units and are intended to serve as utility allowance estimates for use in establishing affordable housing development rents.

The utility costs summarized herein are based on the projected conditions and systems in newly constructed units; accordingly, historical billing data is excluded from this report.

[this section intentionally left blank]

2. HUD Utility Schedule Model Projected Family Allowances

2.1. The table below describes monthly estimated utility allowances in the HUD-52667 format.

Building A (9%)						
Utility	Type of Service (gas, elec., etc.)	To Be Paid by: Owner/Tenant		Monthly Allowance per Unit Size		
				1	2	3
Space Heating	Electric		X	$ 23.40	$ 26.00	$ 28.40
Cooking	Electric		X	$ 6.40	$ 9.00	$ 11.40
Other Electric (Plug loads/Lights)	Electric		X	$ 22.00	$ 31.00	$ 40.00
Air Conditioning	Electric		X	$ 9.00	$ 12.00	$ 16.00
Water Heating	Electric		X	$ 14.00	$ 18.00	$ 22.00
Domestic Water	Water	X				
Sewer	Sewer	X				
		Totals		$ 74.80	$ 96.00	$ 117.80

The HUSM Projected Allowances are attached hereto as Attachment A.

3. HUD Utility Schedule Model Inputs

3.1. Attachment B contains building, unit, and utility data entered into the HUSM. The table below is a capture of the climate data.

Climate Data (Degree Days)

Richmond, VA

PHA Code: 23221

Typical Low Temp: 40

	HDD	CDD
Jan	842	0
Feb	675	0
Mar	516	6
Apr	240	36
May	74	119
Jun	7	315
Jul	0	443
Aug	1	388
Sep	28	197
Oct	204	39
Nov	443	5
Dec	743	1
Annual	3773	1549

4. Utility Rate Assumptions

4.1. Rate Determination Matrix:

Electric Tariff - All Unit Types							
Company	Rate	Type	Cost First 800 kWh June-Sept	Cost First 800 kWh Oct-May	Cost Over 800 kWh June-Sept	Cost Over 800 kWh Oct-May	Unit
Dominion	Distribution kWh Charge	Schedule 1 Residential	$ 0.035690	$ 0.035690	$ 0.023596	$ 0.023596	per kWh
	Generation kWh Charge	Schedule 1 Residential	$ 0.031212	$ 0.030064	$ 0.046243	$ 0.026965	per kWh
	Transmission kWh Charge	Schedule 1 Residential	$ 0.009700	$ 0.009700	$ 0.009700	$ 0.009700	per kWh
	Rider A	Schedule 1 Residential	$ 0.029680	$ 0.029680	$ 0.029680	$ 0.029680	per kWh
	RiderC1A	Schedule 1 Residential	$ 0.000231	$ 0.000231	$ 0.000231	$ 0.000231	per kWh
	Rider C4A	Schedule 1 Residential	$ 0.001336	$ 0.001336	$ 0.001336	$ 0.001336	per kWh
	Rider CCR	Schedule 1 Residential	$ 0.001765	$ 0.001765	$ 0.001765	$ 0.001765	per kWh
	Rider CE	Schedule 1 Residential	$ 0.003668	$ 0.003668	$ 0.003668	$ 0.003668	per kWh
	Rider DIST	Schedule 1 Residential	$ 0.006241	$ 0.006241	$ 0.006241	$ 0.006241	per kWh
	Rider E	Schedule 1 Residential	$ 0.000625	$ 0.000625	$ 0.000625	$ 0.000625	per kWh
	Rider GEN	Schedule 1 Residential	$ 0.007564	$ 0.007564	$ 0.007564	$ 0.007564	per kWh
	Rider OSW	Schedule 1 Residential	$ 0.011229	$ 0.011229	$ 0.011229	$ 0.011229	per kWh
	Rider PIPP	Schedule 1 Residential	$ -	$ -	$ -	$ -	per kWh
	Rider RBB	Schedule 1 Residential	$ 0.000531	$ 0.000531	$ 0.000531	$ 0.000531	per kWh
	Rider RGGI	Schedule 1 Residential	$ -	$ -	$ -	$ -	per kWh
	Rider RPS	Schedule 1 Residential	$ 0.007676	$ 0.007676	$ 0.007676	$ 0.007676	per kWh
	Rider SMR	Schedule 1 Residential	$ 0.000287	$ 0.000287	$ 0.000287	$ 0.000287	per kWh
	Rider SNA	Schedule 1 Residential	$ 0.003475	$ 0.003475	$ 0.003475	$ 0.003475	per kWh
	Rider T1	Schedule 1 Residential	$ 0.011789	$ 0.011789	$ 0.011789	$ 0.011789	per kWh
	Sales & Use Surcharge	Schedule 1 Residential	$ 0.000921	$ 0.000921	$ 0.000921	$ 0.000921	per kWh
	Consumption Tax (Total Ra	Schedule 1 Residential	$ 0.001565	$ 0.001565	$ 0.001565	$ 0.001565	per kWh
		Total	**$ 0.165185**	**$ 0.164037**	**$ 0.168122**	**$ 0.148844**	**per kWh**
	Fixed Customer Charge	Schedule 1 Residential	**$ 7.58**	**$ 7.58**	**$ 7.58**	**$ 7.58**	**Monthly**
	Effective Date	2/4/2026					

[end of document]

ATTACHMENT A

HUSM Allowance Tables

Allowances for Tenant-Furnished Utilities and Other Services

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

Locality	Green Discount	Unit Type	Date
ZIP23221 - Richmond, VA	LEED	Larger Apartment Building (5+ units)	02/23/2026

Utility/Service	Utility/Service	Monthly Dollar Allowances					
Utility/Service	Utility/Service	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
Space Heating	Natural Gas	n/a	n/a	n/a	n/a	n/a	n/a
	Bottle Gas	n/a	n/a	n/a	n/a	n/a	n/a
	Electric Resistance	$15	$18	$23	$28	$33	$38
	Electric Heat Pump	$21	$23	$26	$28	$30	$32
	Fuel Oil	n/a	n/a	n/a	n/a	n/a	n/a
Cooking	Natural Gas	n/a	n/a	n/a	n/a	n/a	n/a
	Bottle Gas	n/a	n/a	n/a	n/a	n/a	n/a
	Electric	$5	$6	$9	$11	$14	$17
	Other	n/a	n/a	n/a	n/a	n/a	n/a
Other Electric		$19	$22	$31	$40	$49	$57
Air Conditioning		$8	$9	$12	$16	$19	$23
Water Heating	Natural Gas	n/a	n/a	n/a	n/a	n/a	n/a
	Bottle Gas	n/a	n/a	n/a	n/a	n/a	n/a
	Electric	$12	$14	$18	$22	$26	$30
	Fuel Oil	n/a	n/a	n/a	n/a	n/a	n/a
Water		n/a	n/a	n/a	n/a	n/a	n/a
Sewer		n/a	n/a	n/a	n/a	n/a	n/a
Trash Collection		n/a	n/a	n/a	n/a	n/a	n/a
Range/Microwave		n/a	n/a	n/a	n/a	n/a	n/a
Refrigerator		n/a	n/a	n/a	n/a	n/a	n/a
Other – specify		n/a	n/a	n/a	n/a	n/a	n/a

Projected Family Allowances (To be used to compute specific family allowances)	Utility/Service		Cost/Month
	Space Heating	Electric Heat Pump	$23
Family Name	Cooking	Electric	$6
	Other Electric	Electric	$22
	Air Conditioning	Electric	$9
Unit Address	Water Heating	Electric	$14
	Water	Not applicable	$0
	Sewer	Not applicable	$0
	Trash Collection	Not applicable	$0
Number of Bedrooms	Range/Microwave	Tenant pays	$0
1	Refrigerator	Tenant pays	$0
	Other	Not applicable	$0
	Total		$75

Allowances for Tenant-Furnished Utilities and Other Services

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

Locality	Green Discount	Unit Type	Date
ZIP23221 - Richmond, VA	LEED	Larger Apartment Building (5+ units)	02/23/2026

Utility/Service	Utility/Service	Monthly Dollar Allowances					
Utility/Service	Utility/Service	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
Space Heating	Natural Gas	n/a	n/a	n/a	n/a	n/a	n/a
	Bottle Gas	n/a	n/a	n/a	n/a	n/a	n/a
	Electric Resistance	$15	$18	$23	$28	$33	$38
	Electric Heat Pump	$21	$23	$26	$28	$30	$32
	Fuel Oil	n/a	n/a	n/a	n/a	n/a	n/a
Cooking	Natural Gas	n/a	n/a	n/a	n/a	n/a	n/a
	Bottle Gas	n/a	n/a	n/a	n/a	n/a	n/a
	Electric	$5	$6	$9	$11	$14	$17
	Other	n/a	n/a	n/a	n/a	n/a	n/a
Other Electric		$19	$22	$31	$40	$49	$57
Air Conditioning		$8	$9	$12	$16	$19	$23
Water Heating	Natural Gas	n/a	n/a	n/a	n/a	n/a	n/a
	Bottle Gas	n/a	n/a	n/a	n/a	n/a	n/a
	Electric	$12	$14	$18	$22	$26	$30
	Fuel Oil	n/a	n/a	n/a	n/a	n/a	n/a
Water		n/a	n/a	n/a	n/a	n/a	n/a
Sewer		n/a	n/a	n/a	n/a	n/a	n/a
Trash Collection		n/a	n/a	n/a	n/a	n/a	n/a
Range/Microwave		n/a	n/a	n/a	n/a	n/a	n/a
Refrigerator		n/a	n/a	n/a	n/a	n/a	n/a
Other – specify		n/a	n/a	n/a	n/a	n/a	n/a

Projected Family Allowances (To be used to compute specific family allowances)	Utility/Service		Cost/Month
	Space Heating	Electric Heat Pump	$26
Family Name	Cooking	Electric	$9
	Other Electric	Electric	$31
	Air Conditioning	Electric	$12
Unit Address	Water Heating	Electric	$18
	Water	Not applicable	$0
	Sewer	Not applicable	$0
	Trash Collection	Not applicable	$0
Number of Bedrooms	Range/Microwave	Tenant pays	$0
2	Refrigerator	Tenant pays	$0
	Other	Not applicable	$0
	Total		$96

Allowances for Tenant-Furnished Utilities and Other Services

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

Locality	Green Discount	Unit Type	Date
ZIP23221 - Richmond, VA	LEED	Larger Apartment Building (5+ units)	02/23/2026

Utility/Service	Utility/Service	Monthly Dollar Allowances					
Utility/Service	Utility/Service	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
Space Heating	Natural Gas	n/a	n/a	n/a	n/a	n/a	n/a
	Bottle Gas	n/a	n/a	n/a	n/a	n/a	n/a
	Electric Resistance	$15	$18	$23	$28	$33	$38
	Electric Heat Pump	$21	$23	$26	$28	$30	$32
	Fuel Oil	n/a	n/a	n/a	n/a	n/a	n/a
Cooking	Natural Gas	n/a	n/a	n/a	n/a	n/a	n/a
	Bottle Gas	n/a	n/a	n/a	n/a	n/a	n/a
	Electric	$5	$6	$9	$11	$14	$17
	Other	n/a	n/a	n/a	n/a	n/a	n/a
Other Electric		$19	$22	$31	$40	$49	$57
Air Conditioning		$8	$9	$12	$16	$19	$23
Water Heating	Natural Gas	n/a	n/a	n/a	n/a	n/a	n/a
	Bottle Gas	n/a	n/a	n/a	n/a	n/a	n/a
	Electric	$12	$14	$18	$22	$26	$30
	Fuel Oil	n/a	n/a	n/a	n/a	n/a	n/a
Water		n/a	n/a	n/a	n/a	n/a	n/a
Sewer		n/a	n/a	n/a	n/a	n/a	n/a
Trash Collection		n/a	n/a	n/a	n/a	n/a	n/a
Range/Microwave		n/a	n/a	n/a	n/a	n/a	n/a
Refrigerator		n/a	n/a	n/a	n/a	n/a	n/a
Other – specify		n/a	n/a	n/a	n/a	n/a	n/a

Projected Family Allowances (To be used to compute specific family allowances)	Utility/Service		Cost/Month
	Space Heating	Electric Heat Pump	$28
Family Name	Cooking	Electric	$11
	Other Electric	Electric	$40
	Air Conditioning	Electric	$16
Unit Address	Water Heating	Electric	$22
	Water	Not applicable	$0
	Sewer	Not applicable	$0
	Trash Collection	Not applicable	$0
Number of Bedrooms	Range/Microwave	Tenant pays	$0
3	Refrigerator	Tenant pays	$0
	Other	Not applicable	$0
	Total		$118

ATTACHMENT B

Building, unit, and utility data entered into the HUSM

Office of Policy Development and Research (PD&R)
U.S. Department of Housing and Urban Development

This tool was last updated in 2016.

HUD Utility Schedule Model (HUSM)
U.S. Department of Housing and Urban Development
Allowances Model for Tenant-Furnished Utilities and Other Services
(Based on Form 52667)

Preview Allowance Schedule | Projected Family Allowances

Location

Search for PHA or ZIP ?
Selected PHA or ZIP: ZIP23221 - Richmond, VA
Form Date: 02/23/2026
Climate Data (Degree Days): Show Details

Unit Information

Unit Type: Larger Apartment Building (5+
Bedrooms: 3 Bedroom
Electric Tariff: Standard
Include A/C Allowance: (•) Yes ( ) No

Energy Savings Design
( ) None
( ) Energy Star Certification?
(•) LEED Certification ?
( ) Significant Green Retrofit?

Choose LEED Certification, a 25% energy reduction, if the property meets the LEED standards according to the U.S. Green Building Council (USGBC).

Actual Allowance

Space Heating	Electric Heat Pump	**Sewer**	Sewer Not applicable
Cooking	Electric	**Trash Collection**	Not applicable
Other Electric	Electric	**Range/Microwave**	Range/Microwave Tenant pays
Air Conditioning	Electric	**Refrigerator**	Refrigerator Tenant pays
Water Heating	Electric	**Other**	Not applicable
Water	Not applicable		

Standard Electric Utility Tariff

		Previous	Current	
Utility Name		Utility Name	Utility Name Dominion	
Rate Name		Rate Name	Rate Name Schedule 1 Residential	
Effective Date		Effective Date MM/DD/YYYY	Effective Date 02/04/2026	
First Month of Summer		First Month of Summer January	First Month of Summer June	Select January if rate is not seasonal
Last Month of Summer		Last Month of Summer December	Last Month of Summer September	Select December if rate is not seasonal
Monthly Charge		Monthly Charge	Monthly Charge 7.58	$/month
Floor	Floor ☐	Floor		
Ceiling	Ceiling ☐	Ceiling		
Summer				
Size of First Block		Size of First Block remainder	Size of First Block 800	kWh
Size of Second Block		Size of Second Block	Size of Second Block remainder	kWh
Size of Third Block		Size of Third Block	Size of Third Block	kWh
Size of Fourth Block		Size of Fourth Block	Size of Fourth Block	kWh
Cost of First Block		Cost of First Block n/a	Cost of First Block .165185	$/kWh
Cost of Second Block		Cost of Second Block	Cost of Second Block .168122	$/kWh
Cost of Third Block		Cost of Third Block	Cost of Third Block n/a	$/kWh
Cost of Fourth Block		Cost of Fourth Block	Cost of Fourth Block	$/kWh
Winter				
Size of First Block		Size of First Block remainder	Size of First Block 800	kWh
Size of Second Block		Size of Second Block	Size of Second Block remainder	kWh
Size of Third Block		Size of Third Block	Size of Third Block	kWh
Size of Fourth Block		Size of Fourth Block	Size of Fourth Block	kWh
Cost of First Block		Cost of First Block n/a	Cost of First Block .164037	$/kWh

Cost of Second Block	Cost of Second Block		Cost of Second Block .148844	$/kWh
Cost of Third Block	Cost of Third Block		Cost of Second Block n/a	$/kWh
Cost of Fourth Block	Cost of Fourth Block		Cost of Fourth Block	$/kWh
Extra Charges	Extra Charges		Extra Charges	$/kWh
Taxes	Extra Charges		Extra Charges	%

Special Electric Heating / All Electric Tariff

Use Electric Heat Tariff ○ Yes ◉ No

	Previous		Current	
Utility Name	Utility Name		Utility Name	
Rate Name	Rate Name		Rate Name	
Effective Date	Effective Date MM/DD/YYYY		Effective Date MM/DD/YYYY	
First Month of Summer	First Month of Summer January		First Month of Summer January	Select January if rate is not seasonal
Last Month of Summer	Last Month of Summer December		Last Month of Summer December	Select December if rate is not seasonal
Monthly Charge	Monthly Charge		Monthly Charge	$/month
Floor	Floor ☐	Floor		
Ceiling	Ceiling ☐	Ceiling		
Summer				
Size of First Block	Ceiling remainder		Ceiling remainder	kWh
Size of Second Block	Size of Second Block		Size of Second Block	kWh
Size of Third Block	Size of Third Block		Size of Third Block	kWh
Size of Fourth Block	Size of Fourth Block		Size of Fourth Block	kWh
Cost of First Block	Cost of First Block n/a		Cost of First Block n/a	$/kWh
Cost of Second Block	Cost of Second Block		Cost of Second Block	$/kWh
Cost of Third Block	Cost of Third Block		Cost of Third Block	$/kWh
Cost of Fourth Block	Cost of Fourth Block		Cost of Fourth Block	$/kWh
Winter				
Size of First Block	Size of First Block remainder		Size of First Block remainder	kWh
Size of Second Block	Size of Second Block		Size of Second Block	kWh
Size of Third Block	Size of Third Block		Size of Third Block	kWh
Size of Fourth Block	Size of Fourth Block		Size of Fourth Block	kWh
Cost of First Block	Cost of First Block n/a		Cost of First Block n/a	$/kWh
Cost of Second Block	Cost of Second Block		Cost of Second Block	$/kWh
Cost of Third Block	Cost of Third Block		Cost of Third Block	$/kWh
Cost of Fourth Block	Cost of Fourth Block		Cost of Fourth Block	$/kWh
Extra Charges	Extra Charges		Extra Charges	$/kWh
Taxes	Taxes		Taxes	%

Standard Natural Gas Utility Tariff

	Previous		Current	
Utility Name	Utility Name		Utility Name	
Rate Name	Rate Name		Rate Name	
Effective Date	Effective Date MM/DD/YYYY		Effective Date MM/DD/YYYY	
Measurement Units	Measurement Units Therms			
First Month of Summer	First Month of Summer January		First Month of Summer January	Select January if rate is not seasonal
Last Month of Summer	Last Month of Summer December		Last Month of Summer December	Select December if rate is not seasonal
Monthly Charge	Monthly Charge		Monthly Charge	$/month
Floor	Floor ☐	Floor		
Ceiling	Ceiling ☐	Ceiling		
Summer				
Size of First Block	Size of First Block remainder		Size of First Block remainder	Therms
Size of Second Block	Size of Second Block		Size of Second Block	Therms
Size of Third Block	Size of Third Block		Size of Third Block	Therms
Size of Fourth Block	Size of Fourth Block		Size of Fourth Block	Therms
Cost of First Block	Cost of First Block n/a		Cost of First Block n/a	$/Therm
Cost of Second Block	Cost of Second Block		Cost of Second Block	$/Therm
Cost of Third Block	Cost of Third Block		Cost of Third Block	$/Therm
Cost of Fourth Block	Cost of Fourth Block		Cost of Fourth Block	$/Therm
Winter				
Size of First Block	Size of First Block remainder		Size of First Block remainder	Therms
Size of Second Block	Size of Second Block		Size of Second Block	Therms
Size of Third Block	Size of Third Block		Size of Third Block	Therms
Size of Fourth Block	Size of Fourth Block		Size of Fourth Block	Therms
Cost of First Block	Cost of First Block n/a		Cost of First Block n/a	$/Therm

Cost of Second Block	Cost of Second Block		Cost of Second Block	$/Therm
Cost of Third Block	Cost of Third Block		Cost of Third Block	$/Therm
Cost of Fourth Block	Cost of Fourth Block		Cost of Fourth Block	$/Therm
Extra Charges	Supplier Name		Supplier Name	$/Therm
Taxes	Supplier Name		Supplier Name	%

Fuel Oil Delivery Contract

		Previous	Current	
Supplier Name		Supplier Name	Supplier Name	
Effective Date		Effective Date MM/DD/YYYY	Effective Date MM/DD/YYYY	
Monthly Charge		Monthly Charge	Monthly Charge	$/month
Floor	Floor ☐	Floor		
Ceiling	Ceiling ☐	Ceiling		
Size of First Block		Size of First Block remainder	Size of First Block remainder	Gallons
Size of Second Block		Size of Third Block	Size of Third Block	Gallons
Size of Third Block		Size of Third Block	Size of Third Block	Gallons
Size of Fourth Block		Size of Fourth Block	Size of Fourth Block	Gallons
Cost of First Block		Supplier Name n/a	Supplier Name n/a	$/Gallon
Cost of Second Block		Supplier Name	Supplier Name	$/Gallon
Cost of Third Block		Cost of Third Block	Cost of Third Block	$/Gallon
Cost of Fourth Block		Cost of Fourth Block	Cost of Fourth Block	$/Gallon
Extra Charges		Extra Charges	Extra Charges	$/Gallon
Taxes		Taxes	Taxes	%

Liquified Petroleum Gas (Bottle Gas) Delivery Contract

		Previous	Current	
Supplier Name		Supplier Name	Supplier Name	
Effective Date		Effective Date MM/DD/YYYY	Effective Date MM/DD/YYYY	
Monthly Charge		Monthly Charge	Monthly Charge	$/month
Floor	Floor ☐	Floor		
Ceiling	Ceiling ☐	Ceiling		
Size of First Block		Size of First Block remainder	Size of First Block remainder	lbs
Size of Second Block		Size of Second Block	Size of Second Block	lbs
Size of Third Block		Size of Third Block	Size of Third Block	lbs
Size of Fourth Block		Size of Fourth Block	Size of Fourth Block	lbs
Cost of First Block		Cost of First Block n/a	Cost of First Block n/a	$/lb
Cost of Second Block		Cost of Second Block	Cost of Second Block	$/lb
Cost of Third Block		Cost of Third Block	Cost of Third Block	$/lb
Cost of Fourth Block		Cost of Fourth Block	Cost of Fourth Block	$/lb
Extra Charges		Extra Charges	Extra Charges	$/lb
Taxes		Taxes	Taxes	%

Water Supply Tariff

		Previous	Current	
Supplier Name		Supplier Name	Supplier Name	
Effective Date		Effective Date MM/DD/YYYY	Effective Date MM/DD/YYYY	
Measurement Units		Cubic Feet		
Monthly Charge		Monthly Charge	Monthly Charge	$/month
Floor	Floor ☐	Floor		
Ceiling	Ceiling ☐	Ceiling		
Size of First Block		Size of First Block remainder	Size of First Block remainder	Cubic Feet
Size of Second Block		Size of Second Block	Size of Second Block	Cubic Feet
Size of Third Block		Size of Third Block	Size of Third Block	Cubic Feet
Size of Fourth Block		Size of Fourth Block	Size of Fourth Block	Cubic Feet
Cost of First Block		Cost of First Block n/a	Cost of First Block n/a	$/Cubic Foot
Cost of Second Block		Cost of Second Block	Cost of Second Block	$/Cubic Foot
Cost of Third Block		Cost of Third Block	Cost of Third Block	$/Cubic Foot
Cost of Fourth Block		Cost of Fourth Block	Cost of Fourth Block	$/Cubic Foot
Extra Charges		Extra Charges	Extra Charges	$/Cubic Foot
Taxes		Taxes	Taxes	%

Sewer Tariff

		Previous	Current	
Sewer Service Name		Sewer Service Name	Sewer Service Name	
Effective Date		Effective Date MM/DD/YYYY	Effective Date MM/DD/YYYY	
Measurement Units		Cubic Feet		
Monthly Charge		Monthly Charge	Monthly Charge	$/month
Floor	Floor ☐	Floor		
Ceiling	Ceiling ☐	Ceiling		
Size of First Block		Size of First Block remainder	Size of First Block remainder	Cubic Feet
Size of Second Block		Size of Second Block	Size of Second Block	Cubic Feet
Size of Third Block		Size of Third Block	Size of Third Block	Cubic Feet
Size of Fourth Block		Size of Fourth Block	Size of Fourth Block	Cubic Feet
Cost of First Block		Cost of First Block n/a	Cost of First Block n/a	$/Cubic Foot
Cost of Second Block		Cost of Second Block	Cost of Second Block	$/Cubic Foot
Cost of Third Block		Cost of Third Block	Cost of Third Block	$/Cubic Foot
Cost of Fourth Block		Cost of Fourth Block	Cost of Fourth Block	$/Cubic Foot
Extra Charges		Extra Charges	Extra Charges	$/Cubic Foot
Taxes		Taxes	Taxes	%

Trash Collection Fees

	Previous	Current
Studio	Studio	Studio
1 Bedroom	1 Bedroom	1 Bedroom
2 Bedroom	2 Bedroom	2 Bedroom
3 Bedroom	3 Bedroom	3 Bedroom
4 Bedroom	4 Bedroom	4 Bedroom
5 Bedroom	5 Bedroom	5 Bedroom

Range/Microwave Fees

	Previous	Current
Studio	Studio	Studio
1 Bedroom	Studio	Studio
2 Bedroom	Studio	Studio
3 Bedroom	Studio	Studio
4 Bedroom	Studio	Studio
5 Bedroom	Studio	Studio

Refrigerator Fees

	Previous	Current
Studio	Studio	Studio
1 Bedroom	1 Bedroom	1 Bedroom
2 Bedroom	2 Bedroom	2 Bedroom
3 Bedroom	3 Bedroom	3 Bedroom
4 Bedroom	4 Bedroom	4 Bedroom
5 Bedroom	5 Bedroom	5 Bedroom

Other Fees

	Previous	Current
Studio	Studio	Studio
1 Bedroom	1 Bedroom	1 Bedroom
2 Bedroom	2 Bedroom	2 Bedroom
3 Bedroom	3 Bedroom	3 Bedroom
4 Bedroom	4 Bedroom	4 Bedroom
5 Bedroom	5 Bedroom	5 Bedroom

Tab S:

Supportive House Mandatory
Certification and Documentation

Tab T:

Funding Documentation

HUDSON
HOUSING CAPITAL

March 10, 2026

Tricia Yarger
Executive Vice President Head of Capital Markets
Pennrose Holdings, LLC
One Brewery Park
1301 North 31st Street
Philadelphia, PA 19121-4495

Re: **Diamond District Phase 1 (9%), Richmond, VA**

Dear Tricia:

Thank you for providing Hudson Housing Capital LLC ("Hudson") with the opportunity to extend a purchase offer for the investment member interest in Diamond District Phase 1 Nine, LLC, the Limited Liability Company that will own Diamond District Phase 1 (9%) (the "Company").

Hudson is a Delaware limited liability company formed to directly acquire Investor Membership interests in limited liability companies and 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% investor member interest in the Company, which will own a 50-unit rental housing property in Richmond, VA (the "Property"). You have advised us that a Pennrose affiliate which may be a to-be-formed special purpose entity (the "Managing Member") will be the Managing Member of the Property. Pennrose, LLC, (the "Developer") will be the developer of the Property. Pennrose PHL, LLC and Pennrose, LLC, (the "Guarantors"), will jointly and severally guarantee the obligations of the Managing Member. Pennrose LLC and Pennrose PHL, LLC shall be required to maintain, in the aggregate a net worth of $5,000,000 and minimum liquidity of $1,000,000. An affiliate of the Investor will be admitted to the Company as a 0.01% special member (the "SLP") with limited supervisory rights.

You have advised us that the Property is applying for a 9% Tax Credit allocation in the annual amount of $1,078,463. You have advised that all 50 of the units will qualify for Tax Credits. Additionally, 12 units will receive Project Based Vouchers with a minimum contract term of the compliance period (the "Rental Subsidy Program").

630 FIFTH AVENUE, SUITE 2850 NEW YORK, NY 10111 TELEPHONE 212 218 4488 FACSIMILE 212 218 4467

I. Equity Investment

Assuming a closing no later than January 31, 2027 (for timing and credit purposes), the Investor will contribute to the Company a total of $9,176,801 (the "Total Equity"), or $0.851 (the "Federal Tax Credit Ratio") per Federal Tax Credit available to the Investor payable in the following installments:

Contribution	Contribution %	Timing
First	80%	At Closing and through Construction
Second	14%	100% Construction Completion/VHDA Conversion
Third	4.5%	Breakeven
Fourth	1.5%	8609s

A. ***First Capital Contribution.*** The Investor will fund the First Capital Contribution at closing and through construction as follows:

Contribution %	Timing
20%	Closing
20%	25% Completion
20%	50% Completion
20%	75% Completion

B. ***Second Capital Contribution.*** The Second Capital Contribution will be paid upon the satisfaction of the conditions set forth in the Operating 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; (ii) issuance of Certificates of Occupancy for 100% of the units in the Property or Temporary Certificate of Occupancy provided there is a hold back for 110% of the punch list items; (iii) receipt of a Tax Credit cost certification from independent accountants to the Partnership (the "Accountants") setting forth the eligible basis and the total available Tax Credits; (iv) receipt of a pay-off letter from the general contractor or sub-contractors, as applicable; (v)

satisfactory financial condition of the Guarantors (i.e., compliance with the Net Worth and Liquidity Covenant); (vi) if not received at the Initial Closing, receipt of a carry-over allocation; (vii) commencement of funding under the Rental Subsidy Program at no less than the underwritten rent levels; and (viii) closing of the VHDA permanent first mortgage loan ("Permanent Loan Closing").

C. ***Third Capital Contribution.*** The Third Capital Contribution will be paid upon the satisfaction of the conditions set forth in the Operating Agreement, which are principally as follows: (i) achievement of Breakeven Operations 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 2027/2028 and the amount allocable to each partner (the "Final Certification"); (iv) receipt of prior year's income tax returns in the event such returns are then due; (v) receipt and approval of initial tenant files; (vi) satisfactory financial condition of the Guarantors (i.e. compliance with the Net Worth and Liquidity Covenant); (vii) receipt of Permanent Certificates of Occupancy if not previously received; and (viii) evidence of continued funding under the Rental Subsidy Program at no less than the underwritten rent levels.

"Breakeven" shall mean that, for each such month, physical occupancy is at least 93% and that Property income (with rents not to exceed maximum allowed tax credit rents net of the applicable utility allowances for units not supported by the Rental Subsidy Program), exceeds the greater of underwritten expenses 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 assuming the greater of actual or a 7.00% vacancy rate on the residential income.

D. ***Fourth Capital Contribution.*** The Fourth Capital Contribution will be paid upon satisfaction of the conditions set forth in the Operating Agreement, which are principally as follows: (i) receipt of Form 8609 with respect to all buildings constituting the Property; (ii) receipt of a tax return and an audited financial statement for the year in which the Breakeven Date occurred; (iii) Permanent Certificate of Occupancy (if not already provided); (iv) Guarantor satisfying liquidity and net worth requirements; and (v) evidence of funding under the Rental Subsidy Program no less than the underwritten rent.

In the event such tax return and audited financial statement are not due at such time, $15,000 of the Fourth Capital Contribution shall be held back and released upon receipt of such items.

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

a. Construction loan in an amount to be determined and terms to be determined;

b. VHDA Permanent Loan in the amount of $1,275,000 with an interest rate of 6.90%, a term of 40 years, and payments based on a 40 year amortization;

c. VHDA REACH Loan in the amount of $3,625,000 with an interest rate of 3.95%, a term of 40 years, and payments based on a 40 year amortization;

d. DHCD VHTF Loan in the amount of $2,000,000 with terms to be determined;

e. DHCD NHTF/HOME Loan(s) in the amount of $1,000,000 with terms to be determined;

f. DHCD HIEE Loan in the amount of $2,000,000 with terms to be determined;

g. Richmond EAHP Loan in the amount of $1,625,000 with terms to be determined;

h. Diamond District Phase 1 Four, LLC ground lease payment in the amount of $710,000 with terms to be determined;

i. 12 units will be covered by project-based Section 8 HAP with a term of at least 15 years. An AHAP will be signed at Closing;

j. Our pricing assumes the Company will depreciate real property over 30 years and 60% bonus depreciation in the year the Property is placed in service on sitework (15-year property of no less than $750,000) and personal property (five-year property of no less than $500,000); and

k. Our proposal assumes that all of the debt will be structured as nonrecourse debt from a third party for tax purposes.

II. Developer Fee

The Developer shall receive a Developer Fee of approximately $2,215,000, of which a portion to be determined is expected to be paid from capital sources ("Cash Developer Fee") which shall be paid as follows: i) 30% of the estimated Cash Developer Fee (i.e. the non-deferred portion of the Developer Fee) shall be paid at closing; ii) 60% of the Cash Developer Fee (as recalculated at such time) less amounts previously paid, shall be paid at the time of the Second Capital Contribution; and iii) the balance shall be paid from the Third and Fourth Capital Contribution to the extent 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 allocating agency. Deferred developer fees shall be paid from available cash flow as detailed in Section V and shall not bear interest. Principal payments on the deferred developer fees shall commence with the funding of the Third Capital

Contribution. The Managing Member agrees to make a special capital contribution to the Company 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. If such payments are necessary, the Managing Member will be allocated an equal amount of the losses.

III. Property Management Fee

The Managing Member may retain one of its affiliates to be the managing agent for the Property on commercially reasonable terms. 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 8% of gross effective income, and shall otherwise be on commercially reasonable terms (including a termination right by the Managing Member in the event of fraud/gross negligence or material default by the managing agent). If the managing agent is affiliated with the Managing Member, the management agreement shall provide for a deferral of up to 100% of the management fee in the event that the property does not generate positive Cash Flow, which shall accrue and be payable as noted in sections IV and V.

IV. Cash Flow Distributions

Cash flow from the Property, after payment of operating expenses (including any current and deferred property management fees from prior years, debt service), replenishment of required reserves (including any reserve payments which were not made due to insufficient cash flow) and payment of any tax liability incurred by the Investor Member ("Cash Flow"), shall be distributed annually (subsequent to the Breakeven Date) as follows:

a. to maintain the Minimum Balance in the Operating Reserve;

b. to payment of any amounts owed to the Investor Member;

c. to payment of any Operating Deficit Loans, if any;

d. to the Developer Fees including interest until paid in full;

e. any amounts required to be paid with respect to any soft loans;

f. 90% of Cash Flow after IV(e) to the Managing Member as a preferred return with an equivalent allocation of income;

g. and the remainder to be split in accordance with Company interests.

V. Sale or Refinancing Proceeds

Net sale or refinancing proceeds (i.e., after payment of, outstanding debts, liabilities other than to the Managing Member and its affiliates and expenses of the Company and establishment of necessary reserves) shall be distributed as follows:

a. Repayment of outstanding loans by the Investor Members, if any;

b. Payment of amounts due to the Investor Members under the Tax Credit Adjuster;

c. Repayment of outstanding loans by the Managing Member including any Operating Deficit loans;

d. To payment of any accrued property management fees; and

e. 10% to the Investor and 90% to the Managing Member, with the investor share in no event being less than its tax liability from sale proceeds.

Option

The Managing Member shall have a non-assignable option, for a period of eighteen months subsequent to the expiration of the 15-year Tax Credit compliance period to either A) purchase the Property for the fair market value of the Property or B) purchase the interest of the Investor Members in the Company for the fair market value of the Investor Member's interest based on the fair market value of the Property, the net proceeds that would be realized from a sale at that fair market value and the Investor Member's 10% interest in the sale proceeds.

VI. Managing Member Commitments

a. ***Low Income Housing Tax Credit Adjustment.*** Our offer is based upon the assumption that the Company will qualify for and claim $140,184 of Federal Tax Credits in 2027, $1,078,355, the full amount of the Company's Federal Tax Credit allocation, for each year from 2028 through 2036, and $938,171 of Federal Tax Credits in 2037.

(i) Adjustments during equity payment (construction and lease-up) period

a. 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 Operating 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 Managing Member to the Investor sufficient to restore the Tax Credit Ratio as defined in Section I above. A similar adjustment shall be made in the amount of any unpaid Capital Contributions and/or a payment by the Managing Member to the Investor sufficient to restore the

b. Timing Adjuster

Notwithstanding the preceding paragraph, in the event that the Final Certification specifies that, while the aggregate amount of Tax Credit allocable to the Company is unchanged, the amount of Tax Credits allocable to the Company in 2027/2028 is less than the amounts specified above for the corresponding years, the Second, Third and Fourth Capital Contribution(s) will be reduced by $0.60 for each dollar by which such amounts exceed the amount of Tax Credits allocable to the Company for such period. If the in the event that the Final Certification specifies that the aggregate amount of Tax Credit allocable to the Company is less than projected, then the reduction will be based on the adjusted proportional amount of aggregate Tax Credits.

c. Upward Timing Adjuster

In the event that the amount of Tax Credits allocable to the Company in 2027 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) $0.55 for each dollar by which such amount is less than the actual amount of Tax Credits allocated to the Company for such period, up to a maximum of $100,000 (the "Upward Timing Adjuster Cap"). Any adjustment will be made to the Fourth Capital Contribution.

If the Investor chooses not to purchase additional credits in an amount which would be greater than 2% of the gross equity, the Investor's interest will be reduced pro rata with the credits purchased and the total credits available.

(ii) Adjustments during compliance period

Tax Credit Recapture shall be governed by the Bensalem provisions.

b. ***Development Deficit Guarantee***. The Managing Member 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 Breakeven Date exceed the amount of any funding by approved permanent third-party lenders, any unpaid Developer Fees and the amount of the Investor's capital commitment (adjusted as set forth above), the Managing Member shall pay all such costs and expenses connected with development and construction of the Property, including all operating expenses of the Property until the Breakeven Date has been achieved. The contractor will be required to provide a payment and performance bond or 15% letter of credit. Additionally, an "owner's" construction contingency in an amount equal to 5% of the construction contract amount shall be included in the development budget and shall be outside of the contractor's control.

c. ***Operating Deficit Guarantee and Operating Reserve***. The Managing Member shall make interest free loans to the Company (repayable from cash flow and/or sale and refinancing proceeds as described above) equal to any Operating Deficits (including the Minimum Deposit described in VI e. below) incurred during the period beginning on the Breakeven Date and ending on the third anniversary of Breakeven Date provided that for the previous 12 month period the property achieves Breakeven Operations, in an amount not to exceed 6 months of underwritten operating expenses and debt service (including deposits to the replacement reserve) in the aggregate.

An operating reserve (the "Operating Reserve") in an amount equal to six months of underwritten operating expenses including replacement reserve deposits and permanent loan debt service (the "Minimum Balance") shall be funded by the

Managing Member at the time of the Third Capital Contribution. The Managing Member shall be required to fund this reserve. The Operating Reserve shall be maintained for the duration of the compliance period and any draws from this Reserve shall require the consent of the SLP and shall be replenished from Cash Flow up to the Minimum Balance. Funds in excess of the Minimum Reserve may be withdrawn from the Operating Reserve during the Operating Deficit Guaranty Period to cover operating deficits. After the Operating Deficit Guaranty Period, the Operating Reserve may first be applied to cover operating cost overruns prior to any funding from the Managing Member.

d. ***Obligations of Managing Member***. Immediately following the occurrence of any of the following events, (x) the Managing Member shall admit the Special Investor Member or its designee as the Managing Member of the Company and, at the option of the Investor, withdraw from the Company; or, (y) at the option of the Investor with respect to any of the events described in clauses (i) through (vi) below, repurchase the Investor's interest in the Company: (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 later than underwritten construction completion; (iii) the permanent loan commitment is cancelled or substantially modified and a suitable replacement loan to be approved by the investor is not obtained or if the Property loan is not sufficient to balance the sources and uses of funds; (failure to achieve Breakeven is specifically not a trigger of Repurchase); (iv) the Company 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 Company 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 30 days; (Investor can only cause a repurchase in connection with this clause (v) if the default described in such clause prior to the requirements of All Capital Contributions have been met; or (vi) there is a material violation of the Operating Agreement by the Managing Member or if the property manager is an affiliate of the Managing Member, a material violation of the management agreement by the manager which causes material adverse harm to the Investor, the Company or the Property and is not cured within the applicable cure period. Item (vi) may only result in the removal of the Managing Member and not trigger a Repurchase.

If the Investor elects to have its interest repurchased by the Managing Member, the repurchase price shall be equal to 100% of the Total Equity plus interest at Prime + 1% on capital contributions made to date plus any tax liability incurred by the investor as a result of such repurchase, less any amounts of the Total Equity not funded to date.

e. ***Replacement Reserve***. Commencing with the month following Breakeven, the Company will make a minimum monthly replacement reserve deposit (the

"Minimum Deposit") equal to (on an annualized basis) the greater of (i) $300 per unit; and (ii) the amount required by the permanent lender. The amount of the minimum deposit shall be increased by 3%. Any interest earned on funds in the replacement reserve account shall become a part thereof.

f. ***Reporting***. The Company will be required to furnish Investor with (a) quarterly unaudited financial statements within 45 days after the end of each quarter of the fiscal year; (b) annual audited financial statements within 90 days after the end of each fiscal year; (c) an annual budget for each fiscal year of the Company, not later than November 1 of the preceding year; and (d) the Company's tax returns and K1 forms within 45 days after the end of each fiscal year. The penalty for any failure to deliver Company 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. The fiscal year for the Company shall be the same as the calendar year.

g. ***Loss Reallocation.*** Net Losses will be allocated 95% to the Managing Member and 5% to the Investor after the later to occur of: (1) the 10-year tax credit period has expired; and (2) the capital account of the Investor has been reduced to $0.

VII. Representations, Warranties and Covenants

The Managing Member shall make certain representations and warranties as to the Company, the Managing Member and the Property to be set forth in the Operating Agreement

VIII. Accountants

The Accountants for the Company shall be CohnReznick Group or another firm approved by the Investor. The Accountants shall prepare tax and financial reports as set forth in the Operating Agreement, and the Final Certification referred to in I.c., above.

IX. Investment Member Rights

The Operating Agreement will provide certain approval rights as to major actions proposed to be taken by the Managing Member. The Investor shall have the right to remove the Managing Member and the Manager for cause.

X. Insurance

At the closing, the Managing Member 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. The Managing Member shall provide for (i) liability (general and excess) insurance in an amount of at least $6,000,000 (adjusted periodically to maintain the coverage as adjusted for inflation), (ii)

hazard insurance (including boiler and machinery coverage) and flood insurance (to the extent that the property is in a 100 year flood zone) 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 and engineers shall submit evidence of errors and omissions coverage, in amounts reasonably satisfactory to the Investor. Workers compensation insurance shall be provided as to any entity with employees working at the Property. All policies shall name the Investor as an additional insured and shall otherwise be subject to Investor approval.

XI. Indemnity Agreement

The Managing Member shall indemnify the Investor, Hudson and its affiliates, and their respective officers, 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 Managing Member or its agents set forth in any document delivered by the Managing Member or its agents in connection with the acquisition of the Property, the investment by the Investor in the Company and the execution of the Operating Agreement. The Managing Member will be required to provide an environmental indemnification for the duration of the tax credit compliance period.

XII. 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 to the extent available, (ii) review of title (including a "date-down" search), survey, environmental and for the Third Contribution only other legal and regulatory matters, (iii) for the Third Capital Contribution only, receipt of a “date down” legal opinion from counsel to the Company and (iv) certification by the Managing Member as to the continued accuracy of representations and warranties made in the Operating Agreement.

XIII. Conditions to Closing

Your execution of this letter will also be deemed consent to perform background checks on the principal(s) of the Managing Member and Developer. The Managing Member understands that any consultant, engineering, environmental or other, selected for the project shall be acceptable to the equity investor and that the Company shall bear the cost of fees associated with pre-construction feasibility studies, structural analysis, and monthly inspections. At closing, Hudson shall be reimbursed up to $67,000 for its due diligence related expenses subject to approval of the tax credit allocating agency.

By executing this agreement 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 LOI is terminated by mutual consent. Additionally, approval of this transaction is subject to Investor's satisfactory completion of due diligence and receipt of Investment Committee approval in its sole and absolute discretion. Closing of this transaction shall also be subject to a simultaneous closing with our targeted investor and construction lender for this transaction. However, this letter may be terminated by Pennrose upon receipt of a written notification from Hudson that the Tax Credit Ratio will be reduced.

If the above proposal is acceptable, please indicate your acceptance by executing two copies 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.
Senior Vice President

ACCEPTED AND AGREED TO
THIS _____ DAY OF _____ , 2026

By: _____
Name: Tricia Yarger
Executive Vice President Head of Capital Markets
Pennrose Holdings, LLC

OPTION TO GROUND LEASE

This Option to Ground Lease (this "***Option***") effective March 9, 2026, is made by and between Diamond District Phase 1 Nine, LLC ("***Optionor***"), and Diamond District Phase 1 Four, LLC or its assignee ("***Optionee***").

RECITALS

A. Optionor owns a portion of that approximately 18.274-acre parcel of land located in Richmond, Virginia and having the street address of Parcel ID: N0001510013, Richmond, VA, as more particularly described on the attached Exhibit A ("***Land***"), which Land is improved by certain buildings that are anticipated to be demolished.

B. Optionee intends to apply to the Virginia Housing Development Authority ("***VHDA***") for an allocation of low-income housing tax credits and other financing to assist in the development of a multifamily rental housing development and other improvements on the Land ("***Project***").

C. The Land is anticipated to be subjected to a land condominium regime, and the Project is expected to be located on a portion of the Land as outlined on the site plan attached as Exhibit B (the "***Ground Leasehold Parcel***"), and a portion of the remainder of the Land is to be developed for supporting parking, drives, landscaping, stormwater management, sanitary sewer and utilities infrastructure, and a building site for later construction by Optionor (collectively the "***Site Development***").

D. In connection with the process of applying for low-income housing tax credits, Optionee must demonstrate that it has "site control" over the Ground Leasehold Parcel.

E. Optionor will lease the Ground Leasehold Parcel to Optionee under a long-term ground lease ("***Ground Lease***"), in a form that the parties have determined is agreeable to both such parties.

F. Optionor and Optionee desire to enter into this Option describing their mutual intention to enter into the Ground Lease.

Therefore, the parties agree as follows:

AGREEMENT

1. **Deposit:** On the date hereof, Optionee shall deposit with Chicago Title Insurance Company a deposit in the amount of $100.00 (the "***Deposit***"). The Deposit shall be refundable in the event of Optionee's good faith failure to exercise the Option or enter into the Ground Lease. If Optionee exercises the Option and enters into the Ground Lease, the Deposit will be applied to the Initial Rent Payment (as defined below).

2. **Option**: At any time beginning the date hereof and ending two years from the date hereof on February __, 2028, with any extension periods provided for herein or otherwise agreed to by the parties in writing ("***Option Period***"), Optionee will have the right and option to lease the Ground Leasehold Parcel pursuant to the Ground Lease.

    2.1. Exercise. Optionee may exercise satisfied granted herein at any time during the Option Period by notifying Optionor in writing, provided that all conditions precedent pursuant to

Paragraph 6 have been satisfied, or waived by the party for whose benefit the condition is imposed.

2.2. Closing. Closing will occur, and the Ground Lease will become effective, within sixty (60) days following Optionee's delivery of the written notice to Optionor exercising the Option, or such other period agreed to in writing by the Optionee and Optionor (the "***Closing Date***"). Closing will be accomplished through the escrowed delivery of all documents and funds required by this Option to Optionee's selected title company (the "***Title Company***").

2.3. Items to be Delivered by Optionor at Closing. At Closing, Optionor will execute, deliver and/or provide to the Title Company, or will cause to be executed, delivered and/or provided to Title Company, the following closing documents:

2.3.1. The Ground Lease conveying to Optionee the leasehold interest to the Ground Leasehold Parcel, free and clear of any liens or encumbrances other than encumbrances permitted by Optionee, in its as-is, where-is condition, and without representation or warranty;

2.3.2. a FIRPTA certificate signed by Optionor containing the following: (i) Optionor's U.S. Taxpayer Identification Number, (ii) the business address of Optionor and (iii) a statement that Optionor is not a foreign person within the meaning of Sections 1445 and 7701 of the Internal Revenue Code;

2.3.3. evidence reasonably satisfactory to the Title Company authorizing the consummation by Optionor of the transactions contemplated hereby and the execution and delivery of all documents and instruments in connection herewith;

2.3.4. all such other documents and instruments customarily executed and delivered by a landlord of a ground leasehold similar to the leasehold interest in the Ground Leasehold Parcel conveyed by the Ground Lease in the jurisdiction in which the Land is located, consistent with the terms and provisions of this Option; and

2.3.5. the customary form of affidavit certifying to the Title Company, among other things: (i) the absence of claims which would give rise to mechanic's and materialmen's liens, (ii) that Optionor is the only party in possession of the Ground Leasehold Parcel, and (iii) that there are no pending suits or outstanding judgments against either Optionor or the Land.

2.4. Funds. At Closing, Optionee will provide to the Title Company or cause to be provided to Title Company the immediately available funds payable to the Title Company representing the Initial Capitalized Rent Payment due in accordance with the Ground Lease;

2.5. Prorations. Real estate taxes and assessments on the Land will be prorated at closing in accordance with normal practices.

3. **Terms and Conditions of Ground Lease**: The terms of the Ground Lease will be as set forth in the form of the Ground Lease to be agreed upon by the parties.

The parties agree to make such reasonable revisions, including but not limited to attaching riders or addenda, to the agreed-upon form of Ground Lease as may be required by VHDA or any other

investors or lenders for the Project. Unless waived by VHDA and/or the Project lenders, the Ground Leasehold Parcel and the Ground Lease will be senior to the lien of such lenders and the Project loans. If the Optionee seeks financing from other institutional lenders or investors, the Landlord will agree to the reasonable revisions to the Ground Lease required by such parties and acknowledges such requirements in the Ground lease, including the riders and addendum required by HUD-FHA, and the requirements from Fannie Mae and Freddie Mac.

4. **Initial Rent Payment**: The initial rent payment to be made under the Ground Lease (the "***Initial Rent Payment***") will be equal to: Seven Hundred Ten Housand Dollars ($710,000.00).

5. **Recording**: This Option will not be recorded, but the Ground Lease or a memorandum of the Ground Lease is expected to be recorded in the appropriate office of public records. All taxes and other costs of transfer and recordation will be borne by Optionee.

6. **Conditions Precedent to Exercise of Option; Covenants**: Optionee shall not be entitled to exercise this Option to enter into the Ground Lease until the following conditions have been satisfied:

    6.1. Optionee shall have obtained final approval, which cannot be appealed, of any required or necessary land use approvals or permits to perform the Site Development and construct the Project, provided that Optionor shall reasonably assist with and execute related documents to facilitate such approvals, but at no out-of-pocket expense to the Optionor;

    6.2. Optionee shall have obtained committed financing sufficient to complete the Site Development and the Project as designed;

    6.3. Optionee shall have provided reasonable, acceptable forms for all easements, covenants and restrictions necessary to the Site Development and the construction and operation of the Project;

7. **Conditions Precedent to Entering into Ground Lease**: Following Optionee's exercise of the Option by written instrument signed by the members of the Optionee, the obligation of Optionee to enter into the Ground Lease will be conditioned upon the following:

    7.1. Optionor's title to the Ground Leasehold Parcel shall be good and marketable, and free and clear of all liens, charges, encumbrances, encroachments, easements, restrictions, leases, tenancies, occupancies or agreements or other matters unduly burdening the development of the Project, and the leasehold interest of Optionee under the Ground Lease shall be marketable, fully insurable by a recognized title insurance company at its regular rates on terms acceptable to Optionee, and free and clear of any liens or encumbrances other than encumbrances permitted by Optionee;

    7.2. Optionor shall have completely vacated any buildings on the Land at its sole cost and expense at least thirty (30) days prior to the Closing Date; and

    7.3. All conditions for closing of financing sufficient to complete the Project as designed shall have been satisfied.

8. **Access to Books and Records; Tests and Surveys**: During the Option Period, and, if Optionee exercises its option, until the Closing Date, Optionee or its agents or affiliates shall have the unlimited right to enter upon the Land for the purpose of making such design and engineering analysis,

inspections, investigations, surveys, market studies, economic feasibility studies, and tests (including but not limited to soil boring, environmental or engineering tests) as it may deem necessary or desirable, at its sole cost and expense, and shall be given unlimited access to all books and records, including but not limited to all existing environmental reports, engineering reports, maintenance records, title policies and surveys, site plans, and plans and specifications, related to the Land; notwithstanding the foregoing, Optionor shall provide copies of such books and records as are within Optionor's possession or control to Optionee within ten (10) days of executing this Option. Any such entry to the Land or access to books and records may be at all reasonable times and upon reasonable advance notice to Optionor and shall be at the Optionee's sole risk and expense. Optionee shall exercise good faith efforts to minimize disruption of Optionor's activities on the Land. All damage to the Land resulting from any access by or at the direction of Optionee or its contractors will be promptly repaired by Optionee, at its sole cost and expense, so that the Land will be restored to the same condition in which it existed immediately prior to such access, unless otherwise agreed by the parties (for example, if the damages property will be demolished or repairs as part of the eventual projects). To the extent not covered by the applicable insurance policies required hereunder, Optionee shall indemnify, save and hold harmless Optionor from and against any merited claims, actual, documented damages, losses, suits or other liabilities arising from investigations made pursuant to this Section, provided that Optionee shall have the right to control the defense of any related litigation, and provided further that Optionee has been provided with reasonable notice of such litigation; and prior to entry on the Land by Optionee or by any agent or contractor of Optionee to conduct inspections or intrusive testing of the Land or any building on the Land, Optionor shall be provided reasonable evidence of Optionee's liability insurance in effect, naming Optionor as an additional insured, with a per occurrence limit of not less than $1,000,000, and a general aggregate limit of not less than $2,000,000. Optionee shall adequately protect the Land and agrees to promptly repair and restore any damage to the Land resulting from Optionee's activities on the Land, all at Optionee's sole cost and expense.

9. **Termination**: This Option may be terminated in accordance with the following provisions:

9.1. This Option will automatically terminate if Optionee does not exercise its option to lease the Land during the Option Period, as may be extended, or cannot exercise its option during the Option Period as a consequence of the failure of any condition precedent set forth in Section 7.

9.2. Optionee may at its election by providing written notice to Optionor terminate this Option as follows:

9.2.1. For its convenience;

9.2.2. If any condition set forth in Section 7 is not or cannot reasonably or practically be satisfied; or

9.2.3. If Optionee determines that the Project is not feasible for any reason or if any investigations, inspections, studies or tests of the Land are unsatisfactory to Optionee.

9.3. Notwithstanding the foregoing, under no circumstances will this Option expire prior to 180 days following the date on which Optionee submits an application to VHDA for Project financing if delays in closing on the Ground Lease are due to circumstances outside of the reasonable control of the Optionee.

10. **Exclusive Option**: Until such time as this Option is terminated, Optionor shall not market, sell, offer for sale, negotiate with respect to, or otherwise deal in, the sale, lease or other transfer of the Land or of any interest therein, or of any interest in the Optionor or any other entity holding a legal or beneficial interest in the Land.

11. **Time of Essence**: Time is of the essence in this Option.

12. **Representations and Warranties**

12.1. Optionor's Representations and Warranties regarding Optionor and Land. Optionor represents and warrants to Optionee that:

12.1.1. Authority. Optionor has the full right and authority and has obtained any and all consents required to enter into this Option and to consummate or cause to be consummated the transactions contemplated hereby. This Option has been, and all of the documents to be delivered by Optionor at the Closing will be, authorized and properly executed and constitutes, or will constitute, as appropriate, the valid and binding obligation of Optionee, enforceable in accordance with their terms.

12.1.2. Conflicts and Pending Action. There is no agreement to which Optionor is a party or to the best of Optionor's knowledge binding on Optionor which is in conflict with this Option.

12.1.3. Service Contracts and Equipment Leases. There are no Service Contracts and Equipment Leases related to the Land that will survive the Closing.

12.1.4. Violations. Optionor has not received Notice from any Governmental Authority of any violation by Optionor of any law, rule or regulation affecting the Land or its use including any environmental law or regulation, health and public safety law, nor has Optionor received notice from any Governmental Authority that the Land is in violation of any applicable land use law, building or zoning code or ordinance, except for any such matters which may have been previously cured by Optionor or which have been disclosed to and accepted by Optionee. Optionor makes no representation or warranty about the existence of any asbestos or lead based paint in any buildings or improvements on the Land, but notes that the existing building on the Land was constructed during the time when both asbestos and lead based paint were often used as construction materials.

12.1.5. Anti-Terrorism Laws. Optionor is not a person or an entity described by Section 1 of the Executive Order (No. 13,224) Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism, 66 Fed. Reg. 49,079 (September 24, 2001) (a "Prohibited Person"), and does not engage in any dealings or transactions, and is not otherwise associated, with any Prohibited Person.

12.1.6. Tenant Leases. There are no tenant leases or tenancies of the Property that will survive the Closing.

12.1.7. Non-Foreign Status. Optionor is not a "foreign person" as defined in Section 1445 of the Internal Revenue Code.

12.1.8. No Bankruptcy. Optionor has not (a) commenced a voluntary case, or had entered against it a petition, for relief under any federal bankruptcy act or any similar petition, order or decree under any federal or state law with respect to bankruptcy, insolvency or other relief for debtors, or (b) caused, suffered or consented to the appointment of a receiver, trustee, administrator, conservator, liquidator or similar official in any federal, state or foreign judicial or non-judicial proceeding to hold, administer and/or liquidate all or substantially all of its assets.

12.1.9. The Ground Leasehold Parcel is leased "AS-IS," "WHERE-IS." Except as specifically provided for herein, the Optionor disavows any oral statements or representations made by its agents, employees or third parties unless said statement or representation is specifically incorporated herein.

All of the representations and warranties contained in Section 14.1 shall survive the Closing.

12.2. Optionee's Representations and Warranties. As a material inducement to Optionor to execute this Option and consummate this transaction, Optionee represents and warrants to Optionor that:

12.2.1. Organization and Authority. Optionee has been duly organized and validly exists, as a nonstock corporation in good standing in the Commonwealth of Virginia. Optionee has the full right and authority and has obtained any and all consents required to enter into this Option and to consummate or cause to be consummated the transactions contemplated hereby. This Option has been, and all of the documents to be delivered by Optionee at the Closing will be, authorized and properly executed and constitutes, or will constitute, as appropriate, the valid and binding obligation of Optionee, enforceable in accordance with their terms.

12.2.2. Conflicts and Pending Action. There is no agreement to which Optionee is a party or to Optionee's knowledge binding on Optionee which is in conflict with this Option. There is no action or proceeding pending or, to Optionee's knowledge, threatened against Optionee which challenges or impairs Optionee's ability to execute or perform its obligations under this Option.

12.2.3. Anti-Terrorism Laws. Optionee is not a Prohibited Person, and does not engage in any dealings or transactions, and is not otherwise associated, with any Prohibited Person.

12.2.4. Survival. The provisions of this Section shall survive the Closing.

13. **Notices**: Any and all notices, elections, demands or communications permitted or required to be made under this Option will be in writing, signed by the party giving such notice, and will be delivered in person or sent by registered or certified mail to the other party hereto. The date of personal delivery or the date of such mailing, as the case may be, will be the date that such notice or election will be deemed to have been given. For the purpose of this Option:

The address of Optionor is:

Diamond District Phase 1 Nine, LLC
c/o Pennrose, LLC
1301 North 31st Street
Philadelphia, PA 19121
Attention: Maria Rodriguez, Esq.
Email: mrodriguez@pennrose.com

and

c/o Nix Development Company
9103 Woodmore Centre Drive, #147
Lanham, MD 20706
Attention: Ray Nix
Email: raymond@nixdevco.com

With a copy to:

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

The address of Optionee is:

Diamond District Phase 1 Four, LLC
c/o Pennrose, LLC
1301 North 31st Street
Philadelphia, PA 19121
Attention: Maria Rodriguez, Esq.
Email: mrodriguez@pennrose.com

and

c/o Nix Development Company
9103 Woodmore Centre Drive, #147
Lanham, MD 20706
Attention: Ray Nix
Email: raymond@nixdevco.com

And with a copy to:
Klein Hornig LLP
1325 G Street NW, Suite 770
Washington, DC 20005
Attn: Doruk Onvural
Email: donvural@kleinhornig.com

14. **Risk of Loss; Condemnation or Casualty**: Risk of loss will remain with the Optionor until Closing. The Optionor will notify Optionee of any (i) condemnation or taking by eminent domain of any portions of the Land or (ii) casualty event affecting the Land. Optionor and Optionee agree that the Optionee has no obligation to restore the Land in the event of a condemnation or casualty event. Optionee will have the right, but not the obligation, to terminate this Option if there has been casualty or condemnation event.

15. **No Brokers, Finders, Etc.**: Neither Party has engaged any agent, broker, finder or investment or commercial banker in connection with the negotiation, execution or performance of this Option, or the transactions contemplated hereby.

16. **Expenses**: Except as specifically set forth herein, whether or not the transaction contemplated by this Option is consummated, each of the Parties will pay their own fees and expenses incident to the negotiation, preparation, execution, delivery and performance of this Option.

17. **Complete Agreement; Waiver and Modification, Etc.** This Option constitutes the entire agreement between the Parties pertaining to the subject matter hereof and thereof and supersedes all prior and contemporaneous agreements and understandings of the Parties. There are no representations, warranties, covenants or conditions by or benefiting any Party except those expressly stated or provided for in this Option, any implied representations, warranties, covenants or conditions being hereby expressly disclaimed. No person or entity other than the Parties to this Option have any rights or remedies under or in connection with this Option, except rights or remedies validly assigned hereunder. No amendment, supplement or termination of or to this Option, and no waiver of any of the provisions hereof, will require the consent of any person or entity other than the Parties hereto, nor will any such amendment, supplement, termination or waiver be binding on a Party to this Option unless made in a writing signed by such Party. To the extent any provision of the Option conflicts with, or is inconsistent with, this Option, then this Option will govern and control.

18. **Further Assurances**: From time to time and at any time after the execution and delivery hereof, each of the Parties, at their own expense, will execute, acknowledge and deliver any further instruments, documents and other assurances reasonably requested by another Party, and will take any other action consistent with the terms of this Option that may reasonably be requested by another Party to evidence or carry out the intent of or to implement this Option.

19. **Incorporation of Recitals**: The Recitals set forth above are hereby incorporated into this Option.

20. **Estoppel Certificates**: Each Party will, from time to time upon 15 days' prior written request by the other Party, execute, acknowledge and deliver to the requesting Party a certificate signed by an authorized representative of such Party stating whether to the actual knowledge of such Party (without investigation) (a) this Option is or is not in full force and effect, (b) this Option is or is not unmodified (and, if modified, the details of the modification(s)), and (c) the requesting Party is in default in performance of any covenant, agreement or condition contained in this Option, and, if so, specifying each such default of which the non-requesting Party may have actual knowledge.

21. **Choice of Law**: This Option will be governed by, enforced, and construed in accordance with the internal laws of the Commonwealth of Virginia.

22. **Assignment**: The Optionee may, without the prior written consent of Optionor, assign its interest in the Option to an entity controlled, operated or managed by Pennrose Holdings, LLC ("***Permitted Assignment***"). Other than a Permitted Assignment, Optionee will not assign its interest in the Option

without the prior written consent of Optionor. This Option shall be binding on the successors and assigns of the parties hereto.

23. **Counterparts**: This Option may be executed in multiple original counterparts, each of which will constitute an original document binding upon the party or parties signing the same. It will not be necessary that all parties sign all counterparts and this Option will be binding if each party will have executed at least one counterpart. PDF, TIF, facsimile, or other electronic signatures will be deemed originals for all purposes.

(*signature page follows*)

The parties have executed this Option to Ground Lease as of the date first above written.

OPTIONOR:

DIAMOND DISTRICT PHASE 1 NINE, LLC,
a Virginia limited liability company

By: Diamond District Phase 1 Nine MM, LLC,
a Virginia limited liability company,
its managing member

By: Pennrose Nix DD JV, LLC,
a Virginia limited liability company,
its sole member

By: Pennrose Holdings, LLC,
its managing member

By: _____
Name: Timothy I. Henkel
Title: Chief Executive Officer

OPTIONEE:

DIAMOND DISTRICT PHASE 1 FOUR, LLC,
a Virginia limited liability company

By: Diamond District Phase 1 Four MM, LLC,
a Virginia limited liability company,
its managing member

By: Pennrose Nix DD JV, LLC,
a Virginia limited liability company,
its sole member

By: Pennrose Holdings, LLC,
its managing member

By: _____
Name: Timothy I. Henkel
Title: Chief Executive Officer

Exhibit A

Legal Description of Land

A PORTION OF:

ALL that certain piece or parcel of land situate, lying and being in the City of Richmond, Virginia, known and designated as "LOT 2, 18.274 ACRES, 796,034 SQ. FT." as shown on that certain plat prepared by Timmons Group, dated October 24, 2024, last revised December 9, 2024, entitled "BOUNDARYLINE ADJUSTMENT DIAMOND DISTRICT DIAMOND PARCEL," and recorded in the Clerk's Office, Circuit Court, City of Richmond, Virginia, as Instrument No. 250001605, and being more particularly described as follows:

Beginning at a point on the east line of Arthur Ashe Boulevard, said point lying 1,146.37 feet south 22° 56'38" west from the southeast intersection of Arthur Ashe Boulevard and Robin Hood Road and Labeled as 'POB' on the Alta Survey by TRC Engineers, Inc. Dated September 25th, 2024; thence, departing the east line of Arthur Ashe Boulevard South 68°00'00" east a distance of 625.28 feet to a point; thence, south 51°36'52" west a distance of 16.98 feet to a point; thence, south 06°36'52" west a distance of 47.38 feet to a point; thence, with a curve to the right with an arc length of 147.80 feet, a radius of 101.22 feet', a delta angle of 83°39'36", a chord bearing of south 30°14'36" east, and a chord length of 135.01 feet to a point; thence, south 11°35'9" west a distance of 270.69 feet to a point; thence, with a curve to the left with an arc length of 13.94 feet', a radius of 9.00 feet, a delta angle of 88°45'54", a chord bearing of south 32°47'24" east, and a chord length of 2.59 feet to a point; thence, south 77°10'08" east a distance of 267.78 feet to a point; thence, with a curve to the left with an arc length of 178.82 feet, a radius of 236.54 feet, a delta angle of 43°1 8'51", a chord bearing of north 81°10'26" east, and a chord length of 174.59 feet to a point; thence, north 06°36'52" east a distance of 441.82 feet to a point; thence, south 83°23'08" east a distance of 76.00 feet to a point; thence, north 06°36'52" east a distance of 15.47 feet to a point; thence, north 89°38'08" east a distance of 142.57 feet to a point on the west line of hermitage road; thence, continuing along the west line of hermitage road south 04°20'12" east a distance of 25.89 feet to a point; thence, south 03°30'40" east a distance of 40.00 feet to a point; thence, south 02°32'36" east a distance of 917.78 feet to a point; thence, departing the west line of hermitage road south 89°45'49" west a distance of 1,080.54 feet to a point; thence, north 49°24'3" west a distance of 180.49 feet to a point; thence, north 47°32'31" east a distance of 102.43 feet to a point; thence, north 39°07'46" west a distance of 22.21 feet to a point; thence, north 60°37'11" east a distance of 251.15 feet to a point; thence, with a curve to the left with an arc length of 39.07 feet, a radius of 43.00 feet, a delta angle of 52°03'37", a chord bearing of north 25°18'39" east, and a chord length of 37.74 feet to a point; thence, north 00°43'10" west a distance of 30.74 feet to a point; thence, with a curve to the left with an arc length of 13.94 feet , a radius of 161.61 feet, a delta angle of 04°56'37", a chord bearing of north 85°30'35" east, and a chord length of 13.94 feet to a point; thence, with a compound curve to the left with an arc length of 56.74 feet, a radius of 94.39 feet, a delta angle of 34°26'26", a chord bearing of north 65°49'04" east, and a chord length of 55.89 feet to a point; thence, with a compound curve to the left with an arc length of 44.19 feet, a radius of 122.70 feet, a delta angle of 20°38'07", a chord bearing of north 38°16'48" east, and a chord length of 43.95 feet to a point; thence, with a compound curve to the left with an arc length of 62.40 feet, a radius of 61.08 feet, a delta angle of 58°32'02", a chord bearing of north 03°01'05" east, and a chord length of 59.72 feet to a point; thence, north 16°49'01" east a distance of 19.95 feet to a point; thence, south 7301 0'56" east a distance of 14.36 feet to a point; thence, north 16°49'04" east a distance of 44.06 feet to a point; thence, north 73°10'56" west a distance of 14.36 feet to a point; thence, north 16°49'01" east a distance of 117.14 feet to a point; thence, with a curve to the left with an arc length of 3.64 feet, a radius of 41.67 feet, a delta angle of 05°00'09", a chord bearing of north 44°35'58" east, and a chord length of 3.64 feet to a point; thence, with a compound curve to the left with an arc length of 20.71 feet, a radius of 1 13.50 feet, a delta angle of 10°27'10", a chord bearing of north 36°52'19" east, and a chord length of 20.68 feet to a point; thence, with a compound curve to the left with an arc length of 19.39

feet, a radius of 63.69 feet, a delta angle of 17°26,22" a chord bearing of north 22°55'33" east, and a chord length of 19.31 feet to a point; thence, with a compound curve to the left with an arc length of 23.66 feet, a radius of 80.28 feet, a delta angle of a chord bearing of north 08°14'14" east, and a chord length of 23.57 feet to a point; thence, north 23°10'56" n west a distance of 113.95 feet to a point; thence, north 48°49'10" east a distance of 40.84 feet to a point; 1'hence, north 22°05'14" east a distance of 61.35 feet to a point; thence, north 68°00'00" west a distance of 205.74 feet to a point; thence, south 21°49'04" west a distance of 84.61 feet to a point; thence, north 68°10'56" west a distance of 304.06 feet to a point; thence, south 21°49'04" west a distance of 219.16 feet to a point; thence, north 68°10'56" west a distance of 1 68.27 feet to a point on the east line of Arthur Ashe Boulevard; thence, along the east line of Arthur Ashe Boulevard north 22°56'38" east a distance of 385.32 feet to a point; said point being the point of beginning, having an area of 18.274 acres or 796,034 square feet.

TOGETHER WITHAND SUBJECT TO the easement(s) contained in the Deed of Loading Dock, Access, and Temporary Construction Easement by and between the Economic Development Authority of the City of Richmond, Virginia, a political subdivision of the Commonwealth of Virginia, Navigators Baseball Stadium Developer LLC, a Delaware limited liability company, Navigators Baseball LP, a Delaware limited partnership, and Diamond District Partners, LLC, a Virginia limited liability company dated as of even date herewith and recorded simultaneously herewith in the Clerk's Office, Circuit Court, City of Richmond, Virginia.

TOGETHER WITHAND SUBJECT TO the easement(s) contained in the Deed of Parking and Access Easement by and between the Economic Development Authority of the City of Richmond, Virginia, a political subdivision of the Commonwealth of Virginia, Diamond District Partners, LLC, a Virginia limited liability company, and Navigators Baseball LP, a Delaware limited partnership, dated as of even date herewith and recorded simultaneously herewith in the Clerk's Office, Circuit Court, City of Richmond, Virginia.

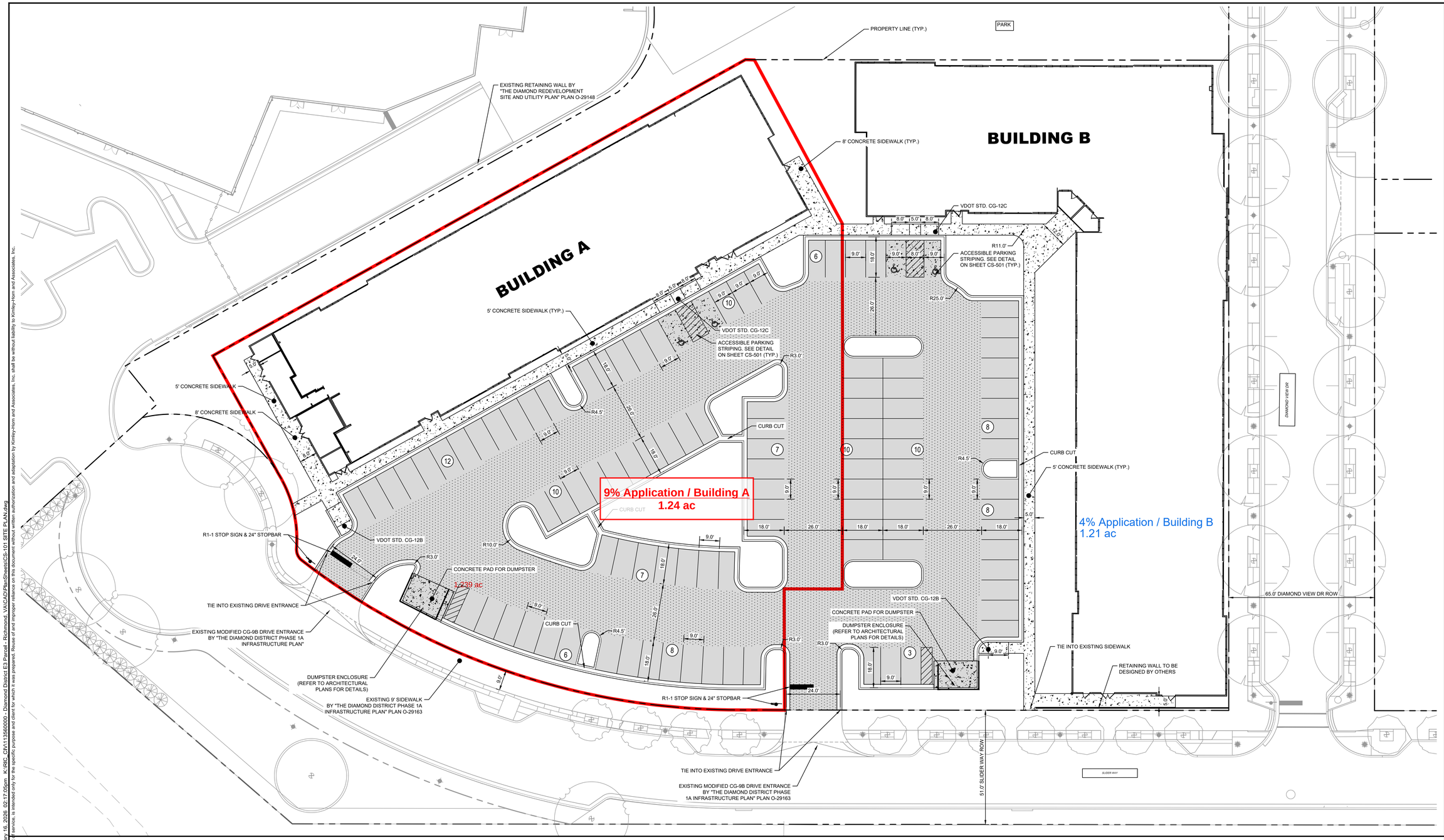
TOGETHER WITHAND SUBJECT TO the easement(s) contained in the Deed of Sight Distance Easement by and between the Economic Development Authority of the City of Richmond, Virginia, a political subdivision of the Commonwealth of Virginia, Diamond District Partners, LLC, a Virginia limited liability company, and Navigators Baseball LP, a Delaware limited liability company, dated as of even date herewith and recorded simultaneously herewith in the Clerk's Office, Circuit Court, City of Richmond, Virginia.

BEING a portion of the same property conveyed to Diamond District Partners, LLC, a Virginia limited liability company, by Deed from The Economic Development Authority of the City of Richmond, Virginia, dated March 3, 2025, recorded March 3, 2025, in the Clerk's Office, Circuit Court, City of Richmond, Virginia as Instrument No. 250003207.

Exhibit B

Site Plan Depiction of Ground Leasehold Parcel

(see attached)



SITE LEGEND

- CONCRETE. SEE DETAIL ON SHEET CS-501
- (X) PARKING COUNT
- HEAVY DUTY ASPHALT PAVING, SEE DETAIL ON SHEET CS-501
- STANDARD DUTY ASPHALT PAVING SEE DETAIL ON SHEET CS-501
- HEAVY DUTY CONCRETE, SEE DETAIL ON SHEET CS-501

SITE NOTES

1. ALL CURB RADII ARE 5.0' UNLESS OTHERWISE NOTED.
2. ALL DIMENSIONS ARE TO FACE OF CURB UNLESS OTHERWISE NOTED.
3. THE CONTRACTOR IS RESPONSIBLE FOR INSTALLING ALL STOP SIGNS, DIRECTIONAL SIGNS, AND STRIPING SHOWN ON THE PLANS.
4. CONTRACTOR SHALL REPLACE ALL PERMANENT PAVEMENT MARKINGS IMPACTED BY CONSTRUCTION IN KIND UNLESS OTHERWISE INDICATED ON THIS PLAN SET. ALL PROPOSED PAVEMENT MARKINGS SHALL TIE IN TO EXISTING PAVEMENT MARKINGS AT WORK LIMITS.

NORTH

GRAPHIC SCALE IN FEET
0 10 20 40

No.	REVISIONS	DATE	BY

Kimley»Horn
© 2026 KIMLEY-HORN AND ASSOCIATES, INC.
6806 PARAGON PLACE, SUITE 310, RICHMOND, VA 23230
PHONE: 804-673-3882
WWW.KIMLEY-HORN.COM

NOT FOR CONSTRUCTION

KHA PROJECT	113560000
DATE	01/16/2026
SCALE	AS SHOWN
DESIGNED BY	EKC
DRAWN BY	EKC
CHECKED BY	BRD

SITE PLAN

DIAMOND DISTRICT PARCEL E3
MULTIFAMILY RESIDENTIAL
PREPARED FOR
PENNROSE, LLC
CITY OF RICHMOND VA

SHEET NUMBER
CS-101

Plotted By: Pearson, Thomas Sheet Set: Kha Layout: CS-101 SITE PLAN January 16, 2026 02:17:09pm K:\RIC_C\011356000 - Diamond District E3 Parcel\Richmond, VA\CAD\PlanSheets\CS-101 SITE PLAN.dwg
This document, together with the concepts and designs presented herein, as an instrument of service, is intended only for the specific purpose and client for which it was prepared. Reuse of and improper reliance on this document without written authorization and adaptation by Kimley-Horn and Associates, Inc. shall be without liability to Kimley-Horn and Associates, Inc.

DIAMOND DISTRICT PHASE 1 FOUR, LLC

OPERATING AGREEMENT

This operating agreement of Diamond District Phase 1 Four, LLC, a Virginia limited liability company, is entered into effective as of the 4th day of March 2025 by and among the parties whose names are set forth as Members on Exhibit A attached hereto.

B A C K G R O U N D:

The parties hereto have formed a limited liability company and desire to enter into this operating agreement to set forth their respective rights, duties, and obligations with respect thereto.

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

ARTICLE I

DEFINED TERMS; OPERATION OF COMPANY

Section 1.01 Definitions. Within the context of this Agreement, the following terms shall have the following meanings:

"Act" means the Virginia Limited Liability Company Act.

"Agreement" means this operating agreement, as the same may be amended from time to time.

"Bankruptcy" means, with respect to any Person, (i) the filing of any petition or answer by such Person seeking to adjudicate it a bankrupt or insolvent, or seeking for itself any liquidation, winding up, reorganization, arrangement, adjustment, protection, relief, or composition of such Person or such Person's debts under any law relating to bankruptcy, insolvency, or reorganization or relief of debtors, or seeking, consenting to, or acquiescing in the entry of an order for relief or the appointment of a receiver, trustee, custodian, or other similar official for such Person for any substantial part of its property, or (ii) without the consent or acquiescence of such Person, the entering of an order for relief or approving a petition for relief or reorganization or any other petition seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or other similar relief under any bankruptcy, liquidation, dissolution, or other similar statute, law, or regulation, or the filing of any such petition against such Person which petition shall not be dismissed within ninety (90) days, or, without the consent or acquiescence of such Person, the entering of an order appointing a trustee, custodian, receiver, or liquidator of such Person or of all or any substantial part of the property of such Person which order shall not be dismissed within sixty (60) days.

"Capital Account" means the account established and maintained for each Member in accordance with Section 2.04 of this Agreement.

"Capital Contribution" means the amount of money and the fair market value of any property contributed to the Company by a Member (net of any liabilities to which such property is subject or that are assumed by the Company in connection with such contribution).

"Certificate" means the certificate of formation for the Company, and any amendments thereto.

"Code" means the Internal Revenue Code of 1986, as amended.

"Company" means the limited liability company formed and operated pursuant to the terms of this Agreement.

"Incapacity" means (a) with respect to a natural Person, the Bankruptcy, death or determination of incompetency or insanity of such Person and (b) with respect to any other Person, the Bankruptcy, liquidation, or dissolution of such Person.

"Indemnified Party" means any Member and any officer, director, shareholder, partner, member, manager or agent of a Member.

"Interest" means an ownership interest in the Company, including all the rights and obligations in connection therewith under this Agreement and the Act.

"Members" means the Person or Persons designated as members on Exhibit A attached to this Agreement, and any Person subsequently admitted as a member in accordance with the terms of this Agreement.

"Net Distributable Proceeds" means the gross cash or property received by the Company from all sources other than Capital Contributions, increased by reductions in Reserves, and reduced by the portion used (i) to pay Company expenses, including debt service, (ii) to make investments and capital expenditures, and (iii) to fund Reserves.

"Percentage Interest" means the percentage determined in accordance with Section 2.03 of this Agreement.

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

"Profits" and **"Losses"** mean, for each year or other period, an amount equal to the Company's taxable income or loss for such year or period, determined in accordance with §703(a) of the Code (for this purpose, all items of income, gain, loss, or deduction required to be stated separately pursuant to §703(a)(1) of the Code shall be included in taxable income or loss), adjusted in accordance with the Regulations under §704(b) of the Code.

"Regulations" means the income tax regulations promulgated under the Code, as such regulations may be amended from time to time.

"Reserves" means amounts set aside to pay future costs or expenses that are anticipated to exceed cash available to pay such costs or expenses when due, as determined in the discretion of the Members.

Section 1.02 Formation; Name. The Company was formed by the filing of the Certificate by an authorized Person. The Members hereby agree to operate the Company as a limited liability company under the terms of this Agreement and the Act. Whenever the terms of this Agreement conflict with the Act, the terms of this Agreement shall control, except with respect to any matters contained in the Act that cannot be modified or waived by a limited liability company operating agreement. The Company shall be operated under the name "DIAMOND DISTRICT PHASE 1 FOUR, LLC". The Members or an authorized Person shall file such other certificates and documents as are necessary to qualify the Company to conduct business in any jurisdiction in which the Company conducts business. A copy of the Certificate shall be provided to any Member on request. The employer identification number ("EIN") for the Company is 33-3825946.

Section 1.03 Registered Agent and Office; Principal Office. The registered agent and office of the Company required under the Act shall be as designated in the Certificate and may be changed by the Members in accordance with the Act. The principal business office of the Company shall be located at c/o Pennrose, LLC, 230 Wyoming Avenue, Kingston, Pennsylvania 18704, or such other address as shall be designated by the Members.

Section 1.04 Purpose. The purpose and business of the Company is to own, lease, develop, acquire, sell, market, rent and construct real estate, as well as any business or activity that may be engaged in by a limited liability company under the Act, and do any and all acts and things necessary, appropriate, incidental to, or convenient for the furtherance and accomplishment of its purposes.

Section 1.05 Term. The term of the Company commenced on the date of filing of the Certificate, and the Company shall continue until the Company is terminated in accordance with Article VIII of this Agreement.

Section 1.06 Title to Property. All real and personal property owned by the Company shall be owned by the Company as an entity and no Member shall have any ownership interest in such property in the Member's individual name or right, and each Member's Interest shall be personal property for all purposes. The Company shall hold all of its real and personal property in the name of the Company and not in the name of any Member.

Section 1.07 Waiver of Partition. No Member shall either directly or indirectly take any action to require partition or appraisement of the Company or of any of its assets or properties or cause the sale of any Company property, and notwithstanding any provisions of applicable law to the contrary, each Member hereby irrevocably waives any and all right to maintain any action for partition or to compel any sale with respect to such Member's Interest, or with respect to any assets or properties of the Company, except as expressly provided in this Agreement.

ARTICLE II

CAPITAL CONTRIBUTIONS; INTERESTS; CAPITAL ACCOUNTS

Section 2.01 Capital Contributions. The Capital Contributions of the Members are set forth on Exhibit "A" attached hereto.

Section 2.02 Additional Capital Contributions and Loans. Except as set forth in Section 2.07, no Member shall be obligated to make any additional Capital Contributions or loans to the Company.

Section 2.03 Percentage Interests. Each Member shall have the Percentage Interest in the Company set forth next to such Member's name on Exhibit A attached hereto.

Section 2.04 Capital Accounts. A Capital Account shall be maintained and adjusted for each Member in accordance with §704(b) of the Code and the Regulations issued thereunder. Upon the happening of an event specified in Regulation §1.704-1(b)(2)(iv)(f)(5), Capital Accounts shall be adjusted in accordance with Regulation §1.704-1(b)(2)(iv)(g), unless the Members determine that such adjustment is not necessary to reflect the economic arrangement among the Members.

Section 2.05 No Interest. No interest shall be paid on any Capital Contributions or Capital Account balance of any Member.

Section 2.06 No Deficit Make-Up. No Member shall be obligated to the Company or to any other Member solely because of a deficit balance in such Member's Capital Account.

ARTICLE III

DISTRIBUTIONS

Section 3.01 Distributions of Net Distributable Proceeds. Net Distributable Proceeds shall be distributed to the Members in accordance with their Percentage Interests at such times as shall be determined by the Members.

Section 3.02 Property Distributions. The Members may authorize the distribution to the Members of property other than cash. All such distributions shall be included in Net Distributable Proceeds based upon the fair market value of such property at the time of distribution.

ARTICLE IV

PROFITS AND LOSSES

Section 4.01 General Allocation of Profits and Losses. After taking into account any special allocations pursuant to Section 4.02 and subject to any limitations contained therein,

Profits and Losses for any year or portion thereof shall be allocated among the Members in accordance with their Percentage Interests.

Section 4.02 Special Allocations. Prior to making allocations to the Members pursuant to Section 4.01, the Company shall make any allocations that are required in order to comply with the rules of Regulation §1.704-2 concerning allocations attributable to nonrecourse liabilities including the "chargeback" rules of Reg. §1.704-2(f) and Reg. §1.704-2(i)(4), and the "qualified income offset" rules of Regulation §1.704-1(b)(2)(ii)(d). "Nonrecourse deductions" as defined in Reg. §1.704-2(b)(1) shall be allocated among the Members in accordance with their Percentage Interests. No Losses or items of loss or deduction shall be allocated to a Member to the extent such allocation would cause such Member to have a negative Capital Account balance that exceeds the amount such Member is obligated to restore or treated as obligated to restore to the Company pursuant to Regulation §1.704-1(b)(2)(ii)(c), Regulation §1.704-2(g), and Regulation §1.704-2(i)(5).

Section 4.03 Allocation During Year. For purposes of determining Profits, Losses, or any other items allocable to any period ending on a date other than the last day of the Company's year, Profits, Losses, and any such other items shall be allocated among such periods using such method permitted by §706 of the Code and the Regulations thereunder as shall be chosen by the Members.

Section 4.04 Tax Allocations. Except as otherwise required by §704(c) of the Code or Regulation §1.704-1(b)(2)(iv)(g), items of income, gain, loss, and deduction as determined for federal income tax purposes shall be allocated in the same manner as the related items of Profits, Losses, or specially allocated items.

ARTICLE V

MANAGEMENT OF COMPANY.

Section 5.01 General Provisions Concerning Management. The powers of the Company shall be exercised by or under the authority of, and the business and affairs of the Company shall be managed under the direction of, the Members. All actions by the Members on behalf of the Company shall require the consent all the Members, provided, however, that the Members may delegate to any Person authority to act on behalf of the Company with respect to specific matters. The Members hereby designate Diamond District Phase 1 Four Managing Member, LLC to be the Managing Member of the Company and Diamond District Phase 1 Four Managing Member, LLC is hereby authorized to act on behalf of the Company in all matters.

Section 5.02 Contracts with Affiliates. The Company may enter into contracts and agreements for property or services in the ordinary course of business with any Member or any Person related to or affiliated with any Member, provided such contracts and agreements are on terms and conditions which are no less favorable to the Company than could be obtained by the Company in the same type of transaction with an independent third party.

Section 5.03 Company Expenses. All expenses of the Company shall be billed directly to and be paid by the Company. Each Member shall be reimbursed for all reasonable expenses incurred by the Member for or on behalf of the Company.

ARTICLE VI

BOOKS AND RECORDS; TAX AND FINANCIAL MATTERS

Section 6.01 Books and Records. Proper and complete records and books of account of the Company shall be maintained at the principal place of business of the Company. The Company books shall be closed and balanced at the end of each fiscal year. Each Member or duly authorized representative of a Member shall have access and the right to inspect such books and records during normal business hours, provided any information obtained thereby may be used solely for purposes related to the business of the Company or the Member's Interest in the Company.

Section 6.02 Fiscal Year. The year of the Company shall end on the last day of the month of December each year.

Section 6.03 Reports and Tax Returns. Within ninety (90) days after the end of each fiscal year (subject to reasonable delays in the event of difficulty in obtaining or compiling of tax information), the Company shall transmit to each Person who was a Member at any time during the fiscal year the Schedule K-1 (IRS Form 1065) for the Person for such year. The Member designated as the "tax matters partner" in accordance with Section 6.04 shall cause to be prepared and filed all tax returns for the Company, and all tax elections concerning the Company shall be made at the direction of such tax matters partner. Each Member agrees that it shall not take on any of its original or amended income tax returns or claims for refund any position with respect to any Company item of income, gain, loss, deduction, or credit that is inconsistent with the treatment of such item by the Company on the Schedule K-1.

Section 6.04 Tax Matters Partner. The Members hereby designate Diamond District Phase 1 Four Managing Member, LLC to be the "tax matters partner" under §6231(a)(7) of the Code. The Members may designate a different Member to serve as the tax matters partner at any time.

Section 6.05 Banking. All funds of the Company shall be deposited in the name of the Company in such checking account or accounts as shall be designated by the Members. All withdrawals therefrom are to be made upon checks signed by a Person or Persons authorized by the Members.

ARTICLE VII

TRANSFERS, ADMISSIONS, AND WITHDRAWALS

Section 7.01 Transfers. Except as provided in this Agreement, no Member shall transfer, sell, assign, encumber, or otherwise dispose of all or any portion of the Member's Interest without the written consent of the non-transferring Members. The transferee shall pay all costs and expenses incurred by the Company in connection with such transfer. Any purported

transfer, sale, assignment, encumbrance, or other disposition in violation of this Agreement shall be null and void.

Section 7.02 Admissions. Except as provided in this Agreement, no transferee of an Interest shall be admitted as a Member of the Company without the written consent of the non-transferring Members, and only if the transferee agrees to be legally bound by this Agreement as a Member and executes and delivers to the Company such documents and instruments as are necessary or appropriate in connection with the transferee becoming a Member. The transferee shall pay all costs and expenses incurred by the Company in connection with such admission. Any transferee of an Interest who is not admitted as a Member shall have the rights of an assignee with respect to distributions and Profits, Losses, and other allocations attributable to the transferred Interest, but shall have no rights as a Member under this Agreement or the Act. Notwithstanding the foregoing, the Interest of the assignee shall be subject to the restrictions contained in this Agreement applicable to Interests held by a Member.

Section 7.03 No Withdrawal. No Member shall have the right to withdraw from the Company prior to the dissolution and winding up of the Company.

Section 7.04 Incapacity of Member. In the event of the Incapacity of a Member, the executor, administrator, guardian, trustee, or other personal representative of the Member affected by such Incapacity shall be deemed to be the assignee of such Member's Interest and may, subject to Section 7.02, become a substituted Member.

ARTICLE VIII

TERMINATION AND DISSOLUTION

Section 8.01 Dissolution Events. The existence of the Company shall be perpetual, and the Company shall be terminated and dissolved only upon (a) the election of all the Members to dissolve the Company, or (b) the entry of a final decree of judicial dissolution under the Act.

Section 8.02 Liquidation.

(a) Winding Up. Upon the dissolution of the Company, the Company's business shall be liquidated in an orderly manner. The Members shall determine which Company property shall be distributed in-kind and which Company property shall be liquidated. The liquidation of Company property shall be carried out as promptly as is consistent with obtaining the fair value thereof.

(b) Payments and Distributions. Company property or the proceeds therefrom, to the extent sufficient therefor, shall be applied and distributed in the following order of priority, with no distribution being made in any category set forth below until each preceding category has been satisfied in full:

(i) To the payment and discharge of all of the Company's debts and liabilities, including any debts and liabilities owed to any Member, and to the expenses of liquidation;

(ii) To the establishment of Reserves (which Reserves, to the extent determined by the Members to be no longer needed by the Company, shall be distributed in accordance with the order of priority set forth in subsection (iii) below);

(iii) To and among the Members in accordance with Article III of this Agreement.

ARTICLE IX

EXCULPATION AND INDEMNIFICATION

Section 9.01 Exculpation. No Indemnified Party shall be liable, responsible, or accountable in damages or otherwise to the Company or the Members for any act or omission of the Indemnified Party on behalf of the Company, provided that the act or omission is not determined by a court to be due to such Indemnified Party's willful misconduct or recklessness.

Section 9.02 Indemnification. The Company shall indemnify and hold harmless each Indemnified Party against any loss or damage (including attorneys' and other professional fees) incurred by the Indemnified Party on behalf of the Company or in furtherance of the Company's interests, without relieving the Indemnified Party of liability for willful misconduct or recklessness. The satisfaction of any indemnification shall be from and limited to Company's assets and no Member shall have any liability on account thereof. The right to indemnification shall include the right to be paid or reimbursed by the Company the reasonable expenses incurred by the Indemnified Party in advance of the final disposition of any proceeding; provided, however, that the advance payment of such expenses shall be made only upon delivery to the Company of a written affirmation by such Indemnified Party of such Indemnified Party's good faith belief that the Indemnified Party has met the standard of conduct necessary for indemnification under this Agreement and a written undertaking, by or on behalf of such Indemnified Party, to repay all amounts so advanced if it shall ultimately be determined that such Indemnified Party is not entitled to be indemnified under this Agreement or otherwise.

ARTICLE X

REPRESENTATIONS

Section 10.01 Investment Representations. Each Member represents and warrants that it has acquired its Interest for its own account as part of a transaction exempt from registration under the Securities Act of 1933, as amended, and applicable state law for investment purposes and not with a view to the resale or distribution thereof, and that it has had access to any and all information necessary to arrive at its decision to acquire its Interest. In addition to the restrictions on transfer of Interests otherwise set forth in this Agreement, no Interest may be sold, transferred, assigned or otherwise disposed of by any Member in the absence of registration under the Securities Act of 1933, as amended, and applicable state law, or an opinion of counsel experienced in securities matters and satisfactory to the Members that such assignment or other disposition will not be in violation of said Act or state laws. No Member shall have any right to require registration of its Interest under said Securities Act or applicable state law and, in view of the nature of the Company and its business, such registration is neither contemplated nor likely.

Each Member further acknowledges that it understands that the effect of the foregoing representation and warranty and restriction on assignment or other disposition is generally to require that such Interest be held indefinitely unless it is registered or an exemption from registration is available.

ARTICLE XI

MISCELLANEOUS

Section 11.01 **Notices.** All notices, approvals, consents, requests, instructions, and other communications (collectively "Communications") required to be given in writing pursuant to this Agreement shall be validly given, made or served only when delivered personally or by registered or certified mail, return receipt requested, postage prepaid, or by a reputable overnight or same day courier, addressed to the Company or the Member at the address that is on record at the principal office of the Company, or by facsimile to the number that is on record at the principal office of the Company. Any such Communication shall be treated as given under this Agreement when the Communication is delivered to such address or received at such facsimile number. The designation of the Person to receive such Communication on behalf of a Member or the address of any such Person for the purposes of such Communication may be changed from time to time by written notice given to the Company pursuant to this Section.

Section 11.02 **Parties Bound; No Third Party Beneficiaries.** This Agreement shall inure to the benefit of and shall be binding upon all the parties and their respective heirs, successors, and assigns. No provision of this Agreement is intended to or shall be construed to grant or confer any right to enforce this Agreement or any remedy for breach of this Agreement to or upon any Person other than the parties hereto.

Section 11.03 **Applicable Law.** This Agreement and the rights of the parties hereunder shall be interpreted in accordance with the laws of the Commonwealth of Virginia without regard to its conflict of law rules.

Section 11.04 **Amendment.** No change or modification to this Agreement shall be valid unless the same is in writing and signed by all the Members.

Section 11.05 **Entire Agreement.** This Agreement contains the entire understanding among the parties and supersedes any prior understandings and agreements between them respecting the subject matter hereof. There are no representations, agreements, arrangements, or understandings, oral or written, between or among the parties hereto relating to the subject matter of this Agreement which are not fully expressed herein.

Section 11.06 **Severability.** If any provision of this Agreement or the application thereof to any Person or circumstance shall, for any reason and to any extent, be invalid or unenforceable, the remainder of this Agreement and the application of such provision to other Persons or circumstances shall not be affected thereby but rather shall be enforced to the greatest extent permitted by law.

Section 11.07 **Counterparts.** This Agreement may be executed in one or more counterparts with the same effect as if all of the Members had signed the same document. All counterparts shall be construed together and shall constitute one and the same instrument.

Section 11.08 **Construction.** When from the context it appears appropriate, each term stated either in the singular or the plural shall include the singular and the plural and pronouns stated either in the masculine, the feminine or the neuter shall include the masculine, the feminine and the neuter.

Section 11.09 **Headings and Captions.** The headings and captions contained in this Agreement are inserted only as a matter of convenience and in no way define, limit, or extend the scope or intent of this Agreement or any provisions hereof.

Section 11.10 **No Waiver.** The failure of any Member to insist upon strict performance of a covenant hereunder or of any obligation hereunder or to exercise any right or remedy hereunder, regardless of how long such failure shall continue, shall not be a waiver of such Member's right to demand strict compliance therewith in the future unless such waiver is in writing and signed by the Member giving the same.

Section 11.11 **Other Business and Investment Ventures.** Except as otherwise provided in this Agreement or any other agreement to which a Member is a party, each Member may engage in other business or investment ventures, including business or investment ventures in competition with the Company, and neither the Company nor the other Members shall have any rights in such business or investment ventures.

Section 11.12 **Additional Instruments.** Each Member agrees to execute and deliver such additional agreements, certificates, and other documents as may be necessary or appropriate to carry out the intent and purposes of this Agreement.

[Signatures on following page]

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

MEMBERS:

DIAMOND DISTRICT PHASE 1 FOUR MANAGING MEMBER, LLC, a Virginia limited liability company

By: _____
Name: Timothy I. Henkel
Title: Chief Executive Officer

PENNROSE LP, LLC, a Pennsylvania limited liability company

By: _____
Name: Timothy I. Henkel
Title: Vice President

EXHIBIT A

MEMBERS' CAPITAL CONTRIBUTIONS AND PERCENTAGE INTERESTS

Members	Capital Contribution	Percentage Interest
Diamond District Phase 1 Four Managing Member, LLC 230 Wyoming Avenue Kingston, Pennsylvania 18704	$1.00	1.00%
Pennrose LP, LLC 230 Wyoming Avenue Kingston, Pennsylvania 18704	$99.00	99.00%

FIRST AMENDMENT TO OPERATING AGREEMENT
OF
DIAMOND DISTRICT PHASE 1 FOUR, LLC

THIS FIRST AMENDMENT TO OPERATING AGREEMENT OF DIAMOND DISTRICT PHASE 1 FOUR, LLC (the "Amendment") is made and entered into effective as of March 10, 2026, by and among the undersigned parties.

RECITALS

WHEREAS, on March 4, 2025, Diamond District Phase I Four MM, LLC (the "Managing Member") and Pennrose LP, LLC entered into that certain Operating Agreement of Diamond District Phase 1 Four, LLC (the "Initial Operating Agreement"); and

WHEREAS, the Managing Member hereby desires to amend the Initial Operating Agreement to reflect its correct name as Diamond District Phase 1 Four MM, LLC.

Accordingly, in consideration of the foregoing, of the mutual promises of the parties hereto, and of other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending legally to be bound, hereby agree as follows:

1. Managing Member. The Initial Operating Agreement is revised so that any reference to "Diamond District Phase I Four Managing Member, LLC" is hereby replaced with "Diamond District Phase I Four MM, LLC".

2. No Further Amendment. Except as expressly provided above, the Initial Operating Agreement shall not be amended hereby and shall remain in full force and effect.

3. Defined Terms. Unless otherwise provided herein, the terms used in this Amendment with initial capital letters shall have the same meaning as set forth in the Initial Operating Agreement.

4. No Continuing Waiver. The waiver of either party of any breach of this Amendment shall not operate or be construed to be a waiver of any subsequent breach.

5. Counterparts. This Amendment may be executed in counterparts, all of which shall be treated as a single document.

[Signature Pages Immediately Follow]

IN WITNESS WHEREOF, this Amendment has been executed effective as of the day and year set forth above.

DIAMOND DISTRICT PHASE 1 FOUR MM, LLC,
a Virginia limited liability company

By: Pennrose Nix DD JV, LLC, a Virginia limited liability company, its sole member

By: Pennrose Holdings, LLC, a Pennsylvania limited liability company, its managing member

By: _____
Name: Timothy I. Henkel
Title: Chief Executive Officer

Richmond RHA
Building Communities. Changing Lives.

P.O. Box 26887
Richmond VA 23261-6887
600 East Broad Street, 4th Floor
Richmond, VA 23219

(O) (804) 780-4200
TTY: Dial 7-1-1

info@rrha.com
www.rrha.com

Chief Executive Officer
Steven B. Nesmith

Board of Commissioners
Eddie L. Jackson, Jr., Chair
Harold Parker, Jr., Vice Chair
Dyanne Broidy
Kyle R. Elliott
Barrett Hardiman
W.R. "Bill" Johnson, Jr.
Gregory Lewis
Marika McCray
Charlene Pitchford

March 05, 2026

Penrose, LLC
Attn: Patrick Steward, RVP
230 Wyoming Ave.
Kingston, PA 18704

RE: RRHA RFP 2025-01 Project-Based Vouchers – Diamond District 9%

Dear Mr. Steward:

On March 11, 2025, Richmond Redevelopment & Housing Authority awarded **12** PBVs for your project located at **2728 Hermitage Rd., Richmond, VA 23220.** This letter reconfirms the award with the following changes:

- The pre-commitment period has been changed and is now in effect from March 11, 2025, to December 31, 2027, and is subject to satisfactory compliance with the terms and conditions stipulated in the associated RFP under which the award was made, and also subject to Voucher availability, funding, and HUD regulations.

- This commitment is also contingent on the receipt of Low-Income Housing Tax Credits and closing by January 31, 2027.

Sincerely,

Colene Sue Orsini

Colene S. Orsini, VCA
VP of Procurement and Contract Administration

CC: Fatimah Smothers-Hargrove, RRHA
Corey Franklin, RRHA
Sherrill Hampton, RRHA

Richmond RHA
Building Communities. Changing Lives.

P.O. Box 26887
Richmond VA 23261-6887
600 East Broad Street, 4th Floor
Richmond, VA 23219

(O) (804) 780-4200
TTY: Dial 7-1-1

info@rrha.com
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Chief Executive Officer
Steven B. Nesmith

Board of Commissioners
W.R. "Bill" Johnson, Jr., Chair
Charlene Pitchford, Vice Chair
Dyanne Broidy
Kyle R. Elliott
Barrett Hardiman
Eddie L. Jackson, Jr.
Gregory Lewis
Marika McCray
Harold Parker, Jr.

March 11, 2025

Penrose, LLC
Attn: Patrick Steward, RVP
230 Wyoming Ave.
Kingston, PA 18704

RE: RRHA RFP 2025-01 Project Based Vouchers – Diamond District 9%

Dear Mr. Steward:

Thank you for responding to Richmond Redevelopment and Housing Authority's Request for Proposal No. RRHA-RFP-2025-01 for Project Based Vouchers (PBVs) issued on **January 16, 2025.** In response to your proposal, I am pleased to inform you that you have been awarded **12** PBVs for your project located at **2728 Hermitage Rd., Richmond, VA 23220.** The term of the PBVs will be for 20 years subject to the execution of a HAP contract. This commitment is in effect from March 11, 2025 – March 10, 2027 (two years) subject to your satisfactory compliance with the terms and conditions stipulated in the aforementioned RFP.

In addition, if you indicated in your response to the aforementioned RFP that your project was applying for Low-Income Housing Tax Credits (LIHTCs) through Virginia Housing, then this commitment is contingent upon receiving an allocation of Low-Income Housing Tax Credits no later than March 10, 2026. If you do not receive an allocation of tax credits or execute the HAP contract by the defined deadlines, you will be required to request PBVs from RRHA by any open available method, i.e. a future RFP for competitive award of PBVs.

Congratulations on receiving this commitment. We look forward to working with you. If you have any additional questions, you may contact me by e-mail at colene.orsini@rrha.com.

Sincerely,

Colene Sue Orsini

Colene S. Orsini, VCA
VP of Procurement and Contract Administration

CC: Fatimah Smothers-Hargrove, RRHA
Corey Franklin, RRHA
Sherrill Hampton, RRHA

CITY OF RICHMOND

Housing &
Community Development

March 5, 2026

Patrick Stewart
Regional Vice President
Pennrose, LLC
Diamond District Phase 1 Nine, LLC
2728 Hermitage Rd
Richmond, Virginia 23220 pstewart@pennrose.com

Project Name: Diamond District 9% (50 units)

Dear Mr. Stewart:

This Letter is to confirm that the City of Richmond ("City") is in receipt of the Affordable Housing Performance Grant ("AHPG") application for the above-referenced project. Initial review indicates that the project meets the requirements of the program.

As a 100% affordable development, the project qualifies for a 30-year performance grant tax rebate on the real estate tax increase above the base real estate tax amount prior to construction.

Thanks for providing affordable housing in the City of Richmond.

Sincerely,

Merrick T. Malone

Merrick Malone, Esq.
Director, Housing & Community Development

To: Virginia Housing, Tax Credit Allocation Department
From: Diamond District Phase 1 Nine, LLC
Date: March 6, 2026

Re: Subsidized Funding Commitment (Section 6.8.4) – Real Estate Tax Abatement for Diamond District Phase 1 (9%)

To the Allocation Review Committee,

Please accept this letter as documentation supporting our claim of Subsidized Funding Commitment points pursuant to Section 6.8.4 of the 2026 Federal Housing Credit Manual. As confirmed by the City of Richmond's Department of Housing and Community Development ("HCD"), the project qualifies for a 30-year performance grant tax rebate equal to the incremental increase in real estate taxes generated by the improvements constructed as part of the development. The following describes the methodology used to quantify the value of this real estate tax benefit over the 30-year period as a subsidized funding commitment supporting the development.

To estimate the value of this benefit, we first determined the base real estate tax obligation attributable to the portion of the project site that will be occupied by the development prior to construction. The site for the development is a 2.45-acre parcel that was recently subdivided from a larger 18.274-acre parent parcel. Because the City of Richmond has not yet issued a separate assessment for the newly created parcel, the current land assessment for the parent parcel was prorated on an acreage basis. Based on the parent parcel's current land assessment of approximately $13,243,000, the prorated assessed value attributable to the 2.45-acre parcel is approximately $1,780,000. At the City's current real estate tax rate of $1.20 per $100 of assessed value, this corresponds to an estimated annual tax obligation of approximately $21,360 for the full parcel.

The proposed 9% tax credit development will occupy approximately 1.24 acres of the 2.45-acre parcel, or approximately fifty-one percent (51%) of the site. Accordingly, the estimated base real estate tax attributable to the portion of the site associated with the proposed development is approximately $10,800 per year.

We then estimated the stabilized real estate tax obligation associated with the completed affordable housing development. To develop this estimate, we reviewed assessed values and tax obligations for several comparable Low-Income Housing Tax Credit developments located within the City of Richmond. These properties generally exhibited assessed values ranging from approximately $240,000 to $270,000 per residential unit. The proposed development will contain fifty (50) residential units. Based on this observed range, we conservatively assumed a stabilized assessed value of approximately $12,900,000 for the completed development. At the City's current real estate tax rate of $1.20 per $100 of assessed value, this corresponds to an estimated annual real estate tax obligation of approximately $155,000.

Based on these assumptions, the incremental increase in annual real estate taxes generated by the development is estimated to be approximately $144,200 per year (calculated as the stabilized annual tax obligation of approximately $155,000 less the estimated base tax obligation of approximately $10,800). Under the City's program, and as confirmed in the approval letter from Richmond HCD dated March 5, 2026, this incremental tax amount is rebated annually to the property owner for a period of thirty (30) years.

Accordingly, the estimated value of the real estate tax benefit associated with the Diamond District Phase 1 (9%) development is approximately $4,326,000, calculated as the annual incremental tax benefit of approximately $144,200 multiplied by the thirty-year program term.

Because this mechanism offsets the incremental real estate taxes generated by the development, it materially reduces the operating costs of the project and therefore reduces the amount of federal housing credit equity required to finance the development and the amount of federal housing credits requested for the project. We respectfully submit that this benefit represents a meaningful public investment in the project and qualifies as a Subsidized Funding Commitment consistent with the intent of the Virginia Housing Low-Income Housing Tax Credit program.

Sincerely,

DIAMOND DISTRICT PHASE 1 NINE, LLC,
a Virginia limited liability company

By: Diamond District Phase 1 Nine MM, LLC,
a Virginia limited liability company,
its managing member

By: Pennrose Nix DD JV, LLC,
a Virginia limited liability company,
its sole member

By: Pennrose Holdings, LLC,
its managing member

By: _____
Name: Timothy I. Henkel
Title: Chief Executive Officer

To: Virginia Housing, Tax Credit Allocation Department
From: Diamond District Phase 1 Nine, LLC
Date: March 6th, 2025

Re: Subsidized Funding Commitment (Section 6.8.4) – Partial Land Donation for Diamond District Phase 1 (9%)

To the Allocation Review Committee,

Please accept this letter as formal documentation and justification for claiming Subsidized Funding Commitment points under Section 6.8.4 of the 2026 Federal Housing Credit Manual. The applicant, Diamond District Phase 1 Nine, LLC, has secured a binding commitment for the acquisition of the project site (Parcel E3) at a purchase price that is significantly below its current market value, representing a substantial partial land donation from the seller.

As outlined in the fully executed Purchase and Sale and Development Agreement dated March 13, 2025, the applicant is purchasing the 2.45-acre site from Diamond District Partners, LLC for a total fixed Purchase Price of $1,610,000; $10,000 per multi-family residential unit for 161 proposed units. However, an independent appraisal conducted by Valbridge Property Advisors on May 14, 2025, concluded that the "As Is" Market Value of the Fee Simple Interest for this 2.45-acre parcel is $5,640,000.

The difference between the appraised market value ($5,640,000) and the contract purchase price ($1,610,000) represents a direct, deal-specific subsidy of $4,030,000. We respectfully request that Virginia Housing recognize this $4.03 million difference as a partial land donation. Furthermore, we confirm that the seller and donor of this equity, Diamond District Partners, LLC, is an entirely separate legal entity and does not act as a Principal in the Applicant, fully satisfying the requirements of Section 6.8.4 for land donations sourced from non-local government entities 6.8.4 (3).

This $4.03 million effective land donation significantly reduces the project's overall costs and federal credit request. We believe this firmly meets the intent of the Subsidized Funding Commitments scoring category and ask that the development be awarded the corresponding points for this substantial contribution.

Sincerely,
DIAMOND DISTRICT PHASE 1 NINE, LLC,
a Virginia limited liability company

By: Diamond District Phase 1 Nine MM, LLC,
a Virginia limited liability company,
its managing member

By: Pennrose Nix DD JV, LLC,
a Virginia limited liability company,
its sole member

By: Pennrose Holdings, LLC,
its managing member

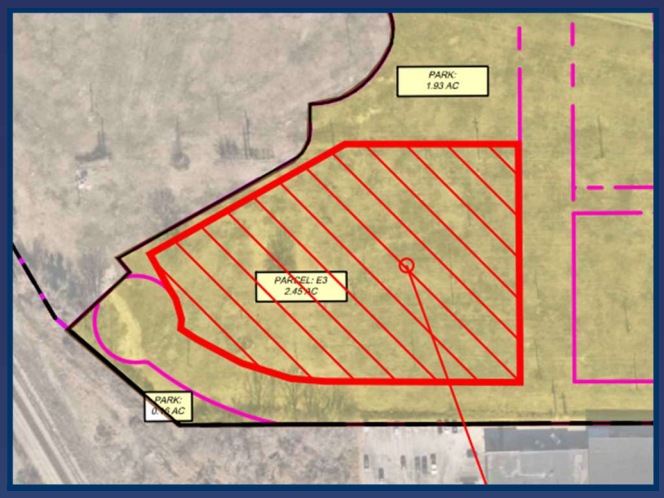
By: _____
Name: Timothy I. Henkel
Title: Chief Executive Officer

Valbridge
PROPERTY ADVISORS

Appraisal Report

Diamond District Parcel E3
2728 Hermitage Road
Richmond, Virginia 23220

Report Date: May 14, 2025



FOR:

Pennrose, LLC
Patrick Stewart
Regional Vice President
1501 St Paul Street, Suite 118
Baltimore, MD 21202

Valbridge Property Advisors | Virginia

5107 Center Street, Suite 2B
Williamsburg, VA 23188
757.345.0010 phone
757.345.0170 fax
valbridge.com

Valbridge File Number:
VA02-25-0168-000

5107 Center Street, Suite 2B
Williamsburg, VA 23188
757.345.0010 phone
757.345.0170 fax
valbridge.com

May 14, 2025

Michael F. Berry, MAI
757.345.0010
mberry@valbridge.com

Patrick Stewart
Regional Vice President
Pennrose, LLC
1501 St Paul Street, Suite 118
Baltimore, MD 21202

RE: Appraisal Report
Diamond District Parcel E3
2728 Hermitage Road
Richmond, Virginia 23220

Dear Mr. Stewart:

In accordance with your request, an appraisal of the above-referenced property was performed. This appraisal report sets forth the pertinent data gathered, the techniques employed, and the reasoning leading to the value opinions. This letter of transmittal does not constitute an appraisal report and the rationale behind the value opinion(s) reported cannot be adequately understood without the accompanying appraisal report.

The subject property, as referenced above, is located west of Hermitage Road and north of Rhoadmiller Street, in the southern section of The Diamond District, in the City of Richmond, and is further identified as a portion of Parcel ID: N0001510013. The subject is a 2.450-acre or 106,722-square-foot site known as Parcel E3. The site is proposed for development with 161 affordable multifamily units, as dictated by the Diamond District Phase 1 Master Plan.

The analyses, opinions, and conclusions were developed, and this report was prepared in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation; the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute; and the requirements of our client.

The client in this assignment is Pennrose, LLC and the intended users of this report are Pennrose, LLC and City of Richmond DHCD and no others. The intended use is for internal decision-making and financing purposes. The value opinions reported herein are subject to the definitions, assumptions, limiting conditions, and certifications contained in this report.

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The findings and conclusions are further contingent upon the following extraordinary assumptions and/or hypothetical conditions, the use of which might have affected the assignment results:

Extraordinary Assumptions:

- Access to the subject site was restricted, and it was only visible over the fence from the property to the south. This report assumes that the site description included herein, based on the limited in-person inspection, is correct.
- This report assumes that the subject property will be subdivided from the larger parent parcel known as Parcel ID: N0001510013, in accordance with the Diamond District Master Plan, presented herein, prior to the sale of the property.

Hypothetical Conditions:

- None.

Based on the analysis contained in the following report, our value conclusions are summarized as follows:

Value Conclusion

Component	As Is
Value Type	Market Value
Real Property Interest	Fee Simple
Effective Date of Value	May 12, 2025
Value Conclusion	**$5,640,000**

Respectfully submitted,
Valbridge Property Advisors | Virginia



Matthew C. Ball, Jr., MAI
Director
Virginia License #4001-017643
License Expires 06-30-2026



Michael F. Berry, MAI
Senior Managing Director
Virginia, License #4001-002182
License Expires 08-31-2025

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Summary of Salient Facts

Property Identification

Property Name	Diamond District Parcel E3
Property Address	2728 Hermitage Road Richmond, Virginia 23220
Latitude & Longitude	37.568446, -77.46416
Census Tract	6931.02
Tax Parcel Number	A portion of Parcel ID: N0001510013
Property Owner	DIAMOND DISTRICT PARTNERS LLC

Site

Zoning	Transit Oriented Nodal District (TOD-1)
FEMA Flood Map No.	5101290029D
Flood Zone	Zone X
Gross Land Area	2.450 acres
Usable Land Area	2.450 acres
Number of Proposed Units	161

Valuation Opinions

Highest & Best Use - As Vacant	Development with low-income multifamily units, in accordance with the Diamond District Phase 1 Master Plan
Reasonable Exposure Time	12 months or less
Reasonable Marketing Time	12 months or less

Value Indications

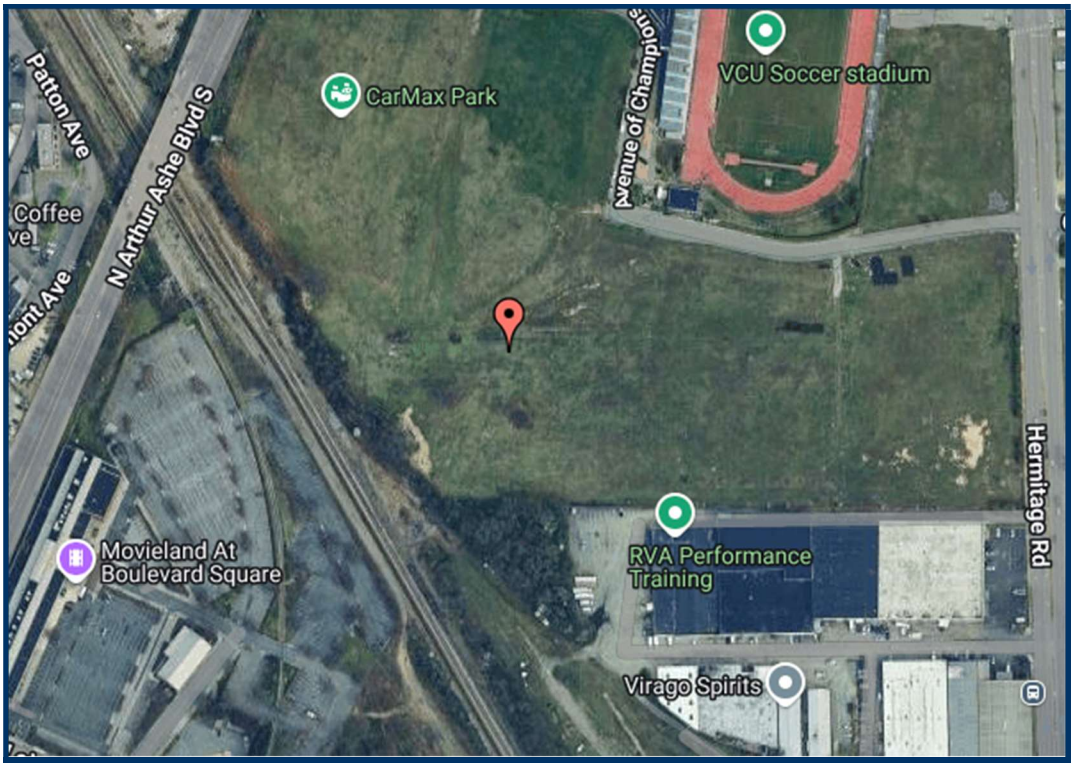
Approach to Value	As Is
Sales Comparison - Land Only	$5,640,000

Value Conclusion

Component	As Is
Value Type	Market Value
Real Property Interest	Fee Simple
Effective Date of Value	May 12, 2025
Value Conclusion	**$5,640,000**

Aerial and Front Views

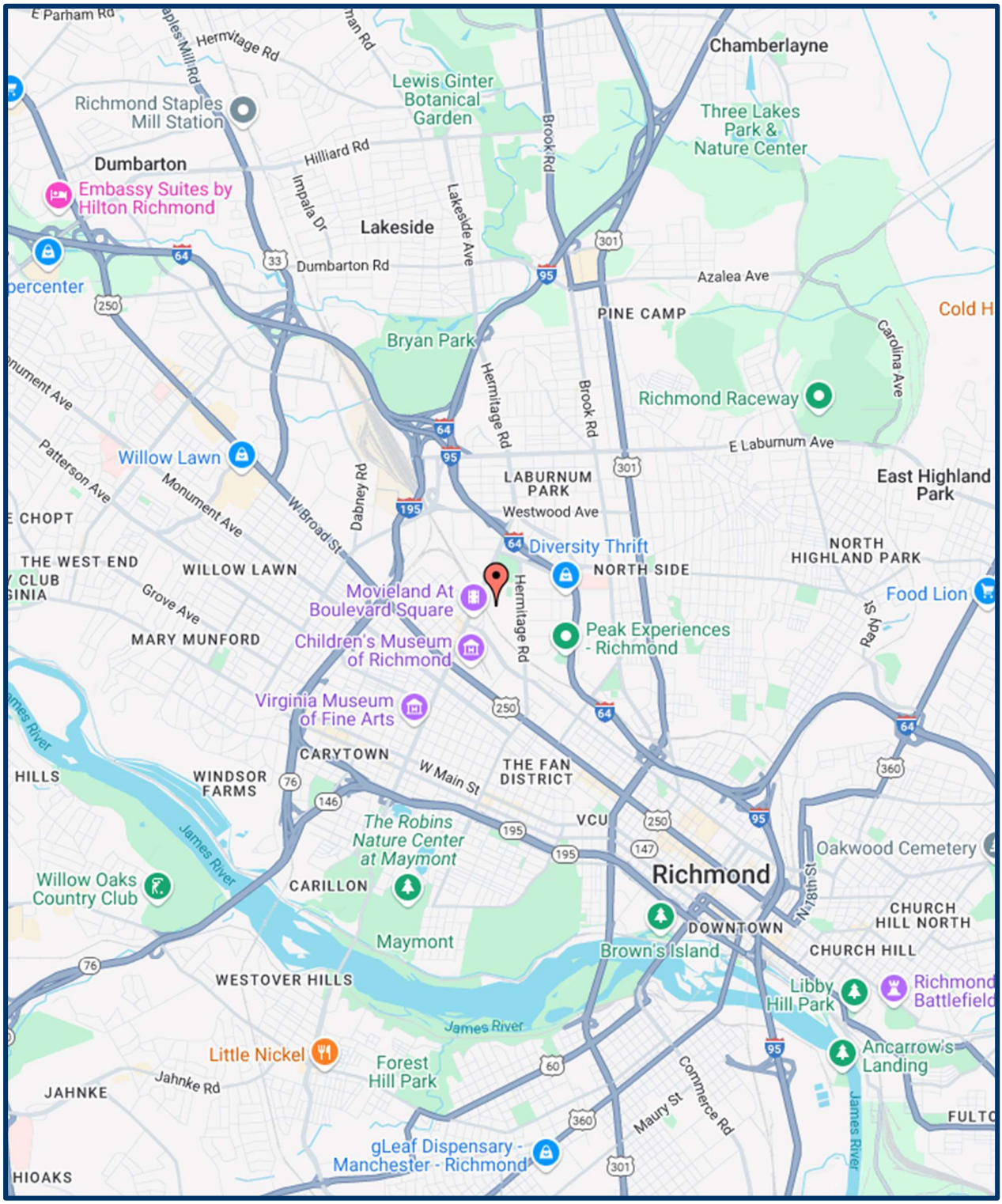
AERIAL VIEW



FRONT VIEW



Location Map



Introduction

Client and Intended Users of the Appraisal

The client in this assignment is Pennrose, LLC and the intended users of this report are Pennrose, LLC and City of Richmond DHCD. Under no circumstances shall any of the following parties be entitled to use or rely on the appraisal or this appraisal report:

i. The borrower(s) on any loans or financing relating to or secured by the subject property,

ii. Any guarantor(s) of such loans or financing; or

iii. Principals, shareholders, investors, members or partners in such borrower(s) or guarantors.

Intended Use of the Appraisal

The intended use of this report is for internal decision-making and financing purposes.

Real Estate Identification

The subject property is located at 2728 Hermitage Road, Richmond, Virginia 23220. The subject property is further identified as a portion of Parcel ID: N0001510013.

Legal Description

THE DIAMOND DISTRICT LOT 2, PARCEL E3

Use of Real Estate as of the Effective Date of Value

As of the effective date of value, the subject was vacant land.

Use of Real Estate as Reflected in this Appraisal

The as is opinion of value for the subject property reflects use as vacant land.

Ownership of the Property

According to public records, title to the subject property is vested in DIAMOND DISTRICT PARTNERS LLC.

History of the Property

Ownership of the subject property has changed within the past three years and the known terms are presented in the following table:

Recent Transaction

Sale Date:	03-03-2025
Grantor/Seller:	Economic Development Authority of The City of Richmond Va
Grantee/Buyer:	DIAMOND DISTRICT PARTNERS LLC
Deed Book/Page:	2025-3207
Sales Price:	$11,407,499
Remarks:	The property purchased in this prior sale consists of 18.2744 acres known as Phase 1A of the Diamond District redevelopment project. The property

surrounds the north, east, and south sides of the 10.67-acre parcel known as Lot 1, which is the parcel upon which the new CarMax Park baseball stadium is being constructed. The purchaser, Diamond District Partners, is the development team led by Thalhimer Realty Partners that is driving the mixed-use portion of the 67-acre Diamond District project. The purchase price for this Phase 1A tract was stipulated in the buyer's development agreement with the City of Richmond, known as Ord. No. 2024-113.

According to the development agreement, Phase 1A would include the following: Hotel with at least 180 keys; at least 891 new housing units, including at least 161 affordable units; at least 20,000 square feet of commercial space; public infrastructure; and park space. There are additional "Community Benefit" requirements set forth in the agreement, a copy of which can be found at:

https://richmondva.legistar.com/LegislationDetail.aspx?ID=6629342&GUID=24130D56-B78E-4EDD-824A-10DC43AA2C84&Options=IDIText|&Search=113

The subject property represents a 2.45-acre portion of this Phase 1A tract, known as Parcel E3, which is slated for the noted affordable housing component of the development with 161 units.

Active Listing/Offer/Contract

As of the current date of value, the subject property was under contract for purchase, by the client, from DIAMOND DISTRICT PARTNERS LLC. A copy of the purchase contract was requested, though it was not provided. Neither the purchase price nor any other terms of the contract were disclosed. The buyer intends to develop the subject site with 161 low-income multifamily units in accordance with Phase 1 of the Diamond District Master Plan. As proposed, the project will include three buildings that will be developed in two or three phases. According to the buyer, Building A will feature 50 affordable rental units, Building B will feature 61 affordable rental units, and Building C will feature 50 affordable rental units. "Building A will be its own phase. Building B and C may be one or two additional phases, depending on how financing comes together." The buyer plans to apply for financing through the City of Richmond Department of Housing and Community Development's Equitable Affordable Housing Program (EAHP).

Type and Definition of Value

The appraisal problem is to develop an opinion of the market value of the subject property. Market value is defined as the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale with the buyer and seller each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- *buyer and seller are typically motivated;*
- *both parties are well informed or well advised, and acting in what they consider their own best interest;*

- *a reasonable time is allowed for exposure in the open market;*
- *payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and*
- *the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale*[1]

Please refer to the Glossary in the Addenda section for additional definitions of terms used in this report.

Valuation Scenarios, Property Rights Appraised, and Effective Dates of Value

Opinions of value for the subject property were developed under the following valuation scenarios:

Valuation Scenario	Effective Date of Value
As Is Market Value of the Fee Simple Interest	May 12, 2025

Date of Report

The date of this report is May 14, 2025.

List of Items Requested but Not Provided

- Purchase agreement

Assumptions and Conditions of the Appraisal

This appraisal assignment and the opinions reported herein are subject to the General Assumptions and Limiting Conditions contained in the report and the following extraordinary assumptions and/or hypothetical conditions, the use of which might have affected the assignment results.

Extraordinary Assumptions

- Access to the subject site was restricted, and it was only visible over the fence from the property to the south. This report assumes that the site description included herein, based on the limited in-person inspection, is correct.
- This report assumes that the subject property will be subdivided from the larger parent parcel known as Parcel ID: N0001510013, in accordance with the Diamond District Master Plan, presented herein, prior to the sale of the property.

Hypothetical Conditions

- None.

[1] *FIRREA Code of Federal Regulations, Title 12, Part 34 Subpart C - 34.42, 1990; also Interagency Appraisal and Evaluation Guidelines, Federal Register / Vol.75, No. 237, 2010*

Scope of Work

The elements addressed in the Scope of Work are (1) the extent to which the subject property is identified, (2) the extent to which the subject property is inspected, (3) the type and extent of data researched, (4) the type and extent of analysis applied, (5) the type of appraisal report prepared, and (6) the inclusion or exclusion of items of non-realty in the development of the value opinion. These items are discussed as below.

Extent to Which the Property Was Identified

The three components of the property identification are summarized as follows:

- Legal Characteristics - The subject was legally identified via assessor records and the site plan in this report.
- Economic Characteristics - The subject property economic characteristics were identified via information provided by the client, market surveys, discussions with market participants, and our database.
- Physical Characteristics - The subject property physical characteristics were identified via personal observation, information provided by the client, market surveys, discussions with market participants, and our database.

Extent to Which the Property Was Inspected

An appraisal inspection of the subject property an appraisal inspection that consisted of exterior observations of vacant land was completed on May 12, 2025. (See Extraordinary Assumptions)

Type and Extent of Data Researched

The following data was researched and analyzed: (1) market area data, (2) property-specific market data, (3) zoning and land-use data, and (4) current data on comparable listings and transactions. Professionals familiar with the subject market/property type were also interviewed.

Type and Extent of Analysis Applied (Valuation Methodology)

Surrounding land use trends, the condition of any improvements, demand for the subject property, and relevant legal limitations were observed in the process of concluding a highest and best use for the subject property. The subject property was then valued based on the highest and best use conclusion.

There are four primary methods available to develop a land value estimate: (1) sales comparison, (2) land residual method, (3) ground rent capitalization, and (4) subdivision development method (discounted cash flow). While other methods, such as extraction and allocation, are applicable under limited conditions, one or more of these approaches are used in most circumstances to derive an indication of land value.

- Sales Comparison Approach - In the sales comparison approach, value is indicated by recent sales and/or listings of comparable properties in the market, with the appraiser analyzing the impact of material differences in both economic and physical elements between the subject and the comparables.

- Direct Capitalization: Land Residual Method - The land residual methodology involves estimating the residual net income to the land by deducting from total potential income the portion attributable to the improvements, assuming development of the site at its highest and best use. The residual income is capitalized at an appropriate rate, resulting in an indication of land value.
- Direct Capitalization: Ground Rent Capitalization – A market derived capitalization rate is applied to the net income resulting from a ground lease. This can represent the leased fee or fee simple interest, depending on whether the income potential is reflective of a lease in place or market rental rates.
- Yield Capitalization: Subdivision Development Method – Also known as discounted cash flow analysis (DCF), the methodology is most appropriate for land having multiple lot development in the near term as the highest and best use. The current site value is represented by discounting the anticipated cash flow to a present value, taking into consideration all necessary costs of development, maintenance, administration, and sales throughout the absorption period.

All of these approaches to value were considered. The availability of data and applicability of each approach to value within the context of the characteristics of the subject property, along with the needs and requirements of the client, were assessed. Based on this assessment, only the sales comparison approach was developed. The exclusion of the other approaches does not weaken the validity of the appraisal conclusions. The specific methods and analysis of each approach are further discussed in the respective valuation sections.

Appraisal Conformity and Report Type

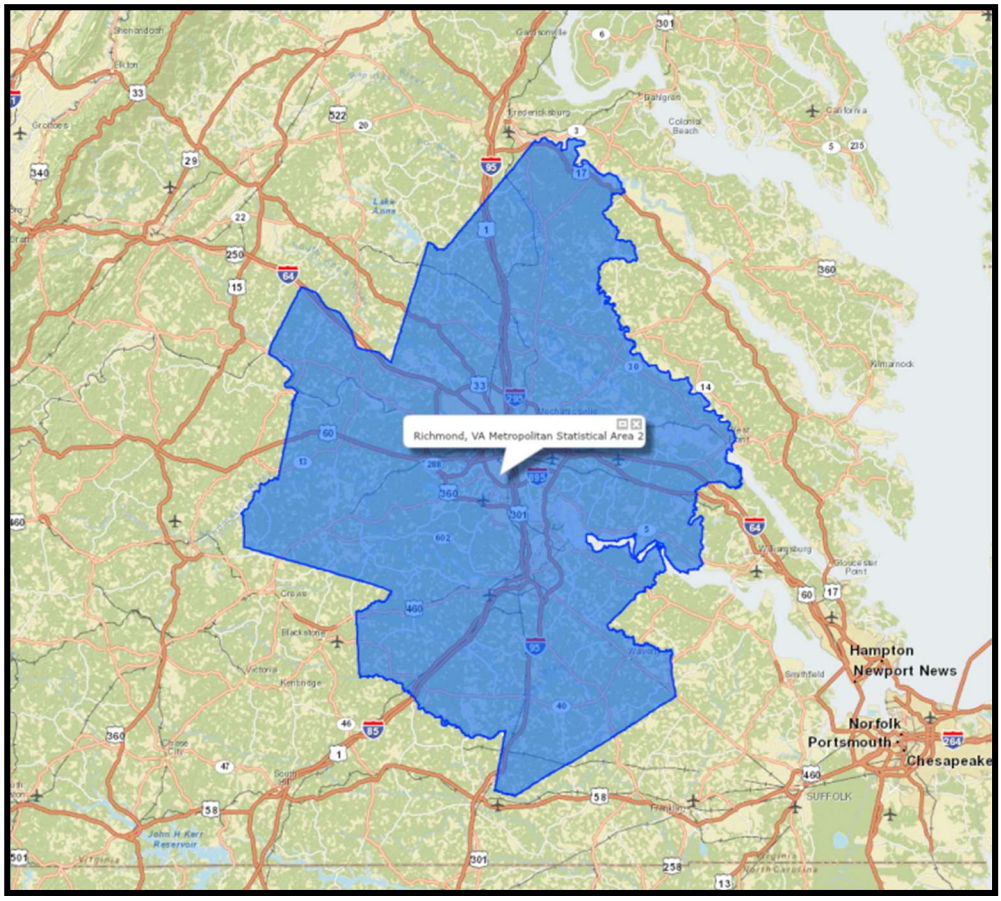
The analyses, opinions, and conclusions were developed and this report was prepared in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation; the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute; and the requirements of our client. This is an Appraisal Report as defined by the Uniform Standards of Professional Appraisal Practice under Standards Rule 2-2a.

Personal Property/FF&E

All items of non-realty are excluded from this analysis. The opinion of market value developed herein is reflective of real estate only.

Regional and Market Area Analysis

REGIONAL MAP



Overview

The subject is located in Richmond, Virginia. It is part of the Richmond-Petersburg, VA MSA. The Richmond-Petersburg Metropolitan Statistical Area is also known as the Greater Richmond Region. The MSA is comprised of the cities of Richmond, Petersburg, Colonial Heights and Hopewell, in addition to the counties of Chesterfield, Henrico, Hanover, Goochland, Powhatan, New Kent, Charles City, Dinwiddie, Prince George, Amelia, Caroline, Cumberland, King and Queen, King William, Louisa and Sussex. The Richmond-Petersburg MSA contains approximately 3,000 square miles which is the largest of Virginia's eight MSAs.

The City of Richmond (the state capitol) was first settled along the James River and grew into a major center of river trade in the 1700s. The city became the capital of the state in 1779 and now is a major manufacturing center. Early industries were mainly tobacco-related, and Richmond is still considered the "Tobacco Capital of the World". The City of Petersburg, to the south (along the Appomattox River) also maintains a manufacturing center, while the aforementioned cities and counties are primarily residential in nature.

The Richmond area is the recreational and cultural center of the state. The area is home to 27 public golf courses. The city is home to the Virginia Museum of Fine Arts, the Science Museum of Virginia

and the Museum of the Confederacy, Black History Museum and Cultural Center, Children's Museum of Richmond and Edgar Allen Poe Museum. The Mosque Theatre and the Carpenter Center for the Performing Arts host a number of performances by the Richmond Symphony, the Richmond Opera Company, and the Richmond Ballet. Paramount's Kings Dominion is located just outside of Richmond in Hanover County.

Higher education is offered at five, four-year and five, two-year institutions with more than 66,000 students enrolled. These include Virginia Commonwealth University (VCU), University of Richmond, Randolph-Macon College, Virginia State University and Virginia Union University. J. Sergeant Reynolds and John Tyler Community Colleges are community colleges offering AS and AAS degrees.

Population

Trends in population are a significant indicator of a structural change within a region's economy. The rate of increase or decrease of an area's population has a direct and rather obvious effect on real estate values. Typically, population growth benefits businesses, creates jobs, and enhances all aspects of the local tax base. Since the supply of land is fixed, an increase in the population base will be reflected in higher demand for real estate. Naturally, this pattern of demand will be translated into value to the whole spectrum of property types.

Population characteristics relative to the subject property are presented in the following table.

Population

Area	Census Population (2020)	Current Population (2025)	Compound Annual Δ 2020 - 2025	Projected Population (2030)	Compound Annual Δ 2025 - 2030
United States	331,449,520	335,707,897	0.26%	343,238,675	0.44%
Virginia	8,631,393	8,823,498	0.44%	8,990,180	0.38%
Richmond, VA (MSA)	1,314,434	1,365,279	0.76%	1,407,480	0.61%
Richmond city	226,610	233,519	0.60%	238,784	0.45%

Source: ESRI (ArcGIS)

The total population for the MSA is projected to increase 0.61% annually between 2025 and 2030. It is projected that the largest increases will occur in the outlying areas. The most populated areas in the region are Chesterfield and Henrico Counties, followed by the city of Richmond. The total population for the MSA has grown approximately 3.8% since 2020. The City of Richmond was the most populous locality until the 1990 Census, but a migration of residents to outlying suburbs has now put the City of Richmond third with 233,519 residents.

Median Household Income

The ability of a given population within some definable market area to satisfy its material desires is important in real estate analysis and income should be considered. Total median household income for the region is presented in the following table.

Income

Area	2025 Median HH Income	2025 Average HH Income	2025 Per Capita Income
United States	$72,233	$104,831	$41,000
Virginia	$89,834	$129,347	$50,240
Richmond, VA (MSA)	$85,432	$117,623	$47,013
Richmond city	$61,708	$97,787	$44,947

Source: ESRI (ArcGIS)

As can be seen, median household income levels for the MSA are slightly below average for the state. Household income levels in the municipality are well below average for the MSA, but on a per capital basis, they are more in line.

Transportation

Roadways

The Richmond MSA enjoys an excellent highway transportation system, which includes Interstates 64, 95, 85, 195, and 295. Interstate 95 traverses the MSA on a north to south axis, while Interstate 64 bisects the area in an east to west fashion. Interstate 295 runs in an arc north of the city from Interstate 64 on the east to Interstate 95 to the north and circumvents the city. Interstate 95 connects with Interstate 85 within the Petersburg city limits. These interstate thoroughfares connect the MSA to major metropolitan areas within the state and along the eastern seaboard. The average commute time within the MSA is about 25 minutes.

Airport

The Richmond International Airport (RIC) is in the eastern portion of Henrico County with commercial service provided by eight carriers. Nearly 3.6 million passengers and approximately 115 million pounds of cargo are handled at RIC annually. Water transportation consists of two terminals on the James River, southeast of Richmond. The Port of Richmond maintains channel depths of 25 feet at mean low water and can provide for oceangoing ships. Navigational hazards are commonplace so ships are allowed to use this channel during daylight hours while tugs and barges operate on a 24-hour basis.

Rail Service

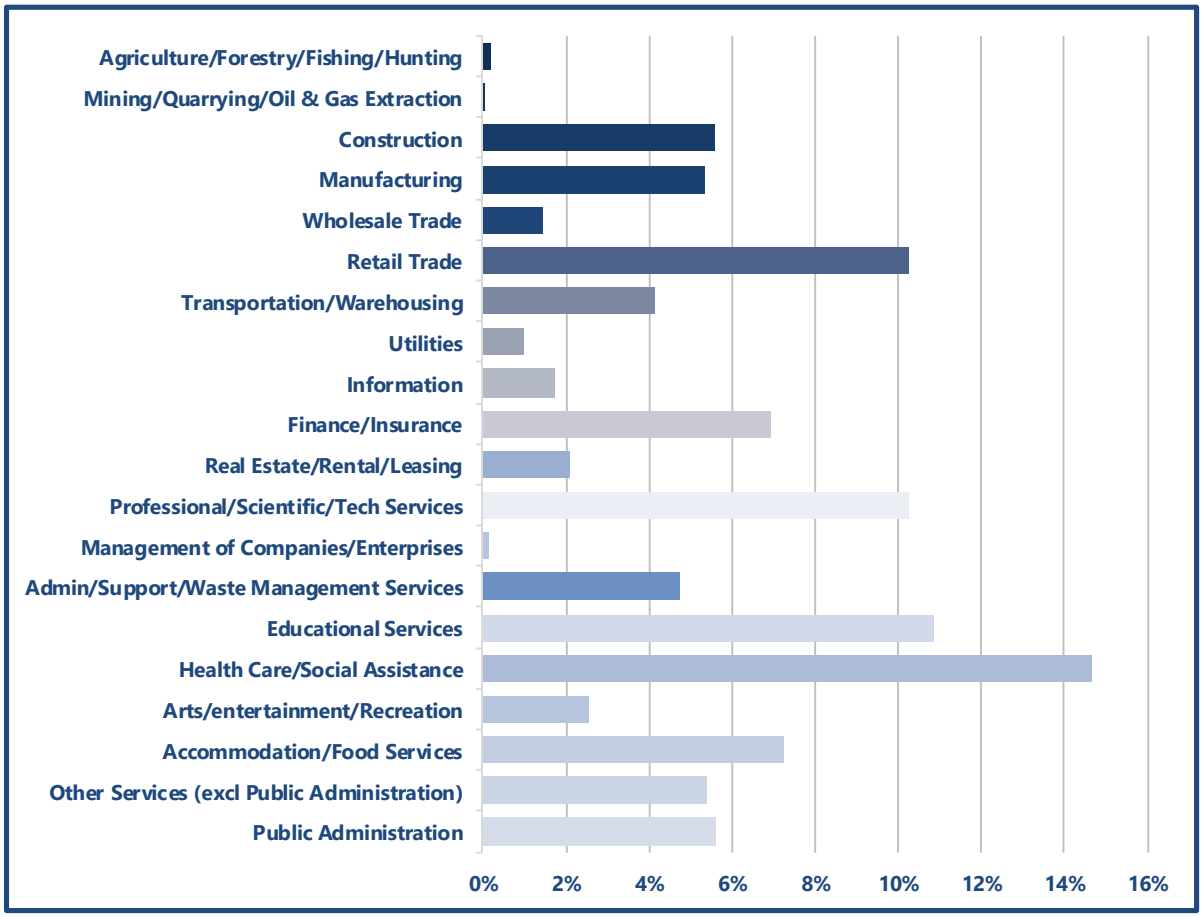
Rail service is provided by CSX, Richmond-Fredericksburg-Potomac Railroad, and Norfolk Southern Railway. CSX is headquartered in Richmond. Daily rail passenger service is available from Amtrak with terminals in Henrico County, Petersburg, and a new station that opened in Downtown Richmond in 2003. The Greater Richmond area is located in Amtrak's Northeast Corridor District, which offers service for rapid rail and upgraded passenger services. High-speed rail services between Richmond and Washington D.C. are in the planning stages.

Port

The Port of Richmond is Central Virginia's domestic and international multi-modal freight and distribution gateway on the James River serving waterborne, rail and truck shippers throughout the mid-Atlantic states. Major export/import cargoes include chemicals, pharmaceuticals, forest products, paper, machinery, consumer goods, frozen seafood, produce, campers, steel, steel products, stone, tobacco leaf, aluminum, project cargo, vehicles, boats, wire coils, wire rods, pipe, and aplite. The Port of Richmond is centrally located on the East Coast, halfway between Maine and Florida, in an area that has excellent, multi-modal transportation infrastructure.

Employment

Distribution of employment by sector reflects the area's economic character. Employment by industry for the MSA is as follows based on information provided by the Bureau of Labor Statistics:



Employment by Industry for Richmond city - Source: ESRI (ArcGIS)

The Richmond area is considered the financial, insurance, manufacturing, and distribution center of Virginia. There are several Fortune 1000 and 500 companies maintaining their headquarters in the MSA such as Dominion Resources, WestRock, Universal Corporation, NewMarket Corporation among others. The region has a diverse economy, which is a shield against recession and downturns in specific industries. Semiconductor and biotechnology firms are newer additions to the economic mix that already includes pharmaceuticals, chemicals, machinery and tobacco products. Major employers in the area include VCU Health Systems, Capital One, HCA, Bon Secours, Amazon, Dominion Resources, Altria Group, and Truist Bank. Local, state and federal government is also a major employer in the region. Additionally, CoStar Group moved into the area in 2017 and occupies space in the WestRock Building in Downtown Richmond. The following is a list of the 50 largest employers in the Greater Richmond as of November, 2024.

GREATER RICHMOND PARTNERSHIP

Largest Employers
Richmond, Va., MSA

Number of Employees	Company	Industry / Function	Location
13,500	VCU Health	Health care	Richmond City
13,000	Capital One Financial	Financial services, call center	Goochland
11,200	HCA Virginia Health System	Health care	Chesterfield
8,516	Bon Secours Richmond	Health care	Henrico
7,832	Virginia Commonwealth University	Public four-year university	Richmond City
5,433	Dominion Energy	HQ; energy services	Richmond City
5,100	Amazon	Online retail	Henrico
4,549	Truist	Banking	Richmond City
3,850	Altria Group	HQ; tobacco products, R&D	Henrico
2,700	Federal Reserve Bank Richmond	Federal reserve bank	Richmond City
2,655	Anthem Blue Cross Blue Shield	Health Insurance	Henrico
2,582	Wells Fargo	Banking	Richmond City
2,475	CarMax	HQ; used auto sales	Goochland
2,436	DuPont	Chemicals and fibers	Chesterfield
2,805	United Parcel Service	Package distribution	Chesterfield
1,921	Bank of America	Banking	Richmond City
1,886	Markel Group	HQ; Specialty insurance	Henrico
1,800	CoStar Group	Real estate information and analytics	Richmond City
1,700	Verizon Communications	Telecommunications	Richmond City
1,578	University of Richmond	Private four-year university	Richmond City
1,450	General Dynamics	Call center	Chesterfield
1,345	Estes Express Lines	HQ; Trucking, air freight	Richmond City
1,316	T-Mobile USA	Telecommunications	Henrico
1,300	Thermo Fisher Scientific	Biolab services; clinical research; manufacturing	Henrico
1,269	AdvanSix	Polymers	Hopewell
1,000	Kings Dominion	Amusement park	Hanover
936	The Results Companies	Call center for business process management	Chesterfield
928	GE Power	Parts for power generating machinery	Chesterfield
890	Supervalu	Wholesale food	Hanover
836	SimpliSafe	Customer support to home security systems	Henrico
819	Performance Food Group	HQ; food products distribution	Goochland
805	Patient First	Healthcare urgent care centers	Henrico
800	Genworth Financial	Insurance	Henrico
791	Hill Phoenix	Refrigerated display cases	Chesterfield
788	Hunton Andrews Kurth	Legal Services	Richmond City
760	Long & Foster Richmond	Residential and commercial real estate sales	Richmond City
756	McKesson Medical-Surgical	Wholesale medical-surgical supplies	Henrico
750	WestRock	Packaging materials	Richmond City
726	Atlantic Union Bank	HQ; banking	Richmond City
681	Virginia State University	Public four-year university	Chesterfield
680	Mondelez International	Snack manufacturing	Henrico
675	Comcast	Call center, cable TV and Internet provider	Henrico
650	Allianz Global Assistance	Travel insurance	Henrico
631	YMCA of Greater Richmond	Non-profit fitness and recreational services	Richmond City
620	McGuireWoods	Legal Services	Richmond City
609	Owens & Minor	HQ; wholesale medical supplies	Hanover
600	Westminster Canterbury	Retirement community	Henrico
600	Elephant Insurance	Insurance services	Henrico
600	TForce Freight	Less-than-truckload freight carrier	Richmond City
590	Teleperformance	Financial services customer support	Henrico
575	Wal-Mart	Warehouse and distribution center	Dinwiddie
574	Southern States	HQ; agribusiness cooperative	Henrico
572	Virginia Credit Union	HQ; financial services	Chesterfield
567	Ukrops Homestyle Foods	Baked goods and salads manufacturing	Henrico
556	ASGN	Information Technology	Henrico
545	Kinsale Capital Group	Specialty insurance	Henrico
533	Goodwill of Central Virginia	Non-profit training center; retailer	Richmond City
500	EAB	Educational/IT service provider	Henrico

Notes (1) Some companies combine headquarters and local branch locations in their employment numbers. (2) If a company includes a headquarters office and local branches, the headquarters location is listed. (3) If a company has branches in multiple locations within the region, the locality with the most employees is listed. (4) Excludes government and retail operations. (5) Sources include local business media; Virginia Employment Commission WARN Notices; Virginia Economic Development Partnership's Announcement Database; CoStar Tenant; Dunn & Bradstreet / Hoovers; DatabaseUSA; and local economic development offices. Updated November 19th, 2024.

Unemployment

Typically, a good indicator of positive and negative change within an area is the level of job growth or decline. The following table exhibits current and past unemployment rates as obtained from the Bureau of Labor Statistics.

Unemployment Rates

Area	YE 2020	YE 2021	YE 2022	YE 2023	YE 2024	2025[1]
United States	8.1%	5.3%	3.6%	3.6%	4.0%	4.2%
Virginia	6.5%	3.8%	2.7%	2.7%	2.9%	3.3%
Richmond, VA (MSA)	4.8%	3.0%	2.5%	2.6%	2.6%	3.2%
Richmond city, VA	6.3%	3.3%	2.9%	3.0%	3.1%	3.5%

Source: www.bls.gov *data not seasonally adjusted; [1]March - most recent for US, others lag by 1-2 mos.)*

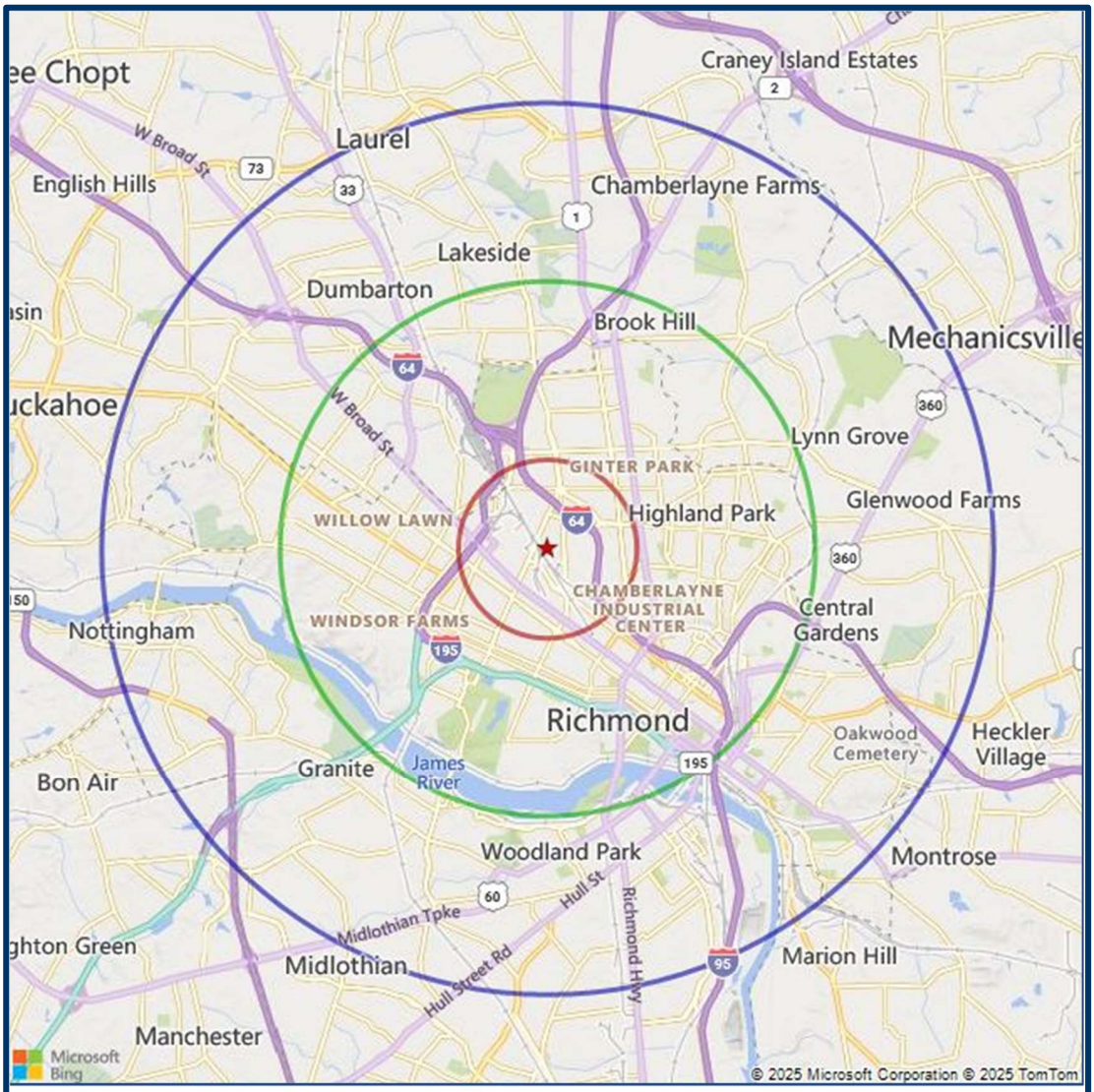
Unemployment rates in the MSA are consistently below the U.S. average. Overall unemployment rates have declined since 2012; however, the COVID-19 pandemic caused an increase in unemployment in 2020 and 2021. Unemployment rates have since declined and are now back to pre-pandemic levels.

Conclusions

Clearly, the Richmond-Petersburg MSA is one of the more significant metro areas throughout the Commonwealth of Virginia. The area is well positioned in terms of transportation and offers numerous cultural, social, recreational and educational opportunities. The area is the major retail, medical, financial, and service center for the Commonwealth of Virginia. Equally important is that Richmond is not as dependent on defense spending and susceptible to fluctuations of the Federal Government policy (i.e., military downsizing and budget cuts) as some other areas of the Commonwealth. The Richmond-Petersburg MSA is expected to continue to grow. Overall, the MSA is strong and considering the annual change estimates from Site to do Business is forecast to continue to be strong for the next five years.

City and Neighborhood Analysis

NEIGHBORHOOD MAP



Source: Bing Maps - approximate 1/3/5 mile radii from subject at 37.568446,-77.464160
Microsoft product screen shots reprinted with permission from Microsoft Corporation

Overview

The focus of this section is the neighborhood surrounding the subject property. Additionally, the general characteristics of the market area are summarized in the following paragraphs. The subject site is located west of Hermitage Road and north of Rhoadmiller Street, in the southern section of the redeveloping Diamond District, in the City of Richmond. It is also located adjacent to the neighborhoods known as "The Fan," the "Museum District," and "Scott's Addition." The primary commercial corridors in the area are West Broad Street (US 250) and North Arthur Ashe Boulevard. The general boundaries of the neighborhood are Brook Road (US 1) to the east, the Downtown Expressway (Interstate 195) to the south and west, and Laburnum Avenue to the north.

The neighborhood's terrain is basically level to slightly rolling. Public water and sewer are available throughout the neighborhood. Police and fire protection are provided by the City of Richmond. The city has jurisdiction over municipal functions including real estate assessment, zoning, and planning.

Neighborhood Land Use

Scott's Addition lies north of W Broad Street, along the eastern side of the Downtown Expressway. It is primarily west of N Arthur Ashe Boulevard, though some areas to the east are still considered part of the neighborhood. It is an area of several old, former and current industrial buildings that has seen a significant amount of revitalization in recent years. Many of the old industrial buildings have been converted into apartment complexes and office buildings, and the area is now home to several restaurants, breweries, and retail and service uses. The neighborhood can now be characterized as mixed-use in nature. Most of the buildings were constructed in the 1940's through the 1970's, though many of the buildings in the area have recently been renovated for new users. Within the past several years, the zoning in a large portion of Scott's Addition was changed from a light industrial district to a mixed-use business district or a transit-oriented nodal district. These new zonings in the neighborhood allow for a much wider variety of uses than the prior district, including multifamily and a variety of commercial uses. This has allowed redevelopment efforts and adaptive reuse in the neighborhood, as conditional use permits are no longer required for most proposed uses. It is anticipated that the trend of redevelopment in the area will continue so long as suitable candidate properties are available, as the neighborhood is well located with good access and serves a stable and growing population base.

The aforementioned "Fan" and "Museum District" neighborhoods are characterized by many late 19th and early 20th century homes as well as many locally owned cafes and restaurants, catering to the local residents, many of which are Virginia Commonwealth University (VCU) students. These two neighborhoods are the primary residential bases in the area. Broad Street (East & West) is the main commercial corridor coming into and out of the downtown area and CBD (Central Business District). Development along the W Broad Street corridor is primarily commercial, including retail/service, office, and restaurants with mostly office and residential uses along the side streets. Most development took place in the early to mid-1900s, and significant revitalization efforts by local and regional developers are occurring throughout the downtown area. The neighborhoods benefit from good local and regional access and from their proximity to VCU and the nearby CBD. The area has good access to Interstates 95, 64, and 195.

Richmond's "Diamond District" is located along the eastern side of N Arthur Ashe Boulevard, just south of Interstate 64/95. An approximate 67-acre site that included the Richmond Flying Squirrels' baseball stadium known as The Diamond, the City's Arthur Ashe Jr Athletic Center and Parker Field Annex, and VCU's Sports Backers Stadium is currently undergoing a major redevelopment project under the direction of the City of Richmond, in a public-private partnership with local developer Thalhimer Realty Partners. The project, as proposed, includes retail, office, and mixed-income, mixed-use residential development, along with public greenspace. The development will be anchored by a new ballpark for the Richmond Flying Squirrels. Construction on the ballpark commenced in the fall of 2024, with completion expected in 2026. Phase one of the project's mixed-use component is 30 acres, which is being developed starting with an initial 18-acre subphase that's to include a 180-room hotel, nearly 900 housing units with about 160 units for lower-income residents, 30,000 square feet of commercial space, and 6 acres' worth of infrastructure and park space. Demolition and site work on this phase began in early 2025. Subsequent phases are expected to include additional residential and commercial space.

VCU recently began a separate redevelopment project on 42 acres immediately across Hermitage Road from the City's Diamond District property. The university is developing a new "Athletic Village" that is intended to serve as a major hub for many of VCU's sports teams with new athletics fields, an indoor/outdoor tennis facility, a soccer stadium, futsal courts, and more. VCU spent $39 million to acquire the site, which included the former Virginia ABC warehouse headquarters, a former Greyhound bus maintenance facility, and a former Salvation Army center. Demolition of the buildings commenced in spring 2024, and delivery of the proposed facilities will be completed in several phases.

Demographics

The following table depicts the area demographics in Richmond within a one-, three-, and five-mile radius from the subject.

Neighborhood Demographics

Radius (Miles)	1 Mile	3 Mile	5 Mile
Trade Area (Sq. Mi.)	3.14	28.27	78.54
Trade Density (Pop/Sq. Mi.)	5,536	4,368	3,411
Population			
Census Population (2010)	11,791	108,714	237,944
Census Population (2020)	14,372	118,267	259,350
Current Population (2025)	17,379	123,475	267,822
Projected Population (2030)	20,815	128,346	274,841
Compound Annual Growth			
2010 - 2020	2.0%	0.8%	0.9%
2020 - 2025	3.9%	0.9%	0.6%
2025 - 2030	3.7%	0.8%	0.5%
Households			
Census Households (2010)	6,141	47,756	102,928
Census Households (2020)	7,821	54,544	117,737
Current Households (2025)	9,870	57,864	123,458
Projected Households (2030)	12,289	61,433	128,878
Compound Annual Growth			
2010 - 2020	2.4%	1.3%	1.4%
2020 - 2025	4.8%	1.2%	1.0%
2025 - 2030	4.5%	1.2%	0.9%
Average Household Size (2025)	1.67	1.99	2.07

Source: ESRI (ArcGIS) *(Lat: 37.568446, Lon: -77.46416)*

Neighborhood Demographics (cont.)

Radius (Miles)	1 Mile	3 Mile	5 Mile
Trade Area (Sq. Mi.)	3.14	28.27	78.54
Trade Density (Pop/Sq. Mi.)	5,536	4,368	3,411
2025 Housing Units			
Median Home Value	$526,966	$432,043	$383,283
Median Year Built	1940	1951	1959
Total Housing Units	10,727	63,813	134,901
Owner-Occupied Housing %	22.8%	34.7%	39.2%
Renter-Occupied Housing %	69.2%	56.0%	52.3%
Vacant Housing %	8.0%	9.3%	8.5%
2025 Employment			
Total Establishments	1,199	7,290	12,393
Total Employees	16,244	185,766	253,656
Average Commute Time	n/a	n/a	n/a
% College Graduates	71.9%	56.7%	47.9%
2025 Income Summary			
Median Household Income	$79,948	$67,644	$66,804
Average Household Income	$114,774	$107,511	$101,647
Avg Spending/Household	$30,910	$29,999	$28,590
Per Capita Income	$64,459	$51,044	$47,057

Source: ESRI (ArcGIS) *(Lat: 37.568446, Lon: -77.46416)*

The number of households surrounding the subject has continued to grow, and median and per capita incomes in the area are projected to continue growing as well. This should have a positive impact on the neighborhood. Population is expected to increase over the next 5 years, with the greatest growth being within one mile of the subject.

Conclusions

The subject market area benefits from good local and regional access, given its proximity to VCU, the CBD, the Fan, Scott's Addition, and multiple interstate junctions. As noted, the continued redevelopment within the Scott's Addition neighborhood has had a positive impact on the area. Additionally, the redevelopment of the Diamond District and VCU's new Athletic Village are expected to drive significant growth as well. Quoted rents and property values within the neighborhood have risen over the past few years, and continued upside is anticipated for the subject's neighborhood over the near and long term.

Site Description

The subject site is located west of Hermitage Road and north of Rhoadmiller Street, in the southern section of The Diamond District, in the City of Richmond. The characteristics of the to be subdivided site are summarized as follows:

Site Characteristics

Gross Land Area:	2.450 Acres or 106,722 SF
Usable Land Area:	2.450 Acres or 106,722 SF
Usable Land %:	100.0%
Shape:	Slightly irregular
Topography:	Generally level
Drainage:	Appears adequate
Grade:	At street grade
Utilities:	All available (public water/sewer)
Off-Site Improvements:	Typical
Interior or Corner:	Corner – See Analysis/Comments on Site
Signalized Intersection:	No

Street Frontage / Access

Frontage Road	Primary	Secondary
Street Name:	Road A (Name TBD)	Road B (Name TBD)
Street Type:	Secondary Corridor	Secondary Corridor
Frontage (Linear Ft.):	Unknown	Unknown
Number of Curb Cuts:	1	1

Additional Access

Alley Access:	No
Water or Port Access:	No
Rail Access:	No

Flood Zone Data

Flood Map Panel/Number:	5101290029D
Flood Map Date:	04-02-2009
Portion in Flood Hazard Area:	0.00%
Flood Zone:	Zone X (Unshaded)
	This is an area of minimal flood hazard, usually depicted on FIRMs as above the 500-year flood level. Zone X is the area determined to be outside the 500-year flood and protected by levee from 100-year flood.

The flood maps are not site specific. We are not qualified to confirm the location of the subject property in relation to flood hazard areas based on the FEMA Flood Insurance Rate Maps or other surveying techniques. It is recommended that the client obtain a confirmation of the subject's flood zone classification from a licensed surveyor.

Other Site Conditions

Soil Type:	Appears adequate or assumed to be adequate based on existing and surrounding land uses.
Environmental Issues:	An environmental site assessment report was not furnished for our review. An inspection of the property did not reveal any visible or factual evidence of apparent environmental impairment to the site. The appraisers are not considered experts in hazardous materials. The client is advised to obtain an environmental report if further investigation is desired. In addition, a drive-by inspection of the immediate vicinity surrounding the subject did not reveal any uses or hazards that would be expected to pose an apparent risk to the site or would restrict its use.
Easements/Encroachments:	There are no known or apparent adverse easements or conditions encumbering the property that would significantly diminish the site's utility.
Earthquake Zone:	We are not aware of the subject being in a special seismic hazard area. It is recommended that the client obtain confirmation from the appropriate professional to confirm the location of the subject in relation to seismic hazards.
Wetlands Classification:	According to the Nationals Wetlands website, there are no wetlands encumbering the subject site.

Adjacent Land Uses

North:	CarMax Park baseball stadium and public greenspace
South:	CSX Railroad and industrial uses
East:	Vacant land – proposed mixed-use development
West:	CarMax Park baseball stadium and CSX Railroad

Site Ratings

Access:	Good
Visibility:	Average

Zoning Designation

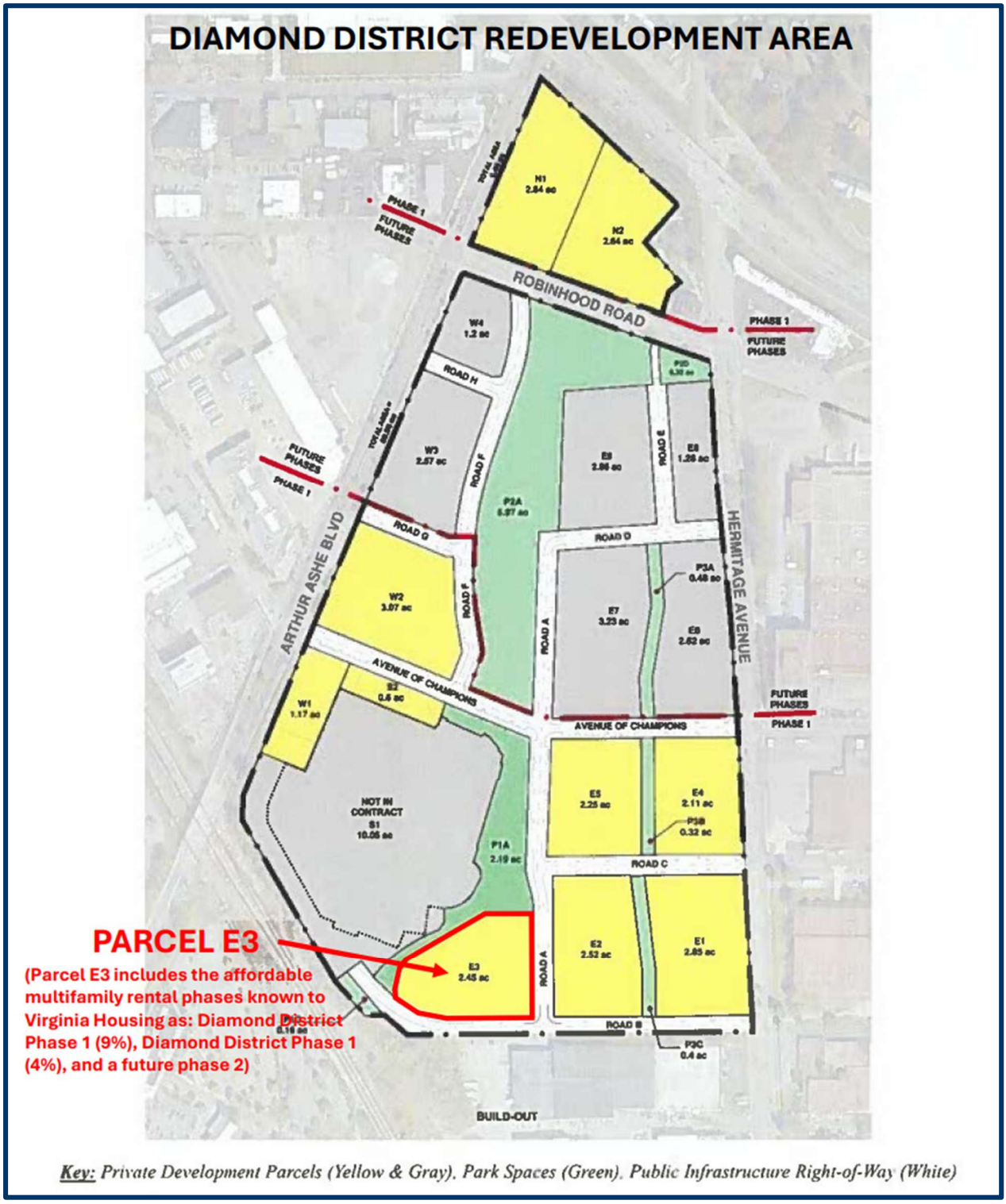
Zoning Jurisdiction:	City of Richmond
Zoning Classification:	TOD-1, Transit Oriented Nodal District

General Plan Designation:	"The intent of the TOD-1 district is to encourage dense, walkable transit-oriented development consistent with the objectives of the master plan and to promote enhancement of the character of this development along principal corridors, at key gateways, and at nodes of high activity located near transit service, bicycle infrastructure, and pedestrian-friendly streetscapes. The district regulations are also intended to safeguard the character of adjoining properties by only being applied in areas that meet the criteria above, with buffering by setbacks and screening or transitional districts to lower intensity residential areas."
Permitted Uses:	Permitted uses include, but are not limited to, a wide variety of retail, office, service, institutional, residential, and lodging uses, as well as industrial uses related to foods and beverages.
Conditional Uses:	Nightclubs and social service delivery uses
Zoning Comments:	There are no minimum lot size or width requirements, and there are no minimum front, side, or rear yard requirements. The maximum allowable building height is 12 stories. There is a minimum usable open space ratio of 0.10, only for the portions of newly constructed buildings devoted to dwelling uses. According to a Zoning Confirmation Letter dated August 21, 2024, a copy of which is located in the Addenda of this report, "The Property is also subject to the terms and conditions of Ordinance 2024-113 adopted by City Council May 8, 2024 (the "Diamond District Purchase and Sale and Development Agreement")… The Property may be developed with the Phase 1A Project Components in accordance with the Phase 1 Master Plan, as defined in the Diamond District Purchase and Sale and Development Agreement without the need for any special approval or zoning action. In the event of a casualty, the Property may be rebuilt substantially in accordance with TOD-1 (Transit Oriented Nodal) District requirements and the terms and conditions of the Diamond District Purchase and Sale and Development Agreement." The subject is not affected by the Chesapeake Bay Preservation Act but must adhere to the regulations. We know of no other public or private restrictions which would materially affect value. We are not legal experts. If additional information specific to the subject is necessary, it is recommended that the municipality and/or qualified attorney be contacted.

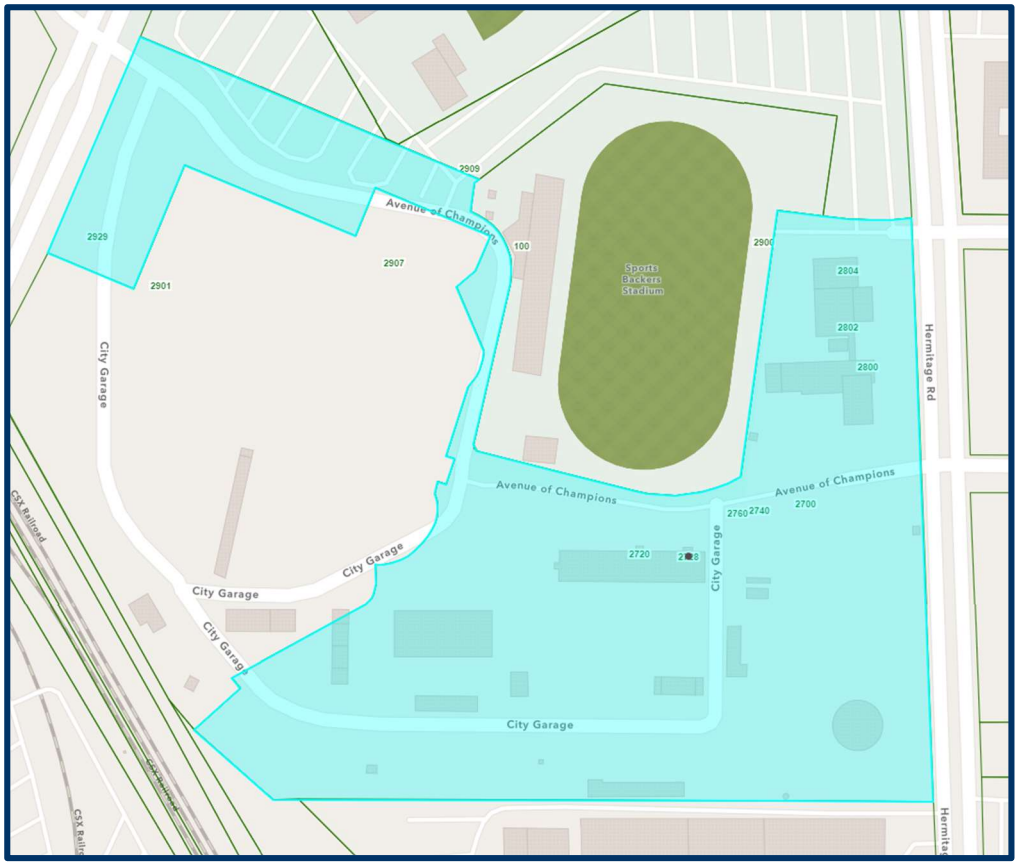
Analysis/Comments on Site

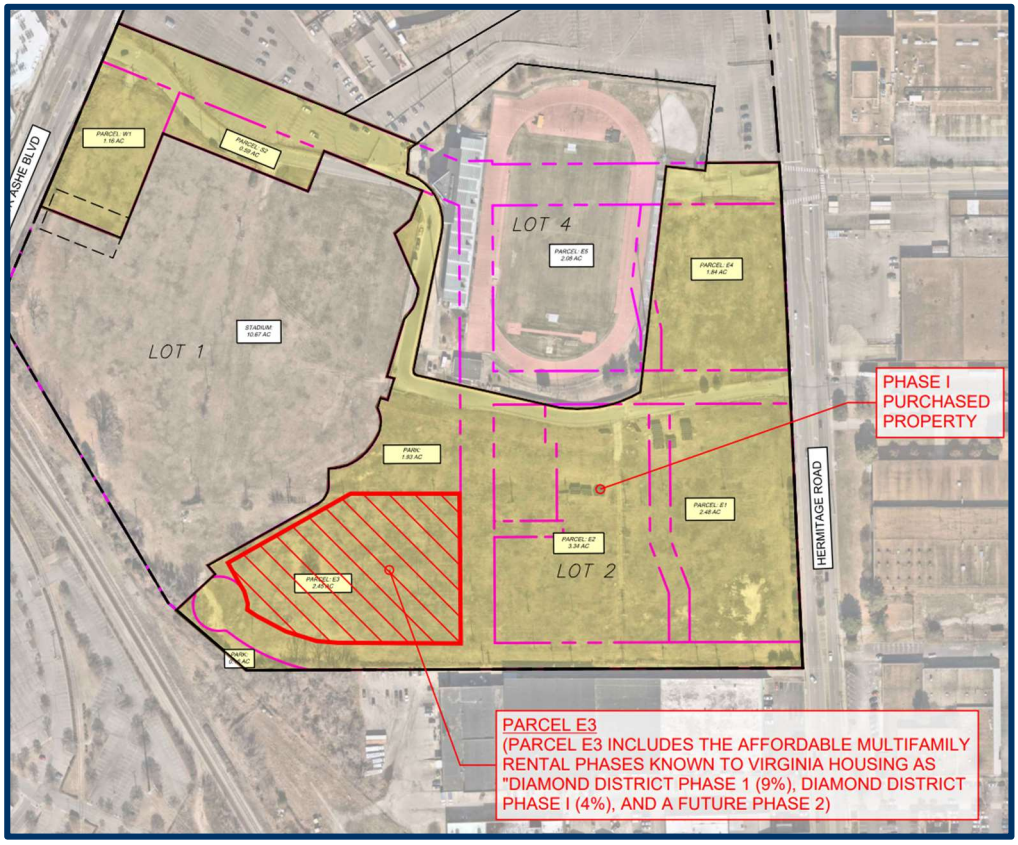
Based on the characteristics above, the site is suitable for a variety of legal uses. The site will be at the northwest corner of two proposed public rights-of-way known as Road A and Road B on the Diamond District Master Plan, as shown below. As of the current date of value, the site was entirely cleared, and it appeared that all necessary site grading had been completed. Necessary off-site infrastructure, including roads and utility line extensions/connections, are expected to be completed by the current owner.

DIAMOND DISTRICT MASTER PLAN

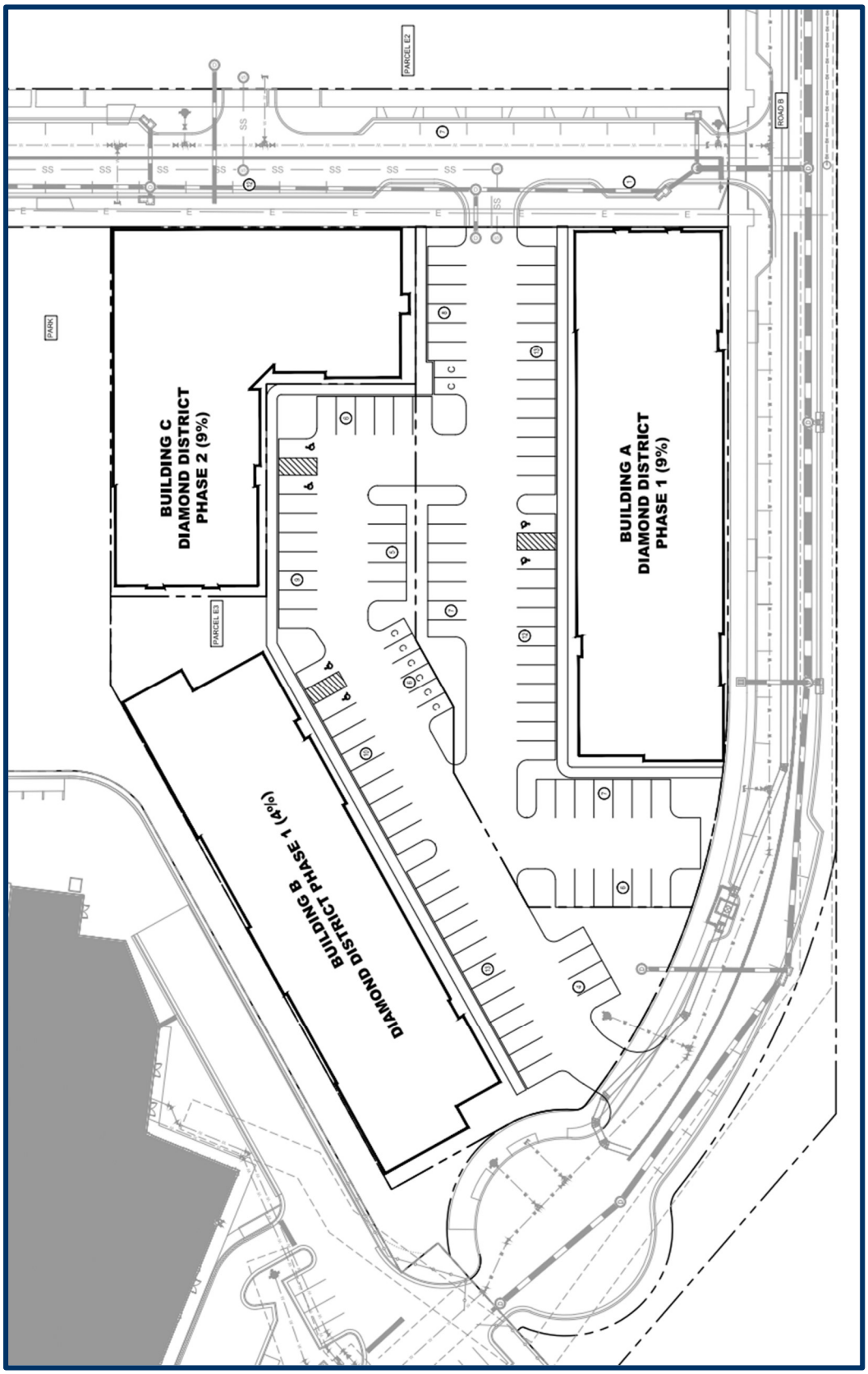


PARENT PARCEL TAX MAP AND DILINEATION OF SUBJECT PROPERTY PORTION

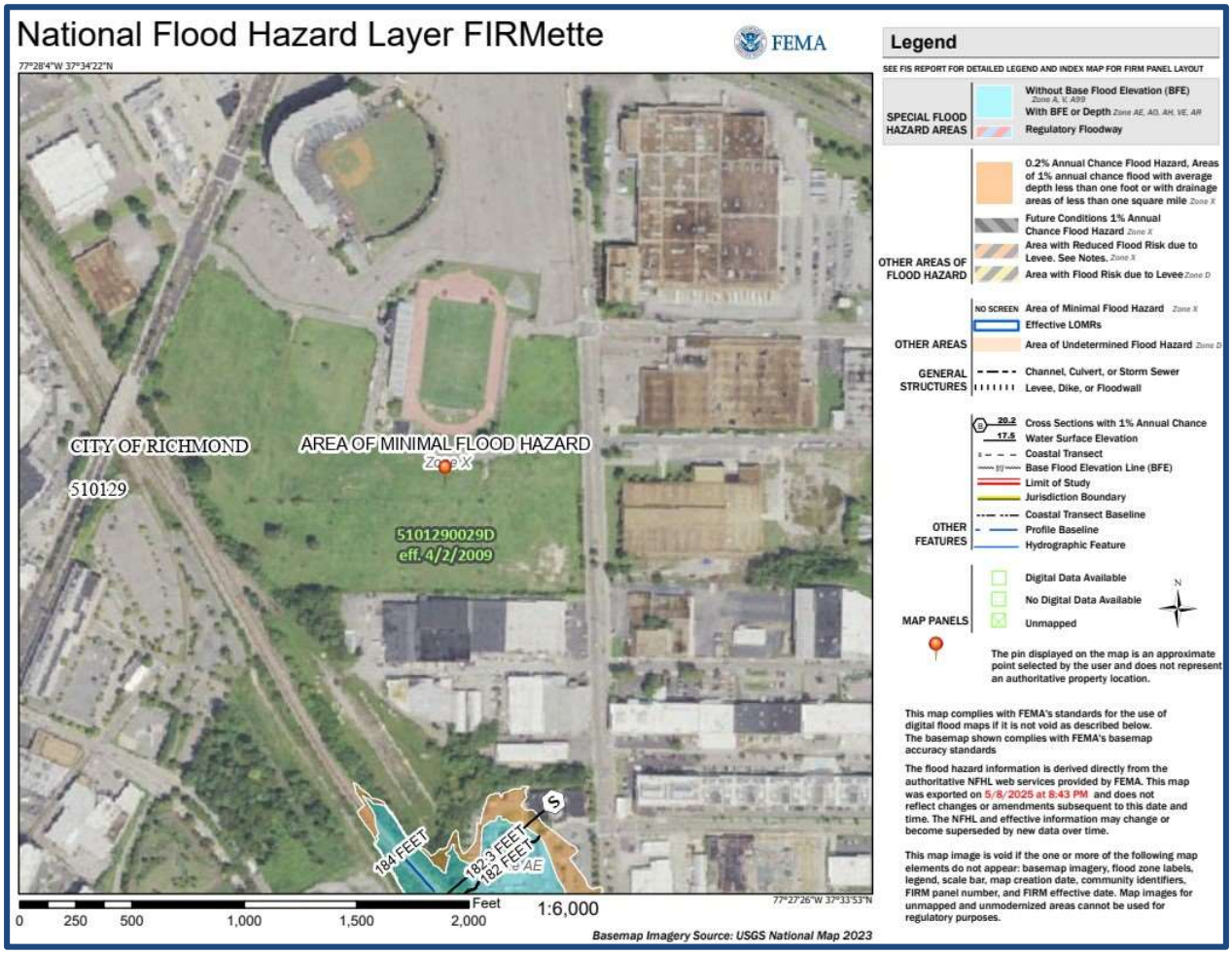




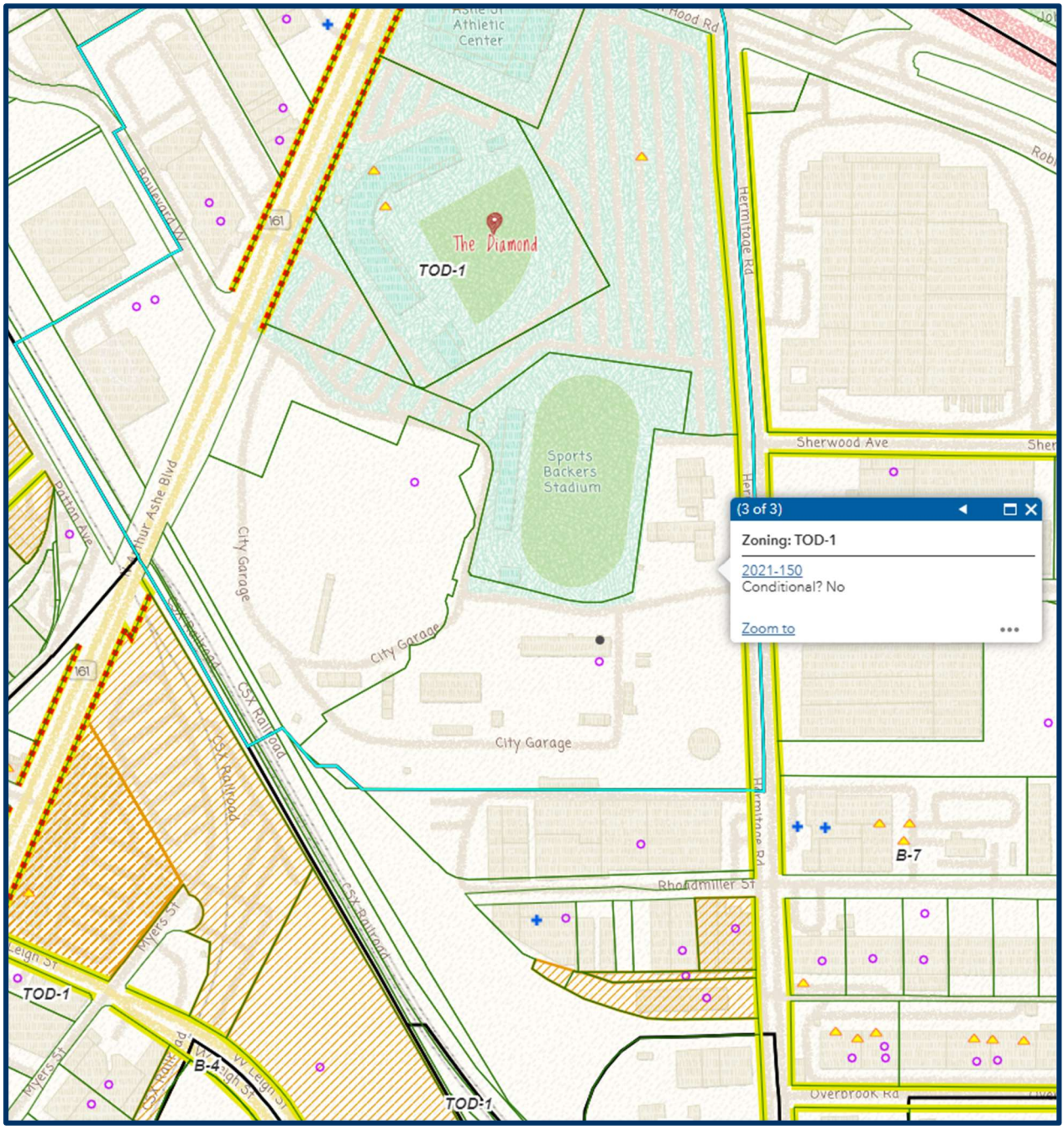
SITE PLAN


PARCEL E2
ROAD B
PARK
BUILDING C
DIAMOND DISTRICT
PHASE 2 (9%)
BUILDING A
DIAMOND DISTRICT
PHASE 1 (9%)
PARCEL E3
BUILDING B
DIAMOND DISTRICT PHASE 1 (4%)

FLOOD MAP


National Flood Hazard Layer FIRMette
FEMA
77°28'4"W 37°34'22"N
CITY OF RICHMOND
510129
AREA OF MINIMAL FLOOD HAZARD
Zone X
5101290029D
eff. 4/2/2009
184 FEET
182.3 FEET
182 FEET
Zone AE
S
0 250 500 1,000 1,500 2,000 Feet
1:6,000
77°27'26"W 37°33'53"N
Basemap Imagery Source: USGS National Map 2023
Legend
SEE FIS REPORT FOR DETAILED LEGEND AND INDEX MAP FOR FIRM PANEL LAYOUT
SPECIAL FLOOD HAZARD AREAS
Without Base Flood Elevation (BFE) Zone A, V, A99
With BFE or Depth Zone AE, AO, AH, VE, AR
Regulatory Floodway
OTHER AREAS OF FLOOD HAZARD
0.2% Annual Chance Flood Hazard, Areas of 1% annual chance flood with average depth less than one foot or with drainage areas of less than one square mile Zone X
Future Conditions 1% Annual Chance Flood Hazard Zone X
Area with Reduced Flood Risk due to Levee. See Notes. Zone X
Area with Flood Risk due to Levee Zone D
OTHER AREAS
NO SCREEN Area of Minimal Flood Hazard Zone X
Effective LOMRs
Area of Undetermined Flood Hazard Zone D
GENERAL STRUCTURES
Channel, Culvert, or Storm Sewer
Levee, Dike, or Floodwall
OTHER FEATURES
20.2 Cross Sections with 1% Annual Chance
17.5 Water Surface Elevation
Coastal Transect
Base Flood Elevation Line (BFE)
Limit of Study
Jurisdiction Boundary
Coastal Transect Baseline
Profile Baseline
Hydrographic Feature
MAP PANELS
Digital Data Available
No Digital Data Available
Unmapped
N
The pin displayed on the map is an approximate point selected by the user and does not represent an authoritative property location.
This map complies with FEMA's standards for the use of digital flood maps if it is not void as described below. The basemap shown complies with FEMA's basemap accuracy standards
The flood hazard information is derived directly from the authoritative NFHL web services provided by FEMA. This map was exported on 5/8/2025 at 8:43 PM and does not reflect changes or amendments subsequent to this date and time. The NFHL and effective information may change or become superseded by new data over time.
This map image is void if the one or more of the following map elements do not appear: basemap imagery, flood zone labels, legend, scale bar, map creation date, community identifiers, FIRM panel number, and FIRM effective date. Map images for unmapped and unmodernized areas cannot be used for regulatory purposes.

ZONING MAP


The Diamond
TOD-1
Sports Backers Stadium
Sherwood Ave
Hermitage Rd
Arthur Ashe Blvd
Boulevard
City Garage
CSX Railroad
Rhoadmiller St
Myers St
Leigh St
B-7
B-4
TOD-1
Overbrook Rd
(3 of 3)
Zoning: TOD-1
2021-150
Conditional? No
Zoom to

Subject Photographs



Hermitage Road Facing North



Hermitage Road Facing South



View of Western Portion of Subject Site from Southern Property Line



View of Eastern Portion of Subject Site from Southern Property Line

Assessment and Tax Data

Assessment Methodology

All real estate assessments in the state of Virginia are assessed at fair market value. By law, property sales do not trigger reassessments, and assessments are not tied to a property's recent sale price. In the City of Richmond, data is collected from January 1st through December 31st of each year. The City assesses property on an annual basis. The chart below is a summary of pertinent information affecting assessments and real estate tax rates.

TAX RELATED INFORMATION

Description	
Tax Rate per $100 of Assessed Value	$1.20
Equalization Rate	100%
Reassessment	Annual
Payments	Semi-annually on June 30th and December 5th
Tax Rate Increase for Next Fiscal Year	Not yet determined

Source: The City of Richmond Real Estate Assessor's Office

Assessed Values and Property Taxes

The subject property's appraised values, assessment ratios, assessed values, applicable tax rates and total tax expense, including direct assessments, are presented in the following table:

Tax Schedule

	Tax Year	Parcel Number	Assessor's Appraised Value - Land	Assessor's Appraised Value - Imp.	Assessment Ratio	Assessor's Total Appraised Value	Tax Rate	Rate per	Effective Tax Rate	Special Assessments	Tax Expense
1	2025	N0001510013	$9,270,000	$0	100.00%	$9,270,000	$1.200000	$100	1.200000%	$0	$111,240
Total			**$9,270,000**	**$0**		**$9,270,000**				**$0**	**$111,240**

Conclusions

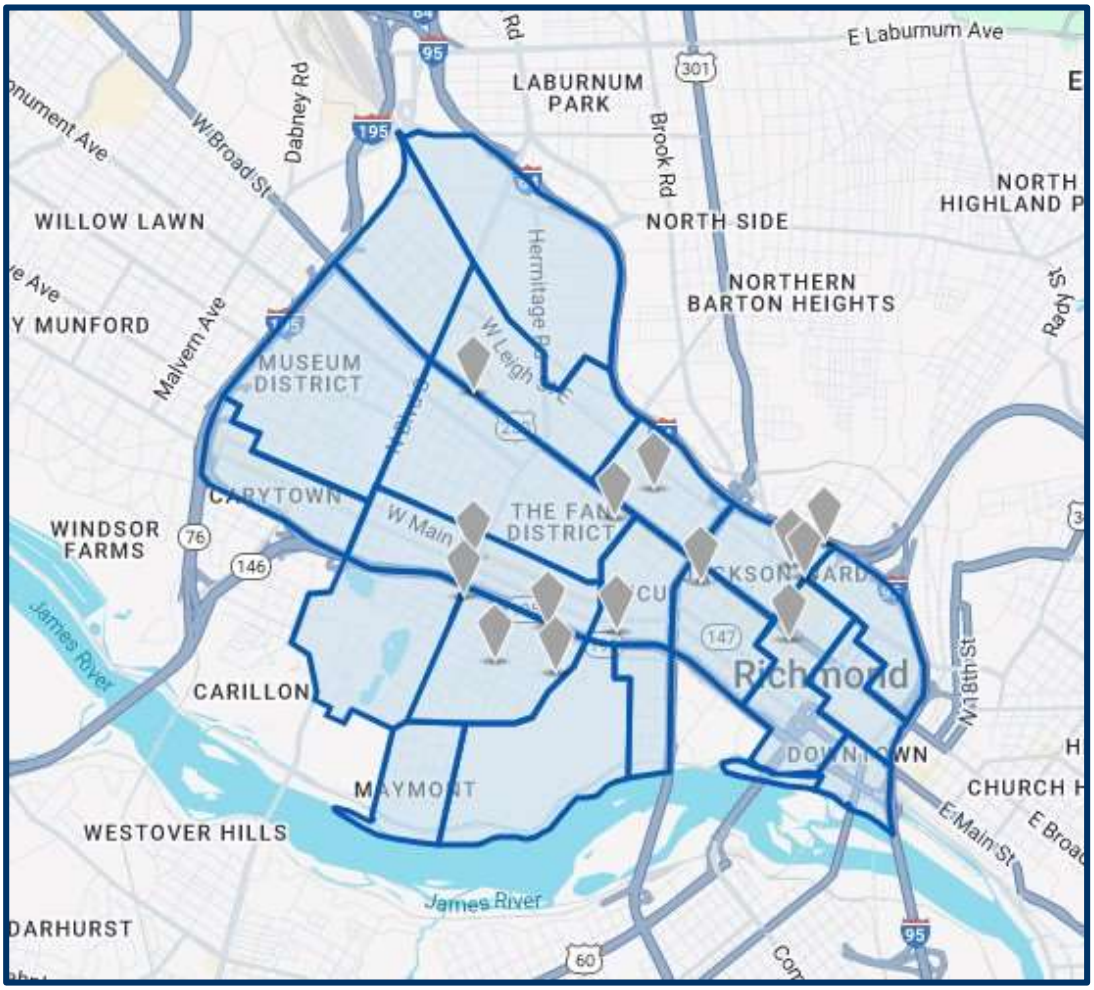
The assessment and tax figures above are for the 18.27-acre parent parcel, of which the subject property is a 2.45-acre portion of the total site. The property will require reassessment upon subdivision from the parent parcel.

Market Analysis

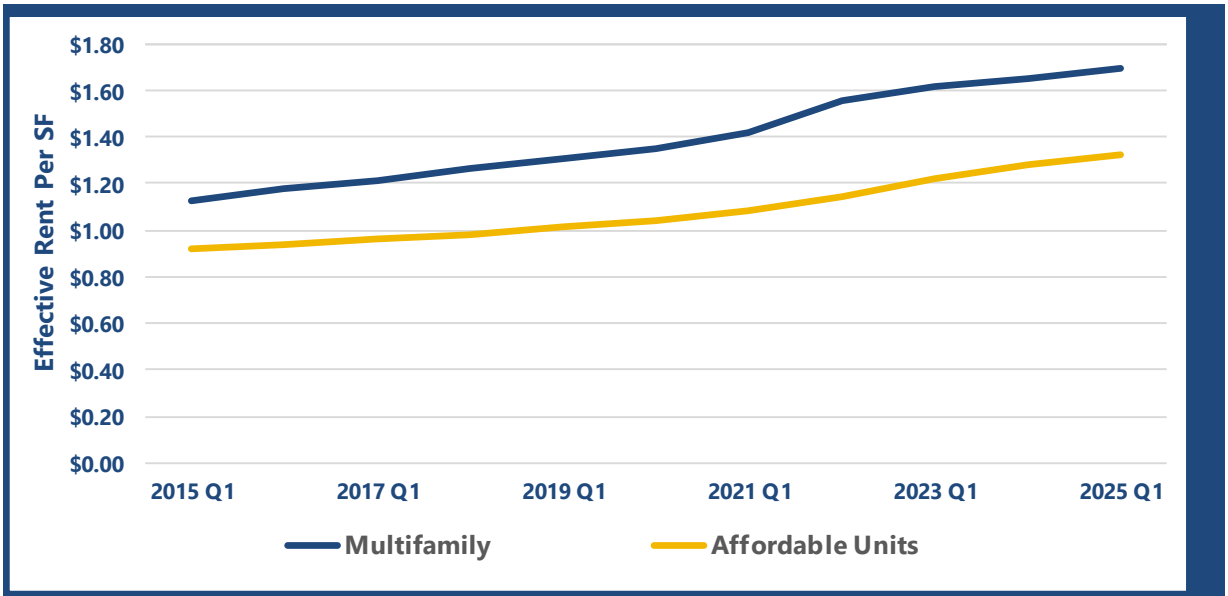
Local Market Performance

Market analysis is a study of market conditions for a specific property type. The following market analysis of the Richmond Multifamily property market is based on data obtained from the CoStar Inc., a leading provider of real estate information services. The analysis presents the subject property's macro and micro markets and includes a breakdown of Affordable Units. The following is the subject's Downtown multifamily submarket map, as presented by CoStar Inc.:

COSTAR SUBMARKET MAP



RICHMOND MARKET - QUOTED RENTAL RATE TRENDS



Time Period	2025 Q1	1-Year	3-Year	5-Year	10-Year
Richmond Market - Multifamily	$1.69 PSF	$1.65 PSF	$1.56 PSF	$1.35 PSF	$1.13 PSF
Annual Growth Rate	-	*2.4%*	*2.7%*	*4.6%*	*4.1%*
Concessions (Disc. from Ask)	*1.0%*	*1.0%*	*0.4%*	*0.6%*	*2.3%*
Richmond Market - Affordable Units	$1.32 PSF	$1.28 PSF	$1.14 PSF	$1.04 PSF	$0.92 PSF
Annual Growth Rate	-	*3.1%*	*5.0%*	*4.9%*	*3.7%*
Concessions (Disc. from Ask)	*0.8%*	*0.4%*	*0.4%*	*0.5%*	*1.1%*

Source: CoStar Group, Inc.

Richmond Market - Multifamily

The Richmond Market had a 2025 1st Quarter average effective rental rate of $1.69 per square foot for Multifamily units, compared to $1.65 in the 2024 1st Quarter, or a 2.4% increase over the prior year. This was lower than the long-term trend.

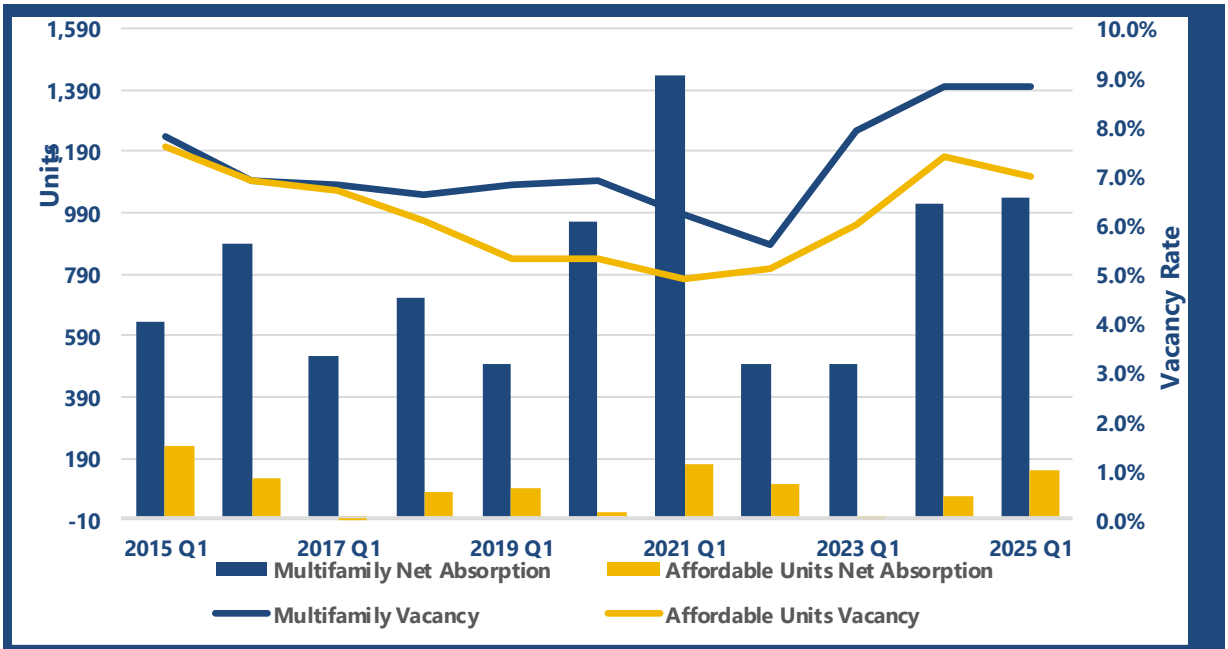
Richmond Market - Affordable Units

The Richmond Market had a 2025 1st Quarter average effective rental rate of $1.32 per square foot for Affordable Units, compared to $1.28 in the 2024 1st Quarter, or a 3.1% increase over the prior year. This was lower than the long-term trend.

Sector Comparison

The average effective rental rate for Affordable Units was 21.9% lower than for all Multifamily units and the long-term growth trend was similar.

RICHMOND MARKET - VACANCY AND NET ABSORPTION TRENDS



Time Period	2025 Q1	1-Year	3-Year	5-Year	10-Year
Richmond Market - Multifamily	8.8%	8.8%	5.6%	6.9%	7.8%
Avg. Annual Net Absorp. Units	-	*4.4K*	*2.7K*	*3.4K*	*2.9K*
Avg. Annual Deliveries Units	-	*4.8K*	*4.4K*	*4.3K*	*3.3K*
Richmond Market - Affordable Units	7.0%	7.4%	5.1%	5.3%	7.6%
Avg. Annual Net Absorp. Units	-	*563*	*282*	*376*	*308*
Avg. Annual Deliveries Units	-	*510*	*476*	*493*	*321*

Source: CoStar Group, Inc.

Richmond Market - Multifamily

The Richmond Market had a 2025 1st Quarter vacancy rate of 8.8% for all Multifamily units. Net absorption was positive with 4,375 units absorbed in the prior year and 4,846 units delivered. Vacancy rates were relatively unchanged over the prior year.

Richmond Market - Affordable Units

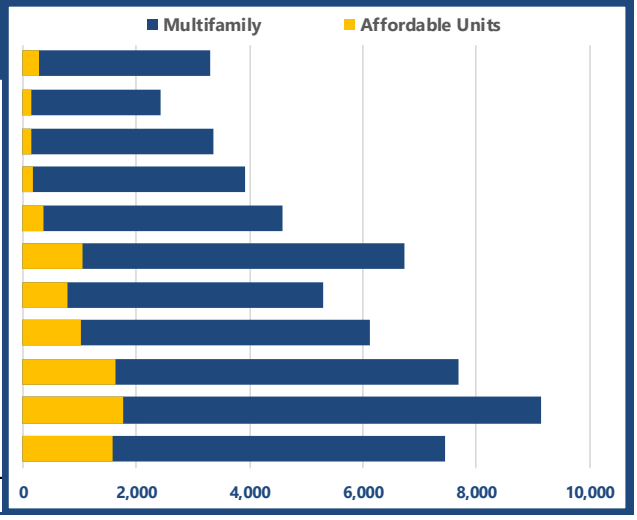
The Richmond Market had a 2025 1st Quarter vacancy rate of 7.0% for Affordable Units. Net absorption was positive with 563 units absorbed in the prior year and 510 units delivered. This resulted in a vacancy rate decrease of 40 basis points.

Sector Comparison

The vacancy rate for Affordable Units was lower than for all multifamily units. The total Multifamily market had a vacancy rate that was higher than the long-term trend, but the Affordable sector had a vacancy rate that was relatively consistent with the long-term trend.

RICHMOND MARKET - EXISTING SUPPLY AND CONSTRUCTION TRENDS

Period	Richmond Market - Multifamily Existing Bldgs	Existing Units	U/C Units	Richmond Market - Affordable Units Existing Bldgs	Existing Units	U/C Units
2015 Q1	1,552	108.7K	3,297	189	23.8K	270
2016 Q1	1,576	110.9K	2,432	192	24.1K	160
2017 Q1	1,592	112.7K	3,348	194	24.2K	155
2018 Q1	1,603	114.3K	3,923	194	24.3K	178
2019 Q1	1,623	117.2K	4,587	197	24.4K	360
2020 Q1	1,646	120K	6,722	198	24.5K	1,038
2021 Q1	1,673	124.2K	5,300	203	25.1K	788
2022 Q1	1,700	128K	6,106	206	25.5K	1,017
2023 Q1	1,725	131.7K	7,677	210	26.1K	1,647
2024 Q1	1,756	136.4K	9,145	213	26.5K	1,757
2025 Q1	1,789	141.2K	7,453	218	27K	1,580
Annual Average			***5,454***			***814***



Source: CoStar Group, Inc.

Richmond Market - Multifamily

There were 1,789 Multifamily buildings totaling 141,219 units in the Richmond Market with 7,453 units under construction in the 2025 1st Quarter. New construction represented 5.3% of existing supply.

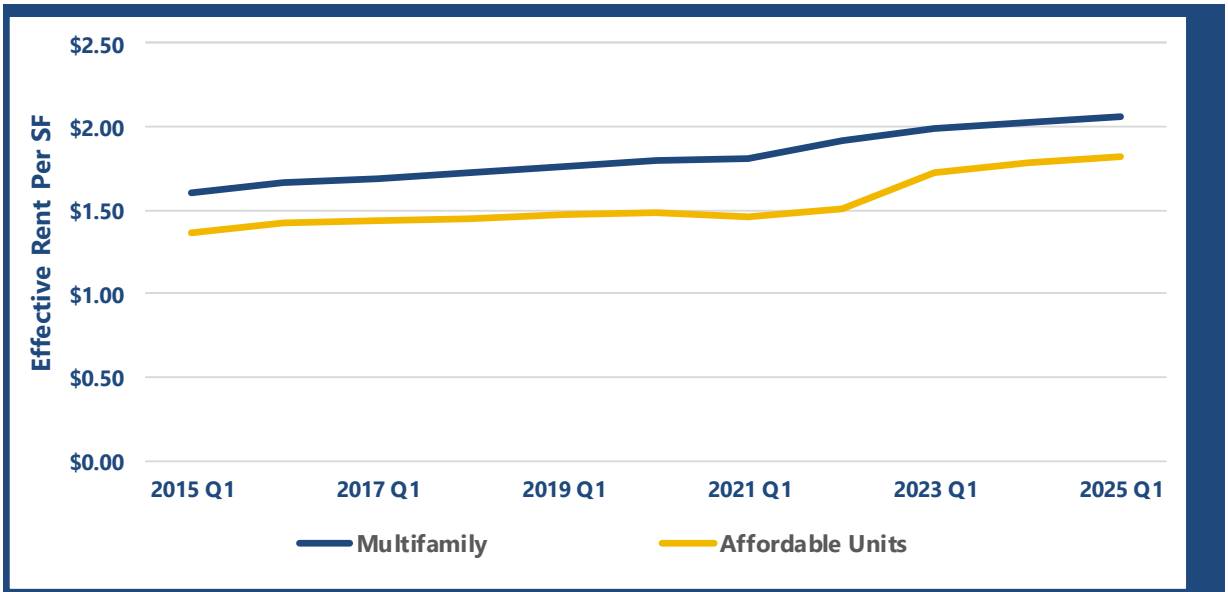
Richmond Market - Affordable Units

There were 218 Affordable buildings totaling 26,969 units in the Richmond Market with 1,580 units under construction in the 2025 1st Quarter. New construction represented 5.9% of existing supply.

Sector Comparison

Affordable Units represented 19.1% of existing supply and 21.2% of new construction in the 2025 1st Quarter.

DOWNTOWN SUBMARKET - QUOTED RENTAL RATE TRENDS



Time Period	2025 Q1	1-Year	3-Year	5-Year	10-Year
Downtown Submarket - Multifamily	$2.06 PSF	$2.02 PSF	$1.92 PSF	$1.80 PSF	$1.60 PSF
Annual Growth Rate	-	*2.0%*	*2.4%*	*2.7%*	*2.6%*
Concessions (Disc. from Ask)	*1.0%*	*0.9%*	*0.4%*	*0.3%*	*2.2%*
Downtown Submarket - Affordable Units	$1.82 PSF	$1.79 PSF	$1.51 PSF	$1.49 PSF	$1.37 PSF
Annual Growth Rate	-	1.7%	6.4%	4.1%	2.9%
Concessions (Disc. from Ask)	*0.3%*	*0.4%*	*0.3%*	*0.4%*	*0.8%*

Source: CoStar Group, Inc.

Downtown Submarket - Multifamily

The Downtown Submarket had a 2025 1st Quarter average effective rental rate of $2.06 per square foot for Multifamily units, compared to $2.02 in the 2024 1st Quarter, or a 2.0% increase over the prior year. This was lower than the long-term trend.

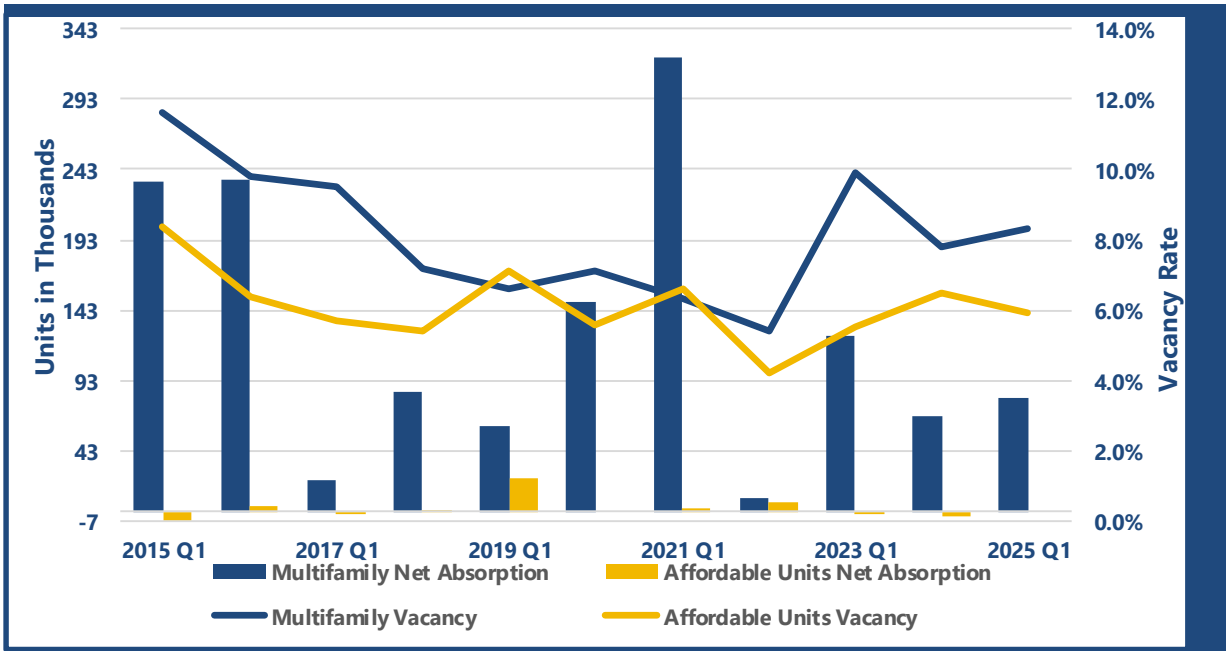
Downtown Submarket - Affordable Units

The Downtown Submarket had a 2025 1st Quarter average effective rental rate of $1.82 per square foot for Affordable Units, compared to $1.79 in the 2024 1st Quarter, or a 1.7% increase over the prior year. This was lower than the long-term trend.

Sector Comparison

The average effective rental rate for Affordable Units was 11.7% lower than for all Multifamily units and the long-term growth trend was higher.

DOWNTOWN SUBMARKET - VACANCY AND NET ABSORPTION TRENDS



Time Period	2025 Q1	1-Year	3-Year	5-Year	10-Year
Downtown Submarket - Multifamily	8.3%	7.8%	5.4%	7.1%	11.6%
Avg. Annual Net Absorp. Units	-	*411*	*546*	*556*	*566*
Avg. Annual Deliveries Units	-	*532*	*739*	*658*	*594*
Downtown Submarket - Affordable Units	5.9%	6.5%	4.2%	5.6%	8.4%
Avg. Annual Net Absorp. Units	-	*5*	*-6*	*13*	*8*
Avg. Annual Deliveries Units	-	*0*	*0*	*14*	*11*

Source: CoStar Group, Inc.

Downtown Submarket - Multifamily

The Downtown Submarket had a 2025 1st Quarter vacancy rate of 8.3% for Multifamily space. Net absorption was positive with 411 units absorbed in the prior year and 532 units delivered. This resulted in a vacancy rate increase of 50 basis points.

Downtown Submarket - Affordable Units

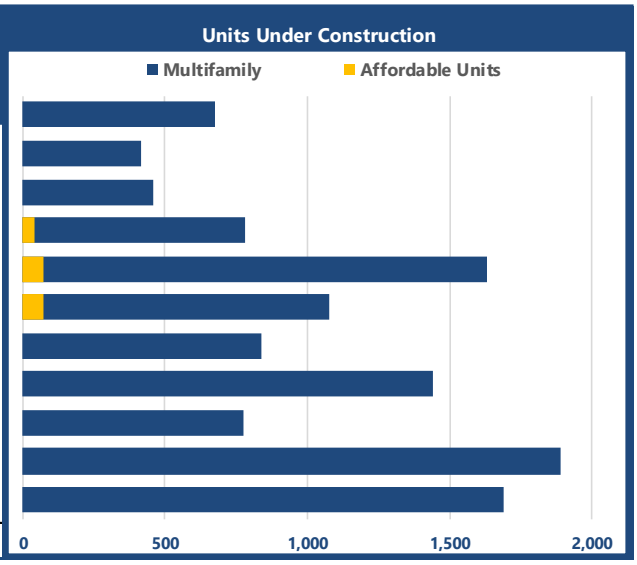
The Downtown Submarket had a 2025 1st Quarter vacancy rate of 5.9% for Affordable Units. Net absorption was positive with 5 units absorbed in the prior year with 0 units delivered. This resulted in a vacancy rate decrease of 60 basis points.

Sector Comparison

The vacancy rate for Affordable Units was lower than for all multifamily units. The total Multifamily market had a vacancy rate that was higher than the long-term trend, but the Affordable sector had a vacancy rate that was relatively consistent with the long-term trend.

DOWNTOWN SUBMARKET - EXISTING SUPPLY AND CONSTRUCTION TRENDS

Period	Downtown Submarket - Multifamily Existing Bldgs	Existing Units	U/C Units	Downtown Submarket - Affordable Units Existing Bldgs	Existing Units	U/C Units
2015 Q1	543	10.2K	672	12	894	0
2016 Q1	551	10.7K	415	12	894	0
2017 Q1	559	11.4K	457	12	894	0
2018 Q1	558	11.6K	780	11	847	42
2019 Q1	566	12K	1,631	12	889	72
2020 Q1	570	12.8K	1,077	12	889	72
2021 Q1	576	13.5K	836	13	961	0
2022 Q1	582	13.8K	1,442	13	961	0
2023 Q1	589	15.1K	774	13	961	0
2024 Q1	594	15.5K	1,892	13	961	0
2025 Q1	599	16K	1,687	13	961	0
Annual Average			***1,060***			***17***



Source: CoStar Group, Inc.

Downtown Submarket - Multifamily

There were 599 Multifamily buildings totaling 16,002 units in the Downtown Submarket with 1,687 units under construction in the 2025 1st Quarter. New construction represented 10.5% of existing supply.

Downtown Submarket - Affordable Units

There were 13 Affordable buildings totaling 961 units in the Downtown Submarket with 0 units under construction in the 2025 1st Quarter. No new construction was occurring.

Sector Comparison

Affordable Units represented 6.0% of existing supply and none of new construction in the 2025 1st Quarter.

Demographic Analysis

Demand for additional residential property is a direct function of population change. Multifamily communities are products of a clearly definable demand relating directly to population shifts.

Housing and Population Formation

The following table presents the population and household trends for a 1-mile, 3-mile and 5-mile radius from the subject property. The analysis will focus on the three-mile radius category as it best represents the subject's competitive market area.

Neighborhood Demographics

Radius (Miles)	1 Mile	3 Mile	5 Mile
Trade Area (Sq. Mi.)	3.14	28.27	78.54
Trade Density (Pop/Sq. Mi.)	5,536	4,368	3,411
Population			
Census Population (2010)	11,791	108,714	237,944
Census Population (2020)	14,372	118,267	259,350
Current Population (2025)	17,379	123,475	267,822
Projected Population (2030)	20,815	128,346	274,841
Compound Annual Growth			
2010 - 2020	2.0%	0.8%	0.9%
2020 - 2025	3.9%	0.9%	0.6%
2025 - 2030	3.7%	0.8%	0.5%
Households			
Census Households (2010)	6,141	47,756	102,928
Census Households (2020)	7,821	54,544	117,737
Current Households (2025)	9,870	57,864	123,458
Projected Households (2030)	12,289	61,433	128,878
Compound Annual Growth			
2010 - 2020	2.4%	1.3%	1.4%
2020 - 2025	4.8%	1.2%	1.0%
2025 - 2030	4.5%	1.2%	0.9%
Average Household Size (2025)	1.67	1.99	2.07

Source: ESRI (ArcGIS) *(Lat: 37.568446, Lon: -77.46416)*

Income Distribution

Household income available after expenditure on housing and other consumer goods is a primary factor in determining the price/rent level of housing demand in a market area. In the case of this analysis, projections of household income, particularly for rents, identifies in gross terms the market from which the subject submarket draws. The following table presents the estimated household income distribution for the subject neighborhood.

Income Distribution

By Households - 2025	1 Mile	3 Mile	5 Mile
Current Households	9,870	57,864	123,458
<$15,000	10.7%	16.2%	14.1%
$15,000 - $24,999	7.0%	7.4%	6.4%
$25,000 - $34,999	6.9%	7.0%	7.3%
$35,000 - $49,999	8.5%	8.7%	10.5%
$50,000 - $74,999	14.2%	13.9%	15.7%
$75,000 - $99,999	11.1%	11.1%	12.0%
$100,000 - $149,999	19.9%	15.1%	15.5%
$150,000 - $199,999	8.9%	7.8%	8.0%
$200,000+	12.8%	12.8%	10.5%

Source: ESRI (ArcGIS) *(Lat: 37.568446, Lon: -77.46416)*

Household Level Income

The following table presents the median and average household level incomes for the subject neighborhood.

Household Level Income

Income Summary - 2025	1 Mile	3 Mile	5 Mile
Median Household Income	$79,948	$67,644	$66,804
Average Household Income	$114,774	$107,511	$101,647
Per Capita Income	$64,459	$51,044	$47,057

Source: ESRI (ArcGIS) *(Lat: 37.568446, Lon: -77.46416)*

An analysis of the income data indicates that the submarket encapsulates lower, middle, and upper economic cohort groups, which includes the target market for the subject property. This is typical of urban areas, which often have mixed demographic characteristics in terms of household income levels.

Employment

An employment breakdown typically indicates the working class characteristics for a given market area. The specific employment population within the indicated radii of the subject is presented in the following table.

Employment by Industry

By Occupation - 2025	1 Mile	3 Mile	5 Mile
Current Industry Base	11,821	69,744	153,041
Agriculture/Forestry/Fishing/Hunting	0.0%	0.1%	0.1%
Mining/Quarrying/Oil & Gas Extraction	0.0%	0.0%	0.0%
Construction	3.2%	3.6%	4.7%
Manufacturing	4.4%	5.2%	5.7%
Wholesale Trade	1.8%	1.7%	1.7%
Retail Trade	10.9%	9.6%	10.6%
Transportation/Warehousing	2.7%	3.7%	4.2%
Utilities	0.9%	1.0%	0.9%
Information	2.6%	1.7%	1.9%
Finance/Insurance	8.0%	7.7%	7.2%
Real Estate/Rental/Leasing	2.3%	2.5%	2.3%
Professional/Scientific/Tech Services	13.7%	11.4%	9.9%
Management of Companies/Enterprises	0.1%	0.1%	0.1%
Admin/Support/Waste Management Services	3.6%	3.8%	4.4%
Educational Services	10.9%	12.4%	10.6%
Healh Care/Social Assistance	12.5%	14.4%	15.2%
Arts/entertainment/Recreation	4.6%	3.0%	2.5%
Accommodation/Food Services	8.4%	7.8%	6.7%
Other Services (excl Public Administration)	4.7%	4.8%	5.3%
Public Administration	4.6%	5.5%	5.9%
Total	100%	100%	100%

Source: ESRI (ArcGIS) *(Lat: 37.568446, Lon: -77.46416)*

The table indicates the employment character of the subject neighborhood, indicating a mixed-income employment profile with the majority of the population holding professional/scientific/tech services, health care/social assistance, educational services, and retail trade jobs.

Outlook

Based on the preceding analysis, the immediate area surrounding the subject property is projected to experience strong positive growth relative to households and population in the near future. Given the area demographics, it appears that demand for both comparable surrounding area apartment units and the subject will continue to be favorable.

Market Analysis Conclusions

There have been a number of new communities developed in the past few years, and the supply growth has marginally outpaced demand for the past several quarters. Due to this recent growth in supply, the Richmond multifamily market has entered a state of oversupply. There are several new communities proposed and under construction in the market, which may lead to additional vacancy in the near future. Prior to the onset of the recent COVID-19 pandemic, rents had been increasing modestly and few to no concessions were being offered. This trend has continued in spite of any lingering effects of the pandemic. Affordable units represent a small segment of the market. Rents for

this segment have seen stronger annual growth relative to the overall market average. Vacancy for this segment of the market is lower, as there is consistent demand for these units.

The subject's Downtown submarket has seen marginally increasing rents over the past few years, averaging about 2.4% rent growth annually. Vacancy increased over the past year, and the submarket could now be considered oversupplied. There are a significant number of units both proposed and under construction in the submarket. Demand is projected to increase moving forward and is expected to catch up to pace with expected supply growth over the next 18 months. Thus, vacancy is projected to remain stable or decline moderately moving forward. Overall, apartments continue to be a solid investment choice compared to other real estate investments and the long-term outlook should be favorable.

Highest and Best Use Analysis

The Highest and Best Use of a property is the use that is legally permissible, physically possible, and financially feasible which results in the highest value. An opinion of the highest and best use results from consideration of the criteria noted above under the market conditions or likely conditions as of the effective date of value. Determination of highest and best use results from the judgment and analytical skills of the appraiser. It represents an opinion, not a fact. In appraisal practice, the concept of highest and best use represents the premise upon which value is based.

Highest and Best Use As Though Vacant

The primary determinants of the highest and best use as though vacant are (1) Legal permissibility, (2) Physical possibility, (3) Financially feasibility, and (4) Maximum productivity.

Legally Permissible

The subject site is zoned TOD-1, Transit Oriented Nodal District, which controls the general nature of permissible uses and is appropriate for the location and physical elements of the subject property, providing for a consistency of use with the general neighborhood. As previously noted, the property is also subject to the terms and conditions of Ordinance 2024-113 (the "Diamond District Purchase and Sale and Development Agreement"). Under this ordinance, the “Property may be developed with the Phase 1A Project Components in accordance with the Phase 1 Master Plan,” for the development. The location of the subject property is appropriate for the uses allowed, and a change in zoning is unlikely. There are no known easements, encroachments, covenants or other use restrictions that would unduly limit or impede development.

Physically Possible

The physical characteristics of the subject site are presented in the Site Description and allow for a number of potential uses. Elements such as size, shape, availability of utilities, known hazards (flood, environmental, etc.), and other potential influences were considered. No physical attributes materially limit legally permissible and appropriate development. The most probable use of the site is for development with low-income multifamily, which conforms to the pattern of land use dictated in the Diamond District Master Plan and is appropriate for the location.

Financially Feasible

A review of published yield, rental and occupancy rates suggests that there is a balanced supply of low-income multifamily units, and demand is sufficient to support construction costs and timely absorption of additional inventory in this market. Therefore, near-term speculative development of the subject site is financially feasible.

Maximally Productive

Among the financially feasible uses, the use that results in the highest value (the maximally productive use) is the highest and best use. Considering these factors, the maximally productive use as though vacant is for development with low-income multifamily units, in accordance with the Diamond District Phase 1 Master Plan.

Highest and Best Use As Though Vacant Conclusion

The conclusion of the highest and best use as though vacant is for development with low-income multifamily units, in accordance with the Diamond District Phase 1 Master Plan.

Most Probable Buyer

As of the date of value, the most probable buyer of the subject property is a developer.

Land Valuation

Methodology

Site Value is most often estimated using the sales comparison approach. This approach develops an indication of market value by analyzing closed sales, listings, or pending sales of properties similar to the subject, focusing on the difference between the subject and the comparables using all appropriate elements of comparison. This approach is based on the principles of supply and demand, balance, externalities, and substitution, or the premise that a buyer would pay no more for a specific property than the cost of obtaining a property with the same quality, utility, and perceived benefits of ownership.

Unit of Comparison

The unit of comparison selected depends on the appraisal problem and nature of the property and is intended to explain or mirror market behavior. The primary unit of comparison in the market and applied in this analysis is price per proposed unit.

Elements of Comparison

Elements of comparison are the characteristics or attributes of properties and transactions that cause the prices of real estate to vary. The primary elements of comparison considered in sales comparison analysis are as follows: (1) property rights conveyed, (2) financing terms, (3) conditions of sale, (4) expenditures made immediately after purchase, (5) market conditions, (6) location and (7) physical characteristics.

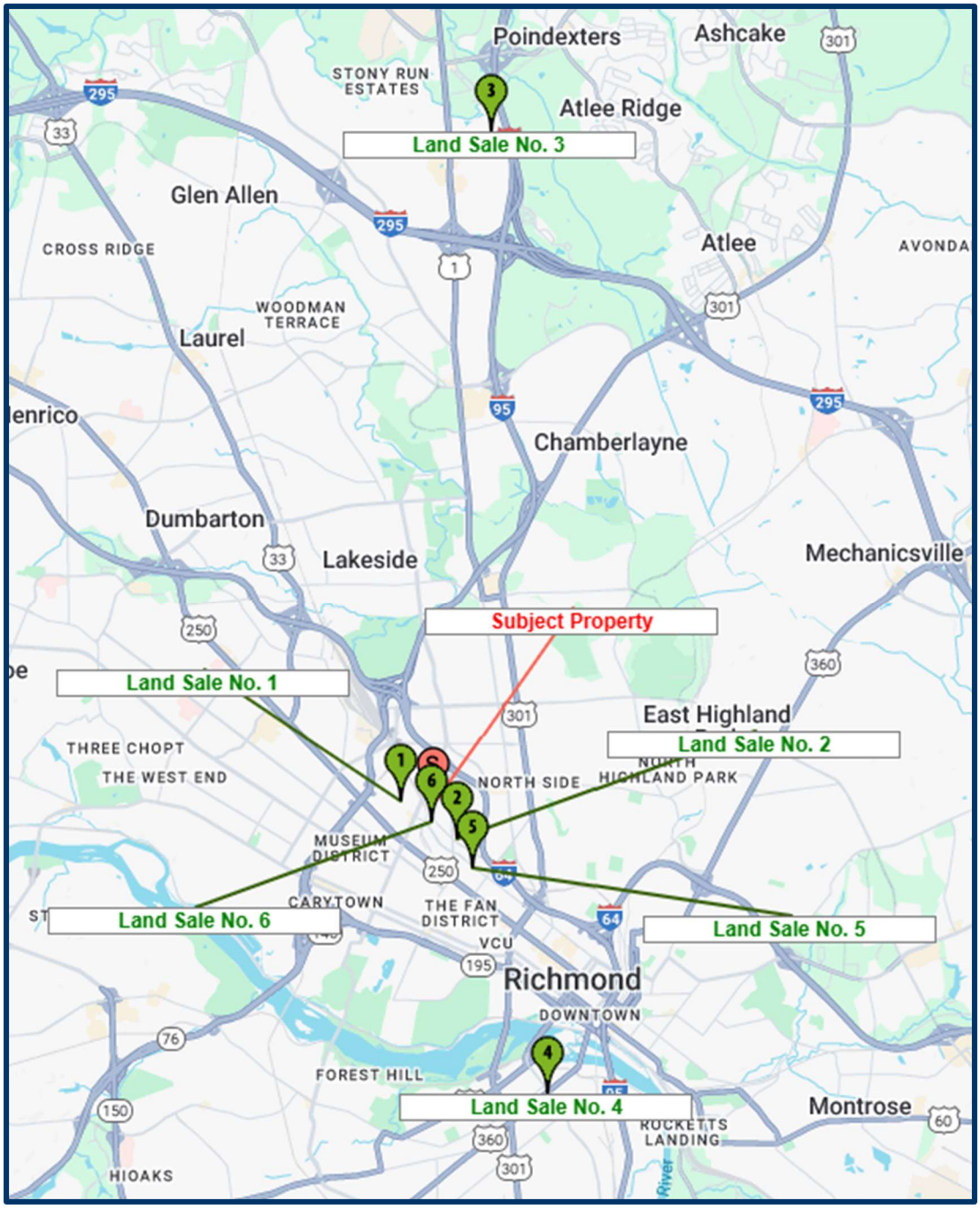
Comparable Sales Data

The market was studied to identify sales and listings of comparable properties with a focus on those that appeal to the most probable buyer of the subject site. These properties typically have similar locations and physical characteristics. Of these transactions, sufficient sales data was available for the following sale comparables, which were analyzed to estimate a unit value for the subject property. The following table summarizes the sale comparables utilized and a map illustrating the location of each in relation to the subject property follows. Details of each comparable follow the location map.

Land Sales Summary

Comp. No.	Date of Sale	Proposed Units	Location		Zoning	Proposed Use	Sales Price Actual	Per Unit
1	January-25	370	3200 Moore Street	Richmond, Virginia	B-7	Mixed-Use	$13,350,000	$36,081
2	August-24	314	1613 Ownby Lane	Richmond, Virginia	B-7	Multifamily	$8,750,000	$27,866
3	July-24	279	10551 Telegraph Road	Glen Allen, Virginia	O-3C and B-3C	Multifamily	$6,000,000	$21,505
4	August-23	116	812 Hull Street	Richmond, Virginia	B-6	Multifamily	$2,400,000	$20,690
5	June-23	300	900 North Allen Avenue	Richmond, Virginia	TOD-1	Multifamily	$7,900,000	$26,333
6	April-22	375	2700 W Leigh Street	Richmond, Virginia	TOD-1	Multifamily	$15,500,000	$41,333

COMPARABLE SALES MAP



LAND COMPARABLE 1



Property Identification

Address	3200 Moore Street
City County State Zip	Richmond, Virginia 23230
MSA	Richmond-Petersburg
Tax ID	N0001719002, N0001719001, N0001719018, N0001719019
VPA Property/Sale ID	11514510/1802806

Transaction Data

Sale Status	Closed
Sale Date	01-17-2025
Grantor/Seller	3117 Norfolk Parking, LLC and HCL Parking, LLC
Grantee/Buyer	3207 Norfolk Owner LLC
Recording Number	250000957, 250000958, and 250000959
Property Rights	Fee Simple
Financing	Cash to Seller
Conditions of Sale	Arms-Length
Sales Price	$13,350,000
Post-Sale Exp. Adj.	$90,000
Adjusted Sales Price	$13,440,000

Adjusted Sales Price Indicators

Price per Gross Acre	$5,661,236
Price per Gross SF	$129.96
Price per Usable Acre	$5,661,236
Price per Usable SF	$129.96
Price per Unit	$36,324
Price per Front Foot	$38,620.69
Price per SF of GBA	$33.60

Verification

Confirmed By	Matt Ball
Confirmation Source	Deed, Assessor Records, Costar

Property Description

Proposed Use	Mixed-Use
Gross Land Area	2.374 Acres/103,413 SF
Usable Land Area	2.374 Acres/103,413 SF
Frontage Feet	348.00
No. of Lots	4
Proposed Bldg SF	400,000
Proposed Units	370
Density (Units/Acre)	155.85
Rail Access	No
Water/Port Access	No
Visibility	Good
Corner/Interior	Entire Block
Shape	Rectangular
Topography	Generally Level
Utilities	All available (public water/sewer)
Drainage	Appears adequate
Flood Hazard Zone	Zone X
% in Flood Hazard	0.00%
Zoning Code	B-7 Mixed-Use Business

Remarks

This is the sale of four contiguous tax parcels that make up the entire city block bounded by Norfolk St, Mactavish Ave, Moore St, and High Point Ave, in Richmond Scott's Addition neighborhood. The property was purchased for assemblage and development with a 7-story, mixed-use building that would include 370 multifamily units and 17,000 square feet of retail space. Reportedly, the property would include over 10,000 square feet of highly sought-after amenities, including multiple courtyards and terraces, an expansive pool deck as well as lounge, dining, and event spaces. Construction was expected to commence by year-end 2025. This will be the first project in Richmond for the buyer, Hoffman & Associates Inc., a regional developer out of Washington DC. At the time of sale, the site was improved with two industrial buildings totaling $16,280 square feet. Demolition costs were estimated at around $90,000, based on Marshall Valuation Service cost figures.

LAND COMPARABLE 2

Property Identification

Property Name	Multifamily Land
Address	1613 Ownby Lane
City County State Zip	Richmond, Virginia 23220
MSA	Richmond-Petersburg
Tax ID	N0001294068
VPA Property/Sale ID	11470211/1773178

Transaction Data

Sale Status	Closed
Sale Date	08-13-2024
Grantor/Seller	VATEX CORP
Grantee/Buyer	MID-AMERICA APARTMENTS, L.P.
Recording Number	2024-13003
Property Rights	Fee Simple
Financing	Cash to Seller
Conditions of Sale	Arms-Length
Sales Price	$8,750,000
Post-Sale Exp. Adj.	$250,000
Adjusted Sales Price	$9,000,000

Adjusted Sales Price Indicators

Price per Gross Acre	$2,667,631
Price per Gross SF	$61.24
Price per Usable Acre	$2,667,631
Price per Usable SF	$61.24
Price per Unit	$28,662
Price per Front Foot	$16,917.29

Verification

Confirmed By	Matt Ball
Confirmation Source	News Article, Deed, Assessor Records, Costar



Property Description

Proposed Use	Multifamily
Gross Land Area	3.374 Acres/146,962 SF
Usable Land Area	3.374 Acres/146,962 SF
Frontage Feet	532.00
No. of Lots	1
Proposed Units	314
Density (Units/Acre)	93.07
Rail Access	Yes
Water/Port Access	No
Visibility	Good
Corner/Interior	Corner
Shape	Irregular
Topography	Generally Level
Utilities	All available (public water/sewer)
Drainage	Appears adequate
Flood Hazard Zone	Zone X
% in Flood Hazard	0.00%
Zoning Code	B-7 Mixed Use

Remarks

This is the sale of a 3.374-acre mixed-use-zoned site, proximate to Richmond's redeveloping "Diamond District." The site has frontage on both Ownby Lane and Hermitage Road and backs up to the CSX railroad. The seller was Virginia Textiles (Vatex Corp). The property was purchased for development with a five-story, 314-unit apartment building to be known as "The Porter." The proposed plan of development was approved by the City in Q4 2023, and the property ultimately transferred with the necessary development approvals in place. At the time of sale, the site was improved with at 41,311-square foot industrial building that was slated for demolition to make way for the proposed multifamily building. Since demolition costs were not disclosed, they have been estimated at $250,000 based on Marshall Valuation Service's published demolition cost figures.

LAND COMPARABLE 3

Property Identification

Property Name	Proposed Bristol Telegraph Road Apartments Site
Address	10551 Telegraph Road
City County State Zip	Glen Allen, Henrico County, Virginia 23059
MSA	Richmond-Petersburg
Tax ID	786-770-4008
VPA Property/Sale ID	11482370/1781361

Transaction Data

Sale Status	Closed
Sale Date	07-10-2024
Grantor/Seller	Mohawk Investment Partners LLC
Grantee/Buyer	Bristol Telegraph Partners LLC
Recording Number	202400017343
Property Rights	Fee Simple
Financing	Cash to Seller
Conditions of Sale	Arms-Length
Sales Price	$6,000,000
Adjusted Sales Price	$6,000,000

Adjusted Sales Price Indicators

Price per Gross Acre	$1,817,081
Price per Gross SF	$41.71
Price per Usable Acre	$1,817,081
Price per Usable SF	$41.71
Price per Unit	$21,505
Price per Front Foot	$13,793.10
Price per SF of GBA	$19.80

Verification

Confirmed By	Matt Ball
Confirmation Source	Deed, Assessor Records, Costar



10551 Telegraph Rd

Property Description

Proposed Use	Multifamily
Gross Land Area	3.302 Acres/143,835 SF
Usable Land Area	3.302 Acres/143,835 SF
Frontage Feet	435.00
No. of Lots	1
Proposed Bldg SF	303,000
Proposed Units	279
Density (Units/Acre)	84.49
Rail Access	No
Water/Port Access	No
Visibility	Good
Corner/Interior	Mid-Block
Shape	L-Shaped
Topography	Level
Utilities	Public Utilities
Drainage	Appears Adequate
Flood Hazard Zone	Zone X
Zoning Code	Mixed, O-3C and B-3C Office and Office Parks

Remarks

This is the sale of a vacant parcel along Telegraph Road, near the Henrico Sports center on the former Virginia Center Commons mall site. The property had previously been improved with an industrial building, which was demolished prior to the sale. An existing surface parking lot remained in place. Plans are to develop a luxury, five-story apartment community with 279 units. The units will have an average size of 811 square feet, and planned amenities included a clubhouse, courtyard, pool, and pet play area, as well as 339 surface parking spaces. Construction was expected to commence in November 2024, with delivery by 3Q 2026. The buyer, Bristol Development Group, is, a Tennessee-based developer.

LAND COMPARABLE 4

Property Identification

Address	812 Hull Street
City County State Zip	Richmond, Virginia 23224
MSA	Richmond-Petersburg
Tax ID	S0000080001, S0000080010, S0000080011, S0000080023
VPA Property/Sale ID	11393541/1711676

Transaction Data

Sale Status	Closed
Sale Date	08-25-2023
Grantor/Seller	The J.M. Fry Company
Grantee/Buyer	Lawson Development LLC
Recording Number	230013272
Property Rights	Fee Simple
Financing	Cash to Seller
Conditions of Sale	Arms-Length
Sales Price	$2,400,000
Adjusted Sales Price	$2,400,000

Adjusted Sales Price Indicators

Price per Gross Acre	$2,797,235
Price per Gross SF	$64.22
Price per Usable Acre	$2,797,235
Price per Usable SF	$64.22
Price per Unit	$20,690

Verification

Confirmed By	Matt Ball
Confirmation Source	Deed, Assessor Records, Costar, Marketing Materials



Property Description

Proposed Use	Multifamily
Gross Land Area	0.858 Acres/37,374 SF
Usable Land Area	0.858 Acres/37,374 SF
Proposed Units	116
Density (Units/Acre)	135.20
Rail Access	No
Water/Port Access	No
Visibility	Good
Corner/Interior	Double Corner
Shape	L-Shaped
Topography	Generally Level
Utilities	All available (public water/sewer)
Drainage	Appears adequate
Flood Hazard Zone	Zone X
Zoning Code	B-6 Mixed-Use Business

Remarks

This is the sale of four contiguous parcels at the corner of Commerce Road and Hull Street, in the Manchester neighborhood of Richmond. The site was vacant at the time of sale. The buyer purchased the property for development with low-income housing tax credit apartments, reserved for renters earning at or below 60 percent of the area median income. The project is known as The View at Belle Isle Apartments and was proposed for 116 total units on four levels above a partially underground parking garage. The initial permits filed with the city put the construction cost at over $2.3 million. Delivery of the completed project is anticipated by spring 2026.

LAND COMPARABLE 5

Property Identification

Address	900 North Allen Avenue
City County State Zip	Richmond, Virginia 23220
MSA	Richmond-Petersburg
Tax ID	N0000829001
VPA Property/Sale ID	11328018/1654580

Transaction Data

Sale Status	Closed
Sale Date	06-28-2023
Grantor/Seller	James River Transportation (STORYLAND PROPERTIES LLC)
Grantee/Buyer	Spy Rock Real Estate Group (S R NORTH ALLEN LLC)
Recording Number	ID2023-9695
Property Rights	Fee Simple
Financing	Cash to Seller
Conditions of Sale	Arms-Length
Sales Price	$7,900,000
Adjusted Sales Price	$7,900,000

Adjusted Sales Price Indicators

Price per Gross Acre	$2,106,667
Price per Gross SF	$48.36
Price per Usable Acre	$2,106,667
Price per Usable SF	$48.36
Price per Unit	$26,333

Verification

Confirmed By	Noah Atkins
Confirmation Source	Public records, CoStar



Property Description

Proposed Use	Apartment Building (300 units)
Gross Land Area	3.750 Acres/163,350 SF
Usable Land Area	3.750 Acres/163,350 SF
Proposed Units	300
Density (Units/Acre)	80.00
Rail Access	No
Water/Port Access	No
Visibility	Average
Corner/Interior	Corner
Shape	Rectangular
Topography	Level
Utilities	All public
Drainage	Assumed adequate
Flood Hazard Zone	X (Unshaded)
% in Flood Hazard	0.00%
Zoning Code	TOD-1 Transit-Oriented Nodal District

Remarks

This is the sale of a 3.75 acre lot on the corner of North Allen Avenue and West Leigh Street. The site is currently a parking lot with a small warehouse-type building on the northern portion. Demolition costs for this structure would be negligible. Spy Rock Real Estate Group purchased the site with the intention of building a 5-story, 300-unit apartment building along with a 420-space parking deck. The building is expected to be delivered by early fall of 2024. No additional details were provided.

LAND COMPARABLE 6

Property Identification

Address	2700 W Leigh Street
City County State Zip	Richmond, Virginia 23220
MSA	Richmond-Petersburg
Tax ID	N0001396029
VPA Property/Sale ID	11322554/1650842

Transaction Data

Sale Status	Closed
Sale Date	04-19-2022
Grantor/Seller	BTP Boulevard Square LLC
Grantee/Buyer	2700 W LEIGH OWNER LLC
Recording Number	2022-9231
Property Rights	Fee Simple
Financing	Cash to Seller
Conditions of Sale	Arms-Length
Sales Price	$15,500,000
Adjusted Sales Price	$15,500,000

Adjusted Sales Price Indicators

Price per Gross Acre	$2,637,629
Price per Gross SF	$60.55
Price per Usable Acre	$2,637,629
Price per Usable SF	$60.55
Price per Unit	$41,333
Price per Front Foot	$29,356.06

Verification

Confirmed By	Matt Ball
Confirmation Source	Assessor Records, Costar, Marketing Materials



Property Description

Proposed Use	Multifamily
Gross Land Area	5.876 Acres/255,980 SF
Usable Land Area	5.876 Acres/255,980 SF
Frontage Feet	528.00
No. of Lots	1
Proposed Units	375
Density (Units/Acre)	63.81
Rail Access	No
Water/Port Access	No
Visibility	Average
Corner/Interior	Interior
Shape	Irregular
Topography	Level
Utilities	All available (public water/sewer)
Drainage	Appears adequate
Flood Hazard Zone	Zone X
% in Flood Hazard	0.00%
Zoning Code	TOD-1 Transit Oriented Nodal District

Remarks

This is the sale of a 5.88-acre wooded parcel along W Leigh Street in Richmond. It is located proximate to the rapidly growing neighborhood of Scott's Addition as well as Richmond's Diamond District, which is proposed for significant redevelopment in the coming years. The property sold to a development partnership between Level 2 Development, SJG Properties, and FCP, with plans to construct a 375-unit multifamily project on the site. The buyers did not disclose any other details about the proposed project. Prior to the sale, the property was on the market for approximately eight months with no set asking price. It is noted that the eastern portion of the property appears to be traversed by an overhead power line easement, which would negatively impact the site's utility.

The property later sold again in November 2024 for $18.4 million, though this sale was not entirely arm's-length, as the purchaser included partners from the selling entity. The purchase price in this subsequent sale was set at the seller's previous acquisition price of $15,500,000, plus a reported $2,900,000 in pre-development costs and vendor contracts that the purchaser would retain through the sale.

Land Sales Comparison Analysis

When necessary, adjustments were made for differences in various elements of comparison, including property rights conveyed, financing terms, conditions of sale, expenditures made immediately after purchase, market conditions, location, and other physical characteristics. If the element in comparison is considered superior to that of the subject, a negative adjustment was applied. Conversely, a positive adjustment was applied if inferior. A summary of the elements of comparison follows.

Transaction Adjustments

Transaction adjustments include: (1) real property rights conveyed, (2) financing terms, (3) conditions of sale, and (4) expenditures made immediately after purchase. These items, which are applied prior to the market conditions and property adjustments, are discussed as follows:

Real Property Rights Conveyed

Real property rights conveyed influence sales prices and must be considered when analyzing a sale comparable. The property rights appraised reflect the fee simple interest. All the sale comparables conveyed the same interest; therefore, no adjustments were required.

Financing Terms

The transaction price of one property may differ from that of an identical property due to different financial arrangements. Sales involving financing terms that are not at or near market terms require adjustments for cash equivalency to reflect typical market terms. A cash equivalency procedure discounts the atypical mortgage terms to provide an indication of value at cash equivalent terms. All of the sale comparables involved typical market terms by which the sellers received cash or its equivalent and the buyers paid cash or tendered typical down payments and obtained conventional financing at market terms for the balance. Therefore, no adjustments for this category were required.

Conditions of Sale

When the conditions of sale are atypical, the result may be a price that is higher or lower than that of a normal transaction. Adjustments for conditions of sale usually reflect the motivations of either a buyer or a seller who is under duress to complete the transaction. Another more typical condition of sale involves the downward adjustment required to a comparable property's for-sale listing price, which usually reflects the upper limit of value. No adjustments for atypical conditions or for-sale listings were warranted.

Expenditures Made Immediately After Purchase

A knowledgeable buyer considers expenditures required upon purchase of a property, as these costs affect the price the buyer agrees to pay. Such expenditures may include: costs to demolish and remove any portion of the improvements, costs to petition for a zoning change, and/or costs to remediate environmental contamination.

The relevant figure is not the actual cost incurred, but the cost anticipated by both the buyer and seller. Unless the sales involved expenditures anticipated upon the purchase date, no adjustments to the comparable sales are required for this element of comparison. Sales 1 and 2 required adjustments for demolition costs anticipated for after purchase. The details of each adjustment are located in the remarks of the respective sales profiles. No adjustments were required for any of the remaining sales.

Market Conditions Adjustment

Market conditions change over time because of inflation, deflation, fluctuations in supply and demand, or other factors. Changing market conditions may create a need for adjustment to comparable sale transactions completed during periods of dissimilar market conditions.

Discussions with market participants and a review of market data indicated overall market conditions for vacant land properties have been improving with recent transactions confirming this trend. An annual adjustment factor of 3.00% was applied to each comparable to account for changes in market conditions.

Property Adjustments

Property adjustments are usually expressed quantitatively as percentages or dollar amounts that reflect the differences in value attributable to the various characteristics of the property. In some instances, however, qualitative adjustments are used. These adjustments are based on locational and physical characteristics and are applied after transaction and market conditions adjustments. The reasoning for the property adjustments made to each sale comparable follows. The discussion analyzes each adjustment category deemed applicable to the subject property.

Location

Location adjustments may be required when the locational characteristics of a comparable are different from those of the subject. These characteristics can include general neighborhood characteristics, proximity to major thoroughfares, proximity to employments centers and amenities, neighboring properties, and accessibility.

The subject site is located west of Hermitage Road and north of Rhoadmiller Street, in the southern section of The Diamond District, in the City of Richmond with good access and average visibility. Sales 1, 2, and 6 have locations considered similar enough to not warrant any adjustments for this category, but the remaining comparables warranted adjustments for their inferior locations.

Size

The size adjustment addresses variance in the physical size of the comparables and that of the subject, as a larger parcel typically commands a lower price per unit than a smaller parcel. This inverse relationship is due, in part, to the principle of "economies of scale."

However, the subject site is located in a densely developed area in which a premium is attached to larger tracts that offer more development potential and are difficult to find or assemble. The subject site is expected to yield 161 multifamily units. The sales ranged from 116 to 375 proposed units. The sale data did not indicate any correlation between number of proposed units and sale price. Therefore, no size adjustments were supported, and none were applied.

Shape/Depth

Sites with an irregular shape may limit development options, including building placement and density. The subject site consists of a slightly irregular-shaped tract with no estimated loss of utility as a function of shape and depth. Sale 4 was L-shaped and was adjusted upward for a loss of utility as a function of shape. The remaining sales were similar enough to the subject in this regard to not warrant any additional adjustments. This included Sale 3 which was L-shaped but not a significantly as Sale 4.

Utilities

The subject site had public utilities available as did all the comparables at the time of sale. Therefore, no adjustments were warranted for this category.

Zoning/Approvals

The highest and best use of sale comparables should be very similar to that of the subject property. When comparables with the same zoning as the subject are lacking or scarce, parcels with slightly different zoning, but a highest and use similar to that of the subject may be used as comparables. These comparables may require an adjustment for differences in utility if the market supports such adjustment.

The subject site is zoned Transit Oriented Nodal District. The sales were all located in various mixed-use zoning districts within the City of Richmond and Henrico County. Differences in density will be accounted for in the density adjustment to follow. Only Sale 1 required an adjustment, as it was approved for 17,000 square feet of commercial space in addition to the 370 proposed multifamily units. A downward adjustment of 5.0% was applied to this sale.

Density (Units/Acre)

Sites with lower development densities typically transfer for more per proposed unit in the market. The subject's 161 proposed units indicates a development density of 65.71 multifamily units per acre. The comparables ranged from 63.81 to 155.85 units per acre. Sales 3, 5, and 6 were similar enough to the subject and required no adjustments. The remaining sales all featured higher development densities and required upward adjustments.

Summary of Adjustments

A summary of the adjustments made to the sale comparables is presented in the following table:

LAND SALES ADJUSTMENT GRID

	Subject	Sale # 1	Sale # 2	Sale # 3	Sale # 4	Sale # 5	Sale # 6
Sale ID		1802806	1773178	1781361	1711676	1654580	1650842
Date of Value & Sale	May-25	January-25	August-24	July-24	August-23	June-23	April-22
Unadjusted Sales Price		$13,350,000	$8,750,000	$6,000,000	$2,400,000	$7,900,000	$15,500,000
Proposed Units	161	370	314	279	116	300	375
Unadjusted Sales Price per Proposed Unit		**$36,081**	**$27,866**	**$21,505**	**$20,690**	**$26,333**	**$41,333**
Transactional Adjustments							
Property Rights Conveyed	*Fee Simple*	*Fee Simple*	*Fee Simple*	*Fee Simple*	*Fee Simple*	*Fee Simple*	*Fee Simple*
Adjusted Sales Price		$36,081	$27,866	$21,505	$20,690	$26,333	$41,333
Financing Terms	*Cash to Seller*	*Cash to Seller*	*Cash to Seller*	*Cash to Seller*	*Cash to Seller*	*Cash to Seller*	*Cash to Seller*
Adjusted Sales Price		$36,081	$27,866	$21,505	$20,690	$26,333	$41,333
Conditions of Sale	*Typical*	*Arms-Length*	*Arms-Length*	*Arms-Length*	*Arms-Length*	*Arms-Length*	*Arms-Length*
Adjusted Sales Price		$36,081	$27,866	$21,505	$20,690	$26,333	$41,333
Expenditures after Sale		*$90,000*	*$250,000*	*$0*	*$0*	*$0*	*$0*
Adjustment		0.7%	2.9%	-	-	-	-
Adjusted Sales Price		**$36,324**	**$28,662**	**$21,505**	**$20,690**	**$26,333**	**$41,333**
Market Conditions Adjustments							
Elapsed Time from Date of Value		*0.32 years*	*0.75 years*	*0.84 years*	*1.72 years*	*1.87 years*	*3.07 years*
Market Trend Through	May-25	0.9%	2.2%	2.5%	5.1%	5.6%	9.2%
Analyzed Sales Price		**$36,668**	**$29,303**	**$22,046**	**$21,754**	**$27,814**	**$45,135**
Physical Adjustments							
Location	*2728 Hermitage Road Richmond, Virginia*	*3200 Moore Street Richmond, Virginia*	*1613 Ownby Lane Richmond, Virginia*	*10551 Telegraph Road Glen Allen, Virginia*	*812 Hull Street Richmond, Virginia*	*900 North Allen Avenue Richmond, Virginia*	*2700 W Leigh Street Richmond, Virginia*
Adjustment		-	-	30.0%	30.0%	10.0%	-
Size	*161 units*	*370 units*	*314 units*	*279 units*	*116 units*	*300 units*	*375 units*
Adjustment		-	-	-	-	-	-
Shape/Depth	*Slightly Irregular*	*Rectangular*	*Irregular*	*L-Shaped*	*L-Shaped*	*Rectangular*	*Irregular*
Adjustment		-	-	-	10.0%	-	-
Utilities	*All available (public water/sewer)*	*All available (public water/sewer)*	*All available (public water/sewer)*	*Public Utilities*	*All available (public water/sewer)*	*All public*	*All available (public water/sewer)*
Adjustment		-	-	-	-	-	-
Zoning/Approvals	*TOD-1*	*B-7*	*B-7*	*O-3C and B-3C*	*B-6*	*TOD-1*	*TOD-1*
Adjustment		-5.0%	-	-	-	-	-
Density (Units/Acre)	*65.71*	*155.85*	*93.07*	*84.49*	*135.20*	*80.00*	*63.81*
Adjustment		10.0%	5.0%	-	10.0%	-	-
Net Physical Adjustment		5.0%	5.0%	30.0%	50.0%	10.0%	-
Adjusted Sales Price per Proposed Unit		**$38,501**	**$30,768**	**$28,660**	**$32,631**	**$30,595**	**$45,135**

Conclusion

The land comparables were adjusted based on pertinent elements of comparison with the unadjusted and adjusted unit sales prices presented in the following table:

Land Sale Statistics

Metric	Unadjusted	Analyzed	Adjusted
Min. Sales Price per Proposed Unit	$20,690	$21,754	$28,660
Max. Sales Price per Proposed Unit	$41,333	$45,135	$45,135
Median Sales Price per Proposed Unit	$27,100	$28,558	$31,700
Mean Sales Price per Proposed Unit	$28,968	$30,453	$34,382

Sales 3 and 4 required the greatest adjustments and were therefore the least comparable to the subject. These sales were given limited weight in reconciliation. The remaining sales all required minimal adjustments and were considered to be good indicators of value. Primary weight was given to Sales 1 and 2, as these were the most recent of the sales, with adjusted sale prices of $38,501 and $30,768 per unit, respectively. Secondary weight was given to Sales 5 and 6.

Based on the adjusted prices and the most comparable sales, a unit value between Sales 1 and 2, and just above the middle of the adjusted range, or $35,000 per proposed unit, was estimated for the subject site. Applying this to the subject's 161 proposed units resulted in a market value of $5,640,000 rounded.

Based on this analysis, the land value indication is summarized as follows:

Land Value Conclusion			
Reasonable Adjusted Comparable Range			
161 proposed units	x	$31,000 per proposed unit =	$4,991,000
161 proposed units	x	$45,000 per proposed unit =	$7,245,000
Market Value Opinion			(Rounded)
161 proposed units	x	**$35,000 per proposed unit** =	**$5,640,000**

The client has requested that the value indication be allocated amongst the three planned phases at the subject property. As previously discussed, Building A will feature 50 affordable rental units, Building B will feature 61 affordable rental units, and Building C will feature 50 affordable rental units. The $35,000 per unit value conclusion would apply to each of these three phases, as of the current date of value. Therefore, the value allocation is presented below:

Phase	Size	Unit Value Estimate	Conclusions
Building A	50 proposed units x	**$35,000 per proposed unit** =	**$1,750,000**
Building B	61 proposed units x	**$35,000 per proposed unit** =	**$2,140,000**
Building C	50 proposed units x	**$35,000 per proposed unit** =	**$1,750,000**
		Total	**$5,640,000**

Reconciliation

Summary of Value Indications

The indicated values from the approaches used and our concluded market values for the subject property are summarized in the following table.

Value Indications

Approach to Value	As Is
Sales Comparison - Land Only	$5,640,000

Value Conclusion

Component	As Is
Value Type	Market Value
Real Property Interest	Fee Simple
Effective Date of Value	May 12, 2025
Value Conclusion	**$5,640,000**

To reach a final opinion of value, the reliability and relevance of each value indication was considered based upon the quality of the data and applicability of the assumptions underlying each approach. Given the availability and reliability of data within the Sales Comparison Approach, this approach was given primary weight in reconciling to the final value conclusions. Furthermore, land properties such as the subject property are typically purchased by developers, who primarily rely upon the methods employed by the Sales Comparison Approach.

The findings and conclusions are further contingent upon the following extraordinary assumptions and/or hypothetical conditions, the use of which might have affected the assignment results:

Extraordinary Assumptions:

- Access to the subject site was restricted, and it was only visible over the fence from the property to the south. This report assumes that the site description included herein, based on the limited in-person inspection, is correct.
- This report assumes that the subject property will be subdivided from the larger parent parcel known as Parcel ID: N0001510013, in accordance with the Diamond District Master Plan, presented herein, prior to the sale of the property.

Hypothetical Conditions:

- None.

Analysis of Pending Contract

As previously discussed, the subject property is under contract for purchase, by the client. A copy of the purchase contract was requested, though it was not provided. Neither the purchase price nor any other terms of the contract were disclosed. Our conclusions have been well supported by the market.

Exposure Time and Marketing Period

Exposure time may be defined as: the estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of appraisal; a retrospective opinion based on an analysis of past events assuming a competitive and open market. Exposure time is always presumed to occur prior to the effective date of the appraisal. The opinion of exposure time may be expressed as a range and can be based on one or more of the following:

- Statistical information about time on market;
- Information gathered through sales verification; and
- Interviews of market participants.

The reasonable marketing time is an opinion of the amount of time it might take to sell a real property interest at the concluded market value level during the period immediately after the effective date of an appraisal. The opinion of marketing time may be a range and can be based on one or more of the following:

- Statistical information about days on market;
- Information gathered through sales verification;
- Interviews of market participants; and
- Anticipated changes in market conditions.

The marketing time is a function of price, time, use, and anticipated market conditions, such as changes in the cost and availability of funds, and is not an isolated opinion of time alone. It is appropriate to discuss the impact of price/value relationships on marketing time and to contrast different potential prices and their associated marketing times with an appraiser's market value opinion for the subject property.

Based on statistical information about days on market, escrow length, and marketing times gathered through national investor surveys, sales verification, and interviews of market participants, marketing and exposure time estimates of 12 months or less and 12 months or less, respectively, are considered reasonable and appropriate for the subject property.

National Quality Control

Valbridge's top priority is delivering quality appraisal reports to our clients. Each Valbridge office is managed by one or more directors with the MAI designation, the most prestigious designation in the appraisal profession. These directors have the responsibility to uphold the highest ethics and standards for the profession. Quality control assessment is an ongoing priority at Valbridge and consists of reading the report, checking calculations, and providing feedback on quality and consistency.

Valbridge encourages and respects all client opinions, and all feedback is critical for our ongoing efforts to improve client servicing. Please contact the National Quality Control Director below with any feedback, questions, or comments.

Tye Neilson, MAI, SRA, MRICS, Esq.
Senior Managing Director
832.916.4608
tneilson@valbridge.com

General Assumptions and Limiting Conditions

This appraisal is subject to the following general assumptions and limiting conditions:

1. The legal description is assumed to be correct, but the appraiser makes no representations or guarantees as to its accuracy.
2. No responsibility is assumed for legal matters, questions of survey or title, soil or subsoil conditions, engineering, availability or capacity of utilities, or other similar technical matters. The appraisal does not constitute a survey of the property appraised. All existing liens and encumbrances have been disregarded and the property is appraised as though free and clear, under responsible ownership and competent management unless otherwise noted.
3. Unless otherwise noted, the appraisal will value the property as though free of contamination. Valbridge Property Advisors | Virginia will conduct no hazardous materials or contamination inspection of any kind. It is recommended that the Client hire an expert if the presence of hazardous materials or contamination is of concern to the Client. Client means the Client as defined in the appraisal report.
4. The stamps and/or consideration placed on deeds used to indicate sales are in correct relationship to the actual dollar amount of the transaction.
5. Unless otherwise noted, it is assumed there are no encroachments, zoning violations or restrictions existing in the subject property.
6. Unless expressly specified in the engagement letter, the fee for this appraisal does not include the attendance or giving of testimony by Appraiser at any court, regulatory or other proceedings, or any conferences or other work in preparation for such proceeding. If any partner, employee, agent, or independent contractor of Valbridge Property Advisors | Virginia is asked or required to appear and/or testify at any deposition, trial, or other proceeding about the preparation, conclusions or any other aspect of this assignment, Client shall compensate Appraiser for the time spent by the partner, employee, agent, or independent contractor in appearing and/or testifying and in preparing to testify according to the Appraiser's then current hourly rate plus reimbursement of expenses, regardless of whether the Client is the party seeking the appearance of testimony.
7. The values for land and/or improvements, as contained in this report, are constituent parts of the total value reported and neither is (or are) to be used in making a summation appraisal of a combination of values created by another appraiser. Either is invalidated if so used.
8. The dates of value to which the opinions expressed in this report apply are set forth in this report. The appraiser assumes no responsibility for economic or physical factors occurring at any other date(s), which may affect the opinions stated herein. The forecasts, projections, or operating estimates contained herein are based on current market conditions and anticipated short-term supply and demand factors and are subject to change with future conditions. Appraiser is not responsible for determining and makes no representations regarding whether the date(s) of value requested by Client is appropriate for Client's intended use.
9. The sketches, maps, plats and exhibits in this report are included to assist the reader in visualizing the property. The appraiser has made no survey of the property and assumed no responsibility in connection with such matters.
10. The information, estimates, and opinions, which were obtained from outside sources are considered reliable. However, the appraiser makes no representations regarding such sources, and no liability for them can be assumed by the appraiser.

11. Possession of this report, or a copy thereof, does not carry with it the right of publication. Neither all, nor any part of the content of the report, or copy thereof (including conclusions as to property value, the identity of the appraisers, professional designations, reference to any professional appraisal organization or the firm with which the appraisers are connected), shall be disseminated to the public through advertising, public relations, news, sales, or other media without the appraiser's prior express written consent and approval.

12. No claim is intended to be expressed for matters of expertise that would require specialized investigation or knowledge beyond that ordinarily employed by real estate appraisers. The appraiser claims no expertise and makes no representations in areas such as, but not limited to, legal, survey, structural, environmental, quality of construction, pest control, mechanical, etc. It is recommended that the Client hire an expert, such as a home inspector, if these areas are of concern to the Client.

13. This appraisal was prepared for the sole and exclusive use of the Client for the function outlined herein. Any party who is not the Client or intended user, as identified in the appraisal, is not entitled to rely upon the contents of the appraisal without express written consent of Valbridge Property Advisors | Virginia and Client. The Client shall not include partners, members, stockholders, shareholders, affiliates, or relatives of the Client. The appraiser makes no representations and assumes no obligation, liability or accountability to any third party.

14. Distribution of this report is at the sole discretion of the Client, as identified in the appraisal, but the appraiser makes no representations to third parties not listed as an intended user on the face of the appraisal and such third parties may not rely upon the contents of the appraisal, including but not limited to the estimate of value. In no event shall the Client give a third-party a partial copy of the appraisal report. The appraiser will make no distribution of the report without the specific direction of the Client.

15. This appraisal shall be used only for the function outlined herein, unless expressly authorized by Valbridge Property Advisors | Virginia.

16. This appraisal shall be considered in its entirety. No part thereof shall be used separately or out of context.

17. Unless otherwise noted in the body of this report, this appraisal assumes that the subject property does not fall within the areas where mandatory flood insurance is effective. Unless otherwise noted, the appraiser has not completed, nor has the appraiser contracted to have completed an investigation to identify and/or quantify the presence of non-tidal wetland conditions on the subject property. Because the appraiser is not a surveyor, he or she makes no representations or guarantees, express or implied, regarding this determination.

18. The flood maps are not site specific. The appraiser is not qualified to confirm the location of the subject property in relation to flood hazard areas based on the FEMA Flood Insurance Rate Maps or other surveying techniques. It is recommended that the Client obtain confirmation of the subject property's flood zone classification from a licensed surveyor.

19. If the appraisal is for mortgage loan purposes 1) the appraiser assumes satisfactory completion of improvements if construction is not complete, 2) no consideration has been given for rent loss during rent-up unless noted in the body of this report, and 3) occupancy at levels consistent with our "Income and Expense Projection" are anticipated.

20. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures which would render it more or less valuable. No representations are made, and no responsibility is assumed for such conditions or for engineering which may be required to discover them.

21. The appraiser's inspection included an observation of the land and improvements thereon only. It was not possible to observe conditions beneath the soil or hidden structural components within the improvements. To the extent dictated by the scope of assignment, the appraiser inspected the buildings involved and reported open and obvious damage (if any) by termites, dry rot, wet rot, or other infestations as a matter of information, and no representation or guarantee of the amount or degree of damage (if any) is implied. The condition of heating, cooling, ventilation, electrical and plumbing equipment is considered to be commensurate with the condition of the balance of the improvements unless otherwise stated. Should the Client have concerns in these areas, it is the Client's responsibility to order the appropriate inspections. The appraiser is not a home inspector or pest control expert and does not have the skill or expertise to make such inspections, makes no representations regarding these items, and assumes no responsibility for these items.

22. This appraisal does not guarantee compliance with the building code and life safety code requirements of the local jurisdiction. It is assumed that all required licenses, consents, certificates of occupancy or other legislative or administrative authority from any local, state or national governmental or private entity or organization have been or can be obtained or renewed for any use on which the value conclusion contained in this report is based unless specifically stated to the contrary.

23. When possible, the appraiser relied upon building measurements provided by the Client, owner, or associated agents of these parties. In the absence of reliable public records or "as-built" plans provided, to the appraiser relied upon his/her own measurements of the subject improvements. The appraiser follows typical appraisal industry methods; however, the appraiser recognizes that some factors may limit the ability to obtain accurate measurements including, but not limited to, property access on the day of inspection, basements, fenced/gated areas, grade elevations, greenery/shrubbery, uneven surfaces, multiple story structures, obtuse or acute wall angles, immobile obstructions, etc. Professional building area measurements of the quality, level of detail, or accuracy of professional measurement services are beyond the scope of this appraisal assignment and the appraiser makes no representations concerning this information.

24. The appraiser has attempted to reconcile sources of data discovered or provided during the appraisal process, including assessment department data. Ultimately, the measurements that are deemed by the appraiser to be the most accurate and/or reliable are used within this report. While the measurements and any accompanying sketches are considered to be reasonably accurate and reliable, the appraiser cannot guarantee and makes no representations regarding their accuracy. Should the Client desire more precise measurement, they are urged to retain the measurement services of a qualified professional (space planner, architect or building engineer) as an alternative source. If this alternative measurement source reflects or reveals substantial differences with the measurements used within the report, upon request of the Client, the appraiser will submit a revised report for an additional fee.

25. In the absence of being provided with a detailed land survey, the appraiser used assessment department data to ascertain the physical dimensions and acreage of the property. Should a survey prove this information to be inaccurate, upon request of the Client, the appraiser will submit a revised report for an additional fee.

26. If only preliminary plans and specifications were available for use in the preparation of this appraisal, and a review of the final plans and specifications reveals substantial differences, upon request of the Client, the appraiser will submit a revised report for an additional fee.

27. Unless otherwise stated in this report, the value conclusion is predicated on the assumption that the property is free of contamination, environmental impairment or hazardous materials. Unless otherwise stated, the existence of hazardous material was not observed by the appraiser and the appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation or other potentially hazardous materials may affect the value of the property. No responsibility is assumed, and no representations are made regarding any such conditions, or for any expertise or engineering knowledge required for discovery. The Client is urged to retain an expert in this field, if desired.

28. The Americans with Disabilities Act ("ADA") became effective January 26, 1992. The appraiser has not made a specific compliance survey of the property to determine if it is in conformity with the various requirements of the ADA. It is possible that a compliance survey of the property, together with an analysis of the requirements of the ADA, could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this could have a negative effect on the value of the property. Since the appraiser has no direct evidence relating to this issue, the appraiser did not consider possible noncompliance with the requirements of ADA in developing an opinion of value. It is recommended that the Client hire an expert, such as an attorney or other qualified expert, if ADA compliance is an area of concern to the Client.

29. This appraisal applies to the land and building improvements only. The value of trade fixtures, furnishings, and other equipment, or subsurface rights (minerals, gas, and oil) were not considered in this appraisal unless specifically stated to the contrary.

30. No changes in any federal, state or local laws, regulations or codes (including, without limitation, the Internal Revenue Code) are anticipated, unless specifically stated to the contrary.

31. Any income and expense estimates contained in the appraisal report are used only for the purpose of estimating value and do not constitute prediction of future operating results. Furthermore, it is inevitable that some assumptions will not materialize and that unanticipated events may occur that will likely affect actual performance. As such, the appraiser makes no representations regarding such income or expense estimates and the intended user(s) of the appraisal may not rely on such estimates.

32. Any estimate of insurable value, if included within the scope of work and presented herein, is based upon figures developed consistent with industry practices. However, actual local and regional construction costs may vary significantly from our estimate and individual insurance policies and underwriters have varied specifications, exclusions, and non-insurable items. As such, the appraiser strongly recommends that the Client obtain estimates from professionals experienced in establishing insurance coverage. The appraiser makes no representations regarding such insurable value, and any analysis should not be relied upon to determine insurance coverage and the appraiser makes no representations regarding the accuracy of this estimate.

33. The data gathered in the course of this assignment (except data furnished by the Client) shall remain the property of the Appraiser. Subject to the Uniform Standards of Professional Appraisal Practice, the appraiser will not violate the confidential nature of the appraiser-client relationship by improperly disclosing any confidential information furnished to the appraiser. Notwithstanding the foregoing, the Appraiser is authorized by the Client to disclose all or any portion of the appraisal and related appraisal data to appropriate representatives of the Appraisal Institute if such disclosure is required to enable the appraiser to comply with the Bylaws and Regulations of such Institute now or hereafter in effect.

34. The Client and Valbridge Property Advisors | Virginia both agree that any dispute over matters in excess of $5,000 shall be submitted for resolution by mandatory arbitration pursuant to the rules of the American Arbitration Association. This includes fee disputes and any claim of malpractice. The parties agree to a sole arbitrator, who shall be mutually selected. The arbitration shall be held in the City of Chesapeake, Virginia, unless otherwise expressly agreed to between the parties. Such arbitration shall be binding and final. In agreeing to arbitration, both parties acknowledge that, by agreeing to binding arbitration, each is giving up the right to have the dispute decided in a court of law before a judge or jury. In the event that the Client, or any other party, makes a claim against Valbridge Property Advisors | Virginia or any of its employees, agents, representatives, or independent contractors in connection with or in any way relating to this assignment, the maximum damages recoverable by such claimant shall be the amount actually received by Valbridge Property Advisors | Virginia for this assignment, and under no circumstances shall any claim for consequential, incidental, or punitive damages be made.

35. Valbridge Property Advisors | Virginia shall have no obligation, liability, or accountability to any third party. Any party who is not the "Client" or intended user identified on the face of the appraisal is not entitled to rely upon the contents of the appraisal without the express written consent of Valbridge Property Advisors | Virginia. "Client" shall not include partners, members, stockholders, shareholders, affiliates, or relatives of the party identified as the Client in the appraisal. Client shall indemnify, defend (including the reimbursement of reasonable attorneys' fees), and hold Valbridge Property Advisors | Virginia and its employees, agents, representatives, and/or independent contractors harmless in the event of any lawsuit brought by any third party, lender, partner, or part-owner in any form of ownership or any other party as a result of this assignment, including claims that arise solely out of the negligence of the appraiser or Valbridge Property Advisors | Virginia. The Client also agrees that in case of lawsuit arising from or in any way involving these appraisal services, Client shall indemnify, defend (including the reimbursement of reasonable attorneys' fees) and hold Valbridge Property Advisors | Virginia and its employees, agents, representatives, and independent contractors harmless from and against any liability, loss, cost, or expense incurred or suffered by Valbridge Property Advisors | Virginia in such action, regardless of its outcome.

36. The appraiser responsible for the preparation for the appraisal report is an employee and/or independent contractor of Virginia. Neither Valbridge Property Advisors, Inc., nor any of its affiliates has been engaged to provide this report. Valbridge Property Advisors, Inc. does not provide valuation services and has taken no part in the preparation of this report.

37. This report and any associated work files may be subject to evaluation by Valbridge Property Advisors, Inc., or its affiliates, for quality control purposes.

38. Acceptance and/or use of this appraisal report constitutes acceptance of the foregoing general assumptions and limiting conditions.

Certification – Matthew C. Ball, Jr., MAI

I certify that, to the best of my knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
4. The undersigned has not performed services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
5. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
8. My analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
9. Matthew C. Ball, Jr., MAI has personally inspected the subject property.
10. No one provided significant real property appraisal assistance to the person signing this certification.
11. The reported analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
12. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
13. As of the date of this report, the undersigned has completed the continuing education program for Designated Members of the Appraisal Institute.

Value Conclusion

Component	As Is
Value Type	Market Value
Real Property Interest	Fee Simple
Effective Date of Value	May 12, 2025
Value Conclusion	**$5,640,000**



Matthew C. Ball, Jr., MAI
Director
Virginia License #4001-017643
License Expires 06-30-2026

Certification – Michael F. Berry, MAI

I certify that, to the best of my knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
4. The undersigned has not performed services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
5. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
8. My analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
9. Michael F. Berry, MAI, has personally inspected the subject property.
10. No one provided significant real property appraisal assistance to the person signing this certification.
11. The reported analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
12. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
13. As of the date of this report, the undersigned has completed the continuing education program for Designated Members of the Appraisal Institute.

Value Conclusion

Component	As Is
Value Type	Market Value
Real Property Interest	Fee Simple
Effective Date of Value	May 12, 2025
Value Conclusion	**$5,640,000**



Michael F. Berry, MAI
Senior Managing Director
Virginia, License #4001-002182
License Expires 08-31-2025

Addenda

Engagement Letter

Zoning Confirmation Letter

Glossary

Qualifications

- Matthew C. Ball, Jr., MAI - Director
- Michael F. Berry, MAI - Senior Managing Director

Information on Valbridge Property Advisors

Office Locations

Letter of Engagement

Valbridge Property Advisors | Virginia

Appraisal Services Agreement

May 2, 2025

John Michels
Developer
Pennrose, LLC
1501 St. Paul Street
Suite 118
Baltimore, MD 21202
O: 443-423-1496
jmichels@pennrose.com

Re: Diamond District Parcel E3
2.45 Acres
2728 Hermitage Road
Richmond, VA, 23220

Dear Mr. Michels:

Valbridge Property Advisors | Virginia is pleased to present the following proposal.

Valbridge Property Advisors is the largest, independent, national real estate valuation and advisory firm in North America. The firm has over 80 offices with approximately 650 employees including over 200 MAI-designated appraisers. Valbridge provides valuation services involving most types of commercial real estate in all 50 states. Each office is led by at least one Senior Managing Director who holds the MAI designation of the Appraisal Institute. The Valbridge | Virginia offices are led by Lawrence J. Colorito, Jr., MAI and Michael F. Berry, MAI. These Senior Managing Directors are complemented by other Director-level, MAI-designated appraisers. Clients also benefit from other senior and junior level professionals and support staff. Together with the resources available at other locations, the Virginia offices are able to provide quality independent valuation and advisory services to their clients on all types of real estate assets throughout the region.

This letter, together with the attached Standard Terms and Conditions, will form our agreement for services regarding the subject property ("Agreement"). If this Agreement is acceptable, please sign the letter below, or have an authorized person affiliated with your organization sign. Please retain a copy for your records and return a signed copy to us, along with any specified retainer. We look forward to working with you on this assignment.

Specifications of the Appraisal

Client Name:	Pennrose, LLC. ("Client")
Subject:	Diamond District Parcel E3 2.45 Acres 2728 Hermitage Road Richmond, VA 23220
Property Type:	Land
Interest to be Valued:	Fee Simple
Intended Use:	Internal Decision-Making, Financing
Intended User(s):	Pennrose, LLC and City of Richmond DHCD The appraisal will be for sole use and benefit of the Client and identified intended user(s). No other users are intended or authorized, and no other parties should use or rely on the appraisal or any content in the appraisal report for any purpose without the written consent of Valbridge Property Advisors | Virginia.
Type(s) of Value:	Market Value The definition of the type of value will be stated in the reports. Valbridge Property Advisors | Virginia is not responsible for determining whether the type of value stated for this assignment is appropriate for Client's intended use, as that determination may

	be a legal matter. An "as is" value is not a prediction of any future value or a representation of the price the property may be sold for in distress or foreclosure. If a different type of value is necessary, please inform us prior to executing this Agreement.
Date(s) of Value:	As Is Valbridge Property Advisors | Virginia is not responsible for determining whether the date of value requested by Client is appropriate for Client's intended use, as that determination may be a legal matter.
Anticipated Scope of Work:	Valuation Approach(es): Sales Comparison Approach Level of Inspection: In-person site visit
Hypothetical Conditions, Special/Extraordinary Assumptions:	None. Extraordinary Assumptions may be added if needed during development of the appraisal and, if applicable, will be disclosed in the report. It is understood that
Report Option and Format:	Appraisal Report
Delivery Date:	2 weeks from Client's authorization to proceed and receipt of requested I information. Valbridge Property Advisors | Virginia will use its best efforts to deliver the appraisal report no later than such date. Delivery of the report is contingent on Valbridge Property Advisors | Virginia's timely receipt of information and documentation from Client and other parties, as well as access to the property if necessary for the scope of work. In the event of a delay, Valbridge Property Advisors | Virginia will inform Client as soon as reasonably practicable.
Prior Services Regarding Subject Property (USPAP Disclosure):	The undersigned has not performed services, as an appraiser or in any other capacity, regarding the property that will be the subject of this report within the three-year period immediately preceding this agreement.

Appraisal Fee:	$3,200
Retainer Fee	50% or $1600
Payment Terms:	Payment of 50% of the fee upon acceptance of this Agreement. Final payment for the remaining balance will be due and payable within 30 days of Client's receipt of the report.

Property Documentation.

Client agrees to provide accurate documentation and information as requested by Valbridge Property Advisors | Virginia to complete the appraisal. Delays in receipt of the documentation or in property access may result in Valbridge Property Advisors | Virginia being unable to deliver the appraisal report on the agreed-upon delivery date.

Information Request List

Basic Information:		**Proposed Construction/Capital Improvements:**	
Property Contact for Data/Inspection	☐	Construction Cost Breakdown	☐
Current Listing Information	☑	Cost to Complete Construction	☐
Current Agreement To Purchase	☑	Proposed Building Plans & Specifications	☐
Any Environmental Report(s)	☑	Builder/Developer Contact Information	☐
Boundary Survey or Site Plan	☑	Anticipated Date of Completion	☐

Payment Options:

1. By check. Mail to:
PO Box 834
Mt. Pleasant, SC 29465
Make your check payable to Valbridge

2. By ACH:
If you'd like to pay directly from your bank account at no charge, please email a request for the ACH link at ar-ix@valbridge.com

3. By credit card:
If you'd like to pay by card, there is a 2.99% fee.
Please email a request for the credit card link at ar-ix@valbridge.com

Please reference the appraised property address or project name with payment.

Past due accounts are charged a 1.5% per month (18% per annum) service charge.

Where collection is required, debtor shall pay all collection costs, attorney fees and court costs.

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Standard Terms and Conditions and Assumptions/Limiting Conditions.

The services performed under this Agreement will be subject to the attached Standard Terms and Conditions, which are incorporated into and form a material part of this Agreement. Each appraisal will also be subject to the assumptions and limiting conditions stated within the report.

The offer to provide the services described is valid for 7 days from the date of this letter.

By: Axial Advisory Group, LLC d.b.a. Valbridge Property Advisors | Virginia 
Name: Michael F. Berry, MAI
Title: Senior Managing Director
Dated: May 2, 2025
Agreed and accepted on behalf of Client:
By: 
Client Name: Pennrose, LLC
Name: Patrick Stewart
Title: Regional Vice President
Dated: 5/7/2025

Cc: Whitney Ellis at wellis@pennrose.com & John Michels at jmichels@pennrose.com.

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STANDARD TERMS AND CONDITIONS FOR SERVICES AGREEMENT

1. **"Personnel."** When capitalized, the term "Personnel" refers to all employees, partners, owners, shareholders, members, officers, directors or independent contractors of the respective party.
2. **Responsibility for Services.** Valbridge Property Advisors | Virginia is solely responsible for the services provided under this Agreement and the work product of its appraisers. Valbridge Property Advisors | Virginia is an independently owned and operated franchisee member firm of Valbridge Property Advisors Franchising System, LLC, which is a subsidiary of Valbridge Property Advisors, Inc. (both collectively referred to below as "VPA").

   VPA and its subsidiaries (including Valbridge Property Advisors Franchising System, LLC, Data Appraise Systems, LLC, and Valbridge Property Advisors Data Solutions, LLC) do not perform valuation services, are not being engaged to provide any services under this Agreement and have no responsibility concerning or liability for the services of Valbridge Property Advisors | Virginia or any appraisal or other work product.
3. **Appraisal Fee Changes.** The appraisal fee is based on an understanding of the assignment as outlined in the specifications for the appraisal. Changes in the scope of work or unanticipated matters concerning the property may result in a higher fee and will be billed at Valbridge Property Advisors | Virginia's regular hourly rates. If Client places the assignment "on hold" and then reactivates the assignment, an additional charge may apply due to the inefficiency created. If Client cancels the assignment prior to completion, Client agrees to pay for Valbridge Property Advisors | Virginia's costs and time incurred at its regular hourly rates prior to its receipt of written notice of such cancellation.
4. **Services Performed on an Hourly Basis.** If this assignment includes a provision for services performed on an hourly billing basis, the hourly rates for such services are subject to periodic adjustment to current rates. Valbridge Property Advisors | Virginia will provide 30 days' notice to Client prior to any rate increases. If Client chooses not to consent to the increased rates, Client may terminate the Agreement by written notice effective when received by Valbridge Property Advisors | Virginia. If this assignment includes a provision for services performed on an hourly billing basis, Client acknowledges that Valbridge Property Advisors | Virginia has not committed to any total fee amount to be incurred by Client under this Agreement.
5. **Intended Users and Uses of Appraisal.** In accordance with applicable professional appraisal standards, each appraisal report will identify the client, any additional intended users, and the intended use(s) of the appraisal. Valbridge Property Advisors | Virginia shall have no responsibility, obligation or liability to any party who is not identified as the client or as an additional intended user in the appraisal report or for any uses of an appraisal that are not identified in the report. Any party who is not the client or an intended user is not entitled to use or rely on the appraisal without the express written consent of Valbridge Property Advisors | Virginia, notwithstanding that such a party may receive a copy of the report for compliance or informational purposes.
6. **Independence of Appraisal Services.** The services performed under this Agreement will be delivered in a manner that is independent, impartial and objective. Valbridge Property Advisors | Virginia's fees and Client's obligation to pay are not contingent on the value of the property, any other assignment results, the funding of any loan, or the outcome of any dispute or litigation. Any opinions expressed about the potential outcome of a matter or case are not guarantees of the outcome.
7. **Confidentiality**. Valbridge Property Advisors | Virginia and its Personnel will comply with all confidentiality duties imposed by applicable law and professional standards. Client agrees that Valbridge Property Advisors | Virginia may disclose the appraisal report, assignment results and other information relating to an appraisal, including information which may be considered confidential under applicable professional standards, to third parties as required by law or as necessary for compliance with professional standards.

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Client further consents to and authorizes Valbridge Property Advisors | Virginia to disclose the appraisal report, assignment results and other information relating to an appraisal, including information which may be considered confidential under applicable professional standards, as reasonably necessary to defending or responding to threatened or actual legal or regulatory actions or for insurance coverage of such matters.

8. **Testimony in Court or Other Proceedings.** Unless otherwise stated in this Agreement, Client agrees that Valbridge Property Advisors | Virginia's engagement under this Agreement does not include Valbridge Property Advisors | Virginia's or its Personnel's participation in or preparation for any oral or written testimony in a judicial, arbitration or administrative proceeding; or attendance at any judicial, arbitration or administrative proceeding relating to this assignment. Client will not designate or disclose Valbridge Property Advisors | Virginia or any of its Personnel as an expert witness in any court, arbitration or other proceeding without the prior written consent of Valbridge Property Advisors | Virginia.
9. **Subpoenas and Testimony.** In the event that Valbridge Property Advisors | Virginia or any of its Personnel is compelled by subpoena or other legal or administrative process to provide testimony or produce documents relating to the appraisal or services under this Agreement, whether in court, deposition, arbitration or any other proceeding, Valbridge Property Advisors | Virginia shall provide notice thereof to Client and Client agrees that Valbridge Property Advisors | Virginia or any of its Personnel may disclose such information as required to comply with such process and to compensate Valbridge Property Advisors | Virginia for the reasonable time incurred in connection with preparation for and provision of such testimony and/or documents at Valbridge Property Advisors | Virginia's rates in effect at that time and reimburse its reasonable actual expenses.
10. **Withdrawal Prior to Completion.** Valbridge Property Advisors | Virginia may terminate its rendition of services for the assignment(s) contemplated under this Agreement and withdraw without penalty or liability before completion or reporting of the appraisal in the event that it determines, at its sole discretion, that incomplete information was provided to Valbridge Property Advisors | Virginia prior to the engagement, that Client or other parties have not or cannot provide documentation or information necessary to Valbridge Property Advisors | Virginia's analysis or reporting, that conditions of the subject property render the original anticipated scope of work inappropriate, that Valbridge Property Advisors | Virginia becomes aware that a conflict of interest has arisen, or that Client has not complied with its payment obligations under this Agreement.
11. **Third-Party Beneficiaries of Agreement.** The Personnel of Valbridge Property Advisors | Virginia, VPA, its subsidiaries and their Personnel, and each franchisee and licensee of VPA assisting or providing any services in connection with the services to be provided under this Agreement and each of such franchisee's and licensee's Personnel (each a "**Third-Party Beneficiary**") shall each be an express third-party beneficiary of this Agreement and entitled to all of the rights and protections of and applicable to Valbridge Property Advisors | Virginia, and the limitations applicable to the Client, set forth herein (including, without limitation, the provisions regarding Intended Users and Uses of Appraisal, Maximum Time Period for Legal Actions, Mutual Limitations of Liability, Indemnification, Subpoenas and Testimony, Unauthorized Use or Publication, No Responsibility for Certain Conditions and Arbitration). Without limiting the foregoing, although VPA and its subsidiaries will provide no services under this Agreement, in the event of any legal claim or dispute, the following protections and limitations shall apply for the benefit of each Third-Party Beneficiary: Responsibility for Services, Intended Users and Uses of Appraisal, Maximum Time Period for Legal Actions, Mutual Limitations of Liability, Indemnification, Subpoenas and Testimony, No Responsibility for Certain Conditions and Arbitration, and no waiver, modification or amendment of such provisions shall apply to any Third-Party Beneficiary, unless such waiver, modification or amendment is in writing and executed by such

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Third-Party Beneficiary. There are no other third-party beneficiaries of this Agreement or the services performed under this Agreement.

12. **No Unauthorized Use or Publication.** No part of an appraisal report or the opinions or conclusions stated in a report may be published or used in any advertising materials, property listings, investment offerings or prospectuses, or securities filings or statements without Valbridge Property Advisors | Virginia's prior written authorization. If Client publishes or uses the report or Valbridge Property Advisors | Virginia's work product without such authorization or provides the report or other work product for unauthorized use or publication, Client agrees to indemnify and hold Valbridge Property Advisors | Virginia and its Personnel harmless from and against all damages, liabilities, losses, causes of actions, expenses, claims and costs, including attorneys' fees, incurred in the investigation and/or defense of any claim arising from or in any way connected to the unauthorized use or publication.
13. **No Responsibility for Certain Conditions.** Notwithstanding that a report may comment on, analyze or assume certain conditions, unless otherwise stated in the report, Valbridge Property Advisors | Virginia and its Personnel shall have no responsibility for investigating and shall have no responsibility or liability for matters pertaining to: (a) title defects, liens or encumbrances affecting the property; (b) flood zones, earthquake zones, surveys, property lines or boundaries pertaining to the property; (c) the property's compliance with local, state or federal zoning, planning, building, occupancy permits, disability access, life safety and environmental laws, regulations and standards; (d) building permits and planning approvals for improvements on the property; (e) structural or mechanical soundness or safety; (f) contamination, mold, pollution, asbestos, storage tanks, subsoil conditions, animal or vermin infestations and hazardous conditions affecting the property; and (f) other conditions and matters for which real estate appraisers are not customarily deemed to have professional expertise. Unless otherwise noted, the appraisal will value the property as though free of pollution, hazardous materials or other contamination of any kind. Valbridge Property Advisors | Virginia will conduct no hazardous materials or contamination inspection of any kind.
14. **Maximum Time Period for Claims and Proceedings.** Unless the time period is shorter under applicable law and except for claims for indemnification pursuant to Section 23, each claim, cause of action, or other proceeding concerning or relating to this Agreement, or the services or the results of the services provided hereunder (each being a "**Claim**") between Client and Valbridge Property Advisors | Virginia shall be filed (whether in court or in an applicable arbitration tribunal), within two (2) years from the date of delivery to Client of the appraisal report to which the claims or causes of action relate or, in the case of acts or conduct after delivery of the report, two (2) years from the date of the alleged acts or conduct. The time period stated in this section shall: (a) not be extended by any delay in the discovery or accrual of the underlying claims, causes of action or damages, and (b) apply to all non-criminal claims or causes of action of any type, except for intentional fraud or intentionally wrongful conduct.
15. **Mutual Limitations of Liability.** Professional standards for the performance of real estate appraisals require that appraisers perform their services independently, impartially, and objectively. Clients and other users of appraisals often have separate legal or regulatory obligations imposed on them in relation to the appraisal process. The provisions of this section are designed to assure that an appraiser can render appraisal services in compliance with professional standards for reasonable compensation and to assure that clients and users can comply freely with their own professional and legal obligations, and any modifications hereof must be in writing and signed by the parties.
    a. **Limitations of Liability.** To the fullest extent permitted by applicable law, the maximum liability of Valbridge Property Advisors | Virginia and its Personnel to Client or to any third-party (regardless of whether such party's claimed use or reliance on the appraisal was authorized by Appraiser) and of Client to Valbridge Property Advisors | Virginia for any Claim shall be limited to three (3) times the total compensation

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actually paid to Valbridge Property Advisors | Virginia for the appraisal or other services that are the subject of the Claim. Remedies provided under Indemnification are not included in the Limitation of Liability cap.

This limitation of liability extends to all types of Claims, whether in contract or tort, but excludes: (i) claims/causes of action for intentionally fraudulent or criminal conduct, intentionally caused injury, or unauthorized use or publication of the appraisal or work product or (ii) claims/causes of action by Valbridge Property Advisors | Virginia for the collection of unpaid compensation for the appraisal or other services (for which the maximum recovery shall be the total amount unpaid and owing to Valbridge Property Advisors | Virginia, plus applicable interest and late charges), or (iii) claims, causes of action, or other proceedings by Valbridge Property Advisors | Virginia or its Personnel against Client in accordance with Section 23 (each an "Indemnification Claim"), or for publication of any report other than as may be expressly permitted by this Agreement (each a "Publication Claim").

b. **No Special or Consequential Damages.** Except in the case of an Indemnification Claim or a Publication Claim, neither Valbridge Property Advisors | Virginia/its Personnel nor Client shall be liable to one another or to any third party (regardless of whether such party's claimed use or reliance on the appraisal was authorized by Appraiser) claiming by or through any of them or as a result of an appraisal or the matters set forth in this Agreement for special or consequential damages, including, without limitation, loss of profits, prospective business opportunities, or damages caused by loss of use of any property, regardless of whether arising from negligence or a breach of this Agreement or otherwise, and regardless of whether a party was advised or knew of the possibility of such damages.

c. **Application to Other Parties.** The limitations of liability in this section shall also apply to Claims against a Third-Party Beneficiary.

16. **No Assignment of Claims.** No rights under this Agreement and no Claim may be assigned by any party, except: (i) if set forth in the scope of services or (ii) with regard to the collection of a bona fide existing debt for payment for the services.
17. **Internal Compliance Reviews.** The appraisal or other work product and files may be disclosed to and subject to evaluation by Valbridge Property Advisors, Inc. for internal compliance purposes. Such evaluations do not establish any responsibility to Client or any other parties. Client consents to disclosure of information relating to the appraisal for that purpose.
18. **Dispute Resolution.** The parties agree that at least one of each of their respective executives will meet (which may be by telephone or other means of remote communication) within ten (10) calendar days of any such escalation to attempt to resolve a dispute. If the parties' executive managers are unable to resolve the dispute within ten (10) calendar days of such meeting, either party thereafter may file litigation in court to seek resolution of the dispute.
19. **Indemnification.** To the fullest extent permitted by law, each party shall defend, indemnify, and hold harmless the other party from and against any and all losses, expenses, damages, claims, demands, judgments, fines, charges, liens, liabilities, actions, causes of action, or proceedings of any kind whatsoever, including reasonable attorneys' fees, (collectively, "Losses") (whether arising on account of damage to or loss of property, personal injury, or death) arising directly or indirectly in connection with that party's (a) breach of this Agreement (including any covenants, representations, or warranties contained herein); or (b) negligence or willful misconduct in performance of this Agreement.
20. **Governing Law and Jurisdiction.** This Agreement and each Claim shall be governed by the law of the state in which Valbridge Property Advisors | Virginia's office performing the assignment is located, exclusive of that state's choice of law rules. Client and Valbridge Property Advisors | Virginia agree that, except for Indemnification Claims and Publication Claims, each Claim and each legal proceeding to enforce an arbitration award entered pursuant to the arbitration provision of this Agreement, shall be brought in a state

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or federal court having jurisdiction over the location of the Valbridge Property Advisors | Virginia's office performing the assignment, and the parties hereby waive any objections to the personal jurisdiction or venue of such court.

21. **Severability.** If any provision of this Agreement is held, in whole or part, to be void, unenforceable, or invalid for any reason, the remainder of that provision and the remainder of the entire Agreement shall be severable and remain in full force and effect.
22. **Execution of Agreement.** Execution of this Agreement and delivery of an executed copy by any party by electronic means will be as effective as delivery of a manually executed copy by such party. In the event that any or all off services described in this Agreement are performed at Client's request or direction, but prior to or without Client's execution of the Agreement, the terms and conditions of this Agreement, including Client's obligation to pay, shall still apply.
23. **Entire Agreement and Modifications.** This Agreement contains the entire agreement of the parties. No other agreement, statement or promise made on or before the effective date of this agreement will be binding on the parties. This Agreement may only be modified by a subsequent agreement of the parties in writing signed by all the parties.
24. **Survival.** Sections 0, 6, 8 through 10, and 12 through 23 of these Terms and Conditions shall survive and continue to be applicable after completion of the services described herein.
25. **Insurance.** Valbridge Property Advisors shall maintain, at its sole cost and expense (i) Commercial general liability coverage of at least $1,000,000 per occurrence; (ii) Automobile liability coverage for any automobiles used by Valbridge Property Advisors in the performance of Valbridge Property Advisors 's obligations of at least $1,000,000 combined single limit; and (iii) Employer liability and Workers Compensation coverage of at least $500,000 each accident, $500,000 each employee, and $500,000 each disease, as required by law. Client must be included as an additional insured with respect to the commercial general liability insurance and automobile liability insurance. All polices provided by Valbridge Property Advisors will serve on a primary and non-contributory to Client as they relate to the scope of work provided by Valbridge Property Advisors. A waiver of subrogation must be provided to Client, with respect to the commercial general liability, worker's compensation, and automobile liability policies. All policies will carry an endorsement that Client will receive more than thirty (30) days written notice prior to cancellation, non-renewal, material change to or expiration of the policy. All policies should be written on an occurrence basis. All policies must be placed with carriers who have an AM Best rating of A-/VIII or above. Valbridge Property Advisors must deliver certificates evidencing the insurance required by this Article prior to the date on which Valbridge Property Advisors first provides the Services to Client and upon request by Client throughout the term of this Agreement. Such certificates must at least set forth the amount of insurance, all required endorsements or noted blanket coverages, the policy number, and the date of expiration. The certificates must bear an inked or stamped signature. Certificates of insurance should be sent to the Client business unit responsible for the Agreement.

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Zoning Confirmation Letter

CITY OF RICHMOND

DEPARTMENT OF
PLANNING AND DEVELOPMENT REVIEW
ZONING ADMINISTRATION

August 21, 2024

Diamond District Partners, LLC
C/O Roth Jackson Gibbons Condlin, PLC
1519 Summit Avenue, Suite 102
Richmond, Virginia 23230

Re: Portion of 2907 N Arthur Ashe Blvd (Tax Map # N000-1510/012) & 2728 Hermitage Road (Tax Map # N000-1510/013)

To Whom It May Concern:

In response to the request for a Zoning Confirmation Letter, as of the date of this letter, please be advised of the following as of the date hereof:

The Property is zoned TOD-1 (Transit-Oriented Nodal) District. The Property is also subject to the terms and conditions of Ordinance 2024-113 adopted by City Council May 8, 2024 (the "Diamond District Purchase and Sale and Development Agreement"), a copy of which can be found here: https://richmondva.legistar.com/LegislationDetail.aspx?ID=6629342&GUID=24130D56-B78E-4EDD-824A-10DC43AA2C84&Options=ID|Text|&Search=113. Signs on the Property are regulated by Sec. 30-518.4 of the Zoning Ordinance. The Property may be developed with the Phase 1A Project Components in accordance with the Phase 1 Master Plan, as defined in the Diamond District Purchase and Sale and Development Agreement without the need for any special approval or zoning action. In the event of a casualty, the Property may be rebuilt substantially in accordance with TOD-1 (Transit Oriented Nodal) District requirements and the terms and conditions of the Diamond District Purchase and Sale and Development Agreement.

This office has no record of any outstanding violations on the Property. The Property is not subject to any other proffered conditions, use permit or other special limitation imposed by the City in connection with the zoning or rezoning of the Property. No application for rezoning of the Property, or for a special or conditional use permit or variance in connection with the Property, is now pending. No proceeding to challenge the zoning, or other governmental approval or use of the Property is pending, or, to the best of our knowledge, overtly threatened.

These determinations are based in whole or in part from the information provided, property records, official City zoning approvals, City zoning maps and the current City of Richmond Zoning Ordinance.

Please be advised that this office does not issue opinions with respect to compliance with building codes, fire codes, or other health and safety regulations that may pertain to the property. For building code issues, contact the Office of Permits and Inspections at 646-4169 or PDRPermitsAndInspections@rva.gov. For fire and safety questions, contact Fire and Emergency Services at 646-6640.

CITY OF RICHMOND • ZONING ADMINISTRATION • 900 EAST BROAD STREET, ROOM 110 • RICHMOND, VA 23219
Phone: 804.646.6340 • E-mail: PDRZoningAdministration@richmondgov.com • www.richmondgov.com

Upon submittal of specific development plans, including detailed floor plans, for any proposed use(s), this office will evaluate for conformance with all zoning requirements in effect at that time.

You are hereby advised that you have thirty (30) days from this notice in which to appeal this decision to the Board of Zoning Appeals, in accordance with §15.2-2311 of the Code of Virginia and §17.19 of the Richmond City Charter, or this decision shall be final and unappealable. Such appeal must be in writing and must be filed with the Secretary to the Board of Zoning Appeals. Said appeal shall indicate in specific terms the grounds for the appeal and must be accompanied by a filing fee of two hundred and fifty dollars ($250.00).

I hope this information is sufficient. If you have additional questions, please contact Josh Young by E-mail at: joshua.young@rva.gov or by telephone at: (804) 646-6923.

Sincerely,

William C. Davidson
Zoning Administrator

cc: Economic Development Authority of The City of Richmond, VA
1500 East Main Street, #400
Richmond, Virginia 23219

Glossary

Definitions are taken from The Dictionary of Real Estate Appraisal, 7th Edition (Dictionary), the Uniform Standards of Professional Appraisal Practice (USPAP), and Building Owners and Managers Association International (BOMA).

Absolute Net Lease

A lease in which the tenant pays all expenses including structural maintenance, building reserves, and management; often a long-term lease to a credit tenant. (Dictionary)

Amortization

The process of retiring a debt or recovering a capital investment, typically through scheduled, systematic repayment of the principal; a program of periodic contributions to a sinking fund or debt retirement fund. (Dictionary)

As Is Market Value

The estimate of the market value of real property in its current physical condition, use, and zoning as of the appraisal date. (Interagency Appraisal and Evaluation Guidelines) Note that the use of the "as is" phrase is specific to appraisal regulations pursuant to FIRREA applying to appraisals prepared for regulated lenders in the United States. The concept of an "as is" value is not included in the Standards of Valuation Practice of the Appraisal Institute, Uniform Standards of Professional Appraisal Practice, or International Valuation Standards. (Dictionary)

Base Rent

The minimum rent stipulated in a lease. (Dictionary)

Base Year

The year on which escalation clauses in a lease are based. (Dictionary)

Building Common Area

In office buildings, the areas of the building that provide services to building tenants but that are not included in the office area or store area of any specific tenant. These areas may include, but shall not be limited to, main and auxiliary lobbies, atrium spaces at the level of the finished floor, concierge areas or security desks, conference rooms, lounges or vending areas, food service facilities, health or fitness centers, daycare facilities, locker or shower facilities, mail rooms, fire control rooms, fully enclosed courtyards outside the exterior walls, and building core and service areas such as fully enclosed mechanical or equipment rooms. Specifically excluded from building common area are floor common areas, parking space, portions of loading docks outside the building line, and major vertical penetrations. (BOMA)

Building Rentable Area

The sum of all floor rentable areas. Floor rentable area is the result of subtracting from the gross measured area of a floor the major vertical penetrations on that same floor. It is generally fixed for the life of the building and is rarely affected by changes in corridor size or configuration. (BOMA)

Bulk Value

The value of multiple units, subdivided plots, or properties in a portfolio as though sold together in a single transaction. (Dictionary)

Certificate of Occupancy (COO)

A formal written acknowledgment by an appropriate unit of local government that a new construction or renovation project is at the stage where it meets applicable health and safety codes and is ready for commercial or residential occupancy. (Dictionary)

Common Area Maintenance (CAM)

The expense of operating and maintaining common areas; may or may not include management charges and usually does not include capital expenditures on tenant improvements or other improvements to the property. (Dictionary)

The amount of money charged to tenants for their shares of maintaining a [shopping] center's common area. The charge that a tenant pays for shared services and facilities such as electricity, security, and maintenance of parking lots. Items charged to common area maintenance may include cleaning services, parking lot sweeping and maintenance, snow removal, security, [amenities,] and upkeep. (ICSC – International Council of Shopping Centers, 4th Ed.)

Condominium

An attached, detached, or stacked unit within or attached to a structure with common areas that are held as tenants in common (an undivided interest) with other owners in the project. The units can be residential, commercial, industrial, or parking spaces or boat docks. These units are commonly defined by state laws in their locations. Because units can be stacked on top of other units, these units can be defined both vertically and horizontally. (Dictionary)

Conservation Easement

An interest in real estate restricting future land use to preservation, conservation, wildlife habitat, or some

combination of those uses. A conservation easement may permit farming, timber harvesting, or other uses of a rural nature as well as some types of conservation-oriented development to continue, subject to the easement. (Dictionary)

Contributory Value

A type of value that reflects the amount a property or component of a property contributes to the value of another asset or to the property as a whole.

The change in the value of a property as a whole, whether positive or negative, resulting from the addition or deletion of a property component. Also called deprival value in some countries. (Dictionary)

Debt Coverage Ratio (DCR)

The ratio of net operating income to annual debt service (DCR = NOI÷I_m), which measures the relative ability of a property to meet its debt service out of net operating income; also called *debt service coverage ratio (DSCR)*. A larger *DCR* typically indicates a greater ability for a property to withstand a reduction of income, providing an improved safety margin for a lender. (Dictionary)

Deed Restriction

A provision written into a deed that limits the use of land. Deed restrictions usually remain in effect when title passes to subsequent owners. (Dictionary)

Depreciation

In appraisal, a loss in property value from any cause; the difference between the cost of an improvement on the effective date of the appraisal and the value of the improvement on the same date.

In accounting, an allocation of the original cost of an asset, amortizing the cost over the asset's life; calculated using a variety of standard techniques. (Dictionary)

Disposition Value

The most probable price that a specified interest in property should bring under the following conditions:

1. Consummation of a sale within a specified time, which is shorter than the typical exposure time for such a property in that market.
2. The property is subjected to market conditions prevailing as of the date of valuation;
3. Both the buyer and seller are acting prudently and knowledgeably;
4. The seller is under compulsion to sell;
5. The buyer is typically motivated;
6. Both parties are acting in what they consider to be their best interests;
7. An adequate marketing effort will be made during the exposure time;
8. Payment will be made in cash in U.S. dollars (or the local currency) or in terms of financial arrangements comparable thereto; and
9. The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

This definition can also be modified to provide for valuation with specified financing terms. (Dictionary)

Double Net (Net Net) Lease

An alternative term for a type of net lease. In some markets, a net net lease is defined as a lease in which the tenant is responsible to pay both property taxes and premiums for insuring the building(s). (Valbridge)

(The market definition of a double net lease varies depending on the market)

Easement

The right to use another's land for a stated purpose. (Dictionary)

EIFS

Exterior Insulation Finishing System. This is a type of exterior wall cladding system. Sometimes referred to as dry-vit.

Effective Date

1. The date on which the appraisal opinion applies. (SVP)
2. The date to which an appraiser's analyses, opinions, and conclusions apply; also referred to as date of value. (USPAP, 2020-2021 ed.)
3. The date that a lease goes into effect. (Dictionary)

Effective Gross Income (EGI)

The anticipated income from all operations of the real estate after an allowance is made for vacancy and collection losses and an addition is made for any other income. (Dictionary)

Effective Rent

Total base rent, or minimum rent stipulated in a lease, over the specified lease term minus rent concessions; the rent that is effectively paid by a tenant net of financial concessions provided by a landlord. (TIs). (Dictionary)

EPDM

Ethylene Propylene Diene Monomer Rubber. A type of synthetic rubber typically used for roof coverings.

Escalation Clause

A clause in an agreement that provides for the adjustment of a price or rent based on some event or

index. e.g., a provision to increase rent if operating expenses increase; also called *escalator clause, expense recovery clause or stop clause*. (Dictionary)

Estoppel Certificate

A signed statement by a party (such as a tenant or a mortgagee) certifying, for another's benefit, that certain facts are correct, such as that a lease exists, that there are no defaults, and that rent is paid to a certain date. (Black's) In real estate, a buyer of rental property typically requests estoppel certificates from existing tenants. Sometimes referred to as an *estoppel letter*. (Dictionary)

Excess Land

Land that is not needed to serve or support the existing use. The highest and best use of the excess land may or may not be the same as the highest and best use of the improved parcel. Excess land has the potential to be sold separately and is valued separately. (Dictionary)

Excess Rent

The amount by which contract rent exceeds market rent at the time of the appraisal; created by a lease favorable to the landlord (lessor) and may reflect unusual management, unknowledgeable or unusually motivated parties, a lease execution in an earlier, stronger rental market, or an agreement of the parties. (Dictionary)

Expense Stop

A clause in a lease that limits the landlord's expense obligation, which results in the lessee paying operating expenses above a stated level or amount. (Dictionary)

Exposure Time

1. The time a property remains on the market.
2. An opinion, based on supporting market data, of the length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal. (USPAP, 2020-2021 ed.)

Extraordinary Assumption

An assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions.

Comment: Uncertain information might include physical, legal, or economic characteristics of the subject property; or conditions external to the property, such as market conditions or trends; or the integrity of data used in an analysis. (USPAP)

Fee Simple Estate

Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat. (Dictionary)

Floor Common Area

In an office building, the areas on a floor such as washrooms, janitorial closets, electrical rooms, telephone rooms, mechanical rooms, elevator lobbies, and public corridors which are available primarily for the use of tenants on that floor. In essence, floor common area represents all of the area on the floor that is common to that respective floor with the exception of those areas that penetrate through the floor, such as the elevator shaft and stairwell. The significant point to be made is that floor common area is not part of the tenant's usable area. (BOMA)

Full Service (Gross) Lease

A lease in which the landlord receives stipulated rent and is obligated to pay all of the property's operating and fixed expenses; also called a *full service lease*. (Dictionary)

Furniture, Fixtures, and Equipment (FF&E)

Business trade fixtures and personal property, exclusive of inventory. (Dictionary)

Going-Concern Value

An outdated label for the market value of all the tangible and intangible assets of an established and operating business with an indefinite life, as if sold in aggregate; more accurately termed the *market value of the going concern* or *market value of the total assets of the business.* (Dictionary)

Gross Building Area (GBA)

1. Total floor area of a building, excluding unenclosed areas, measured from the exterior of the walls of the above-grade area. This includes mezzanines and basements if and when typically included in the market area of the type of property involved.
2. Gross leasable area plus all common areas.
3. For residential space, the total area of all floor levels measured from the exterior of the walls and including the superstructure and substructure basement; typically does not include garage space. (Dictionary)

Gross Measured Area

The total area of a building enclosed by the dominant portion (the portion of the inside finished surface of the permanent outer building wall which is 50 percent or more of the vertical floor-to-ceiling dimension, at the given point being measured as one moves horizontally along the wall), excluding parking areas and loading docks (or portions of same) outside the building line. It is generally not used for leasing purposes and is calculated on a floor by floor basis. (BOMA)

Gross Up Method

A method of calculating variable operating expenses in income-producing properties when less than 100% occupancy is assumed. Expenses reimbursed based on the amount of occupied space, rather than on the total building area, are described as "grossed up." (Dictionary)

Gross Sellout Value (Sum of the Retail Values)

The sum of the separate and distinct market value opinions for each of the units in a condominium, subdivision development, or portfolio of properties, as of the date of valuation. The aggregate of retail values does not represent the value of all the units as though sold together in a single transaction; it is simply the total of the individual market value conclusions. An appraisal has an effective date, but summing the sale prices of multiple units over an extended period of time will not be the value on that one day unless the prices are discounted to make the value equivalent to what another developer or investor would pay for the bulk purchase of the units. Also called the *aggregate of the retail values, aggregate retail selling price or sum of the retail values.* (Dictionary)

Ground Lease

A lease that grants the right to use and occupy land. Improvements made by the ground lessee typically revert to the ground lessor at the end of the lease term. (Dictionary)

Ground Rent

The rent paid for the right to use and occupy land according to the terms of a ground lease; the portion of the total rent allocated to the underlying land. (Dictionary)

HVAC

Heating, ventilation, air conditioning (HVAC) system. A unit that regulates the temperature and distribution of heat and fresh air throughout a building. (Dictionary)

Highest and Best Use

1. The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity.
2. The use of an asset that maximizes its potential and that is possible, legally permissible, and financially feasible. The highest and best use may be for continuation of an asset's existing use of for some alternative use. This is determined by the use that a market participant would have in mind for the asset when formulating the price that it would be willing to bid. (IVS)
3. [The] highest and most profitable use for which the property is adaptable and needed or likely to be needed in the reasonably near future. (Uniform Appraisal Standards for Federal Land Acquisitions) (Dictionary)

Hypothetical Condition

1. A condition that is presumed to be true when it is known to be false. (SVP)
2. A condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis.

Comment: Hypothetical conditions are contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis. (USPAP)

Insurable Value (Replacement Cost for Insurance Purposes)

The estimated cost, at current prices as of the effective date of valuation, of a substitute for the building being valued, using modern materials and current standards, design, and layout for insurance coverage purposes guaranteeing that damaged property is replaced with new property (i.e., depreciation is not deducted). (Dictionary)

Investment Value

1. The value of a property to a particular investor or class of investors based on the investor's specific requirements. Investment value may be different from market value because it depends on a set of investment criteria that are not necessarily typical of the market. (Dictionary)
2. The value of an asset to the owner or a prospective owner given individual investment or operational objectives (may also be known as worth). (IVS)

Just Compensation

In condemnation, the amount of loss for which a property owner is compensated when his or her property is taken. Just compensation should put the owner in as good a position pecuniarily as he or she would have been if the property had not been taken. (Dictionary)

Leased Fee Interest

The ownership interest held by the lessor, which includes the right to receive the contract rent specified in the lease plus the reversionary right when the lease expires. (Dictionary)

Leasehold Interest (Leasehold Estate)

The right held by the lessee to use and occupy real estate for a stated term and under the conditions specified in the lease. (Dictionary)

See also Positive Leasehold and Negative Leasehold.

Lessee (Tenant)

One who has the right to occupancy and use of the property of another for a period of time according to a lease agreement. (Dictionary)

Lessor (Landlord)

One who conveys the rights of occupancy and use to others under a lease agreement. (Dictionary)

Liquidation Value

The most probable price that a specified interest in property should bring under the following conditions:

1. Consummation of a sale within a short time period.
2. The property is subjected to market conditions prevailing as of the date of valuation.
3. Both the buyer and seller are acting prudently and knowledgeably.
4. The seller is under extreme compulsion to sell.
5. The buyer is typically motivated.
6. Both parties are acting in what they consider to be their best interests.
7. A normal marketing effort is not possible due to the brief exposure time.
8. Payment will be made in cash in U.S. dollars (or the local currency) or in terms of financial arrangements comparable thereto.
9. The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale. (Dictionary)

Loan to Value Ratio (LTV)

The ratio between a mortgage loan and the value of the property pledged as security, usually expressed as a percentage. (Dictionary)

Major Vertical Penetrations

Stairs, elevator shafts, flues, pipe shafts, vertical ducts, and the like, and their enclosing walls. Atria, lightwells and similar penetrations above the finished floor are included in this definition. Not included, however, are vertical penetrations built for the private use of a tenant occupying office areas on more than one floor. Structural columns, openings for vertical electric cable or telephone distribution, and openings for plumbing lines are not considered to be major vertical penetrations. (BOMA)

Market Rent

The most probable rent that a property should bring in a competitive and open market under all the conditions requisite to a fair lease transaction, the lessee and the lessor each acting prudently and knowledgeably, and assuming the rent is not affected by undue stimulus. Implicit in this definition is the execution of a lease as of a specified date under conditions whereby:

1. Lessee and lessor are typically motivated;
2. Both parties are well informed or well advised, and acting in what they consider their best interests;
3. Payment is made in terms of cash or in terms of financial arrangements comparable thereto; and
4. The rent reflects specified terms and conditions, such as permitted uses, use restrictions, expense obligations, duration, concessions, rental adjustments and revaluations, renewal and purchase options, and tenant improvements (TIs). (Appraisal Institute)

Market Value

The following definition of market value is used by agencies that regulate federally insured financial institutions in the United States: The most probable price that a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. Buyer and seller are typically motivated;
2. Both parties are well informed or well advised, and acting in what they consider their own best interests;
3. A reasonable time is allowed for exposure in the open market;
4. Payment is made in terms of cash in United States dollars or in terms of financial arrangements comparable thereto; and
5. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale. (Dictionary; 12 C.F.R. Part 34.42(g); 55 Federal Register 34696, August 24, 1990, as amended at 57 Federal Register 12202, April 9, 1992; 59 Federal Register 29499, June 7, 1994)

Marketing Time

An opinion of the amount of time it might take to sell a real or personal property interest at the concluded market value level during the period immediately after the effective date of an appraisal. Marketing time differs from exposure time, which is always presumed to precede the effective date of an appraisal. (Advisory Opinion 7 of the Appraisal Standards Board of the Appraisal Foundation)

Master Lease

1. A lease in which a part or the entire property is leased to a single entity (the master lessee) in return for a stipulated rent. The master lessee then subleases the property to multiple tenants.
2. The first lease in a sandwich lease. (Dictionary)

Modified Gross Lease

A lease in which the landlord receives stipulated rent and is obligated to pay some, but not all, of the property's operating and fixed expenses. Since assignment of expenses varies among modified gross leases, expense responsibility must always be specified. In some markets, a modified gross lease may be called a *double net lease, net net lease, partial net lease, or semi-gross l*ease. (Dictionary)

Negative Leasehold

A lease situation in which the market rent is less than the contract rent. (Dictionary)

Operating Expense Ratio

The ratio of total operating expenses to effective gross income (*TOE/EGI*); the complement of the net income ratio, i.e., *OER = 1 – NIR* (Dictionary)

Option

A legal contract, typically purchased for a stated consideration, that permits but does not require the holder of the option (known as the *optionee*) to buy, sell, or lease real estate for a stipulated period of time in accordance with specified terms; a unilateral right to exercise a privilege. (Dictionary)

Partial Interest

Divided or undivided rights in real estate that represent less than the whole, i.e., a fractional interest such as a tenancy in common or easement. (Dictionary)

Pass Through

A tenant's portion of operating expenses that may be composed of common area maintenance (CAM), real property taxes, property insurance, and any other expenses determined in the lease agreement to be paid by the tenant. (Dictionary)

Percentage Lease

A lease in which the rent or some portion of the rent represents a specified percentage of the volume of business, productivity, or use achieved by the tenant. (Dictionary)

Positive Leasehold

A lease situation in which the market rent is greater than the contract rent. (Dictionary)

Potential Gross Income (PGI)

The total income attributable to property at full occupancy before vacancy and operating expenses are deducted. (Dictionary)

Prospective Opinion of Value

A value opinion effective as of a specified future date. The term does not define a type of value. Instead, it identifies a value opinion as being effective at some specific future date. An opinion of value as of a prospective date is frequently sought in connection with projects that are proposed, under construction, or under conversion to a new use, or those that have not yet achieved sellout or a stabilized level of long-term occupancy. (Dictionary)

Replacement Cost

The estimated cost to construct, at current prices as of a specific date, a substitute for a building or other improvements, using modern materials and current standards, design, and layout. (Dictionary)

Reproduction Cost

The estimated cost to construct, at current prices as of the effective date of the appraisal, an exact duplicate or replica of the building being appraised, using the same materials, construction standards, design, layout, and quality of workmanship and embodying all of the deficiencies, superadequacies, and obsolescence of the subject building. (Dictionary)

Retrospective Value Opinion

A value opinion effective as of a specified historical date. The term *retrospective* does not define a type of value. Instead, it identifies a value opinion as being effective at some specific prior date. Value as of a historical date is frequently sought in connection with property tax appeals, damage models, lease renegotiation, deficiency judgments, estate tax, and condemnation. Inclusion of the type of value with this term is appropriate, e.g., "retrospective market value opinion." (Dictionary)

Sandwich Leasehold Estate

The interest held by the sandwich leaseholder when the property is subleased to another party; a type of leasehold estate. (Dictionary)

Sublease

An agreement in which the lessee in a prior lease conveys the right of use and occupancy of a property to another, the sublessee, for a specific period of time, which may or may not be coterminous with the underlying lease term. (Dictionary)

Subordination

A contractual arrangement in which a party with a claim to certain assets agrees to make that claim junior, or subordinate, to the claims of another party. (Dictionary)

Surplus Land

Land that is not currently needed to support the existing use but cannot be separated from the property and sold off for another use. Surplus land does not have an independent highest and best use and may or may not contribute value to the improved parcel. (Dictionary)

TPO

Thermoplastic polyolefin, a resilient synthetic roof covering.

Triple Net (Net Net Net) Lease

An alternative term for a type of net lease. In some markets, a net net net lease is defined as a lease in which the tenant assumes all expenses (fixed and variable) of operating a property except that the landlord is responsible for structural maintenance, building reserves, and management; also called *NNN lease, net net net lease, or fully net lease*. (Dictionary)

(The market definition of a triple net lease varies; in some cases tenants pay for items such as roof repairs, parking lot repairs, and other similar items.)

Usable Area

The measured area of an office area, store area, or building common area on a floor. The total of all the usable areas for a floor shall equal floor usable area of that same floor. (BOMA)

Value-in-Use

1. The amount determined by discounting the future cash flows (including the ultimate proceeds of disposal) expected to be derived from the use of an asset at an appropriate rate that allows for the risk of the activities concerned. (FASB Accounting Standards Codification, Master Glossary)
2. Formerly used in valuation practice as a synonym for *contributory value* or *use value*. (Dictionary)

VTAB (Value of the Total Assets of a Business)

The total amount that the real property, tangible personal property, and intangible property assets of a business would sell for in an asset-based transaction. (Dictionary)

Qualifications

Qualifications of Matthew C. Ball Jr, MAI

Director

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Education

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Member: Virginia Commonwealth AI Chapter

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Principles of Real Estate
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Real Estate Appraisal
Real Estate Finance & Capital Markets
Real Estate Investment Analysis
National Uniform Standards of Professional Appraisal Practice
Business Practice and Ethics
General Sales Comparison Approach
General Site Valuation and Cost Approach
General Appraiser Report Writing and Case Studies
Quantitative Analysis
Advanced Income Capitalization
Advanced Concepts & Case Studies
Advanced Market Analysis and Highest and Best Use
Appraisal Institute Capstone Demonstration Report
Appraisal Institute Comprehensive Exam
Various Seminars for Continuing Education (CE)

Professional:

Virginia Commonwealth AI Chapter, Board (2023-Present)

Experience:

Director
Valbridge Property Advisors | Virginia (2023-Present)
Senior Appraiser
Valbridge Property Advisors | Virginia (2018-2023)
Appraiser
Valbridge Property Advisors | Virginia (2014-2018)
Underwriting Intern
Xenith Bank (2013-2014)

Appraisal/valuation and consulting assignments include: apartment buildings; retail buildings and shopping centers; office buildings; industrial buildings; special purpose properties (churches); residential subdivisions; commercial/agricultural/residential land; and mixed-use projects.



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Qualifications of Michael F. Berry, MAI

Senior Managing Director

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State Certifications

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Member:	Hampton Roads Assoc. for Commercial Real Estate
Certificate:	Litigation Certificate Program-Appraisal Institute

Appraisal Institute & Related Courses:

Course 101 –	Appraising Real Property
Course 102 –	Applied Residential Property Valuation
SPPA/B 430 –	Standards of Professional Practice, A, B, C
Course 420 –	Business Practices & Ethics
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Course 530 –	Advanced Sales Comparison & Cost Approaches
Course 540 –	Report Writing and Valuation Analysis
Course 550 –	Advanced Applications
Course 700 –	The Appraiser as an Expert Witness-Testimony
Course 705 –	Litigation Appraising
Course 715 –	Condemnation Appraising-Principles/Applications
Demo/Comp –	Demonstration Report/Comprehensive Exam
Various –	Seminars for Continuing Education (CE)

Expert Witness:

Qualified as expert witness in U.S. Bankruptcy Court, Eastern District of VA

Professional:

Hampton Roads Chapter of the Appraisal Institute, President (2006)
Hampton Roads Chapter of the Appraisal Institute, Board (2001-2007)
Leadership Development and Advisory Council (LDAC) participant
HRACRE, Board of Directors (2017-2021)
James City County, VA Board of Equalization (2016-2024); Chair (2018-2019)
Adjunct Faculty, Mason School of Business-College of William & Mary
Adjunct Faculty, School of Business-Virginia Commonwealth University

Experience:

Senior Managing Director
Valbridge Property Advisors | Virginia (2013-Present)
Principal/Co-Owner
Axial Advisory Group, LLC (2002-2013)
Assistant Vice President/Appraiser
Anthony J. Oddo & Associates (1995-2002)
Appraiser
Dominion Realty Advisors (1990-1995)

Appraisal, valuation & consulting assignments include: apartments; retail buildings & shopping centers; office & industrial buildings; special purpose properties; subdivisions; mixed-use projects; vacant industrial, commercial, agricultural and residential land. Appraised or consulted on various forms of real estate in approximately 20 states.



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FAST FACTS

COMPANY INFORMATION

- Valbridge is North America's largest independent commercial appraisal firm.
- Valbridge provides custom appraisal reports in the U.S., Canada, and Puerto Rico.
- Valbridge specializes in appraising all types of real property.
- Valbridge provides independent valuation services. We are NOT owned by a brokerage firm or investment company.
- Every Valbridge office is overseen by a Senior Managing Director who holds the MAI designation of the Appraisal Institute.
- Valbridge is owned by local offices.
- Valbridge welcomes single-property assignments as well as portfolio, multi-market, and other bulk-property engagements.

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974 Campbell Rd., Ste. 204
Houston, TX 77024
(713) 467-5858

2731 81st St.
Lubbock, TX 79423
(806) 744-1188

9901 IH-10 West, Ste. 1035
San Antonio, TX 78230
(210) 227-6229

UTAH
527 E. Pioneer Rd., Ste. 240
Draper, UT 84020
(801) 262-3388

20 North Main St.
St. George, UT 84770
(435) 773-6300

321 N. County Blvd., Ste. D
American Fork, UT 84003
(801) 492-0000

VIRGINIA
656 Independence Pkwy., Ste. 220
Chesapeake, VA 23320
(757) 410-1222

1231 Alverser Dr.
Midlothian, VA 23113
(757) 345-0010

5107 Center St., Ste. 2B
Williamsburg, VA 23188
(757) 345-0010

WASHINGTON
8378 W. Grandridge Blvd., Ste. 110-D
Kennewick, WA 99336
(509) 221-1540

324 N. Mullan Rd.
Spokane Valley, WA 99206
(509) 747-0999

WISCONSIN
12660 W. North Ave.
Brookfield, WI 53005
(262) 782-7990

NORTH AMERICA'S LARGEST INDEPENDENT COMMERCIAL APPRAISAL FIRM

Valbridge
PROPERTY ADVISORS

valbridge.com

To: Virginia Housing, Tax Credit Allocation Department
From: Diamond District Phase 1 Nine, LLC
Date: March 6th, 2026
Re: Subsidized Funding Commitment (Section 6.8.4) – Public Infrastructure Investment

To the Allocation Review Committee,

Please accept this letter as formal justification for claiming Subsidized Funding Commitment points under Section 6.8.4 of the 2026 Federal Housing Credit Manual. We respectfully request that Virginia Housing recognize the substantial public infrastructure investment allocated to our project site as a direct, deal-specific subsidized funding commitment from the infrastructure developer, Diamond District Partners, to the applicant, Diamond District Phase 1 Nine, LLC. As evidenced by the attached "Site Work - E3 Subsidized Funding Letter" dated February 26, 2026, the City of Richmond and the Economic Development Authority (EDA) have committed significant public financing to construct essential infrastructure without which our affordable housing project would be completely undevelopable.

Parcel E3 currently lacks street access and utilities. The master public infrastructure phase constructs all necessary access roads and subterranean utilities directly servicing our site, including comprehensive stormwater systems, sewer lines, water lines, and duct banks. Because the master infrastructure complies with all stormwater and utility requirements for the entire Phase 1A property, our project is explicitly relieved from having to construct and capitalize these costly onsite measures within our own development budget. By completely offloading these mandatory horizontal site preparation costs, the master infrastructure funding acts as a direct offset to expenses that would otherwise be borne directly by the Diamond District Phase 1 Nine, LLC project budget.

To precisely quantify this deal-specific subsidy, the attached Site Work - E3 letter employs a maximally conservative valuation approach. Rather than claiming the total infrastructure cost, the methodology strictly allocates the overall Phase 1A public investment based on Parcel E3's exact 20.39% share of the phase's total private acreage. This calculation definitively determines that the portion of the public infrastructure investment directly supporting and making Parcel E3 development-ready totals $8,825,326. Because this $8,825,326 investment absorbs essential development costs that our project would otherwise have to finance, it tangibly reduces our federal credit request and firmly satisfies the intent and requirements for Subsidized Funding Commitment points.

Please reference the attached letter from the Economic Development Authority and Diamond District Partners dated February 26, 2026, which provides more explicit detail on how this infrastructure subsidy should be counted, as well as the City of Richmond ordinances authorizing the subsidy.

Sincerely,

DIAMOND DISTRICT PHASE 1 NINE, LLC,
a Virginia limited liability company

By: Diamond District Phase 1 Nine MM, LLC,
a Virginia limited liability company,
its managing member

By: Pennrose Nix DD JV, LLC,
a Virginia limited liability company,
its sole member

By: Pennrose Holdings, LLC,
its managing member

By: _____
Name: Timothy I. Henkel
Title: Chief Executive Officer

February 26, 2026

RE: Subsidized Funding Commitment for Diamond District Phase I (9%) – Public Infrastructure Commitment

Dear Virginia Housing,

This letter is intended to provide backup and support for the subsidized funding commitment points claimed by applicant Diamond District Phase 1 Nine, LLC. This letter and the attachments substantiate the claim that a portion of the Infrastructure Funding committed to the Diamond District's Phase 1A directly supports the development of the Diamond District Phase I (9%) affordable housing project submitted in Virginia Housing's 9% LIHTC funding round this year.

On May 8, 2024, the Richmond City Council unanimously approved Ordinance No. 2024-113, which authorized the City's Chief Administrative Officer to sign a Purchase and Sale and Development Agreement ("Master PSDA") between the City of Richmond ("COR"), the Economic Development Authority of the City of Richmond ("EDA"), and Diamond District Partners, LLC ("DDP") "for the purpose of providing for the financing, construction, maintenance, and operation of public improvements and private development within an area generally known as the Diamond District." At that meeting, City Council also approved Ordinance No. 2024-114 which provides public financing to make public improvements needed to support the private development in Phase 1A of the Diamond District.

None of the Phase 1A private development would be possible without the public financing committed to Phase 1A via Ord. No 2024-114. One of the opening clauses of Ord. No 2024-114 corroborates this, saying "WHEREAS, as contemplated in the Development Agreement, the Authority has agreed to assume certain responsibilities and to perform certain activities to facilitate the redevelopment of the Phase 1 Property (as defined in the Development Agreement) into the Mixed-Use Development and the Stadium Project and will incur costs in connection with the performance of such undertakings in addition to the costs of funding the Public Infrastructure." There are numerous other instances in the Master PSDA where the COR/EDA underpin their

commitment the funding the public infrastructure and state that the private development would not be possible but for the public infrastructure investment.

Furthermore, the Master PSDA would not have been approved by the City Council without DDP committing to providing affordable housing within the Diamond District. On numerous occasions, beginning with the Request for Interest issued December 28, 2021, the City Council and the EDA underscored their desire to have affordable housing at the Diamond District. Sections 2.2(d) and 10.2 of the Master PSDA outline DDP's commitments to provide affordable housing within the Diamond District.

Phase 1A comprises approximately 21 acres of land. Approximately 9 acres of the 21 acres will become 4 new public streets with underground utilities (~6.3 acres) and a new park and mews (~2.6 acres) which will be funded by public infrastructure investment, constructed by DDP, and dedicated to the COR and the EDA, respectively. The 9 acres of public infrastructure provide access, utilities, and placemaking amenities to the 12 acres of private development including Parcel E3, which would be inaccessible and lacking utilities but for the public infrastructure investment.

Section 2.2(a)(ii) and Exhibit A of the Master PSDA outlines the Phase 1A private development program which includes 161 units of housing affordable to households at or below the area median income. To comply with this requirement, DDP entered a PSDA with Diamond District Phase 1 Nine, LLC for Pennrose/Nix to develop Parcel E3 into 161 units of housing at 60% AMI.

Parcel E3, where the Diamond District Phase I (9%) project is proposed, does not currently have street access and is not currently served by utilities. Parcel E3 would not be developable but for the public infrastructure investment described previously. Per the Master PSDA, DDP is utilizing public funds to develop the public infrastructure that will directly serve Parcel E3 which includes the new park, Road A, Road B, and Road J. Road B, Road A, and Road J will include subterranean utilities (stormwater line, sewer line, water line, gas line, and duct banks for power and telecommunications) that will provide service to Parcel E3. DDP has designed the stormwater system in the streets to comply with all the stormwater requirements for the entire Phase 1A property. As such, each private parcel within the larger Phase 1A will not need to construct its own onsite stormwater measures nor will the development of each private parcel require utility upgrades in the roads.

DDP prepared the Infrastructure Budget in collaboration with the COR and the EDA (see Attachment A). On February 3, 2025, the EDA approved the Infrastructure Budget in the amount of $43,290,925 (see Attachment B).

The park, Road A, Road B, and Road J, which serve Parcel E3, account for ~7.4 acres of the ~9 acres of public infrastructure. Since Parcel E3, where the Diamond District Phase I (9%) project is proposed, is a direct beneficiary of the infrastructure provided in the park, Diamond View Drive,

Slider Way, and Encore Avenue, then the public infrastructure investment that contributes towards making Parcel E3 a developable parcel is $35,617,077.

Phase 1A Infrastructure	Acreage	% Share	City Investment Per Acre of Public Infrastructure	Service to Parcel E3	City Investment Supporting Parcel E3
Diamond View Drive	1.269	14.13%	$6,118,596	Yes	$6,118,596
Slider Way	1.687	18.79%	$8,134,020	Yes	$8,134,020
Rally Road	0.86	9.58%	$4,149,267	No	
Encore Avenue	2.503	27.88%	$12,068,437	Yes	$12,068,437
Park	1.928	21.47%	$9,296,023	Yes	$9,296,023
E1/E2 Mews	0.44	4.81%	$2,082,926	No	
E4/E5 Mews	0.299	3.33%	$1,441,655	No	
TOTALS	**8.978**		**$43,290,925**		**$35,617,077**

Taking an alternative, maximally conservative valuation approach, allocating the amount of public infrastructure supporting each private development parcel within Phase 1A based on that parcel's share of the overall Phase 1A acreage: Parcel E3 comprises 20.39% of the private parcels in Phase 1A, and should be considered the beneficiary of at least 20.39% or $8,825,326 of public infrastructure investment value that makes the Parcel E3 development-ready.

Private Parcels in Phase 1A	Parcel Acreage	Infrastructure Acreage in Phase 1A	Percentage Share	Allocation of City Investment
E1	2.475	1.85	20.59%	$8,915,380
E2	3.5	2.61	29.12%	$12,607,608
E3	2.45	1.83	20.39%	$8,825,326
E4	1.842	1.38	15.33%	$6,635,204
W1	1.157	0.86	9.63%	$4,167,715
S2	0.594	0.44	4.94%	$2,139,691
TOTALS	**12.018**	**8.978**	**100.00%**	**$43,290,925**

In summary, because the public infrastructure investment represents a cost that would otherwise be borne by the Diamond District Phase I (9%) project budget, it should be considered a direct subsidy to the project. The entire Diamond District project would not have been approved without an affordable housing component and the Phase 1A private development would not be possible but for the public infrastructure investment.

Please reach out anytime with any questions about the project.

Sincerely,

Angie Rodgers
Executive Director
City of Richmond Economic Development Authority
angie.rodgers@rva.gov

Jason Guillot
General Manager
Diamond District Partners, LLC
jason.guillot@thalhimer.com

Attachment A: Infrastructure Budget 2.3.2025

Attachment B: EDA Approval Email of the Infrastructure Budget

Diamond District Partners

Diamond District Phase 1A | Target Budget

February 3, 2025

Diamond District Partners, LLC (DDP) prepared the Target Budget for the City of Richmond Economic Development Authority in compliance with Section 2.3 and Section 3.13 of the Development Agreement.

Development Agreement Excerpt

Section 2.3 and Section 3.13(a) of the Development Agreement call for DDP to submit the Target Budget to the EDA as a condition of closing. The excerpts are provided below and formatted for convenience.

Section 2.3

(a) Prior to the Closing on the Phase 1A-1 Property, the EDA and the Developer shall mutually agree upon a target budget for the Phase 1A Project (the "Phase 1A Target Budget") […] Each Target Budget shall provide for Capital Investment at least equal to the Minimum Capital Investment for such Project Phase.

(b) The Phase 1A Project shall have a minimum Capital Investment of $300,900,000, which includes two-thirds of the Public Infrastructure budget (the "Phase 1A Minimum Capital Investment").

Section 3.13(a)

(iii) the Developer and the EDA shall have agreed upon the applicable Target Budget (including the budget for the Public Infrastructure for the Phase 1A Project)

Phase 1A Budget Summary

The Target Budget below reflects more than the minimum capital investment for Phase 1A of $300,900,000.

	Budget
Two-thirds of the Phase 1A Public Infrastructure Budget	$ 28,860,617
Private Development Budget	$ 306,800,000
Target Budget for Phase 1A	**$ 335,660,617**

Public Infrastructure Budget

The City of Richmond issued a bond to fund the public infrastructure. DDP developed the budget below in close consultation with the City. The public infrastructure budget below exceeds the bond revenue proceeds, and City staff is pursuing funding the gap with Capital Improvement funds. In the event the City does not fill the gap, DDP will work with the City and the EDA to refine the scope of the public infrastructure work to align with the funding available.

Item	Amount	Notes
Soft Costs	$ 5,623,282	
Hard Costs	$ 28,423,969	Based on 30% drawings for Roadways & Infrastructure and conceptual drawings for Parks and Mews
Total Phase 1A Public Infrastructure Soft & Hard Costs	**$ 34,047,251**	
CarMax Park Playground Allowance	$ 495,000	Added allowance on 10/18/24 per the Stadium Development Agreement
CarMax Park Infrastructure Allowance	$ 1,000,000	Added allowance on 10/29/24 per the EDA request
Total Phase 1A Public Infrastructure Budget with CarMax Park Allowances	**$ 35,542,251**	
Additional Park FF&E	$ 1,246,582	Added scope on 10/29/24 to allow for more FF&E to achieve Urban Design Guidelines Vision
N. Ashe Blvd & Road J Intersection	$ 1,153,173	Added scope on 10/29/24 per City request
Hermitage Rd & Road J Intersection	$ 1,153,173	Added scope on 10/29/24 per City request
Underground Storm Water Detention for Irrigation	$ 554,106	Added scope on 10/29/24 to provide stormwater measures beyond requirements per City request
Miscellaneous Additions	$ 1,641,640	Added scope on 11/4/24 to include $20k gas line demo, $300k allowance for underground utilities to existing stadium, $282,900 for streetlights on Road B and Road C, and $1,038,740 for structured tree soils per City request
EDA's Hazardous Materials Remediation Cap	$ 2,000,000	Reduced Hazardous Materials Allowance from $4M to $2M per City request based on site development experience to date
Total Phase 1A Public Infrastructure Budget with Additions	**$ 43,290,925**	

Private Development Budget

The budget provided below is based on conditions in September 2024. The budget is subject to change as the individual projects are refined and approved.

	Soft Costs	Hard Costs	Total
E1 (Mixed-use Market-rate Residential)	$ 10,700,000	$ 53,100,000	$ 63,800,000
E2 (Mixed-use Market-rate Residential)	$ 10,100,000	$ 62,700,000	$ 72,800,000
E3 (Affordable Residential)	$ 6,600,000	$ 37,000,000	$ 43,600,000
E4 (Mixed-use Market-rate Residential)	$ 9,400,000	$ 58,300,000	$ 67,700,000
S2 (Retail)	$ 1,500,000	$ 8,600,000	$ 10,100,000
W1 (Hotel)	$ 7,700,000	$ 41,100,000	$ 48,800,000
Total Phase 1A Private Development Budget			**$ 306,800,000**

Outlook

RE: Target Budget and Schedules

From Welch, Matthew A. - DED <Matthew.Welch@rva.gov>
Date Mon 2/3/2025 3:42 PM
To Maritza Pechin <maritza.pechin@thalhimer.com>
Cc Todd Donaldson <Todd.Donaldson@timmons.com>; Jason Guillot <jason.guillot@thalhimer.com>; Ebert, Sharon L. - DED <Sharon.Ebert@rva.gov>; Mulkey, Douglas W. - Economic Development <Douglas.Mulkey@rva.gov>

1 attachment (190 KB)
Phase1A Target Budget 2.3.25.pdf;

Thanks, Maritza. Approved!

Matthew A. Welch
Acting Director
Department of Economic Development
City of Richmond, VA
O: (804) 646-5874
C: (804) 397-5680
Matthew.welch@rva.gov
www.richmondeda.com

RichmondVA
ECONOMIC DEVELOPMENT

From: Maritza Pechin <maritza.pechin@thalhimer.com>
Sent: Monday, February 3, 2025 3:33 PM
To: Welch, Matthew A. - DED <Matthew.Welch@rva.gov>
Cc: Todd Donaldson <Todd.Donaldson@timmons.com>; Jason Guillot <jason.guillot@thalhimer.com>; Ebert, Sharon L. - DED <Sharon.Ebert@rva.gov>
Subject: Re: Target Budget and Schedules

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

Dear Matt

Thanks for the review. Attached please find the revised budget submittal with all your edits incorporated. I also updated monday.com

Best,
Maritza

Maritza Pechin
Director of Development

Thalhimer Realty Partners

T +1 804 554 3830

M + 1 804 938 9703
maritza.pechin@thalhimer.com

From: Welch, Matthew A. - DED <Matthew.Welch@rva.gov>
Sent: Monday, February 3, 2025 3:11 PM
To: Maritza Pechin <maritza.pechin@thalhimer.com>
Cc: Todd Donaldson <Todd.Donaldson@timmons.com>; Jason Guillot <jason.guillot@thalhimer.com>; Ebert, Sharon L. - DED <Sharon.Ebert@rva.gov>
Subject: RE: Target Budget and Schedules

Maritza,

Please see the attached requested edits/updates to the Target Budget document.

If you can please return a new version with those changes incorporated, the EDA will approve and that CP can be checked off the list.

Thanks,

Matt

Matthew A. Welch
Acting Director
Department of Economic Development
City of Richmond, VA
O: (804) 646-5874
C: (804) 397-5680
Matthew.welch@rva.gov
www.richmondeda.com



From: Maritza Pechin <maritza.pechin@thalhimer.com>
Sent: Monday, February 3, 2025 11:27 AM
To: Welch, Matthew A. - DED <Matthew.Welch@rva.gov>
Cc: Todd Donaldson <Todd.Donaldson@timmons.com>; Jason Guillot <jason.guillot@thalhimer.com>; Ebert, Sharon L. - DED <Sharon.Ebert@rva.gov>
Subject: Re: Target Budget and Schedules

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

Sounds good. Thanks for the note. Hope you are feeling better today.

Maritza Pechin
Director of Development

Thalhimer Realty Partners

M +1 804 938 9703
maritza.pechin@thalhimer.com

From: Welch, Matthew A. - DED <Matthew.Welch@rva.gov>
Sent: Monday, February 3, 2025 11:25:35 AM
To: Maritza Pechin <maritza.pechin@thalhimer.com>
Cc: Todd Donaldson <Todd.Donaldson@timmons.com>; Jason Guillot <jason.guillot@thalhimer.com>; Ebert, Sharon L. - DED <Sharon.Ebert@rva.gov>
Subject: RE: Target Budget and Schedules

Thanks, Maritza. Appreciate you turning these around. Apologies for the silence, as I was pretty much out of commission Thursday through the weekend.

Will review these and get back to you either later today or no later than 9 a.m. tomorrow morning.

-Matt

Matthew A. Welch
Acting Director
Department of Economic Development
City of Richmond, VA
O: (804) 646-5874
C: (804) 397-5680
Matthew.welch@rva.gov
www.richmondeda.com



From: Maritza Pechin <maritza.pechin@thalhimer.com>
Sent: Thursday, January 30, 2025 5:04 PM
To: Welch, Matthew A. - DED <Matthew.Welch@rva.gov>
Cc: Todd Donaldson <Todd.Donaldson@timmons.com>; Jason Guillot <jason.guillot@thalhimer.com>; Ebert, Sharon L. - DED <Sharon.Ebert@rva.gov>
Subject: Re: Target Budget and Schedules

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

Dear Matt

Please use the attached v2 version of the schedule which includes dates for the park submittals. I will upload this to monday.com as well.

Best,
Maritza

Maritza Pechin
Director of Development

Thalhimer Realty Partners

T +1 804 554 3830

M + 1 804 938 9703
maritza.pechin@thalhimer.com

From: Maritza Pechin <maritza.pechin@thalhimer.com>
Sent: Thursday, January 30, 2025 2:39 PM
To: Welch, Matthew A. - DED <Matthew.Welch@rva.gov>
Cc: Todd Donaldson <Todd.Donaldson@timmons.com>; Jason Guillot <jason.guillot@thalhimer.com>; Ebert, Sharon L. - DED <Sharon.Ebert@rva.gov>
Subject: Target Budget and Schedules

Dear Matt,

Attached please find revised versions of the Target Budget, the Schedule of Submittals, and the Critical Path Schedule. I have updated monday.com to include these items. We believe these versions incorporate all your previous comments. Please let us know if you have further comments on the attached. Once you approve the Target Budget, we will use that information to update the budget/goal section of the MBE/ESB Plan.

Best,
Maritza

Maritza Pechin
Director of Development

Thalhimer Realty Partners

T +1 804 554 3830

M + 1 804 938 9703
maritza.pechin@thalhimer.com

11100 West Broad Street
Glen Allen, VA, 23060 | USA
thalhimerrealtypartners.com

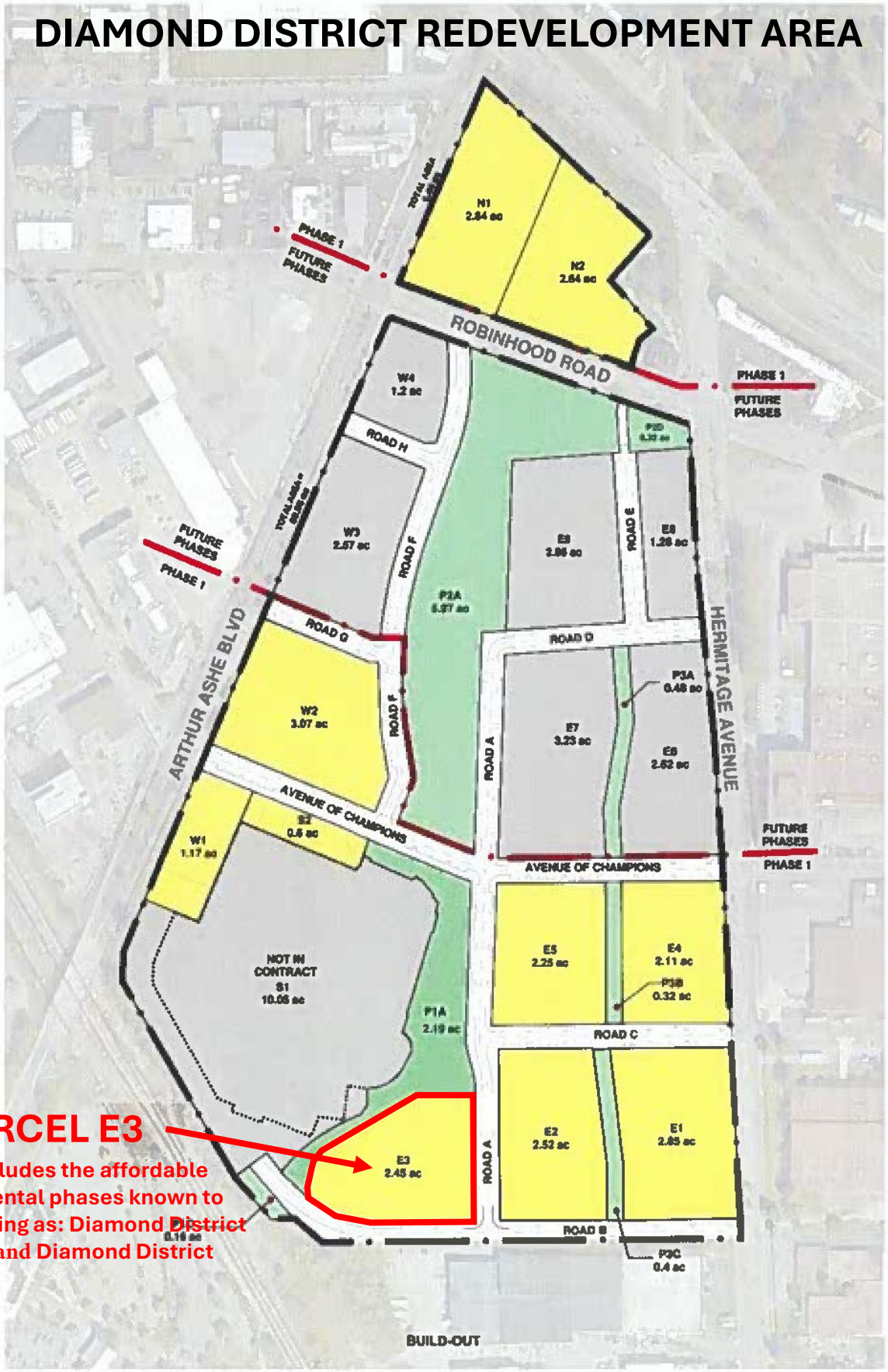
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Exhibit A – Master Plan

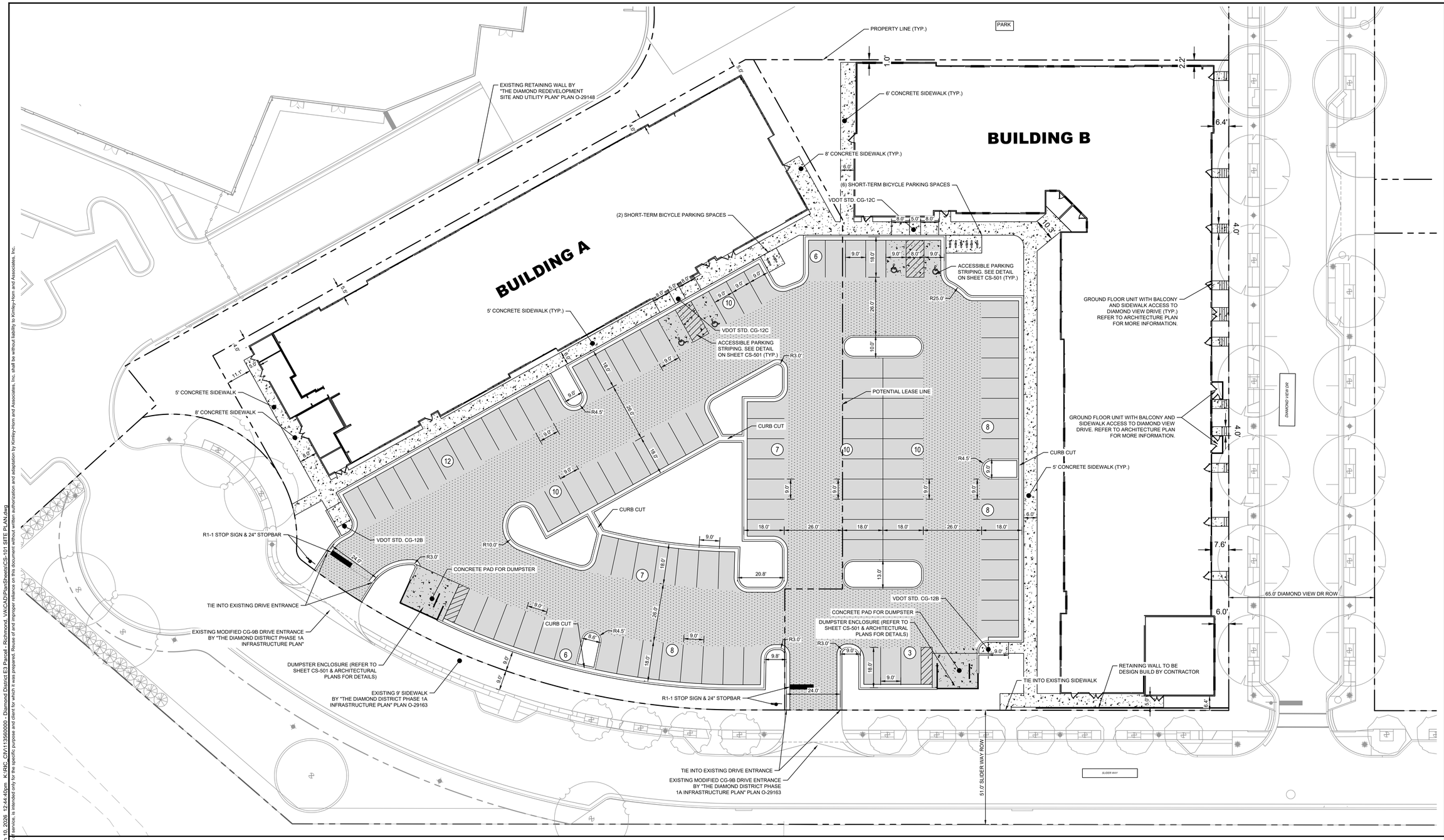
DIAMOND DISTRICT REDEVELOPMENT AREA



PARCEL E3

(Parcel E3 includes the affordable multifamily rental phases known to Virginia Housing as: Diamond District Phase 1 (9%) and Diamond District Phase 1 (4%)

Key: *Private Development Parcels (Yellow & Gray), Park Spaces (Green), Public Infrastructure Right-of-Way (White)*



SITE LEGEND

- CONCRETE. SEE DETAIL ON SHEET CS-501
- (X) PARKING COUNT
- HEAVY DUTY ASPHALT PAVING, SEE DETAIL ON SHEET CS-501
- STANDARD DUTY ASPHALT PAVING SEE DETAIL ON SHEET CS-501
- HEAVY DUTY CONCRETE, SEE DETAIL ON SHEET CS-501

SITE NOTES

1. ALL CURB RADII ARE 5.0' UNLESS OTHERWISE NOTED.
2. ALL DIMENSIONS ARE TO FACE OF CURB UNLESS OTHERWISE NOTED.
3. THE CONTRACTOR IS RESPONSIBLE FOR INSTALLING ALL STOP SIGNS, DIRECTIONAL SIGNS, AND STRIPING SHOWN ON THE PLANS.
4. CONTRACTOR SHALL REPLACE ALL PERMANENT PAVEMENT MARKINGS IMPACTED BY CONSTRUCTION IN KIND UNLESS OTHERWISE INDICATED ON THIS PLAN SET. ALL PROPOSED PAVEMENT MARKINGS SHALL TIE IN TO EXISTING PAVEMENT MARKINGS AT WORK LIMITS.

NORTH

GRAPHIC SCALE IN FEET
0 10 20 40

No.	REVISIONS	DATE	BY

Kimley»Horn
© 2026 KIMLEY-HORN AND ASSOCIATES, INC.
6806 PARAGON PLACE, SUITE 310, RICHMOND, VA 23230
PHONE: 804-673-3882
WWW.KIMLEY-HORN.COM

COMMONWEALTH OF VIRGINIA
BRIAN R. DITZLER
Lic. No. 059848
PROFESSIONAL ENGINEER
03/10/2026

KHA PROJECT	113560000
DATE	03/10/2026
SCALE	AS SHOWN
DESIGNED BY	EKC
DRAWN BY	EKC
CHECKED BY	BRD

SITE PLAN

DIAMOND DISTRICT PARCEL E3
MULTIFAMILY RESIDENTIAL
PREPARED FOR
PENNROSE, LLC
CITY OF RICHMOND VA

SHEET NUMBER
CS-101

Plotted By: Pearson, Thomas Sheet Set: Kha Layout: CS-101 SITE PLAN March 10, 2026 12:44:40pm K:\RIC_CIV\113560000 - Diamond District E3 Parcel - Richmond, VA\CAD\PlanSheets\CS-101 SITE PLAN.dwg
This document, together with the concepts and designs presented herein, as an instrument of service, is intended only for the specific purpose and client for which it was prepared. Reuse of and improper reliance on this document without written authorization and adaptation by Kimley-Horn and Associates, Inc. shall be without liability to Kimley-Horn and Associates, Inc.

INTRODUCED: April 24, 2023

AN ORDINANCE No. 2023-134

To authorize the Chief Administrative Officer, for and on behalf of the City of Richmond, to execute the Diamond District Redevelopment Project Development Agreement between the City of Richmond, Virginia, RVA Diamond Partners LLC, and the Economic Development Authority of the City of Richmond for the purpose of providing for the financing, construction, maintenance, and operation of public improvements and private development within an area generally known as the Diamond District along North Arthur Ashe Boulevard and Hermitage Road.

Patrons – Mayor Stoney and Members of Council

Approved as to form and legality
by the City Attorney

PUBLIC HEARING: MAY 8 2023 AT 6 P.M.

THE CITY OF RICHMOND HEREBY ORDAINS:

§ 1. That the Chief Administrative officer, for and on behalf of the City of Richmond, be and is hereby authorized to execute the Diamond District Redevelopment Project Development Agreement between the City of Richmond, Virginia, RVA Diamond Partners LLC, and the Economic Development Authority of the City of Richmond for the purpose of providing for the financing, construction, maintenance, and operation of public improvements and private development within an area generally known as the Diamond District along North Arthur Ashe

AYES:	9	NOES:	0	ABSTAIN:	
ADOPTED:	MAY 8 2023	REJECTED:		STRICKEN:	

Boulevard and Hermitage Road. The Diamond District Redevelopment Project Development Agreement must be approved as to form by the City Attorney and shall be substantially in the form of the document attached to this ordinance.

§ 2. That the Chief Administrative Officer, for and on behalf of the City of Richmond, be and is hereby authorized to execute such contracts, deeds, and other documents and give such approvals contemplated by the Diamond District Redevelopment Project Development Agreement as may be necessary to effectuate the purposes of the Diamond District Redevelopment Project Development Agreement and to consummate fully the transactions contemplated by the Diamond District Redevelopment Project Development Agreement, provided that all such contracts, deeds, and other documents first must be approved as to form by the City Attorney.

§ 3. This ordinance shall be in force and effect upon adoption.

A TRUE COPY:
TESTE:

City Clerk

RECEIVED
By City Attorney's Office at 2:33 pm, Apr 24, 2023

RECEIVED
By CAO Office at 11:22 am, Apr 24, 2023

City of Richmond

Intracity Correspondence

O&R REQUEST

DATE: April 24, 2023 **EDITION:** 1

TO: The Honorable Members of City Council

THROUGH: The Honorable Levar M. Stoney, Mayor

THROUGH: J.E. Lincoln Saunders, Chief Administrative Officer

THROUGH: Sabrina Joy-Hogg, DCAO – Finance & Administration Portfolio

THROUGH: Robert Steidel, DCAO – Operations Portfolio

THROUGH: Sharon L. Ebert, DCAO – Planning & Economic Development Portfolio

FROM: Leonard L. Sledge, Director – Department of Economic Development

RE: Diamond District Development Agreement and Related Ordinances

ORD. OR RES. No. _____

PURPOSE: To approve the following series of ordinances associated with the Diamond District redevelopment Project:

1. An ordinance authorizing the CAO to execute the Diamond District Redevelopment Project Development Agreement by and between the City, RVA Diamond Partners LLC, and the Economic Development Authority ("EDA"), and its attachments, which include, among other things, a Grant Agreement concerning financing of the stadium and other public improvements.

2. An ordinance authorizing the City's conveyance of the following parcels of surplus city-owned real estate to the Economic Development Authority.

Property Address	Tax ID	Acreage	Notes
3017 N Arthur Ashe Boulevard	N0001510009	4.015	Arthur Ashe Jr. Athletic Center
3001 N Arthur Ashe Boulevard	N0001510020	9.32	The Diamond *(Operated by Navigators Baseball LP pursuant to Stadium Use Agreement approved via Ord. No. 2019-185)*
2909 N Arthur Ashe Boulevard	N0001510011	12.15	Surface parking lot
2907 N Arthur Ashe Boulevard	N0001510012	19.1	Southwestern most parcel
2728 Hermitage Road	N0001510013	10.9	Southeastern most parcel
3101 N Arthur Ashe Boulevard	N0001512001	5.481	Recreation softball/baseball field

REASON: Legislation is necessary to approve the above-referenced actions.

RECOMMENDATION: The City Administration recommends approval.

BACKGROUND:

Richmond 300: A Guide for Growth

The Richmond 300 Master Plan sets forth recommendations and policy to guide the future growth of the city. One main recommendation of the plan is to reimagine Priority Growth Nodes. Greater Scott's Addition is identified in the Richmond 300 plan as a Priority Growth Node, with the potential to capture a large portion of the city's future population growth, and in turn generate significant value to the surrounding neighborhoods and the city overall. Richmond 300 includes a Small Area Plan to guide the redevelopment of the Greater Scott's Addition Area, which includes Scott's Addition, the Sauer Center, the areas east and west of the Diamond District, and the Diamond District. Redeveloping the Diamond District in partnership with a development team is in alignment with the priority next steps outlined in the Master Plan to implement the vision for Greater Scott's Addition.

The Richmond 300 Master Plan describes the future vision of the Greater Scott's Addition as:

> "Greater Scott's Addition is home to a series of neighborhoods that provide new employment and housing developments connected by a series of open spaces and a transportation network that support families and aging-in-place. The variety of housing options and employment in Greater Scott's Addition provide opportunities for low-income, moderate-income, and high-income households. The Diamond is demolished and a new multi-purpose stadium is constructed along Hermitage. Uses along Hermitage, a public plaza, and the crescent park complement the new stadium development. Visitors to Greater Scott's Addition have the option to safely arrive by foot, bike, transit, or car. Parking is centralized in a few parking garages to encourage users to park once and visit multiple destinations. The signature public park, a crescent park, between Ashe and Hermitage serves as a central convening space and is connected with greenways to multiple smaller public parks."

The vision statement and plans for Greater Scott's Addition show the new baseball stadium along Hermitage; however, the new baseball stadium will be located at the edge of Ashe Boulevard and the CSX rail line, in the southwest corner of the Diamond District site.

The Future Land Use Plan designates the area of the neighborhood between N. Arthur Ashe Avenue and Hermitage Road as "Destination Mixed-Use," which is described as being, "key gateways featuring prominent destinations, such as retail, sports venues, and large employers, as well as housing and open space. Located at the convergence of several modes of transportation, including Pulse BRT or other planned transit improvements." Future development is envisioned to be mixed-use in nature, at higher-density, and transit-oriented, with ground floor uses that engage and enliven the street. Pedestrian, bicycle, and transit access are prioritized and accommodated.

The Diamond District property falls into two "districts" envisioned in the Greater Scott's Addition Small Area Plan and bifurcated by a series of open spaces:

Districts:

- Gateway District: Regional destination for offices, shopping, and entertainment with landmark architecture
- Ballpark and Entertainment District: Lively community integrated with entertainment and a new sports venue

Open Spaces:

- Ballpark and Plaza: Vibrant outdoor space activated by the baseball stadium

- Crescent Park: Signature urban public space with passive lawns and a relaxing atmosphere with integrated green infrastructure to support water quality (site for large-scale community events)

One of Primary Next Steps in the description of the Greater Scott's Addition Small Area Plan states "Request for Proposals: Issue a Request for Proposals to redevelop the City-owned land between N. Ashe Boulevard and Hermitage Road using the Greater Scott's Addition Framework Plan and including elements such as crescent park, low-income housing, breaking up super blocks to create a street grid incorporating features that support walking, biking, and transit such as engaging architecture, public space, sidewalks, street trees, buildings built to the street, and street furniture." Other Primary Next Steps call for marketing Greater Scott's Addition, incorporating green infrastructure in the redevelopment of the area, build a mixed-income community with housing at various price points, including units for low-income households, and creating a series of parks, including a signature crescent park.

Public Engagement

In preparation for issuing the solicitation to select a developer to partner with the City to fulfill the vision outlined in Richmond 300, the City hosted numerous public meetings as part of the Richmond 300 process generally, and four meetings specifically about the Greater Scott's Addition Area to guide the creation of the Small Area Plan. The City also hosted two surveys specific to Greater Scott's Addition and garnered over 1,300 responses. The meetings and survey responses aided the City in drafting the vision and primary next steps as well as the district and open space plans included in Richmond 300 to guide the redevelopment of Greater Scott's Addition. The draft Greater Scott's Addition Small Area Plan was presented to the community in February 2020 and the final Plan was adopted as part of Richmond 300 in December 2020. The City based the development of the Diamond District solicitation goals on the content Richmond 300. During the process to rezone several hundred acres of land in Greater Scott's Addition, the City hosted two public meetings and received generally positive feedback on the proposed rezoning. The rezoning was approved by City Council in July 2021. City staff gave update presentations on the solicitation process at six City Council meetings from October 2021 to August 2022. The City hosted a public meeting about the solicitation process on June 8, 2022.

Solicitations for Development Team Proposals

In October 2021, the City launched www.rvadiamond.com to begin marketing the redevelopment opportunity to prospective development teams. Also in October 2021, the City launched www.rva.gov/economic-development/diamond to share information about the redevelopment process with the Richmond community.

On December 28, 2021, the City issued the Request for Interest (RFI) outlining the opportunity for redevelopment, the redevelopment site and goals, and the evaluation process and criteria. The RFI also included five appendices: Market Analysis, List of City-owned

and VCU-owned parcels, Greater Scott's Addition Small Area Plan (excerpt from Richmond 300), Ballpark Feasibility Analysis, and Anticipated Minimum Community Benefits Requirements.

The City established an Evaluation Panel to review the RFI responses and announced the members of that panel on February 15, 2022. The Evaluation Panel members included:

Evaluation Panel Members:

- James P. Duval – Investment and Debt Portfolio Manager, Finance Department
- Sharon L. Ebert – Deputy Chief Administrative Officer, Planning and Economic Development
- Karol Kain Gray – Senior Vice-President and Chief Financial Officer, Virginia Commonwealth University
- Katherine Jordan – Council Member, Second District
- Ann-Frances Lambert – Council Member, Third District
- J.E. Lincoln Saunders – Chief Administrative Officer
- Leonard L. Sledge – Director, Department of Economic Development
- Caprichia Smith Spellman –Director, Office of Community Wealth Building
- Robert C. Steidel – Deputy Chief Administrative Officer, Operations
- Stephen M. Willoughby – Director of Emergency Communications

Facilitator/Project Manager

- Maritza Mercado Pechin – Deputy Director for Equitable Development

Advisors

- Lynne S. Lancaster – Deputy Director, Department of Public Works
- Matthew A. Welch – Senior Policy Advisor, Planning and Economic Development Portfolio

External Advisors

- Davenport
- AECOM
- Legal Counsel

On February 15, 2022, the City received 15 responses to the RFI from the following teams:

- 4Most Sport Group
- Acquest Realty Advisors, Inc.
- Diamond District Gateway Partners
- Diamond Legacy Partnership
- Edgemoor-Gotham Ballpark Partners

- Jair Lynch Real Estate Partners
- MAG Partners
- Metropolitan Virginia VIII, LLC
- Richmond Community Development Partners
- Rising Tide RVA, LLC
- RVA Diamond Partners LLC
- Turnbridge Equities
- Urban Atlantic
- Vision300 Partners, LLC
- Weller Development Company and LMXD

The Evaluation Panel reviewed the RFI submissions and on March 23, 2022 announced that six teams had been invited to submit responses to a Request for Additional Information (RFAI). The RFAI stage had not been contemplated in the initial timeline presented in the RFI. The RFAI stage was added to the process because the City had received such a robust response to the RFI and needed more information before proceeding the RFO stage. The teams invited to respond to the RFAI were:

- Diamond District Gateway Partners
- MAG Partners
- Richmond Community Development Partners
- RVA Diamond Partners LLC
- Vision300 Partners, LLC
- Weller Development Company and LMXD

On April 25, 2022, the City received a submission from each of the aforementioned RFAI invitees. The Evaluation Panel review the submissions.

On May 10, 2022, the City announced that three teams had been selected as finalists. The three finalist teams were:

- Richmond Community Development Partners
- RVA Diamond Partners LLC
- Vision300 Partners, LLC

The City issued a Request for Officers (RFO) to the three finalist teams on June 3, 2022. The City hosted a public meeting to share information about the process to date, the RFI/RFO goals, and the key principles in successful public-private partnerships.

On June 28, 2022, the City received a submission from each of the aforementioned finalist teams. On August 8, 2022, the City announced that it was continuing negotiations with Richmond Community Development Partners and RVA Diamond Partners LLC.

In the month of August, the City continued to meet with Richmond Community Development Partners and RVA Diamond Partners to negotiate the terms of the project and vet the team's financial projections. Based on the proceedings of these conversations and the

reviews of the RFI, RFAI, and RFO submissions, the Evaluation Panel selected RVA Diamond Partners LLC as the preferred development team to partner with the City to redevelop the Diamond District site in a manner that aligns with the vision set in Richmond 300, the Greater Scott's Addition Small Area Plan, and the goals set forth in the RFI, RFAI, and RFO.

On September 26, 2022, City Council unanimously adopted Resolution No. 2022-R055 in order to "select RVA Diamond Partners LLC as the developer of the Diamond District and express the Council's support for certain proposed minimum business terms and conditions in relation to the development of the Diamond District." The Resolution "authorized and requested" the CAO and the City Attorney "to prepare and negotiate for Council's consideration and approval by ordinance, the definitive agreements necessary to consummate a transaction" between the City and RVA Diamond Partners LLC for development of the Diamond District. The Administration has worked with the City Attorney's Office and outside legal counsel to prepare and negotiate the Development Agreement and attachments thereto and are now requesting Council's approval or such transactional documents via ordinance.

Certain additional ordinances to (1) create the anticipated Community Development Authority, (2) create a special revenue fund for the incremental revenues dedicated to bond repayment, and (3) authorize VCU to convey the Sports Backers Parcel to the EDA will require City Council approval at a future date.

FISCAL IMPACT / COST: See attached Fiscal and Economic Impact Analysis.

FISCAL IMPLICATIONS: See attached Fiscal and Economic Impact Analysis.

BUDGET AMENDMENT NECESSARY: No

REVENUE TO CITY: See attached Fiscal and Economic Impact Analysis.

DESIRED EFFECTIVE DATE: Upon adoption

REQUESTED INTRODUCTION DATE: April 24, 2023

CITY COUNCIL PUBLIC HEARING DATE: May 8, 2023

REQUESTED AGENDA: Regular

RECOMMENDED COUNCIL COMMITTEE: Organizational Development

CONSIDERATION BY OTHER GOVERNMENTAL ENTITIES: Planning Commission

AFFECTED AGENCIES: Economic Development, Planning and Development Review, Budget and Strategic Planning, Finance, Public Works, Public Utilities, Office of Minority Business Development, Office of Community Wealth Building, Parks and Community Facilities

RELATIONSHIP TO EXISTING ORD. OR RES.: Res. No. 2022-R055 ("To select RVA Diamond Partners LLC as the developer of the Diamond District and express the Council's support for certain proposed minimum business terms and conditions in relation to the Development of the Diamond District.")

REQUIRED CHANGES TO WORK PROGRAM(S): None

ATTACHMENTS:
Diamond District Redevelopment Project Development Agreement
Fiscal and Economic Impact Analysis

STAFF:

Sharon L. Ebert, DCAO for Planning and Economic Development
Leonard L. Sledge, Director of Economic Development
Maritza M. Pechin, Deputy Director for Equitable Development
Matthew A. Welch, Senior Policy Advisor for the Planning and Economic Development Portfolio

Davenport & Company LLC
One James Center, 901 East Cary Street
Suite 1100, Richmond, VA 23219

MEMORANDUM

TO: Lincoln Saunders, Chief Administrative Officer
Sharon Ebert, DCAO of Planning and Economic Development
Sabrina Joy-Hogg, DCAO of Finance and Administration
Robert Steidel, DCAO of Operations
Leonard Sledge, Director of Economic Development
Sheila White, Director of Finance
City of Richmond

FROM: David Rose, Senior Vice President and Manager of Public Finance
Roland Kooch, Jr., Senior Vice President
Jimmy Sanderson, Senior Vice President

DATE: April 24, 2023

RE: Summary of the Fiscal and Economic Impact Statement & Analysis of the Proposed Diamond District Project (the "Project") and Professional Observations

CC: Maritza Pechin, Deputy Director for Equitable Development, City of Richmond
Matt Welch, Senior Policy Advisor, City of Richmond

Overview

Davenport & Company LLC, in our capacity as Financial Advisor to the City of Richmond (the "City"), has prepared the Fiscal and Economic Impact Statement & Related Analysis as required by City code for the introduction of the Project documents to City Council.

We have worked closely with a number of key stakeholders on the proposed project for several months. As a result, our analysis and professional observations incorporate key input from a variety of these stakeholders, among others.

For summary purposes, we have provided our Professional Observations on several critical areas of the Fiscal and Economic Impact Statement & Related Analysis to be considered with the proposed Project.

Professional Observations

1. **Impact on the City's Annual Operating Budgets**
   - The proposed Project generates a significant positive impact on future City budgets. Over the life of the proposed Project, projected revenues are estimated to be approximately $1.8 Billion. The estimated debt service and operating expenditures approximate $757 Million over the 45 year life of the Project. As a result, the Net Benefit (surplus of revenues over expenditures) is approximately $1.1 Billion over the 45 year life of the Project.
   - The Project will immediately produce meaningful annual additional funding to the City's schools capital program through the 1.5% meals tax for schools. In addition, the Convention Center will benefit from new lodging tax that will contribute to its long-term fiscal sustainability.
   - The Net Benefit (surplus of revenues over expenditures) to the City approximates $16.5 Million through FY 2035.
   - The positive annual cash flows average approximately $2 Million per year in the initial build-out years for Phase I (the planned Project contemplates four phases). Any annual cash flow shortfall negative is de minimis and due to public safety and operational expenses coming on line in the early years of the Project. The negative annual cash flow during the build-out period approximates the $1-$2 Million range for three to four years. This amount equates to approximately 10¢ - 20¢ for every $100 of revenues of the City's total annual budget, which is a rounding error. For context, the City's General Fund Budget in FY 2024 grew by approximately $110 Million from FY 2023.

2. **Impact on Debt Capacity**
   - The full build out of the Project, is projected to be a positive to the City's Legal Debt Capacity under Virginia Law by adding approximately $154 Million of additional Legal Debt Capacity.

3. **Impact on Rating Agencies**
   - We believe the National Credit Rating Agencies will look very favorably on this proposed Project.
   - Specifically, the Project will have a meaningful impact on the City's demographics, quality of life, long-term financial sustainability all with limited City debt exposure.

4. **Impact on Essential City Services (police, fire, emergency services, public works, utilities)**
   - As noted above and included in the Fiscal and Economic Impact Statement & Analysis, the City has provided Davenport with estimates of increased operating expenditures for critical city services and as such are already factored into our analysis.

5. **Impact on Richmond's marketability/quality of life**
   - The proposed Project provides a myriad of key quality of life enhancements for current and future residents of the City including but not limited to a first class ball-park, affordable housing, shopping, and job creation.

DAVENPORT & COMPANY

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Fiscal and Economic Impact Statement & Related Analysis

Diamond District Project

City of Richmond, Virginia

April 24, 2023

Introduction

- The enclosed information provides the Fiscal and Economic Impact Statements that are required by City Code to be submitted to City Council upon the introduction of Ordinances for the Diamond District Project.

- Section A: Contains the Fiscal Impact Statement required by City Code Section 2-303 and related financial analysis.

- Section B Contains the Economic Impact Statement required by City Code Section 2-304 and related financial analysis.

Executive Summary

- The Diamond District Project (the "Project") is a $2.44 Billion transformational project that will revitalize approximately 67 acres in the heart of the City adjacent to the vibrant Scott's Addition area.
  - The mixed-use Project will include residential (market rate and affordable) housing, commercial office, retail space, restaurants, and a hotel.
  - The aggregate planned Phase I investment approximates $627.6 Million.

- The Project will result in a new Stadium for the Squirrels that will meet Minor League Baseball standards and provide an enhanced baseball experience and expanded uses beyond baseball. The new Stadium will also be used by the VCU Baseball team.

- The Non-Recourse CDA Revenue Bonds will provide approximately $80 Million of the $110 Million in funding for the Stadium. Additional Sources include:
  - The Developer is providing $20 Million of Non-Recourse subordinate loans in connection with the Stadium, which will be repaid after the payment of the CDA Revenue Bonds and meeting specified targets; and
  - The Sale of Phase I Land by the City to the Developer will also provide approximately $10 Million of Equity (cash) for the Stadium.

- The City will receive approximately $68.3 Million for the Sale of 67 acres of Land to the Developer of the Project.

Executive Summary

- The Project is projected to provide a Net Benefit (surplus of Revenues versus Debt Service/Expenses) ranging from $1.01 Billion to $1.07 Billion[(1)] through the projection period ending in FY 2068 (after maturity of the related CDA Revenue Bonds for Phase IV).
  - In the first twelve years (two years of construction plus ten years after the completion of the Stadium) through FY 2035, the Net Benefit to the City approximates $16.5 Million.
  - Nine of the first twelve years are cash flow positive averaging in excess of $2 Million per year.
  - Only three of the first twelve years are slightly cash flow negative averaging approximately $900,000 per year.
  - These figures do not include the sale of the Land.

- The full build-out of the Project, will have a positive effect on the City's Debt Capacity.
  - The Project is projected to add approximately $154,421,000 of additional Debt Capacity under Virginia Law.
  - The $23,700,000 to be used for public infrastructure investment in the Diamond District will be programmed into the CIP through FY 2028.
    - Of the $23.7 Million, approximately $18,000,000 of the G.O. Bonds is directly related to the City's Storm Water Enterprise system – to the extent that this becomes self supporting through user rates and charges, then this amount would not count against the City's Debt Capacity.

- The incremental revenue from the expanded district may be used to lower the need for City G.O. Bond financing, and to support infrastructure improvements to the area.

Notes:

(1) Based on CDA Revenue Bond Debt Service estimates, coverage ranges, and interest rate assumptions provided by Loop Capital Markets as shown under Scenario 1 herein.

A: Fiscal Impact Statement per City Code Section 2-303

Section 2-303(a)

a) The sources of information, assumptions and methodologies used to reach the conclusions set forth in the fiscal impact statement.

- The sources of the information within this statement include:
  - Financial Projections the Diamond District Project (the "Project") prepared by MuniCap, Inc. which incorporates assumptions from RVA Diamond Partners (the "Developer");
  - Preliminary Revenue Bond Plan of Finance estimates provided by Loop Capital Markets, which include assumptions with respect to:
    - Interest rates,
    - Reserves and Credit Features,
    - Annual debt service
    - Coverage requirements; and
    - Repayment structure,
  - Information from City staff related to the Estimated Operating Impact of the Project on City services and operating expenses; and

- Actual results may vary from the analysis shown herein as discussed further in this document.

Section 2-303(a)

a) The sources of information, assumptions and methodologies used to reach the conclusions set forth in the fiscal impact statement.

- The Total Investment in the Project approximates $2.44 Billion.
  - The aggregate planned Phase I investment approximates $627.6 Million

- The Public Investment in the Project approximates $202.7 Million and is comprised of the following:
  - Replacement Minor League Stadium funded with approximately $80 Million from Non-Recourse CDA Revenue Bonds, $20 Million Subordinate Developer Loan (both of which the City will have no obligation to repay in the event that revenues are insufficient), and $10 Million Equity (Land Sale Proceeds).
  - Infrastructure Investment approximating $92.7 Million funded from a combination of:
    - CDA Revenue Bonds - $39.0 Million;
    - New G.O. Bonds - $23.7 Million;
    - DPU Enterprise Bonds - $17.0 Million;
    - Equity (Land Sale Proceeds) - $10.8 Million; and
    - Previously Issued G.O. - $2.3 Million.

- Other Investment related to the Project:
  - Replacement Sports Backers facility approximating a $25 Million investment funded with EDA Revenue Bonds repaid from non-City derived lease revenues and backed by a Moral Obligation. Note: these revenue bonds will not count against the City's debt capacity. The City will only be responsible for these bonds if the lease revenues go away.

Section 2-303(a) | Projected Revenues

a) The sources of information, assumptions and methodologies used to reach the conclusions set forth in the fiscal impact statement.

- Based on the Financial Projections for the Project, the proposed project is anticipated to generate the following revenues to the City:

Revenue Summary by Phase

Diamond District

Total All Phases Through FY 2068

	Project Revenue			Other Non-CDA Revenue			
	Public Revenue	Private Revenue	Total Revenue	Schools Portion Meals Tax	Lodging Tax to GRCCA	Stadium Lease Revenues	Grand Total
Phase I	694,851,330	52,066,835	746,918,165	25,669,964	52,255,048	132,233,892	957,077,070
Phase II	251,776,865	4,012,378	255,789,243	3,623,932	-	-	259,413,176
Phase III	212,541,070	991,880	213,532,950	4,342,789	-	-	217,875,739
Phase IV	358,815,645	4,978,504	363,794,149	29,871,032	-	-	393,665,181
Total All Phases	1,517,984,910	62,049,598	1,580,034,507	63,507,718	52,255,048	132,233,892	1,828,031,166

  - Total Project "Public" Revenue is derived from the development of the Project and includes incremental Real Estate tax, Local Option Sales Tax, State Eligible Sales Tax, 6% Meals Tax, BPOL, Admissions Tax and Eligible Stadium Rent.
    - The Public Revenue is used to size the Revenue Bonds to be issued by the CDA/EDA.
  - Total Project "Private" Revenue is derived from the development of the Project and includes incremental CDA Sales Tax, Hotel Surcharge and Parking Revenues.

    .

- Other Non-CDA Revenue is not used to repay any CDA/EDA obligation for the Stadium and Project Infrastructure and will directly be for the benefit of Schools (i.e. 1.5% Meals Tax) or GRCCA (8% lodging tax) or be used for other purposes (Sports Backers facility).

Source: MuniCap/Developer. Note revenues for Phases I, II, and III shown above have been extended to the final projection year (FY 2068) of Phase IV.

Section 2-303(a) | Sports Facilities Sources and Uses

a) The sources of information, assumptions and methodologies used to reach the conclusions set forth in the fiscal impact statement.

- The table shows the Sources and Uses of the Sports Facilities as a result of the Project.
  - The New Stadium funding is comprised of CDA Revenue Bonds. Key assumptions include the following
    - The CDA Revenue Bonds are repaid from a portion of the revenues from the impacted area and backed by a Special Assessment within the CDA area.
    - Non-Recourse to the City (the City will have no obligation to repay in the event of revenue shortfall).
    - Will not count against the City's Debt Capacity.
    - Approximate 34 year maturity(3).
    - Minimum stabilized Debt Service Coverage range of 1.30x to 1.50x(3).
  - New Sports Backers facility funding is to be issued through the EDA(2).
    - The Revenue Bonds backed by the City's Moral Obligation(2).
    - Approximate 10 year maturity(2).
    - Repaid from Lease Revenues from third party and not associated from City General Funds, and as a result will not count against the City's Debt Capacity.

	Fiscal Year	Phase I 2024 (Stadium)	Phase I 2025 (Sportsbackers)	Phase I Total (Facilities)
1	**Sources of Funds**			
2	CDA Revenue Bonds (1)	80,000,000	-	80,000,000
3	EDA Revenue Bonds (2)	-	25,000,000	25,000,000
4	Subordinate CDA Bonds (Developer)	20,000,000	-	20,000,000
5	DPU Enterprise Revenue Bonds	-	-	-
6	Previously Issued G.O. Bonds	-	-	-
7	New G.O. Bonds	-	-	-
8	Phase I Land Sale Proceeds (Cash)	10,000,000	-	10,000,000
9	**Total Uses of Funds**	**110,000,000**	**25,000,000**	**135,000,000**
10				
11	**Uses of Funds**			
12	Site Grading & Earthwork	-	-	-
13	Roads, Sidewalks, Curb, & Gutter	-	-	-
14	Park & Skatepark	-	-	-
15	Streetlights	-	-	-
16	Sewer	-	-	-
17	Gas	-	-	-
18	Water	-	-	-
19	Stormwater	-	-	-
20	Other	-	-	-
21	Stadium/Sports Facilities	110,000,000	25,000,000	135,000,000
22	**Total Uses of Funds**	**110,000,000**	**25,000,000**	**135,000,000**

Notes:

(1) Net Proceeds based on CDA Revenue Bond Debt Service estimates provided by Loop Capital Markets.

(2) Assumption provided by City of Richmond.

(3) Assumption provided by Loop Capital Markets.

Section 2-303(a) | Infrastructure Sources and Uses

a) The sources of information, assumptions and methodologies used to reach the conclusions set forth in the fiscal impact statement.

- The table shows the Sources and Uses for the Infrastructure investment necessary to implement the Project.

	Fiscal Year	Phase I [1] 2024 (Infrastructure)	Phase I [1] 2025 (Infrastructure)	Phase I [1] 2026 (Infrastructure)	Phase I [1] Total (Infrastructure)	Phase II [2] 2028 (Infrastructure)	Phase III [2] 2031 (Infrastructure)	Phase IV [2] 2034 (Infrastructure)	Phases I-IV Grand Total (Infrastructure)
1	**Sources of Funds**								
2	CDA Revenue Bonds [3]		-	-	-	10,335,341	15,224,446	13,428,922	38,988,709
3	Subordinate CDA Bonds (Developer)				-	-	-	-	-
4	DPU Enterprise Revenue Bonds [3]	12,700,000	4,200,000	58,000	16,958,000	-	-	-	16,958,000
5	Previously Issued G.O. Bonds		-	2,300,000	2,300,000	-	-	-	2,300,000
6	New G.O. Bonds [3]	7,333,333	9,933,333	6,433,333	23,700,000	-	-	-	23,700,000
7	Phase I Land Sale Proceeds (Cash)	6,000,000	4,800,000	-	10,800,000	-	-	-	10,800,000
8	**Total Uses of Funds**	**26,033,333**	**18,933,333**	**8,791,333**	**53,758,000**	**10,335,341**	**15,224,446**	**13,428,922**	**92,746,709**
9									
10	**Uses of Funds**								
11	Site Grading & Earthwork	3,200,000	-	-	3,200,000	Exact Uses TBD			
12	Roads, Sidewalks, Curb, & Gutter	-	4,600,000	2,300,000	6,900,000				
13	Park & Skatepark	-	-	3,000,000	3,000,000				
14	Streetlights	-	-	2,300,000	2,300,000				
15	Sewer	12,700,000	-	-	12,700,000				
16	Gas	-	-	58,000	58,000				
17	Water	-	4,200,000	-	4,200,000				
18	Stormwater	9,000,000	9,000,000	-	18,000,000				
19	Other [4]	1,133,333	1,133,333	1,133,333	3,400,000				
20	Stadium	-	-	-	-				
21	**Total Uses of Funds**	**26,033,333**	**18,933,333**	**8,791,333**	**53,758,000**	**10,335,341**	**15,224,446**	**13,428,922**	**92,746,709**

Notes:

(1) Source: City of Richmond.

(2) Source: Loop Capital Markets/Developer.

(3) Net proceeds from bond/debt issuances.

(4) Includes Temporary Facilities & Controls; Existing Conditions; Metals; Electrical Utilities/Traffic Signals; and Communications Utilities.

Section 2-303(a) | Net Benefit to the City – All Phases Through FY 2068

a) The sources of information, assumptions and methodologies used to reach the conclusions set forth in the fiscal impact statement.

- The table shows the estimated Net Benefit to the City after the payment of all CDA Revenue Bonds(1), Other Debt Service/Expenses and Estimated Operating Expenditures as a result of the Project.
  - Scenario 1(1) assumes a 6.75% interest rate for the CDA Revenue Bonds and a minimum stabilized Debt Service Coverage of 1.50x in FY 2033 for Phase I.
    - Debt Service Coverage for Phases II, III and IV exceed the minimum in all years.
  - Scenario 2(1) assumes a 7.50% interest rate for the CDA Revenue Bonds and a minimum stabilized Debt Service Coverage of 1.33x in FY 2033 for Phase I.
    - Debt Service Coverage for Phases II, III and IV exceed the minimum in all years.

	Total All Phases Through FY 2068	
	Scenario 1 CDA Bonds @ 6.75%	Scenario 2 CDA Bonds @ 7.50%
Revenues Generated by the Project		
Total Project Revenues (including Stadium Rent)	1,580,034,507	1,580,034,507
Other Non-CDA Revenues		
Schools Portion of Meals Tax (1.5%)	63,507,718	63,507,718
GRCCA Lodging Tax (8.0%)	52,255,048	52,255,048
Stadium Rent	132,233,892	132,233,892
Total Estimated Revenues Generated by the Project	**1,828,031,166**	**1,828,031,166**
Less Debt Service:		
CDA Revenue Bond Debt Service (Phases I-IV) (1)	466,009,320	523,131,258
Other Debt Service/CDA Expenses (2)	123,722,081	126,438,149
Total Debt Service/CDA Expenses	**589,731,401**	**649,569,407**
Net Benefit Before City Expenditures	**1,238,299,764**	**1,178,461,758**
Less Estimated Operating Expenditure Impact(3):		
Department of Public Works	13,151,298	13,151,298
Department of Public Utilities	-	-
Department of Emergency Communications	6,140,645	6,140,645
Department of Planning/Development	1,061,085	1,061,085
Department of Fire/Emergency Services	126,865,228	126,865,228
Richmond Police Department	19,880,564	19,880,564
Office of Children and Families	-	-
Total Estimated Operating Expenditures	**167,098,819**	**167,098,819**
Net Benefit to the City	**1,071,200,946**	**1,011,362,940**

Notes:

(1) CDA Revenue Bond Debt Service estimates, coverage ranges, and interest rate assumptions provided by Loop Capital Markets

(2) Other Debt Service/CDA Expenses include Subordinate Developer Debt, City Issued G.O. Bonds for Infrastructure, EDA Revenue Bonds (Sports Backers) and CDA administrative expenses.

(3) Estimated Operating Expenditure impact assumptions provided by the City and incorporates 3% inflation per year.

Note: Total Project Revenues shown above have been extended to the final projection year (FY 2068) of Phase IV based on assumptions as provided by MuniCap/Developer.

Section 2-303(b) | Net Benefit to the City – All Phases Through FY 2068

b) A debt capacity schedule, if debt is a funding mechanism. In addition, the debt capacity schedule shall show the City's current debt capacity and how the City's current debt capacity is expected to change if the Council approves the proposed ordinance to which the fiscal impact statement relates for adoption or amendment.

- The Project is a $2.44 Billion transformational project that will revitalize approximately 67 acres in the heart of the City adjacent to the vibrant Scott's Addition area.
  - The mixed-use Project will include residential (market rate and affordable) housing, commercial office, retail space, restaurants, and a hotel.
  - The aggregate planned Phase I investment approximates $627.6 Million.
  - These investments are estimated to add to the City's total taxable real estate assessed valuation as shown below, which in turn, will add to the City's overall Legal Debt Capacity.

		Assessed Value				% of
	Projected Full Build Out FY	Residential	Commercial	Parking	Total Assessed Value	Taxable AV Real Property
Phase I	2030	316,020,000	92,650,000	74,175,000	482,845,000	1.5%
Phase II	2032	180,565,000	82,270,000	61,435,000	324,270,000	1.0%
Phase III	2034	133,260,000	113,105,000	64,780,000	311,145,000	1.0%
Phase IV	2038	132,070,000	155,610,000	118,270,000	405,950,000	1.3%
Total All Phases		761,915,000	443,635,000	318,660,000	1,524,210,000	4.7%

Estimated Taxable Assessed Valuation (AV) of Real Property as of FY 2023	32,395,000,000

Section 2-303(b)(cont.) | Impact on Cumulative Debt Capacity

b) A debt capacity schedule, if debt is a funding mechanism. In addition, the debt capacity schedule shall show the City's current debt capacity and how the City's current debt capacity is expected to change if the Council approves the proposed ordinance to which the fiscal impact statement relates for adoption or amendment.

- The full build-out of the Project, will have a positive effect on the City's Debt Capacity.
  - The Project is projected to add approximately $154,421,000 of additional Debt Capacity under Virginia Law.
  - The $23,700,000 to be used for public infrastructure investment in the Diamond District will be programmed into the CIP through FY 2028.
    - Of the $23.7 Million, approximately $18,000,000 of the G.O. Bonds is directly related to the City's Storm Water Enterprise system – to the extent that this becomes self supporting through user rates and charges, then this amount would not count against the City's Debt Capacity.

Section 2-303(c) | Comparison of Funding Options/Sources

c) A comparison of funding and financing options available, including, but not limited to, expenditures from City funds, the issuance of general obligation bonds, and the issuance of revenue bonds.

- The Stadium Portion of the Project will be funded from $80 Million CDA Revenue Bonds, $20 Million Subordinate Developer Loan, and $10 Million Equity (from Sale of Phase I Land) (estimated total cost $110 Million).

- The $80 Million CDA Revenue Bonds and $20 Million Subordinate Developer Loan will be Non-Recourse to the City and will be supported and repaid from a portion of the revenues from the impacted area and backed by a Special Assessment within the CDA area, which will be subject to appropriation.
  - The CDA Revenue Bonds will be Non-Recourse and will not involve a general nor moral obligation of the City for the repayment of principal and interest from other than incremental revenues. As a result, in the event that incremental revenues of the increment area are insufficient, the City will have no obligation to repay the debt service. The Bonds will be further backstopped by a Special Assessment levied on the taxable property of the CDA if the incremental revenue is insufficient.
  - The risk of repayment will be borne by the investors (i.e. purchasers of the Non-Recourse CDA Revenue Bonds).
  - The issuance and repayment of the Non-Recourse CDA Revenue Bonds and $20 Million Subordinate Developer Loan will not affect the City's Debt Capacity.
    - Loop Capital Markets has provided a Tax-Exempt interest rate range of 6.75% to 7.50% for the CDA Revenue Bonds.
    - The $20 Million Subordinate Developer Loan is estimated to have a 8% interest rate.

Section 2-303(c) | Comparison of Funding Options/Sources (cont.)

c) A comparison of funding and financing options available, including, but not limited to, expenditures from City funds, the issuance of general obligation bonds, and the issuance of revenue bonds.

- As discussed in the response to Section 2-303(a)/Infrastructure Sources and Uses, and Section 2-303(b)/Impact on Cumulative Debt Capacity:
  - The City will use approximately $23.7 Million of its Debt Capacity to fund public infrastructure.
    - ***It is important to note that this public infrastructure would have to be undertaken by the City for any development to occur on the Phase I Project site.***
    - ***In addition, to the extent that the Storm Water Utility becomes fully self supporting through user rates and charges, then approximately $18 of the $23.7 Million of G.O. Bonds would not count against the City's Debt Capacity.***
    - The estimated planning rate for 20 Year G.O. Bonds is 5%.
  - The approximate $17 Million of DPU Enterprise Revenue Bonds for water, sewer and gas infrastructure are repaid from user rates and charges, are fully self supported and thus do not count against the City's Debt Capacity.
  - The $25 Million EDA Revenue Bonds issued for the Sports Backers facility will have a Moral Obligation from the City and are to be repaid from Lease Revenues from an outside third party and not from City General Funds. As a result, these bonds will not count against the City's Debt Capacity.
    - The estimated planning rate for these Bonds with an approximate 10 year term is 5%.

Section 2-303(d) | Land Sale Proceeds and Related Use

d) A detailed cost analysis, including, but not limited to, costs to the City and private funding, and a listing of the amount, value and source, as applicable, of each public and private investment, including, but not limited to, any property values of any real estate transferred, incentives provided, or infrastructure improvements made to facilitate the economic development project.

- See responses to Section 2-303(a)/Infrastructure Sources and Uses, Section 2-303(b)/Impact on Debt Capacity, and Section 2-303(c)/Comparison of Funding Options and Sources for information on the estimated costs of funding.

- The table below shows the estimated Land Sale proceeds to be received by the City. The proceeds from the sale of the Phase I site has been programmed as shown below.

Fiscal Year	Phase I 2024	Phase I 2025	Phase I Total	Phase II 2028	Phase III 2031	Phase IV 2034	Phases I-IV Grand Total
Sources of Funds							
Land Sale Proceeds	16,000,000	-	16,000,000	7,260,000	16,390,000	28,680,000	68,330,000
Sportsbackers Sale Proceeds	-	11,800,000	11,800,000	-	-	-	11,800,000
Total Sources of Funds	**16,000,000**	**11,800,000**	**27,800,000**	**7,260,000**	**16,390,000**	**28,680,000**	**80,130,000**
Uses of Funds							
Stadium	10,000,000	-	10,000,000	-	-	-	10,000,000
Infrastructure	6,000,000	4,800,000	10,800,000	-	-	-	10,800,000
Other Infrastructure Contingency	-	7,000,000	7,000,000	7,260,000	16,390,000	28,680,000	59,330,000
Total Uses of Funds	**16,000,000**	**11,800,000**	**27,800,000**	**7,260,000**	**16,390,000**	**28,680,000**	**80,130,000**

Source: City of Richmond

Section 2-303(e) | Revenue/Expenditures/Net Benefit to the City – All Phases Through FY 2068

e) A Projected revenue and expenditure estimates attributable to the City, as a result of the proposed ordinance for adoption or amendment, if it is approved, covering at least the next ten fiscal years, including, but not limited to, debt repayment, new tax revenue, ownership, management, and maintenance costs, and additional service delivery costs for police and fire protection services and refuse collection services.

- The table shows the estimated Net Benefit to the City after the payment of all CDA Revenue Bonds(1), Other Debt Service/Expenses and Estimated Operating Expenditures as a result of the Project.
  - Scenario 1(1) assumes a 6.75% interest rate for the CDA Revenue Bonds and a minimum stabilized Debt Service Coverage of 1.50x in FY 2033 for Phase I.
    - Debt Service Coverage for Phases II, III and IV exceed the minimum in all years.
  - Scenario 2(1) assumes a 7.50% interest rate for the CDA Revenue Bonds and a minimum stabilized Debt Service Coverage of 1.33x in FY 2033 for Phase I.
    - Debt Service Coverage for Phases II, III and IV exceed the minimum in all years.

	Total All Phases Through FY 2068	
	Scenario 1 CDA Bonds @	Scenario 2 CDA Bonds @
Revenues Generated by the Project	**6.75%**	**7.50%**
Total Project Revenues (including Stadium Rent)	1,580,034,507	1,580,034,507
Other Non-CDA Revenues		
Schools Portion of Meals Tax (1.5%)	63,507,718	63,507,718
GRCCA Lodging Tax (8.0%)	52,255,048	52,255,048
Stadium Rent	132,233,892	132,233,892
Total Estimated Revenues Generated by the Project	**1,828,031,166**	**1,828,031,166**
Less Debt Service:		
CDA Revenue Bond Debt Service (Phases I-IV) (1)	466,009,320	523,131,258
Other Debt Service/CDA Expenses (2)	123,722,081	126,438,149
Total Debt Service/CDA Expenses	**589,731,401**	**649,569,407**
Net Benefit Before City Expenditures	**1,238,299,764**	**1,178,461,758**
Less Estimated Operating Expenditure Impact(3):		
Department of Public Works	13,151,298	13,151,298
Department of Public Utilities	-	-
Department of Emergency Communications	6,140,645	6,140,645
Department of Planning/Development	1,061,085	1,061,085
Department of Fire/Emergency Services	126,865,228	126,865,228
Richmond Police Department	19,880,564	19,880,564
Office of Children and Families	-	-
Total Estimated Operating Expenditures	**167,098,819**	**167,098,819**
Net Benefit to the City	**1,071,200,946**	**1,011,362,940**

Notes:

(1) CDA Revenue Bond Debt Service estimates, coverage ranges, and interest rate assumptions provided by Loop Capital Markets

(2) Other Debt Service/CDA Expenses include Subordinate Developer Debt, City Issued G.O. Bonds for Infrastructure, EDA Revenue Bonds (Sports Backers) and CDA administrative expenses.

(3) Estimated Operating Expenditure impact assumptions provided by the City and incorporates 3% inflation per year.

Note: Total Project Revenues shown above have been extended to the final projection year (FY 2068) of Phase IV based on assumptions as provided by MuniCap/Developer.

Section 2-303(e) | Revenue/Expenditures/Net Benefit to the City – All Phases Annual First 10 Years After Stadium Completion (Scenario 1)

e) *A Projected revenue and expenditure estimates attributable to the City, as a result of the proposed ordinance for adoption or amendment, if it is approved, covering at least the next ten fiscal years, including, but not limited to, debt repayment, new tax revenue, ownership, management, and maintenance costs, and additional service delivery costs for police and fire protection services and refuse collection services.*

- The table shows the estimated Net Benefit to the City after the payment of all CDA Revenue Bonds(1), Other Debt Service/Expenses and Estimated Operating Expenditures as a result of the Project based on Scenario 1.

Revenue/Expense Summary

Diamond District

FY	Total Project Revenues	Other Non-CDA Revenues: Schools Meals Tax	GRCCA Lodging Tax	Stadium Rent	Total Revenues	Scenario 1 CDA Revenue Bond Debt Service(1)	Other Debt Service(2) CDA Expense	Total Debt Service/ CDA Expense	Total Allocated Operating Expense (3)	Benefit (Cost)
2024	670,538	65,063	-	-	735,601	-	-	-	150,861	584,741
2025	1,454,930	88,486	-	-	1,543,416	-	418,333	418,333	457,079	668,003
2026	5,423,334	215,001	585,736	3,200,000	9,424,071	1,990,491	4,350,893	6,341,384	397,943	2,684,744
2027	8,647,153	335,004	796,600	3,230,000	13,008,757	7,961,963	5,010,520	12,972,482	1,635,993	(1,599,718)
2028	9,475,554	349,529	812,532	3,260,900	13,898,515	7,961,963	5,272,015	13,233,977	1,271,973	(607,436)
2029	11,094,716	356,520	828,780	3,292,727	15,572,742	7,961,963	6,841,044	14,803,007	1,359,138	(589,402)
2030	12,956,604	403,078	845,356	3,325,509	17,530,546	8,089,397	7,706,264	15,795,661	1,431,286	303,600
2031	15,629,629	441,743	862,264	3,359,274	20,292,910	9,109,275	8,538,224	17,647,499	1,493,899	1,151,513
2032	18,586,906	489,096	879,512	3,394,052	23,349,566	9,109,150	10,018,039	19,127,189	1,572,000	2,650,376
2033	20,186,727	572,931	897,100	3,429,874	25,086,632	9,301,073	10,728,511	20,029,584	1,674,316	3,382,732
2034	22,341,958	605,792	915,044	3,466,770	27,329,563	10,880,675	11,016,240	21,896,915	1,758,445	3,674,203
2035	23,309,764	707,794	933,344	3,504,773	28,455,676	11,037,938	11,424,228	22,462,165	1,871,333	4,122,178
Ten Year Total	**149,777,812**	**4,630,037**	**8,356,268**	**33,463,879**	**196,227,996**	**83,403,886**	**81,324,311**	**164,728,197**	**15,074,266**	**16,425,534**
2036 Through 2068	**1,430,256,695**	**58,877,681**	**43,898,780**	**98,770,013**	**1,631,803,169**	**382,605,434**	**42,397,770**	**425,003,205**	**152,024,553**	**1,054,775,412**
Grand Total	**1,580,034,507**	**63,507,718**	**52,255,048**	**132,233,892**	**1,828,031,166**	**466,009,320**	**123,722,081**	**589,731,401**	**167,098,819**	**1,071,200,946**

Notes:

(1) CDA Revenue Bond Debt Service estimates, coverage ranges, and interest rate assumptions provided by Loop Capital Markets

(2) Other Debt Service/CDA Expenses include Subordinate Developer Debt, City Issued G.O. Bonds for Infrastructure, EDA Revenue Bonds (Sports Backers) and CDA administrative expenses.

(3) Estimated Operating Expenditure impact assumptions provided by the City and incorporates 3% inflation per year.

Note: Total Project Revenues shown above have been extended to the final projection year (FY 2068) of Phase IV based on assumptions as provided by MuniCap/Developer.

Section 2-303(e) | Revenue/Expenditures/Net Benefit to the City – All Phases Annual First 10 Years After Stadium Completion (Scenario 2)

e) *A Projected revenue and expenditure estimates attributable to the City, as a result of the proposed ordinance for adoption or amendment, if it is approved, covering at least the next ten fiscal years, including, but not limited to, debt repayment, new tax revenue, ownership, management, and maintenance costs, and additional service delivery costs for police and fire protection services and refuse collection services.*

- The table shows the estimated Net Benefit to the City after the payment of all CDA Revenue Bonds(1), Other Debt Service/Expenses and Estimated Operating Expenditures as a result of the Project based on Scenario 2.

Revenue/Expense Summary

Diamond District

FY	Total Project Revenues	Other Non-CDA Revenues: Schools Meals Tax	Other Non-CDA Revenues: GRCCA Lodging Tax	Other Non-CDA Revenues: Stadium Rent	Other Non-CDA Revenues: Total Revenues	Scenario 2 CDA Revenue Bond Debt Service (1)	Other Debt Service(2) / CDA Expense	Total Debt Service/ CDA Expense	Total Allocated Operating Expense (3)	Benefit (Cost)
2024	670,538	65,063	-	-	735,601	-	-	-	150,861	584,741
2025	1,454,930	88,486	-	-	1,543,416	-	418,333	418,333	457,079	668,003
2026	5,423,334	215,001	585,736	3,200,000	9,424,071	2,287,219	4,350,893	6,638,112	397,943	2,388,016
2027	8,647,153	335,004	796,600	3,230,000	13,008,757	9,148,875	5,010,520	14,159,395	1,635,993	(2,786,631)
2028	9,475,554	349,529	812,532	3,260,900	13,898,515	9,148,875	5,272,015	14,420,890	1,271,973	(1,794,348)
2029	11,094,716	356,520	828,780	3,292,727	15,572,742	9,148,875	6,247,588	15,396,463	1,359,138	(1,182,858)
2030	12,956,604	403,078	845,356	3,325,509	17,530,546	9,296,650	7,107,351	16,404,001	1,431,286	(304,740)
2031	15,629,629	441,743	862,264	3,359,274	20,292,910	10,440,375	7,872,412	18,312,787	1,493,899	486,225
2032	18,586,906	489,096	879,512	3,394,052	23,349,566	10,445,250	9,353,427	19,798,677	1,572,000	1,978,889
2033	20,186,727	572,931	897,100	3,429,874	25,086,632	10,661,638	10,044,899	20,706,536	1,674,316	2,705,780
2034	22,341,958	605,792	915,044	3,466,770	27,329,563	12,350,250	10,280,428	22,630,678	1,758,445	2,940,440
2035	23,309,764	707,794	933,344	3,504,773	28,455,676	12,352,125	10,766,216	23,118,341	1,871,333	3,466,003
Ten Year Total	**149,777,812**	**4,630,037**	**8,356,268**	**33,463,879**	**196,227,996**	**95,280,131**	**76,724,080**	**172,004,211**	**15,074,266**	**9,149,519**
2036 Through 2068	**1,430,256,695**	**58,877,681**	**43,898,780**	**98,770,013**	**1,631,803,169**	**427,851,127**	**49,714,069**	**477,565,196**	**152,024,553**	**1,002,213,420**
Grand Total	**1,580,034,507**	**63,507,718**	**52,255,048**	**132,233,892**	**1,828,031,166**	**523,131,258**	**126,438,149**	**649,569,407**	**167,098,819**	**1,011,362,940**

Notes:

(1) CDA Revenue Bond Debt Service estimates, coverage ranges, and interest rate assumptions provided by Loop Capital Markets

(2) Other Debt Service/CDA Expenses include Subordinate Developer Debt, City Issued G.O. Bonds for Infrastructure, EDA Revenue Bonds (Sports Backers) and CDA administrative expenses.

(3) Estimated Operating Expenditure impact assumptions provided by the City and incorporates 3% inflation per year.

Note: Total Project Revenues shown above have been extended to the final projection year (FY 2068) of Phase IV based on assumptions as provided by MuniCap/Developer.

Section 2-303(e) | Estimated Operating Expense: Department of Public Works

- The table shows the Estimated Operating Expense impact – 33% of Total costs allocated to the Project.

Department of Public Works (DPW): Projected Expense Impact

Diamond District

		One-Time				Ongoing			
Period	FY	Ph I City Staff	Ph I Consultant	Ph II-IV City Staff	Ph II-IV Consultant	Capital Exp	Ongoing Staff Exp	Ongoing Oper Exp	Total
(2)	2024	-	83,911	-	-	-	-	-	83,911
(1)	2025	-	86,428	-	-	70,727	-	123,772	280,926
1	2026	-	89,021	-	-	-	-	127,485	216,506
2	2027	-	91,691	-	-	-	-	131,309	223,001
3	2028	-	94,442	-	-	-	-	135,249	229,691
4	2029	-	-	-	97,275	-	-	139,306	236,582
5	2030	-	-	-	100,194	-	-	143,485	243,679
6	2031	-	-	-	103,200	-	-	147,790	250,989
7	2032	-	-	-	106,296	-	-	152,224	258,519
8	2033	-	-	-	109,484	-	-	156,790	266,275
9	2034	-	-	-	112,769	-	-	161,494	274,263
10	2035	-	-	-	116,152	95,051	-	166,339	377,541
Ten Year Total		-	445,493	-	745,370	165,777	-	1,585,242	2,941,882
Total 2036-2068		-	-	-	242,862	530,125	-	9,436,428	10,209,415
Grand Total		-	445,493	-	988,232	695,903	-	11,021,670	13,151,298

All expenses assume 3% Inflation Factor through end of projection period. Source: City of Richmond, DPW Staff

- 33% allocation of expense assumptions shown in 2023 dollars:
  - One-time consulting expense of $3,421,600 through spread evenly through completion of all four phases.
  - Equipment Expense of $200,000, starting in FY 2025 replaced on a 10-year cycle.
  - Ongoing operational expense of $350,000 starting in FY 2025.

All expenses assume inflation growth rate of 3%

Section 2-303(e) | Estimated Operating Expense: Department of Emergency Communications, Preparedness and Response

- The table shows the Estimated Operating Expense impact – 33% of Total costs allocated to the Project.

Department of Emergency Communications, Preparedness, and Response (DEC): Projected Expense Impact

Diamond District

		One-Time					Ongoing		
Period	FY	Ph I City Staff	Ph I Consultant	Ph II-IV City Staff	Ph II-IV Consultant	One-Time Exp	Ongoing Staff Exp	Ongoing Oper Exp	Total
(2)	2024	-	-	-	-	-	-	-	-
(1)	2025	-	-	-	-	-	68,959	-	68,959
1	2026	-	-	-	-	-	71,027	-	71,027
2	2027	-	-	-	-	-	73,158	-	73,158
3	2028	-	-	-	-	-	75,353	-	75,353
4	2029	-	-	-	-	-	77,613	-	77,613
5	2030	-	-	-	-	-	79,942	-	79,942
6	2031	-	-	-	-	-	82,340	-	82,340
7	2032	-	-	-	-	-	84,810	-	84,810
8	2033	-	-	-	-	-	87,355	-	87,355
9	2034	-	-	-	-	-	89,975	-	89,975
10	2035	-	-	-	-	-	92,674	-	92,674
Ten Year Total		-	-	-	-	-	883,206	-	883,206
Total 2036-2068		-	-	-	-	-	5,257,438	-	5,257,438
Grand Total		-	-	-	-	-	6,140,645	-	6,140,645

All expenses assume 3% Inflation Factor through end of projection period. Source: City of Richmond, DEC Staff

- 33% allocation of expense assumptions shown in 2023 dollars:
  - Ongoing staffing expense of $195,000 ($65,000 for 3 personnel) starting in FY 2025.

Section 2-303(e) | Estimated Operating Expense: Department of Planning and Development Review

- The table shows the Estimated Operating Expense impact – 100% of Total costs allocated to the Project.

Department of Planning and Development Review (PDR - Expense): Projected Expense Impact

Diamond District

		One-Time					Ongoing		
Period	FY	Ph I City Staff	Ph I Consultant	Ph II-IV City Staff	Ph II-IV Consultant	One-Time Exp	Ongoing Staff Exp	Ongoing Oper Exp	Total
(2)	2024	61,800	-	-	-	5,150	-	-	66,950
(1)	2025	63,654	-	-	-	-	-	-	63,654
1	2026	65,564	-	-	-	-	-	-	65,564
2	2027	67,531	-	-	-	-	-	-	67,531
3	2028	69,556	-	-	-	-	-	-	69,556
4	2029	-	-	71,643	-	-	-	-	71,643
5	2030	-	-	73,792	-	-	-	-	73,792
6	2031	-	-	76,006	-	-	-	-	76,006
7	2032	-	-	78,286	-	-	-	-	78,286
8	2033	-	-	80,635	-	-	-	-	80,635
9	2034	-	-	83,054	-	-	-	-	83,054
10	2035	-	-	85,546	-	-	-	-	85,546
Ten Year Total		328,105	-	548,963	-	5,150	-	-	882,217
Total 2036-2068		-	-	178,867	-	-	-	-	178,867
Grand Total		328,105	-	727,830	-	5,150	-	-	1,061,085

All expenses assume 3% Inflation Factor through end of projection period. Source: City of Richmond, PDR Staff

- 100% allocation of expense assumptions shown in 2023 dollars:
  - Allocable staff expense of $60,000 starting in FY 2025 through FY 2037.
  - One time equipment expense of $5,150.

Section 2-303(e) | Estimated Operating Expense: Department of Fire and Emergency Services

- The table shows the Estimated Operating Expense impact – 33% of Total costs allocated to the Project.

Richmond Department of Fire and Emergency Services (RFD): Projected Expense Impact

Diamond District

		One-Time			Ongoing				
Period	FY	Ph I City Staff	Ph I Consultant	Ph II-IV City Staff	Phase I Equipment	Phases II-IV Equipment	Ph I Ongoing Staff Exp	Ph II-IV Ongoing Staff Exp	Total
(2)	2024	-	-	-	-	-	-	-	-
(1)	2025	-	-	-	-	-	-	-	-
1	2026	-	-	-	-	-	-	-	-
2	2027	-	-	-	372,356	-	778,852	-	1,151,208
3	2028	-	-	-	-	-	802,218	-	802,218
4	2029	-	-	-	-	-	826,284	-	826,284
5	2030	-	-	-	-	-	851,073	-	851,073
6	2031	-	-	-	-	-	876,605	-	876,605
7	2032	-	-	-	-	-	902,903	-	902,903
8	2033	-	-	-	-	-	929,990	-	929,990
9	2034	-	-	-	69,212	-	957,890	-	1,027,102
10	2035	-	-	-	-	-	986,627	-	986,627
Ten Year Total		-	-	-	441,568	-	7,912,441	-	8,354,009
Total 2036-2068		-	-	-	1,736,569	4,831,655	55,971,497	55,971,497	118,511,219
Grand Total		-	-	-	2,178,137	4,831,655	63,883,939	55,971,497	126,865,228

All expenses assume 3% Inflation Factor through end of projection period. Source: City of Richmond, RFD/DED Staff

- 33% allocation of expense assumptions shown in 2023 dollars:
  - Company 1 - Ongoing staffing expense of $2,076,000 (3 Battalion commanders @ $167,000, 1 Captain @ $135,000, 2 Lieutenants @ $120,000, 3 DPO's @ $100,000, 12 Fire Fighters @ $75,000) starting in FY 2027; Company 2 - Ongoing staffing expense of $2,076,000 (3 Battalion commanders @ $167,000, 1 Captain @ $135,000, 2 Lieutenants @ $120,000, 3 DPO's @ $100,000, 12 Fire Fighters @ $75,000) starting in FY 2036.
  - 2027 Equipment - 1 Engine and related equipment @ $842,500 with 15 year replacement cycle; 1 Command vehicle @ $150,000 with 7 year replacement cycle. 2029 Equipment - 1 Ladder Truck and related equipment @ $1,742,500 with 15 year replacement cycle; 1 Command vehicle @ $150,000 with 7 year replacement cycle.

Section 2-303(e) | Estimated Operating Expense: Richmond Police Department

- The table shows the Estimated Operating Expense impact – 33% of Total costs allocated to the Project.

Richmond Police Department (RPD): Projected Expense Impact

Diamond District

		One-Time				Ongoing			
Period	FY	Ph I City Staff	Ph I Consultant	Ph II-IV City Staff	Ph II-IV Consultant	Equipment	Ongoing Staff Exp	Ongoing Oper Exp	Total
(2)	2024	-	-	-	-	-	-	-	-
(1)	2025	-	-	-	-	-	43,540	-	43,540
1	2026	-	-	-	-	-	44,847	-	44,847
2	2027	-	-	-	-	28,712	92,384	-	121,096
3	2028	-	-	-	-	-	95,156	-	95,156
4	2029	-	-	-	-	-	147,015	-	147,015
5	2030	-	-	-	-	31,374	151,426	-	182,800
6	2031	-	-	-	-	-	207,958	-	207,958
7	2032	-	-	-	-	33,285	214,197	-	247,482
8	2033	-	-	-	-	34,283	275,778	-	310,062
9	2034	-	-	-	-	-	284,052	-	284,052
10	2035	-	-	-	-	36,371	292,573	-	328,944
Ten Year Total		-	-	-	-	164,025	1,848,926	-	2,012,951
Total 2036-2068		-	-	-	-	1,269,880	16,597,733	-	17,867,613
Grand Total		-	-	-	-	1,433,905	18,446,659	-	19,880,564

All expenses assume 3% Inflation Factor through end of projection period. Source: City of Richmond, RPD Staff

- 33% allocation of expense assumptions shown in 2023 dollars:
  - One Police Officer @ $123,123 added every 5 years.
  - One Police Vehicle @ $76,530 added every 3 years with a 5 year replacement cycle.

Section 2-303(e) | Department of Public Utilities

- Water
  - No additional staff or equipment needs anticipated in Phase 1 or Total Project.
  - Phase 1 and Total Project water infrastructure to be designed and constructed by development team subject to DPU review, approval, inspection, tie-ins, fees\applications. Other impacts – Phase 1 will see DPU relocated 1600' of the 36" Hanover Transmission Main, which is currently in design. Cost of material & construction to be refunded to DPU by development team once project is complete.
- Sewer/Stormwater
  - DPU predicts, based on the limited information available at this time, that one or more underground stormwater retention basins (which DPU is assuming we'd be responsible for) may be needed to address increased stormwater runoff from the new development. It is also possible that pumping of some of the sanitary sewer will be required and DPU will be responsible for upkeep of these as well. DPU will not be able to determine whether this infrastructure is needed until a preliminary utility plan for the development as a whole is completed. If such equipment is needed, DPU will likely also require new, full-time personnel and equipment to maintain the stormwater retention basins and/or sanitary sewer pump stations.
- Gas
  - Depending on the final layout of the redevelopment, DPU will need to abandon and run new gas lines to the proposed meter locations. The cost won't affect the City Of Richmond budget. The abandonment and new install costs will be the developer's responsibility.

Source: Department of Public Utilities

Section 2-303(e) | Office of Children and Families

- Phase I
  - No additional staff, equipment or infrastructure needs anticipated in Phase 1.
  - The Office of Children & Families (OCF) estimates that approximately 64 K-12 students will move into the approximately 1,334 units housing units built during Phase 1 of the project. These students could be new Richmond residents or current residents who move from other neighborhoods. Because the increases in the number of children and families is marginal, there should not be a meaningful impact on either OCF or RPS's operations in Phase 1. Based OFC's analysis of data available from Richmond Public Schools' 2019 rezoning process and School Year 2022-23 Fall Membership data collected by the VDOE, it is clear that existing RPS facilities possess adequate capacity to absorb 64 additional school-aged children. Each of the zoned elementary, middle and high schools proximate to the Diamond District, as well as out-of-zone schools that may enroll Diamond District students through open enrollment, have current enrollments that are at least 75 students under their total functional capacity.

- Total Project
  - No additional staff, equipment or infrastructure needs anticipated in Total Project.
  - The Office of Children & Families estimates that approximately 125 K-12 students will move into the approximately 2,846 units housing units housing built during the entirety of the project. These students could be new Richmond residents or current residents who move from other neighborhoods. While it is more difficult to estimate impacts for future years in light of potential overall changes in the City's population and RPS redistricting in future years, at this time it is similarly estimated that the Development will also not have a meaningful impact on either OCF or RPS's operations in future phases. Chart 1 below shows that all but three relevant schools has the capacity for more than 125 students. Importantly, it is implausible that all 125 students estimated would go to the same school, as they are likely to be of different ages. Additionally, it is reasonable to assume that at least some of the students anticipated to move into the Diamond District would be current RPS students moving from other parts of the City.

Source: Office of Children and Familieis

Section 2-303(f)

f) Subsequent actions that may affect future revenue and expenditures if the proposed ordinance authorizes spending, including, but not limited to, the City's full fiscal obligation, ownership, management and maintenance.

- As this project is anticipated to have a significant impact through the projection period, incremental changes will need to be incorporated into the annual budgets adopted by City Council, as revenues grow, new housing units are established, etc.

Section 2-303(g)

g) A description of any variables that may affect revenue and cost estimates.

- Variables that may affect revenue and cost estimates include:
  - Interest rates in effect when the public revenue bonds are sold;
  - The timing of the completion of construction of public and private improvements; and
  - Major changes in the national and/or local economy, which impact the ultimate cost of the various capital improvements and anticipated revenues.

Section 2-303(h)

h) An estimate of the staff time and staff costs needed to implement the proposed ordinance.

- Staff time from the City Attorney's Office, Economic Development, Finance, and Planning and Development Review, among others, will be needed to assist with the issuance of public revenue bonds, tracking and disbursement of Increment Area Financing revenues, permitting, etc. Minor increases are anticipated for future years above baseline service levels.

Section 2-303(i)

i) An explanation of how the addition of new staff, if any, and responsibilities would increase costs and affect other duties.

- See response to Section 2-303(e) for Estimated Operating Expense Impacts, which include staffing impact and related costs.

Section 2-303(j)

j) Ranges of revenue or expenditures that are uncertain or difficult to project.

- The Revenue Projections for the Project have been prepared by MuniCap, Inc. and incorporate assumptions from the Developer.
- The Revenue Projections are based on the best available assumptions as of the date of this analysis. Variables that may impact the revenues include:
  - Market absorption of residential and commercial properties;
  - Retail and restaurant sales;
  - Hotel occupancy;
  - Overall economic conditions;
  - Population growth of the City; and
  - Baseball game/event attendance, amongst others.
- Estimated Operating Expense assumptions provided by the City may vary from the enclosed assumptions/estimates due to actual population growth and overall growth of the City, and other unforeseen factors.
- The CDA and Other Debt Assumptions provided herein are estimates as of the date of this analysis based on current market conditions, and the overall economy.
  - The actual results achieved with the proposed debt issuance may differ from the projections shown herein.
  - Factors that affect cost of funds of debt include, investor demand, supply of bonds in the market, U.S. market conditions, global market conditions, and geo-political conflicts.
  - The actual results of the debt issuance(s) will only be known on the day of the bond sale(s).

Section 2-303(k)

k) If it is determined that the proposed ordinance, or any proposed amendments thereto, is not likely to have a fiscal impact, the basis for such a determination.

- Davenport's analysis demonstrates that the Project is anticipated to have a positive fiscal impact to the City.

B: Economic Impact Statement per City Code Section 2-304

Section 2-304(a)

a) The sources of information, assumptions and methodologies used to reach the conclusions set forth in the economic impact statement.

- See response to Section 2-303(a).

Section 2-304(b)

b) An outline that lists all ordinances, resolutions or actions that are required to be completed related to and for the economic development project, with an associated timeline for each.

- An ordinance authorizing the CAO to execute the Diamond District Redevelopment Project Development Agreement by and between the City, RVA Diamond Partners LLC ("RVADP"), and the Economic Development Authority ("EDA"), and its attachments, which include, among other things, a Grant Agreement concerning financing of the stadium and other public improvements (2023).
- An ordinance authorizing the City's conveyance of parcels of surplus owned real estate to the EDA (2023).
- An ordinance to create the Diamond District Community Development Authority (2023).
- An ordinance to create a special revenue fund for the incremental revenues dedicated to bond repayment (2023).
- Rezoning ordinances (2023).

Section 2-304(c)

c) A description of any variables that could affect economic impact estimates.

- Variables that may affect revenue and cost estimates include:
  - Interest rates in effect when the public revenue bonds are sold;
  - The timing of the completion of construction of public and private improvements; and
  - Major changes in the national and/or local economy, which impact the ultimate cost of the various capital improvements and anticipated revenues.

Section 2-304(d)

d) The partnerships, corporations, businesses, boards, commissions, nonprofit organizations and other entities that the Mayor anticipates will be stakeholders in the economic development project to be authorized by the proposed ordinance and the level and nature of their involvement with the economic development project to be authorized by the proposed ordinance.

- RVADP (Developer)
- Economic Development Authority
- Community Development Authority (CDA)
- Flying Squirrels MiLB.
- Virginia Commonwealth University.

Section 2-304(e)

e) Any anticipated positive or negative impact, if any, on employment.

- RVADP (Developer)
- Economic Development Authority
- Community Development Authority (CDA)
- Flying Squirrels MiLB.
- Virginia Commonwealth University.

Section 2-304(f)

f) A range of economic impact factors that are uncertain or difficult to project.

- The Revenue Projections for the Project have been prepared by MuniCap, Inc. and incorporate assumptions from the Developer.
- The Revenue Projections are based on the best available assumptions as of the date of this analysis. Variables that may impact the revenues include:
  - Market absorption of residential and commercial properties;
  - Retail and restaurant sales;
  - Hotel occupancy;
  - Overall economic conditions;
  - Population growth of the City; and
  - Baseball game/event attendance, amongst others.
- Estimated Operating Expense assumptions provided by the City may vary from the enclosed assumptions/estimates due to actual population growth and overall growth of the City, and other unforeseen factors.
- The CDA and Other Debt Assumptions provided herein are estimates as of the date of this analysis based on current market conditions, and the overall economy.
  - The actual results achieved with the proposed debt issuance may differ from the projections shown herein.
  - Factors that affect cost of funds of debt include, investor demand, supply of bonds in the market, U.S. market conditions, global market conditions, and geo-political conflicts.
  - The actual results of the debt issuance(s) will only be known on the day of the bond sale(s).

Section 2-304(g)

g) The number of permanent or temporary jobs that are anticipated to be created as a result of the economic development project to be authorized by the proposed ordinance.

- Although it is too early to project the net growth in employment over the 12-year development horizon, due to the mixed use nature of the redevelopment Project the City anticipates substantial new jobs to be created (one-time for construction and permanent full-time jobs) and the retention of existing jobs in the City.

Section 2-304(h)

h) An analysis and timeline showing the projected revenues that are expected to be generated as a result of the City's expenditure of public funds, if the proposed ordinance is approved by the Council. The analysis and timeline shall include the benchmarks used to determine the revenue projections. An annual progress report concerning the actual revenues collected as a result of the City's expenditure of public funds and how such revenues exceeded, met or failed to meet the revenue projections and benchmarks shall be provided to the Council no later than December 31 of each year for ten years and as may be requested by the Council for any subsequent year beyond the initial ten years.

- The Projected timeline of full buildout of the Private Investment in all four phases is shown below:

	Projected Full Build Out FY
Phase I	2030
Phase II	2032
Phase III	2034
Phase IV	2038

- The Projected revenues generated by the CDA and expenditures attributable to all debt issuances (excluding Self Supporting DPU Enterprise Debt) and Estimated Operating Expense Impacts are shown to the right.

Total All Phases Through FY 2068

		Scenario 1 CDA Bonds @ 6.75%	Scenario 2 CDA Bonds @ 7.50%
1	**Revenues Generated by the Project**		
2	Total Project Revenues (including Stadium Rent)	1,580,034,507	1,580,034,507
3	Other Non-CDA Revenues		
4	Schools Portion of Meals Tax (1.5%)	63,507,718	63,507,718
5	GRCCA Lodging Tax (8.0%)	52,255,048	52,255,048
6	Stadium Rent	132,233,892	132,233,892
7	**Total Estimated Revenues Generated by the Project**	**1,828,031,166**	**1,828,031,166**
8			
9	**Less Debt Service:**		
10	CDA Revenue Bond Debt Service (Phases I-IV) [1]	466,009,320	523,131,258
11	Other Debt Service/CDA Expenses [2]	123,722,081	126,438,149
12	**Total Debt Service/CDA Expenses**	**589,731,401**	**649,569,407**
13			
14	**Net Benefit Before City Expenditures**	**1,238,299,764**	**1,178,461,758**
15			
16	**Less Estimated Operating Expenditure Impact[3]:**		
17	Department of Public Works	13,151,298	13,151,298
18	Department of Public Utilities	-	-
19	Department of Emergency Communications	6,140,645	6,140,645
20	Department of Planning/Development	1,061,085	1,061,085
21	Department of Fire/Emergency Services	126,865,228	126,865,228
22	Richmond Police Department	19,880,564	19,880,564
23	Office of Children and Families	-	-
24	**Total Estimated Operating Expenditures**	**167,098,819**	**167,098,819**
25			
26	**Net Benefit to the City**	**1,071,200,946**	**1,011,362,940**

Section 2-304(i)

i) An explanation of how the expenditure of any public funds by the City, as may be indicated in the proposed ordinance, complies with any guidelines, policies or best practices that help to achieve or maintain the goal of being a AAA bond rated locality.

- The costs and benefits of the project are expected to:
  - Enable the City to remain in compliance with Council's adopted debt policy guidelines;
  - Ultimately growing the annual general fund budget by tens of millions per year; and
  - Expand the City's debt capacity over the 45-year Project life-cycle horizon.
- Through the allocation of surplus revenues for key priorities, the Project is consistent with the goal of being an AAA bond rated locality.

Section 2-304(j)

j) If it is determined that the proposed ordinance, or any proposed amendments thereto, is not likely to have an economic impact, the basis for such a determination.

- Davenport's analysis demonstrates that the Project is anticipated to have a positive fiscal impact to the City.

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Version 01/01/2023 RK/JS|DR

CITY OF RICHMOND, VIRGINIA

DIAMOND DISTRICT REDEVELOPMENT PROJECT

DEVELOPMENT AGREEMENT

BY AND BETWEEN

THE CITY OF RICHMOND, VIRGINIA,

RVA DIAMOND PARTNERS LLC

and

THE ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF RICHMOND, VIRGINIA

DATED, [ ] 2023

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DIAMOND DISTRICT DEVELOPMENT AGREEMENT

This **DIAMOND DISTRICT DEVELOPMENT AGREEMENT** (this "**Development Agreement**") is entered into as of the _____ day of _____, 2023, by and between the City of Richmond, Virginia, a municipal corporation and political subdivision of the Commonwealth of Virginia (the "**City**"), RVA Diamond Partners LLC, a Virginia limited liability company (the "**Developer**"), and the Economic Development Authority of the City of Richmond, Virginia, a political subdivision of the Commonwealth of Virginia (the "**EDA**"), collectively referred to in this Development Agreement as the "**Parties**" or individually, a "**Party**".

RECITALS

A. The City seeks to redevelop a portion of the Greater Scott's Addition area of the City that currently is home to The Diamond baseball stadium and that is not utilized to its full market potential, with the aim that such redevelopment results in additional taxable value in both the project area and in surrounding properties;

B. The City seeks to replace The Diamond baseball stadium, the operation of which is no longer economically viable as a result of age, limited seating capacity and operational deficiencies, with a new stadium that the Parties intend will be designed, constructed, financed, operated, commercialized and maintained as set forth in this Development Agreement (the "**Stadium Project**");

C. The City also seeks to encourage the development of a full spectrum of new, privately financed affordable housing in the project area; new job creation and job training; new retail and office uses; a new hotel and new infrastructure that both serves the Diamond District (as defined herein) and connects the project area with adjacent communities, and the Developer wishes to design, construct, finance, commercialize, operate and maintain such improvements as set forth in this Development Agreement, all in accordance with and as further described in the Master Plan (the "**Mixed-Use Development**");

D. The City memorialized the above intent by (1) issuing a Request for Interest on December 28, 2021 (the "**RFI**"), supplemented by a Request for Additional Information (the "**RFAI**"), seeking proposals for the redevelopment of an area of approximately 67.57 acres within an area comprised of property identified as 2907, 2909, 2911, 3001, 3017 and 3101 North Arthur Ashe Boulevard and 2728 Hermitage Road, known as the "**Diamond District**" and (2) by evaluating RFI and RFAI responses and soliciting Requests for Offers on June 3, 2022 (the "**RFO**") from three finalist teams including the Developer ;

E. On June 28, 2022, the Developer responded with a proposal for a substantial mixed-use redevelopment of the aforementioned area to include those features and benefits outlined in the aforementioned RFI, RFAI and RFO;

F. The City, the Developer and the EDA now desire to enter into this Development Agreement to establish each Party's obligations, rights and limitations with respect to delivering the Stadium Project, the Mixed-Use Development, the Public Infrastructure (as

defined herein) and any other improvements or commitments expressly provided in this Development Agreement (collectively, the "**Project**").

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which all parties hereto acknowledge, and in consideration of the mutual covenants hereinafter set forth, the City, the Developer and the EDA, as defined below, agree as follows:

ARTICLE 1
PRELIMINARY PROVISIONS

1.1 Purpose. The purpose of this Development Agreement is to provide, through the transactions described herein, the Parties' obligations, responsibilities and rights with respect to the successful and timely delivery of the Project.

1.2 Order of Precedence. This Development Agreement establishes the rights and obligations of the City, the EDA and the Developer hereunder but does not serve to relieve or release the Developer, the City or the EDA from any of their respective rights, obligations and liabilities under any of the other Contract Documents. Except as otherwise expressly provided in this Section 1.2 (*Order of Precedence*), if there is any conflict, ambiguity or inconsistency between the provisions of the Development Agreement, the Purchase and Sale Agreement and any City ordinances, the order of precedence will be as follows, from highest to lowest:

(a) the City ordinances adopted by the City Council on [●] approving the execution and delivery of the Contract Documents;

(b) any change order or any other amendment to this Development Agreement;

(c) this Development Agreement;

(d) any amendments to the Purchase and Sale Agreement; and

(e) the Purchase and Sale Agreement.

If any of the Contract Documents contain differing provisions or requirements with respect to the same subject matter, the provisions that establish the higher quality manner or method of delivering the Project or that establish more stringent standards will prevail.

Where the Contract Documents contain a more stringent standard than Law, the Contract Documents will prevail, to the extent that those more stringent Contract Document standards do not violate applicable Law.

1.3 Definitions. Capitalized terms used, but not defined in this Development Agreement, shall have the meanings ascribed to them in the Grant and Cooperation Agreement or the PSA, as the context requires. The following defined terms shall have the meaning as set forth below in this Development Agreement:

"***AAA***" is defined in Section 13.3(b).

*"**Acceptable Guarantor**"* means a Person or Persons that is authorized and registered to transact business in the Commonwealth of Virginia and demonstrates by delivery of reasonable and customary written evidence from one or more bona fide financial institutions substantiating that such Person or Persons has sufficient cash or cash equivalent assets to be able to perform the applicable Work and satisfy the applicable financial obligations.

"***Affiliate***" means any Person directly or indirectly Controlling, Controlled by, or under Common Control with another Person.

"***Affordable Housing Commitment***" is defined in Section 2.2(e) (*Affordable Housing*).

"***Affordable Housing Covenants***" means the covenants for the operation of the Affordable Housing Units that are to be developed on an applicable Private Development Parcel, attached hereto as Exhibit I (*Affordable Housing Covenants*).

"***Affordable Housing Development Requirements***" is defined in Exhibit E-5 (*Development Progress Requirements*).

"***Affordable Housing Units***" means Residential Units sold or leased for occupancy by households earning up to the Area Median Income restrictions set forth in Exhibit E-5 (*Development Progress Requirements*).

"***Agreement Date***" is defined in Section 18.1 (*Duration*).

"***Area Median Income***" or "***AMI***" means the most recent annually adjusted median gross income for the Richmond, VA, Metropolitan Statistical Area published by the United States Department of Housing and Urban Development, adjusted for household size.

"***Assumed Phase 1 Bond Debt Service***" means $354,066,499[1], which is the forecasted total debt service for the amount of Bonds necessary to realize $80 million in Net Phase 1 Bond Proceeds as of the Agreement Date.

"***Benchmark Requirements***" means the Stadium Project Scope of Work, each Major Submittal verified or approved, as the context requires, by the EDA and the other requirements of this Development Agreement for delivering the Stadium Project.

"***Bonds***" is defined in Section 6.1(b) (*Revenue Bonds*) and excludes any City Bonds, any Startup EDA Bonds and the EDA Stadium Design Note.

"***Bond Proceeds***" means the proceeds of the Bonds available for the development of the Stadium Project, the Public Infrastructure and the payment of the costs of the Eligible Mass Grading the Project Site; provided, however, that (a) no proceeds of the Stadium Bonds may be used to pay the costs of grading any Private Development Parcels and (b) no proceeds of the Public Infrastructure Bonds may be used to pay the costs of any

[1] Note to Draft: Maximum total debt service figure to be updated as of the Agreement Date.

grading work undertaken to position the Private Development Parcels for development of the privately financed vertical structures.

"***Brownfield Fund Resources***" means state and federal programs available for redevelopment of brownfield sites.

"***Business Day(s)***" means that day that is neither a Saturday, a Sunday nor a day observed as a legal holiday by the City of Richmond, Virginia, the Commonwealth of Virginia or the United States government.

"***Capital Investment***" means a capital expenditure by or on behalf of the Developer in real property, tangible personal property or both, incurred in connection with the development of the Project.

"***CDA***" means the community development authority to be formed in accordance with the CDA Act to assist in the Developer's undertaking of the Project.

"***CDA Act***" means Code of Virginia Sections 15.2-5152 et seq., as amended from time to time.

"***CDA District***" means the geographic area described in Exhibit D (*CDA District Boundaries*).

"***CDA Special Assessments***" means the special assessments authorized by Section 15.2-5158.A.3 of the CDA Act.

"***CDA Special Charges***" means the Hotel Use Surcharge and the Consumer Purchase Surcharge.

"***Certificate of Final Completion***" means the certificate issued by the EDA or the EDA's Project Monitor confirming that the Developer has achieved Final Completion of the Stadium Project.

"***Certificate of Substantial Completion***" means the certificate issued by the EDA or the EDA's Project Monitor confirming that the Developer has achieved Stadium Substantial Completion.

"***Change in Law***" means (a) any enactment, amendment or repeal (in whole or in part) of any applicable Law by a governmental entity after the Agreement Date or (b) any governmental entity's written change in interpretation or application of any applicable Law following the Agreement Date, in each case that is materially inconsistent with any existing applicable Law or any existing interpretation or application of any such applicable Law on or prior to the Agreement Date; excluding, any repeal of, or amendment or modification to, or written change in interpretation or application of, or the adoption or enactment of, (i) tax laws of general application, (ii) labor laws, (iii) the exercise by any governmental entity of its police powers and (iv) any Law that was enacted, but was not yet effective as of the Agreement Date.

"***Chief Administrative Officer***" or "***CAO***" means the Chief Administrative Officer of the City of Richmond, Virginia.

"***City***" is defined in the Preamble.

"***City Bonds****"* means any bonds issued by the City to finance costs of the Public Infrastructure.

"***City Caused Delay Event****"* is defined in Section 14.2 (*Delay Event Notice*).

"***City Code***" means the Code of the City, as that Code may be amended or recodified at any time.

"***City Default***" is defined in Section 11.6 (*City Default; EDA Default*).

"***City Permits***" means any building, construction, or other permits required for the Stadium Project, the Public Infrastructure, or the Private Development that would be issued by the City.

"***Closing***" means the EDA's transfer of any Purchased Property's fee interest to the Developer following the Developer's satisfaction of all applicable conditions precedent in the PSA.

"***Closing Date***" is defined in Section 3.5 (*Closing*).

"***Code of Virginia***" means the Code of Virginia of 1950, as amended.

"***Commenced Construction***," "***Commence***," "***Commenced***", or "***Commencement***" means, with respect to any portion of the Work, the physical commencement of D&C Work requiring a permit from the City or any other governmental entity on the premises, including demolition and/or foundation work, provided that such D&C Work is active and ongoing.

"***Commercial Use***" means Office Use, Retail Use, or use as a Hotel.

"***Completion***" means, with respect to any and all Improvements on all or any portion of the Project, the completion of construction and installation of such Improvements in accordance with the terms of this Development Agreement. The fact of such Completion shall be conclusively evidenced by the issuance by City of either a temporary or permanent Certificate of Occupancy with respect to such Improvements (provided, however, if a temporary Certificate of Occupancy is issued, any conditions identified by the City that must be satisfied in order for a permanent Certificate of Occupancy to be issued shall be promptly satisfied by the Developer or any Subtenant). "***Complete***," "***Completed***," and "***Completed Construction***" have correlative meanings.

"***Concept Plans***" means conceptual drawings and design plans for each Project Segment that define the scope and uses to be developed and constructed on a Development Parcel, prepared in accordance with the Master Plan.

"***Construction Contract***" means each of the Lead Developer Parties' construction contracts which provide for D&C Work to be performed by a Construction Contractor.

"***Construction Contractor***" means each of the Developer's design, engineering, demolition and construction contracting firms that will perform the D&C Work under each Construction Contract.

"***Construction Documents***" means the plans, sections, elevations, details, fabrication plans, material and hardware descriptions, specifications, construction quality control reports, construction quality assurance reports and samples necessary for construction of the Stadium Project and the Public Infrastructure in accordance with this Development Agreement.

"***Construction Performance Security***" means any performance bond or payment bond procured by a Construction Contractor for a Project Segment.

"***Construction Period***" means (a) with respect to each Public Infrastructure Parcel, the period commencing on the Agreement Date through the date of Final Completion of all Public Infrastructure to be developed on such Public Infrastructure Parcel and (b) with respect to the Stadium Parcel, or the Stadium Project, the period commencing on the Agreement Date through the date of Final Completion of the Stadium Project.

"***Consumer Purchase Surcharge***" is defined in Section 6.1(b) (*Revenue Bonds*).

"***Contract Documents***" means this Development Agreement, the Hotel Use Covenant, the Affordable Housing Covenants and the PSA.

"***Contractor***" is defined in Section 10.3(a) (*Minority Business Enterprise and Emerging Small Business Participation*).

"***Control***" means (i) the ownership, direct or indirect, by one Person of more than 50 percent of the profits, capital, or equity interest of another Person, or (ii) the power to direct the affairs or management of another Person, whether by contract, other governing documents, or by operation of law.

"**CPI**" means the consumer price index as calculated by the United States Bureau of Labor Statistics.

"**Critical Path Schedule**" means the sequence of activities from the start of the Work to the Substantial Completion of the applicable Phase of the Project, for which any delay in the completion of these activities will delay achieving Substantial Completion of such Phase.

"***Day(s)***" means a calendar day; provided that if any period of Days referred to in this Development Agreement shall end on a Day that is not a Business Day, then the expiration of such period shall be automatically extended until the end of the first succeeding Business Day.

"***D&C Work***" means the design, engineering and construction Work required for any Project Segment and the Stadium Project.

"***Delay Event***" means a Public Infrastructure Delay Event, a Private Development Delay Event or a Stadium Project Delay Event, as applicable.

"***Delay Event Notice***" is defined in Section 14.1 (*Delay Events*).

"***Demolition Plan***" means the demolition plan prepared by the Developer and the Construction Contractor to demolish and raze the Existing Improvements and structures on the Purchased Property in a safe and efficient manner consistent with Good Industry Practice and the Project Schedule.

"***Design Documents***" means all drawings (including plans, profiles, cross sections, notes, elevations, typical sections, details and diagrams), specifications, reports, studies, working drawings, shop drawings, calculations, electronic files, records and submittals necessary for, or related to, the design of the Project Segment to be developed and constructed on a Development Parcel, prepared in accordance with the Master Plan.

"***Developer***" is defined in the Preamble.

"***Developer Default***" is defined in Section 11.1 (*Developer Default*).

"***Developer Land Purchase Deposit***" is defined in Section 6.5 (*Developer Land Purchase Deposit*).

"***Developer Party***" means the Developer, any Affiliate of the Developer, a Developer Subcontractor, each Construction Contractor, any Contractor, advisor or agent of the Developer and their successors and permitted assigns.

"***Developer's MBE Plan***" is defined in Section 10.3(a) (*Minority Business Enterprise and Emerging Small Business Participation*).

"***Developer's MBE/ESB Coordinator***" is defined in Section 10.3(a) (*Minority Business Enterprise and Emerging Small Business Participation*).

"***Development Agreement***" is defined in the Preamble.

"***Development Parcels***" means the Private Development Parcels, the Public Infrastructure Parcels and the Stadium Parcel as depicted on Exhibit B (*Map Depicting Development Parcels*) to this Development Agreement, some of which will require lot line adjustments in order to be consistent with the depiction on Exhibit B (*Map Depicting Development Parcels*).

"***Development Progress Requirements***" is defined in Exhibit E-5 (*Development Progress Requirements*).

"***Diamond District Baseball League***" is defined in Section 10.10(b) (*Other Developer Community Undertakings*).

"***Diamond District Pledged Revenues***" means, collectively, payments to, or on behalf of the EDA, under the VCU Stadium Lease, payments made pursuant to the Grant and Cooperation Agreement, CDA Special Charge revenues, State Portion Sales Tax Revenues (if authorized) and any other funds and monies described in this Development Agreement as being pledged to the payment of the Bonds and as the Parties may further agree.

"***Disabled Access Laws***" means all Laws related to access for persons with disabilities, including, without limitation, the Americans with Disabilities Act, 42 U.S.C. § 12101 et seq. and disabled access laws under the Virginia Uniform Statewide Building Code.

"***Disbursement Trigger Event***" is defined in Section 6.5(b).

"***Dispute***" means any claim, dispute, disagreement or controversy between the Developer and the EDA or the City, or both, concerning their respective rights and obligations under this Development Agreement, including concerning any alleged breach or failure to perform any remedy under this Development Agreement.

"***EarthCraft Certification***" means final home certification approved by an EarthCraft technical advisor working with EarthCraft staff and officially certified by the builder as meeting EarthCraft House program requirements and guidelines.

"***Economic Hardship***" means a decline in economic or development stability, prospects or opportunity such that two (2) of the following indices meet the following standards: (a) Richmond, Virginia, Metropolitan Statistical Area Unemployment published by the Federal Reserve Bank of St. Louis above seven percent (7%) for at least three (3) consecutive months; (b) a decrease by more than thirty-three percent (33%) in the number of building permit applications filed with the City in the most recent three (3) full calendar months for which such statistics are reported for either (i) new multi-family residential rental and condominium projects or (ii) new commercial projects from the average number of such building permit applications compared to the twenty-four (24) month period prior to the most recent month for which such statistics are reported; (c) unavailability of institutional equity and/or non-recourse real estate debt on customary terms, as demonstrated by the Developer to the reasonable satisfaction of the EDA; (d) high vacancy in the Richmond, Virginia, Metropolitan Statistical Area ("high vacancy" shall mean vacancy that is 5% higher than the average of the previous twenty-four (24) months for multifamily products of a similar vintage and type and 7% higher for retail and commercial (excluding professional office uses)) or significantly deteriorating leasing markets for the types of real estate uses included in the applicable Project Segment, as demonstrated by the Developer to the reasonable satisfaction of EDA; or (e) only as to Project Segments containing for sale condominium units or townhomes, an inventory backlog of unsold new construction condominium units marketed for initial sale within the greater Richmond, Virginia, Metropolitan Statistical Area of eighteen (18) months or more.

"***EDA***" is defined in the Preamble.

"***EDA Default***" is defined in Section 11.6(b) (*City Default; EDA Default*).

"***EDA Funding Sources***" means any funding sources other than the Incremental Tax Financing Area Revenues to be made available by the City to the EDA or the CDA as security for the Bonds pursuant Section 6.1(b)(iii) (*Revenue Bonds*). EDA Funding Sources may include, among other things, the proceeds of City Bonds and other lawfully available funds.

"***EDA Project Monitor***" is defined in Section 5.3 (*EDA Project Monitor*).

"***EDA Stadium Design Note***" is defined in Section 5.6(g) (*Costs of Construction*).

"***Eligible Mass Grading***" means any mass grading of the Project Site that the EDA and the Developer have agreed will be eligible to be paid from the proceeds of City Bonds (but only with respect to the Phase 1 Project) or Public Infrastructure Bonds pursuant to the terms of Section 3.8 (*Additional Phase 1 Purchased Property and Sports Backers Parcel Closing Conditions*) and Section 3.9 (*Additional Phase 2-4 Purchased Property Closing Conditions*).

"***Eligible Security Provider***" means any Person which has a credit rating for long term, unsecured debt of not less than "A/A3" from one of the major rating agencies, and has an office in Richmond, Virginia or in New York, New York at which the security can be presented for payment by facsimile or by electronic means.

"***Emergency***" means any unplanned event that:

(a) presents an immediate or imminent threat to the long-term integrity of any part of the infrastructure within the Development Parcels, to the environment, to property adjacent to such Development Parcel or to the safety of the public;

(b) has jeopardized the safety of the public; or

(c) is a declared state of emergency pursuant to laws of the City of Richmond, Virginia; the law of the Commonwealth; or Federal law.

"***Emerging Small Business***" is defined in Section 10.3 (*Minority Business Enterprise and Emerging Small Business Participation*).

"***Environmental Investigation***" is defined in Section 9A.1 (*Generally*).

"***Environmental Laws***" means any Laws applicable to the Project regulating or imposing liability or standards of conduct concerning or relating to the regulation, use or protection of human health, the environment or Hazardous Substances, including, by way of example and not limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 USC Section 9601 et seq., the Resource Conservation and Recovery Act, 42 USC Section 6901 et seq., the Federal Clean Water Act, 33 USC

Section 1251 et seq., and the Occupational Safety and Health Act, 29 USC Section 651 et seq., as currently in force or as hereafter amended.

"***Environmental Management Plan***" means the plan developed by the Developer that sets forth the Developer's approach to environmental management, including remediation of Hazardous Substances.

"***Existing Improvements***" means any and all structures and other improvements existing on the Project Site as of the Agreement Date.

"***Feasibility Studies***" is defined in Section 9.1 (*Right to Enter Development Parcels*).

"***Final Completion***" means with respect to a Project Segment, the completion of all D&C Work required for such Project Segment.

"***Final Construction Documents***" means the final Construction Documents and Design Documents sufficient for the approval of an application for a building permit in accordance with applicable Laws.

"***Financial Close***" means (a) for each series of Bonds, the issuance of Bonds and funding with the Bond Proceeds of a project account to be available for the design and construction of the Stadium Project, the Public Infrastructure and Eligible Mass Grading, as applicable, and (b) for any City Bonds, the issuance of City Bonds and funding with the proceeds of such City Bonds of a project account to be available for the design and construction of the Public Infrastructure and Eligible Mass Grading for the Phase 1 Project and, as applicable, subsequent Phases of the Project.

"***Financial Model***" means the financial model to be delivered by the Developer to the City in connection with Financial Close disclosing the schedule of values for D&C Work, the City's and the EDA's transactional and closing costs to achieve Financial Close and any other amounts necessary to achieve Financial Close.

"***Financing Documents***" means all documentation necessary and relevant to evidencing the financing for the Stadium Project and the Public Infrastructure and achieving Financial Close.

"***Force Majeure***" means, with respect to the Stadium Project, Public Infrastructure, or Private Development, as applicable, any act of nature, fire, explosion or any named wind storm, flooding, earthquake or other natural disaster, or other casualty event; war, invasion, act of public enemy, terrorism, insurrection, riot, mob violence or sabotage; any government-mandated restrictions or closures arising from a pandemic or epidemic that adversely impact the general availability of labor or supplies, materials or products for the design, construction and equipping of the Stadium Project, the Public Infrastructure and any Private Development Parcel; a government embargo or general unavailability or interruption of supplies, materials or products for the design, construction and equipping of the Stadium Project, the Public Infrastructure and any Private Development Parcel; strikes, lockout or actions of labor unions; the inability to procure labor from normally available sources; taking by eminent domain, requisition, laws or orders of governmental

or quasi-governmental bodies or of civil, military or naval authority; or other cause, whether similar or dissimilar to any of the foregoing, that is beyond the reasonable control of, and is not reasonably foreseeable by the Developer, any other Lead Developer Party or any of the Construction Contractors or such Construction Contractors' Affiliates and representatives, and is not due to the fault or negligence or willful misconduct of, as applicable, the Developer, any other Lead Developer Party or their respective representatives, or any Construction Contractor or any of their respective Affiliates, representatives or contractors ("**relevant parties**"), and that results in a delay in the commencement, prosecution, or completion of the applicable Project Segment;

provided, however, that Force Majeure does not include:

(a) any violation of applicable Law by any of the relevant parties;

(b) any act or omission by the Developer or its representatives in breach of the provisions of the Development Agreement;

(c) (i) any strike, labor dispute or other labor protest involving any Person retained, employed or hired by the Developer or its representatives to supply materials or services for, or in connection with, the Stadium Project, the Public Infrastructure or the Private Development or (ii) any strike, labor dispute or labor protest pertaining to the Developer, in each case to the extent that such strike, dispute or protest (A) is not of general application and (B) is caused by or attributable to any act (including any pricing or other practice or method of operation) or omission of any of the relevant parties;

(d) the lack or insufficiency of funds or failure to make payment of monies or provide required security on the part of the Developer, unless such lack or insufficiency of funds or such failure is caused by another relevant Force Majeure;

(e) any government-mandated restriction or closure arising from the COVID-19 pandemic or epidemic (other than government-mandated restrictions or closures arising from the COVID-19 pandemic or epidemic and coming into effect after the Agreement Date); or

(f) any event that is otherwise specifically addressed by the terms of the Development Agreement.

"***Goal***" is defined in Section 10.3(a) (*Minority Business Enterprise and Emerging Small Business Participation*).

"***Good Faith Efforts***" is defined in Section 10.3(a) (*Minority Business Enterprise and Emerging Small Business Participation*).

"***Good Industry Practice***" means those practices, methods and acts that would be implemented and followed by prudent developers, contractors and/or operators of other comparable facilities, which practices, methods and acts, in the exercise of prudent and responsible professional judgment in the light of the facts known at the time the decision

was made, could reasonably have been expected to accomplish the desired result consistent with good business practices, reliability and safety.

"***Governmental Approvals***" means all local, regional, state and Federal permits, approvals, authorizations, consents, filings, leases, licenses, registrations, rulings and other governmental authorizations required to be obtained or completed under Law prior to undertaking any particular activity contemplated by this Development Agreement, the PSA or a Construction Document. The term "Governmental Approvals" includes, to the extent applicable to the Project or any components thereof, any National Environmental Policy Act documents and U.S. Army Corps of Engineers 404 individual permit.

"***Governmental Authority***" means any court, Federal, state, or local government, department, commission, board, bureau, agency or other regulatory or governmental authority, but will not include the EDA.

"***Grant and Cooperation Agreement***" means the fully-executed Grant and Cooperation Agreement by and between the City and the EDA in the form of the document attached as Exhibit L (*Grant and Cooperation Agreement*).

"***Hazardous Environmental Condition***" means the presence of any Hazardous Substances on, in, under or emanating from the Project Site that is present at concentrations or in quantities that: (a) may present an imminent or substantial safety or health hazard for the EDA, the City, the Developer or their respective employees, agents, representatives or independent contractors, the general public or the surrounding environment or (b) are required to be removed or remediated as a matter of Law or in accordance with the requirements of any Governmental Authority.

"***Hazardous Substance***" means, but is not limited to, any solid, liquid, gas, odor, heat, sound, vibration, radiation or other substance or emission which is or could be considered a contaminant, pollutant, dangerous substance, toxic substance, Hazardous Waste, solid waste, or hazardous material which is or becomes regulated by Laws or which is classified as hazardous or toxic under Laws.

"***Hazardous Waste***" means a waste that is (a) listed as a hazardous waste in 40 CFR Section 261.31 to 261.33, and (b) exhibits one of the following characteristics: ignitability, corrosivity, reactivity or toxicity, or is otherwise defined as a hazardous waste by Law.

"***Health and Safety Plan***" means the health, safety and security plan developed by the Construction Contractor, which includes the Developer's and the Construction Contractor's commitment to maintaining a safe workplace, employee participation, hazard evaluation and controls, employee training and periodic inspections, and shall (a) designate an appropriately certified safety professional with a minimum of five years of construction safety experience who is to develop and sign the Health and Safety Plan, including all safety rules on the Stadium Parcel, (b) designate a qualified safety professional stationed full-time at the Stadium Parcel during onsite construction activities whose primary/only duty shall be the implementation of safety rules at the Stadium

Parcel, the prevention of fires and accidents, monitoring compliance with the Health and Safety Plan, and the coordination of such activities as shall be necessary with the EDA, the City and all governmental bodies having jurisdiction, (c) require the Construction Contractors and all Subcontractors to work and implement the Health and Safety Plan and (d) comply with each Construction Contractor's onsite safety requirements.

"***Horizontal Public Infrastructure***" means the Public Infrastructure other than the Park Space and Public Areas.

"***Hotel Operator***" is defined in Section 6.1(d)(viii).

"***Hotel Use Covenant***" means the use covenant for the Phase 1 Hotel set out in Exhibit H ("*Hotel Use Covenant*").

"***Hotel Use Surcharge***" is defined in Section 6.1(b) (*Revenue Bonds*).

"***Improvement Cost***" is defined in Section 10.3(a) (*Minority Business Enterprise and Emerging Small Business Participation*).

*"**Improvements***" means any and all site and vertical improvements, including the systems, cables, materials, equipment, property, buildings, structures, appurtenances, subsystem or other improvement, any of which comprises the Project Segment to be constructed on any Development Parcel in accordance with the Master Plan.

"***Incremental Tax Financing Area***" means the geographic area described in Exhibit Q (*Incremental Tax Financing Area*).

"***Incremental Tax Financing Area Revenues***" has the meaning set forth in Section 6.1(b)(iii) (*Revenue Bonds*).

"***Indemnified Parties***" or "***Indemnified Party****"* means the EDA, the City, and any City Affiliate and their agents, and all of their respective heirs, contractors, legal representatives, successors and assigns, and each of them.

"***Key Personnel***" is defined in Section 4.15 (*Key Personnel*).

"***Known Pre-Existing Hazardous Substances***" means Hazardous Substances present on, in or under any Development Parcel or portion thereof that were identified by the Environmental Investigation by or on behalf of the Developer or were otherwise known to the Developer upon completion of the Environmental Investigation with respect to such Development Parcel or portion thereof.

"***Law***" or "***Laws***" means any one or more present and future laws, ordinances, rules, regulations, permits, authorizations, orders, judgments, and requirements, to the extent applicable to the Parties, the Purchased Property, the Stadium Parcel, the Improvements or to the Stadium Project or any portion thereof, including, without limitation, whether or not in the present contemplation of the Parties, all consents or approvals (including Regulatory Approvals) required to be obtained from, and all rules and regulations of, and

all building and zoning laws of, all federal, state, and local governments, authorities, courts, and any other body or bodies exercising similar functions, having or acquiring jurisdiction of, or which may affect or be applicable to, the Parties, the Purchased Property, the Stadium Parcel, the Improvements or the Stadium Project or any portion thereof, including, without limitation, any subsurface area, the use thereof and of the buildings and improvements thereon.

"***Lead Developer Party***" means the Developer and any Affiliate of the Developer.

"***LEED Silver Certification***" means the silver level of the Leadership in Energy and Environmental Design green building certification, in place as of the date of this Development Agreement.

"***Legal Challenge***" means any action or proceeding before any court, tribunal, arbitration panel, or other judicial, adjudicative or legislation making body, including any administrative appeal, brought by a third-party, who is not an Affiliate of or related to any Lead Developer Party, which (a) seeks to challenge the validity of any action taken by either the City or the EDA in connection with the Project, including the City's, the EDA's or the Developer's approval, execution and delivery of this Development Agreement and its performance of any action required or permitted to be performed by either the City or the EDA hereunder or any findings upon which any of the foregoing are predicated, or (b) seeks to challenge the validity of any Regulatory Approval.

"***Long Stop Extension***" is defined in Section 5B.4(a) (*Project Schedule*).

"***Loss***" or "***Losses***" when used with reference to any indemnity means, with respect to any Person, any and all claims, demands, losses, liabilities, damages, liens, obligations, interest, injuries, penalties, fines, lawsuits, and other proceedings, judgments and awards and costs and expenses, (including, without limitation, reasonable attorneys' fees and costs and reasonable consultants' fees and costs) that may be directly incurred by such Person.

"***Major Submittal***" means, (a) with respect to the Stadium Project and the Public Infrastructure, 30% Schematic Plans, 60% Design Documents and 90% Construction Documents and (b) with respect to the Private Development, the submission of the documents and plans identified in Section 4.5 (*Private Development Schedule of Submittals*).

"***Master Plan***" means the master plan for the Developer's entire project under this Development Agreement developed by the Developer and approved by the City, as further described on Exhibit A (*Master Plan*) attached hereto.

"***Master Plan Requirements***" means, for each Phase to be developed on the corresponding portion of the Project Site: (a) the Concept Plan, (b) the Master Plan, (c) the Design Documents, (d) each Memorandum of Development Agreement, the Hotel Use Covenant (as applicable) and the Affordable Housing Covenants, (e) any Regulatory Approvals and (f) Exhibits E-1 through E-4 (*Phase 1 Project Components*, *Phase 2*

Project Components, *Phase 3 Project Components*, and *Phase 4 Project Components*) (as applicable).

"***Material Change***" means any change from the Master Plan Requirements with respect to any Phase: (a) resulting in a five percent (5%) or greater reduction in either Commercial Uses or Residential Units and (b) any other material change in the functional use, purpose or operation of a Phase from those shown and specified in the Master Plan Requirements.

"***MBE Plan***" is defined in Section 10.3(a) (*Minority Business Enterprise and Emerging Small Business Participation*).

"***Mediation***" is defined in Section 13.3 (*Mediation*).

"***Memorandum of Development Agreement***" means the Memorandum of Development Agreement to be recorded against title to each Phase of the Purchased Property as set forth in, and as required by, Section 18.15 (*Memorandum of Development Agreement*).

"***Minimum Capital Investment***" is defined in Section 2.3(b) (*Project Budget*).

"***Minimum Commercial Development***" is defined in Exhibit E-5 (*Development Progress Requirements*).

"***Minimum Development Progress***" is defined in Exhibit E-5 (*Development Progress Requirements*).

"***Minimum Net Phase 1 Bond Proceeds***" means an amount of Net Phase 1 Bond Proceeds equal to $80 million (except as may be increased in accordance with the provisions herein). If, at the time of calculation of the Minimum Net Phase 1 Bond Proceeds for purposes of this Development Agreement, an additional amount of Bonds (which may be used to pay costs of the Public Infrastructure for the Phase 1 Project) can be issued without increasing the forecasted total debt service on the Bonds to be issued for both the Stadium Project and the Public Infrastructure for the Phase 1 Project above the Assumed Phase 1 Bond Debt Service, the Minimum Net Phase 1 Bond Proceeds shall be increased to equal the amount of Net Phase 1 Bond Proceeds that is forecasted to be generated from the issuance of such increased amount of Bonds, all as modeled by a Public Finance Consultant.

"***Minimum Office Development***" is defined in Exhibit E-5 (*Development Progress Requirements*).

"***Minimum Standard***" is defined in Section 2.2(a) (*Master Plan*).

"***Minority Business Enterprise***" is defined in Section 10.3 (*Minority Business Enterprise and Emerging Small Business Participation*).

"***Mixed-Use Development***" is defined in the Recitals.

"***Mortgagee***" means any financial institution, bank, investor or lender identified on any recorded mortgage on any Private Development Parcel who has provided a loan or similar debt instrument (excluding any equity subordinated loan) to the Developer for the purpose of developing any Private Development Parcel.

"***Navigators***" means Navigators Baseball LP, a Delaware limited partnership d/b/a the Richmond Flying Squirrels.

"***Navigators Stadium Lease****"* is defined in Section 3.2 (*Sale by EDA to the Developer; Leasing by the EDA*).

"***Net Phase 1 Bond Proceeds***" means the proceeds of any Bonds available to complete the Stadium Project Scope of Work and the Public Infrastructure for the Phase 1 Project after accounting for any underwriters' discount, costs of issuance, required reserves and capitalized interest to be deducted from or funded by such Bond proceeds.

"***Non-Affiliate Restricted Transferee***" means any transferee of a Restricted Transfer that is not (a) an Affiliate of a Lead Developer Party, (b) a Partner in a Lead Developer Party or (c) an Affiliate of a Partner in Lead Developer Party.

"***Non-City Permits***" means any building or construction permits required for the Stadium Project, the Public Infrastructure and the Private Development that would be issued by any governmental entity that is not the City.

"***NTP***" is defined in Section 5.4 (*Commencement of Construction*).

"***O&M Contract***" means a contract between the EDA and the Developer providing for the operation and maintenance by the Developer of the Park Space and Public Areas in a form to be mutually agreed upon by the EDA and the Developer.

"***O&M Guaranty***" means the guarantee in substantially the form attached as Exhibit J (*Form of Parent Guaranty*) provided by an Acceptable Guarantor, guaranteeing the applicable O&M Contractor's performance and payment under the applicable O&M Contract.

"***Office Development Progress Target***" is defined in Exhibit E-5 (*Development Progress Requirements*).

"***Office Development Target Deadline***" is defined in Section 4.8(b) (*Adjustment to Commercial Components*).

"***Office of Minority Business Development***" is defined in Section 10.3(a) (*Minority Business Enterprise and Emerging Small Business Participation*).

"***Office Parcels***" means the parcels identified as Parcel E-7, Parcel E-12, Parcel W-2, Parcel W-4 and Parcel N-1 in Exhibit B (*Map Depicting Development Parcels*), which are planned to be developed for Office Use in accordance with the Master Plan.

"***Office Use***" means a use of land for office space.

"***Outside Closing Date***" means (a) December 31, 2023, for the Phase 1 Purchased Property, (b) May 31, 2025, for the Sports Backers Parcel, (c) December 31, 2027, for the Phase 2 Purchased Property, (d) December 31, 2030, for the Phase 3 Purchased Property, and (e) December 31, 2033, for the Phase 4 Purchased Property, as each such date may be extended pursuant to the terms of this Development Agreement.

"***Park Space and Public Areas***" means the areas of the Public Infrastructure accessible to the public for walking, outdoor gathering and other activities and includes streetscapes, plazas, pedestrian malls, linear parks and parklets, as identified in Exhibit G (*Public Infrastructure*).

"***Partial Restricted Transfer***" is defined in Section 12.1(d) (*Partial Restricted Transfers*).

"***Partner***" means (i) if the Lead Developer Party is a limited liability company, any member in such limited liability company; (ii) if the Lead Developer Party is a partnership, any partner in such partnership; (iii) if the Lead Developer Party is a corporation, any shareholder in such corporation; and (iv) if the Lead Developer Party is any other entity, any Person holding any equity or voting interest in such other entity.

"***Party***" or "***Parties***" is defined in the Preamble.

"***Payment Bond***" has the meaning set forth in Section 5.6(a) (*Performance and Payment Bond*).

"***Performance Bond***" has the meaning set forth in Section 5.6(a) (*Performance and Payment Bond*).

"***Permitted Transfer***" is defined in Section 12.1(b).

"***Person***" means any individual, corporation, partnership, association, cooperative, limited liability company, trust, business trust, joint venture, government, political subdivision or any other legal or commercial entity and any successor, representative, agent, agency or instrumentality thereof.

"***Phase***" means each of the Phase 1 Project, the Phase 2 Project, the Phase 3 Project and the Phase 4 Project.

"***Phase 1 Hotel***" means a minimum 180-key hotel of one the following hotel brands: (a) AC Hotels by Marriott, (b) Autograph Collection, (c) Canopy by Hilton, (d) Curio Collection, (e) Hilton, (f) Tempo by Hilton, (g) Hyatt, (h) Hyatt Centric, (i) Hyatt Regency, (j) JdV by Hyatt, (k) Kimpton, (l) Le Meridien, (m) Marriott, (n) Tapestry Collection, (o) Tribute Portfolio and (p) Westin.

"***Phase 1 Project***" means the Project components to be constructed on the Phase 1 Project Site in material conformity to the conceptual site plan and rendering and narrative description in Exhibit E-1 (*Phase 1 Project Components*) and the Master Plan and

including the applicable Public Infrastructure, provided that completion of certain components of the Phase 1 Project may be delayed to future Phases as contemplated in Section 4.3(a) (*Project Schedule*) and Exhibit E-5 (*Development Progress Requirements*).

"***Phase 1 Project Site***" means, collectively, the Phase 1 Purchased Property, the Stadium Parcel and the Sports Backers Parcel (but excluding the 4.63 acre portion of such Sports Backers Parcel to be developed in the Phase 2 Project as identified on Exhibit E-2 (*Phase 2 Project Components*)).

"***Phase 1 Purchased Property***" means the approximately 21.83 acres of real property identified as Phase 1 Purchased Property on Exhibit M-1 (*Phase 1 Purchased Property Boundaries*) to this Development Agreement, to be purchased by the Developer from the EDA in accordance with the terms of this Development Agreement and the PSA.

"***Phase 2 Project***" means the Project components to be constructed on the Phase 2 Project Site in material conformity to the conceptual site plan and rendering and narrative description in Exhibit E-2 (*Phase 2 Project Components*) and the Master Plan and including the applicable Public Infrastructure, provided that completion of certain components of the Phase 2 Project may be delayed to future Phases as contemplated in Section 4.3(a) (*Project Schedule*) and Exhibit E-5 (*Development Progress Requirements*).

"***Phase 2 Project Site***" means, collectively, the Phase 2 Purchased Property and the 1.97-acre portion of the Sports Backers Parcel to be developed in the Phase 2 Project as identified on Exhibit E-2 (*Phase 2 Project Components*).

"***Phase 2 Purchased Property***" means the approximately 7.34 acres of real property identified as Phase 2 Purchased Property on Exhibit M-2 (*Phase 2 Purchased Property Boundaries*) to this Development Agreement, to be purchased by the Developer from the EDA in accordance with the terms of this Development Agreement and the PSA.

"***Phase 3 Project***" means the Project components to be constructed on the Phase 3 Project Site in material conformity to the conceptual site plan and rendering and narrative description in Exhibit E-3 (*Phase 3 Project Components*) and the Master Plan and including the applicable Public Infrastructure, provided that completion of certain components of the Phase 3 Project may be delayed to the Phase 4 Project as contemplated in Section 4.3(a) (*Project Schedule*) and Exhibit E-5 (*Development Progress Requirements*).

"***Phase 3 Project Site***" means the Phase 3 Purchased Property.

"***Phase 3 Purchased Property***" means the approximately 12.9 acres of real property identified as Phase 3 Purchased Property on Exhibit M-3 (*Phase 3 Purchased Property Boundaries*) to this Development Agreement, to be purchased by the Developer from the EDA in accordance with the terms of this Development Agreement and the PSA.

"***Phase 4 Project***" means the Project components to be constructed on the Phase 4 Project Site in material conformity to the conceptual site plan and rendering and narrative

description in Exhibit E-4 (*Phase 4 Project Components*) and the Master Plan and including the applicable Public Infrastructure.

"***Phase 4 Project Site***" means the Phase 4 Purchased Property.

"***Phase 4 Purchased Property***" means the approximately 11.9 acres of real property identified as Phase 4 Purchased Property on Exhibit M-4 (*Phase 4 Purchased Property Boundaries*) to this Development Agreement, to be purchased by the Developer from the EDA in accordance with the terms of this Development Agreement and the PSA.

"***Pre-Existing Hazardous Substances***" means, collectively, any Known Pre-Existing Hazardous Substances and any Unknown Pre-Existing Hazardous Substances.

"***Private Development***" means the portion of the Project developed on the Private Development Parcels.

"***Private Development Delay Event***" means any of the following with respect to the Private Development:

(a) any Change in Law;

(b) any Legal Challenge;

(c) any Force Majeure event;

(d) any failure to obtain, or delay in obtaining, any of the City Permits within thirty-five (35) Days of the time period afforded for the EDA's approval in the Project Schedule following the Developer's submittal of a complete and compliant permit application therefor;

(e) any failure to obtain, or delay in obtaining, any of the Non-City Permits within sixty (60) Days of the latest review time for the EDA of any D&C Work permit under the Project Schedule, from submission of complete and compliant application therefor;

(f) the preemption, confiscation, diversion, destruction or other interference in possession or performance of materials or services by a governmental entity in connection with an Emergency or any condemnation or other taking by eminent domain of any material portion of the Project Site required for the Private Development;

(g) any unreasonable delay or failure by the City and the EDA in performing any of their material obligations under this Development Agreement;

(h) material loss, interruption or damage to the Project Site required for the Private Development caused by a City Default;

(i) any Unknown Pre-Existing Hazardous Substances;

(j) any Unforeseen Site Condition; and

(k) the existence of an Economic Hardship event,

provided that the Private Development Delay Events do not include any delay that:

(i) could have been reasonably avoided by a Developer Party;

(ii) is caused by the negligence or misconduct of a Developer Party; or

(iii) is caused by any act or omission by a Developer Party in breach of the provisions of this Development Agreement or any Developer Party's applicable agreement with the Developer or any other party.

"***Private Development Parcels***" means those Development Parcels depicted as "Private Development Parcels" on Exhibit B (*Map Depicting Development Parcels*) (which excludes the Public Infrastructure Parcels and the Stadium Parcel) to this Development Agreement, some of which will require lot line adjustments in order to be consistent with the depiction in Exhibit B (*Map Depicting Development Parcels*).

"***Prohibited Person***" is defined in Section 12.1(e)(ii) (*Conditions*).

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

"***Project Expeditor***" is defined in Section 4.12 (*Cooperation; Project Expeditor*).

"***Project Management and Execution Plan***" means the management and execution plan developed by the Developer and the Construction Contractor and reflecting Good Industry Practice, establishing the means to execute, monitor, and control the D&C Work.

"***Project Plans***" means the Concept Plans, the Schematic Plans and the Construction Documents.

"***Project Reporting Manager***" is defined in Section 4.14 (*Project Reporting Manager*).

"***Project Schedule***" means the proposed schedule for the development of the Project attached hereto as Exhibit F (*Project Schedule*).

"***Project Segment***" means each of the individual segments of the Project to be developed on each of the Private Development Parcels and Public Infrastructure Parcels in accordance with the Master Plan and each item of Public Infrastructure.

"***Project Site***" means, collectively, the Development Parcels.

"***Project Stakeholders***" is defined in Section 5.3(a) (*Generally*).

"***Proprietary Information***" is defined in Section 9.3 (*Proprietary Information*).

"***Proposed Restricted Transfer***" is defined in Section 12.1(a)(ii) (*Assignment and Restricted Transfer*).

"***Public Finance Consultant***" means (a) Davenport & Company LLC, (b) Loop Capital Markets LLC or (c) another public finance consultant, in each case as mutually agreed to by the Parties at the time such consultant is engaged to perform an analysis or provide financial information in connection with the requirements of this Development Agreement.

"***Public Infrastructure***" means, collectively the Horizontal Public Infrastructure and the Park Space and Public Areas, to be developed on the Public Infrastructure Parcels and as described in Exhibit G (*Public Infrastructure*).

"***Public Infrastructure Bonds***" means the Bonds (which exclude any City Bonds) to be issued to finance all or a portion of the costs of the Public Infrastructure and the grading of the Project Site (exclusive of the Stadium Parcel) as contemplated in the definition of "Bond Proceeds."

"***Public Infrastructure Delay Event***" means any of the following with respect to the Public Infrastructure:

(a) any Change in Law;

(b) any Legal Challenge;

(c) any Force Majeure event;

(d) any failure to obtain, or delay in obtaining, any of the City Permits within thirty-five (35) Days of the time period afforded for the EDA's approval in the Project Schedule following the Developer's submittal of a complete and compliant (both with applicable Law and this Development Agreement) permit application therefor;

(e) any failure to obtain, or delay in obtaining, any of the Non-City Permits within sixty (60) Days of the latest review time for the EDA of any D&C Work permit under the Project Schedule, from submission of a complete and compliant application therefor;

(f) any preemption, confiscation, diversion, destruction or other interference in possession or performance of materials or services by a governmental entity in connection with an Emergency or any condemnation or other taking by eminent domain of any material portion of the Project Site required for the Public Infrastructure;

(g) any unreasonable delay or failure by the City or the EDA in performing any of its material obligations under this Development Agreement;

(h) material loss, interruption or damage to the Project Site required for the Public Infrastructure caused by a City Default;

(i) any Unknown Pre-Existing Hazardous Substances; and

(j) any Unforeseen Site Condition,

provided that the Public Infrastructure Delay Events do not include any delay that:

(i) could have been reasonably avoided by a Developer Party;

(ii) is caused by the negligence or misconduct of a Developer Party; or

(iii) is caused by any act or omission by a Developer Party in breach of the provisions of this Development Agreement or any Developer Party's applicable agreement with the Developer or any other party.

"***Public Infrastructure Parcels***" means those Development Parcels depicted as "Public Infrastructure Parcels" on Exhibit B (*Map Depicting Development Parcels*) (which excludes the Private Development Parcels and the Stadium Parcel) to this Development Agreement, some of which will require lot line adjustments in order to be consistent with the depiction in Exhibit B (*Map Depicting Development Parcels*).

"***Public Realm Design Standards***" means the design standards and guidelines for development activities within and around the Diamond District to be developed pursuant to the provisions of Section 4.23 (*Public Realm Design Standards*).

"***Public Realm Design Standards Scope of Work***" means the scope of work for the development of the Public Real Design Standards set forth in Exhibit O (*Diamond District Public Realm Design Standards – Draft Scope of Work*), as such scope of work may be revised by the Parties pursuant to Section 4.23(a) (*Standards Creation Process*).

"***Punch List***" is an itemized list of Work approved by the EDA, the Navigators and VCU that remains to be completed, corrected, adjusted or modified, the existence, correction and completion of which will have no material or adverse effect on the normal, uninterrupted and safe use and operation of the Stadium Project (as applicable).

"***Purchase and Sale Agreement***" or "***PSA***" means the fully-executed Purchase and Sale Agreement between the EDA and the Developer with respect to the Development Parcels identified on Exhibit B (*Map Depicting Development Parcels*) in the form of Exhibit C (*Form of Purchase and Sale Agreement*) to this Development Agreement.

"***Purchased Property***" means all of the Phase 1 Purchased Property, the Sports Backers Parcel, the Phase 2 Purchased Property, the Phase 3 Purchased Property and the Phase 4 Purchased Property.

"***Purchaser***" is defined in Section 10.3(a) (*Minority Business Enterprise and Emerging Small Business Participation*).

"***Quality Management Plan***" means the quality management plan prepared by the Developer and the Construction Contractor and reflecting Good Industry Practice, identifying quality requirements and standards for the performance of the Work under this Development Agreement.

"***Regulatory Approval***" means any authorization, approval or permit required or granted by any governmental organization having jurisdiction over any Development Parcel, the Project or the Work, including, but not limited to, the City and the Commonwealth of Virginia.

"***Remedial Plan***" is defined in Section 11.2 (*Remedial Plan Upon Developer Default*).

"***Residential Unit***" is any dwelling unit developed and constructed as part of the Project to be sold or leased for Residential Use, including all Affordable Housing Units developed and constructed on the Project Site as part of the Project.

"***Residential Use***" means a use of land for Residential Units.

"***Response***" is defined in Section 5.2 (*Submittals*).

"***Restricted Transfers***" is defined in Section 12.1 (*Assignment and Restricted Transfer*).

"***Retail Use***" means a use of land for a purpose that constitutes a "retail use" under the City Code and that complies with the terms of this Development Agreement and applicable Law.

"***Retainage Account***" has the meaning set forth in Section 5.6(c)(i) (*Retainage*).

"***Retainage Amount***" has the meaning set forth in Section 5.6(c)(i) (*Retainage*).

"***Risk Management Plan***" means the risk management plan prepared by the Developer and the relevant Construction Contractor to foresee risks, estimate impacts and define responses to risks for the Stadium Project consistent with Good Industry Practice.

"***Schedule of Submittals***" means the schedule of submittals to be agreed to by the Parties for the delivery of each Project Segment pursuant to the terms of Section 3.8 (*Additional Phase 1 Purchased Property and Sports Backers Parcel Closing Conditions*), Section 3.9 (*Additional Phase 2-4 Purchased Property Closing Conditions*) and Section 5.2 (*Submittals*).

"***Schematic Plans***" means plans, elevations, sections and other design materials that are usual and customary in accordance with Good Industry Practice to the schematic design phase of design and construction work and describe the scope and uses of the Project Segment to be developed and constructed on any portion of the Project Site, prepared in accordance with the Master Plan and Good Industry Practice.

"***School Board***" is defined in Section 10.10(c) (*Other Developer Community Undertakings*).

"***Senior Representative Negotiations***" is defined in Section 13.2 (*Senior Representative Negotiations*).

"***Significant Change***" means (a) any dissolution, reorganization, merger, succession, consolidation or otherwise of, or any issuance or transfer of beneficial interests in, any Lead Developer Party, directly or indirectly, in one or more transactions, that results in a change in the identity of the Persons Controlling a Lead Developer Party, or (b) the sale, transfer, conveyance, assignment or other disposition of fifty percent (50%) or more of the assets, capital or profits of any Lead Developer Party or any Person Controlling a Lead Developer Party other than a sale to an Affiliate.

"***Special Reserve Fund A***" is defined in Section 6.1(b) (*Revenue Bonds*).

"***Special Reserve Fund B***" is defined in Section 6.1(b) (*Revenue Bonds*).

"***Sports Backers Parcel***" means the approximately 6.6-acre parcel of real estate located at 2911 N. Arthur Ashe Boulevard owned by Virginia Commonwealth University and referenced in the records of the City Assessor as Tax Parcel No. N0001510001.

"***Stabilization***" means, with respect to an applicable Phase, (i) that at least ninety percent (90%) of the gross square footage set aside for Retail Use has been leased to and occupied by retail tenants, (ii) that at least eighty percent (80%) of the gross square footage set aside for Office Use has been leased to and occupied by commercial tenants, (iii) that at least ninety percent (90%) of the Residential Units have been leased to tenants (or if the Residential Units are condominium units, that at least ninety percent (90%) of such units have been conveyed to third parties) or (iv) that the Phase 1 Hotel has achieved sixty-five percent (65%) of occupancy over a twelve (12) month period.

"***Stadium***" is defined in Section 2.2(b) (*Stadium*).

"***Stadium Bonds***" means the Bonds to be issued to finance all or a portion of the costs of the Stadium Project.

"***Stadium Final Completion Conditions***" means completion of all Punch List items.

"***Stadium Funding Sources***" means, collectively, (a) the proceeds of Stadium Bonds, (b) the proceeds of the Startup EDA Bonds, (c) any EDA Funding Sources (including $10,000,000 of the sale proceeds of the Phase 1 Purchased Property), (d) any equity contribution from the Navigators and (e) any equity contribution from VCU.

"***Stadium Lease(s)***" means, collectively, the Navigators Stadium Lease and the VCU Stadium Lease.

*"**Stadium Parcel**"* means the approximately 6.69 acres of real property identified as S1 on Exhibit B (*Map Depicting Development Parcels*), which is to be established as an individual lot or parcel of record pursuant to Chapter 25 of the City Code.

"***Stadium Project***" is defined in the Recitals.

"***Stadium Project Delay Event***" means any of the following with respect to the Stadium Project:

(a) any Change in Law;

(b) any Legal Challenge;

(c) any Force Majeure event;

(d) any delay resulting from any act or omission by Major League Baseball, the Navigators or VCU;

(e) any delay resulting from the Navigators' failure to execute the Navigators Stadium Lease (following Major League Baseball's issuance of a letter of consent) by July 1, 2023;

(f) any failure to obtain, or delay in obtaining, any of the City Permits within thirty-five (35) Days of the time period afforded for the EDA's approval in the Project Schedule following the Developer's submittal of a complete and compliant (both with applicable Law and this Development Agreement) permit application therefor;

(g) any failure to obtain, or delay in obtaining, any of the Non-City Permits within sixty (60) Days of the latest review time for the EDA of any D&C Work permit under the Project Schedule, from submission of a complete and compliant application therefor;

(h) any preemption, confiscation, diversion, destruction or other interference in possession or performance of materials or services by a governmental entity in connection with an Emergency or any condemnation or other taking by eminent domain of any material portion of the Stadium Parcel;

(i) any unreasonable delay or failure by the City or the EDA in performing any of its material obligations under this Development Agreement;

(j) material loss, interruption or damage to the Stadium Parcel caused by a City Default;

(k) any Unknown Pre-Existing Hazardous Substances; and

(l) any Unforeseen Site Condition,

provided that the Stadium Project Delay Events do not include any delay that:

(i) could have been reasonably avoided by a Developer Party;

(ii) is caused by the negligence or misconduct of a Developer Party; or

(iii) is caused by any act or omission by a Developer Party in breach of the provisions of this Development Agreement or any Developer Party's applicable agreement with the Developer or any other party.

"***Stadium Project GMP***" is defined in Section 5.6(g) (*Costs of Construction*).

"***Stadium Project Scope of Work***" means the design, engineering, construction, equipping and furnishing of the Stadium as developed and agreed to by the EDA, the Developer, the Navigators and VCU.

"***Stadium Substantial Completion***" means the issuance by the EDA or the EDA Project Monitor of the Certificate of Substantial Completion and the issuance by the City of a temporary or permanent certificate of occupancy for the Stadium.

"***Stadium Substantial Completion Conditions***" has the meaning set forth in Section 5.9 (*Conditions to Stadium Substantial Completion*).

"***Stadium Substantial Completion Date***" means the date the Developer achieves Stadium Substantial Completion, as evidenced by the Developer's receipt of the Certificate of Substantial Completion from the EDA or the EDA Project Monitor.

"***Stadium Substantial Completion Deadline***" means December 31, 2025.

"***Startup CDA Bonds***" is defined in Section 6.1(b) (*Revenue Bonds*).

"***Startup EDA Bonds***" is defined in Section 6.1(b) (*Revenue Bonds*).

"***State Portion Sales Tax Revenues***" is defined in Section 6.1(b) (*Revenue Bonds*).

"***Subcontract***" means any contract or subcontract at any tier entered into by the Developer or the Developer's Contractors to perform the Work.

"***Subcontractor***" means a Person subcontracted to perform a portion of a contract by a Contractor or another Subcontractor.

"***Submittal***" means any document, design, drawing, or other written material submitted by any Developer Party to the City or the EDA, as applicable, for review, response and/or authorization to commence and complete any portion of the Work specified in such request.

"***Substantial Completion***" means (a) the City has certified for each applicable Public Infrastructure that it is suitable for its intended use in accordance with the terms and conditions set forth in Exhibit G (*Public Infrastructure*) and at least ninety-five (95%) of the D&C Work has been completed; (b) all Subcontractors who are providing or furnishing, or who have provided or furnished, materials or services in connection with the construction of such Public Infrastructure (including the Developer's general contractor) are entitled to final payment under their respective agreements with the Developer, exclusive only of any retainage held on account of Punch List items and

disputed amounts, in each case for which the Developer has provided evidence reasonably satisfactory to the City of the Developer's ability to pay such retainage or disputed amount (assuming the Developer does not prevail in such dispute(s)); and (c) all other requirements stated in this Development Agreement for Substantial Completion of such Public Infrastructure have been completed as certified by the Developer to the City through a certificate of completion for the applicable Public Infrastructure in accordance with Section 4.14 (*Project Reporting Manager*).

*"**Substantial Completion Date***" means the date upon which the Developer achieves Substantial Completion for the applicable Public Infrastructure.

"***Substantial Completion Deadline***" means the date by which the Developer must achieve Substantial Completion for the applicable Public Infrastructure, as may be adjusted from time to time in accordance with this Development Agreement by reason of the occurrence of any Delay Event prior to Substantial Completion of the applicable Public Infrastructure.

"***Target Budget***" is defined in Section 2.3(a) (*Project Budget*).

"***Technical Training Center***" is defined in Section 10.10(c) (*Other Developer Community Undertakings*).

"***Term***" is defined in Section **Error! Reference source not found.** (*Duration*).

"***Title Company***" is defined in Section 6.5(a) (*Generally*).

"***Total Development Progress***" is defined in Exhibit E-5 (*Development Progress Requirements*).

"***Total Development Progress Completion Deadline***" means December 31, 2036, as such date may be extended pursuant to the terms of this Development Agreement.

"***Total Restricted Transfer***" is defined in Section 12.1(c) (*Total Restricted Transfer of the Contract Documents*).

"***Transaction Documents***" means this Development Agreement and the PSA.

"***Transfer***" is defined in Section 12.1(a)(i) (*Restricted Transfers*).

"***Unforeseen Site Conditions***" is defined in Section 9.4 (*Unforeseen Site Conditions*).

"***Unknown Pre-Existing Hazardous Substances***" means any Hazardous Substances present on, in or under any Development Parcel or portion thereof as of the date that the Developer assumes responsibility for such Development Parcel or portion thereof pursuant to Section 9A.1(b) (*General Obligations*) and which are not Known Pre-Existing Hazardous Substances.

"***Unmatured Developer Event of Default***" means a circumstance that, with notice or passage of time, would constitute a Developer Event of Default.

*"**VCU**"* means Virginia Commonwealth University.

*"**VCU Stadium Lease**"* is defined in Section 3.2 (*Sale by EDA to Developer; Leasing by EDA*).

"***Verification***" means confirmation that a Major Submittal or other relevant document does not materially deviate from the Benchmark Requirements. "***Verify***" or "***Verified***" means to confirm or to be confirmed that a Major Submittal or other relevant document does not materially deviate from the Benchmark Requirements.

"***VUU***" is defined in Section 10.8 (*Diamond District Small Business Institute*).

"***Work***" means collectively, the development, planning, financing, funding, demolition, design, acquisition, installation, construction, draining, dredging, excavation, grading, completion, management, renovation, major repair, operation, ordinary repair, maintenance and similar activities and any other services identified in the Contract Documents to be performed by the Developer in connection with delivering the Project.

"***Zoning Confirmation Letter***" means a written document issued by the City's Zoning Administrator confirming conformance with City zoning regulations.

ARTICLE 2
PROJECT DESCRIPTION; PROJECT BUDGET

2.1 Project Site. The Project Site consists of approximately 67.57 acres and generally is bounded on the west by North Arthur Ashe Boulevard, on the north by Interstates 95 and 64, on the east by Hermitage Road and on the south by CSX Railroad right-of-way.

2.2 Project.

(a) **Master Plan**. The Master Plan for the Project Site, which is described in more detail in Exhibit A (*Master Plan*), includes:

(i) The Phase 1 Project, including: (A) the development and construction of a new Stadium that has a minimum total capacity of 9,000 attendees and complies with the minimum standards created and approved by Major League Baseball for a double A minor league baseball stadium (the "**Minimum Standard**") as well as the other requirements set forth in this Development Agreement; (B) the development, construction, financing, operation and maintenance of the Phase 1 Hotel; (C) the development, financing, construction, operation and maintenance of certain mixed-use development that would include a minimum of 1,212 new Residential Units (including a minimum of 194 Affordable Housing Units), a minimum of 23,000 square feet of Commercial Use space and approximately 1,290 structured parking spaces; (D) the construction of the

necessary Horizontal Public Infrastructure and the planned Park Space and Public Areas as set forth in Exhibit E-1 (*Phase 1 Project Components*) and Exhibit G (*Public Infrastructure*); and (E) the demolition of Sports Backers Stadium and the Diamond;

(ii) The Phase 2 Project, including: (A) the development, financing, construction, operation and maintenance of certain mixed-use development that would include a minimum of 776 new Residential Units (including a minimum of 108 Affordable Housing Units), a minimum of 287,000 square feet of Commercial Use space and approximately 1,480 structured parking spaces; and (B) the construction of the necessary Horizontal Public Infrastructure and the planned Park Space and Public Areas as set forth in Exhibit E-2 (*Phase 2 Project Components*) and Exhibit G (*Public Infrastructure*);

(iii) The Phase 3 Project, including (A) the development, financing, construction, operation and maintenance of certain mixed-use development that would include a minimum of 455 new Residential Units (including a minimum of 211 Affordable Housing Units), a minimum of 346,000 square feet of Commercial Use space and approximately 1,500 structured parking spaces; (B) the construction of the necessary Horizontal Public Infrastructure and the planned Park Space and Public Areas as set forth in Exhibit E-3 (*Phase 3 Project Components*) and Exhibit G (*Public Infrastructure*); and (C) the demolition of the Arthur Ashe Junior Athletic Center, provided that the City may elect to complete such demolition work at any time prior to the Developer's undertaking of the Phase 3 Project and shall be entitled to be reimbursed for the cost of such demolition work from the proceeds of the Bonds in accordance with Section 6.1(b)(ix) (*Revenue Bonds*); and

(iv) The Phase 4 Project, including (A) the development, financing, construction, operations and maintenance of certain mixed-use development that would include a minimum of 504 new Residential Units (including a minimum of 77 Affordable Housing Units), a minimum of 437,000 square feet of Commercial Use space and approximately 2,530 structured parking spaces; and (B) the construction of the necessary Horizontal Public Infrastructure and the planned Park Space and Public Areas as set forth in Exhibit E-4 (*Phase 4 Project Components*) and Exhibit G (*Public Infrastructure*).

Notwithstanding the foregoing, the components and schedule for completion of the development activities set forth in the Master Plan and each of the respective Phases may be modified or adjusted in accordance with the terms and provisions of this Development Agreement.

(b) **Stadium**. Subject to the constraint of the Target Budget, the Developer shall design, construct, and deliver a new minor league baseball stadium that complies

with the Minimum Standard, as described in Section 2.2(a)(i) (*Master Plan*) (the "**Stadium**") in accordance with the Project Schedule and this Development Agreement.

(c) **Hotel**. The Developer shall design, construct, finance, operate and maintain the Phase 1 Hotel (or, alternatively, the Developer shall cause the same to occur) in accordance with the Project Schedule, this Development Agreement and the Hotel Use Covenant pursuant to which the Developer will covenant, among the other matters, to cause the Phase 1 Project Site to include hotel use for a period of time at least contemporaneous with the period of time any Bonds or any City Bonds remain outstanding.

(d) **Mixed-Use Development**. The Developer shall design, construct, finance, operate and maintain on the Private Development Parcels a Mixed-Use Development (or, alternatively, the Developer shall cause the same to occur) in accordance with the Master Plan and the terms of this Development Agreement.

(e) **Affordable Housing**. As part of the Mixed-Use Development, the Developer shall construct a minimum of five hundred and ninety (590) Affordable Housing Units consisting of Affordable Housing Units for both rental and purchase on the Project Site, as further described in Section 10.2 (*Affordable Housing*) and Exhibit E -5 (*Development Progress Requirements*) (the foregoing obligations of the Developer being hereinafter referred to as the "**Affordable Housing Commitment**"). The Developer must satisfy its Affordable Housing Commitment no later than the applicable deadlines set forth for Minimum Development Progress in Exhibit E-5 (*Development Progress Requirements*) and otherwise in accordance with the terms of this Development Agreement.

(f) **Public Infrastructure.** The Developer shall perform the D&C Work (or, alternatively, the Developer shall cause the same to occur) necessary to develop and deliver each item of Public Infrastructure in accordance with this Development Agreement, the Project Schedule and applicable Law.

2.3 Project Budget.

(a) The EDA and the Developer shall mutually agree upon a target budget for the Phase 1 Project, including the cost of designing and constructing the Stadium and Public Infrastructure (the "**Target Budget**"). The Target Budget shall provide for capital investment at least equal to the Minimum Capital Investment for the Phase 1 Project.

(b) The Phase 1 Project shall have a minimum capital investment of $627.6 million, and the Project shall have an aggregate minimum capital investment of $2.44 billion (the "**Minimum Capital Investment**"). The Minimum Capital Investment shall consist of Bond Financing net proceeds, amounts made available from EDA Funding Sources, private equity, grant funds (excluding any grants sourced from City or EDA funds and any grants the award or receipt of which would

compromise the taxable status of any portion of the Private Development Parcels) and private financing used to develop the Project.

2.4 Additional Revenues Generated from Use of Private Development Parcels. During the period commencing on the Agreement Date and ending at the conclusion of the capitalized interest period for the Stadium Bonds and except as otherwise expressly provided herein, to the extent that the City, the EDA or the Developer generate non-tax revenue from the use for special events or otherwise of any of the Private Development Parcels prior to the sale of such Private Development Parcels to the Developer, or the Stadium Parcel or any Public Infrastructure Parcels prior to the commencement of any D&C Work thereon, or any publicly-owned parcels within the Diamond District, and such revenue is not required to be paid over to any other Person pursuant to any existing contractual obligation of the City, the EDA or the Developer to such Person, (a) the portion of such non-tax revenue, net of any expenses, allocable to EDA or City-organized events and activities shall be deposited into Special Reserve Fund A and (b) the portion of such non-tax revenue, net of any expenses, allocable to Developer-organized events and activities shall be deposited into a capital repair and maintenance account for the Stadium. Notwithstanding the foregoing, any such revenues realized from the Park Space and Public Areas in the Phase 1 Project following the completion of such Park Space and Public Areas shall be dedicated to the payment of operation and maintenance expenses for such Park Space and Public Areas.

ARTICLE 3
REAL ESTATE

3.1 Conveyance by City to EDA. On or before the Closing Date for the Phase 1 Purchased Property, the City shall convey to the EDA portions of the Project Site identified as Tax Parcel Nos. N0001510013, N0001510012, N001510020, N0001510011, N000151009, and N0001512001 in the records of the City Assessor.

3.2 Sale by EDA to Developer; Leasing by EDA.

(a) The EDA shall sell, and the Developer shall buy, the Purchased Property in phases no later than the applicable Outside Closing Date for such Purchased Property and pursuant to the terms and conditions set forth in this Development Agreement and the PSA attached as Exhibit C (*Form of Purchase and Sale Agreement*) hereto.

(b) The EDA shall apply the $10,000,000 of the proceeds from the sale of the Phase 1 Purchased Property to the Developer to the development of the Stadium Project. If the Stadium Project is determined not to be financeable pursuant to Section 6.3 (*Stadium Project Financing; Continued Development Rights; Reverter*), the EDA may use such sale proceeds for any lawful purpose.

(c) The EDA shall lease the Stadium for use by the Navigators and VCU, respectively, pursuant to the terms of (i) the Navigators Stadium Lease to be entered into by and between the Navigators and the EDA (the "**Navigators**

Stadium Lease"), and (ii) the VCU Stadium Lease to be entered into by and between VCU and the EDA or the Navigators (the "**VCU Stadium Lease**"), and such Stadium Leases shall be effective as of the Stadium Substantial Completion Deadline.

(d) The EDA shall provide the Developer with access to certain portions of the Project Site for the purposes of accommodating interim construction laydown activities and providing interim parking (for both construction vehicles and general parking) during the construction of the Project, provided that the Developer's use of any parking areas shall not interfere with use of such parking areas by the Navigators or by the City for any public or private events. Such portions of the Project Site and the terms of such access shall be set forth in an access or license agreement in a form to be mutually agreed upon by the Parties.

3.3 Sports Backers Parcel. Subject to any necessary authorizations and approvals, the EDA shall acquire the Sports Backers Parcel from the current owner of the Sports Backers Parcel not later than the Closing Date for the Sports Backers Parcel.

3.4 Zoning and Land Use Approvals. The Developer will be solely responsible for any required boundary line adjustments, lot consolidations, subdivisions, and right-of-way vacations required in order to form the Development Parcels and to obtain any rezoning or zoning modifications that may be required in order to permit the Developer to proceed with development of any Private Development Parcel. Subject to the provisions contained in Section 4.10 (*City Regulatory Approvals*), the City agrees to cooperate in good faith with the Developer's efforts to satisfy the obligations of the Developer set forth in this Section 3.4 (*Zoning and Land Use Approvals*).

3.5 Closing. Subject to satisfying the conditions precedent under the PSA and this Development Agreement for Closing, Closing for each portion of the Purchased Property for the applicable Phase shall be held on a date mutually acceptable to the Parties within sixty (60) Days after the date that the Developer gives notice to the City and the EDA certifying that all of the elements of the conditions precedent to Closing for such portion of the Purchased Property have either occurred or shall occur simultaneously with Closing (the "**Closing Date**"). In no event shall the Closing Date for any portion of the Purchased Property be held after the Outside Closing Date for such Purchased Property, as such Outside Closing Date may be extended pursuant to the terms of this Development Agreement, and if Closing has not occurred by such Outside Closing Date, unless caused by the City's or the EDA's breach under this Development Agreement or the PSA, the City and the EDA shall, among other remedies under this Development Agreement, be entitled to terminate the Developer's right to Close on such portion of the Purchased Property and retain the applicable portion of the Developer Land Purchase Deposit all in accordance with Section 6.5 (*Developer Land Purchase Deposit*) and ARTICLE 11 (*Events of Default and Termination).* Notwithstanding anything contained in this Section 3.5 (*Closing*) to the contrary, the EDA acknowledges and agrees that the Developer shall have the unilateral right to exercise a one-time twelve (12) month extension of the Outside Closing Dates for the Purchased Property (excluding the Phase 1 Purchased Property and the Sports Backers Parcel) upon written notice delivered to the

EDA at least three (3) months prior to the next occurring Outside Closing Date. For the avoidance of doubt, such unilateral extension right may only be exercised once during the Term and, if exercised, shall extend the Outside Closing Date for each remaining Phase of Purchased Property by twelve (12) months. In the event the Developer exercises such right: (a) the Outside Closing Dates for the remaining Phases of Purchased Property shall be extended by twelve (12) months; (b) each of the deadlines for completing the applicable Minimum Development Progress set forth in Exhibit E-5 (*Development Progress Requirements*) shall be extended by twelve (12) months and (c) the Total Development Progress Completion Deadline shall be extended by twelve (12) months. For the avoidance of doubt and for illustrative purposes only, if the Developer exercises such extension right in advance of the Outside Closing Date for the Phase 2 Purchased Property, (x) each of the Outside Closing Dates for the Phase 2 Purchased Property, the Phase 3 Purchased Property and the Phase 4 Purchased Property shall be extended to December 31, 2028, December 31, 2031, and December 31, 2034, respectively, (y) each of the deadlines for completing the Minimum Development Progress for Phase 1, Phase 2 and Phase 3 shall be extended to December 31, 2028, December 31, 2031, and December 31, 2034, respectively, and (z) the Total Development Progress Completion Deadline shall be extended to December 31, 2037. The EDA further acknowledges and agrees that the Developer shall have the right to request an additional extension of the Outside Closing Date for any portion of the Purchased Property for up to twelve (12) months for good cause shown, and, in such case, the EDA may, in its sole discretion, grant such extension, which extension will not be unreasonably withheld. Subject to the provisions of Section 14.2(g) (*Effect of Concurrent Private Development Delay Event and Unilateral Extension of Outside Closing Dates*), the Outside Closing Date may also be extended or delayed due to the occurrence of any Private Development Delay Event that directly and adversely impacts the Developer's ability to timely achieve Closing.

3.6 Construction Access Permit. The EDA shall provide the Developer with access to Stadium Parcel for the purposes of designing and constructing the Stadium Project commencing on a date to be mutually agreed to the EDA and the Developer and extending through the date of Final Completion of the Stadium Project. The terms of such access shall be set forth in an access or license agreement in a form to be mutually agreed upon by the Parties.

3.7 Pre-Closing Conditions. In addition to the requirements of Section 3.5 (*Closing*), the Phase 1 Purchased Property and each subsequent Phase of Purchased Property shall be conveyed to the Developer only upon satisfaction of the following pre-closing conditions:

(a) the Developer has completed or waived its Feasibility Studies with respect to the applicable Phase of Purchased Property in accordance with the provisions of ARTICLE 9 (*Site Investigation*) (for purposes of this subsection (a), the entire Sports Backers Parcel shall constitute a separate Phase of Purchased Property);

(b) the Developer has completed its Environmental Investigation with respect to the applicable Phase of Purchased Property in accordance with the provisions of ARTICLE 9A (*Hazardous Substances*) (for purposes of this subsection (b), the

entire Sports Backers Parcel shall constitute a separate Phase of Purchased Property);

(c) the Developer has applied for and obtained a Zoning Confirmation Letter with respect to the applicable Phase of Purchased Property (for purposes of this subsection (c), the entire Sports Backers Parcel shall constitute a separate Phase of Purchased Property);

(d) the Developer has applied for any rezoning or special use permits necessary to develop the applicable Phase of the Project (or shall have written confirmation from the City that no zoning changes are necessary to develop the applicable Phase of the Project) (for purposes of this subsection (d), the entire Sports Backers Parcel shall constitute a separate Phase of Purchased Property);

(e) the Developer has provided, in a form deemed acceptable by the EDA, in its reasonable discretion, proof that the Developer has the ability to secure financing sufficient to construct the applicable Phase of the Project (which, for purposes hereof, the City acknowledges and agrees may consist of commitment letters from debt and equity providers);

(f) the Developer has provided, in a form deemed acceptable by the City, in its reasonable discretion, proof that the Developer has complied with its obligations pursuant to Section 10.5 (*Jobs and Training*);

(g) the Developer has provided, in a form deemed acceptable by the City, in its reasonable discretion, proof that the Developer has required that all construction management companies, general contractors, and subcontractors commit to make a good faith effort to achieve certain employment outcomes for residents of the City during the construction of the Project in compliance with the provisions of Section 4.19 (*Construction Jobs for Richmond Residents*);

(h) the Developer has provided, in a form deemed acceptable by the City, in its reasonable discretion, and in compliance with the provisions of Section 10.3 (*Minority Business Enterprise and Emerging Small Business Participation*), for the Project:

(i) the Developer's MBE Plan; and

(ii) evidence of the Developer's proposed good faith efforts to achieve a goal of 40% Minority Business Enterprise and Emerging Small Business participation in the Project through (A) development and construction related activities before the issuance of a certificate(s) of occupancy and (B) in the management and operation of the Project after the certificate(s) of occupancy are issued;

(i) the Developer has provided, in a form deemed acceptable by the City, in its reasonable discretion, evidence of project labor agreements for the Project that at

a minimum include the following requirements for all construction management companies, general contractors, and subcontractors:

(i) to pay at a minimum $16.50 per hour or the prevailing wage rate for the City (whichever is higher) as determined by the U.S. Secretary of Labor under the provisions of the Davis-Bacon Act, 40 U.S.C. § 276 et seq., as amended, to each laborer, worker, and mechanic employed on the Project;

(ii) to participate in apprenticeship programs that have been certified by the Virginia Department of Labor and Industry or the U.S. Department of Labor, graduated at least one (1) enrollee in each of the last three (3) years, and graduated at least seventy-five percent (75%) of program enrollees; and

(iii) to provide health insurance and retirement benefits for all full-time employees performing work on the Project Site;

(j) the Developer has provided, in a form deemed acceptable by the City, in its reasonable discretion, evidence that it will require all construction management companies, general contractors, and subcontractors working on the Project and who are not parties to project labor agreements for the Project to pay at a minimum $16.50 per hour or the prevailing wage rates for the City (whichever is higher) as determined by the U.S. Secretary of Labor under the provisions of the Davis-Bacon Act, 40 U.S.C. § 276 et seq., as amended, to each laborer, worker, and mechanic employed on the Project; and

(k) the Developer and the EDA have executed the O&M Contract for the Park Space and Public Areas, and the Developer has delivered an executed O&M Guaranty if required by the terms of the O&M Contract.

For purposes of the Developer's compliance with the provisions of subsections (f), (g), (i) and (j) above, the forms of proof or evidence, as the case may be, shall be delivery of the forms of contracts containing the relevant required provisions or, in lieu thereof, delivery of correspondence or other similar writings between the Developer and its contractors and vendors evidencing the Developer's good faith efforts to meet the requirements described in the applicable subsection.

3.8 Additional Phase 1 Purchased Property and Sports Backers Parcel Closing Conditions.

(a) The following additional conditions must be satisfied at (or simultaneously with) the Closing for the Phase 1 Purchased Property or Closing shall not occur and the Phase 1 Purchased Property shall not be conveyed to the Developer: (i) the Developer, the EDA, the Navigators and VCU shall have agreed upon the Stadium Project Scope of Work; (ii) the Developer shall have received, in a form deemed acceptable by the Developer and the City, in their sole but reasonable discretion, evidence of a long-term commitment by Major League Baseball to maintain a baseball team in the City in the Stadium; (iii) the Developer shall have

delivered, and the EDA shall have accepted, a Schedule of Submittals for the Phase 1 Project (excluding the Stadium Project for which Schedule of Submittals shall be completed by the time set forth in Section 5.2 (*Submittals*) and a Critical Path Schedule, each in form and content approved by the EDA (such approval not to be unreasonably withheld so long as the Schedule of Submittals and Critical Path Schedule are consistent with the deadlines for achieving the relevant Development Progress Requirements and provide sufficient detail to allow the Delay Event regime set forth in ARTICLE 14 (*Delay Events*) to be implemented); (iv) the Developer and the EDA shall have agreed upon the Target Budget (including the budgets for the Stadium Project and the Public Infrastructure for the Phase 1 Project); and (v) the Developer and the EDA shall have agreed upon the scope of Eligible Mass Grading to be payable from proceeds of the City Bonds to be issued to finance the Public Infrastructure for the Phase 1 Project.

(b) In addition to the foregoing requirements that must be satisfied at (or simultaneously with the Closing for the Phase 1 Purchased Property), the Closing for the Phase 1 Purchased Property and the Sports Backers Parcel shall occur no later than the applicable Outside Closing Date for such Purchased Property.

3.9 Additional Phase 2-4 Purchased Property Closing Conditions. The following additional conditions must be satisfied prior to the Closing for each of the Phase 2 Purchased Property, the Phase 3 Purchased Property and the Phase 4 Purchased Property:

(a) The Closing for each Phase of the Purchased Property shall occur no later than the applicable Outside Closing Date for such Phase of the Purchased Property.

(b) The Developer shall have achieved the applicable Minimum Development Progress for the then-current Phase (including any applicable portion of the Work from prior Phases that must be completed as part of the then-current Phase) as set forth in Exhibit E-5 (*Development Progress Requirements*). For example, the Developer must achieve the Minimum Development Progress for the Phase 2 Project (including any applicable portion of the Work from the planned Phase 1 Project that must be completed as part of the Phase 2 Project) before it may Close on the Phase 3 Purchased Property.

(c) The Developer shall have satisfied all applicable performance targets and community undertakings for the then-current Phase, as set forth in Article 10 (*Performance Targets; Community Undertakings*).

(d) The Developer shall have delivered, and the EDA shall have accepted, a Schedule of Submittals and a Critical Path Schedule for the applicable Phase of the Project to be developed on such Purchased Property, each in form and content approved by the EDA (such approval not to be unreasonably withheld so long as the Schedule of Submittals and the Critical Path Schedule are consistent with the deadlines for achieving the relevant Development Progress Requirements and provide sufficient detail to allow the Delay Event regime set forth in ARTICLE 14 (*Delay Events*) to be implemented).

(e) The Developer and the EDA shall have agreed upon a budget for the Public Infrastructure for the applicable Phase of the Project to be developed on such Purchased Property.

(f) The Developer and the EDA shall have agreed upon the scope of Eligible Mass Grading to be payable from proceeds of the Public Infrastructure Bonds issued to finance the Public Infrastructure to be developed on such Phase of Purchased Property.

3.10 Taxable Parcels. Upon the initial conveyance of any Purchased Property to the Developer and at all times thereafter, the Purchased Property and all Improvements developed and constructed thereon from time to time, including, without limitation, the initial Improvements, shall be subject to full real estate taxes and assessments in the same manner as imposed by the City on other similarly situated properties located in the City. For so long as any Bonds or any City Bonds remain outstanding, neither the Developer nor any owner (excluding residential homeowners of the for sale Residential Units), lessee, sublessee, or user shall apply for or attempt to receive any tax abatement, tax exemption, or any other kind of relief from the payment of real estate taxes; provided, however, said Developer, owner, lessee, sublessee, or other user shall retain the right to appeal its real estate tax assessment in accordance with the then applicable appeals process. If, during the period that any Bonds or any City Bonds remain outstanding, the Developer, owner, lessee, sublessee, or user, or the Purchased Property and Improvements thereon are not subject to real estate taxation for any reason, said Developer, owners, lessees, sublessees, or users shall pay to the City annually an amount equal to the real estate taxes that would be required if subject to taxation. The foregoing provisions may be enforced by way of deed conditions for the benefit of the City operating as a covenant binding Developer, running with the land; by a requirement of City approval prior to any land transfer; or by similar or additional enforcement mechanisms. Notwithstanding the foregoing, the Developer and/or the owner of the Affordable Housing Units shall be entitled to participate in any tax abatement or similar programs that the City currently makes or may make publicly available to support the development of affordable housing; provided, however, the Developer may only participate in such programs if the revenues generated within the CDA District and the Incremental Tax Financing Area from the sources described above are producing surplus cash flows in excess of the amount required to pay the debt service on the Bond Financing.

3.11 Developer's Sale of Private Development Parcels.

(a) **Sale of Developed Parcels**. Except as otherwise expressly provided herein, if the Developer elects to sell any Private Development Parcel (including both land and any Improvements thereon), and there are net profits generated from such sale, net profits shall be payable at the time of closing thereon as follows: (i) first, such amount as is necessary to ensure that the Project investors have realized a minimum 20% internal rate of return on the equity invested in such Private Development Parcel shall be paid to the Project investors; and (ii) second, any remaining amount after the payment to the Project investors required pursuant to

clause (i) shall be shared equally by the Project investors and the City, with 50% of such remaining amount being paid to the Project investors and 50% of such remaining amount being paid to the City. For example, if a Private Development Parcel is sold and produces a 25% internal rate of return on the equity invested in such Private Development Parcel by the Project investors and the net profits generated from such sale above the minimum 20% threshold for the internal rate of return on the equity invested in such Private Development Parcel by the Project investors is $10,000,000, the City shall receive $5,000,000 (50% of $10,000,000) and the Project investors shall receive $5,000,000 (50% of $10,000,000). For purposes of this Section 3.11 (*Developer's Sale of Private Development Parcels*), (1) "net profits" means an amount equal to the sale price for such Private Development Parcel less the sum of (A) the purchase price for such Private Development Parcel, (B) the costs of Improvements thereon, (C) the interest expenses for debt incurred to pay the costs of Improvements thereon, (D) directly related soft costs (e.g., design fees, acquisition transaction costs, taxes, insurance and similar expenses) and (E) other reasonable, customary and actual expenses which add to the cost basis as reasonably determined in accordance with generally accepted accounting principles, including but not limited to the Private Development Parcel's pro rata share of other Diamond District project costs, including but not limited to community benefits as described in this Development Agreement; (2) "community benefits" means (A) the Developer's $1,000,000 contribution the Affordable Housing Closing Cost Fund to be established pursuant to Section 10.7 (*Affordable Housing Closing Cost Fund*), (B) the Developer's $500,000 contribution to the Diamond District Small Business Institute to be established pursuant to Section 10.8 (*Diamond District Small Business Institute*), (C) $50,000 of the Developer's total contribution to the Diamond District Scholarship Program to be established pursuant to Section 10.9 (*Diamond District Scholarship Program*), and (D) the Developer's contribution to the Diamond District Baseball League to be established pursuant to Section 10.10(b) (*Other Developer Community Undertakings*), provided that the prorated amounts of the costs described in clauses (A) through (D) shall be determined using a fraction equal to the acreage of the Private Development Parcel being sold over the total acreage of the Purchased Property and shall be based on the actual amounts the Developer has paid for such purposes through the time of sale of the applicable Private Development Parcel; and (3) "internal rate of return" means the rate at which the present value of the stream of income equals the amount of the investment.

(b) **Sale of Undeveloped Parcels**. Except as otherwise provided in subsection 3.11(c) (*Sale of Parcels to Identified Housing Developers*) below, any sale of an undeveloped Private Development Parcel to a third-party developer or other third-party purchaser shall be subject to the EDA's prior written approval (such approval not to be unreasonably withheld if the EDA determines that the proposed use of such Private Development Parcel will be consistent with the planned use of such Private Development Parcel as contemplated in the Exhibits to this Development Agreement). If the EDA approves the sale of an undeveloped Private Development Parcel, the EDA shall be entitled to receive 30% of the net

profits realized from such sale (calculated as described in (a) above, but substituting 30% for 50%). If the EDA does not approve the sale of an undeveloped Private Development Parcel within sixty (60) Days of receiving the Developer's written request for approval of the proposed sale of a Private Development Parcel (such written request to provide sufficient details and certifications to allow the EDA to determine whether the proposed use of such Private Development Parcel will be consistent with the planned use of such Private Development Parcel as contemplated in the Exhibits to this Development Agreement), the EDA shall, to the extent of any legally available funds, repurchase such Private Development Parcel from the Developer at a price per acre equal to (i) the price per acre initially paid by the Developer for the Phase of Purchased Property (or, in the case of any portion of the Sports Backers Property, a price per acre equal to the price per acre initially paid by the Developer for the Sports Backers Parcel) containing such Private Development Parcel plus (ii) the reasonable costs of carrying and improving such Private Development Parcel (including directly related soft costs).

(c) **Sale of Parcels to Identified Housing Developers**. Notwithstanding any provision herein to the contrary, no sale of a Private Development Parcel to Pennrose, LLC, Capstone Development, LLC, M Companies LLC, or Emerge Construction Group LLC, or any of their respective Affiliates, for the purpose of developing Residential Units or the Phase 1 Hotel as contemplated in the Exhibits to this Development Agreement shall be subject to the revenue sharing arrangements described in either clause (a) or (b) above.

(d) **Application of EDA's Share of Net Profits**. The Parties, as of the Agreement Date, intend that the EDA's share of such net profits will be used, subject to the approval of City Council, for programs that support economic inclusiveness, such as the City's Affordable Housing Trust Fund.

(e) **Applicability to Other Lead Developer Parties**. In addition, in the event the Developer sells or otherwise transfers a Private Development Parcel, whether developed or undeveloped, to another Lead Developer Party, the provisions of this Section 3.11 (*Developer's Sale of Private Development Parcels*) shall also apply to the Lead Developer Party's sale of such Private Development Parcels to a third-party developer or other third-party purchaser.

ARTICLE 4
DEVELOPMENT OF PROJECT

4.1 General Obligations.

(a) **General**. The Developer shall be solely responsible for performing (or, alternatively, the Developer shall cause to be performed any portion of) all Work necessary to design, build, and, where applicable, finance, operate and maintain, the Project and each Project Segment in accordance with the Master Plan, the Project Schedule (except to the extent any date therein is expressly superseded by

the Development Progress Requirements), the Development Progress Requirements, this Development Agreement, Good Industry Practice, applicable Law, each applicable Memorandum of Development Agreement, the Hotel Use Covenant, the Affordable Housing Covenants, the Master Plan Requirements and any other requirements in the Contract Documents.

(b) **Cost and Expense**. Except for (i) the costs of the Public Infrastructure for the Phase 1 Project to be paid from EDA Funding Sources (or from the proceeds of Public Infrastructure Bonds as contemplated in Section 6.1(f) (*Public Infrastructure Bond Funding of Phase 1 Public Infrastructure Costs*)) and (ii) the portions of the Project to be funded from (A) the Stadium Funding Sources or other Bond Proceeds (which the City has no moral or legal obligation to repay) or (B) such other EDA Funding Sources as the City in its sole discretion may elect to make available to pay the costs of the Public Infrastructure for subsequent Phases of the Project as described in Section 6.1(e) (*Alternative Funding for Public Infrastructure*), the Developer will satisfy its obligations under this Development Agreement at its sole cost and expense, without any legal, moral or financial recourse to any Indemnified Party. Notwithstanding anything contained herein or elsewhere in this Development Agreement to the contrary, except as otherwise expressly set forth in Section 5.6(g) (*Costs of Construction*) and except for the payment of moneys as may be determined to be due and payable by the Developer pursuant to the provisions of ARTICLE 13 (*Dispute Resolution Process*), the City and the EDA acknowledge and agree that the Developer shall have no obligation to fund (x) any costs of developing and constructing the Stadium Project in excess of the Stadium Funding Sources, (y) any costs of developing and constructing the Public Infrastructure for the Phase 1 Project, and (z) any costs of developing and constructing the Public Infrastructure for subsequent Phases of the Project in excess of the proceeds of the Public Infrastructure Bonds and such other sources of funding as the City in its sole discretion may elect to make available to pay the costs of the Public Infrastructure as described in Section 6.1(e) (*Alternative Funding for Public Infrastructure*).

4.2 Performance Security.

(a) **Developer Land Purchase Deposit**. As security for the Developer's payment of the Purchase Price (as defined in the PSA) and the Developer's performance of its obligations under the Contract Documents, the Developer shall deliver the Developer Land Purchase Deposit described further in Section 6.5 (*Developer Land Purchase Deposit*).

(b) **Construction Contract Guarantees**. With respect to the Stadium Project and the Public Infrastructure, to the extent any Developer Party obtains the benefit of a parent company guarantee for the performance of D&C Work arising out of this Development Agreement, such parent company guarantee must be assignable to the EDA or the City, as applicable, upon any termination of the Developer's applicable rights with respect to such Construction Contractor's Construction Contract.

4.3 Project Schedule.

(a) The Developer will perform (or, alternatively, the Developer shall cause to be performed) the Work and deliver the Project in accordance with the Project Schedule (except to the extent any date therein is expressly superseded by the Development Progress Requirements). Except as provided in Exhibit E-5 (*Development Progress Requirements*), the Project Schedule may not be materially amended or modified without the prior written consent of the City. Upon the occurrence of a Delay Event the portion of the Project Schedule directly and adversely effected by the Delay Event may be extended in accordance with ARTICLE 14 (*Delay Events*).

(b) To the extent that the Developer has failed to achieve (i) the applicable Minimum Development Progress for the then-current Phase (including any applicable portion of the Work from prior Phases that must be completed as part of the then-current Phase) by the Outside Closing Date for the succeeding Phase of the Purchased Property or (ii) the Total Development Progress for the Project by the Total Development Progress Completion Deadline, the EDA will have the rights and remedies described in Sections 6.5 (*Developer Land Purchase Deposit*) and ARTICLE 11 (*Events of Default and Termination*), as applicable.

4.4 City's Approval Rights Generally. Except as otherwise provided in this Development Agreement in respect of the Stadium Project and the Public Infrastructure, and provided the Developer is in compliance with its obligation to develop a Private Development Parcel in accordance with this Development Agreement, the City and the EDA acknowledge and agree that neither the City nor the EDA shall have the right to review and approve the plans for development of such Private Development Parcel by the Developer beyond (i) the verification rights set out in Section 4.5 (*Private Development Schedule of Submittals*), (ii) any Material Changes described in Section 4.8 (*Changes in the Master Plan Requirements*) and (iii) the normal and customary review and approval of plans undertaken by the City, acting in its governmental and/or regulatory capacity, in connection with the issuance by the City of any required zoning and land use approvals and building permits or otherwise exercising its rights under applicable Law.

4.5 Private Development Schedule of Submittals. As a condition to Closing on any Private Development Parcel, the Developer shall deliver (i) the Concept Plans for such Private Development Parcel and (ii) a draft Schedule of Submittals that includes dates for submission of the following Major Submittals, which shall be the only Major Submittals required for each of the Private Development Parcels:

(a) one hundred percent (100%) complete Schematic Plans based on the Concept Plans; and

(b) one hundred percent (100%) complete Design Documents based on the Concept Plans.

4.6 Private Development and Public Infrastructure Submittals.

(a) **Commencement of Work.** The Developer must not commence or permit the commencement of any Work under this Development Agreement with respect to any Private Development Parcel that is the subject of, governed by, or dependent upon, a Major Submittal until it has submitted the relevant Major Submittal to the EDA and either (i) the EDA has provided confirmation that the Major Submittal is not a Material Change or (ii) the EDA is deemed to have provided such confirmation in accordance with Section 4.7 (*Deemed Confirmation*).

(b) **Timing of Submittals.** Except as otherwise set forth herein, the Developer's submittal of any Major Submittal to the EDA will be deemed complete at 5:30 p.m. Eastern time on the seventh (7th) Business Day following its receipt by the EDA unless the EDA notifies the Developer in writing prior to 5:30 p.m. Eastern time on such seventh (7th) Business Day that such Major Submittal is incomplete or insufficient and sets forth in reasonable detail the incomplete elements of such Major Submittal.

(c) **EDA Review of Submittals.** In any case in which a Major Submittal is or has been deemed to be complete, the EDA will review and respond to such Major Submittal as promptly as reasonably possible, and no later than the later of (i) the date in the Schedule of Submittals for the EDA's response to such Major Submittal or (ii) twenty (20) Business Days after the date on which the Developer has delivered such Major Submittal to the EDA. The EDA will respond within such time period by (A) Verifying that the Major Submittal is not a Material Change or (B) providing a reasonably detailed notice to the Developer advising why a Major Submittal is a Material Change and why the Developer needs to amend such Major Submittal prior to proceeding to the next phase of Work. If the EDA comments on any Major Submittal in accordance with clause (B) of the preceding sentence, the Developer will resubmit the Major Submittal as promptly as reasonably possible, and the EDA will resume its review and respond to such Major Submittal by Verifying or commenting on the Major Submittal (provided that such Major Submittal is complete or has been deemed to be complete) within ten (10) Business Days following its receipt of a resubmittal or request. The EDA's review of a resubmittal will be limited to the issue, condition or deficiency which gave rise to the EDA's comments and will not extend to other aspects for which a notice of disapproval was not previously provided to the Developer unless the issue, condition or deficiency which gave rise to the EDA's comments reasonably relates to the EDA's disapproval for which notice was previously provided.

(d) **Disputes and Reasonableness**. Either Party will be entitled to resolve any Dispute regarding any Major Submittal in accordance with the dispute resolution procedures set forth in ARTICLE 13 (*Dispute Resolution Provisions*). In all cases where responses are required to be provided, such responses will not be withheld or delayed unreasonably, and such determinations will be made reasonably except in cases where a different standard is specified. The EDA will provide within ten (10) Business Days after a request by the Developer its rationale, in reasonable detail, for any non-verification of any matter.

(e) **No Waiver**. Notwithstanding any provision herein to the contrary, the review or verification by or on behalf of the EDA of any Major Submittal hereunder shall not constitute any representation, warranty, or agreement by the EDA, express or implied, with respect to the adequacy, sufficiency, completeness, utility, safety or functionality of the Major Submittal or the subject improvements and, without limitation, the release, waiver and other provisions of Section 6 in the PSA shall in any event be deemed to apply with respect to any such review and verification by or on behalf of the EDA.

4.7 Deemed Confirmation. In the event the EDA fails within twenty (20) Business Days of receipt of a complete or deemed complete Major Submittal, to respond to the Developer by either verifying that such Major Submittal is not a Material Change or providing reasonably detailed notice to the Developer advising why a Major Submittal is a Material Change, the EDA shall be deemed to have verified that such Major Submittal is not a Material Change.

4.8 Changes in Master Plan Requirements.

(a) **General Requirements**. The Developer may make changes to the Master Plan Requirements without the EDA's prior approval, provided such changes (i) are consistent with Laws and (ii) are not Material Changes. If the Developer desires to make any Material Changes (other than to the office components of the Master Plan), the Developer shall submit such proposed Material Changes to the EDA for approval. The EDA agrees that it shall respond (acting reasonably) to any such request within a reasonable period of time, not to exceed twenty (20) Business Days. Except with respect to proposed Material Changes to the office components of the Master Plan (which are addressed in subsection (b) below), if the EDA fails to respond to such request within twenty (20) Business Days of its receipt of such request, the EDA shall be deemed to have approved such Material Changes.

(b) **Adjustment to Commercial Components**.

(i) At any time on or after the tenth anniversary of the Commencement of Construction of the Phase 1 Project (the "**Office Development Target Deadline**"), if the Developer has used good faith efforts to pre-lease and build the Minimum Office Development but has been unable to pre-lease and build such office components in satisfaction of the Office Development Progress Target by the Office Development Target Deadline due to a lack of demand for office space within the Diamond District as demonstrated by the Developer, the Developer may present the EDA with a revised plan for development for some or all of the Office Parcels (a "**Revised Office Parcel Development Plan**," with any such plan constituting a Material Change), which plan shall include the development of a minimum number of parking spaces available for public use in connection with Stadium events (such minimum number of parking spaces to be determined by a parking consultant selected by mutual agreement of

the Parties) and shall be subject to the EDA's approval (which approval shall not be unreasonably withheld). The EDA agrees that it shall promptly meet with the Developer to review such Revised Office Parcel Development Plan and shall respond to any such request within a reasonable period of time, not to exceed twenty (20) Business Days. If the EDA fails to respond to such proposal within twenty (20) Business Days of its receipt of such request, the EDA shall be deemed to have rejected such Revised Office Parcel Development Plan. If the EDA rejects, or is deemed to reject, such Revised Office Parcel Development Plan, the Developer may submit a second Revised Office Parcel Development Plan within thirty (30) Business Days of the date the EDA rejected or was deemed to reject the initial Revised Office Parcel Development Plan. The second Revised Office Parcel Development Plan shall be subject to the EDA's approval (which approval shall not be unreasonably withheld). The EDA agrees that it shall promptly meet with the Developer to review such Revised Office Parcel Development Plan and shall respond to any such request within a reasonable period of time, not to exceed twenty (20) Business Days. If the EDA fails to respond to such proposal within twenty (20) Business Days of its receipt of such request, the EDA shall be deemed to have rejected such Revised Office Parcel Development Plan. If the EDA rejects, or is deemed to reject, such Revised Office Parcel Development Plan, the Developer shall continue its development activities in accordance with the Master Plan and the Development Progress Requirements.

(ii) If the EDA approves a Revised Office Parcel Development Plan, such plan shall afford the Developer a period of twelve (12) months to design and commence construction of the Revised Office Parcel Development Plan. In such event, the Minimum Office Development requirements shall be reduced or otherwise modified accordingly. With the exception of such modification of the Minimum Office Development requirements, all other Minimum Development Progress requirements and the Total Development Progress requirements and the deadlines to satisfy such requirements shall remain unchanged.

4.9 Progress Meetings/Consultation. During the performance of the Work with respect to the Private Development, the EDA and the Developer shall, on a quarterly basis, hold progress meetings to discuss the progress, status, challenges and schedule with respect to each Phase. To the extent that any challenges are identified with respect to any such Phase that the Parties determine the EDA can be of assistance with resolving, the EDA commits, in its reasonable discretion, to work with the Developer to attempt to resolve such challenges. In addition to the quarterly progress meetings provided for in this Section 4.9 (*Progress Meetings/Consultation*), the Parties shall communicate and consult informally as frequently as is necessary to ensure the efficient delivery of each Phase.

4.10 City Regulatory Approvals. The Developer acknowledges and agrees that the status, rights and obligations of the City, in its proprietary capacity under this Development

Agreement, are separate and independent from the status, functions, powers, rights and obligations of the City in its governmental and regulatory capacity and that nothing in this Development Agreement shall be deemed to limit, influence or restrict the City in the exercise of its governmental regulatory powers and authority with respect to the Developer, the Project or otherwise or to render the City obligated or liable under this Development Agreement for any acts or omissions of the City in connection with the exercise of its independent governmental regulatory powers and authority. Without limiting the preceding sentence, the Developer acknowledges that this Development Agreement does not limit the Developer's responsibility to obtain all Regulatory Approvals (and pay all related processing and development fees and satisfy all related conditions of approval) for the Project, including, but not limited to, zoning and building permits and regulations. The Developer understands that the entry by the City into this Development Agreement shall not be deemed to imply that the Developer will be able to obtain any required approvals from City departments, boards or commissions which have jurisdiction over the Project or any Development Parcel or from the City itself. By entering into this Development Agreement, the City is in no way modifying the Developer's obligations to cause the Development Parcels to be used and occupied in accordance with all Laws, as provided herein. Nothing herein shall be deemed to limit the rights and obligations of the Developer or the City under any Law as they pertain to the Project. To the extent the City implements a third party review process, the Developer agrees to use such process.

4.11 Approval of Other Agencies; Conditions. The Parties acknowledge that the Project and the Developer's contemplated uses and activities on the Development Parcels, and any subsequent changes in the Project, and any construction or alterations of Improvements, may require that Regulatory Approvals be obtained from governmental agencies with jurisdiction over the Private Development Parcels. The Developer shall be solely responsible for obtaining all such Regulatory Approvals as further provided in this Section. In any instance where the City or the EDA, as applicable, will be required to act as a co-permittee, and in instances where modifications are sought from any other governmental agencies in connection with the Developer's obligations regarding any Hazardous Substances release, or where the Developer proposes the construction of any Improvements which requires the City's approval, the Developer shall not apply for any Regulatory Approvals (other than a building permit from the City) without first obtaining the approval of the City or the EDA, which approval (except as otherwise expressly provided herein) will not be unreasonably withheld, conditioned or delayed. The Developer shall not agree to the imposition of conditions or restrictions in connection with its efforts to obtain a Regulatory Approval from any regulatory agency, if the City or the EDA, as applicable, is required to be a co-permittee under such Regulatory Approval or the conditions or restrictions could create any obligations on the part of the City or the EDA, as applicable, whether on or off the Private Development Parcels, unless in each instance the City or the EDA, as applicable, has previously approved such conditions or restrictions in writing in the City's or the EDA's, as applicable sole and absolute discretion. Except as otherwise expressly set forth herein, no such approval by the City or the EDA, as applicable, shall limit the Developer's obligation to pay all the costs of complying with such conditions under this Section 4.11 (*Approval of Other Agencies; Conditions*). All costs associated with applying for and obtaining any necessary

Regulatory Approval shall be borne by the Developer (including the City's or the EDA's, as applicable, costs as a co-permittee). With the consent of the City or the EDA (which shall not be unreasonably withheld, conditioned, or delayed), the Developer shall have the right to appeal or contest in any manner permitted by Law any condition imposed upon any such Regulatory Approval. The Developer shall pay and discharge any fines, penalties or corrective actions imposed as a result of the failure of the Developer to comply with the terms and conditions of any Regulatory Approval, and neither the City nor the EDA shall have any liability for such fines and penalties. Without limiting the indemnification provisions in the Contract Documents, the Developer shall indemnify the Indemnified Parties from and against any and all such fines and penalties, together with attorneys' fees and costs, for which the Indemnified Parties may be liable in connection with the Developer's failure to comply with any Regulatory Approval.

4.12 Cooperation; Project Expeditors.

(a) Without limiting the requirements set forth in Section 4.10 (*City Regulatory Approvals*), the Parties agree to communicate regularly and to cooperate in good faith regarding the Developer's efforts to obtain Regulatory Approvals for the Project from any regulatory agency. The Parties' obligation to cooperate in good faith shall include, but not be limited to, meeting and conferring as necessary, joint invitations to and attendance at meetings, with any regulatory agency, providing copies of correspondence received from or provided to any regulatory agency and execution of mutually acceptable applications as owner and applicant where necessary and appropriate to implement the Project and this Development Agreement; provided, however, that neither the City nor the EDA shall have any obligation to make any expenditures or incur any expenses in connection therewith other than reasonable administrative expenses.

(b) In order to assist the Developer with obtaining all required approvals and permits for the Phase 1 Project and each subsequent Phase of the Project in a timely fashion, the City shall designate an employee of the City to serve as the Project Expeditor (the "**Project Expeditor**"). The role of the Project Expeditor shall be to ensure that various City departments respond to submittals made by the Developer in connection with the Project in a timely manner. The Project Expeditor may, in turn, appoint a designee to serve as the Developer's day-to-day contact for all matters relating to the Project. If the Developer, acting reasonably and in good faith, determines that the Project Expeditor or, if applicable, the Project Expeditor's designee is ineffective, the Developer may request that the City appoint a new Project Expeditor or, if applicable, that the Project Expeditor appoint a new designee, and the City or, if applicable, the Project Expeditor shall consider such request in good faith and, if deemed appropriate, act accordingly.

4.13 Utilities.

(a) The Developer shall ensure that the performance of all Work involving the utility infrastructure owned by or to be dedicated to the City complies with the

requirements contained in Exhibit G (*Public Infrastructure*) to this Development Agreement.

(b) The City shall not be required, under this Development Agreement, to provide any utility services to any of the Development Parcels; however, the City, through its Department of Public Utilities, shall contract with the Developer to provide to each of the Development Parcels any public utility services requested by the Developer on the same terms and conditions as such public utility services are customarily made available to other property owners. The Developer shall be responsible for contracting with, and obtaining, all necessary utility and other services as may be necessary and appropriate to the uses to which the Development Parcels are put. The Developer will pay or cause to be paid as the same become due all deposits, charges, meter installation fees, connection fees and other costs for all public or private utility services at any time rendered to Project or any part of the Development Parcels and will do all other things required for the maintenance and continuance of all such services. The Developer agrees, with respect to any public utility services provided to the Development Parcels by the City outside of this Development Agreement, that no act or omission of the City in its capacity as a provider of public utility services shall abrogate, diminish or otherwise affect the respective rights, obligations and liabilities of the Developer and the City under this Development Agreement, or entitle the Developer to terminate this Development Agreement or to claim any abatement or diminution of amounts otherwise due and payable under any Contract Document. Further, other than claims arising from Delay Events that the Developer is entitled to assert under this Development Agreement, the Developer covenants not to raise as a defense to its obligations under this Development Agreement, or assert as a counterclaim or cross claim in any litigation or arbitration between the Developer and the City relating to this Development Agreement, any losses arising from or in connection with the City's provision of (or failure to provide) public utility services, except to the extent that failure to raise such claim in connection with such litigation would result in a waiver of such claim. The foregoing shall not constitute a waiver by the Developer of any claim it may now or in the future have (or claim to have) against any such public utility provider relating to the provision of (or failure to provide) utilities to the Development Parcels.

4.14 Project Reporting Manager. During the performance of the D&C Work for the Project, the Developer shall ensure that it or any third-party project manager retained to manage and develop a material portion of the Project (a "**Project Reporting Manager**") shall (a) in addition to the quarterly report provided for in clause (b) hereof, provide an annual report to the City, the EDA and the Developer on the progress of each Phase, (b) report to the City, the EDA and the Developer on a quarterly basis whether the construction of each Phase is on track with the Project Schedule and is substantially consistent with, and does not materially deviate from, the Project Plans and (c) provide written certification to the City and the EDA upon the Developer's achievement of Substantial Completion for any of the Public Infrastructure. The Project Reporting Manager shall promptly report any material issues or problems with respect to any Phase to the City and the Developer.

In no event shall the City or the EDA be responsible or incur any liability whatsoever related to report made by, or actions taken by, the Project Reporting Manager.

4.15 Key Personnel. The Developer acknowledges that the Developer's commitment to dedicate key personnel of the Developer is a material consideration to the City in entering into this Development Agreement. The Developer agrees that the personnel ("**Key Personnel**") identified on Exhibit T (*Key Personnel*) shall dedicate to the Project the time reasonably necessary to achieve Final Completion of each Phase. The Developer may, from time to time, propose to the City new Key Personnel to substitute for the Key Personnel identified in Exhibit T (*Key Personnel*), and such new Key Personnel shall be subject to the approval of the City, such approval not to be unreasonably withheld.

4.16 Required Contractor Provisions.

Each Construction Contractor for D&C Work on any Private Development Parcel and the Public Infrastructure will be subject at all times to the direction and control of the Developer, and any delegation to a Construction Contractor does not relieve the Developer of any of its obligations, duties or liability pursuant to this Development Agreement. Each Public Infrastructure Construction Contract must, except as waived by the EDA:

(a) require the Construction Contractor to accept the requirements applicable to the scope of work of such Construction Contractor under this Development Agreement on a back-to-back basis and require such Construction Contractor to provide the equivalent indemnity under Section 7.1 (*Indemnification of the City and the EDA*) for the benefit of the Indemnified Parties and make the Indemnified Parties third-party beneficiaries thereof;

(b) establish provisions for prompt payment by the Developer or applicable Subcontractor in accordance with the provisions of Sections 2.2-4347 through 4355 of the Code of Virginia, which would apply if either the EDA or the City was contracting with such Construction Contractor;

(c) require the Construction Contractor to carry out its scope of work in accordance with Law and all Regulatory Approvals;

(d) be fully assignable to the EDA (or its designee) upon termination of the Developer's right to continue performing D&C Work in connection with any Public Infrastructure, such assignability to include the benefit of allowing the EDA (or its designee) to step-in and assume the benefit and obligations of the Developer's contract rights and the work performed thereunder, with liability only for those remaining obligations accruing after the date of assumption, but excluding any monetary claims or obligations that the Developer may have against such Construction Contractor that existed prior to the EDA's or its designee's assumption of such Construction Contract;

(e) include express requirements that, if the EDA (or its designee) succeeds to the Developer's rights under the subject Construction Contract (by assignment or

otherwise), then the relevant Construction Contractor agrees that it will (i) maintain usual and customary books and records for the type and scope of operations of business in which it is engaged in respect of the Project (e.g., constructor, equipment supplier, designer, service provider) and (ii) permit audit thereof by the EDA (or its designee), and provide progress reports to the EDA (or its designee) appropriate for the type of Construction Contract;

(f) expressly provide that all liens and claims of any Subcontractors at any time will not attach to any interest of the EDA in the Project or the EDA property; and

(g) require the Construction Contractor to pay the local prevailing wage rate as determined by the U.S. Secretary of Labor under the provisions of the Davis-Bacon Act (40 USC §276 et seq., as amended) to each laborer, worker, and mechanic employed on the Project Site but in no case less than $16.50 per hour. This requirement shall include all unskilled and skilled laborers, workers or mechanics employed on the Project Site.

4.17 Signs. The Developer shall have the right to install or display signs and advertising that do not fall within one or more categories described in Exhibit N (*Morals Clause*) and are consistent and compliant with applicable Laws, including, without limitation, the zoning laws and regulations of the City and the master plan of the City. Such signage and advertising shall include, without limitation, interim signage facing Interstate 95 to promote the Project during pre-development and construction of the Phase 1 Project.

4.18 Sustainability.

(a) **LEED Silver**. With the exception of for sale Residential Units and stand-alone buildings exclusively containing retail space, the Developer shall design and construct all buildings within the Project such that the design and construction is reasonably consistent with the standards for LEED Silver Certification.

(b) **EarthCraft**. The Developer shall design and construct all for sale Residential Units such that the design and construction is reasonably consistent with the standards for EarthCraft Certification.

4.19 Construction Jobs for Richmond Residents. To the extent permitted by applicable Law and without establishing preferences for Virginia residents over non-Virginia residents, the Developer shall make good faith efforts to achieve a goal that 100% of construction laborers not previously employed by the contractors or subcontractors but hired to work on the construction of the Project are Richmond residents; that 60% of a contractor's or subcontractor's existing laborers employed in the construction of the Project are Richmond residents; that 50% of skilled construction trades workers not previously employed by a contractor or subcontractor but assigned to work on the construction of the Project are Richmond residents; and that 15% of a contractor's or subcontractor's existing skilled construction trades workers not previously employed by the contractor or subcontractor but hired to work on the construction of the Project are

Richmond residents, provided that all such residents meet all of the knowledge, skills and eligibility requirements for any such available position.

4.20 Union Labor Man-Hour Goal. To the extent permitted by Law, a goal of (a) 40% for construction man-hours for non-skilled and skilled union personnel shall apply to the Stadium Project and the Public Infrastructure and (b) 25% for construction man-hours for non-skilled and skilled union personnel shall apply to the Private Development.

4.21 City as Agent of EDA; Authority to Act.

(a) The Developer and the EDA acknowledge and agree that the City and its employees, contractors, agents and designees shall be responsible for performing all functions of the EDA under this Development Agreement and shall have the power to exercise all of the rights of EDA under this Development Agreement. Unless the context provides otherwise, all references in this Development Agreement to the EDA shall include the City.

(b) The Chief Administrative Officer of the City of Richmond, Virginia, or a designee thereof is authorized to act on behalf of the City under this Development Agreement. The Chief Administrative Officer will be the primary officer for the City responsible for administering this Development Agreement for the City.

(c) The Chair of the EDA or a designee thereof is authorized to act on behalf of the EDA under this Development Agreement. The Chair will be the primary officer for the EDA responsible for administering this Development Agreement for the EDA.

4.22 Conversion to Office Use. The EDA agrees that the Developer shall retain the right to convert a portion of the Phase 1 Project Site from multi-family residential use to Class-A office use, as shown in the conceptual site plan and rendering in Exhibit E-1 (*Phase 1 Project Components*). In the event the Developer exercises this conversion right, the minimum number of rental Residential Units required to be constructed in the Phase 1 Project shall be reduced by number of rental Residential Units intended to be constructed on such portion of the Phase 1 Project Site. Notwithstanding the foregoing, the Developer's obligation to construct and deliver the minimum Affordable Housing Units programmed for the Phase 1 Project will remain without reduction.

4.23 Public Realm Design Standards.

(a) **Standards Creation Process.** The Developer, the EDA and the City will collaborate to finalize the proposed Public Ream Design Standards Scope of Work set forth in Exhibit O (*Diamond District Public Realm Design Standards – Draft Scope of Work*). The process to develop the Public Ream Design Standards shall commence within 30 Days of the execution of this Development Agreement, and the Public Realm Design Standards shall be completed no later than September 1, 2023. The Developer shall hire the consultant team to create the Public Realm Design Standards, and the consultant fee may be paid from proceeds of the City Bonds.

(b) **Intent of the Standards.** The Public Realm Design Standards are intended to guide the uniform redevelopment of the Diamond District and the general area around the Diamond District to create a uniform, well-designed and functional urban realm to establish the Diamond District as a gateway to the City and will be developed to be consistent with and to support the realization of the Richmond 300 goals. The Public Realm Design Standards will establish requirements for the Private Development and Public Infrastructure to be developed within the Project Site and will serve as guidelines for development activities within the general area of the Diamond District.

(c) **Content of the Standards.** The Public Realm Design Standards at a minimum shall include standards for the following elements:

(i) **Street Hierarchy.** Map of the streets with hierarchies assigned and general widths and sections for all streetscape types based on street hierarchy.

(ii) **Public Realm Elements.** Pavement types in the sidewalk zone, amenity zone, building zone, and public spaces; landscape materials; architectural materials for elements that create space and place activities; furnishing and fixture elements (lighting, shelters, seating, trash and recycling receptacles, bollards, and planters); wayfinding signage; and public art.

4.24 Participation in Affordable Housing Programs. The Developer may participate in any publicly available affordable housing programs (including any to-be-created programs) in the development and financing of the Affordable Housing Units.

4.25 Easements for Hanover Water Line Relocation. The Parties acknowledge and agree that the City is in the process of relocating the Hanover water line located on the Purchased Property and that the relocation of such line will impact several Private Development Parcels. In connection therewith, the City and the EDA shall work with the Developer to minimize the amount of land within any Private Development Parcels required to be subject to easements in favor of the City to accommodate the relocation of such line so as to maintain sufficient amounts of developable land within each of the Private Development Parcels to permit the development of such Private Development Parcels by the Developer in accordance with the terms of this Development Agreement.

ARTICLE 5
STADIUM PROJECT

5.1 Stadium Project; Design and Construction.

(a) **General Covenants**. The Developer shall perform (or cause to be performed) all Work and provide (or cause to be provided) all materials, equipment and labor reasonably inferable from this Development Agreement necessary to deliver the Stadium Project in accordance with the Project Schedule. All Work shall be performed in accordance with (i) Good Industry Practice, (ii) all applicable Laws, (iii) the requirements of all Regulatory Approvals, (iv) the Benchmark

Requirements, (v) the Final Construction Documents and (vi) any other requirements in this Development Agreement.

(b) **Scope and Timing of Improvements**. The Parties acknowledge and agree that it is essential to the viability of the Master Plan and repayment of the Stadium Bonds that the Stadium Project is constructed in accordance with the deadlines in the Project Schedule. The Developer must commence abatement and demolition Work and achieve Stadium Substantial Completion in accordance with the Project Schedule.

(c) **Required Schedule and Liquidated Damages**. All the dates and time periods included in the Project Schedule for the Stadium Project are subject to extension if entitled to delay as a result of the occurrence of a Stadium Project Delay Event, including, without limitation, dates to commence Work on the Stadium Project and the Stadium Substantial Completion Deadline.

(i) **Liquidated Damages**.

(A) To the extent the Developer fails to achieve Stadium Substantial Completion by the Stadium Substantial Completion Deadline, then the EDA will be entitled to assess the Developer liquidated damages ("**Liquidated Damages**") in an amount equal to the amount that may be assessed against the EDA under the Navigators Stadium Lease for each Day of delay in achieving Stadium Substantial Completion beyond the Stadium Substantial Completion Deadline (except as otherwise expressly provided subsection (B) below). The Parties agree that the EDA shall include the Developer in negotiations with the Navigators of the liquidated damages provisions of the Stadium Navigators Lease.

(B) In the event that (1) the Developer delivers the notice described in Section 5.10(d) (*Stadium Substantial Completion Process*) prior to the Stadium Substantial Completion Deadline and (2) the EDA Project Monitor's inspection is not completed until after the Stadium Substantial Completion Deadline, Liquidated Damages will be payable in accordance with the provisions of this Section 5.1(c) (*Required Schedule and Liquidated Damages*) only if the EDA Project Monitor determines that any of the Substantial Completion Conditions have not been satisfied.

(ii) **Fair and Reasonable Damages**. The Parties, as sophisticated and experienced parties, agree that because of the unique and complicated nature of the Stadium Project, it is difficult or impossible to determine with precision the amount of damages and losses that would or might be incurred by the EDA as a result of a failure to timely achieve the Stadium Substantial Completion by the Stadium Substantial Completion Deadline and any Liquidated Damages paid under this provision are fair and

reasonable and represent a reasonable estimate of fair compensation for the damages and losses that will be incurred by the EDA as a result of a failure to timely achieve Stadium Substantial Completion by the Stadium Substantial Completion Deadline, including for (1) reputational credibility and damage due to a delay in opening the Stadium Project to the public, (2) loss of revenues and (3) loss of use, enjoyment and benefit of the Stadium Project and associated facilities by the general public and the EDA. The foregoing liquidated damages must be paid by the Developer within thirty (30) Days of the EDA's assessment of such amounts. Notwithstanding any other provision of this Development Agreement to the contrary, the EDA or the City, as applicable, may withhold Liquidated Damages from any payments due to the Developer under this Development Agreement or the Grant and Cooperation Agreement. The Parties hereby waive any defenses as to the validity of any Liquidated Damages stated in this Development Agreement as they may appear on the grounds that such liquidated damages are void as penalties or are not reasonably related to actual damages.

5.2 Submittals. Within thirty (30) Days of the Agreement Date, the Developer and the EDA must finalize the draft Schedule of Submittals for the Stadium Project providing further detail on the timing of the Major Submittals. Except as otherwise set forth in subsection (c) of this Section 5.2 (*Submittals*), if there is any conflict between the deadlines for the delivery of (i) Submittals by the Developer or (ii) the EDA responses, in an agreed Schedule of Submittals and any provision of this Development Agreement, the deadlines and response periods in the agreed Schedule of Submittals will take precedence. This Section sets forth procedures governing certain Submittals or requests by the Developer to the EDA (including, but not limited to, plans, schedules, Schematic Plans, Design Documents and Construction Documents) that must be Verified or require a comment, notification, determination, decision or other response (collectively, a "**Response**") from the EDA pursuant to this Development Agreement.

(a) **Commencement of Work**. The Developer must not Commence or permit the Commencement of any Work on the Stadium Project under this Development Agreement that is the subject of, governed by or dependent upon a Major Submittal until it has submitted the relevant Major Submittal to the EDA and the EDA Project Monitor and, the EDA or the EDA Project Monitor has Verified such Major Submittal.

(b) **Deemed Completed**. Except as otherwise set forth herein, any Submittal, resubmittal or request to the EDA will be deemed complete at 5:30 p.m. Eastern time on the seventh (7th) Business Day following its receipt by the EDA unless the EDA notifies the Developer in writing prior to 5:30 p.m. Eastern time on such seventh (7th) Business Day that such submittal, resubmittal or request is incomplete and sets forth in reasonable detail the incomplete elements of the Submittal, resubmittal or request.

(c) **Major Submittal.**

(i) **Review and Verification Process**. In any case in which a Major Submittal is or has been deemed to be complete under this Section 5.2 (*Submittals*), the EDA will review and respond to such Major Submittal as promptly as reasonably possible, and no later than the later of (i) the date in the Schedule of Submittals for the EDA's response to such Major Submittal or (ii) twenty (20) Business Days after the date on which the Developer (or the Construction Contractor) has delivered such Major Submittal to the EDA. The EDA will respond within such time period by (A) Verifying, commenting, certifying or taking other appropriate action with respect to such Major Submittal, or (B) advising the Developer that such Major Submittal materially deviates from the Benchmark Requirements by providing written notice to the Developer specifying in reasonable detail the EDA's determination. If the EDA does not Verify any Major Submittal in accordance with clause (B) of the preceding sentence, the Developer will resubmit the Major Submittal as promptly as reasonably possible and the EDA will resume its review and respond to such Major Submittal by Verifying or rejecting the Major Submittal (provided that such Major Submittal is complete or has been deemed to be complete under Section 5.2(b) (*Deemed Completed*)) within ten (10) Business Days following its receipt of a resubmittal. The EDA's review of a resubmittal will be limited to the issue, condition or deficiency which gave rise to the EDA's rejection and will not extend to other aspects for which a notice of disapproval was not previously provided to the Developer unless the issue, condition or deficiency which gave rise to the EDA's rejection reasonably relates to the EDA's disapproval for which notice was previously provided.

(ii) **Deemed Verified**. In the event the EDA fails within the time period required in Section 5.2(c)(i) (*Review and Verification Process*) above to either Verify or reject any Major Submittal, the Developer shall promptly provide a subsequent notice (the "**Second Notice**") and, should the EDA fail to respond, the EDA shall be deemed to have approved such Major Submittal ten (10) Business Days following the EDA's receipt of such Second Notice.

(d) **Disputes and Reasonableness**. Either Party will be entitled to resolve any Dispute regarding any Major Submittal in accordance with the dispute resolution procedures set forth in ARTICLE 13 (*Dispute Resolution Provisions*). In all cases where Responses are required to be provided, such Responses will not be withheld or delayed unreasonably, and such determinations will be made reasonably except in cases where a different standard is specified. The EDA will provide within ten (10) Business Days after a request by the Developer its rationale, in reasonable detail, for any disapproval of any matter.

(e) **No Waiver**. Notwithstanding any provision herein to the contrary, the review or approval by or on behalf of the EDA of any Submittal hereunder shall not constitute any representation, warranty or agreement by the EDA, express or implied, with respect to the adequacy, sufficiency, completeness, utility, safety or functionality of the Submittal or the Stadium.

5.3 EDA Project Monitor.

(a) **Generally**. The EDA will provide for the period through Final Completion of the Stadium Project a dedicated and independent project representative ("**EDA Project Monitor**"), the fees, costs and expenses of whom will be funded from Bond Proceeds up to a cap of $500,000 and at no cost to the Developer. The EDA Project Monitor will coordinate the D&C Work with the EDA, the City, the Developer and its Contractors (the "**Project Stakeholders**"). The EDA Project Monitor's primary responsibility will be to help enable efficient coordination among Project Stakeholders by acting as the reviewer, and where authorized by the EDA, Verifier of the Developer Submittals, including providing reasonable assistance to expedite the approval and review process for Submittals to the City and any other public entities issuing required Regulatory Approvals. The Developer must appoint a counterparty to the EDA Project Monitor who will have authority to act on behalf of the Developer in accordance with the requirements of this Development Agreement.

(b) **EDA Project Monitor Roles and Responsibilities**. The Developer will enable the EDA Project Monitor to attend regular coordinating meetings with the Developer and any Construction Contractors and be regularly informed as to the progress of the D&C Work throughout the duration of the Stadium Project. The EDA Project Monitor shall be able to review documentation submitted for such meetings. The Developer's construction manager shall provide the EDA Project Monitor with periodic reports regarding the progress of the D&C Work, and the EDA Project Monitor shall promptly report any issues or problems to the EDA and the Developer. The Developer acknowledges and agrees that the EDA Project Monitor's responsibility may include the following functions:

(i) regularly attending, where appropriate, meetings held by the Developer and any Contractor;

(ii) timely review, comment and, where permissible, Verification or rejection of any Submittals;

(iii) acting as a liaison with the City for any Regulatory Approvals required for the Stadium Project;

(iv) helping to coordinate with any City-owned utilities;

(v) reporting to the EDA and the Developer where it reasonably believes any of the Improvements being constructed materially deviate from the Benchmark Requirements;

(vi) certification that the Stadium Substantial Completion Conditions have been satisfied;

(vii) certification of the Stadium Project's achievement of Final Completion; and

(viii) any other activities necessary for the timely completion of all D&C Work.

(c) **Progress Meetings; Coordination**. From time to time at the request of the EDA or the Developer during the preparation of Construction Documents and throughout the performance of D&C Work, the EDA and the Developer shall hold progress meetings to discuss the Stadium Project's progress, status, challenges or schedule. The EDA and the Developer shall communicate and consult informally as frequently as is necessary to ensure the efficient delivery of the Stadium Project.

(d) **Enhanced Review and Verification**. If at any time the Developer has performed any portion of its D&C Work in a manner that materially deviates from the Benchmark Requirements, then, in addition to other remedies available pursuant to this Development Agreement and the other Contract Documents, the EDA, with written notice to the Developer given concurrently with the increase in the EDA Project Monitor's monitoring or as soon as practicable thereafter, is entitled to adequately and appropriately increase the level of the EDA Project Monitor's monitoring of the Stadium Project and the Developer's compliance with its obligations pursuant to this Development Agreement until such time as the Developer has reasonably demonstrated to the EDA's reasonable satisfaction that it will perform and is capable of performing its applicable obligations pursuant to this Development Agreement. The Developer will compensate the EDA for all of its reasonable costs and expenses incurred by the EDA as a result of such increased level of monitoring from and after the date on which such increased level of monitoring begins.

5.4 Commencement of Construction. Notwithstanding any provision herein to the contrary, the Developer shall not commence construction Work on any portion of the Stadium Project until (i)(A) the Developer has notified the EDA that the Developer has satisfied the conditions and requirements for the Stadium Project set forth below or (B) the EDA has waived such conditions or requirements (which waiver shall be in the EDA's sole and absolute discretion) and (ii) the EDA has issued a notice to proceed (a "**NTP**") for such construction Work, which the EDA shall issue upon satisfaction of the following conditions:

(a) the EDA has received the Major Submittals for the Stadium Project;

(b) the EDA has confirmed the Construction Contract for the Stadium Project has been executed and satisfies the requirements in Section 5.8 (*Construction Contract Requirement*) and this Development Agreement;

(c) the EDA has received copies of the Project Management and Execution Plan, the Health and Safety Plan, the Quality Management Plan and the Risk Management Plan and either (i) Verified such Submittals or (ii) failed to respond within twenty (20) Days;

(d) the Developer has obtained all Regulatory Approvals necessary to commence and complete the applicable portion of the D&C Work;

(e) all insurance required to perform the applicable portion of the D&C Work is in place and in full force and effect;

(f) the conditions precedent to Financial Close as set forth in Section 6.1(d) (*Conditions Precedent to Financial Close*) have been satisfied and Financial Close has been achieved; and

(g) all other conditions precedent in this Development Agreement to commencement of the relevant D&C Work have been satisfied.

5.5 EDA Verification of Revised Construction Documents. If the Developer desires to make any deviation or modification to the Final Construction Documents after the EDA has Verified the same, then the Developer shall provide written notice and details of the proposed deviation or modification to the EDA. If the EDA concludes that such deviation or modification does not materially deviate from the Benchmark Requirements, the EDA shall notify the Developer in writing of its Verification within fifteen (15) Days of receipt of the Developer's notice of the proposed change. Any non-Verification shall state, in writing, the reasons therefor and shall be made within such fifteen (15) Day period. If the EDA fails to respond to any proposed change within such fifteen (15) Day period, such failure shall not constitute a default under this Development Agreement on the part of the EDA, but, in such case, the proposed change shall be deemed Verified by EDA, provided that the Developer first provides the EDA with at least fifteen (15) Days prior written notice that the Developer intends to deem the proposed change so approved. Contemporaneously with its Verification of the Final Construction Documents, the EDA shall adopt a process to expedite the review and Verification of deviations or modifications to the Final Construction Documents.

5.6 Construction Performance Security.

(a) **Performance and Payment Bond**. The Developer will furnish or require the Construction Contractor to furnish an expedited dispute resolution performance bond (the "**Performance Bond**") in the amount of 100% of the Stadium Project GMP and a payment bond (the "**Payment Bond**") in the amount of 100% of the Construction Contract Price, each in substantially the form set forth in Exhibit K (*Form of Performance Bond and Payment Bond*).

(b) **Guaranty**. Subject to Section 5.7(c) (*Parent Guaranty*), a joint and several Design & Construction Guaranty from an Acceptable Guarantor for each member of a Construction Contractor guaranteeing the Construction Contractor's

performance of its obligations under the Construction Contract, each in substantially the form set forth in Exhibit J (*Form of Parent Guaranty*).

(c) **Retainage**.

(i) In accordance with the Financing Documents, the trustee responsible for administering the Bonds will be entitled to retain from each payment made to the Developer for any D&C Work completed for the Stadium, an amount equal to five percent (5%) of each payment to be paid to the Construction Contractor (the "**Retainage Amount**"). Each such Retainage Amount will be deposited by the trustee in a subaccount (a "**Retainage Account**") for the EDA's benefit up and until it is released under this Section 5.6(c) (*Retainage*).

(ii) Subject to, and in accordance with the Financing Documents, the EDA will be entitled to apply any such Retainage Amounts retained within the Retainage Account (proportionate to the Construction Contractor's culpability for such Developer Event of Default) for (A) reimbursement to the EDA for any of its Losses incurred in connection with (i) any Developer Event of Default caused by the Construction Contractor or (ii) any third-party claim against the EDA or the City due to the Developer's breach of this Development Agreement caused by a Construction Contractor act or omission under a Construction Contract or (B) following the Developer's termination of the Construction Contractor, providing the Developer with resources reasonably necessary to procure and complete the D&C Work on the Stadium Project prior to the Stadium Substantial Completion Deadline by replacing the terminated Construction Contractor with a new qualified, competent and capable Construction Contractor, as may be approved in accordance with the terms of this Development Agreement.

(iii) Within twenty (20) Days of achieving Final Completion, the EDA will release any remaining Retainage Amounts back to the Developer.

(d) **Performance Security General Provisions.**

(i) The Design & Construction Guaranty will provide that it may be transferred by the Developer to the EDA, as beneficiary, with rights to draw upon or exercise other remedies thereunder if the EDA succeeds to the position of the Developer under the Construction Contract. The Performance Bond and Payment Bond must be issued by an Eligible Security Provider and name the EDA as an additional obligee pursuant to a multiple obligee rider.

(ii) The EDA may draw on any form of Construction Performance Security either individually or simultaneously, and unless otherwise specified in this Development Agreement, a draw on any form of Construction

Performance Security will not be conditioned on prior resort to any other security or each other form of Construction Performance Security. If the EDA receives proceeds of a draw on any Construction Performance Security in excess of the relevant obligation, the EDA will promptly refund the excess to the Developer (or to its designee) after all relevant obligations are satisfied in full.

(iii) The Developer or its Construction Contractors will obtain and furnish all Construction Performance Security and replacements thereof at its sole cost and expense and will pay all charges imposed in connection with the EDA's presentment of sight drafts and drawing against any Construction Performance Security or replacements thereof (to the extent made in accordance with the terms hereof).

(iv) In the event the EDA makes a permitted assignment of its rights and interests under this Development Agreement, the Developer will cooperate so that concurrently with the effectiveness of such assignment, either replacement Construction Performance Security for, or appropriate amendments to, the outstanding Construction Performance Security will be delivered to the assignee naming the assignee as replacement.

(e) **Construction Standards**. All D&C Work shall be accomplished in accordance with the Final Construction Documents, the Stadium Project Scope of Work, the Benchmark Requirements, Good Industry Practices and applicable Laws.

(f) **Safety Matters**. The Developer shall undertake measures in accordance with Good Industry Practice to minimize the risk of injury, damage, disruption or inconvenience to the Stadium Parcel, the Improvements, and surrounding property, and the risk of injury to members of the public, caused by or resulting from any of its performance under this Development Agreement. The Developer shall make adequate provision in accordance with Good Industry Practice for the security of the Stadium Parcel and the safety and convenience of all Persons affected by such construction, including erecting construction barricades substantially enclosing the area of such construction and maintaining them until construction has achieved Stadium Substantial Completion, to the extent reasonably necessary to minimize the risk of hazardous construction conditions. Without limiting the foregoing, in accordance with the provisions of Good Industry Practice, the Developer shall:

(i) take all necessary precautions for the safety and security of the D&C Work and provide all necessary protection to prevent damage, injury or loss caused by trespass, negligence, vandalism, malicious mischief or any other course related to the D&C Work for: (A) workers at the Stadium Parcel and all other Persons who may be involved with deliveries or inspections, (B) visitors to the Stadium Parcel, (C) passersby, neighbors and adjacent properties, (D) materials and equipment under the care,

custody or control of the Developer or subcontractors on the Stadium Parcel, and (E) any other EDA property;

(ii) establish and enforce all necessary safeguards for safety and protection, including posting danger signs and other warnings against hazards;

(iii) implement a comprehensive safety program in accordance with applicable Law;

(iv) give all notices and comply with all applicable Law relating to the safety of Persons or property or their protection from damage, injury or loss;

(v) operate and maintain all equipment in a manner consistent with the manufacturer's safety requirements;

(vi) provide for safe and orderly vehicular movements; and

(vii) comply with the Health and Safety Plan.

(g) **Costs of Construction**.

(i) **Responsibility for Costs**. All Work comprising the Stadium Project Scope of Work will be performed under the Construction Contract. Except as otherwise provided herein, all costs and expenses of the Stadium Project Scope of Work to be performed pursuant to this Development Agreement, whether onsite or offsite, including, without limitation, the cost of connections to existing utility lines in adjacent rights-of-way, shall be paid from the Stadium Funding Sources, and the Developer shall be entitled to payment from the Stadium Funding Sources under and in accordance with the Financing Documents as well as any other agreements, instruments or resolutions governing the Stadium Funding Sources for such Work (including, without limitation, D&C Work) actually completed in an amount not to exceed the Construction Contract's guaranteed maximum price (the "**Stadium Project GMP**"), as may be adjusted in accordance with the Construction Contract. Notwithstanding any provision herein to the contrary, the Developer shall be responsible for the payment of any cost overruns with respect to the Work comprising the Stadium Project Scope of Work that are attributable to the actions or inactions of any Developer Party. With respect to any cost overruns that are the result of any changes to the scope of the Stadium Project Scope of Work requested by the City, the EDA or the Navigators, the party requesting such changes shall be solely responsible for such cost overruns. In addition, if the City, the EDA or the Navigators request any changes to the scope of the Stadium Project Scope of Work and subsequently withdraw such request after revisions are made to the Design Documents to accommodate such request, the costs incurred to make such revisions to the Design Documents shall be treated as cost overruns and shall be the responsibility of the party requesting such changes. Without limiting the

preceding provisions, the Developer shall be responsible for performing all site preparation work necessary for construction of the Improvements. Such preparation shall include, without limitation, all excavation, demolition and removal or remediation of Hazardous Substances, disabled access, demolition of existing structures, grading and all structure and substructure work, public access improvements and Developer improvements. The costs of such site preparation work shall be included in the costs and expenses of the Work comprising the Stadium Project Scope of Work and funded as set forth hereinabove.

(ii) **EDA Funding Sources Available for Design Costs; Commencement of Stadium Design**. Contemporaneously with the execution and delivery of this Development Agreement, the EDA shall issue a promissory note to the Developer evidencing the EDA's commitment to reimburse the Developer for costs incurred in connection with the design of the Stadium prior to the establishment of the CDA (the "EDA Stadium Design Note"). Prior to the issuance of the EDA Stadium Design Note, the Parties shall determine an initial scope for the preliminary design work and a fee for such scope of work, and the EDA Stadium Design Note shall be issued in an initial principal amount equal to such initial fee. The Parties shall engage a Public Finance Consultant to establish the interest rate on the EDA Stadium Design Note, and the term of the EDA Stadium Design Note shall be established by mutual agreement of the Parties. Such EDA Stadium Design Note shall be payable from the EDA Funding Sources, which repayment shall be subject to appropriation of sufficient amounts for such purpose by the City Council, provided that the EDA Stadium Design Note may be increased in amount by mutual agreement of the Parties and may be refunded by, or otherwise incorporated into the loan evidenced by, the Startup EDA Bonds. After the initial scope of design work is completed, the Parties may expand the scope of design work to enable further development of the Stadium design and agree to an increase in the principal amount of the EDA Stadium Design Note, and such process may be repeated as needed until the CDA is created. The Developer shall commence the design work for the Stadium upon the issuance of the EDA Stadium Design Note.

(h) **Rights of Access**. During any period prior to Final Completion, the EDA and its agents, including the EDA Project Monitor, shall have the right to enter areas in which D&C Work is being performed and to inspect the progress of the Work, provided that, at any time, the EDA and its agents shall comply with the Developer's site access requirements and Health and Safety Plan and shall not interrupt the Developer's performance of the Work. Nothing in this Development Agreement, however, shall be interpreted to impose an obligation upon the EDA to conduct such inspections or any liability in connection therewith. During any such inspections by the EDA and its Agents, the EDA and its Agents shall comply with any and all reasonable safety and security procedures and guidelines that the

Developer or any applicable Construction Contractor may then have in effect at the Stadium Parcel.

(i) **As-Built Plans and Specifications**. The Developer shall furnish to the EDA one set of as-built plans and specifications with respect to all Improvements within one hundred twenty (120) Days following completion of those Improvements. If the Developer fails to provide such as-built plans and specifications to the EDA within the time period specified herein, and such failure continues for an additional thirty (30) Days following written request from the EDA, the EDA will thereafter have the right to cause an architect or surveyor selected by the EDA to prepare as-built plans and specifications showing the Improvements, and the Developer shall reimburse the EDA for the reasonable cost of preparing such plans.

5.7 Construction Contractor.

(a) **Subcontracting D&C Work**. The Developer's selection of each Construction Contractor shall be subject to the reasonable approval of the EDA. The EDA acknowledges and agrees that Whiting-Turner and Prestige Construction are approved to serve as Construction Contractors for the Stadium Project D&C Work. Each Construction Contractor will be subject at all times to the direction and control of the Developer, and any delegation to a Construction Contractor does not relieve the Developer of any of its obligations, duties or liability pursuant to this Development Agreement. Any agreement between the Developer and any Construction Contractor will by its terms terminate, without penalty, at the election of the EDA upon five (5) Days' notice to such Construction Contractor upon the termination of this Development Agreement. The Construction Contractor will have no interest in or rights pursuant to this Development Agreement or the Stadium Project.

Each Construction Contractor and its Construction Contract will comply with this Development Agreement, and the material terms of each proposed Construction Contract must be consistent with the corresponding duties and obligations of the Developer pursuant to this Development Agreement and the other Contract Documents, as applicable.

(b) **Developer Performance Obligations**. If the Developer has entered into a Construction Contract, notwithstanding its use of a Construction Contractor, the Developer remains responsible for the D&C Work in accordance with this Development Agreement. The Developer will immediately notify the EDA upon the termination, replacement or removal of any Construction Contractor.

(c) **Parent Guaranty**. To the extent that any Construction Contractor is a joint venture entity or is not the ultimate parent company of a Construction Contractor, then the Developer must require the Construction Contractor to provide a Design & Construction Guaranty in substantially the form attached as Exhibit J (*Form of Parent Guaranty*). Such Design & Construction Guaranty must be assignable to

the EDA in the event the Developer is terminated under the Construction Contract.

5.8 Construction Contract Requirement. Each Construction Contract for the Stadium Project must, except as waived by the EDA:

(a) have a guaranteed maximum price for the performance of all D&C Work;

(b) have a committed date for achieving Stadium Substantial Completion no later than the Stadium Substantial Completion Deadline;

(c) accept the requirements applicable to the scope of work of such Construction Contractor under this Development Agreement on a back-to-back basis and require such Construction Contractor to provide the equivalent indemnity under ARTICLE 7 (*Indemnity*) for the benefit of the Indemnified Parties and make the Indemnified Parties third-party beneficiaries thereof;

(d) be assignable to the EDA through a direct agreement in the form attached as Exhibit P (*Subcontractor Direct Agreement*);

(e) commit to delivering the Stadium Project in accordance with the Stadium Project Scope of Work;

(f) set forth a standard of professional responsibility or a standard for commercial practice equal to Good Industry Practice for work of similar scope and scale and will set forth effective procedures for claims;

(g) establish provisions for prompt payment by the Developer in accordance with the provisions of Sections 2.2-4347 through 4355 of the Code of Virginia, which would apply if either the EDA or the City was contracting with such Construction Contractor;

(h) require the Construction Contractor to carry out its scope of work in accordance with Law, the Stadium Project Scope of Work, all Regulatory Approvals, Good Industry Practice and the terms, conditions and standards set forth in this Development Agreement;

(i) set forth warranties (with a minimum one-year warranty period), guaranties and liability provisions of the contracting party in accordance with Good Industry Practice for work of similar scope and scale;

(j) be fully assignable to the EDA upon termination of this Development Agreement or notice of termination to the Developer under such Construction Contract, such assignability to include the benefit of allowing the EDA to step-in and assume the benefit and obligations of the Developer's contract rights and the work performed thereunder, with liability only for those remaining obligations accruing after the date of assumption but excluding any monetary claims or obligations that

Developer may have against such Construction Contractor that existed prior to the EDA's assumption of such Construction Contract;

(k) include express requirements that if the EDA succeeds to the Developer's rights under the subject Construction Contract (by assignment or otherwise), then the relevant Construction Contractor agrees that it will (i) maintain usual and customary books and records for the type and scope of operations of business in which it is engaged in respect of the Stadium Project (e.g., constructor, equipment supplier, designer, service provider) and (ii) permit audit thereof by the EDA and provide progress reports to the EDA appropriate for the type of Construction Contract;

(l) not be assignable by the Construction Contractor without the EDA's and the Developer's prior written consent; provided, that the foregoing will not limit permitted subcontracting of the Work;

(m) expressly require the Construction Contractor to participate in meetings between the Developer, the EDA and any other stakeholder, upon the EDA's reasonable request, concerning matters pertaining to such Construction Contractor or its work; provided, that nothing in this Section 5.8 (*Construction Contract Requirements*) will limit the authority of the EDA to give such direction or take such action which in the opinion of the EDA is necessary to remove an immediate and present threat to the safety of life or property;

(n) expressly provide that subject to there being no breach of a contractual obligation to make payments to the Construction Contractor by the Developer, all Liens and claims of any Subcontractors at any time will not attach to any interest of the City or the EDA in the Stadium Project or the Stadium Parcel;

(o) be consistent in all other material respects with the terms and conditions of this Development Agreement to the extent such terms and conditions are applicable to the scope of work of such Construction Contractor; and

(p) require the Construction Contractor to pay the local prevailing wage rate as determined by the U.S. Secretary of Labor under the provisions of the Davis-Bacon Act (40 USC §276 et seq., as amended) to each laborer, worker, and mechanic employed on the Stadium Project but in no case less than $16.50 per hour. This requirement shall include all unskilled and skilled laborers, workers or mechanics employed on the Stadium Project.

5.9 Conditions to Stadium Substantial Completion. Stadium Substantial Completion will occur upon the EDA's or the EDA Project Monitor's certification that all of the following conditions with respect to the Stadium Project (the "**Stadium Substantial Completion Conditions**") have been satisfied (or waived by the EDA in its sole discretion):

(a) all of the D&C Work (other than Punch List items) has been completed in accordance with the Final Construction Documents, such that the EDA, the Navigators, VCU and any other required third parties are able to use the Stadium

Project in accordance with the Benchmark Requirements and this Development Agreement;

(b) the Construction Contractor has certified, substantially in the form agreed between the Parties, that all D&C Work (other than Punch List items) has been completed in accordance with the requirements of this Development Agreement;

(c) the engineer of record or the architect of record has inspected and certified, substantially in the form agreed between the Parties, that all D&C Work (other than Punch List items) has been completed in accordance with the requirements of the Contract Documents;

(d) all required certifications for the Final Construction Documents and for all mechanical, electrical, electronics and other systems have been received;

(e) the Developer has prepared, and received approval from the EDA, the Navigators and VCU of, the Punch List for the Stadium Project, as applicable;

(f) all required Regulatory Approvals needed for occupancy of the Stadium Project have been obtained and copies have been provided to the EDA;

(g) the Developer has satisfied all other obligations for the Stadium Project under this Development Agreement (other than those obligations which are not required to be satisfied until Final Completion); and

(h) the Developer has provided the EDA with copies of any manuals or documentation (other than Punch List items) reasonably necessary to enable the EDA to be able to efficiently and competently use and operate the Stadium Project.

5.10 Stadium Substantial Completion Process.

(a) The Developer must provide written notice to the EDA of the anticipated date for satisfying all Stadium Substantial Completion Conditions no later than ninety (90) Days prior to the anticipated date. The notice must include a list of all Stadium Substantial Completion Conditions that will be satisfied to allow the EDA to issue the Certificate of Substantial Completion. No later than sixty (60) Days prior to satisfying all of the Stadium Substantial Completion Conditions, the Developer must meet and confer with the EDA Project Monitor to confirm that the requirements described above are in the process of being satisfied in accordance with this Development Agreement.

(b) Following the initial meeting, the Developer and the EDA, acting through the EDA Project Monitor, will meet, confer and exchange information on a regular basis to allow the EDA Project Monitor to orderly and timely inspect the Stadium Project, review the Final Construction Documents for the Stadium Project, and determine whether the Developer has satisfied all of the Stadium Substantial Completion Conditions.

(c) For purposes of allowing the Developer to prepare the Punch List and obtain approval thereof from the EDA, the Navigators and VCU, the Parties shall convene a meeting with the Navigators and VCU and begin work on the Punch List no later than thirty (30) Days prior to the date set forth in the Developer's notice to the EDA as the anticipated date for satisfying all Stadium Substantial Completion Conditions. Thereafter, the Parties shall continue to meet and confer with the Navigators and VCU on the Punch List on a regular basis to allow the Parties, the Navigators and VCU to reach agreement on the final Punch List. The EDA shall ensure that the Stadium Leases require the Navigators and VCU to participate in this process.

(d) The Developer must provide written notice to the EDA promptly after it has satisfied all of the Stadium Substantial Completion Conditions, together with all supporting documents for the Stadium Project. Within thirty (30) Days of receiving the Developer's notice, the EDA Project Monitor must:

(i) inspect the Stadium Project, review the Final Construction Documents and conduct any other investigation as may be necessary to evaluate whether the Stadium Substantial Completion Conditions have been satisfied; and

(ii) following the inspection referred to above, either:

(A) if the EDA Project Monitor determines that all of the Stadium Substantial Completion Conditions have been satisfied, issue the Certificate of Substantial Completion; or

(B) if the EDA Project Monitor determines that any Stadium Substantial Completion Condition has not been satisfied, notify the Developer in writing of those Stadium Substantial Completion Conditions that have not been satisfied.

(e) The Developer must notify the EDA if it disputes the EDA Project Monitor's determination within five (5) Days of receiving such determination. If the Developer does not notify the EDA of a dispute within that five-Day period, the Developer will be deemed to have accepted the EDA Project Monitor's determination.

(f) If the Developer accepts or is deemed to have accepted the EDA Project Monitor's determination, the Developer may resubmit a notice once all Stadium Substantial Completion Conditions have been satisfied.

(g) If the Developer issues a notice disputing the EDA Project Monitor's decision and the Parties are unable to resolve the dispute within a further fourteen (14) Days of that notice, the matter will be resolved in accordance with ARTICLE 13 (*Dispute Resolution Provisions*).

(h) In connection with the EDA's issuance of the Certificate of Substantial Completion, the EDA, acting through the EDA Project Monitor, may in its

discretion add or remove items to or from the Punch List, provided any modifications to the Punch List made by the EDA Project Monitor must be submitted to the Developer in writing no later than ten (10) Business Days after the EDA Project Monitor's inspection of the Stadium Project.

5.11 Effect of Certificate of Substantial Completion; No Use Prior to Substantial Completion.

(a) Issuance of the Certificate of Substantial Completion will not:

(i) relieve the Developer of its obligation to complete the remaining Work;

(ii) be construed to constitute an extension of the Developer's time to complete the remaining Work; or

(iii) release the Developer from any obligations under this Development Agreement (including its obligations with respect to insurance coverage).

(b) Prior to the issuance of a Certificate of Substantial Completion, the EDA shall not permit the Navigators or VCU to begin using the Stadium to host baseball games.

5.12 Final Completion Process; Deadline.

(a) The Developer must provide written notice to the EDA of the anticipated date for Final Completion no later than twenty (20) Business Days prior to the anticipated date for satisfying all of the Stadium Final Completion Conditions. The notice must include a list of all Stadium Final Completion Conditions that will be satisfied to allow the EDA to issue the Certificate of Final Completion.

(b) The Developer must meet and confer with the EDA, acting through the EDA Project Monitor, to confirm that the list of requirements is in accordance with this Development Agreement. Following the initial meeting, the Developer and the EDA, acting through the EDA Project Monitor, will meet, confer and exchange information on a regular basis to allow the EDA Project Monitor to orderly and timely inspect the Stadium Project and determine whether the Developer has satisfied all of the Stadium Final Completion Conditions.

(c) The Developer must provide written notice to the EDA promptly after it has satisfied all of the Stadium Final Completion Conditions, together with all supporting documents.

(d) Within twenty (20) Business Days of receiving the Developer's written notice:

(i) the EDA Project Monitor must inspect the items on the Punch List, review the as-built drawings and carry out any other investigation as may be necessary to evaluate whether Final Completion has been achieved; and

(ii) following the inspection referred to above, must either:

(A) if the EDA Project Monitor determines that all of the Punch List items have been completed, issue the Certificate of Final Completion; or

(B) if the EDA Project Monitor determines that any Punch List item has not been completed, notify the Developer in writing of those Punch List items that have not been satisfied.

(e) The Developer must notify the EDA if it disputes the EDA Project Monitor's determination within five (5) Days of receiving the EDA Project Monitor's determination. If the Developer does not notify the EDA of a dispute within that five-Day period, the Developer will be deemed to have accepted the EDA Project Monitor's determination.

(f) If the Developer accepts or is deemed to have accepted EDA's determination, the Developer may resubmit a notice once all Punch List items have been satisfied.

(g) If the Developer issues a notice and the Parties fail to resolve the dispute within an additional fourteen (14) Days of that notice, the matter will be resolved in accordance with ARTICLE 13 (*Dispute Resolution Provisions*).

(h) Final Completion of the Stadium shall be achieved no later than sixty (60) days following the Stadium Substantial Completion Date, which deadline for Final Completion may be extended upon the occurrence of a Stadium Project Delay Event occurring after the Stadium Substantial Completion Date.

ARTICLE 5A
STADIUM PROJECT OPERATIONS AND MAINTENANCE

5A.1 Operations, Maintenance and Commercialization Responsibility. Except to the extent that the Stadium Leases provide that the Navigators and/or VCU are responsible for any such obligations, the Parties acknowledge and agree that, subject to the terms of this Development Agreement, the EDA shall be responsible for all operations, maintenance and commercialization of the Stadium; provided, however, in connection with the delivery of the Stadium at Stadium Substantial Completion and through Final Completion of the Stadium Project, the Developer shall cooperate fully with the EDA and its selected operations, maintenance and commercialization contractor for the Stadium in providing all manuals and such other information as are necessary to operate and maintain the Stadium.

ARTICLE 5B
PUBLIC INFRASTRUCTURE

5B.1 Public Infrastructure Work. The Developer shall ensure that the performance of all Work involving the Public Infrastructure complies and is performed in accordance with the requirements contained in Exhibit G (*Public Infrastructure*). To the extent of any discrepancy or inconsistency between the main body of this Development Agreement and Exhibit G (*Public Infrastructure*), Exhibit G shall prevail.

5B.2 Developer Dedication of Horizontal Public Infrastructure. The Developer shall dedicate the Horizontal Public Infrastructure to the City pursuant to Exhibit G (*Public Infrastructure*).

5B.3 Developer Conveyance of Park Space and Public Areas. The Developer shall convey to the EDA, concurrent with the Substantial Completion of the Public Infrastructure, the Park Space and Public Areas. Prior to the conveyance of the Park Space and Public Areas to the EDA, the Developer, at its option, may form a property owners' association that may include as members the owners of all of the Private Development Parcels, and such property owners' association, if the Developer elects, may assume responsibility for the operation and maintenance of the Park Space and Public Areas in accordance with the O&M Contract.

5B.4 Required Schedule; Extensions; and Substitute Performance.

(a) All of the dates and time periods included in the Project Schedule for the Public Infrastructure are subject to extension if entitled to delay as a result of the occurrence of a Public Infrastructure Delay Event, including, without limitation, dates to commence Work on the Public Infrastructure and the Substantial Completion Deadlines. In addition, in the event the Developer fails to achieve Substantial Completion of any Public Infrastructure by the applicable Substantial Completion Deadline set out in the Project Schedule, and provided the Developer is diligently and continuously pursuing Substantial Completion of such Public Infrastructure, the Developer shall have the unilateral right, upon prior written notice to the EDA, but without the EDA's prior approval, to exercise a one-time six (6) month extension (a "**Long Stop Extension**") of the Substantial Completion Deadline for such Public Infrastructure. The Developer shall not be entitled to a Long Stop Extension where there is any other ongoing or concurrent Developer Default or the Developer is otherwise failing to diligently and continuously pursue Substantial Completion of such Public Infrastructure.

(b) In the event of any failure to achieve Substantial Completion of all or a portion of the Public Infrastructure by the applicable Substantial Completion Deadline (as such Substantial Completion Deadline may be extended pursuant to a Long Stop Extension), the EDA, in its sole discretion, may select a replacement contractor or project manager, in accordance with the EDA's procurement processes and applicable Law, to complete or manage the remaining D&C Work for the applicable Public Infrastructure. If the EDA elects to engage a replacement contractor or project manager, the Developer shall pay (i) the costs incurred by the EDA in selecting such replacement contractor or project manager to complete such D&C Work and (ii) to the extent that the costs of such Public Infrastructure exceed the price set forth in the Construction Contract for such Public Infrastructure, the portion of any such increased costs that are attributable solely to the gross negligence or willful misconduct of any Lead Developer Party.

5B.5 Management Fee. The Parties acknowledge and agree that in connection with the D&C Work with respect to the Public Infrastructure in any Phase, the Developer shall have right to charge a management fee of 3.0% for such D&C Work.

ARTICLE 6
FINANCIAL TRANSACTIONS

6.1 Bond Funding.

(a) **Community Development Authority.** The Parties acknowledge and agree that the Stadium Project, the Public Infrastructure and certain grading of the Project Site as contemplated in the definition of "Bond Proceeds" will be undertaken, developed and constructed, as applicable, to benefit the properties within the boundaries of the CDA District and intend to use the powers of the CDA Act, including, without limitation, the provisions of the CDA Act that permit the CDA Special Assessments to be imposed on the Private Development Parcels at various times following the Developer's purchase thereof. The City, the EDA and the Developer shall work collaboratively to cause the creation of the CDA for the purpose of financing the Public Infrastructure, the Stadium Project and such eligible grading work.

(b) **Revenue Bonds.**

(i) The City, the EDA, and the Developer shall use all commercially reasonable efforts to cause the issuance of revenue bonds by the CDA or the EDA, as the Parties mutually agree, to finance the development and construction of the Public Infrastructure (except for the Public Infrastructure for the Phase 1 Project, which is intended to be paid from proceeds of the City Bonds, but may also be paid in part from the proceeds of Public Infrastructure Bonds as described in Section 6.1(f) (*Public Infrastructure Bond Funding of Phase 1 Public Infrastructure Costs*)) and the Stadium Project (not including structured parking) and the completion of Eligible Mass Grading and to pay or reimburse all fees related to establishing the CDA and issuing the bonds ("**Bonds**"). The Bonds shall be secured by certain hereinafter described revenues paid to or collected by the CDA and the EDA, as applicable, and shall be non-recourse to the City; therefore, not requiring a moral or financial obligation from the City. Among other sources described in this ARTICLE 6 (*Financial Transactions*) and except as otherwise expressly provided herein, the Bonds shall be secured by CDA Special Assessments imposed on the Private Development Parcels that obligate the Developer, in its capacity as a landowner, and other future landowners within the CDA District to pay all debt service payment shortfalls in the event the Diamond District Pledged Revenues are not sufficient to pay debt service payments; provided, however, that any Bonds issued to finance future improvements, expansions or enhancements to the Stadium following Final Completion thereof shall not be secured by any CDA Special Assessments without the

prior written consent of the Developer in its sole discretion. The CDA Special Assessments shall be imposed in an amount equal to (A) the forecasted debt service on (1) all Stadium Bonds Stadium Bonds and all Startup EDA Bonds anticipated to be issued to fund the costs of completing the Stadium Project Scope of Work and (2) all Public Infrastructure Bonds anticipated to be issued to fund the costs of the Public Infrastructure for the Project and (B) the forecasted administrative expenses of the CDA, the EDA and the City in connection with the use of the CDA to facilitate the financing of the Stadium and the Public Infrastructure.

(ii) Prior to the completion of the Phase 1 Project, in the event that the Developer is required to pay any CDA Special Assessments, the purchase price for Phase 2 Purchased Property shall be discounted dollar for dollar up to $7,260,000. To the extent the Developer is required to pay CDA Special Assessments in excess of $7,260,000 prior to the completion of the Phase 1 Project, the excess may be carried forward and applied, together with any amount described in the following sentence, as a discount on the purchase price for the Phase 3 Purchased Property. Also, prior to the completion of development of the Phase 2 Project, in the event that the Developer is required to pay any CDA Special Assessments, the purchase price for the Phase 3 Purchased Property shall be discounted dollar for dollar up to $16,390,000. In no event may any of the foregoing amounts be carried forward and applied as a discount on the Purchase Price for the Phase 4 Purchased Property.

(iii) Revenue from the VCU Stadium Lease shall be used to pay debt service for the Bonds. Subject to annual appropriation by City Council, the City agrees to transfer to the EDA pursuant, and subject, to the terms of the Grant and Cooperation Agreement the following general fund revenues generated in the Incremental Tax Financing Area in such amounts as are necessary to pay debt service on the Bonds (such appropriated amounts, the "**Incremental Tax Financing Area Revenues**"):

- Real Estate Tax
- Meals Tax (not to include the portion dedicated to Richmond Public Schools)
- Local Portion of the State Sales Tax
- Admissions Tax
- Business, Professional and Occupational License Tax

(iv) The Chief Administrative Officer shall ensure that the head of each applicable department reporting to the Chief Administrative Officer includes, in the annual estimates of revenue and expenditure for that department submitted to the Mayor for inclusion in the Mayor's proposed annual budget submitted to City Council, a request that the aforementioned general fund revenues be transferred to the EDA to pay

debt service on the Bonds until such time as the Bonds have been repaid in full.

(v) The City will coordinate with the Developer, the EDA and the CDA to establish the following revenue sources in the CDA District to pay debt service on the Bonds:

- 2.00% surcharge paid by hotel guests at hotels (the "**Hotel Use Surcharge**")
- 0.25% surcharge paid by consumers for all purchases (the "**Consumer Purchase Surcharge**")

(vi) The City will use its best efforts to collaborate with the Developer to facilitate the transfer of the State portion of the Sales Tax generated in the Stadium to pay debt service on the Bonds and to request approval from the Commonwealth of Virginia to allow the State portion of the Sales Tax generated in the CDA District and outside of the Stadium ("**State Portion Sales Tax Revenues**") to be used to pay debt service on the Bonds.

(vii) In addition to other customary reserve funds, the EDA shall create Special Reserve Fund A ("**Special Reserve Fund A**"). The EDA shall fund Special Reserve Fund A from the following sources during the period commencing on the Agreement Date and ending at the conclusion of the capitalized interest period for the Stadium Bonds: (a) any amounts required to be deposited thereto pursuant to Section 2.4 (*Additional Revenues Generated from Use of Private Development Parcels*), (b) any payments to, or on behalf of the EDA, under the VCU Stadium Lease, (c) any payments made pursuant to the Grant and Cooperation Agreement, (d) any CDA Special Charges and (e) if authorized, any State Portion Sales Tax Revenues. Special Reserve Fund A and its associated accumulated interest shall be available and used for debt service payments on the Bonds. The Developer shall forego its development fee for the Stadium to create and fund Special Reserve Fund B ("**Special Reserve Fund B**") in the amount of three percent (3%) of the total cost of the Stadium Project. Special Reserve Fund B and its associated accumulated interest shall be available and used for debt service payments on the Bonds. In the event that the amounts in either such reserve fund have not previously been applied to the payment of debt service on the Stadium Bonds, such amounts shall be used to retire the Stadium Bonds at maturity.

(viii) The Developer shall fund advances of up to $20 million on behalf of the EDA to enable certain D&C Work for the Stadium Project to commence prior to the sale of the initial series of the Bonds. On or before September 30, 2023, the EDA shall issue one or more revenue bonds in a corresponding principal amount to evidence the EDA's commitment to repay such advanced funds (the "**Startup EDA Bonds**"), provided that the principal amount the Startup EDA Bonds may be increased by the amount

required to enable the Developer to meet its obligations under Section 6.3 (*Stadium Project Financing; Continued Development Rights; Reverter*). At the discretion of the EDA, the EDA Stadium Design Note may be refunded by, or otherwise incorporated into the loan evidenced by, the Startup EDA Bonds. The Startup EDA Bonds shall constitute a limited obligation of the EDA payable from the sources and in accordance with, and subject to, the terms described below. The Parties shall engage a Public Finance Consultant to establish the interest rate on the Startup EDA Bonds, and the term of the EDA Stadium Design Note shall be established by mutual agreement of the Parties. The Startup EDA Bonds shall be secured initially by a subordinate pledge of the Diamond District Pledged Revenues and the CDA Special Assessments, provided that the pledge and payment of any such Diamond District Pledged Revenues (including, but not limited to, any amounts realized from incremental tax revenues from the Project Site and payments made pursuant to the terms of the VCU Stadium Lease) shall be contingent on (A) the creation of the CDA, (B) the imposition of the CDA Special Assessments and (C) the issuance of a corresponding CDA bond secured initially by a subordinate pledge of the CDA Special Charges and the CDA Special Assessments (the "Startup CDA Bond"). The Startup CDA Bond shall be issued to the EDA, which shall assign all amounts payable thereunder to the holders of the Startup EDA Bonds. Furthermore, repayment of the Startup EDA Bonds (including from amounts payable under the Startup CDA Bond) shall only be made if the following conditions are satisfied: (1) the Developer has completed the Phase 1 Project, (2) the revenues from the Phase 1 Project available for debt service payments on the Stadium Bonds (excluding, for such purpose, any Startup EDA Bonds or Startup CDA Bonds) due in the current year exceed the debt service coverage requirements for the Stadium Bonds for such year and (3) except as set forth in the following sentence, the Developer has closed on the purchase of the Private Development Parcels necessary to complete Phase 2 of the Project. Notwithstanding the foregoing, if the determination is made by the Parties pursuant to Section 6.3 (*Stadium Project Financing; Continued Development Rights; Reverter*) that the Stadium Project is not financeable through no fault of the Developer and the EDA fails to approve the development of future Phases of the Project beyond the Phase 1 Project by the Developer pursuant to Section 6.3 (*Stadium Project Financing; Continued Development Rights; Reverter*), the condition set forth in clause (3) of the preceding sentence shall not apply.

(ix) In the event the City elects to demolish the Arthur Ashe Junior Center prior to the Developer's undertaking of the Phase 3 Project, the EDA shall use the proceeds of the Public Infrastructure Bonds issued for the Phase 2 Project, to the extent any such proceeds are available at such time, to reimburse the City for the costs of such demolition work during the Developer's construction of the Phase 2 Project. In the event the proceeds of the Public Infrastructure Bonds issued for the Phase 2 Project are not

available or sufficient reimburse such costs, the EDA shall use such portion of the proceeds of the Public Infrastructure Bonds issued for the Phase 3 Project to reimburse the City for such costs.

(c) **Financial Close Process**.

(i) For each series of Bonds, the Developer shall notify the City at least thirty (30) Days in advance of the date the Developer anticipates satisfying all of the conditions precedent to Financial Close for the applicable series of Bonds described in Section 6.1(d) (*Conditions Precedent to Financial Close on the Bonds*) below.

(ii) Upon satisfaction, or waiver by the City or the EDA, as applicable, of each of the conditions described in Section 6.1(d) (*Conditions Precedent to Financial Close on the Bonds*), the City will work with the EDA and the CDA to facilitate Financial Close on the applicable series of Bonds.

(d) **Conditions Precedent to Financial Close on the Bonds**. The City will not permit Financial Close on a series of the Bonds or any City Bonds until each of the following conditions precedent to Financial Close are achieved or waived by the City or the EDA, as applicable:

(i) the EDA has recorded the deeds delivered by the City pursuant to Section 3.1 (*Conveyance by City to EDA*);

(ii) the Developer's representations and warranties made in the Contract Documents are true and correct in all material respects on and as if made on the Financial Close date;

(iii) the Parties, the CDA and any other required Persons have fully executed all of the applicable Financing Documents;

(iv) the EDA, the Navigators and VCU have executed the Stadium Leases;

(v) the Developer has confirmed that the Construction Contractor(s) for the Stadium, if then applicable, have not changed or been modified since the Agreement Date;

(vi) all Construction Performance Security required for the performance of the Stadium Project Scope of Work is in full force and effect as required by this Development Agreement, if then applicable;

(vii) the City has confirmed the Construction Contract for the Stadium has been executed and satisfies the requirements in this Development Agreement, if then applicable;

(viii) with respect to the Phase 1 Hotel, the management contract (such management entity being referred to herein as the "**Hotel Operator**"), the

franchise flag agreement, the design services agreement and the pre-construction services agreement have been executed by the Developer;

(ix) with respect to the Stadium Bonds, the City has verified the Developer's Demolition Plan for the Existing Improvements and the Developer has submitted for purposes of the City's review (but not approval) any other plans required to be completed or completed as of Financial Close governing the Developer's or its Construction Contractor's performance of D&C Work on the Stadium;

(x) the City has received a copy of any site condition reports prepared by or with respect to the Stadium Parcel, including all reports related to geotechnical, utility and environmental matters, if then applicable;

(xi) all insurance required to perform the Work on the Stadium and under this Development Agreement is in place and in full force and effect;

(xii) to the extent then required pursuant to section 6.5 (*Developer Land Purchase Deposit*), the Developer has put into full force and effect the Developer Land Purchase Deposit for the benefit of the City to secure the Developer's performance with respect to the Private Development under this Development Agreement;

(xiii) the delivery of the final Financial Model to the EDA and the City, if then applicable;

(xiv) if the Stadium Bonds are to be issued, the EDA shall have allocated $10,000,000 from the sale proceeds of the Phase 1 Purchased Property to pay the costs of the Stadium Project; and

(xv) all other conditions precedent in the Contract Documents and Financing Documents to achieving Financial Close have been satisfied.

Any waiver constituting a material deviation shall require EDA approval.

(e) **Alternative Funding for Public Infrastructure**. In addition to its undertakings pursuant to Section 4.1(b) (*Cost and Expense*) and Section 6.4(a) (*Project Funding*), the City, at its option and by notice to the Developer and the EDA, may elect to fund all or a portion of the costs of the Public Infrastructure from EDA Funding Sources. No EDA Funding Sources shall be made available for the grading of any Private Development Parcel, except for the proceeds of City Bonds issued to finance the Public Infrastructure for the Phase 1 Project, which may be applied to pay the costs of Eligible Mass Grading the Phase 1 Project Site (excluding the Stadium Parcel) in the same manner as Bond Proceeds may be used to pay the costs of Eligible Mass Grading the other portions of the Project Site.

(f) **Public Infrastructure Bond Funding of Phase 1 Public Infrastructure Costs**. Prior to the issuance of any Stadium Bonds, the Parties shall engage a Public Finance Consultant to determine the feasibility of issuing one or more series of Public Infrastructure Bonds to pay a portion of the costs of the Public Infrastructure for the Phase 1 Project. In the event that the Financial Model projects that more than $80 million of Net Phase 1 Bond Proceeds can be realized from the issuance of Bonds for the Phase 1 Project without exceeding the Assumed Phase 1 Bond Debt Service, the EDA and the City, in consultation with the Public Finance Consultant, may determine whether to issue (or cause the issuance of) Public Infrastructure Bonds (which will be secured by the CDA Special Assessments) up to the amount that, together with the Stadium Bonds, may be issued without exceeding the Assumed Phase 1 Bond Debt Service. If the EDA and the City, in consultation with a Public Finance Consultant and bond counsel, determine that it will be advantageous to the overall plan of finance for the Stadium Project and the Public Infrastructure for the Phase 1 Project, the Stadium Bonds and any Public Infrastructure Bonds may be issued as a single series of Bonds, provided that the proceeds thereof allocable to Stadium Bonds may only be used for the Stadium Project (which may include related Eligible Mass Grading) and the proceeds thereof allocable to Public Infrastructure Bonds may only be used for Public Infrastructure and Eligible Mass Grading. In the event that the Financial Model projects Diamond District Pledged Revenues in excess of the amount needed to provide for the issuance of Bonds in an amount sufficient to generate the Minimum Net Phase 1 Bond Proceeds, the EDA, in consultation with the Public Finance Consultant, shall determine the estimated principal amount of Public Infrastructure Bonds (which will not be secured by any CDA Special Assessments) that could be issued on the basis of such projected excess Diamond District Pledged Revenues and the estimated net proceeds to be realized from such Public Infrastructure Bonds that would be available to pay the costs of the Public Infrastructure for the Phase 1 Project. If the projected Diamond District Pledged Revenues will support the issuance of any Public Infrastructure Bonds (which will not be secured by CDA Special Assessments) in addition to the Bonds to be issued to generate the Minimum Net Phase 1 Bond Proceeds, the Parties shall use all commercially reasonable efforts to cause the issuance of Public Infrastructure Bonds (which will not be secured by CDA Special Assessments) for the Phase 1 Project contemporaneously with the issuance of the Stadium Bonds.

6.2 Grant and Cooperation Agreement. On or prior to Financial Close for the Stadium Bonds, the EDA and the City shall ensure the Grant and Cooperation Agreement is fully executed in substantially the form of Exhibit L hereto, and the Developer shall execute a special assessment agreement as described in the Grant and Cooperation Agreement pursuant to which the Developer will agree to the imposition of the CDA Special Assessments and the related undertakings and agreements contemplated in the Grant and Cooperation Agreement.

6.3 Stadium Project Financing; Continued Development Rights; Reverter.

(a) The Parties acknowledge and agree that the Stadium Project must be financeable in order for the Stadium Bonds to be successfully issued. To that end, the Parties acknowledge and agree that the Developer's obligation with respect to delivery of the Stadium Project is to deliver a Stadium that complies with the Minimum Standard and the other requirements of this Development Agreement. The Parties also acknowledge and agree that there are factors outside of their control, including interest rates, market conditions, and liquidity in the municipal bond market, and, further, that the maximum allowable Stadium Project budget will be determined by the market's receptiveness to certain bond sizing metrics, interest rates, and an underwriter-determined debt service coverage ratio. If the determination is made by the Parties, in consultation with a Public Finance Consultant, that the Stadium Project is not financeable due to the Financial Model forecasts District Generated Pledged Revenues in an amount that is less than the amount necessary to produce $80 million in Net Phase 1 Bond Proceeds, (i) the Developer will promptly increase the principal amount of the Startup EDA Bonds by an amount equal to fifty percent (50%) of the difference between $80 million and the lesser amount of Net Phase 1 Bond Proceeds that the Financial Model projects can be produced from forecasted District Generated Pledged Revenues and (ii) the EDA will promptly undertake to reduce the cost of the Stadium Project through value engineering in an amount equal to the remaining fifty percent (50%) of the difference between $80 million and the lesser amount of Net Phase 1 Bond Proceeds that the Financial Model projects can be produced from forecasted District Generated Pledged Revenues.

(b) If the Developer has increased the principal amount of the Startup EDA Bonds as required by subsection (a) above, then the Developer may (i) upon written notice to the EDA, omit the Stadium Project from the scope of the Phase 1 Project and continue to develop the remaining elements of the Phase 1 Project on the Phase 1 Project Site (excluding any development of the Stadium Parcel) as previously approved by the EDA and in accordance with the terms and conditions of this Development Agreement and (ii) with the EDA's prior written approval (such approval to be at the sole discretion of the EDA), (A) proceed to develop the planned future Phases of the Project in accordance with the terms and conditions of this Development Agreement and/or (B) revise the plan of development for such future Phases in accordance with the terms and conditions of this Development Agreement, provided that, in each case, any such request with respect to future Phases of the Project shall in include an alternate plan for the development of the Stadium Parcel for the EDA's approval unless the EDA has otherwise arranged for the development of the Stadium Parcel.

(c) If the Developer has not increased the principal amount of the Startup EDA Bonds as required by subsection (a) above, then, at the option of the EDA, (1) the Phase 1 Purchased Property and the Sports Backers Parcel, if previously conveyed to the Developer, shall revert back to the EDA and (2) the EDA shall terminate the Stadium Leases, subject to the following terms, conditions and limitations: (i) to the extent that Developer has either (A) obtained a building or land disturbance permit and started construction on any portion of the Phase 1 Project on any

portion of the Phase 1 Purchased Property or the Sports Backers Parcel or (B) closed on a construction loan for any portion of the Phase 1 Project on any portion of the Phase 1 Purchased Property or the Sports Backers Parcel, the EDA may not exercise its right of reversion with respect to that portion of the Phase 1 Purchased Property or the Sports Backers Parcel; and (ii) to the extent the EDA elects to exercise its right of reversion with respect to any portion of the Phase 1 Purchased Property or the Sports Backers Parcel, the EDA shall pay to the Developer an amount equal to that portion of the Purchase Price allocable to such portion of the Phase 1 Purchased Property or the Sports Backers Parcel. Notwithstanding the foregoing, upon an official determination by the Parties that the Stadium Project is not financeable, the Developer shall have a period of ninety (90) Days before this reversion right may be exercised by the EDA to develop and propose an alternative Stadium Project financing plan to the EDA for consideration, which the EDA shall have no obligation to accept, but which the Developer shall have an opportunity to present in a public forum with the goal of advancing the Stadium Project development. The Developer shall not be considered at fault if the Navigators reject a Stadium Project development and financing plan that is aligned with industry standards comparable to other double A minor league baseball teams.

6.4 Project Funding.

(a) Subject to appropriation of sufficient amounts for such purpose by the City Council, the City agrees that it will pay the costs of the Public Infrastructure for the Phase 1 Project and the Eligible Mass Grading of the Phase 1 Project Site (excluding the Stadium Parcel) from EDA Funding Sources. In no event shall EDA Funding Sources be made available to pay the costs of any grading of any Private Development Parcels other than the Eligible Mass Grading of the Project Site.

(b) Excluding (i) the Public Infrastructure for the Phase 1 Project that will be paid from EDA Funding Sources pursuant to Section 6.4(a) (*Project Funding*) and (ii) the portions of the Project that will be financed with proceeds of the Bonds (or, at the City's sole discretion pursuant to Section 6.1(e) (*Alternative Funding for Public Infrastructure*), other EDA Funding Sources), the Developer will fund and finance the Project and perform the Work all at its sole risk, cost and expense and without recourse or obligation of either the EDA or the City to fund or finance any portion of the Project.

(c) In addition to any of the City's out-of-pocket expenses that may be reimbursed with proceeds of the Stadium Bonds, the Developer shall reimburse the City's and EDA's actual out-of-pocket expenses incurred for the Diamond District redevelopment process up to an amount not to exceed $500,000 at closing of the Stadium Bonds.

6.5 Developer Land Purchase Deposit.

(a) **Generally**. As and when required pursuant to the PSA, as security for the payment of the Purchase Price, the Developer shall deposit with an escrow agent or title company (in either case, as agreed by the EDA and subject to a control agreement also agreed by the EDA, the "**Title Company**") the amount of the deposit required for each Purchased Property Phase pursuant to the PSA, which amount shall be held in escrow by the Title Company for the benefit of the EDA pursuant to an escrow agreement to be mutually agreed upon by the Parties (the "**Developer Land Purchase Deposit**") from the date deposited by the Developer until the Closing Date on such Purchased Property Phase.

(b) **Disbursement Trigger Event**. The escrow agreement to be entered into by and among the Parties and the Title Company shall permit the Title Company to disburse funds from the Developer Land Purchase Deposit if and when (1) requested by the Developer to do so to satisfy the Developer's payment obligation in connection with paying the Purchase Price for the Closing on the applicable Purchased Property Phase or (2) requested by the EDA for the following: (A) a failure by the Developer to timely achieve Closing on the applicable Purchased Property Phase by the Outside Closing Date for such Purchased Property Phase, as the same may be extended pursuant to this Development Agreement; (B) a failure by the Developer to timely pay any amount due under the PSA for Closing on such Purchased Property Phase; or (C) the occurrence of a Developer Default entitling the City or the EDA to terminate this Development Agreement or the PSA (each a "**Disbursement Trigger Event**"). Should the Developer or the EDA wish to obtain a disbursement of funds from the Developer Land Purchase Deposit upon the occurrence of an applicable Disbursement Trigger Event, the Parties seeking such disbursement shall notify the Title Company and the other Party of the occurrence of such Disbursement Trigger Event and, in such case, the Title Company shall disburse funds from the Developer Land Purchase Deposit to the EDA as follows:

(i) for a Disbursement Trigger Event of the type described in Sections 6.5(b)(1) and 6.5(b)(2)(B), funds shall be disbursed by the Title Company for any such Purchased Property as set forth in Schedule 1 of the PSA; and

(ii) for Sections 6.5(b)(2)(A) and 6.5(b)(2)(C):

(A) solely for this Section 6.5(b)(ii)(A), where the City or the EDA has not exercised its right to terminate the Developer's remaining rights to Close on any future Purchased Property under Section 11.3(c) (*Other Remedies Upon Developer Default*), funds shall be disbursed by the Title Company for any such Purchased Property as set forth on Schedule 1 of the PSA; or

(B) where the City or the EDA has terminated all of the Developer's remaining rights to close on any future Purchased Property in accordance with Section 11.3(c) (*Other Remedies Upon Developer Default*), funds shall be disbursed by the Title Company in an

amount equal to the full remaining Developer Land Purchase Deposit for all Purchased Property that has not yet Closed.

6.6 Financial Reporting Requirements.

(a) **Reporting to City**. For so long as the Bonds of any series remain outstanding, the Developer shall, and shall cause any Private Development developers, tenants and subtenants and the Hotel Operator to, make the following reports to the City's Director of Finance, with a copy to the EDA:

(i) once each month, at a time during each month prescribed by the City's Director of Finance, which, if applicable, shall be no earlier than the date such information would otherwise be required to be reported pursuant to applicable Law, a report setting forth (A) the sales taxes remitted to the Commonwealth of Virginia attributable to the applicable portion of the Phase and (B) the Person who collected and remitted those sales taxes;

(ii) once each month, at a time during each month prescribed by the City's Director of Finance, which, if applicable, shall be no earlier than the date such information would otherwise be required to be reported pursuant to applicable Law, a report setting forth (A) the amount of admission taxes remitted to the City attributable to the applicable portion of the Phase, (B) the name of the Person who collected and remitted those admission taxes to the City and (C) the event for which those admission taxes were collected and remitted;

(iii) once each month, at a time during each month prescribed by the City's Director of Finance, which, if applicable, shall be no earlier than the date such information would otherwise be required to be reported pursuant to applicable Law, a report setting forth (A) the amount of meals taxes remitted to the City attributable to the applicable portion of the Phase and (B) the name of the Person who collected and remitted those meals taxes to the City;

(iv) once each calendar year, at a time during the year prescribed by the City's Director of Finance, which, if applicable, shall be no earlier than the date such information would otherwise be required to be reported pursuant to applicable Law, a report setting forth (A) the amount of business, professional, and occupational license taxes paid to the City attributable to the applicable portion of the Phase, (B) the name of the Person who paid those business, professional, and occupational license taxes, and (C) the type of business, as classified by the City's Director of Finance, for which the Person paid those business, professional, and occupational license taxes;

(v) once each month, at a time during each month prescribed by the City's Director of Finance, which, if applicable, shall be no earlier than the date

comparable sales tax information would otherwise be required to be reported pursuant to applicable Law, a report setting forth (A) the amounts generated from the collection of the Consumer Purchase Surcharge on the applicable portion of the Phase and (B) the Person who collected and transferred those amounts as provided for under the Financing Documents; and

(vi) once each month, at a time during each month prescribed by the City's Director of Finance, which, if applicable, shall be no earlier than the date comparable hotel tax information would otherwise be required to be reported pursuant to applicable Law, a report setting forth (A) the amounts generated from the collection of the Hotel Use Surcharge on the applicable portion of the Phase and (B) the Person who collected and transferred those amounts as provided for under the Financing Documents.

6.7 Other Financing. To the extent the Developer elects to seek funding for the Project or any Phase of the Project from the Commonwealth of Virginia or the federal government that is in addition to the funding sources previously identified in this Development Agreement, the City shall work collaboratively with the Developer to obtain such funding.

ARTICLE 7
INDEMNITY

7.1 Indemnification of the City and the EDA. The Developer agrees to, and shall cause each of the Lead Developer Parties to agree to, indemnify the Indemnified Parties from and against any and all Losses imposed upon or incurred by or asserted against any such Indemnified Party, the Project or the Development Parcels, or the City's or the EDA's interest therein, in connection with the occurrence or existence of any of the following: (i) any accident, injury to or death of Persons or loss of or damage to property occurring on the Development Parcels, the Project or any part thereof (including the Stadium Parcel and the Stadium Project at any time during the Construction Period for the Stadium Project); (ii) any accident, injury to or death of Persons or loss or damage to property occurring (A) on the Stadium Parcel or the Stadium Project at any time after the Construction Period for the Stadium Project or (B) immediately adjacent to the Development Parcels or the Project, any of which is caused directly or indirectly by any Developer Party or their invitees, Subcontractors, or agents (the "**Indemnifying Parties**"); (iii) any use, possession, occupation, operation, maintenance, or management of the Development Parcels, the Project or any part thereof by any Indemnifying Party; (iv) any use, possession, occupation, operation, maintenance, management or condition of property immediately adjacent to the Development Parcels or the Project by any Indemnifying Party; (v) any latent, design, construction or structural defect relating to the improvements located on the Development Parcels or the Project constructed by, or on behalf of the Developer; (vi) any failure on the part of any Indemnifying Party to perform or comply with any of the provisions of this Development Agreement (or any other Contract Document) or with any applicable Law or Regulatory Approval in connection with use or occupancy of the Development Parcels or the Project and any fines or

penalties, or both, that result from such violation (subject to the right of the Developer to contest the applicability of any such Law or Regulatory Approval to the use or occupancy of the Development Parcels or the Project in good faith by appropriate proceedings and at no cost to the EDA); (vii) performance of any labor or services or the furnishing of any materials or other property in respect of the Development Parcels, the Project or any part thereof by any Indemnifying Party; (viii) any other legal actions or suits initiated by any Person using or occupying the Development Parcels or the Project or any of their agents, Contractors, Affiliates, Subcontractors or suppliers; (ix) any claim or proceeding made or brought against the Indemnified Parties for any patent, trademark, or copyright infringement or other improper appropriation or use by any Indemnifying Party; or (x) any forfeiture of insurance coverage resulting from the Developer's error, omission, misdescription, incorrect declaration, failure to advise, misrepresentation or act, and for any expense the Indemnified Parties incurs as a result thereof. Notwithstanding the preceding provisions of this Section, the Developer shall not be obligated to indemnify the Indemnified Parties to the extent that any of the matters described above are determined by a final non-appealable judgment of a court of competent jurisdiction to have arisen from any Indemnified Party's gross negligence or willful misconduct.

7.2 **Notice of a Claim**. If any action, suit or proceeding is brought against any Indemnified Party by reason of any occurrence for which the Developer is obliged to indemnify such Indemnified Party, such Indemnified Party will promptly notify the Developer of such action, suit or proceeding. The Developer may, and upon the request of such Indemnified Party shall, at the Developer's sole expense, resist and defend such action, suit or proceeding, or cause the same to be resisted and defended by counsel designated by the Developer and reasonably approved by such Indemnified Party in writing.

7.3 **Immediate Obligation to Defend**. The Developer specifically acknowledges that it has an immediate and independent obligation to defend the Indemnified Parties from any claim which is actually or potentially within the scope of the indemnity provision of Section 7.1 (*Indemnification of the City and the EDA*) or any other indemnification provision of this Development Agreement, even if such allegation is or may be groundless, fraudulent or false, and such obligation arises at the time such claim is tendered to the Developer by an Indemnified Party and continues at all times thereafter.

7.4 **Control of Defense**. Except as otherwise provided in this Development Agreement, the Developer shall be entitled to control the defense, compromise or settlement of any such matter through counsel of the Developer's own choice; provided, however, in all cases in which any Indemnified Party has been named as a defendant, the EDA, as the context requires, shall be entitled to (i) approve counsel (such approval not to be unreasonably withheld) and (ii) participate in such defense, compromise or settlement at its own expense. If the Developer shall fail, however, in the EDA's reasonable judgment, within a reasonable time (but not less than fifteen (15) Days following notice from the EDA alleging such failure) to take reasonable and appropriate action to defend, compromise, or settle such suit or claim, the EDA shall have the right promptly to use counsel of its selection, in its sole discretion and at the Developer's expense, to carry out such defense, compromise or settlement, which reasonable expense shall be due and payable to the EDA ten (10) Business Days after receipt by the Developer of an invoice therefor. The

Indemnified Parties shall cooperate with the Developer in the defense of any matters for which the Developer is required to indemnify the Indemnified Parties pursuant to this ARTICLE 7 (*Indemnity*).

7.5 Release of Claims Against the City and the EDA. The Developer, as a material part of the consideration of this Development Agreement, hereby waives and releases any and all claims against the Indemnified Parties for any Losses, including damages to goods, wares, goodwill, merchandise, equipment or business opportunities and by Persons in, upon or about the Development Parcels or the Project for any cause arising at any time, including, without limitation, all claims arising from the joint or concurrent negligence of the City, the EDA or the other Indemnified Parties, but excluding any gross negligence or willful misconduct of the Indemnified Parties.

7.6 Other Obligations. The agreements to indemnify set forth in this ARTICLE 7 (*Indemnity*) and elsewhere in this Development Agreement are in addition to, and in no way shall be construed to limit or replace, any other obligations or liabilities which the Developer may have to either the City or the EDA, in this Development Agreement, at common law or otherwise.

ARTICLE 8
INSURANCE

8.1 Insurance Generally. The Developer shall provide and maintain throughout the life of this Development Agreement insurance in the kinds and amounts specified in this ARTICLE 8 (*Insurance*) with an insurer licensed to transact insurance business in the Commonwealth of Virginia. All such insurance may, to the extent permitted by applicable Law, provide for a commercially reasonable deductible, subject to the EDA's approval, which approval shall not be unreasonably withheld, conditioned or delayed. Each insurance policy, endorsement and certificate of insurance shall be signed by duly authorized representatives of such insurers. The carrying by the Developer of the insurance required shall not be interpreted as relieving the Developer of any obligations the Developer may have under this Development Agreement. Notwithstanding anything in this ARTICLE 8 (*Insurance*) to the contrary, the EDA acknowledges and agrees that the Developer shall be deemed to have satisfied the obligation to maintain the insurance required in this ARTICLE 8 (*Insurance*) if the Developer causes its Contractors and Subcontractors, where appropriate, to provide and maintain such insurance for the benefit of the Developer and, to the extent required by this ARTICLE 8 (*Insurance*), the City and the EDA.

8.2 Costs and Premiums. The Developer shall pay all premiums and other costs of such insurance, and neither the City nor the EDA shall be responsible therefor.

8.3 Policy Requirements. All insurance contracts and policies required under this ARTICLE 8 (*Insurance*) shall provide, or be endorsed to provide, all of the following:

(a) subrogation against the EDA shall be waived, to the extent permitted by Law;

(b) the Indemnified Parties and their officers, employees, agents and volunteers shall be named, on a primary and not contributory basis, as an additional insured for all policies except professional liability and errors and omissions;

(c) coverage will not be canceled, non-renewed or materially modified in a way adverse to the EDA without thirty (30) Days' prior written notice to the EDA;

(d) other than for workers' compensation insurance, employer's liability insurance, automobile liability insurance, professional liability insurance and contractor pollution liability insurance, all required insurance will contain a provision under which the insurer agrees that the failure of one insured to observe and fulfill the terms of the policy will not prejudice the coverage of the other insureds;

(e) the insolvency or bankruptcy of any of the insured shall not release the insurer from its obligation to satisfy claims otherwise within the coverage of such policies;

(f) no insurance contract or policy shall be expanded to afford coverage which is greater than the maximum coverage approved for writing in the Commonwealth of Virginia;

(g) other than for workers' compensation insurance, employer's liability insurance, commercial general liability insurance, excess liability insurance, professional liability, contractor pollution liability insurance and automobile liability insurance, each policy shall be endorsed to contain a standard mortgagee clause to the effect that the EDA and the other insureds will not be prejudiced by an unintended and/or inadvertent error, omission or mistaken description of the risk interest in property insured under the policies, incorrect declaration of values, failure to advise insurers of any change of risk interest or property insured or failure to comply with a statutory requirement; and

(h) no insurance contract or policy shall include defense costs within the limits of coverage or permit erosion of coverage limits by defense costs, except that defense costs may be included within the limits of coverage of professional and contractor pollution liability policies.

8.4 Rating Requirements. The Developer shall provide insurance issued only by companies with A. M. Best's Key Rating of at least A: VII.

8.5 Endorsements. The Developer shall furnish the City and the EDA with a copy of the policy endorsement naming the Indemnified Parties and their officers, employees and agents as an additional insured for each policy for which such endorsement is required under ARTICLE 8 (*Insurance*) of this Development Agreement. The Developer shall furnish the City and the EDA with copies of such other endorsements as may be required under this Development Agreement upon request by the City or the EDA therefor.

8.6 Certificates of Insurance. As a condition precedent to commencing Work under this Development Agreement for any Project Segment, the Developer shall furnish the EDA

and the City with an original, signed certificate of insurance for such portion of the Work: (i) specifically identifying this Development Agreement, (ii) evidencing the above coverage, (iii) indicating that the Indemnified Parties and their officers, employees and agents are named as additional insured where required, (iv) indicating that such other endorsements as the Development Agreement may prescribe are included and (v) indicating that the coverage will not be canceled, non-renewed or materially modified in a way adverse to the EDA or the City without thirty (30) Days' prior written notice to the EDA and the City. If the Contractor's insurance agent uses an "ACORD" insurance certificate form, the words "endeavor to" and "but failure to mail such notice shall impose no obligation or liability of any kind upon the company" in the "Cancellation" box of the form shall be deleted or crossed out. Prior to the expiration, change or termination of any insurance policy required under this Development Agreement, the Developer shall furnish a new certificate evidencing that all required insurance under this Development Agreement is in full force and effect, without any period of lapse. The failure of the Developer to deliver a new and valid certificate when required will result in the suspension of all applicable Work by the Developer until the new certificate is furnished. Except as otherwise provided above, the Developer is not required to furnish the City or the EDA with copies of insurance contracts or policies required by Section 8.7 (*Schedule of Liability Coverage*) of this Development Agreement unless requested at any time by the City's Chief of Risk Management.

8.7 Schedule of Liability Coverage. The Developer shall provide and maintain the following types of insurance for each Project Segment, in accordance with the requirements of this ARTICLE 8 (*Insurance*):

(a) Commercial general liability insurance (including, at a minimum, premises/operations liability, products and completed operations coverage, independent contractor's liability, owner's and contractor's protective liability and personal injury liability) with combined limits of not less than one million dollars ($1,000,000) per occurrence and not less than two million dollars ($2,000,000) annual aggregate;

(b) Automobile liability insurance with a combined limit of not less than one million dollars ($1,000,000) per occurrence;

(c) Statutory workers' compensation and employers' liability insurance with the Alternate Employer Endorsement WC 000301;

(d) Umbrella or excess liability insurance with a combined limit of not less than fourteen million dollars ($14,000,000) per occurrence; and

(e) Builder's risk insurance in the "all-risk" form equal to one hundred percent (100%) of the insurable value of the Work, relevant Project Segment and improvements required under this Development Agreement.

8.8 Blasting. Should any blasting become necessary to perform the Work, the Developer shall provide and maintain liability insurance in the amount of at least one million dollars

($1,000,000) per occurrence, directly or indirectly arising from or during the time blasting is done. The Developer may provide such insurance under a separate blasting insurance contract, by endorsement of the Commercial General Liability Insurance contract, or by any other insurance contract. Such insurance shall cover the Developer and shall extend to provide coverage for any contractor or subcontractor doing blasting.

8.9 **Contractor's and Subcontractors' Insurance**. The Developer shall not allow any Contractor or Subcontractor to perform any of the Work until the Contractor or Subcontractor has obtained the same types of insurance required of the Developer under this Development Agreement in an appropriate amount determined by the Developer and until the Developer has approved such Contractor's or Subcontractor's insurance coverage. The furnishing of insurance by a Contractor or Subcontractor shall not create any contractual relationship between either the EDA or the City, as applicable, and the Contractor or Subcontractor.

ARTICLE 9
SITE INVESTIGATION; UNFORESEEN SITE CONDITIONS

9.1 **Right to Enter Development Parcels**. The Developer will be entitled to enter and access any Development Parcels prior to any Closing or Financial Close, as applicable, for purposes of conducting due diligence and site investigation work (collectively, "**Feasibility Studies**") solely in accordance with the terms of a right of entry agreement to be entered into between the Parties, as applicable, in substantially the form attached hereto as Exhibit S (*Right of Entry Agreement*).

9.2 **Risk**. Any Feasibility Studies undertaken by or on behalf of the Developer pursuant to this ARTICLE 9 (*Site Investigation*) shall be at the Developer's sole risk, cost and expense. Following a No-Fault Termination (as defined in the PSA), this Development Agreement and, if applicable, the PSA shall automatically terminate as to such Purchased Property upon the EDA's receipt of such notice from the Developer (unless otherwise disputed by the EDA) of a No-Fault Termination. To the extent both this Development Agreement and the PSA are terminated as to any Purchased Property as a result of a No-Fault Termination, the Purchase Price shall be reduced in accordance with the terms of the PSA, and the Title Company following the Closing on the Phase 4 Purchased Property, shall disburse funds from the Developer Land Purchase Deposit to the Developer in an amount equal to the portion of the Purchase Price then allocated to such Purchased Property by the Developer pursuant to Section 2(b) of the PSA (*Allocation of Purchase Price*) (assuming there are sufficient remaining funds in the Developer Land Purchase Deposit at such time for the Title Company to make such disbursement).

9.3 **Proprietary Information**. The Parties agree that certain information regarding or relating to the Development Parcels obtained or created by Developer during any Feasibility Studies, or in any other manner, or from any other source (such information, the "**Proprietary Information**") may be proprietary. Accordingly, subject to applicable Law, prior to the disclosure of the Proprietary Information, each Party agrees to endeavor to consult with the other regarding the disclosure of the Proprietary Information. Notwithstanding the foregoing, each Party may disclose Proprietary Information: (i) to its

employees, consultants, agents or advisors and, with respect to the Developer, to potential investors or lenders (and their respective consultants, agents and advisors), in each case on a need-to-know basis after the recipients of the information have been informed of the confidential nature of such information and have agreed not to disclose such information except in accordance with this Section; (ii) to the extent required by Law, judicial or court order or rule, or the rules of any applicable securities exchange; and (iii) as reasonably necessary to complete investigation of each Development Parcel or analysis of the feasibility of the Project.

9.4 Unforeseen Site Conditions. If the Developer discovers any unknown soil conditions, Unknown Pre-Existing Hazardous Substances, unknown archeological site or artifacts or other unknown physical conditions on the Project Site, which conditions were not discovered by investigation undertaken in accordance with Good Industry Practice, during the Developer's due diligence or development activities (including any Feasibility Studies), identified in reports provided to the Developer (including any environmental reports), or the public record, or were not reasonably foreseeable (each, an "**Unforeseen Site Condition**") and such Unforeseen Site Condition causes an actual delay in the construction of the Project, such Unforeseen Site Condition shall constitute a Delay Event. In no event, however, shall a condition on the Project Site caused by any Developer Party or any of their respective representatives or contractors constitute an Unforeseen Site Condition under this Development Agreement.

ARTICLE 9A
HAZARDOUS SUBSTANCES

9A.1 General Obligations.

(a) The Developer will be entitled to enter and access any Development Parcels prior to any Closing for purposes of conducting an environmental investigation of such Development Parcels (each investigation with respect to a Development Parcel is referred to herein as an "**Environmental Investigation**"). The scope of each Environmental Investigation shall be consistent with Good Industry Practice and shall be submitted to the City and the EDA for review and approval prior to the undertaking of such Environmental Investigation. The Developer shall use all commercially reasonable efforts in completing each Environmental Investigation. Any Environmental Investigation of a Phase of Purchased Property for such purposes must be completed within the applicable Due Diligence Period for such Purchased Property (for purposes of this subsection (a), the entire Sports Backers Parcel shall constitute a separate Phase of Purchased Property), and any Environmental Investigation of the Stadium Parcel must be completed within the Due Diligence Period for the Phase 1 Purchased Property.

(b) With respect to each Private Development Parcel, following Closing thereon, the Developer will be responsible for the management, treatment, handling, storage, monitoring, remediation, removal, transport and disposal of any Hazardous Substances the presence of which constitutes a Hazardous Environmental Condition that are discovered on, in or under or emanating from such Private

Development Parcel. With respect to each Public Infrastructure Parcel, during the Construction Period for the Public Infrastructure, the Developer will be responsible for the management, treatment, handling, storage, monitoring, remediation, removal, transport and disposal of any Hazardous Substances the presence of which constitutes a Hazardous Environmental Condition that are discovered on, in or under or emanating from such Public Infrastructure Parcel. With respect to the Stadium Parcel, during the Construction Period for the Stadium Project, the Developer will be responsible for the management, treatment, handling, storage, monitoring, remediation, removal, transport and disposal of any Hazardous Substances the presence of which constitutes a Hazardous Environmental Condition that are discovered on, in or under or emanating from the Stadium Parcel.

(c) If the Developer encounters any Hazardous Environmental Condition that must be managed, treated, handled, stored, monitored, remediated, removed, transported or disposed of (collectively, "**Remedial Actions**"), then the Developer will promptly notify the EDA and the City of the Hazardous Environmental Condition and any obligation to notify Commonwealth or Federal Agencies under applicable Law. In the case of Hazardous Environmental Conditions that are attributable to Known Pre-Existing Hazardous Substances, the Developer will thereafter proceed with such Remedial Actions in accordance with the Developer's Environmental Management Plan. In the case of all other Hazardous Environmental Conditions and to the extent not covered by the Environmental Management Plan, the Developer will develop an Environmental Management Plan setting out the scope of the Remedial Actions that the Developer proposes to take in relation to the relevant Hazardous Environmental Condition, such actions to include, but not be limited to: (i) conducting such further investigations as may be necessary or appropriate to determine the nature and extent of the Hazardous Substances and submitting copies of such data and reports to the EDA and the City for its review and approval, (ii) taking reasonable steps, including in the case of excavation, construction, reconstruction or rehabilitation, modifications and/or construction techniques, to avoid or minimize excavation or dewatering in areas with Hazardous Substances, (iii) preparing and obtaining Governmental Approvals for the Environmental Management Plan, including the EDA's and the City's approval, (iv) carrying out the Environmental Management Plan, including, as necessary, disposal of the Hazardous Substances, and (v) timely informing the EDA and the City of all such actions.

(d) Before any Remedial Actions are taken that would inhibit the EDA's and the City's ability to ascertain the nature and extent of the Hazardous Environmental Condition, the Developer will afford the EDA and the City the opportunity to inspect areas and locations that require Remedial Actions; provided, that in the case of a sudden release of any Hazardous Substances, the Developer may take all reasonable actions necessary to stabilize and contain the release without prior notice or inspection, but will promptly notify the EDA and the City of the sudden release and its location.

(e) The Developer will obtain all Governmental Approvals relating to Remedial Actions. The Developer will be solely responsible for compliance with such Governmental Approvals and applicable Environmental Laws concerning or relating to Hazardous Substances. In carrying out Remedial Actions that are compensable by the EDA and the City pursuant to this Development Agreement, the Developer will not take any steps or actions which impair the EDA and the City's potential Losses for indemnity and contribution, statutory or otherwise.

(f) Unless directed otherwise by the EDA and the City, the Developer will seek to recover costs from any available reimbursement program or from any third party responsible for generating or otherwise creating or contributing to conditions that lead to the need for Remedial Action. Without limiting the preceding sentence, the Developer will seek pre-approval and pursue reimbursement from the Virginia Petroleum Storage Tank Fund for qualifying expenses incurred during the course of investigation, containment, management, mitigation or remediation activities on petroleum storage tank releases. The Parties will cooperate with and notify each other with respect to activities undertaken pursuant to this Section 9A.1 (*General Obligations*).

(g) Except as provided in Section 9A.2 (*Pre-Existing Hazardous Substances*) and subject to the limitation in the succeeding sentence, the Developer will bear all costs and expenses of preparing and complying with any Environmental Management Plan, of complying with Law and obtaining and complying with Governmental Approvals pertaining to Hazardous Substances, and otherwise of carrying out Remedial Actions. Except as provided in Section 9A.2 (*Pre-Existing Hazardous Substances*), with respect to the Stadium Parcel, the Developer will bear all costs and expenses of preparing and complying with any Environmental Management Plan, of complying with Law and obtaining and complying with Governmental Approvals pertaining to Hazardous Substances, and otherwise of carrying out Remedial Actions only to the extent such costs and expenses are either incurred during the Construction Period for the Stadium Project or incurred as a result of the Developer's activities on the Stadium Parcel during the Construction Period for the Stadium Project.

9A.2 Pre-Existing Hazardous Substances

(a) With respect to any Pre-Existing Hazardous Substances, the presence of which constitutes a Hazardous Environmental Condition, the Developer shall provide a cost estimate for any applicable Remedial Actions. Subject to the succeeding sentence, the Developer shall pay all costs of the Remedial Actions necessary to resolve any Hazardous Environmental Condition first from any available Brownfield Fund Resources, and, only after the Developer has certified in writing to the EDA and the City that the Developer has exhausted all available Brownfield Fund Resources and has furnished the EDA and the City with reasonably satisfactory evidence of its efforts to obtain such funding, the EDA and the City, to the extent permitted by Law, shall pay the remaining costs of any such Remedial Actions up to an aggregate amount of $10,000,000 for all

Remedial Actions for the Project Site. If (i)(A) the Developer has exhausted, or is otherwise unable to obtain Brownfield Fund Resources, as required pursuant to the preceding sentence and (B) the costs of all prior Remedial Actions paid by the EDA or the City, together with any costs of further Remedial Actions proposed to be paid by the EDA or the City, will exceed the $10,000,000 limit, or (ii)(A) the Developer has exhausted, or is otherwise unable to obtain Brownfield Fund Resources, as required pursuant to the preceding sentence and (B) the EDA and the City are prohibited by Law from funding any Remedial Actions proposed to paid by the EDA or the City, the Parties shall use good faith efforts to meet and confer to determine a plan for funding such excess costs in the case of clause (i) or for funding such Remedial Actions in the case of clause (ii). If the Parties are unable to agree to a plan after forty-five (45) Days from the commencement of such meetings, then either Party may terminate the provisions of this Development Agreement with respect to the portion of the Property to be remediated and the EDA shall, to the extent of any legally available funds, repurchase such affected portion of the Property from the Developer at a price per acre equal to the price per acre initially paid by the Developer for the Phase of Purchased Property (or, in the case of any portion of the Sports Backers Property, a price per acre equal to the price per acre initially paid by the Developer for the Sports Backers Parcel) containing such portion of the Property.

(b) At all times during the Term, the Developer will provide cost estimates with respect to any Remedial Actions that may be paid by the EDA or the City for the EDA's and the City's review and approval of such costs prior to proceeding with any such Remedial Actions, provided that, in the case of a sudden release of any Hazardous Substances, the Developer may take all reasonable actions necessary to stabilize and contain the release without prior submission of such cost estimates.

9A.3 Developer Indemnifications Regarding Hazardous Substances

(a) The Developer will indemnify, protect, defend and hold harmless and release each of the Indemnified Parties from and against any and all Losses, including reasonable attorneys' fees, expert witness fees and court costs suffered or incurred by each of the Indemnified Parties, to the extent caused by:

(i) Hazardous Substances introduced to or brought onto any Development Parcel by a Developer Party;

(ii) failure of any Developer Party to comply with any requirement of this Development Agreement or any other Contract Documents relating to Hazardous Substances (including any failure to perform any Remedial Action required pursuant to Section 9A.1 (*General Obligations*) or to otherwise comply with applicable Environmental Laws and Governmental Approvals; or

(iii) the exacerbation, release, spreading, migration, or toxicity of Hazardous Substances due to the action or inaction of a Developer Party.

(b) The Developer will defend such Losses in accordance with ARTICLE 7 (*Indemnity*).

(c) The Developer's obligations under this Section 9A.3 (*Developer Indemnifications Regarding Hazardous Substances*) will not apply to Losses to the extent caused by the gross negligence or willful misconduct of either the EDA or the City.

ARTICLE 10
PERFORMANCE TARGETS; COMMUNITY UNDERTAKINGS

10.1 Generally. The Developer acknowledges and agrees that the performance by the Developer of the requirements of this ARTICLE 10 (*Performance Targets; Community Undertakings*) constitute an important, material, and substantial inducement to the City to enter into this Development Agreement.

10.2 Affordable Housing.

(a) **Affordable Housing Commitment**. The Developer shall satisfy its Affordable Housing Commitment in accordance with the terms of Section 2.2(e) (*Affordable Housing Commitment*) and the Master Plan. In the sale or lease of the Affordable Housing Units to be directly developed and constructed by the Developer on the Project Site, the Developer shall comply with the Affordable Housing Development Requirements set forth in Exhibit E-5 (*Development Progress Requirements*) to ensure the timely delivery of the Affordable Housing Units and the appropriate dispersal of the Affordable Housing Units throughout the Project Site.

(b) **Affordability Covenants**. With respect to each Private Development Parcel that will contain Affordable Housing Units, the Affordable Housing Covenants shall be recorded against title to such Private Development Parcel following recordation of the Deed for such Private Development Parcel.

10.3 Minority Business Enterprise and Emerging Small Business Participation.

(a) **Definitions**. As used in this Section, the following capitalized terms shall have the meanings set forth below:

"**Contractor**" means a Person contracted by the Developer to perform services or work on any Development Parcel in connection with the construction of the Project.

"**Developer's MBE Plan**." Within fourteen (14) Days after the Parties execute this Development Agreement, the Developer shall furnish the City, for the City's approval, the MBE Plan.

"**Developer's MBE/ESB Coordinator**" means the Person identified pursuant to Section 10.3(b).

"**Emerging Small Business**" means a Person certified by the Office of Minority Business Development as meeting the definition of "emerging small business" in Section 21-4 of the City Code or any successor ordinance.

"**Goal**" means the goal set forth in Section 10.3(c) (*Goal*).

"**Good Faith Efforts**" has the same meaning as provided in Section 21-4 of the City Code or any successor ordinance for "good faith minority business enterprise and emerging small business participation efforts."

"**Improvement Cost**" means all costs expended by the Developer to complete construction of the Project, except for the following:

(i) any payment to a grantor of real property as consideration for the acquisition of real property from that grantor, excluding any charges, commissions, fees, or other compensation due to any real estate agent, broker or finder on account thereof;

(ii) any payment to a public or private utility to connect to the utility services of that public or private utility;

(iii) any payment by the Developer to any non-affiliate of the Developer for legal, consulting and professional fees other than fees for design, engineering, environmental, geotechnical and construction services; and

(iv) other costs expended by the Developer to complete construction of the Project that the Office of Minority Business Development determines cannot be performed by an Emerging Small Business or a Minority Business Enterprise.

"**MBE Plan**" means that Plan developed to create diverse Small Business Enterprise and Emerging Small Business participation in the execution of the Project.

"**Minority Business Enterprise**" means a Person registered by the Office of Minority Business Development as meeting the definition of "minority business enterprise" in section 21-4 of the City Code or any successor ordinance.

"**Office of Minority Business Development**" means the City's Office of Minority Business Development or its successor agency.

"**Purchaser**" means the Developer and any Contractor or Subcontractor of the Developer.

(b) **Developer's MBE/ESB Coordinator**. Unless the Developer previously has complied with the following provisions, within fourteen (14) Days after the Parties execute this Development Agreement, the Developer shall furnish the City, for the City's approval (not to be unreasonably withheld), the following information about the Developer's MBE/ESB Coordinator, a Person either employed or contracted by the Developer, who will be responsible for ensuring that all Purchasers make the requisite good faith efforts to achieve the Goal:

(i) The Person's name, title and employer's name and State Corporation Commission registration number;

(ii) Number of years that the Person has worked for the Person's prior employers and current employer; and

(iii) A list of construction projects using the same project delivery method that the Person has worked on, including (A) the position the Person had on each such project; (B) the scope of work, construction value, quality, initial and final costs and initial and actual completion dates for each such project; (C) whether each such project met any minority participation or similar goal set for such project; and (D) the telephone number and electronic mail address of the owner's representative for each such project.

The City shall, within fourteen (14) Days after receiving all of the aforementioned information from the Developer, communicate in writing its approval or disapproval of the Developer's MBE/ESB Coordinator. If the City disapproves, in the City's sole and absolute discretion, the Person selected by the Developer as the Developer's MBE/ESB Coordinator, the Developer shall, within fourteen (14) Days of the Developer's receipt of such disapproval, submit all of the aforementioned information for a different Person to serve as the Developer's MBE/ESB Coordinator.

(c) **Goal**.

(i) **Calculation**. The Developer has set a goal that forty percent (40%) of the Improvement Cost of the entire Project will be spent with Emerging Small Businesses and Minority Business Enterprises that perform commercially useful functions towards the construction of the Project (the "**Goal**").

(ii) **Efforts Cumulative**. The Goal does not apply individually to each contract into which the Developer and other Purchasers enter for part of the Improvement Cost to which the Goal applies. Rather, the Developer shall be considered to have met the Goal if the Goal's percentage of the entire Improvement Cost is fulfilled even if the Goal is not met for individual contracts that relate to that Improvement Cost.

(iii) **Performance Measurement**. The Office of Minority Business Development will use the following rules to determine whether the Developer properly has counted particular payments to Contractors and Subcontractors towards meeting the Goal:

(A) Only payments made to a Contractor or Subcontractor that is an Emerging Small Business or a Minority Business Enterprise will be counted towards the Goal.

(B) The value of work performed by a Contractor or Subcontractor that ceases to be certified by the Office of Minority Business Development as an Emerging Small Business or registered by the Office of Minority Business Development as a Minority Business Enterprise will not be counted, unless such Contractor or Subcontractor is recertified or reregistered, as applicable, within ninety (90) Days following the termination of its certification or registration, as applicable.

(C) When an Emerging Small Business or a Minority Business Enterprise subcontracts part of the work of its contract to a Subcontractor, the value of the subcontracted work will be counted towards the Goal only if that Subcontractor is itself an Emerging Small Business or a Minority Business Enterprise.

(D) The entire amount of payments to an Emerging Small Business or a Minority Business Enterprise for "general conditions," as that term is used in the construction industry to describe a category of a construction contractor's costs, will be counted towards the Goal.

(E) When an Emerging Small Business or a Minority Business Enterprise performs as a participant in a joint venture, a portion of the total value of the contract equal to the portion of the work of that contract that the Emerging Small Business or the Minority Business Enterprise performs, as measured by the amount paid to that Emerging Small Business or Minority Business Enterprise and not paid to a Subcontractor thereof will be counted towards the Goal.

(F) Payments to an Emerging Small Business or a Minority Business Enterprise for materials or supplies will be counted towards the Goal as follows:

(I) If the materials or supplies are obtained directly from a manufacturer that is an Emerging Small Business or a Minority Business Enterprise, 100 percent of the cost of those materials or supplies will count towards the Goal; and

(II) If the materials or supplies are obtained from an Emerging Small Business or a Minority Business Enterprise that has stored or warehoused the materials or supplies, 60 percent of the cost of those materials or supplies so stored or

warehoused by the Emerging Small Business or the Minority Business Enterprise will count towards the Goal.

(d) **Good Faith Efforts**. The Developer will be deemed to have made Good Faith Efforts to achieve the Goal if the Developer has done all of the following:

(i) The Developer has employed the Developer's MBE/ESB Coordinator required by Section 10.3(b) (*Developer's MBE/ESB Coordinator*).

(ii) The Developer has caused each Purchaser to implement plans and procedures that will require that Purchaser to comply with all elements of this Section 10.3 (*Minority Business Enterprise and Emerging Small Business Participation*).

(iii) The Developer has caused implementation of the following:

(A) Contractor controlled insurance programs to cover Subcontractors under a Contractor's insurance policies for each component of the construction of the Project.

(B) Payment schedules for Subcontractors that are biweekly instead of monthly.

(iv) The Developer has caused all Purchasers to do the following:

(A) Provide and, as needed, update contact information for a point of contact to the Developer and the City for the purpose of communications required or permitted to be given pursuant to this Section 10.3 (*Minority Business Enterprise and Emerging Small Business Participation*).

(B) Set individual targets on individual contracts consistent with the Developer's Good Faith Efforts to achieve the Goal.

(C) If the Purchaser is a Contractor, work with the Developer to host, plan, adequately advertise, and conduct at least two "meet and greet" sessions intended to introduce Emerging Small Businesses and Minority Business Enterprises to the Contractor.

(D) If the Purchaser is a Contractor, hold a pre-bid or pre-proposal meeting for all Subcontractors prior to any due date for bids or proposals at which the Goal and the requirements of this Section 10.3 (*Minority Business Enterprise and Emerging Small Business Participation*) are explained.

(E) If the Purchaser is a Contractor, recruit Subcontractors to participate in the pre-bid or pre-proposal.

(v) For each contract the cost of which is part of the Improvement Cost, between the date on which the Parties execute this Development Agreement and the date on which bids or proposals are due to the Purchaser:

(A) The Developer has used the Office of Minority Business Development's database and other available sources to identify qualified, willing and able Emerging Small Businesses and Minority Business Enterprises.

(B) The Developer has participated in outreach efforts and programs designed to assist qualified potential Contractors or Subcontractors in becoming certified as Emerging Small Businesses or registered as Minority Business Enterprises.

(C) The Developer has notified potential Contractors or Subcontractors that might qualify as Emerging Small Businesses and Minority Business Enterprises, through meetings, fora, presentations, seminars, newsletters, website notices or other means of the upcoming opportunities available to Emerging Small Businesses and Minority Business Enterprises to participate in the construction of the Project.

(D) The Developer has provided Purchasers with assistance and resources to identify and contract with Emerging Small Businesses and Minority Business Enterprises.

(E) The Developer has worked with not-for-profit organizations to reduce barriers to Emerging Small Business and Minority Business Enterprise participation in the construction of the Project, including implementation of the requirements of this Section.

(vi) For each contract the cost of which is part of the Improvement Cost, between the pre-bid or pre-proposal meeting described in Section 10.3(d)(v) (*Good Faith* Efforts) above and the date on which bids or proposals are due:

(A) The Developer has assisted Purchasers, bidders or offerors and Emerging Small Businesses and Minority Business Enterprises with any questions relating to this Section 10.3 (*Minority Business Enterprise and Emerging Small Business Participation*).

(B) The Developer has provided the City with a copy of all correspondence in which it has informed Purchasers, bidders or offerors and Emerging Small Businesses and Minority Business Enterprises of the Developer's opinion as to whether a particular contract or portion thereof should be counted towards the Goal.

(C) The Developer has required Purchasers to submit a form containing all of the information required above for each Emerging Small Business or Minority Business Enterprise the Purchaser is committing to using.

(vii) For each contract the cost of which is part of the Improvement Cost, between the award of the contract and completion of the work required by that contract:

(A) The Developer has resolved any disputes related to Emerging Small Business or Minority Business Enterprise participation in the construction of the Project and advised the City in writing of each such dispute and its resolution.

(B) The Developer has complied with and caused all Purchasers to comply with all requirements of Section 10.4 (*Compliance Monitoring and Reporting*).

10.4 Compliance Monitoring and Reporting.

(a) **Responsibility**. Although all final determinations as to whether the Goal has been met shall be made only by the City, in consultation with the Office of Minority Business Development, the Developer shall be responsible for monitoring and enforcing the compliance of Purchasers with this Section 10.4 (*Compliance Monitoring and Reporting*). The Developer shall cause all Purchasers to gather and report to the Developer all data needed to ensure that all Purchasers are complying with the requirements of this Section 10.4 (*Compliance Monitoring and Reporting*). The Developer shall furnish the City with all data so gathered and reported and all other information required by this Section 10.4 (*Compliance Monitoring and Reporting*) no less frequently than once per month at a time designated by the City.

(b) **Reporting**. The Developer shall require all Purchasers to submit, monthly and on a form approved by the Office of Minority Business Development, complete and accurate data on the participation of Emerging Small Businesses and Minority Business Enterprises, including, but not necessarily limited to, the following:

(i) The name, address, identification number and work description of each Emerging Small Business or Minority Business Enterprise that the Purchaser has committed to use, as of the date of the report;

(ii) Identification of the Purchaser that has hired each Emerging Small Business or Minority Business Enterprise;

(iii) The total contract value for each committed Emerging Small Business or Minority Business Enterprise;

(iv) Any changes to the total contract value for each committed Emerging Small Business or Minority Business Enterprise;

(v) The classification of each Emerging Small Business or Minority Business Enterprise by function using classifications prescribed by the Office of Minority Business Development;

(vi) The value of each element of work or supplies provided by each Emerging Small Business or Minority Business Enterprise during the reporting period;

(vii) The value of each element of work or supplies that the Developer believes should be counted towards the Goal during the reporting period;

(viii) The total value of work or supplies invoiced during the reporting period and paid during the reporting period for each Emerging Small Business or Minority Business Enterprise; and

(ix) The total amount of Improvement Cost invoices during the reporting period and paid during the reporting period.

10.5 Jobs and Training. The Developer shall work in good faith to create training and outreach programs within the City to identify opportunities to secure the jobs skills needed for both the construction and post-construction phases of the Project. All opportunities for employment in connection with the development of the Project shall be communicated to the City's Office of Community Wealth Building, and the Developer shall encourage all initial users and tenants of the Project to coordinate recruitment efforts with the Office of Community Wealth Building. Unless the Developer previously has complied with the provisions herein, within fourteen (14) Days after the Parties execute this Development Agreement, the Developer shall furnish the City, for the City's approval, the Developer's workforce development plan and the following information about the Developer's workforce coordinator, who shall be responsible for ensuring the Developer satisfies the obligations set out above: (i) the Person's name, title, and employer's name State Corporation Commission registration number and (ii) the number of years that the Person has worked for the Person's prior employers and current employer.

10.6 Local Ownership Interests in Project. The Developer shall make available to non-affiliated RVA Local Business Enterprises the opportunity to invest in the Project as equity owners, with such equity interest being equal to at least five percent of the Project's equity value. For purposes of this provision, "RVA Local Business Enterprises" means residents of the City of Richmond and entities whose principal place of business is located in the City of Richmond.

10.7 Affordable Housing Closing Cost Fund. The Developer shall establish a fund in the amount of one million dollars ($1,000,000) to assist purchasers of for sale Affordable Housing Units in the payment of closing costs and other transaction expenses. Such fund shall be established prior to Closing on the Phase 2 Purchased Property. The Developer

shall deposit $50,000 into the fund at the time of its establishment, with the balance to be funded in installments upon substantial completion of (a) the for sale Affordable Housing Units required to meet the Minimum Development Progress for the Phase 2 Project, (b) the for sale Affordable Housing Units required to meet the Minimum Development Progress for the Phase 3 Project and (c) the for sale Affordable Housing Units required to meet the Total Development Progress. Each required funding installment shall equal the product obtained by multiplying $950,000 by a fraction, the numerator of which shall be the total number of for sale Affordable Housing Units planned for the applicable Phase (as shown in Exhibits E-2 (*Phase 2 Project Components*) through E-4 (*Phase 4 Project Components*), respectively) and the denominator of which shall be the total number of for sale Affordable Housing Units planned for the entire Project (as shown in Exhibits E-2 (*Phase 2 Project Components*) through E-4 (*Phase 4 Project Components*)).

10.8 Diamond District Small Business Institute. Prior to Closing on the Phase 2 Purchased Property, the Developer shall work in good faith with Virginia Union University ("**VUU**") to establish the Diamond District Small Business Institute and an associated five hundred thousand dollar ($500,000) Revolving Loan Program for graduates of the Institute who are approved for a Small Business Administration loan.

10.9 Diamond District Scholarship Program. The Developer shall establish the Diamond District Scholarship Program that will include paid internships, part-time jobs and summer employment opportunities for students of Richmond-based technical and community college programs. Such program will be funded in annual amounts of fifty thousand dollars ($50,000) over a ten (10) year period commencing in the year the Phase 1 Project achieves Stabilization.

10.10 Other Developer Community Undertakings.

(a) The Developer shall make good faith efforts to partner with VUU's hospitality and business programs to provide enriching student learning opportunities on the development and financing of the Phase 1 Hotel.

(b) Prior to Closing on the Phase 2 Purchased Property, the Developer shall fund and create a baseball league (the "**Diamond District Baseball League**") for tee-ball and coach pitch for youth ages five to eight through partnerships with existing organizations.

(c) In an effort to create an available local workforce with sufficient experience to support the development of the Project, the Developer shall make a good faith effort to collaborate with the School Board of the City of Richmond, Virginia ("**School Board**"), to develop a technical training center at 2301, 2401, and 2416 Maury Street, owned by Project Ace, LLC, an affiliate of the School Board ("**Technical Training Center**"). If the Developer is successful in developing the Technical Training Center, the Developer shall provide funding sufficient to hire a training coordinator that will ensure that graduates from the Technical Training Center are offered apprenticeships and employment opportunities in the development of the Project.

(d) In coordination with the family of Arthur Ashe, Jr., the Developer shall develop and create elements honoring the legacy of Arthur Ashe, Jr., in each of the Phase 1 Project and the overall Project.

(e) The Developer (i) shall cause the creation or display of public art throughout the Project Site and (ii) shall consult with the City's Public Art Commission in the development and implementation of the Developer's public art program. If any public art is to be dedicated to the City, or if the public art is to be installed on City-owned property, the Developer shall comply with the Public Art Commission's approval process for the creation of new public art.

10.11 Developer Acknowledgment. The Developer acknowledges that it is voluntarily agreeing to provide the community undertakings set forth in this ARTICLE 10 (*Performance Targets; Community Undertakings*) as well as the additional undertakings in Section 4.19 (*Construction Jobs for Richmond Residents*) and Section 4.20 (*Union Labor Man-Hour Goal*). The Developer warrants that it or its agents, or contractors, will independently analyze the legal basis for its, or their, selected means and methods of performance and implementation of such undertakings to ensure that it, or they, do not engage in any conduct inconsistent with local, state, or federal law in such means and methods of performance and implementation. In addition, the Developer shall indemnify, hold harmless, and defend the City and the EDA from and against any and all Losses arising out of, caused by, or resulting from the performance and implementation of the undertakings by the Developer, its agents, and its Contractors. The Developer shall release the City and the EDA, their respective officers, employees, agents and volunteers from and against any and all Losses that the Developer may suffer, pay, or incur caused by, resulting from, or arising out of the performance and implementation of the undertakings.

ARTICLE 11
EVENTS OF DEFAULT AND TERMINATION

11.1 Developer Default. The occurrence of any one or more of the following shall constitute a "**Developer Default**" under this Development Agreement:

(a) any failure by the Developer to pay either the City or the EDA any amount due and payable under the Contract Documents, when such failure continues for more than thirty (30) Days following written notice from the City or the EDA;

(b) the Developer fails to timely achieve Closing on any Private Development Parcel by the Outside Closing Date for such Private Development Parcel, as the same may be extended pursuant to this Development Agreement;

(c) with respect to any Phase: (i) subject to the terms of ARTICLE 14 (*Delay Event*), construction of the Stadium Project has not commenced within the time period required by the Project Schedule, (ii) subject to the terms of ARTICLE 14 (*Delay Event*), construction of a Phase has ceased for a period of more than one hundred eighty (180) consecutive Days or (iii) the Developer has abandoned, or apparently

abandoned, or has stated it will abandon a Phase or Development Parcel for a period of more than one hundred and eighty (180) consecutive Days;

(d) with respect to any Private Development, the Developer fails to achieve (i) the Minimum Development Progress for the then-current Phase of the Project by the Outside Closing Date for the succeeding Phase of the Purchased Property or (ii) the Total Development Progress by the Total Development Progress Completion Deadline;

(e) with respect to any of the Public Infrastructure, the Developer fails to achieve Substantial Completion by the later of (i) the Substantial Completion Deadline for such Public Infrastructure or (ii) the expiration of any Long Stop Extension for completion of such Public Infrastructure granted by the EDA under this Development Agreement;

(f) with respect to the Stadium Project, the Developer fails to achieve Stadium Substantial Completion by the Stadium Substantial Completion Deadline;

(g) any court of competent jurisdiction enters an order, judgment, or decree approving a petition seeking reorganization of a Lead Developer Party or all or a substantial part of the assets of a Lead Developer Party or any partner or guarantor of a Lead Developer Party or appointing a receiver, sequestrator, trustee or liquidator of the Developer, any Lead Developer Party, any partner or guarantor of a Lead Developer Party or any of their property and such order, judgment or decree continues unstayed and in effect for at least sixty (60) Days;

(h) a Lead Developer Party (i) makes a general assignment for the benefit of creditors, (ii) is adjudicated as either bankrupt or insolvent, (iii) files a voluntary petition in bankruptcy or a petition or an answer seeking reorganization or an arrangement with creditors, (iv) either (A) takes advantage of any bankruptcy, reorganization, insolvency, readjustment of debt, dissolution or liquidation Law or (B) admits the material allegations of a petition filed against such Lead Developer Party in any proceedings under such a Law or (v) any partner or guarantor of a Lead Developer Party takes action for the purposes of effecting any item identified in item (iv);

(i) the Developer breaches, or fails to strictly comply with, any provision of ARTICLE 8 (*Insurance*) and such breach or failure continues for more than five (5) Business Days after written notice thereof from the EDA;

(j) a writ of execution is levied on any Private Development Parcel that is not released within sixty (60) Days, or a receiver, trustee, or custodian is appointed to take custody of all or any material part of the property of a Developer Party in connection with the Project, which appointment is not dismissed within sixty (60) Days;

(k) any Lead Developer Party suffers or permits an assignment of this Development Agreement or any interest therein or any Private Development Parcel to occur in violation of this Development Agreement;

(l) any Lead Developer Party suffers or permits a Restricted Transfer to occur in violation of this Development Agreement;

(m) the Developer fails to post the Developer Land Purchase Deposit in accordance with the PSA and such failure continues without cure for a period of ten (10) Business Days following the date the EDA delivers to the Developer written notice thereof;

(n) a breach occurs of any Memorandum of Development Agreement during the performance of the D&C Work for any Private Development Parcel;

(o) a breach occurs at any time of the Hotel Use Covenant or the Affordable Housing Covenants for any Private Development Parcel; or

(p) the Developer fails to perform any other material covenant, condition or obligation under this Development Agreement within sixty (60) Days after the EDA provides written notice thereof to the Developer, provided that, if such failure cannot be cured within such sixty (60) Day period and the Developer is diligently and in good faith pursuing a cure, the Developer shall have such additional time as may be necessary to complete the cure, not to exceed one hundred and eighty (180) Days.

11.2 Remedial Plan Upon Developer Default.

(a) If a Developer Default occurs (excluding those in Sections 11.1(a) and Sections 11.1(g) through 11.1(m)) and it has not been cured within any relevant cure period, the Developer must (within thirty (30) Days of receipt the EDA's notice of a Developer Default) prepare and submit a remedial plan ("**Remedial Plan**"), granting the Developer at least an additional ninety (90) Days to cure any Developer Default. A Remedial Plan must set out specific actions and an associated schedule to be followed by the Developer to cure the relevant Developer Default and reduce the likelihood of such defaults occurring in the future. Such actions may include:

(i) changes in organizational and management structure;

(ii) revising and restating management plans and procedures;

(iii) improvements to quality control practices;

(iv) increased monitoring and inspections;

(v) changes in Key Personnel (subject to EDA approval) and other important personnel;

(vi) any applicable financing or funding plans; and

(vii) replacement of Subcontractors.

(b) Within thirty (30) Days of receiving a Remedial Plan, the EDA shall notify the Developer whether such Remedial Plan is acceptable (in the EDA's sole discretion). If the EDA notifies the Developer that its Remedial Plan is acceptable, the Developer shall implement such Remedial Plan in accordance with its terms.

11.3 Other Remedies Upon Developer Default.

Upon the occurrence and during the continuance of a Developer Default that is either (x) not eligible to be remedied pursuant to a Remedial Plan or (y) that is not remedied under or in accordance with a Remedial Plan agreed to by the EDA and subject to the provisions contained in Section 11.4 (*Limitation on Remedies*), the EDA shall be entitled to:

(a) exercise all rights and remedies provided in the Contract Documents or available at Law or equity;

(b) terminate this Development Agreement and the PSA in whole or in part, in the EDA's sole discretion;

(c) where a Developer Default occurs under Section 11.1(n) (*Memorandum of Development Agreement Default*) or Section 11.1(o) (*Hotel and the Affordable Housing Covenants Default*), seek specific performance, injunctive relief or other equitable remedies, including compelling the re-sale or leasing of an Affordable Housing Unit, the Hotels and with respect to the Affordable Housing Units, disgorgement of rents and sale proceeds in excess of the rental rates and sale prices permitted under this Development Agreement for Affordable Housing Units;

(d) terminate the Developer's right to Close on any Private Development Parcel which has not already achieved Closing;

(e) draw on the Developer Land Purchase Deposit in accordance with Section 6.5 (*Developer Land Purchase Deposit*) and retaining all such amounts notwithstanding any future rights of the Developer being extinguished, including the right of the Developer to Close on any Private Development Parcel that has not already achieved Closing; and

(f) repurchase from the Developer any portions of the Purchased Property with respect to which the Developer has neither (i) obtained a building or land disturbance permit and started construction on the applicable Project components nor (ii) closed on a construction loan, in each instance at a repurchase price equal to the portion of the Purchase Price originally paid by the Developer that is allocable to such portion of the Purchased Property.

11.4 Limitation on Remedies. Except for the repurchase rights set forth in Section 11.3(f) (*Other Remedies Upon Developer Default*), which may be exercised against any Purchased Property acquired by the Developer at any time following a Developer Default, notwithstanding any other provisions contained in Section 11.1 (*Developer Default*) above or elsewhere in this Development Agreement or any of the Contract Documents to the contrary, the Parties acknowledge and agree that a Developer Default relating solely to one Phase shall not constitute a Developer Default or impact any rights under any other unrelated Purchased Property that has already achieved Closing, and in such case, notwithstanding anything contained in Section 11.3 (*Other Remedies Upon Developer Default*) above (excluding Section 11.3(f) (*Other Remedies Upon Developer Default*)) or elsewhere in this Development Agreement or any of the Contract Documents to the contrary, the EDA may only exercise the remedies provided for in Section 11.3 (*Other Remedies Upon Developer Default*) or elsewhere in this Development Agreement or any of the Contract Documents with respect to the Phase to which the Developer Default relates; however, the limitations in this paragraph shall not impact the EDA's entitlement to terminate or revoke the right to purchase all or a portion of the Purchased Property that has not yet achieved Closing and the EDA shall be entitled to retain the Developer Land Purchase Deposit for any such terminated or revoked Purchased Property.

11.5 Rights of City and EDA. All of the EDA's rights and remedies shall be cumulative, and except as may be otherwise provided by applicable Law, the exercise of any one or more rights shall not preclude the exercise of any others.

11.6 City Default; EDA Default.

(a) The occurrence of any one or more of the following shall constitute a "**City Default**" under this Development Agreement:

(i) Subject to the terms of Section 18.3 (*Availability of Funds for the City's and EDA's Performance*), any failure of the City to satisfy any of its monetary obligations under any of the Contract Documents or the Grant and Cooperation Agreement with appropriated funds, in each case when due and payable, if such failure continues for sixty (60) Days after the Developer gives written notice to the City that such amount was not paid when due;

(ii) the City's assignment of its interests under this Development Agreement in breach of Section 12.2 (*Transfers by the City and the EDA*) of this Development Agreement; or

(iii) the City fails to perform any other material covenant, condition or obligation under this Development Agreement that causes a material delay, loss or impairment of the Developer's rights under this Development Agreement, and such failure continues for sixty (60) Days after the Developer provides written notice thereof to the City, provided that, if such failure cannot be cured within such sixty (60) Day period and

the City is diligently and in good faith pursuing a cure, the City shall have such additional time as may be necessary to complete the cure.

(b) The occurrence of any one or more of the following shall constitute an "**EDA Default**" under this Development Agreement:

(i) Subject to the terms of Section 18.3 (*Availability of Funds for the City's and EDA's Performance*), any failure of the EDA to satisfy any of its monetary obligations under any of the Contract Documents or the Grant and Cooperation Agreement with appropriated funds, in each case when due and payable, if such failure continues for sixty (60) Days after the Developer gives written notice to the EDA that such amount was not paid when due;

(ii) the EDA's assignment of its interests under this Development Agreement in breach of Section 12.2 (*Transfers by the City and the EDA*) of this Development Agreement; or

(iii) the EDA fails to perform any other material covenant, condition or obligation under this Development Agreement that causes a material delay, loss or impairment of the Developer's rights under this Development Agreement, and such failure continues for sixty (60) Days after the Developer provides written notice thereof to the EDA, provided that, if such failure cannot be cured within such sixty (60) Day period and the EDA is diligently and in good faith pursuing a cure, the EDA shall have such additional time as may be necessary to complete the cure.

Notwithstanding anything contained in this Section 11.6 (*City Default; EDA Default*) or elsewhere in this Development Agreement or any of the Contract Documents to the contrary, the Parties acknowledge and agree that upon a City Default or an EDA Default relating solely to one Project Segment, and in such case, notwithstanding anything contained in Section 11.7 (*Developer Remedies in the Event of Default by the City or the EDA*) or elsewhere in this Development Agreement or any of the Contract Documents to the contrary, the Developer may only exercise the remedies provided for in Section 11.7 (*Developer Remedies in the Event of Default by the City or the EDA*) or elsewhere in this Development Agreement or any of the Contract Documents with respect to such Project Segment.

11.7 Developer Remedies in the Event of Default by the City or the EDA.

Upon the occurrence and during the continuance of a City Default or an EDA Default under this Development Agreement (excluding for a City Default or an EDA Default caused by non-payment), the Developer must notify (a) the City of the occurrence of the City Default and (b) the City and the EDA of the occurrence of the EDA Default. Upon receipt of such notification, the City and the EDA, as applicable, will have thirty (30) Days to agree on a reasonable and feasible remedial plan (a "**City Remedial Plan**") with the Developer, granting the City or the EDA, as applicable, at least an additional

ninety (90) Days to cure any City Default or EDA Default. The Developer will accept any City Remedial Plan if it is deemed objectively reasonable and feasible. Following expiration or the City's or the EDA's breach of any City Remedial Plan, to the extent any City Default or EDA Default has not been cured, the Developer shall have all rights and remedies provided in this Development Agreement or available at Law or equity, including, subject to the provisions of Section 11.6 (*City Default; EDA Default*) terminating this Development Agreement in its entirety and receiving from the Title Company any remaining funds then held by the Title Company constituting the Developer Land Purchase Deposit. All of the Developer's rights and remedies shall be cumulative, and except as may be otherwise provided by applicable Law, the exercise of any one or more rights shall not preclude the exercise of any others.

ARTICLE 12
RESTRICTED TRANSFERS AND ASSIGNMENTS

12.1 Assignment and Restricted Transfer.

(a) **Consent of the EDA**.

(i) **Restricted Transfers**. Except as otherwise expressly permitted in this ARTICLE 12 (*Restricted Transfers and Assignments*), the Lead Developer Parties shall not cause or allow for any of the following restricted transfers (a "**Restricted Transfers**"):

(A) any Significant Change prior to the second anniversary of Stabilization of the final Project Segment required to be completed in the Project, without prior written consent of the EDA; or

(B) any Significant Change involving the transfer of any shares or membership interests to a Prohibited Person; or

(C) prior to the second anniversary of Stabilization of the final Project Segment required to be completed in the Project, without prior written consent of the EDA, any assignment or sale of, granting of lien or security interest in or any other transfer of all or any part of the Developer's interest in and to any Transaction Document either voluntarily or by operation of law (a "**Transfer**").

(ii) **Restricted Transfer of This Development Agreement**. Without limiting the preceding provisions of this Section 12.1(a) (*Consent of the EDA*), it shall in any instance be reasonable for the EDA to withhold its consent to any Restricted Transfer proposed by a Lead Developer Party (each, a "**Proposed Restricted Transfer**") to the extent that any such Proposed Restricted Transfer would serve to deprive or limit the City or the EDA with respect to their respective rights under the Contract Documents and adversely impact the Developer's performance of its obligations under this Development Agreement or the PSA.

(b) **Permitted Transfers**.

(i) Provided that a Significant Change or Transfer satisfies the requirements in (ii) below, the following shall be permitted at any time hereunder without the EDA's consent and shall be deemed a "**Permitted Transfer**":

(A) entry into any Construction Contract and associated leases, subleases or subcontracts where the Lead Developer Parties remain responsible for satisfying the obligations either directly or indirectly under the Transaction Documents;

(B) the grant or enforcement of security in favor of any of the Lead Developer Party's lenders over or in relation to any shares or membership interests in any Lead Developer Party under a security document in connection with the Project;

(C) Transfers of partnership or membership interests, if applicable, in any Lead Developer Party between Partners in such Lead Developer Party, provided that such Transfers do not result in a Significant Change;

(D) the grant or enforcement of security in favor of any of the Lead Developer Party's lenders over or in relation to any Development Parcel or with the City's approval under a security document;

(E) any other Significant Change that does not satisfy the definition of Restricted Transfer; and

(F) any sale (or ground lease) of all or any portion of any Development Parcel to any Person for purposes of allowing such Person to undertake development of the applicable Project Segment or any component of the applicable Project Segment, and any sale of all or any portion of any Development Parcel following Final Completion of the applicable Project Segment or any component of the applicable Project Segment.

(ii) Any Permitted Transfer must be for a legitimate business purpose and not to deprive or compromise any rights of the City or the EDA under this Development Agreement and must not adversely impact the Developer's ability to perform its obligations under this Development Agreement. Additionally, any Permitted Transfer shall comply with and remain subject to the provisions and requirements of Sections 12.1(e)(i), 12.1(e)(iv), and 12.1(e)(vii) (*Conditions*).

(c) **Total Restricted Transfer of the Contract Documents or Property Interests**. Except as otherwise expressly permitted, the Developer shall not cause or permit any Restricted Transfer of any Transaction Document or real property interest granted under any Transaction Document (each such Restricted Transfer a "**Total**

Restricted Transfer"), including any Total Restricted Transfer by means of a Significant Change, without the EDA's prior written consent, which may be withheld, delayed, or conditioned in the EDA's sole and absolute discretion.

(d) **Partial Restricted Transfers**. Except as otherwise expressly permitted, each Developer Party shall not cause or permit any Restricted Transfer of less than all of the Transaction Documents or any portion of the obligations under all or any of the Transaction Documents or real property interests granted under any Transaction Documents (each such Restricted Transfer a "**Partial Restricted Transfer**"), including any Partial Restricted Transfer by means of a Significant Change, without the EDA's prior written consent, which shall not be unreasonably withheld, delayed or conditioned by the EDA if all conditions precedent set forth in Section 12.1(e) (*Conditions*) are satisfied or waived in writing by the EDA, which waiver shall be in the EDA's sole and absolute discretion.

(e) **Conditions**. Notwithstanding any provision herein to the contrary, any Proposed Restricted Transfer is subject to the satisfaction in full, or the written waiver thereof by the EDA, which waiver shall be in the EDA's sole and absolute discretion, of all of the following conditions precedent and covenants of the Developer, all of which are hereby agreed to be reasonable as of the Agreement Date and the date of any Proposed Restricted Transfer:

(i) the Developer provides the EDA with at least thirty (30) Days' prior written notice of the Proposed Restricted Transfer;

(ii) the EDA determines, in its reasonable judgment, that the proposed transferee (A) has the financial capacity to perform the Work and satisfy the Lead Developer Party's obligations under and in accordance with any of the Transaction Documents that are applicable to the interest in the Transaction Documents that is subsumed within the Proposed Restricted Transfer and (B) either (i) has itself sufficient experience and reputation in the design, construction, operation, commercialization, use and maintenance of projects of a type and size comparable to the Project or (ii) direct or indirect beneficial owners, proposed managers or operating partners with the financial strength, technical capability and integrity to perform the Work and satisfy the applicable Lead Developer Party's obligations under and in accordance with any of the Transaction Documents that are applicable to the interest in the Transaction Documents that is subsumed within the Proposed Restricted Transfer. No proposed transferee may have any criminal, civil, administrative or regulatory claims, judgements or actions implicating such proposed transferee's ethics or capabilities against any such Person (a "**Prohibited Person**"). The quality of any proposed transferee's past or present performance on other projects may be considered as part of the EDA's review and determination on the proposed transferee's capability to perform the obligations under the Transaction Documents;

(iii) in the case where a Proposed Restricted Transfer is a Partial Restricted Transfer, such qualifications of the proposed transferee shall be assessed with respect the portion of the Project and applicable obligations under the Transaction Documents subsumed within the proposed Partial Restricted Transfer;

(iv) any proposed transferee, by instrument in writing (which may, at the election of the EDA in its sole and absolute discretion, constitute or include a new development agreement or purchase and sale agreement directly between the EDA and such proposed transferee), for itself and its successors and assigns, and expressly for the benefit of the EDA, expressly assumes all of the obligations of the Lead Developer Party under the applicable Transaction Document(s) and any other agreements or documents entered into by and between the EDA and the Developer or between the Developer and any other Lead Developer Party relating to the Project (excluding the Stadium), or the portion of the Project that will be subsumed within the Proposed Restricted Transfer, and agrees to be subject to all of the covenants, conditions and restrictions to which such Lead Developer Party is subject under such documents with respect to the Project, or the portion thereof that will be subsumed within the Proposed Restricted Transfer;

(v) the Developer has submitted to the EDA for review all instruments and other legal documents involved in effecting the Proposed Restricted Transfer, including the agreement and instruments of sale, assignment, transfer or equivalent and any required Regulatory Approvals, and the EDA has approved such documents, which approval shall not be unreasonably withheld, delayed or conditioned;

(vi) the Developer shall comply with the provisions of Section 12.1(f) (*Delivery of Executed Assignment*) and, to the extent applicable in the event of a Partial Restricted Transfer to a Non-Affiliate Restricted Transferee or a Total Restricted Transfer to a Non-Affiliate Restricted Transferee, Section 12.1(h)(i)(A) (*Partial Restricted Transfer to Non-Affiliate*) or Section 12.1(h)(ii) (*Total Restricted Transfer to Non-Affiliate*), as applicable;

(vii) there is no uncured Developer Default or Developer breach on the part of any Lead Developer Party under the Transaction Documents or obligations to be assigned to the proposed transferee, or if uncured, either the Lead Developer Party or the proposed transferee has made provisions to cure the applicable default, which provisions are satisfactory to the EDA in its sole and absolute discretion;

(viii) the proposed transferee has demonstrated to the EDA's reasonable satisfaction that the proposed transferee is subject to the jurisdiction of the state courts of the Commonwealth of Virginia;

(ix) the Proposed Restricted Transfer is not in connection with any transaction for purposes of syndicating the Transaction Documents, such as a security, bond or certificates of participation financing, as determined by the EDA in its sole and absolute discretion; and

(x) the Developer has delivered to the EDA such other information and documents relating to the proposed transferee's business, experience and finances as the EDA may reasonably request.

(f) **Delivery of Executed Assignment**. No assignment of any interest in any of the Transaction Documents made with the EDA's consent, or as herein otherwise permitted, will be effective unless and until there has been delivered to the EDA, within thirty (30) Days after the Developer entered into such assignment, an executed counterpart of such assignment containing an agreement executed by the Developer or any applicable Lead Developer Party and the transferee, wherein and whereby such transferee assumes performance of all of the obligations on the Developer's part or the applicable Lead Developer Party's part to be performed under the applicable Transaction Documents and the other assigned documents to and including the expiration or termination of this Development Agreement, provided, however, that the failure of any transferee to assume the Transaction Documents, or to assume one or more of the Developer's or any Lead Developer Party's obligations under the Transaction Documents or in connection with the Project, will not relieve such transferee from such obligations or limit the City's rights or remedies under the Transaction Documents or under any applicable Law. The form of such instrument of assignment shall be subject to the EDA's approval, which approval shall not be unreasonably withheld, delayed or conditioned.

(g) **No Release of the Developer's or Any Lead Developer Party's Liability or Waiver by Virtue of Consent**. The consent by the EDA to any Restricted Transfer and any Restricted Transfer hereunder shall not, nor shall such consent or Restricted Transfer in any way be construed to, (i) relieve or release any Lead Developer Party from any liability or obligation arising at any time out of or with regard to the performance of any covenants or obligations to be performed by any Developer Party at any time under any Transaction Document (except as set forth in Section 12.1(h) (*Release of the Developer Under Certain Circumstances*) or (ii) relieve any transferee or the Developer and any Lead Developer Party from its obligation to obtain the express consent in writing of the EDA to any further Restricted Transfer.

(h) **Release of the Developer under Certain Circumstances**.

(i) **Partial Restricted Transfer to Non-Affiliate**. In the event of a voluntary Partial Restricted Transfer of the Developer's interest in and to a Contract Document or any Development Parcel (excluding any Partial Restricted Transfer by means of a Significant Change) to a Non-Affiliate Restricted Transferee, the Developer, upon (and only upon) written request to the

EDA, shall be released from any obligation under the Contract Documents first accruing after the date of the EDA's approval of such Partial Restricted Transfer, subject to the prior satisfaction in full, or the written waiver thereof by the EDA, which waiver shall be in the EDA's sole and absolute discretion, of all of the following additional conditions precedent and covenants of the Developer:

(A) the construction of all improvements on the portion of the Project to be subsumed within such Partial Restricted Transfer have been completed;

(B) such Partial Restricted Transfer has satisfied all conditions precedent set forth in Section 12.1(e) (*Conditions*); and

(C) such Partial Restricted Transfer has been approved by the EDA pursuant to Section 12.1(d) (*Partial Restricted Transfers*).

(ii) **Total Restricted Transfer to Non-Affiliate**. In the event of a voluntary Total Restricted Transfer of the Developer's interest in and to the Contract Documents (excluding any Total Restricted Transfer by means of a Significant Change) to a Non-Affiliate Restricted Transferee, Developer, upon (and only upon) written request to the EDA, shall be released from any obligation under the Contract Documents first accruing after the date of the EDA's approval of such Restricted Transfer, subject to the prior satisfaction in full or the written waiver thereof by the EDA, which waiver shall be in the EDA's sole and absolute discretion, of all of the following additional conditions precedent and covenants of the Developer:

(A) the construction of the entire Project has been completed;

(B) such Total Restricted Transfer has satisfied all conditions precedent set forth in Section 12.1(e) (*Conditions*); and

(C) such Total Restricted Transfer has been approved by the EDA, which approval shall not be unreasonably withheld, delayed or conditioned provided all other conditions precedent set forth in this Section 12.1(h)(ii) (*Total Restricted Transfer to Non-Affiliate*) have been satisfied or waived by the EDA, which waiver shall be in the EDA's sole and absolute discretion.

(i) **Notice of Significant Changes; Reports to the EDA**. The Developer promptly shall notify the EDA of any and all Significant Changes. At such time or times as the EDA may reasonably request, the Developer shall furnish the EDA with a statement, certified as true and correct by an officer of the applicable Lead Developer Party, setting forth all of the constituent members of the Lead Developer Party and the extent of their respective interests in the Lead Developer Party, and in the event any other Persons have a beneficial interest in the Lead Developer Party, their names and the extent of such interest.

(j) **Prohibition on Involuntary Restricted Transfers**. Neither any Contract Document nor any interest therein or right granted thereby shall be assignable or transferable in proceedings in attachment, garnishment or execution against any Lead Developer Party, or in voluntary or involuntary proceedings in bankruptcy or insolvency or receivership taken by or against a Lead Developer Party or by any process of Law, and possession of the whole or any part of any Development Parcel shall not be divested from a Lead Developer Party in such proceedings or by any process of Law, without the prior written consent of the EDA, which may be granted, withheld or conditioned in the EDA's sole and absolute discretion.

The Developer hereby expressly agrees that the validity of each Lead Developer Party's liabilities as a principal under the applicable Transaction Documents shall not be terminated, affected, diminished or impaired by reason of the assertion or the failure to assert by the EDA against any transferee of any of the rights or remedies reserved to the EDA pursuant to the Contract Documents or by relief of any transferee from any of the transferee's obligations under the Transaction Documents or otherwise by (i) the release or discharge of any transferee in any creditors' proceedings, receivership, bankruptcy, or other proceedings; (ii) the impairment, limitation or modification of the liability of any transferee, or the estate of any transferee, in bankruptcy, or of any remedy for the enforcement of any assignee's liability under the Transaction Documents, resulting from the operation of any applicable Law or from the decision in any court; or (iii) the rejection or disaffirmance of this Development Agreement in any such proceedings.

(k) **Effect of Prohibited Restricted Transfer**. Any Restricted Transfer made in violation of the provisions of this Section 12.1 (*Assignment and Restricted Transfer*) shall be null and void ab initio and of no force and effect. Notwithstanding anything herein to the contrary, if a Restricted Transfer requiring the EDA's consent hereunder occurs without the EDA's consent, the EDA may collect from such assignee, Subcontractors, occupant or reconstituted Developer any amounts otherwise due and payable under the Contract Documents, but such collection by the EDA shall not be deemed a waiver of the provisions of this Development Agreement or an acceptance of such assignee, Subcontractors, occupant or reconstituted as the Developer for the Project.

(l) **Developer as Party Is Material Consideration to the Contract Documents**. The Developer and the EDA acknowledge and agree that the rights retained by and granted to the EDA pursuant to this ARTICLE 12 (*Restricted Transfers and Assignments*) constitute a material part of the consideration for entering into the Contract Documents and constitute a material and substantial inducement to the EDA to enter into the Contract Documents, for the terms, and upon the other covenants and conditions contained in the Contract Documents, and that the acceptability of the Developer and its Lead Developer Parties, and of any transferee of any right or interest in any Transaction Document, involves the exercise of broad discretion by the EDA in promoting the development, conveyance, occupancy, and operation of the Project. Therefore, the Developer

agrees that, subject to and without limiting the other provisions of this ARTICLE 12 (*Restricted Transfers and Assignments*), all conditions set forth herein to the EDA's consent, if required hereunder, to a Proposed Restricted Transfer are reasonable to protect the rights and interest of the EDA hereunder and to assure promotion of the purposes of this Development Agreement. The Developer agrees that its, or its Lead the Developer Parties', personal business skills, experience, financial capability, track record, approach to delivering the Project and philosophy were an important inducement to the EDA for entering into the Contract Documents and that (i) subject to and without limiting the other provisions of this ARTICLE 12 (*Restricted Transfers and Assignments*), if the EDA's consent to a Proposed Restricted Transfer is required hereunder, the EDA may object to the Restricted Transfer to a proposed transferee, as applicable, whose proposed use would involve a different quality, manner or type than that of the Developer and (ii) the EDA may, under any circumstances, object to the Restricted Transfer to a proposed transferee, as applicable, whose proposed use would violate the purpose of this Development Agreement or result in the imposition upon the EDA of any new or additional requirements under the provisions of any Law.

12.2 Transfers by the City and the EDA. Each of the City and the EDA, their respective successors, and its assigns, may assign or sell their interests or otherwise transfer all or any part of their respective interest in and to this Development Agreement to any government entity or subdivision of the Commonwealth, without the prior written consent of the Developer. Any other transfers or assignments of their respective interests under this Development Agreement will be subject to the Developer's prior written approval, which approval will not be unreasonably withheld, conditioned, or delayed.

12.3 Replacement Contractors.

(a) **Replacement of Construction Contractor**. Before entering into any contract replacing an initial Construction Contractor or any subsequent Construction Contractor that will cause a Significant Change (as applied to such Contractor), the Developer will submit a true and complete copy of the proposed Significant Change or new contract for the EDA's review and, with respect to any portion of the Project other than the Private Development, approval, subject to the following:

(i) The EDA may disapprove such Significant Change for any portion of the Project other than the Private Development (as applied to such Contractor) or proposed new contract if such new Construction Contractor or member thereof, or new contract or the Work to be performed thereunder does not comply, or is inconsistent, in any material respect with the applicable requirements of this Development Agreement; and

(ii) The EDA may disapprove of the replacement Contractor for any portion of the Project other than the Private Development after taking into account the following factors:

(A) the financial strength and integrity of the proposed Contractor, each of its direct Contractors, and their respective direct or indirect beneficial owners, any proposed managers or operating partners and each of their respective Affiliates;

(B) the capitalization of the proposed Contractor or any parent guarantor, as applicable;

(C) the experience of the proposed Contractor and each of its direct Contractors in constructing or operating projects similar to the applicable Work;

(D) the presence of any actions, suits or proceedings, at law or in equity, or before any governmental authority, pending or, to the best of such Contractor's knowledge, threatened against such Contractor, that would or could reasonably be expected to have a material adverse effect on its ability to perform its obligations under the contract;

(E) the background of the proposed Contractor, each of its direct Contractors, and their respective direct or indirect beneficial owners, any proposed managers or operating partners, each of their respective officers, directors and employees and each of their respective Affiliates (including the absence of criminal, civil or regulatory claims or actions against any such Person and the quality of any such Person's past or present performance on other projects); and

(F) the Contractor's compliance with any of the other provisions of this Development Agreement.

ARTICLE 13
DISPUTE RESOLUTION PROVISIONS

13.1 Generally.

(a) All Disputes arising out of or relating to this Development Agreement, that are not otherwise resolved by the Parties, must be resolved in accordance with this ARTICLE 13.

(b) Upon the occurrence of any Dispute that is not otherwise resolved by the Parties:

(i) the Parties must first use all reasonable efforts to resolve the Dispute through a Senior Representative Negotiation in accordance with Section 13.2 (*Senior Representative Negotiations*); and

(ii) if the Parties fail to achieve a resolution through a Senior Representative Negotiation, before either Party may institute legal action against the other

in connection with the Dispute, the Parties must first attempt to resolve the Dispute by referring the matter to Mediation in accordance with Section 13.3 (*Mediation*).

13.2 Senior Representative Negotiations.

(a) If either Party notifies the other Party of a Dispute, senior representatives of each Party (with authority to make decisions for their respective Parties) must meet and use all reasonable efforts to resolve the Dispute ("**Senior Representative Negotiations**").

(b) The Senior Representative Negotiation must commence within seven (7) Days of receipt of notification from a Party initiating a Dispute and will not exceed thirty (30) consecutive Days (or such longer period agreed by the Parties).

(c) Statements, materials and information prepared for, made or presented at, or otherwise derived from a Senior Representative Negotiation (including any meeting of the senior representatives) are privileged and confidential and may not be used as evidence in any proceedings.

(d) If the Senior Representative Negotiation resolves the Dispute, the Parties must record the resolution in writing.

13.3 Mediation.

(a) If the Parties are unable to come to a resolution through Senior Representative Negotiations, then the Parties shall submit such Dispute to mediation proceedings (a "**Mediation**"). Mediation is intended to assist the Parties in resolving disputes over the correct interpretation of this Development Agreement.

(b) The mediator for any Mediation shall be The McCammon Group, unless unavailable, in which case the mediator must be selected by mutual agreement of the Parties or, if an agreement cannot be reached by the Parties within seven (7) Business Days of submission of the Dispute to Mediation, the mediator must be selected by the American Arbitration Association ("**AAA**") in accordance with its Commercial Industry Mediation Rules and Procedures then in effect. Any mediator selected by mutual agreement of the Parties or through the AAA selection process must have no current or ongoing relationship with either Party (or an Affiliate of either Party). The Parties agree that only one (1) mediator shall be selected as the AAA mediator.

(c) Each Mediation must:

(i) be administered in accordance with the AAA's Commercial Industry Mediation Rules and Procedures then in effect;

(ii) be held in Richmond, Virginia, unless the parties mutually agree, in writing, to the Mediation being held in a different location; and

(iii) be concluded within thirty (30) Days of the date of selection of the mediator, or within such other time period as may be agreed by the Parties (acting reasonably having regard to the nature of the Dispute).

(d) The Parties shall share the mediator's fee and any filing or administrative fees equally.

(e) No mediator will be empowered to render a binding decision as to any Dispute. Any Mediation will be nonbinding.

13.4 Forum and Venue. Any and all disputes, claims and causes of action arising out of or in connection with this Development Agreement, or any performances made hereunder that are not otherwise resolved through Senior Representative Negotiations or Mediation, shall be brought, and any judicial proceeding shall take place, only in the Circuit Court of the City of Richmond, Virginia. The Developer accepts the personal jurisdiction of such court and waives all jurisdiction and venue-related defenses to the maintenance of such actions.

ARTICLE 14
DELAY EVENTS

14.1 Delay Events. For all purposes of this Development Agreement, where the Developer's performance of its obligations hereunder is hindered or affected by events constituting Delay Events, whether such Delay Event is continuous or intermittent, the Developer shall not be considered in breach of or in default of its obligations under this Development Agreement to the extent of any delay or interruption resulting from such Delay Event. The Developer shall give notice to the EDA describing with reasonable particularity (to the extent known) the facts and circumstances constituting a Delay Event (a) within a reasonable time (but not more than thirty (30) Days unless the EDA's rights are not prejudiced by such delinquent notice) after the date that the Developer first becomes aware, of or should have become aware, using all reasonable diligence, that an event has occurred and that it is or will become a Delay Event or (b) promptly after the EDA's demand for performance (provided that in the case of the same Delay Event being a continuing cause of delay, only one notice will be necessary) (a "**Delay Event Notice**").

14.2 Delay Event Notice.

(a) The Delay Event Notice must provide the following:

(i) a detailed description of the Delay Event and the circumstances from which the Delay Event arises;

(ii) for any Delay Event caused directly and substantially by the City's or the EDA's breach of this Development Agreement (each a "**City Caused Delay Event**"), a reasonable estimate of the Developer's expected losses, costs, expenses and damages incurred in connection with such City Caused Delay Event;

(iii) sufficient evidence, or certification by the Developer, that the Delay Event (A) had not been known to any Lead Developer Party on, or prior to, the Agreement Date and was otherwise unavoidable and incapable of being predicted as of the Agreement Date and (B) could not be reasonably mitigated by any Lead Developer Party using Good Industry Practice to mitigate the effects of such Delay Event; and

(iv) an estimate of the duration of the delay in the performance of the Developer's obligations pursuant to this Development Agreement attributable to such Delay Event and information in support thereof, if known at that time, provided that in the event such information is not known at the time of the Delay Event Notice, such notice will be resubmitted within twenty-one (21) Days of the original Delay Event Notice to include such information.

The Developer will also provide such further information relating to the Delay Event as the EDA may reasonably require. The Developer will bear the burden of proving the occurrence of a Delay Event and the resulting impacts.

(b) **Waiver of Claims**. If for any reason the Developer fails to deliver a Delay Event Notice within such thirty (30) Day period (unless the EDA's rights are not prejudiced by such delinquent notice or the ability to rectify, remedy or materially mitigate such Delay Event was not impaired), the Developer will be deemed to have irrevocably and forever waived and released any claim or right to time extensions or any other relief with respect to such Delay Event pursuant to this Development Agreement or any related agreement.

(c) **Mitigation**. Upon the occurrence of any Delay Event, the Developer will promptly undertake efforts to mitigate the effects of such Delay Event, including all steps that would generally be taken in accordance with Good Industry Practice. The Developer will promptly deliver to the EDA an explanation of the measures being undertaken to mitigate the delay and other consequences of the Delay Event. The Developer will notify the EDA within thirty (30) Days following the date on which it first became aware (or should have become aware, using all reasonable due diligence) that such a Delay Event has ceased.

(d) **Performance during a Delay Event**. Notwithstanding the occurrence of a Delay Event, the Parties will continue their performance and observance pursuant to this Development Agreement of all their obligations and covenants to be performed to the extent that they are reasonably able to do so and the Developer will use all reasonable efforts to minimize the effect and duration of the Delay Event. Without limiting the foregoing, the occurrence of a Delay Event will not excuse any Party from timely payment of monetary obligations pursuant to this Development Agreement, from compliance with applicable Laws, or, in respect to the D&C Work, from compliance with the Master Plan Requirements, except any temporary inability to comply with the Master Plan Requirements as a direct result of the Delay Event.

(e) **Relief**.

(i) ***General Provisions.*** Subject to the Developer giving the notice required in Section 14.1 (*Delay Events*), a Delay Event will excuse the Developer from the performance of any of its obligations that are prevented or delayed in any material respect directly by the Delay Event referred to in such notice to the extent set forth in Section 14.2(f) (*Delay Events Prior to Substantial Completion, Outside Closing Dates and Total Development Progress Completion Deadline*). The Developer will not be entitled to relief from a Delay Event if such events (i) are within any Lead Developer Party's or Developer Subcontractor's control, (ii) are caused by any act, omission, negligence, recklessness, willful misconduct, breach of contract or law by any Lead Developer Party or Developer Subcontractor or (iii) (or the effects of such events) could have been avoided by the exercise of caution or due diligence in accordance with Good Industry Practice by any Lead Developer Party or Developer Subcontractor.

(ii) ***Calculation of Relief for Economic Hardship Delay.*** To the extent there occurs a Private Development Delay Event due to an Economic Hardship event, any extensions contemplated by Sections 14.2(f)(iii) and 14.2(f)(iv) (*Delay Events Prior to Substantial Completion, Outside Closing Dates and Total Development Progress Completion Deadline*) shall be calculated in accordance with the following principles: (A) the Economic Hardship event shall commence on the date as of which the standards for the two applicable economic indices (as reflected in the definition of "Economic Hardship") were both exceeded and (B) the Economic Hardship event shall conclude on the date as of which either standard for the two applicable economic indices ceased to be exceeded. Upon claiming such a Private Development Delay Event, the Developer shall provide monthly reports in writing to the EDA setting forth the most recently available data for each of the applicable economic indices. If such data indicates that the standards for such economic indices continue to be exceeded, the extension shall continue. If such data indicates that either standard for the applicable economic indices has ceased to be exceeded, the Private Development Delay Event for an Economic Hardship event shall terminate at the delivery date of the applicable monthly report.

(f) **Delay Events Prior to Substantial Completion, Outside Closing Dates and Total Development Progress Completion Deadline**.

(i) A Stadium Project Delay Event occurring prior to Stadium Substantial Completion will excuse the Developer from performance of its obligations with respect to the Stadium Project pursuant to this Development Agreement but only to the extent that such obligations are directly affected by such Stadium Project Delay Event. In addition, prior to Stadium Substantial Completion, extensions of milestones and/or activities

identified on the Project Schedule for Stadium Project Delay Events affecting the Work with respect to the Stadium will be made based on schedule impact analysis, using the then-current Project Schedule and taking into account impacts of the Stadium Project Delay Events on critical path items related to the Stadium Project, in accordance with the Master Plan Requirements, and will extend, as applicable, milestone completion dates and the Stadium Substantial Completion Deadline. Notwithstanding the foregoing, in the event of a Stadium Project Delay Event resulting from the Navigators' failure to timely execute the Navigators Stadium Lease (following Major League Baseball's issuance of a letter of consent) as set forth in clause (e) of the definition of "Stadium Project Delay Event," all milestone completion dates and the Stadium Substantial Completion Deadline will be extended on a day-for-day basis for each Day the Navigators fail to execute the Navigators Stadium Lease beyond July 1, 2023.

(ii) A Public Infrastructure Delay Event occurring prior to Substantial Completion of the applicable Public Infrastructure will excuse the Developer from performance of its obligations with respect to such Public Infrastructure pursuant to this Development Agreement but only to the extent that such obligations are directly affected by such Public Infrastructure Delay Event. In addition, prior to Substantial Completion of the applicable Public Infrastructure, extensions of milestones and/or activities identified on the Project Schedule for Public Infrastructure Delay Events affecting the Work with respect to such Public Infrastructure will be made based on schedule impact analysis, using the then-current Project Schedule and taking into account impacts of the Public Infrastructure Delay Events on critical path items related to such Public Infrastructure, in accordance with the Master Plan Requirements, and will extend, as applicable, milestone completion dates and the applicable Substantial Completion Deadline.

(iii) A Private Development Delay Event occurring prior to the Outside Closing Date for a Phase of the Purchased Property (for purposes of this subsection (iii), the entire Sports Backers Parcel shall be included as part of the Phase 1 Purchased Property) will excuse the Developer from performance of its obligations with respect to the Phase of the Project then in development pursuant to this Development Agreement but only to the extent that such obligations are directly affected by such Private Development Delay Event. In addition, prior to the Outside Closing Date for a Phase of the Purchased Property, extensions of timing for satisfaction of the applicable Development Progress Requirements for Private Development Delay Events affecting the Work with respect to the Minimum Development Progress required for such Phase will be made based on schedule impact analysis, using the then-current Project Schedule and taking into account impacts of the Private Development Delay Events on critical path items related to the Minimum Development Progress

required for such Phase, in accordance with the Master Plan Requirements, and will extend the Outside Closing Date for the succeeding Phase of the Purchased Property.

(iv) A Private Development Delay Event occurring prior to the Total Development Progress Completion Deadline will excuse the Developer from performance of its obligations pursuant to this Development Agreement but only to the extent that such obligations are directly affected by such Private Development Delay Event. In addition, prior to the Total Development Progress Completion Deadline, extensions of timing for satisfaction of the applicable Development Progress Requirements for Private Development Delay Events affecting the Work for the Private Development will be made based on schedule impact analysis, using the then-current Project Schedule and taking into account impacts of the Private Development Delay Events on critical path items, in accordance with the Master Plan Requirements, and will extend the Total Development Progress Completion Deadline.

(v) If the parties cannot agree upon an extension as contemplated in clause (i) through (iv) above, then either party will be entitled to refer the matter to the dispute resolution procedures in ARTICLE 13 (*Dispute Resolution Provisions*) of this Development Agreement.

(g) **Effect of Concurrent Private Development Delay Event for an Economic Hardship event and Extension of Outside Closing Dates**. In the event that the Outside Closing Date(s) have been extended either by the exercise of the Developer's unilateral right or by the EDA's approval pursuant to Section 3.5 (*Closing*), any period of extension granted for relief due to the occurrence of a Private Development Delay Event for an Economic Hardship event shall, to the extent they overlap, run concurrently with any such extension pursuant to Section 3.5 (*Closing*) and shall not be tolled during any such extension. For example, if the Developer has exercised its unilateral right to a twelve (12) month extension of the Outside Closing Dates that extends (i) the Outside Closing Date for the Phase 2 Purchased Property to December 31, 2028, (ii) the Outside Closing Date for the Phase 3 Purchased Property to December 31, 2031, and (iii) the Outside Closing Date for the Phase 3 Purchased Property to December 31, 2034, and then is granted a six (6) month extension due to a Private Development Delay Event for an Economic Hardship event beginning on March 1, 2028, the six (6) month period of relief related to the Private Development Delay Event for an Economic Hardship event shall run concurrently with the twelve (12) month extension by right and the Outside Closing Dates shall not be extended beyond those dates effected by the exercise of such twelve (12) month extension right.

(h) **Delay Events Affecting EDA**. For all purposes of this Development Agreement, where the EDA's performance of its respective obligations hereunder is hindered or affected by a Delay Event, the EDA shall not be considered in breach or default of its obligations hereunder to the extent any such breach or default is resulting

from such Delay Event. If the EDA is affected by a Delay Event, and is seeking an extension of time, the EDA's request shall be subject to the same conditions, requirements and procedures as a Developer request following a Delay Event as set forth in this ARTICLE 14 (*Delay Events*).

ARTICLE 15
REPRESENTATIONS AND WARRANTIES

15.1 Representations and Warranties of the Developer. As a material inducement to the EDA to enter into this Development Agreement and the transactions and agreements contemplated hereby, the Developer represents and warrants to the EDA that, as of the date on which the Developer executes the Contract Documents to which it is a party:

(a) **Valid Existence and Good Standing**. The Developer is a limited liability company duly organized and validly existing under the laws of the Commonwealth of Virginia and duly authorized and registered to transact business in the Commonwealth of Virginia. The Developer has the requisite power and authority to own its property and conduct its business as presently conducted. The Developer is in good standing in the Commonwealth of Virginia.

(b) **Authority to Execute and Perform Contract Documents**. The Developer has the requisite power and authority to execute and deliver the Contract Documents to which it is a party and the agreements contemplated hereby and to carry out and perform all of the terms and covenants of such Contract Documents and the agreements contemplated hereby to be performed by the Developer.

(c) **No Limitation on Ability to Perform**. Neither the Developer's operating agreement, bylaws or other governing documents nor any applicable Law prohibits the Developer's entry into the Contract Documents to which it is a party or its performance thereunder. No consent, authorization or approval of, and no notice to or filing with, any governmental authority, regulatory body or other Person is required for the due execution and delivery of such Contract Documents by the Developer, except for consents, authorizations and approvals which have already been obtained, notices which have already been given and filings which have already been made. Except as may otherwise have been disclosed to the EDA in writing, there are no undischarged judgments pending against the Developer, and the Developer has not received notice of the filing of any pending suit or proceedings against the Developer before any court, governmental agency or arbitrator that might materially adversely affect the enforceability of the Contract Documents to which it is a party or the business, operations, assets or condition of the Developer.

(d) **Valid Execution**. The execution and delivery of the Contract Documents to which it is a party and the performance by the Developer thereunder have been duly and validly authorized. When executed and delivered by the parties thereto, the Contract Documents to which the Developer is a party will be a legal, valid and binding obligation of the Developer.

(e) **Defaults**. The execution, delivery and performance of the Contract Documents to which the Developer is a party (i) do not and will not violate or result in a violation of, contravene, or conflict with or constitute a default by the Developer under (A) any agreement, document, or instrument to which the Developer is a party or by which the Developer is bound, (B) any Law applicable to the Developer or its business, or (C) the articles of incorporation, bylaws, or other governing documents of the Developer; and (ii) do not result in the creation or imposition of any lien or other encumbrance upon the assets of the Developer, except as contemplated hereby.

(f) **Financial Matters**. Except to the extent disclosed to the EDA in writing, to the Developer's knowledge, (i) the Developer is not in default under, and has not received notice asserting that it is in default under, any agreement for borrowed money, (ii) the Developer has not filed a petition for relief under any chapter of the United States Bankruptcy Code, (iii) there has been no event that has materially adversely affected the Developer's ability to meet its obligations hereunder or that has occurred that will constitute an event of default by the Developer under the Contract Documents to which it is a party and (iv) no involuntary petition naming the Developer as debtor has been filed under any chapter of the United States Bankruptcy Code.

The representations and warranties above shall survive the expiration or any earlier termination of the Contract Documents to which the Developer is a party.

15.2 Representations and Warranties of the City. As a material inducement to the Developer to enter into the Contract Documents to which the City is a party and the transactions and agreements contemplated hereby, the City represents and warrants to the Developer that, as of the date on which the City executes such Contract Documents:

(a) **Valid Existence**. The City is a duly created and validly existing municipal corporation and political subdivision of the Commonwealth of Virginia.

(b) **Authority to Execute and Perform Contract Documents**. The City has all requisite right, power, and authority to enter into the Contract Documents to which it is a party and has taken all necessary or appropriate actions, steps and other proceedings to approve or authorize, validly and effectively, the entering into, and the execution, delivery and performance of, such Contract Documents by the City. The Contract Documents to which the City is a party are legal, valid and binding obligation of the City, enforceable against it in accordance with its terms.

(c) **Litigation; Condemnation**. To the best of the City's knowledge, on or before the Agreement Date, except as disclosed in writing by the City to the Developer, the City has received no written notice regarding any, and there are no, actions, proceedings, litigation, administrative challenges or governmental investigations or condemnation actions which are either pending or threatened against the Development Parcels as of the Agreement Date.

(d) **Violations of Laws**. To the best of the City's knowledge, on or before the Agreement Date, the City has received no written notice from any government authority regarding any, and there are no, violations with respect to any Laws, whether or not appearing in any public records, with respect to the Development Parcels, which violations remain uncured as of the Agreement Date.

15.3 Representations and Warranties of EDA. As a material inducement to the Developer to enter into the Contract Documents to which the EDA is a party and the transactions and agreements contemplated hereby, the EDA represents and warrants to the Developer that, as of the date on which the EDA executes such Contract Documents:

(a) **Valid Existence**. The EDA is a duly created and validly existing political subdivision of the Commonwealth of Virginia.

(b) **Authority to Execute and Perform Contract Documents**. The EDA has all requisite right, power, and authority to enter into the Contract Documents to which the EDA is a party and has taken all necessary or appropriate actions, steps and other proceedings to approve or authorize, validly and effectively, the entering into, and the execution, delivery and performance of, such Contract Documents by the EDA. The Contract Documents to which it is a party are legal, valid and binding obligation of the EDA, enforceable against it in accordance with its terms.

(c) **Litigation; Condemnation**. To the best of the EDA's knowledge, on or before the Agreement Date, except as disclosed in writing by the EDA to the Developer, the EDA has received no written notice regarding any, and there are no, actions, proceedings, litigation, administrative challenges or governmental investigations or condemnation actions which are either pending or threatened against the Development Parcels as of the Agreement Date.

(d) **Violations of Laws**. To the best of the EDA's knowledge, on or before the Agreement Date, the EDA has received no written notice from any government authority regarding any, and there are no, violations with respect to any Laws, whether or not appearing in any public records, with respect to the Development Parcels, which violations remain uncured as of the Agreement Date.

15.4 No Liability for Other Party's Action or Knowledge. Notwithstanding any provision of this ARTICLE 15 (*Representations and Warranties)* or any other provision this Development Agreement to the contrary, no Party shall have any liability for a breach of the representations or warranties set forth in this ARTICLE 15 (*Representations and Warranties*) caused by or resulting from (a) any act or omission of another Party or (b) any fact, circumstance or matter known by another Party on or before the Agreement Date. As used in this Section 15.4 (*No Liability for Other Party's Action or Knowledge*), "known by" means actual knowledge, and not imputed or constructive knowledge, without any requirement of inquiry or investigation by the Party to which such knowledge is attributed.

15.5 Additional Developer Representation and Warranties.

The Developer represents and warrants to the City and the EDA that:

(a) its Construction Contractors for each Phase will be sophisticated, qualified and experienced contractors capable of performing the Work required to be performed with respect to such Phase and independently assessing all available documents and any other information provided by the City and the EDA with respect to such Phase; and

(b) the Developer and each of its Construction Contractors for each Phase has evaluated or will evaluate, in accordance with Good Industry Practice, the required Work to be performed with respect to such Phase and the constraints affecting the Work, including the applicable Development Parcel and surrounding locations (based on the available documents and a visible inspection of the applicable Development Parcel and surrounding locations), applicable Laws, applicable standards and the conditions of the Regulatory Approvals in effect.

ARTICLE 16
[RESERVED]

ARTICLE 16A
DAMAGE DESTRUCTION TO IMPROVEMENTS

16A.1 Casualty Occurring to Improvements Prior to Final Completion. In the event of damage or destruction to (a) the Stadium Project prior to Final Completion thereof, (b) any Public Infrastructure prior to Final Completion thereof or (c) any Improvements under construction in any Project Segment constituting part of the Private Development following Closing but prior to the Developer achieving Final Completion of such Project Segment, the Developer shall be obligated to repair or restore (or, alternatively, the Developer shall cause to be repaired or restored) the Stadium Project or such Improvements, as applicable, and to otherwise complete the Stadium Project Scope of Work or such Project Segment, as applicable, in accordance with the terms of this Development Agreement.

ARTICLE 17
LIMITATION ON LIABILITY

17.1 Consequential Loss Waiver. As a material part of the consideration for this Development Agreement, and notwithstanding any provision herein to the contrary, neither the City, the EDA nor the Developer shall be liable for, and each Party hereby waives any claims against the other for special, indirect, punitive, incidental, exemplary, or consequential damages or losses, including lost profits, loss of business opportunity, or other similar damages incurred by another Party and arising out of any default by such other Party hereunder.

17.2 Exceptions to Waiver. The foregoing limitation will not, however, in any manner:

(a) limit any losses of the Developer arising under its Subcontracts or other agreements as originally executed (or as amended in accordance with the terms of this Development Agreement);

(b) prejudice the EDA's respective right to recover any or all of the liquidated damages available under this Development Agreement;

(c) limit the Developer's liability for any type of damage arising out of the Developer's obligation to indemnify, protect, defend and hold each Indemnified Parties harmless under this Development Agreement;

(d) limit any losses arising out of fraud, gross negligence, criminal conduct, intentional misconduct, recklessness or bad faith on the part of the relevant Party;

(e) limit the Developer's liability for any type of damage to the extent covered by the proceeds of insurance required hereunder; or

(f) limit the amounts expressly provided to be payable by the Parties pursuant to this Development Agreement.

17.3 No City or EDA Liability.

Except to the extent of the gross negligence or willful misconduct of the City or the EDA, subject to the Developer's indemnification obligations, neither the City nor the EDA shall be liable or responsible in any way for:

(a) any loss or damage whatsoever to any property belonging to any Developer Party or to its representatives or to any other Person who may be in or upon any Development Parcel; or

(b) any loss, damage or injury, whether direct or indirect, to Persons or property resulting from any failure, however caused, in the supply of utilities, services or facilities provided or repairs made to the Project under any of the provisions of this Development Agreement or otherwise.

ARTICLE 17A
LIENS

17A.1 Liens. The Developer shall not create or permit the attachment of, and shall promptly, following notice, discharge (or cause to be removed of record by the posting of a bond in the amount required by Law) at no cost to the EDA, any lien, security interest, or encumbrance on the Stadium Parcel or the Improvements thereon, other than (a) this Development Agreement and the Stadium Leases, (b) liens for nondelinquent impositions (excluding impositions which may be separately assessed against the interests of the Developer), (c) liens caused by any of the EDA's actions or created by or on behalf of the EDA during the Term, and (d) liens of mechanics, material suppliers or vendors, or rights thereto, for sums which under the terms of the related contracts are not at the time due or which are being contested as permitted by this ARTICLE 17A (*Liens*). The provisions of

this Section do not apply to liens created by the Developer on its personal property. Notwithstanding anything in this Section 17A.1 (*Liens*) to the contrary, the attachment of a lien causing a material adverse effect on the Developer's ability to perform the Work and created by or on behalf of the EDA during the Term shall constitute a Delay Event.

17A.2 Mechanics' Liens. Nothing in this Development Agreement shall be deemed or construed in any way as constituting the request of the EDA, express or implied, for the performance of any labor or the furnishing of any materials for any specific improvement, alteration or repair of or to the Stadium Parcel or the Improvements thereon, or any part thereof. The Developer agrees that at all times when the same may be necessary or desirable, the Developer will take such action as may be required to prevent the enforcement of any mechanic's or similar liens against the Stadium Parcel or the Improvements thereon, or the EDA's fee interest in the Stadium Parcel or the Improvements thereon for or on the account of labor, services or materials furnished to the Developer, or at the Developer's request. If the Developer does not, within sixty (60) Days following the imposition of any such lien, cause the same to be released of record, it shall be a material default under this Development Agreement, and the EDA shall have, in addition to all other remedies provided by this Development Agreement or by Law, the right but not the obligation to cause the same to be released by such means as it shall deem proper, including, without limitation, payment of the claim giving rise to such lien. All sums paid by the EDA for such purpose and all reasonable expenses incurred by the EDA in connection therewith shall be payable to the EDA by the Developer within thirty (30) Days following written demand by the EDA. Notwithstanding the foregoing, the Developer shall have the right to contest any such lien in good faith, if, within sixty (60) Days following the imposition of such lien, the Developer, at no cost to the EDA, posts a bond in the statutory amount sufficient to remove such lien from record, or posts other security reasonably acceptable to the EDA.

ARTICLE 18
MISCELLANEOUS PROVISIONS

18.1 Duration. This Development Agreement will be in full force and effect following the City Council's and the EDA Board's approval of this Development Agreement and the execution of this Development Agreement by the Parties (the "**Agreement Date**") and shall terminate or expire on the earlier of (a) any early termination of this Development Agreement in accordance with ARTICLE 11 (*Events of Default and Termination*) or (b) the date when all obligations have been performed and all rights have been fully exercised by the City, the EDA and the Developer but in no event earlier than the date all Bonds have been paid in full or otherwise defeased and discharged (the "**Term**"), provided that the obligations under this Development Agreement of any component developer that is not a Developer Affiliate shall expire at Final Completion of the applicable Project Segment.

18.2 Survival. Notwithstanding any provision herein to the contrary, the following provisions of this Development Agreement shall survive following any early termination of this Development Agreement: Section 3.11 (*Developer's Sale of Private Development*

Parcels), ARTICLE 7 (*Indemnity*) and Section 15.1 (*Representations and Warranties of the Developer*).

18.3 Availability of Funds for the City's and EDA's Performance. All payments and other performances by the City and the EDA under this Development Agreement are subject to City Council approval, EDA Board approval and annual appropriations by the City Council. It is understood and agreed among the Parties that the City and the EDA shall be bound hereunder only to the extent of the funds available or which may hereafter become available for the purpose of this Development Agreement. Under no circumstances shall the City's or the EDA's total liability under this Development Agreement exceed the total amount of funds appropriated by the City Council for the payments hereunder for the performance of this Development Agreement. The undertakings by the City or the EDA to make payments under this Development Agreement constitute neither a debt of the City or the EDA within the meaning of any constitutional or statutory limitation nor a liability of or a lien or charge upon funds or property of either the City or the EDA beyond any fiscal year for which the City Council has appropriated moneys for the Stadium Project and the Public Infrastructure. Any failure to appropriate by the City Council will not constitute a City Default or an EDA Default under this Development Agreement.

18.4 Captions. This Development Agreement includes the captions, headings and titles appearing herein for convenience only, and such captions, headings and titles do not affect the construal, interpretation or meaning of this Development Agreement or in any way define, limit, extend or describe the scope or intent of any provisions of this Development Agreement.

18.5 Counterparts. This Development Agreement may be executed by the Parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same Development Agreement.

18.6 Entire Agreement. This Development Agreement, including the Exhibits attached hereto, and the PSA contain the entire understanding between the City, the EDA and the Developer with respect to the Work to be performed by the Developer with respect to the Project and supersedes any prior understandings and written or oral agreements between them respecting such subject matter.

18.7 Governing Law and Forum Choice. All issues and questions concerning the construction, enforcement, interpretation and validity of this Development Agreement, or the rights and obligations of the City, the EDA or the Developer in connection with this Development Agreement, shall be governed by, and construed and interpreted in accordance with, the laws of the Commonwealth of Virginia, without giving effect to any choice of law or conflict of laws rules or provisions, whether of the Commonwealth of Virginia or any other jurisdiction, that would cause the application of the laws of any jurisdiction other than those of the Commonwealth of Virginia. Any and all disputes, claims and causes of action arising out of or in connection with this Development Agreement, or any performances made hereunder, shall be brought, and any judicial

proceeding shall take place, only in the Circuit Court of the City of Richmond, Virginia. Each party shall be responsible for its own attorneys' fees in the event or any litigation or other proceeding arising from this Development Agreement.

18.8 Modifications. This Development Agreement may be amended, modified and supplemented only by the written consent of the Parties preceded by all formalities required as prerequisites to the signature by each party of this Development Agreement.

18.9 No Agency, Joint Venture, or Other Relationship. Neither the execution of this Development Agreement nor the performance of any act or acts pursuant to the provisions of this Development Agreement shall be deemed to have the effect of creating between the Parties, or any of them, any relationship of principal and agent, partnership, or relationship other than the relationship established by this Development Agreement.

18.10 No Individual Liability. No director, officer, employee or agent of the City, the EDA or the Developer shall be personally liable to another party hereto or any successor in interest in the event of any default or breach under this Development Agreement or on any obligation incurred under the terms of this Development Agreement.

18.11 No Third-Party Beneficiaries. Notwithstanding any other provision of this Development Agreement, the City, the EDA and the Developer hereby agree that: (a) no individual or entity shall be considered, deemed or otherwise recognized to be a third-party beneficiary of this Development Agreement; (b) the provisions of this Development Agreement are not intended to be for the benefit of any individual or entity other than the City, the EDA or the Developer; (c) no individual or entity shall obtain any right to make any claim against the City, the EDA and the Developer under the provisions of this Development Agreement; and (d) no provision of this Development Agreement shall be construed or interpreted to confer third-party beneficiary status on any individual or entity. For purposes of this Section, the phrase "individual or entity" means any individual or entity, including, but not limited to, individuals, contractors, subcontractors, vendors, subvendors, assignees, licensors and sublicensors, regardless of whether such individual or entity is named in this Development Agreement.

18.12 No Waiver. The failure of the City, the EDA or the Developer to insist upon the strict performance of any provision of this Development Agreement shall not be deemed to be a waiver of the right to insist upon the strict performance of such provision or of any other provision of this Development Agreement at any time. The waiver of any breach of this Development Agreement shall not constitute a waiver of a subsequent breach.

18.13 Notices. All notices, offers, consents or other communications required or permitted to be given pursuant to this Development Agreement shall be in writing and shall be considered as properly given or made if delivered personally, by messenger, by recognized overnight courier service or by registered or certified U.S. mail with return receipt requested, and addressed to the address of the intended recipient at the following addresses:

A. To the City:

Chief Administrative Officer
City of Richmond, Virginia
900 East Broad Street, Suite 201
Richmond, Virginia 23219

with a copy to:

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

B. To the Developer:

RVA Diamond Partners LLC
[_____]
[_____]

with copies to:

McGuireWoods LLP
Gateway Plaza
800 East Canal Street
Richmond, Virginia 23219
Attention: George Keith Martin, Esquire

C. To the EDA:

[_____]

with copies to:

[_____]

Each party may change any of its address information given above by giving notice in writing stating its new address to the other parties.

18.14 Interpretation.

(a) In this Development Agreement:

(i) headings are for convenience only and do not affect interpretation;

(ii) unless otherwise stated, a reference to any agreement, instrument or other document is to that agreement, instrument or other document as amended or supplemented from time to time;

(iii) a reference to this Development Agreement or any other agreement includes all exhibits, schedules, forms, appendices, addenda, attachments

or other documents attached to or otherwise expressly incorporated in this Development Agreement or any other agreement (as applicable);

(iv) a reference to an Article, Section, subsection, clause, Exhibit, schedule, form or appendix is to the Article, Section, subsection, clause, Exhibit, schedule, form or appendix in or attached to this Development Agreement, unless expressly provided otherwise;

(v) a reference to a Person includes a Person's permitted successors and assigns;

(vi) a reference to a singular word includes the plural and vice versa (as the context may require);

(vii) the words "including," "includes" and "include" mean "including, without limitation," "includes, without limitation" and "include, without limitation," respectively;

(viii) an obligation to do something "promptly" means an obligation to do so as soon as the circumstances permit, avoiding any delay; and

(ix) in the computation of periods of time from a specified date to a later specified date, the word "from" means "from and including" and the words "to" and "until" mean "to and including."

(b) This Development Agreement is not to be interpreted or construed against the interests of a Party merely because that Party proposed this Development Agreement or some provision of it or because that Party relies on a provision of this Development Agreement to protect itself.

(c) The Parties acknowledge and agree that:

(i) each Party is an experienced and sophisticated party and has been given the opportunity to independently review this Development Agreement with legal counsel;

(ii) each Party has the requisite experience and sophistication to understand, interpret and agree to the language of the provisions of this Development Agreement; and

(iii) in the event of an ambiguity in or Dispute regarding the interpretation of this Development Agreement, this Development Agreement will not be interpreted or construed against the Party preparing it.

18.15 Memorandum of Development Agreement. A full copy of this Development Agreement shall be recorded through a Memorandum of Development Agreement against title to the Purchased Property for each Phase (for purposes of this Section 18.15 (*Memorandum of Development Agreement*), the entire Sports Backers Parcel shall

constitute a separate Phase of Purchased Property) upon recordation of the deed for each such Private Development Parcel that is transferred in accordance with this Development Agreement. The Memorandum of Development Agreement shall be for the benefit of and enforceable by the City and the EDA and shall operate as a covenant binding the grantee, its successors and assigns hereunder, and shall run with title to the Private Development Parcel.

SIGNATURES ON FOLLOWING PAGE

IN WITNESS WHEREOF, the City, the EDA and the Developer have executed this Development Agreement as of the day and year written first above.

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

By: _____
Chief Administrative Officer

APPROVED AS TO FORM:

_____
City Attorney

RVA DIAMOND PARTNERS LLC,
a Virginia limited liability company

By: _____
Title: _____

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

By: _____
Title: _____

EXHIBIT A

MASTER PLAN

[TO BE ATTACHED]

Exhibit A – Master Plan

Master Plan Program*

Parcel	Residential Units					Hotel Keys	Commercial GSF Office (O), Retail (R), R&D	Stadium Capacity	Parking Structured Spaces
	Rental			For Sale					
	Market Rate	60% AMI	30% AMI	Market Rate	60-70% AMI				
Phase 1									
P1, P3, and Phase 1 Infrastructure									
E1	180								180
E2	200								200
E3	200								200
E4	114	76	25						245
E5	220								220
E6	104	79	14				7,000 (R)		245
E7	TBD						TBD		TBD
S1								9,000	
S2							16,000 (R)		
W1						180			
Subtotal	**1,018**	**155**	**39**	-	-	**180**	**23,000**	**9,000**	**1,290**
Phase 2									
P2 South and Phase 2 Infrastructure									
E8	101	90	18						410
E9	350						9,000 (R)		230
W2	217						34,000 (R), 244,000 (O)		840
Subtotal	**668**	**90**	**18**	-	-	-	**287,000**	-	**1,480**
Phase 3									
P2 Middle and Phase 3 Infrastructure									
E10	74	65	12	22	6				270
E11	27	24	5	32	8				100
W3	89	78	13				17,000 (R)		470
W4							329,000 (O)		660
Subtotal	**190**	**167**	**30**	**54**	**14**	-	**346,000**	-	**1,500**
Phase 4									
P2 North and Phase 4 Infrastructure									
E12							14,000 (R)		
N1							362,000 (O)		1,620
N2	73	64	13				16,000 (R)		290
W5	354						45,000 (R)		620
Subtotal	**427**	**64**	**13**	-	-	-	**437,000**	-	**2,530**
TOTAL	**2,357**	**476**	**100**	**54**	**14**	**180**	**1,093,000**	**9,000**	**6,800**

*Note: The master plan program is subject to change based on the provisions in the Development Agreement

Master Plan Map

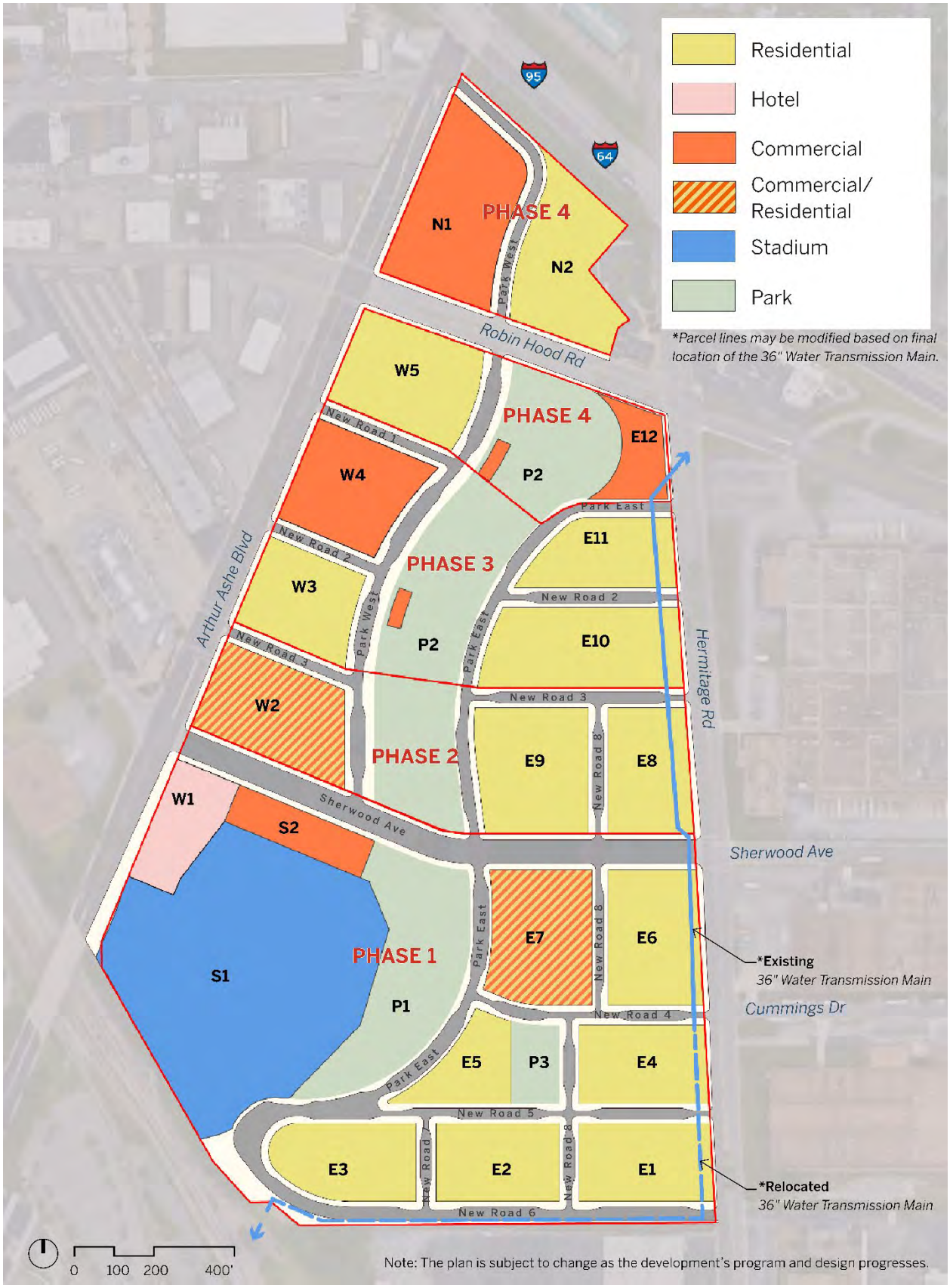


EXHIBIT B

MAP DEPICTING DEVELOPMENT PARCELS

[TO BE ATTACHED]

Exhibit B – Map Depicting Development Parcels



EXHIBIT C

FORM OF PURCHASE AND SALE AGREEMENT

[TO BE ATTACHED]

PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT (this "**Agreement**") is made this ____ day of _____, 2023 (the "**Effective Date**"), between the **ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF RICHMOND, VIRGINIA**, a political subdivision of the Commonwealth of Virginia (the "**EDA**"), and **RVA DIAMOND PARTNERS LLC**, a Virginia limited liability company (the "**Developer**"). Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Development Agreement (defined below).

RECITALS

A. The City of Richmond, Virginia (the "**City**") seeks to redevelop a portion of the Greater Scott's Addition area of the City that currently is home to The Diamond baseball stadium and that is not utilized to its full market potential, with the aim that such redevelopment results in additional taxable value in both the project area and in surrounding properties;

B. The City seeks to replace The Diamond baseball stadium, the operation of which is no longer economically viable as a result of age, limited seating capacity and operational deficiencies, with a new stadium that the Parties intend will be designed, constructed, financed, operated, commercialized and maintained as set forth in the hereinafter described Development Agreement (the "**Stadium Project**");

C. The City also seeks to encourage the development of a full spectrum of new, privately financed affordable housing in the project area; new job creation and job training; new retail and office uses; a new hotel and new infrastructure that both serves the Diamond District (as defined herein) and connects the project area with adjacent communities, and the Developer wishes to design, construct, finance, commercialize, operate and maintain such improvements as set forth in the Development Agreement, all in accordance with and as further described in the Master Plan (the "**Mixed-Use Development**");

D. The City memorialized the above intent by (1) issuing a Request for Interest on December 28, 2021 (the "**RFI**"), supplemented by a Request for Additional Information (the "**RFAI**"), seeking proposals for the redevelopment of an area of approximately 67.57 acres within an area comprised of property identified as 2907, 2909, 2911, 3001, 3017 and 3101 North Arthur Ashe Boulevard and 2728 Hermitage Road, known as the "**Diamond District**" and (2) by evaluating RFI and RFAI responses and soliciting Requests for Offers on June 3, 2022 (the "**RFO**") from three finalist teams including the Developer;

E. On June 28, 2022, the Developer responded with a proposal for a substantial mixed-use redevelopment of the aforementioned area to include those features and benefits outlined in the aforementioned RFI, RFAI and RFO;

F. The City, the Developer and the EDA entered into the Diamond District Redevelopment Project Development Agreement (the "**Development Agreement**") dated [_____], 2023 to establish each Party's obligations, rights and limitations with respect to delivering the Stadium Project and the Mixed-Use Development and any other improvements or commitments expressly provided in the Development Agreement (collectively, the "**Project**");

G. Pursuant to the Development Agreement, the EDA and the Developer agreed to enter into this Agreement pursuant to which the EDA would sell to the Developer, and the Developer would purchase from the EDA, certain parcels of real property located within the Project Area for redevelopment and development of the Mixed-Use Development, all in accordance with the terms of the Development Agreement; and

H. In accordance with the Development Agreement, the EDA and the Developer now desire to enter into this Agreement, which the EDA and the Developer acknowledge and agree shall constitute the Purchase and Sale Agreement or PSA pursuant to the Development Agreement.

NOW, THEREFORE, in consideration of the covenants and provisions contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the EDA and the Developer agree as follows:

1. Agreement to Sell and Purchase; Property Defined.

The EDA agrees to sell to the Developer, and the Developer agrees to purchase from the EDA, subject to the terms and conditions of this Agreement and the Development Agreement, all of the EDA's rights, title and interest in and to the real property identified on Exhibits A-1, A-2, A-3, A-4 and A-5 hereto (the real property identified in each such exhibit being hereinafter referred to, individually, as a "**Purchased Property Phase**" and, collectively, as the **"Purchased Property"**), together with all appurtenances pertaining thereto and all the buildings and other improvements situated thereon, if any (collectively, the "**Property**"), in accordance with schedule contemplated in the Development Agreement.

2. Purchase Price.

(a) (i) Purchase Price. Except as may otherwise be reduced or discounted pursuant to the terms of this Agreement and the Development Agreement, the respective purchase price for each Purchased Property Phase shall be as set forth in Schedule 1 attached hereto (the "**Purchase Price**") and shall be payable as set forth herein.

(ii) Discounting of Purchase Price. The Purchase Price for each of the Phase 2 Purchased Property and the Phase 3 Purchased Property are subject to being discounted as follows:

(A) in the event the Developer is required to pay CDA Special Assessments prior to the completion of the Phase 1 Project, the Purchase Price for the Phase 2 Purchased Property shall be discounted on a dollar for dollar basis by the amount of such CDA Special Assessments paid by the Developer up to $7,260,000, and, to the extent the Developer is required to pay CDA Special Assessments in excess of $7,260,000 prior to the completion of the Phase 1 Project, the excess may be carried forward and applied, together with any amount described in subsection (B), as a discount on the purchase price for the Phase 3 Purchased Property; and

(B) in the event that the Developer is required to pay CDA Special Assessments prior to completion of the Phase 2 Project, the Purchase Price of the Phase 3 Purchased Property shall be discounted on a dollar for dollar basis by the amount of such CDA Special Assessments paid by the Developer up to $16,390,000.

In no event may any of the foregoing amounts be carried forward and applied as a discount on the Purchase Price for the Phase 4 Purchased Property.

(b) Developer Land Purchase Deposit. No later than sixty (60) Days prior to the scheduled Closing Date for each Purchased Property Phase, the Developer shall deposit the amounts shown on Schedule 1 under the column "Required Deposit per Phase" with either an escrow agent or the Title Company (as hereinafter defined) (in either case as may be agreed by the EDA and subject to a control agreement also agreed by the EDA) to be held in escrow for the benefit of the EDA pursuant to an escrow agreement to be mutually agreed upon by the Parties and the Title Company or escrow agent, as applicable (the "**Developer Land Purchase Deposit**"), and all in accordance with Section 6.5 (*Developer Land Purchase Deposit*) of the Development Agreement. In connection with the Closing on each Purchased Property Phase, funds (to the extent available) from the Developer Land Purchase Deposit shall be disbursed by the Title Company or escrow agent, as applicable, if and when requested by the Developer to do so to satisfy the Developer's payment obligation in connection with paying the Purchase Price for the Closing on the applicable Purchased Property Phase. Otherwise, funds from the Developer Land Purchase Deposit shall be disbursed by the Title Company or escrow agent, as applicable, (i) to the EDA as and when the EDA becomes entitled to draw on the Developer Land Purchase Deposit in accordance with the terms and conditions set forth in the Development Agreement or this Agreement or (ii) to the Developer as and when the Developer becomes entitled to receive the Developer Land Purchase Deposit or any portion thereof in accordance with terms and conditions set forth in the Development Agreement or this Agreement.

3. Closing; Conditions to Closing.

(a) Closing. In accordance with Section 3.5 (*Closing*), Closing on the purchase and sale of each Purchased Property Phase (the "**Closing**") shall occur on or before the Outside Closing Date (as such date may be extended as a result of any Delay Event) set forth in the Development Agreement for the acquisition of such Purchased Property Phase by the Developer, subject to the satisfaction of the conditions precedent to Closing for such Purchased Property Phase set forth in Schedule 2 hereto and the terms and conditions set forth in the Development Agreement and subject to any extensions permitted under the Development Agreement. Thereafter, the EDA acknowledges and agrees that the Developer shall have the unilateral right to exercise a one-time twelve (12) month extension of the Outside Closing Dates for the Purchased Property (excluding the Phase 1 Purchased Property and the Sports Backers Parcel) upon written notice delivered to the EDA at least three (3) months prior to the next occurring Outside Closing Date. For the avoidance of doubt, such unilateral extension right may only be exercised once during the Term and, if exercised, shall extend the Outside Closing Date for each remaining Purchased Property Phase by twelve (12) months. For the avoidance of doubt and for illustrative purposes only, if the Developer exercises such extension right in advance of the Outside Closing Date for the Phase 2 Purchased Property, (x) each of the Outside Closing Dates for the Phase 2 Purchased Property, the

Phase 3 Purchased Property and the Phase 4 Purchased Property shall be extended to December 31, 2028, December 31, 2031, and December 31, 2034, respectively, (y) each of the deadlines for completing the Minimum Development Progress for Phase 1, Phase 2 and Phase 3 shall be extended to December 31, 2028, December 31, 2031, and December 31, 2034, respectively, and (z) the Total Development Progress Completion Deadline shall be extended to December 31, 2037. The EDA further acknowledges and agrees that the Developer shall have the right to request an additional extension of the Outside Closing Date for any Purchased Property Phase for up to twelve (12) months for good cause shown, and, in such case, the EDA may, in its sole discretion, grant such extension, which extension will not be unreasonably withheld. The date on which Closing occurs with respect to each Purchased Property Phase shall be referred to as the "**Closing Date**" for such Purchased Property Phase.

(b) Payment of Purchase Price. Payment of the Purchase Price for each Purchased Property Phase, which shall be the applicable amount set forth on Schedule 1 attached hereto (as the same may be modified from time to time pursuant to Section 2(a)(ii) above), shall take place on the Closing Date for such Purchased Property Phase.

(c) Affordable Housing Covenant. At the Closing for each Purchased Property Phase, the Developer shall record or cause to be recorded the Affordable Housing Covenant attached to this Agreement as Exhibit E against the applicable parcels on which the Affordable Housing Units for such Phase of the Project are to be constructed.

(d) Hotel Use Covenant. At the Closing for the Phase 1 Purchased Property, the Developer shall record or cause to be recorded the Hotel Use Covenant attached to this Agreement as Exhibit F against the applicable parcel on which the Phase 1 Hotel is to be constructed.

4. [Reserved]

5. Title and Survey.

(a) Title. During the Due Diligence Period with respect to each Purchased Property Phase, the Developer, at its sole cost and expense, shall obtain and review a commitment for title insurance for each Purchased Property Phase (each, a "**Commitment**") from Old Republic National Title Insurance Company (the "**Title Company**"). Prior to the Closing for each Purchased Property Phase, the Developer shall have the right, at its sole cost and expense, to have the Commitment for such Purchased Property Phase updated. Promptly following receipt of each Commitment by the Developer, the Developer shall, at no cost to the EDA, deliver copies of such Commitment, together with copies of all documents and instruments referred to therein, to the EDA (and, if applicable, the Developer shall, at no cost to the EDA, deliver copies of any updates thereto, together with copies of all documents and instruments referred to therein, to the EDA promptly following the Developer's receipt of the same).

(b) Survey. During the Due Diligence Period with respect to each Purchased Property Phase, the Developer shall, at its sole cost and expense, (i) obtain a current ALTA survey for such Purchased Property Phase (each, a "**Survey**") from a surveyor that is duly licensed in the Commonwealth of Virginia and reasonably acceptable to the EDA and (ii) submit the Survey for such Purchased Property Phase to the EDA for the EDA's review and approval, which approval

shall not be unreasonably withheld, conditioned or delayed. Prior to the Closing for each Purchased Property Phase , the Developer shall have the right, at its sole cost and expense, to have the Survey for such Purchased Property Phase updated, in which case the Developer shall submit such update to the EDA for the EDA's review and approval, which approval shall not be unreasonably withheld, conditioned or delayed. Each Survey (and, if applicable, any update thereto) shall be certified to the Developer, the EDA, the Title Company and any other parties designated by the Developer. Each Purchased Property Phase shall be conveyed by the EDA to the Developer using the legal description for such Purchased Property Phase appearing on the Survey for such Purchased Property Phase. Notwithstanding the foregoing, the Survey for the Phase 1 Purchased Property (which, for such purposes, shall also include the Stadium Parcel) shall be obtained no later than sixty (60) Days prior to the scheduled Closing Date for the Phase 1 Purchased Property.

(c) Permitted Exceptions. The EDA and the Developer acknowledge and agree that title to each Purchased Property Phase shall be conveyed by the EDA to the Developer subject to the Permitted Exceptions (as hereinafter defined). For the purposes of this Agreement, with respect to each Purchased Property Phase, "**Permitted Exceptions**" shall mean (i) liens for real estate taxes and assessments not yet due and payable, (ii) applicable zoning regulations and ordinances, (iii) easements, conditions and restrictions of record, as the same may lawfully apply to such Purchased Property Phase, including those required by the Development Agreement, (iv) such state of facts disclosed by the Survey, (v) any exceptions caused by the Developer or any of its agents, employees, affiliates, contractors, advisors or representatives, (vi) any exception that the Title Company agrees to affirmatively insure over at standard rates and in a manner acceptable to the Developer and, if applicable, any lender providing financing for the construction and development of such Purchased Property Phase, and (vii) any matters set forth on each Commitment, as applicable, or of which the Developer has knowledge prior to Closing. Notwithstanding the foregoing, with respect to each Purchased Property Phase, in no event shall Permitted Exceptions include (1) any monetary liens or encumbrances on such Purchased Property Phase (other than liens for real estate taxes and assessments not yet due and payable), or (2) any conditions or restrictions first placed of record by the EDA after the Effective Date that would prevent the Developer from materially developing and operating such Purchased Property Phase for the Developer's intended use in accordance with and subject to the Development Agreement (excluding any covenants required by the Development Agreement) (collectively, "**Prohibited Exceptions**"). To the extent the Developer identifies any matters constituting Prohibited Exceptions with respect to any Purchased Property Phase, the Developer shall notify the EDA in writing of such Prohibited Exceptions, and the EDA shall work in good faith with the Developer to have such Prohibited Exceptions removed of record prior to the Closing for such Purchased Property Phase. In no event shall the Developer be obligated to take title to any Purchased Property Phase for which there are Prohibited Exceptions that neither the EDA nor the Developer are able to obtain releases prior to or upon the Closing for such Purchased Property Phase. To the extent the Developer elects not to take title to any Purchased Property Phase pursuant to this Section 5(c), the Purchase Price shall be reduced by the portion of the Purchase Price then allocated to such Purchased Property Phase, and the Title Company or escrow agent, as applicable, shall disburse funds from the Developer Land Purchase Deposit to the Developer in an amount equal to the portion of the Developer Land Purchase Deposit allocable to such Purchased Property Phase.

(d) Use and Encumbrance of Purchased Property Phases Prior to Closing. The EDA may enter into agreements for the use or occupancy of, or otherwise encumber, all or any portion of each Purchased Property Phase prior to the respective Closing Date for such Purchased Property Phase, provided that each such agreement or encumbrance shall terminate prior to the Closing Date.

6. "As Is" Sale; Release.

The Developer hereby expressly agrees and acknowledges, and represents and warrants to the EDA, that the Developer has not entered into this Agreement based upon any representation, warranty, statement or expression of opinion by the EDA or any person or entity acting or allegedly acting for or on behalf of the EDA with respect to the EDA, the Property, or the Condition of the Property. Except as otherwise expressly provided in this Agreement, the Developer acknowledges and agrees that the Property is and shall be sold and conveyed (and accepted by the Developer at each Closing) **AS IS, WHERE IS, WITH ALL DEFECTS AND WITHOUT ANY WRITTEN OR ORAL REPRESENTATION OR WARRANTY WHATSOEVER, EXPRESS OR IMPLIED OR ARISING BY OPERATION OF LAW.** Without limiting the foregoing, the EDA makes no representation, warranty or covenant, express, implied or statutory, of any kind whatsoever with respect to the Property, including, without limitation, any representation, warranty or covenant as to title, survey conditions, use of the Property for the Developer's intended use, the physical condition of the Property or any improvements thereon or any repairs required thereto, past or present use, development, investment potential, tax ramifications or consequences, compliance with law, present or future zoning, the presence or absence of hazardous substances or other environmental conditions (including, without limitation, with regard to any underground or above-ground storage tanks on or about the Property), the availability of utilities, access to public roads, habitability, merchantability, fitness or suitability for any purpose, or any other matter with respect to the Property (collectively, the "**Condition of the Property**"), all of which are hereby expressly disclaimed by the EDA. The Developer acknowledges that the EDA has made no representations, warranties or covenants as to the Condition of the Property or compliance of the Property with any federal, state, municipal or local statutes, laws, rules, regulations or ordinances including, without limitation, those pertaining to construction, building and health codes, land use, zoning, hazardous substances or toxic wastes or substances, pollutants, contaminants, or other environmental matters.

7. Right of Access; Due Diligence.

(a) In General. Pursuant to and in accordance with the terms and conditions of the Right of Entry Agreement dated [_____ __, 2023] (the "**Right of Entry Agreement**"), between the City (or the EDA as the City's assignee) and the Developer, during the Due Diligence Period (as defined in the Right of Entry Agreement) with respect to each Purchased Property Phase, the Developer shall have the right to enter and access such Purchased Property Phase for the purposes of conducting such additional due diligence as the Developer determines is necessary in its reasonable discretion to determine the feasibility of developing each Purchased Property Phase for the purposes set forth in the Development Agreement, which additional due diligence shall include but not be limited to (i) conducting any and all studies, tests, evaluations and investigations that the Developer determines are necessary in the Developer's reasonable discretion to determine the feasibility of the intended use and development of such Purchase Property Phase, (ii) conducting

the Survey for such Purchased Property Phase as required by Section 5(b) and (iii) satisfying any other requirements to be undertaken during the Due Diligence Period required elsewhere in this Agreement with respect to such Purchased Property Phase (collectively, the "**Due Diligence**"). Promptly upon receipt of the same and without demand, the Developer shall provide the EDA with any and all information the Developer acquires relating to or resulting from its Due Diligence, provided the Developer shall not be deemed to have made any representations or warranties to the Developer regarding the accuracy or completeness of such information.

(b) Termination. If prior to the expiration of the Due Diligence Period with respect to any Purchased Property Phase, the Developer determines that a material defect(s) exists in the condition of such Purchased Property Phase or any portion thereof that will adversely affect the Developer's ability to develop and operate such Purchased Property Phase or such portion thereof for the Developer's intended use in accordance with and subject to the Development Agreement, then the Developer will have the right to terminate this Agreement as to such Purchased Property Phase or such portion thereof by giving written notice to the EDA of such termination, and neither Party will have any further rights or obligations hereunder except as may be expressly provided herein (a "**No-Fault Termination**"). If the EDA does not receive such termination notice with respect to any Purchased Property Phase on or before the expiration of the Due Diligence Period with respect to such Purchased Property Phase, then the Developer will be deemed to have waived the right to terminate this Agreement with respect to such Purchased Property Phase pursuant to this Section 7(b). If the Developer provides a termination notice with respect to any Purchased Property Phase or any portion thereof pursuant to this Section 7(b), such notice shall set forth in reasonable detail the material defect(s) identified by the Developer that are the basis for the No-Fault Termination as to such Purchased Property Phase or portion thereof. In the event of a No-Fault Termination as to only any portion of any Purchased Property Phase, the Purchase Price for the Purchased Property Phase containing such portion shall be reduced proportionately by an amount equal to the product of the per acre Purchase Price of such Purchased Property Phase and the acreage of such portion of the Purchased Property Phase.

8. Indemnity.

(a) By accepting the Deed (as hereinafter defined) for and Closing on each Purchased Property Phase, the Developer, on behalf of itself and its successors and assigns, shall thereby release each of the City, the EDA, any EDA Affiliate and their Agents (collectively, the "**Indemnified Parties**") from, and waive any and all claims that the Developer may have against each of the Indemnified Parties for, attributable to, or in connection with such Purchased Property Phase, whether arising or accruing before, on or after the Closing and whether attributable to events or circumstances which arise or occur before, on or after the Closing, including, without limitation, the following: (i) any and all statements or opinions heretofore or hereafter made, or information furnished, by any Indemnified Parties with respect to such Purchased Property Phase; (ii) with respect to such Purchased Property Phase, any and all liabilities with respect to the Condition of the Property, including, without limitation, all liabilities relating to the release, presence, discovery or removal of any hazardous or regulated substance, chemical, waste or material that may be located in, at, about or under such Purchased Property Phase, or connected with or arising out of any and all claims or causes of action based upon CERCLA (Comprehensive Environmental Response, Compensation, and Liability Act of 1980, 42 U.S.C. §§9601 *et seq*., as amended by SARA (Superfund Amendment and Reauthorization Act of 1986) and as may be further amended

from time to time), the Resource Conservation and Recovery Act of 1976, 42 U.S.C. §§6901 *et seq*., the Federal Clean Water Act, 33 USC Section 1251 *et seq.*, or any other Federal, State or municipal Laws relating to environmental contamination, or any other related claims or causes of action (collectively, "**Environmental Liabilities**"); and (iii) any implied or statutory warranties or guaranties of fitness, merchantability or any other statutory or implied warranty or guaranty of any kind or nature regarding or relating to such Purchased Property Phase.

(b) By accepting the Deed for and Closing on each Purchased Property Phase, the Developer shall thereby assume and take responsibility and liability for the following: (i) any and all liabilities attributable to such portion of the Property to the extent that the same arise or accrue on or after the Closing and are attributable to events or circumstances which arise or occur on or after the Closing; (ii) with respect to such portion of the Property, any and all liabilities with respect to the Condition of the Property, whether such liabilities are latent or patent, whether the same arise or accrue before, on or after the Closing, and whether the same are attributable to events or circumstances which may arise or occur before, on or after the Closing, including, without limitation, all Environmental Liabilities; and (iii) any and all liabilities that arose or accrued prior to the Closing or are attributable to events which arose or occurred prior to the Closing. The Developer acknowledges and agrees that the Liabilities to be assumed by the Developer pursuant to each of the foregoing clauses are intended to be independent of one another, so the Developer shall assume liabilities described in each of the clauses even though some of those liabilities may be read to be excluded by another clause.

(c) The provisions of this Section 8 shall be deemed reaffirmed upon and shall survive Closing on each of the Purchased Property Phases and the delivery of the Deed for each of the Purchased Property Phases or any expiration or termination of this Agreement.

9. Closing Deliverables; Apportionments and Closing Costs.

(a) On or prior to each Closing Date, the EDA shall deliver the following to the Title Company for the benefit of the Developer:

(i) a quitclaim deed for the applicable Purchased Property Phase, duly executed and acknowledged by the EDA, in substantially the form attached hereto as Exhibit B, describing such Purchased Property Phase using the legal description therefor on the Survey for such Purchased Property Phase, and otherwise in proper form for recording (the "**Deed**");

(ii) a duly executed Nonforeign Person Certification in the form required under Section 1445 of the Internal Revenue Code, if required by the Title Company, and information necessary for the Title Company to complete an IRS Form 1099;

(iii) all keys to any improvements located on the applicable Purchased Property Phase, to the extent applicable and to the extent in the EDA's possession;

(iv) a duly executed and acknowledged affidavit addressed to the Title Company regarding mechanics' liens and possession, in substantially the form attached hereto as Exhibit C (the "**Owner's Affidavit**");

(v) a duly executed counterpart original of a settlement statement reflecting the Purchase Price for the applicable Purchased Property Phase, any and all prorations and adjustments required hereunder, if any, and the closing costs as allocated among the parties pursuant to Section 9(d) below (the "**Settlement Statement**"); and

(vi) any additional documents required by the Title Company, provided such additional documents are customary in commercial real estate transactions in the Commonwealth of Virginia and are otherwise in a form acceptable to the EDA in its sole but reasonable discretion, duly executed and acknowledged by the EDA, if applicable.

(b) On, or prior to, each Closing Date, the Developer shall deliver the following to the Title Company for the benefit of the EDA:

(i) a duly executed counterpart original of the Settlement Statement;

(ii) any additional documents required by the Title Company, provided such additional documents are customary in commercial real estate transactions in the Commonwealth of Virginia and are otherwise in a form acceptable to the Developer in its sole but reasonable discretion, duly executed and acknowledged by the Developer, if applicable;

(iii) any additional documents for the applicable Purchased Property Phase, which may be required in order to satisfy the conditions precedent to Closing for such Purchased Property Phase set forth on Schedule 2 hereto, duly executed and acknowledged by the Developer, if applicable; and

(iv) evidence of any covenants required by the Development Agreement governing the construction and use of any particular Purchased Property Phase and required to be recorded with the Deed in a form acceptable to the EDA in its sole but reasonable discretion.

(c) Possession of each Purchased Property Phase shall be given to the Developer at the Closing for such Purchased Property Phase, subject to the Permitted Exceptions, by delivery of the Deed.

(d) With respect to each Purchased Property Phase, the Developer shall pay for the cost of the Commitment for such Purchased Property Phase, the cost of the Survey for such Purchased Property Phase, title insurance premiums and other expenses for such Purchased Property Phase, all costs associated with the Due Diligence conducted by the Developer with respect to such Purchased Property Phase, the cost associated with the Developer's acquisition financing for such Purchased Property Phase (if any), the cost of recording the Deed for such Purchased Property Phase (including any transfer and recordation taxes, if any), its own attorneys' fees, all escrow fees, and all settlement fees of the Title Company. The EDA shall pay its own attorneys' fees and shall pay the cost of the preparation of the Deed for each Purchased Property Phase.

10. Condemnation.

If prior to the Closing for any Purchased Property Phase(s) any condemnation proceeding or other proceeding in the nature of eminent domain is commenced with respect to such Purchased Property Phase(s), the EDA agrees to promptly notify the Developer thereof. In the event that such proposed taking is with respect to (a) all of such Purchased Property Phase(s), or (b) any material portion of such Purchased Property Phase(s) such that it would be impractical for the Developer's intended use in accordance with the Development Agreement, the Developer then shall have the right, at the Developer's option, to elect not to take title to such Purchased Property Phase(s). To the extent the Developer elects not to take title to any Purchased Property Phase(s) pursuant to this Section 10, the Developer Land Purchase Deposit with respect to such Purchased Property Phase(s), if then on deposit with the Title Company or escrow agent, shall be disbursed by the Title Company or escrow agent to the Developer.

11. Casualty.

(a) If prior to the Closing for any Purchased Property Phase(s) all or any part of such Purchased Property Phase(s) is destroyed or damaged, then the EDA agrees to promptly notify the Developer thereof. If damage to such Purchased Property Phase(s) is such that it would prevent the Developer from developing and operating such Purchased Property Phase(s) for the Developer's intended use in accordance with the Development Agreement, the Developer then shall have the right, at the Developer's option, to elect not to take title to such Purchased Property Phase(s). To the extent the Developer elects not to take title to any Purchased Property Phase(s) pursuant to this Section 11(a), the Developer Land Purchase Deposit with respect to such Purchased Property Phase(s), if then on deposit with the Title Company or escrow agent, shall be disbursed by the Title Company or escrow agent to the Developer.

(b) It is expressly agreed and acknowledged by the parties that in no event shall the EDA have any obligation to repair or rebuild any improvements located on any Purchased Property Phases as of the Effective Date in the event of any damage thereto.

12. Default by the Developer.

Subject to and in accordance with the terms and conditions of the Development Agreement, (i) if the Developer fails to timely proceed to Closing on any Purchased Property Phase in accordance with the terms and conditions of this Agreement and the Development Agreement or otherwise materially breaches any of its other covenants and agreements under this Agreement, including a failure to satisfy any conditions precedent to achieve Closing, which failure is not cured within ten (10) Days following receipt of written notice from the EDA (or, in the event such failure is not capable of being cured within such ten- (10-) Day period, such longer period as may be reasonably necessary to cure such failure, provided the Developer commences cure efforts within such ten- (10-) Day period and diligently pursues such efforts to completion) or (ii) if a Developer Default occurs under the Development Agreement, the EDA shall have all rights and remedies set out in the Development Agreement and at law and in equity, including, without limitation, the right to terminate this Agreement as to all Purchased Property Phases for which Closing has not previously occurred and, to the extent any Developer Land Purchase Deposit is then on deposit with the Title Company or escrow agent, to receive the balance of funds constituting the Developer Land Purchase Deposit from the Title Company or escrow agent. Notwithstanding the foregoing, the EDA hereby waives all claims that the EDA may have against

the Developer for special, indirect, punitive, incidental, exemplary, or consequential damages or losses, including lost profits, loss of business opportunity, or other similar damages as a result of any default by the Developer hereunder.

13. Default by the EDA.

If the EDA fails to timely proceed to Closing on any Purchased Property Phase in accordance with the terms and conditions of this Agreement and the Development Agreement or otherwise materially breaches any of its other covenants and agreements under this Agreement or the Development Agreement to either (a) satisfy any conditions precedent to achieve Closing or (b) sell any Purchased Property Phase, which failure is not cured within ten (10) Days following receipt of written notice from the Developer (or, in the event such failure is not capable of being cured within such ten- (10-) Day period, such longer period as may be reasonably necessary to cure such failure, provided the EDA commences cure efforts within such ten- (10-) Day period and diligently pursues such efforts to completion), then, subject to the terms of the Development Agreement, the Developer shall have all rights and remedies available at law and in equity, including, without limitation, (x) the right to terminate this Agreement as to all Purchased Property Phases for which Closing has not previously occurred and, to the extent any Developer Land Purchase Deposit is then on deposit with the Title Company or escrow agent, to receive the balance of funds constituting the Developer Land Purchase Deposit from the Title Company or escrow agent, and (y) to the extent available under applicable Law, the right to pursue specific performance. Notwithstanding the foregoing, the Developer hereby waives all claims that the Developer may have against the EDA for special, indirect, punitive, incidental, exemplary, or consequential damages or losses, including lost profits, loss of business opportunity, or other similar damages as a result of any default by the EDA hereunder.

14. Dispute Resolution.

Notwithstanding anything contained in this Agreement to the contrary, in the event any major dispute arises between the Developer and the EDA pursuant to this Agreement that the Developer and the EDA are unable to resolve after good faith negotiations between the parties, the Developer and the EDA hereby covenant and agree to settle such dispute in accordance with Article 13 (*Dispute Resolution Provisions*) of the Development Agreement.

15. Brokerage.

The EDA represents and warrants to the Developer that it has dealt with no broker, agent, finder or other intermediary in connection with this Agreement. The Developer represents and warrants to the EDA that it has dealt with no broker, agent, finder or other intermediary in connection with this Agreement. The Developer agrees to indemnify, defend and hold the EDA harmless from and against any broker's claim arising from any breach by the Developer, respectively, of its representations and warranties in this paragraph. The foregoing indemnification obligations of the Developer shall survive each Closing hereunder.

16. Notice.

All notices, requests and other communications under this Agreement shall be given in accordance with the terms of Section 18.13 (*Notices*) of the Development Agreement.

17. Authority to Act.

The Chair of the EDA or a designee thereof is authorized to act on behalf of the EDA under this Agreement. The Chair will be the primary officer for the EDA responsible for administering this Agreement for the EDA.

18. Miscellaneous.

(a) Time is and shall be of the essence with respect to each of the terms and conditions hereof. If any date herein set forth for the performance of any obligation by the EDA or the Developer or for the delivery of any instrument or notice as herein provided should be on a Saturday, Sunday or legal holiday, the compliance with such obligation or delivery shall be deemed acceptable on the next business day following such Saturday, Sunday or legal holiday. As used herein, the term "**legal holiday**" means any state or federal holiday on which financial institutions, city or state government offices, or post offices are generally closed in the City of Richmond, Virginia.

(b) This Agreement includes the captions, headings and titles appearing herein for convenience only, and such captions, headings and titles do not affect the construal, interpretation, or meaning of this Agreement or in any way define, limit, extend, or describe the scope or intent of any provisions of this Agreement.

(c) The Developer may not assign this Agreement (and no transfer by the Developer of any interest in this Agreement and no transfers of direct or indirect interests in the Developer shall be permitted) without the prior consent of the EDA, which consent the EDA may grant or withhold in its sole but reasonable discretion. Notwithstanding the foregoing, the Developer, upon prior notice to the EDA but without the necessity of obtaining the EDA's consent thereto, may assign, in full or in part, this Agreement to Affiliates of the Developer to the extent permitted by the Development Agreement.

(d) This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns, subject to the terms of Section 18(c) above.

(e) This Agreement and the Development Agreement, including the exhibits and schedules attached hereto, contain the whole agreement between the EDA and the Developer as to the sale and purchase of the Property, and there are no other terms, obligations, covenants, representations, statements or conditions, oral or otherwise of any kind whatsoever concerning this sale and purchase. This Agreement shall not be altered, amended, changed or modified except in writing executed by the parties hereto.

(f) All issues and questions concerning the construction, enforcement, interpretation and validity of this Agreement, or the rights and obligations of the EDA or the Developer in connection with this Agreement, shall be governed by, and construed and interpreted in accordance with, the laws of the Commonwealth of Virginia, without giving effect to any choice of law or conflict of laws rules or provisions, whether of the Commonwealth of Virginia or any other jurisdiction, that would cause the application of the laws of any jurisdiction other than those of the Commonwealth of Virginia. Subject to the dispute resolution clause in Article 13 (*Dispute Resolution Provisions*) of the Development Agreement, any and all disputes, claims and causes of

action arising out of or in connection with this Agreement, or any performances made hereunder, shall be brought, and any judicial proceeding shall take place, only in the Circuit Court of the City of Richmond, Virginia. Each party shall be responsible for its own attorneys' fees in the event of any litigation or other proceeding arising from this Agreement.

(g) This Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same Agreement.

(h) No director, officer, employee or agent of the EDA or the Developer shall be personally liable to another party hereto or any successor in interest in the event of any default or breach under this Agreement or on any obligation incurred under the terms of this Agreement.

(i) The failure of the EDA or the Developer to insist upon the strict performance of any provision of this Agreement shall not be deemed to be a waiver of the right to insist upon the strict performance of such provision or of any other provision of this Agreement at any time. The waiver of any breach of this Agreement shall not constitute a waiver of a subsequent breach.

(j) The EDA and the Developer acknowledge and agree that this Agreement and any other records furnished or prepared by or in the possession of the EDA may be subject to the retention and disposition requirements of the Virginia Public Records Act and the public disclosure requirements of the Virginia Freedom of Information Act. Notwithstanding the foregoing, Developer agrees that neither this Agreement nor any memorandum or notice hereof shall be recorded by Developer, and Developer agrees not to file any notice of pendency or other instrument against the Property or any portion thereof in connection herewith. This provision shall survive the Closing on each of the Purchased Property Phases.

[*Remainder of Page Intentionally Left Blank*]
[*Signatures on Following Page*]

IN WITNESS WHEREOF, intending to be legally bound, the parties have caused this Agreement to be duly executed as of the Effective Date.

THE EDA:

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

By: _____
Chairman

APPROVED AS TO FORM:

_____
General Counsel

THE DEVELOPER:

RVA DIAMOND DISTRICT LLC,
a Virginia limited liability company

By: _____
Name: _____
Title: _____

Exhibits and Schedules

Schedule 1 – Purchased Property Phases Purchase Prices
Schedule 2 – Conditions Precedent to Closing on Purchased Property Phases

Exhibit A-1 – Phase 1 Purchased Property
Exhibit A-2 – Sports Backers Parcel Boundaries
Exhibit A-3 – Phase 2 Purchased Property Boundaries
Exhibit A-4 – Phase 3 Purchased Property Boundaries
Exhibit A-5 – Phase 4 Purchased Property Boundaries
Exhibit B – Form of Deed
Exhibit C – Form of Affidavit
Exhibit D – Form of Affordable Housing Covenant
Exhibit E – Form of Hotel Use Covenant

SCHEDULE 1

PURCHASED PROPERTY PHASES PURCHASE PRICES

Purchased Property Phase	Purchase Price[1]	Approximate Acreage	Price Per Acre[2]	Required Deposit Per Phase
Phase 1 Purchased Property	$16,000,000	21.83	$732,986	$1,600,000
Sports Backers Parcel	$11,800,000	6.60	$1,787,879	$1,180,000
Phase 2 Purchased Property	$7,260,000	7.34	$989,101	$726,000
Phase 3 Purchased Property	$16,390,000	12.90	$1,270,543	$1,639,000
Phase 4 Purchased Property	$28,680,000	11.90	$2,410,084	$2,868,000

[1] The Developer shall purchase each Purchased Property Phase no later than the Outside Closing Date for such Purchased Property Phase as set forth in the Development Agreement.
[2] Calculated using approximate acreage set forth in the schedule above.

SCHEDULE 2

CONDITIONS PRECEDENT TO CLOSING ON PURCHASED PROPERTY PHASES

Section 1. The Developer's Conditions. The obligation of the Developer to proceed to Closing on each Purchased Property Phase pursuant to this Agreement is subject to the EDA's satisfaction (or waiver by the Developer, if applicable) of all of the following conditions precedent:

(a) the EDA shall not be in breach of any of its covenants and agreements under this Agreement in any material respect;

(b) the EDA shall have complied with all of its obligations required to be performed by it under the Development Agreement prior to the Closing on such Purchased Property Phase; and

(c) the representations and warranties made by the EDA in the Development Agreement shall be true and correct in all material respects as of the Closing Date.

Section 2. The EDA's Conditions. The obligation of the EDA to proceed to Closing on each Purchased Property Phase pursuant to this Agreement is subject to the Developer's satisfaction (or waiver by the EDA, if applicable) of all of the following conditions precedent:

(a) The Pre-Closing Conditions set forth in Sections 3.7 (*Pre-Closing Conditions*), 3.8 (*Additional Phase 1 Purchased Property and Sports Backers Parcel Closing Conditions*), and 3.9 (*Additional Phase 2-4 Closing Conditions*) of the Development Agreement, as applicable to such Phase, have been satisfied;

(b) the Developer shall not be in breach in any material respect of any of its covenants and agreements under the Contract Documents, any Subcontract, or any Financing Documents then in effect;

(c) the Developer shall have complied with all of its obligations then required to be performed by it under the Development Agreement, including that the Developer has delivered the Concept Plans for the applicable Purchased Property Phase;

(d) the development of each of the Purchased Property Phases for which a Closing has previously occurred in accordance with the terms of this Agreement shall be proceeding in accordance with the Development Agreement, any Subcontract and any Financing Documents in all material respects, subject to any delays due to the occurrence of any Delay Event;

(e) the Developer shall have obtained (i) in accordance with Chapter 25 (Subdivision of Land) of the City Code, tentative approval of a preliminary subdivision plat showing the division of the land comprising the Project Site into the Development Parcels, as generally shown on the Map Depicting Development Parcels attached to the Development Agreement, and (ii) Regulatory Approvals required to commence development of such Purchased Property Phase in accordance with the terms of the Development Agreement and applicable Law and has provided copies thereof to the EDA;

(f) the representations and warranties made by the Developer in the Development Agreement shall be true and correct in all material respects;

(g) a Survey for such Purchased Property Phase shall have been obtained by the Developer and approved by the EDA in accordance with the terms of Section 5(b) of this Agreement; and

EXHIBIT A-1

Phase 1 Purchased Property Boundaries

[To Be Attached]

Exhibit A-1 – Phase 1 Land Purchased Property Boundaries

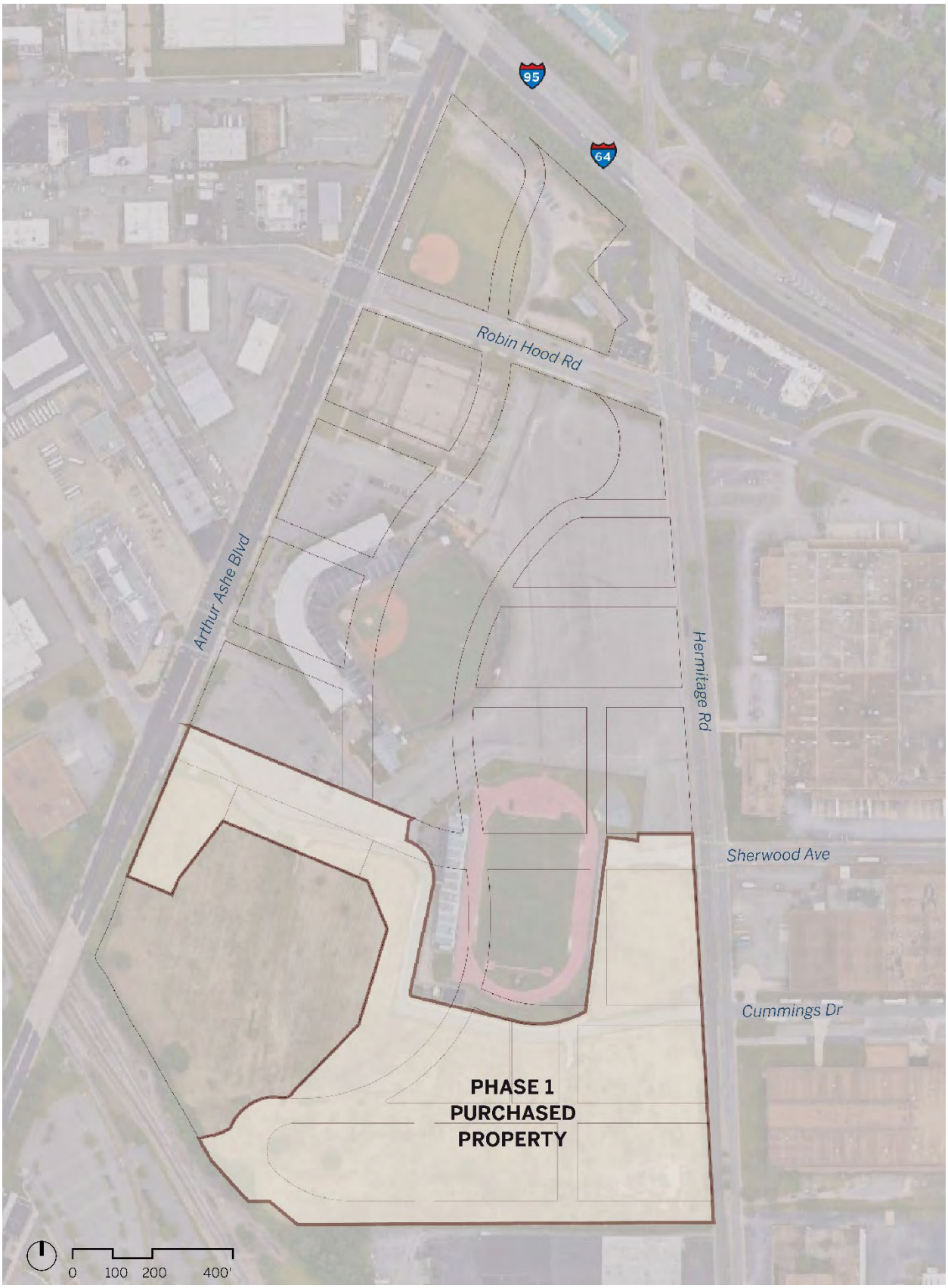


EXHIBIT A-2

Sports Backers Parcel Boundaries

[To Be Attached]

Exhibit A-2 – Sports Backers Parcel Boundaries



EXHIBIT A-3

Phase 2 Purchased Property Boundaries

[To Be Attached]

Exhibit A-3 – Phase 2 Land Purchased Property Boundaries



EXHIBIT A-4

Phase 3 Purchased Property Boundaries

[To Be Attached]

Exhibit A-4 – Phase 3 Land Purchased Property Boundaries



EXHIBIT A-5

Phase 4 Purchased Property Boundaries

[To Be Attached]

Exhibit A-5 – Phase 4 Land Purchased Property Boundaries

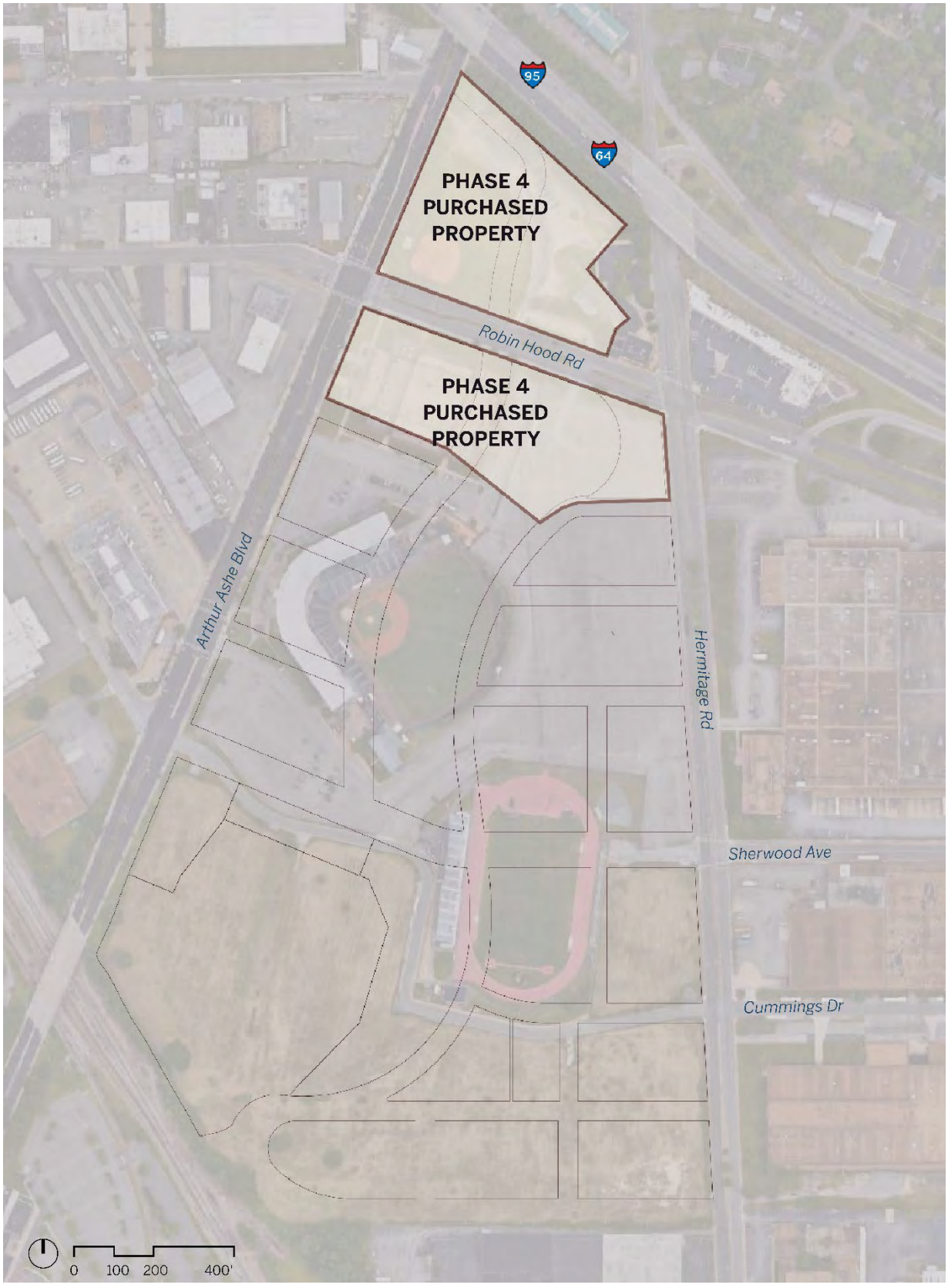


EXHIBIT B

FORM OF DEED

Document Prepared By:
[Richmond City Attorney's Office
900 East Broad Street, Room 400
Richmond, Virginia 23219]

Tax Parcel Nos.: _____

Consideration:
Assessed Value:

DEED

THIS DEED, made this _____ day of _____, 20___, between **ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF RICHMOND, VIRGINIA**, a political subdivision of the Commonwealth of Virginia ("Grantor") and _____, a _____ ("Grantee").

RECITAL

This conveyance is exempt from the Virginia grantor's tax, pursuant to Section 58.1-811(C)(4) of the Code of Virginia (1950), as amended.

W I T N E S S E T H :

WHEREAS, by recordation of this Deed, Grantee represents that the conveyance of the Property (hereinafter defined) upon the terms and conditions specified is acceptable to Grantee;

NOW, THEREFORE, for consideration of the sum of Ten Dollars ($10.00), cash in hand paid, and other good and valuable consideration, the receipt of which is hereby acknowledged, Grantor hereby remises, releases and forever quitclaims unto Grantee, all Grantor's right, title and interest in and to the following real property more particularly described on Exhibit A attached hereto and incorporated herein by this reference, including all Grantor's right, title and interest in

and to any and all appurtenances pertaining thereto and any and all buildings and other improvements situated thereon, if any (collectively, the "Property").

This conveyance is made subject to applicable zoning regulations and ordinances and to all easements, conditions and restrictions of record, as the same may lawfully apply to the Property.

The Property is transferred to Grantee further subject to the condition that the Property shall initially be developed and constructed as a [_____], containing approximately [_____] (the "Initial Improvements"), in accordance with the terms and conditions set forth in that certain Development Agreement dated _____, 2023, by and between Grantor, the City of Richmond and RVA Diamond Partners LLC, a memorandum of which is recorded in the Clerk's Office of the Circuit Court of the City of Richmond, Virginia as Instrument No. _____ (the "Development Agreement"). Said condition shall be for the benefit of and enforceable by Grantor and shall operate as a covenant binding Grantee, its successors and assigns hereunder, and shall run with title to the Property. Said condition shall be deemed satisfied upon the issuance of a temporary or permanent certificate of occupancy for the Initial Improvements by Grantor, at which time Grantor, acting through the Chief Administrative Officer or his/her designee, shall execute and deliver to Grantee a certificate, in recordable form, evidencing compliance with said condition and releasing the condition as an encumbrance upon the Property.

The Property is transferred to Grantee further subject to the condition that the Property and all improvements developed and constructed thereon from time to time, including, without limitation, the Initial Improvements, shall be subject to real estate taxes and assessments imposed by the City of Richmond on other similarly situated properties located within the City of

Richmond. Said condition shall be for the benefit of Grantor and shall operate as a covenant binding Grantee, its successors and assigns hereunder, and shall run with title to the Property.

[Signatures on Following Page]

IN WITNESS WHEREOF, the Grantor has caused this Deed to be executed on its behalf by its duly authorized representative.

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

By: _____
Name: _____
Title: _____

COMMONWEALTH OF VIRGINIA:

CITY OF RICHMOND, to-wit:

The foregoing Deed was acknowledged before me on the ____ day of _____, 20___, by _____, _____ of the Economic Development Authority of the City of Richmond, a political subdivision of the Commonwealth of Virginia, on behalf of such entity.

_____
Notary Public

Notary Registration Number: _____
My Commission expires: _____

[Notary Seal]

Prepared and approved as to form:

_____

GRANTEE'S ADDRESS
_____
_____
_____

EXHIBIT A - TO DEED
LEGAL DESCRIPTION

[To Be Inserted based on Survey for Applicable Purchased Property Phase]

EXHIBIT C

FORM OF AFFIDAVIT

AFFIDAVIT AS TO MECHANICS' LIENS AND POSSESSION

TO: _____

FILE NO.: _____

The undersigned, acting in its capacity as _____ of the Economic Development Authority of the City of Richmond, Virginia, a political subdivision of the Commonwealth of Virginia ("**Affiant**"), hereby declares as follows with respect to the property known as _____ (the "**Property**"), on behalf of the Affiant:

(a) There has been no work performed, services rendered or materials furnished by or on behalf of Affiant in connection with repairs, improvements, development, construction, removal, alterations, demolition or similar activities with respect to the Property during the 123 days prior to the date hereof, for which payment has not been made or provided for.

(b) There are no outstanding claims or persons entitled to any claim or right to a claim for a mechanic's or materialman's lien against the Property in connection with work performed, services rendered or materials furnished by or on behalf of Affiant.

(c) There are no outstanding, unrecorded leases or other similar agreements, written or oral, with respect to the Property and to which the Affiant is a party.

This affidavit is made for the purpose of inducing you to insure title to the Property without exception to (i) claims of mechanics or materialmen or (ii) rights of parties in possession except as set forth above.

[Signatures On Following Page]

IN WITNESS WHEREOF, the undersigned has executed this Affidavit as of the ____ day of _____, 20___.

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

By:_____

Name:_____

Title:_____

COMMONWEALTH OF VIRGINIA:

CITY OF RICHMOND:

The foregoing instrument was acknowledged before me this _____ day of _____ , 20___, by _____, as _____ of the Economic Development Authority of the City of Richmond, Virginia, a political subdivision of the Commonwealth of Virginia, on behalf of such entity.

My commission expires:

Notary Registration Number: _____

_____
Notary Public

_____(SEAL)

EXHIBIT D

FORM OF AFFORDABLE HOUSING COVENANTS

EXHIBIT D

<INSERT RECORDING INFORMATION>

<TAX MAP PARCEL NUMBER>

DECLARATION OF AFFORDABLE DWELLING UNITS COVENANTS

This DECLARATION OF AFFORDABLE DWELLING UNITS COVENANTS ("Covenant") is made as of the _____ day of _____, 20___ (the "Effective Date"), by <INSERT>, ("Declarant"), identified for indexing purposes as Grantor and Grantee.

RECITALS

R-1. The Declarant is the fee simple owner of certain real property as further described in **Exhibit A** (the "Property").

R-2. The City of Richmond, Virginia (the "City") has determined to further its public policy of increasing the affordable housing stock in that portion of the Greater Scotts Addition area of the City that is currently home to the Diamond baseball stadium, and in particular, on the Property.

R-3. The City, the Economic Development Authority of the City of Richmond, Virginia (the "EDA"), and RVA Diamond Partners, LLC (the "Developer") entered into that certain Development Agreement dated _____ ("Development Agreement") and the EDA and the Developer entered into that certain Purchase and Sale Agreement dated _____ ("PSA"), whereby the City, the EDA, and the Developer agreed upon the terms under which the Developer agreed, among other things, to directly develop and construct at least five hundred and sixty-one (561) Affordable Housing Units (as defined herein, and consistent with the Minimum Development Progress Requirements set forth in the Development Agreement) dispersed among several of the Private Development Parcels (as defined in the Development Agreement) pursuant to the Development Agreement (the "Affordable Housing Parcels").

R-4. The Property is one of the Affordable Housing Parcels.

R-5. The Declarant was formed to acquire title to the Property and to oversee development and construction of the Improvements (as defined in the Development Agreement) on the Property in accordance with the Development Agreement and the PSA, including certain Affordable Housing Units.

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, Declarant hereby declares that the Property shall be subject to this Covenant, which shall be binding in accordance with the terms herein on Declarant and on all tenants and purchasers of the Affordable Housing Units and all Transferees (as defined herein) of the Property until expiration of the Affordability Period. For purposes herein, Transferees shall be deemed all persons that may hereafter acquire any interest whatsoever in the Property, or any part thereof,

from Declarant, or any successor or assign of Declarant, or any other party, whether by sale, lease, assignment, hypothecation, or any other means of transfer (any and all of the foregoing means of transfer being herein referred to as "Transfer"), for the Affordability Period. Wherever "Declarant" is used in this Covenant, the term includes any Transferee. In the event of a conflict between this Covenant and any terms of Internal Revenue Code Section 42 or a covenant required by Virginia Housing Development Authority, the provisions of the latter shall prevail.

ARTICLE I
DEFINITIONS

For the purposes of this Covenant, the capitalized terms used herein shall have the meanings ascribed to them below and, unless the context clearly indicates otherwise, shall include the plural as well as the singular.

Affordability Period: is defined in Article X.

Affordability Requirement: is the requirement that Declarant develop and construct 560 Affordable Housing Units, subject to the following requirements: a: (i) no less than 452 of the units so constructed and operated on the Property shall meet the definition of a low income housing unit and be rent-restricted under Internal Revenue Code Section 42(g), (ii) no less than 95 of the units so constructed and operated on the Property shall be leased for occupancy by households earning up to 30% of the Area Median Income, and (iii) no less than 13 of the units shall be sold to households earning between 60% and 70% of the Area Median Income.

Affordable Housing Units: are dwelling units that are reserved for occupancy by households earning up to the Maximum Annual Household Incomes described herein.

Affordable Unit Owner: means a Qualified Purchaser who own(s) a For Sale Affordable Unit.

Affordable Unit Tenant: means a Qualified Tenant who lease(s) a Rental Affordable Unit.

Area Median Income or AMI: means the most recent annually adjusted median income for the Richmond, VA Metropolitan Statistical Area published by the United States Department of Housing and Urban Development adjusted for household size.

Annual Household Income: means the aggregate annual income of a Household as determined by using the standards set forth in 24 CFR § 5.609, as may be amended.

Annual Report: has the meaning given in Section 4.9.

Business Day: means Monday through Friday, inclusive, other than holidays recognized by the City of Richmond, Virginia, the Commonwealth of Virginia, or the United States government.

Certificate of Purchaser Eligibility: means a certification executed by a Household prior to its purchase of an Affordable Housing Unit, in a form approved by the City (such approval not

to be unreasonably withheld), that shall be given to the City, or its designee, and Declarant, representing and warranting the following: (a) the Household is a Qualified Purchaser and has disclosed all of its Annual Household Income and has provided reasonably satisfactory documentation evidencing such Annual Household Income, (b) the Household's Annual Household Income is at or below the Maximum Annual Household Income for the applicable Affordable Housing Unit, (c) the Household has been informed of its rights and obligations under this Covenant, (d) the Household intends to occupy the Affordable Housing Unit as its principal residence, (e) that the Household size is within the Occupancy Standard for the Affordable Housing Unit, and (f) any other reasonable and customary representations requested by the City or Declarant.

Certificate of Tenant Eligibility: means a certification by a Household at its initial occupancy of an Affordable Housing Unit, in a form approved by the City (such approval not to be unreasonably withheld), that shall be given to the City, or its designee, and Declarant representing and warranting the following: (a) the Household is a Qualified Tenant and has disclosed all of its Annual Household Income, (b) the Household's Annual Household Income is at or below the Maximum Annual Household Income for the applicable Affordable Housing Unit, (c) the Household has been informed of its rights and obligations under this Covenant, (d) the Household intends to occupy the Affordable Housing Unit as its principal residence, (e) that the Household size is within the Occupancy Standard for the Affordable Housing Unit, and (f) any other reasonable and customary representations requested by the City or Declarant.

Certification of Compliance: means a certification by Declarant that it has performed or caused to be performed an inspection of all Rental Affordable Units in the Property and that, to the best of Declarant's knowledge, the Property is in compliance with all applicable statutory and regulatory requirements, in such form as the City approves (such approval not to be unreasonably withheld) and allowing for reasonable review by Declarant.

Certification of Residency: means a certification made by Affordable Unit Owner that states that each Rental Affordable Unit within the Property is occupied by an Affordable Unit Tenant as its principal residence, in such form as the City approves (such approval not to be unreasonably withheld) and allowing for reasonable review by Declarant.

Designated Affordability Level: means the percentage of AMI assigned to each Affordable Housing Unit, at or below which a Qualified Purchaser's or Qualified Tenant's, as applicable, Annual Household Income must fall.

Declarant: is identified in the preamble of this Covenant, and when used herein includes any Transferee.

For Sale Affordable Unit: means an Affordable Housing Unit designated for sale to households earning between 60% and 70% of the Area Median Income, which shall be sold to a Qualified Purchaser.

Household(s): means all persons who will occupy the Affordable Housing Unit, including all persons over eighteen (18) years of age whose names will appear on the lease, the purchaser's

or tenant's, as applicable, spouse or domestic partner and children under eighteen (18) years of age.

Household Size Adjustment Factor (HAF): means the factor related to the number of individuals in a Household for the purpose of establishing the Maximum Annual Household Income of a For Sale Affordable Housing Unit, as set forth in the following table:

Household Size	Household Adjustment Factor
1	0.7
2	0.8
3	0.9
4	1
5	1.1
6	1.2

Housing Cost: means (a) the total monthly payments for rent and Utilities for a Rental Affordable Unit, less any rental subsidies paid on behalf of the Qualified Tenant leasing that Rental Affordable Unit, or (b) the total monthly mortgage payments, property tax, hazard insurance, if applicable, and condominium or homeowner fees for a For Sale Affordable Unit.

HUD: means the United States Department of Housing and Urban Development.

Land Records: means the real property records for the City of Richmond, Virginia.

Market-Rate Unit: means each Residential Unit that is not an Affordable Housing Unit.

Maximum Allowable Rent: is defined in Section 4.3.2.

Maximum Annual Household Income or **MAXI:** means the maximum Annual Household Income of a Household occupying an Affordable Housing Unit as calculated pursuant to (a) Section 4.4.1 for Rental Affordable Units and (b) Section 5.2.1 for For Sale Affordable Units.

Maximum Resale Price: means the maximum resale price of a For Sale Affordable Unit as described in Section 5.1.2 and determined pursuant to the procedures contained in **Schedule** 2 attached hereto.

Maximum Sales Price: as defined in Section 5.1.1.

Minimum Annual Household Income or **MINI:** is the minimum Annual Household Income of a Household occupying an Affordable Housing Unit as calculated pursuant to (a) Section 4.4.2 for Rental Affordable Units and (b) Section 5.2.1 for For Sale Affordable Units.

Mortgage: means a mortgage, deed of trust, mortgage deed, or such other classes of instruments as are commonly given to secure a debt under the laws of the Commonwealth of Virginia.

Mortgagee: means the holder of a Mortgage.

Occupancy Standard: means the minimum number of individuals permitted to occupy any given Affordable Housing Unit, as identified in the following chart:

Affordable Housing Unit Size (Number of Bedrooms)	Minimum Number of Individuals in Affordable Housing Unit
Studio/Efficiency	1
1	1
2	2
3	3
4	4

Occupancy Standard Factor: means the factor related to the assumed number of occupants for the purpose of establishing the Maximum Sales Price of a For Sale Affordable Unit as set forth in the following table:

Size of For Sale Affordable	Occupancy Pricing Standard	Occupancy Standard Factor
Efficiency/Studio	1	.7
1 Bedroom	2	.8
2 Bedroom	3	.9
3 Bedroom	5	1.1

Over-Income Tenant: is defined in Section 4.5.5.

Owner: means, in the context of Rental Affordable Units, Declarant, and in the context of For Sale Affordable Units, Declarant for so long as Declarant owns the applicable For Sale Affordable Unit, and then thereafter, the Affordable Unit Owner that owns such For Sale Affordable Unit.

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

Property: is defined in the Recitals.

Qualified Purchaser: means a Household that (i) has an Annual Household Income less than or equal to the Maximum Annual Household Income for the applicable Affordable Housing Unit, (ii) shall occupy the Affordable Housing Unit as its principal residence during its ownership of such Affordable Housing Unit, (iii) shall not permit exclusive occupancy of the Affordable Housing Unit by any other Person, and (iv) shall use, occupy, hold and sell the Affordable Housing Unit as an Affordable Housing Unit subject to the Affordability Requirement (including the requirement to sell the Affordable Housing Unit to a Qualified Purchaser) and this Covenant.

Qualified Tenant: means a Household that (i) has an Annual Household Income less than or equal to the Maximum Annual Household Income for the applicable Affordable Housing Unit at the time of leasing and subsequent lease renewals, (ii) shall occupy the Affordable Housing Unit as its principal residence during its lease of such Affordable Housing Unit, (iii) shall not permit exclusive occupancy of the Affordable Housing Unit by any other Person, and (iv) shall use and occupy the Affordable Housing Unit as an Affordable Housing Unit subject to the Affordability Requirement and this Covenant.

Rental Affordable Unit: means an Affordable Housing Unit designated to be leased for occupancy by households earning either (i) up to 60% of the Area Median Income or (ii) up to 30% of the Area Median Income, as applicable, which shall be leased to a Qualified Tenant.

Rental Affordable Unit Lease Rider: is that certain lease rider, which is attached to this Covenant as **Exhibit B** and incorporated herein, as the same may be amended from time to time with the written approval of the City (such approval not to be unreasonably withheld).

Residential Unit: is any dwelling unit developed and constructed on the Property to be sold or leased for Residential Use, including all Affordable Housing Units.

Sale: is defined in Section 5.1.

Successor In Interest: is defined in Section 5.8.

Utilities: means water, sewer, electricity, and natural gas.

Virginia Housing: means the Commonwealth of Virginia's housing finance agency, also known as the Virginia Housing Development Authority.

ARTICLE II
AFFORDABILITY REQUIREMENT

2.1 **Requirement of Affordability.** Declarant shall construct, reserve, and either, or both (as applicable), maintain and lease as Rental Affordable Units, or sell as For Sale Affordable Units that number of Affordable Housing Units that are required by the Affordability Requirement.

2.2 **Affordable Unit Standards and Location.**

2.2.1 *Size.* Each category of Residential Unit (studio, one-bedroom, two-bedrooms, etc.) developed and constructed as an Affordable Housing Unit must be of a size substantially similar to the same category of Residential Unit developed and constructed as Market-Rate Units within the same building.

2.2.2 *Exterior Finishes, Amenities.* Exteriors of buildings housing Affordable Housing Units will be of durable, high quality materials; the building architecture will complement and contribute positively to the character of the surrounding neighborhood; will include exterior architectural features and design elements that add visual interest and appeal. ; and buildings will provide amenities appropriate for the target resident community, including but not necessarily

limited to, spaces to facilitate recreational and social opportunities, community / multi-purpose room(s) with kitchen / kitchenette to accommodate resident functions, fully equipped fitness center, indoor and outdoor seating areas, etc.

2.2.3 *Interior Finishes.* Interior finishes, fixtures, materials, appliances and equipment in the Affordable Housing Units must be equivalent to that of the Market-Rate Units within the same building.

2.2.4 *Affordable Unit Location.* Affordable Housing Units shall be disbursed throughout the Property on the parcels designated for affordable housing as outlined on the Master Plan attached to the Development Agreement

2.3 **Certification.** Upon request, the Owner will provide the City, or a designee of the City, such documentation as may be reasonably requested in order to review and verify a Household's Annual Household Income and Household's size and determine whether the Household is a Qualified Tenant or Qualified Purchaser, as applicable. The City may require, and may designate a third party to issue, such certifications as it may deem necessary or desirable to memorialize such qualification. The City may also elect to rely on reports and documentation provided to VHDA for this purpose. Wherever "City" is used in this Covenant with regard to review, administration, or reporting requirements designed to ensure Household eligibility, "City" will include any such designee.

ARTICLE III
USE

3.1 **Use.** Except as provided herein, all Affordable Unit Owners and Affordable Unit Tenants shall have the same and equal use and enjoyment of all of the amenities of the Property and services provided at the Property as the owners or tenants of the comparable Market-Rate Units. No restrictions, requirements or rules shall be imposed on Affordable Unit Owners or Affordable Unit Tenants that are not imposed equally on the owners or tenants of the comparable Market-Rate Units. If amenities, services, upgrades, or ownership or rental of parking and other facilities are offered as an option at an additional upfront and or recurring cost or fee to the comparable Market-Rate Units, such amenities, services, upgrades, or ownership or rental of parking and other facilities shall be offered to the Affordable Unit Owners and Affordable Unit Tenants of comparable Affordable Housing Units at the same upfront and or recurring cost or fee charged to the Market-Rate Units. If there is no cost or fee charged to the owners or tenants of the comparable Market-Rate Units for such amenities, services, upgrades, or ownership or rental of parking and other facilities, there shall not be a cost or fee charged to Affordable Unit Owners or Affordable Unit Tenants of comparable Affordable Housing Units.

3.2 **Demolition/Alteration.** Owner shall maintain, upkeep, repair and replace interior components (including fixtures, appliances, flooring and cabinetry) of any Affordable Housing Unit with interior components of equal or better quality than those interior components being replaced. Owner shall not demolish or otherwise structurally alter an Affordable Housing Unit or remove fixtures or appliances installed in an Affordable Housing Unit other than for maintenance and repair (and replacement, if necessary, subject to the terms of the preceding sentence) without prior notification to the City.

ARTICLE IV

RENTAL OF AFFORDABLE HOUSING UNITS

4.1 **Lease of Rental Affordable Units.** In the event the Property contains Rental Affordable Units, Declarant shall reserve, maintain and lease the Rental Affordable Units to Qualified Tenants (a) in accordance with this Covenant, and (b) at a rental rate at or below the Maximum Allowable Rent.

4.2 **Rental Affordable Unit Lease Requirements.**

4.2.1 *Form of Lease.* To lease a Rental Affordable Unit to a Qualified Tenant, Declarant shall use a lease agreement to which is attached and incorporated a Rental Affordable Unit Lease Rider. The Rental Affordable Unit Lease Rider must be executed by Declarant and each Qualified Tenant prior to the Qualified Tenant's occupancy of the Rental Affordable Unit. Any occupant of the Rental Affordable Unit who is eighteen (18) years or older shall be a party to the lease agreement and shall execute the Rental Affordable Unit Lease Rider. A Rider in a format acceptable to VHDA will also be accepted by the City for this purpose.

4.2.2 *Effectiveness of Lease.* The lease of a Rental Affordable Unit will only be effective if a Rental Affordable Unit Lease Rider and a Certificate of Tenant Eligibility are attached as exhibits to the lease agreement. Failure to attach the foregoing shall render the lease null and void *ab initio.*

4.2.3 *Declarant to Maintain Copies.* Declarant shall maintain or cause to be maintained copies of all initial and renewal leases executed with Qualified Tenants for a period of no less than five (5) years from the expiration or termination of such lease, or for such period of time as required by law, whichever is longer.

4.3 **Initial Rental Affordable Unit Lease Terms.**

4.3.1 *Term.* The term of any Rental Affordable Unit lease agreement shall be for a period of one (1) year.

4.3.2 *Establishment of Maximum Rent.* The maximum allowable monthly rent **("Maximum Allowable Rent"** or **"MAR")** for each Rental Affordable Unit shall be an amount equal to the equivalent of the then current Maximum LIHTC Gross Rent for such size of Affordable Housing Unit (studio, one-bedroom, two-bedrooms, etc.) permitted to be charged by Virginia Housing by owners of projects in the City of Richmond, Virginia that are participating in the Federal Low-Income Housing Tax Credit (LIHTC) program, before deducting a Utility Allowance in the determination of such rents.

4.4 **Income Determinations.** The Annual Household Income for a prospective tenant of a Rental Affordable Unit shall be determined as of the date of the lease and any lease renewals for such Rental Affordable Unit. A Household's income eligibility to rent a Rental Affordable Unit is determined by calculating both the Maximum Annual Household Income for a Household

occupying the Rental Affordable Unit and the Minimum Annual Household Income for a Household occupying the Rental Affordable Unit.

4.4.1 *Maximum Annual Household Income.* The Maximum Annual Household Income is determined through the use of the formula: MAXI = (AMI * DAL * HAF).

4.4.2 *Minimum Annual Household Income.* The Minimum Annual Household Income is determined by multiplying the monthly Housing Cost by twelve (12) and dividing this number by thirty-eight percent (38%).

4.5 Subsequent Lease Years.

4.5.1 *Establishment of Maximum Rent.* Declarant shall determine the Maximum Allowable Rent in lease years after the first lease year in accordance with Section 4.3.2 above.

4.5.2 *Renewal by Affordable Unit Tenant.* For each Affordable Unit Tenant who intends to renew its residential lease, no earlier than ninety (90) days and no later than thirty (30) days before each anniversary of the first day of a residential lease, Declarant shall request the following: (i) a Certification of Residency from each such Affordable Unit Tenant; and (ii) a certification of income. Declarant shall not permit a renewal of an Affordable Unit Tenant's lease unless the Affordable Unit Tenant has provided Declarant with these documents as required herein and the tenant is determined to be a Qualified Tenant. If the Affordable Unit Tenant fails to provide such documents, Declarant shall treat such tenant as an Over-Income Tenant and charge market-rate rent, upon which Declarant shall designate another unit as a Rental Affordable Unit. in accordance with Section 4.5.6.

4.5.3 *Annual Recertification of Tenants.* Upon receipt of an Affordable Unit Tenant's renewal documents at annual recertification, Declarant shall determine the Affordable Unit Tenant's income eligibility pursuant to Section 4.5 for the subject Rental Affordable Unit and notify Affordable Unit Tenant of the same within fifteen (15) days prior to the expiration of the then-current lease term. Any Affordable Unit Tenant whose Annual Household Income remains at or below the Maximum Annual Household Income for the subject Rental Affordable Unit will be eligible to remain in the Rental Affordable Unit and to renew the lease at the then-current lease rate for the particular Rental Affordable Unit.

4.5.4 *Annual Recertification of Under Income Tenants.* Upon annual recertification, any Affordable Unit Tenant whose Annual Household Income remains at or below the Maximum Annual Household Income for the subject Rental Affordable Unit, but whose Annual Household Income is less than the Minimum Annual Household Income for the subject Rental Affordable Unit, may elect either to (i) remain in the Rental Affordable Unit paying rent, as established by Owner, up to the then-current Maximum Allowable Rent for the subject Rental Affordable Unit or (ii) vacate the Rental Affordable Unit at the end of the tenant's lease term.

4.5.5 *Annual Recertification of Over-Income Tenants.* Upon annual recertification, if an Affordable Unit Tenant's Annual Household Income is determined to exceed the Maximum Annual Household Income for the subject Rental Affordable Unit (such tenant, an "Over-Income Tenant"), then the Over-Income Tenant may elect to remain in the Rental Affordable Unit and pay the rent applicable to (a) a higher Designated Affordability Level, if a higher Designated

Affordability Level exists for the Property, for which the Over-Income Tenant's Annual Household Income qualifies, whereupon Declarant shall change the Designated Affordability Level of the Rental Affordable Unit to the higher Designated Affordability Level pursuant to Section 4.5.6, or (b) a like-sized Market-Rate Unit, if the Over-Income Tenant's Annual Household Income does not qualify for a higher Designated Affordability Level, but qualifies for a like-sized Market Rate Unit, whereupon Declarant shall designate a Market-Rate Unit as a Rental Affordable Unit pursuant to Section 4.5.6.

4.5.6 *Changes to Unit Location.* Declarant may only change the designation of a Rental Affordable Unit to a new Designated Affordability Level or to a Market-Rate Unit as necessary to allow an Over-Income Tenant to remain in the unit. Following any change in designation of a Rental Affordable Unit to a higher Designated Affordability Level or to a Market-Rate Unit, as applicable, Declarant shall designate the next available Rental Affordable Unit at that same higher Designated Affordability Level or Market-Rate Unit of the similar size and location in the Property to the lower Designated Affordability Level from which the original Rental Affordable Unit had been changed in order to bring the Property in conformity with the Affordability Requirement.

4.5.7 *Rent from Subsidies.* Nothing herein shall be construed to prevent Declarant from collecting rental subsidy or rental-related payments from any federal or state agency paid to Declarant or the Affordable Unit Tenant, or on behalf of an Affordable Unit Tenant, to the extent receipt of such payment is otherwise in compliance with the requirements of this Covenant. Such rental subsidy or rental related payment shall be included in the calculation to determine if a tenant is a Qualified Tenant.

4.6 **No Subleasing of Rental Affordable Units.** An Affordable Unit Tenant may not sublease any portion of its Rental Affordable Unit or assign its lease to any other Household and Declarant shall not knowingly allow such Rental Affordable Unit to be subleased.

4.7 **Representations of Affordable Unit Tenant.** By execution of a lease for a Rental Affordable Unit, each Affordable Unit Tenant shall be deemed to represent and warrant to the Declarant, whom may rely thereon, that the Affordable Unit Tenant meets, and will continue to meet, all eligibility requirements contained in this Covenant for the rental of a Rental Affordable Unit.

4.8 **Representations of Declarant.** By execution of a lease for a Rental Affordable Unit, Declarant shall be deemed to represent and warrant to the City, which may rely on the following, that: (i) the Household is determined to be a Qualified Tenant, and (ii) Declarant is not collecting more than the Maximum Allowable Rent.

4.9 **Annual Reporting Requirements.** Beginning with the first anniversary of the Property achieving 100% qualified occupancy and on each anniversary date thereafter, Declarant shall provide copies of the books an annual report ("Annual Report") to the City regarding the Rental Affordable Units. The Annual Report shall include the following:

(a) the number and identification of the Rental Affordable Units, by bedroom count, that are occupied;

(b) the number and identification of the Rental Affordable Units, by bedroom count, that are vacant;

(c) for each Rental Affordable Unit that is vacant or that was vacant for a portion of the reporting period, the manner in which the Rental Affordable Unit became vacant (e.g. eviction or voluntary departure) and the progress in re-leasing that unit;

(d) for each occupied Rental Affordable Unit, the names and ages of all persons in the Household, the Household size, date of initial occupancy, and total Annual Household Income;

(e) a sworn statement that, to the best of Declarant's information and knowledge, the Household occupying each Rental Affordable Unit meets the eligibility criteria of this Covenant;

(f) a copy of each new or revised Certification of Residency for each Household renting a Rental Affordable Unit;

(g) a copy of each inspection report and Certification of Inspection for each Rental Affordable Unit; and

(h) a copy of all forms, policies, procedures, and other documents reasonably requested by the City related to the Rental Affordable Units.

The Annual Reports shall be retained by Declarant for a minimum of five (5) years after submission and shall be available, upon reasonable notice, for inspection by the City's Chief Administrative Officer or a designee thereof. The City may request Declarant to provide additional information in support of its Annual Report, and the Declarant shall make reasonable efforts to provide such information.

4.10 **Confidentiality.** Except as may be required by applicable law, including, without limitation, the Virginia Freedom of Information Act, Declarant will not disclose to third parties the personal information of the Households, including the identity of the Households, submitted as a part of the Annual Report.

4.11 **Inspection Rights.** The City's Chief Administrative Officer or a designee thereof shall have the right to inspect the Rental Affordable Units, upon reasonable advance notice to Declarant, but in no event less than forty-eight (48) hours' notice. If Declarant receives such notice, Declarant shall, in turn, give reasonable advance notice of the inspection to the tenant(s) occupying the specific Rental Affordable Unit(s). Subject to the rights of the tenants occupying the applicable Rental Affordable Units, the City's Chief Administrative Officer or a designee thereof shall have the right to inspect a random sampling of the Rental Affordable Units to confirm that the units are in compliance with applicable statutory and regulatory housing requirements and as otherwise permitted under this Covenant. The City's Chief Administrative Officer or a designee thereof shall have the right to conduct audits of a random sampling of the Rental Affordable Units and associated files and documentation to confirm compliance with the requirements of this Covenant.

ARTICLE V

EXHIBIT D (AFFORDABLE HOUSING COVENANT)
TO
DIAMOND DISTRICT PURCHASE AND SALE AGREEMENT
SALE OF AFFORDABLE UNITS

5.1 **Sale of For Sale Affordable Units.** In the event the Property contains For Sale Affordable Units, the Owner shall comply with the provisions of this Article V for the sale of such Affordable Housing Units. Owner shall not convey all or any part of its fee interest ("Sale"), whether or not for consideration, in a For Sale Affordable Unit to any Person other than a Qualified Purchaser. Owner shall only sell to a buyer who has provided a certification of income and who is a Qualified Purchaser. Any Sale of a For Sale Affordable Unit to a Person who is not a Qualified Purchaser shall be null and void.

5.1.1 *Maximum Sales Price.* The sale price of each For Sale Affordable Unit upon an initial Sale shall not exceed an amount (the "Maximum Sales Price") that is affordable to a Household with an Annual Household Income at the Designated Affordability Level, adjusted by the Occupancy Standard Factor, spending not more than forty-one percent (41%) of their Annual Household Income on Housing Cost. The Housing Cost includes mortgage payments, property taxes, condominium and homeowner fees, and hazard insurance, if applicable, and shall be calculated in accordance with Schedule 1 attached hereto and incorporated herein. The Declarant shall submit to the City the proposed sales price for each For Sale Affordable Unit for approval prior to the marketing and sale of such For Sale Affordable Unit, such approval or disapproval not to be unreasonably withheld or delayed.

5.1.2 *Maximum Resale Price.* The Maximum Resale Price for each Sale subsequent to the initial Sale shall be calculated in accordance with Schedule 2 attached hereto and incorporated herein.

5.1.3 *Subsidized funding.* The Maximum Sales Price and Maximum Resale Price of a For Sale Affordable Unit shall be determined as described in Sections 5.1.1 and 5.1.2, regardless of the prospective buyer's use of any available subsidized funding for the purchase of the For Sale Affordable Unit.

5.2 **Procedures for Sales.** The following procedures shall apply to (i) Declarant with respect to the initial Sale of a For Sale Affordable Unit, and (ii) an Affordable Unit Owner of a For Sale Affordable Unit desiring to sell his or her For Sale Affordable Unit.

5.2.1 *Income Eligibility.* For any Qualified Purchaser, the Annual Household Income shall be determined as of the date of the sales contract for such For Sale Affordable Unit. To the extent settlement for a For Sale Affordable Unit will not occur within 90 days after the sales contract, the Annual Household Income of the prospective Qualified Purchaser shall be determined again within 90 days prior to settlement. A Household's eligibility to purchase a For Sale Affordable Unit is determined by calculating both the Maximum Annual Household Income for a Household seeking to occupy the For Sale Affordable Unit and the Minimum Annual Household Income for a Household seeking to occupy the For Sale Affordable Unit and verifying that the prospective Household's Annual Household Income is between the MAXI and MINI. The Maximum Annual Household Income is determined through the use of the formula: MAXI = (AMI * DAL * HAF). Examples of the calculation of Maximum Annual Household Income are included in the attached Schedule 1. The Minimum Annual Household Income is determined by multiplying the total Housing Cost by twelve (12) and dividing this number by forty one percent (41%). Examples of

the calculation of Minimum Annual Household Income are included in the attached Schedule 1. The Housing Cost is determined by calculating the monthly mortgage payments using the actual terms of the Household's approved mortgage, and adding all applicable property taxes, homeownership or condominium fees, and hazard insurance, if applicable.

5.2.2 *Sale.* A Sale of a For Sale Affordable Unit shall only be effective if a Certificate of Purchaser Eligibility submitted by a Household to Owner and dated within ninety (90) days of the closing of such Sale is recorded prior to or contemporaneous with the deed conveying the For Sale Affordable Unit and (b) a certification of income is completed within ninety (90) days before closing of such Sale. Owner, Mortgagee(s), City and any title insurer shall each be a third party beneficiary of each such Certificate of Purchaser Eligibility.

5.3 **Closing Procedures and Form of Deed.**

5.3.1 *Owner to Provide Copy of Covenant.* Owner shall provide the Qualified Purchaser with a copy of this Covenant prior to or at the closing on the Sale of the For Sale Affordable Unit.

5.3.2 *Form of Deed.* All deeds used to convey a For Sale Affordable Unit must have a fully executed Certificate of Purchaser Eligibility attached, and shall include the following statement in twelve (12) point or larger type, in all capital letters, on the front page of the deed:

THIS DEED IS DELIVERED AND ACCEPTED SUBJECT TO THE PROVISIONS AND CONDITIONS SET FORTH IN THAT CERTAIN DECLARATION OF AFFORDABLE DWELLING UNITS COVENANTS, DATED AS OF 20_ RECORDED AMONG THE LAND RECORDS OF THE CITY OF RICHMOND, VIRGINIA, AS INSTRUMENT NUMBER ON 20 , WHICH AMONG OTHER THINGS IMPOSES RESTRICTIONS ON THE SALE AND CONVEYANCE OF THE SUBJECT PROPERTY.

5.3.3 *Deed for For Sale Affordable Unit.* A deed for a For Sale Affordable Unit shall not be combined with any other property, including parking spaces or storage facilities, unless the price of such property is included in the Maximum Sales Price (for initial Sales) or Maximum Resale Price (for subsequent Sales).

5.3.4 *Post-Closing Obligations.* The purchaser of a For Sale Affordable Unit shall submit to the City within thirty (30) days after the closing a copy of the final executed settlement statement, a copy of the deed recorded in the Land Records, the Certificate of Purchaser Eligibility, and the certification of income.

5.4 **Rejection of Applicants.** In connection with the Sale of a For Sale Affordable Unit, Owner may reject any applicant seeking to acquire a For Sale Affordable Unit who has provided a certification of income or other evidence of eligibility, if, based on such applicant's application, background, or creditworthiness (including, without limitation, the applicant's inability to provide credible evidence that such applicant will qualify for sufficient financing to purchase the For Sale Affordable Unit), Owner determines in good faith that such applicant does not meet the criteria to purchase or occupy a For Sale Affordable Unit, provided that such criteria does not violate applicable laws and is the same criteria as Market-Rate Units, except as required by this Covenant. In the event any rejected applicant raises an objection or challenges Owner's rejection

of such applicant, Owner shall be solely responsible for ensuring that its rejection of any applicant is not in violation of law. Owner shall provide the City with all documents evidencing Owner's review and rejection of an applicant, upon the request of the City.

5.5 **Representations of Owner.** By execution of a deed for a For Sale Affordable Unit, Declarant (for initial Sales) and the Affordable Unit Owner (for subsequent Sales) shall be deemed to represent and warrant to the City and, if applicable, the title company, each of whom may rely on the following: that (i) the Household is determined to be a Qualified Purchaser at the Designated Affordability Level, and (ii) the sale price satisfies the terms of this Covenant.

5.6 **Annual Certification of Residency.** During the Affordability Period, the Affordable Unit Owner shall submit to the City annually on the anniversary of the closing date for a For Sale Affordable Unit, a Certification of Residency. The Certification of Residency shall be submitted on or with such form as may be prescribed by City.

5.7 **Leasing For Sale Affordable Units.** An Affordable Unit Owner shall not lease, or permit a sublease of, a For Sale Affordable Unit.

5.8 **Succession.** Except as provided in Article VIII, in the event an Affordable Unit Owner voluntarily or involuntarily transfers all or part of the For Sale Affordable Unit pursuant to operation of law, court order, divorce, or death to a transferee, heir, devisee or other personal representative of such owner of a For Sale Affordable Unit (each a "Successor in Interest"), such Successor in Interest, shall automatically be bound by all of the terms, obligations and provisions of this Covenant; and shall either: (i) occupy the For Sale Affordable Unit if he or she is a Qualified Purchaser, or (ii) if the Successor in Interest does not wish to or is unable to occupy the For Sale Affordable Unit, he or she shall promptly sell it in accordance with this Covenant.

5.9 **Prohibition on Occupancy.** In no event shall a Successor in Interest who is not a Qualified Purchaser reside in a For Sale Affordable Unit for longer than ninety (90) days.

5.10 **Progress Reports.** Until all initial Sales of For Sale Affordable Units are completed, Declarant shall provide City with annual progress reports, or more frequently upon request, on the status of its sale of the For Sale Affordable Units.

ARTICLE VI
DEFAULT; ENFORCEMENT AND REMEDIES

6.1 **Default; Remedies.** Except as otherwise provided in Section 6.2, in the event Owner, defaults under any term of this Covenant and does not cure such default within thirty (30) days following written notice of such default from the City, the City shall have available to it all remedies at law and in equity, including the right to seek specific performance, injunctive relief, or other equitable remedies, including compelling the re-sale or leasing of an Affordable Housing Unit and the disgorgement of rents and sale proceeds in excess of the rental rates and sale prices permitted hereunder, for defaults under this Covenant.

6.2 **Right to Cure Period.** Notwithstanding anything contained in Section 6.1 above to the contrary, if a default by the Declarant occurs under this Covenant, the City shall provide the

Declarant with written notice setting forth the alleged violation with particularity and shall provide at least forty-five (45) days to cure the alleged violation, prior to exercising its remedies. The City may extend the cure period in its sole discretion, provided that the cure period shall be extended for an additional ninety (90) days if the Declarant commences to cure the alleged violation within the initial forty-five (45) day period and diligently pursues the cure during such period.

6.3 **No Waiver.** Any delay by the City in instituting or prosecuting any actions or proceedings with respect to a default hereunder, in asserting its rights or pursuing its remedies hereunder shall not operate as a waiver of such rights.

6.4 **Right to Attorney's Fees.** If the City shall prevail in any such legal action to enforce this Covenant, then Owner, Affordable Unit Tenant, Person or Household against whom the City prevails, shall pay City all of its costs and expenses, including reasonable attorney fees (to include the cost of attorneys employed in the Office of the City Attorney), incurred in connection with City efforts to enforce this Covenant.

ARTICLE VII
COVENANTS BINDING ON SUCCESSORS AND ASSIGNS

This Covenant is and shall be binding upon the Property and each Affordable Housing Unit and shall run with the land as of the Effective Date through the Affordability Period. The rights and obligations of City, Declarant, Affordable Unit Owner, and their respective successors, heirs, and assigns shall be binding upon and inure to the benefit of the foregoing parties and their respective successors, heirs, and assigns; provided however that all rights of City pertaining to the monitoring and enforcement of the obligations of Declarant or Affordable Unit Owner hereunder shall be retained by City, or such designee of the City as the City may so determine. No Sale, transfer or foreclosure shall affect the validity of this Covenant, except as provided in Article VIII.

ARTICLE VIII
MORTGAGES

8.1 **Subordination of Mortgages.** All Mortgages placed against the Property, or any portion thereof, shall be subject and subordinate to this Covenant, except as provided in Section 8.3.

8.2 **Amount of Mortgage.** In no event shall the aggregate amount of all Mortgages placed against a For Sale Affordable Unit exceed an amount equal to one hundred five percent (105%) of the Maximum Resale Price for such unit. Prior to obtaining any Mortgage or refinancing thereof, the Affordable Unit Owner shall request from the City the then-current Maximum Resale Price for its For Sale Affordable Unit.

8.3 **Default of Mortgage and Foreclosure.**

8.3.1 *Notice of Default.* The Mortgagee shall provide to the City written notice of any notice of default and notice of intent to foreclose under the Mortgage on the For Sale Affordable Unit. Notwithstanding the foregoing, in no event shall failure to provide such notices preclude the Mortgagee's right to proceed with its remedies for default under the Mortgage.

8.3.2 *Termination Upon Foreclosure and Assignment.* In the event title to a For Sale Affordable Unit is transferred following foreclosure by, or deed in lieu of foreclosure to a Mortgagee in first position, or a Mortgage in first position is assigned to the Secretary of HUD, the terms of this Covenant applicable to such unit shall automatically terminate subject to Sections 8.3.3.

8.3.3 *Apportionment of Proceeds.* In the event title to a For Sale Affordable Unit is transferred according to the provisions of Section 8.3.2, the proceeds from such foreclosure or transfer shall be apportioned and paid as follows: first, to the Mortgagee, in the amount of debt secured under the Mortgage, including commercially reasonable costs and expenses, if any, incurred by Mortgagee and due and payable by the Affordable Unit Owner under the terms of the Mortgage; second, to any junior Mortgagees, in the amount of the debt secured under such Mortgages; and third, to the For Sale Affordable Unit Owner, up to the amount of the Maximum Resale Price as of the date of such sale or transfer.

8.3.4 *Effect of Foreclosure on this Covenant.* Except as provided in Section 8.3.2 in the event of foreclosure or deed in lieu thereof, this Covenant shall not be released or terminated and the Mortgagee or any Person who takes title to an Affordable Housing Unit through a foreclosure sale shall become a Successor in Interest in accordance with Section 5.8.

ARTICLE IX
AMENDMENT OF COVENANT

Neither this Covenant, nor any part hereof, can be amended, modified or released other than as provided herein by an instrument in writing duly authorized by the City, and by a duly authorized representative of Owner of such Affordable Housing Unit affected by such amendment. Any amendment to this Covenant that alters the terms and conditions set forth herein shall be recorded among the Land Records before it shall be deemed effective.

ARTICLE X
AFFORDABILITY PERIOD

All Affordable Housing Units on the Property shall be sold or leased in accordance with the terms of this Covenant for the duration of the applicable Affordability Period. The Affordability Period for each For Sale Affordable Unit shall be a period of ten (10) years beginning on the date of the Sale of the unit to the initial Affordable Unit Owner. The Affordability Period for each Rental Affordable Unit shall be a period of thirty (30) years beginning on the date upon which the building containing the Rental Affordable Unit is placed in service.

ARTICLE XI

NOTICES

Any notices given under this Covenant shall be in writing and delivered by certified mail (return receipt requested, postage pre-paid), by hand, or by reputable private overnight commercial courier service to the applicable Person at the addresses specified in this Article, or to such other persons or locations as may be designated by the City or the Declarant from time to time. All notices shall be sent to the following address:

A. To the City:

Chief Administrative Officer
City of Richmond, Virginia
900 East Broad Street, Suite 201
Richmond, Virginia 23219

with a copy to:

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

B. To the Developer:

_____
_____
_____
Attention: _____

C. To the EDA:

D. To the Declarant:

All notices to be sent to the Affordable Unit Owner shall be sent to the address on record with the Office of the Assessor of the City of Richmond. All notices to be sent to any Affordable Unit Tenant shall be sent to the unit number referenced in its lease. It shall be the responsibility of the applicable Person and any successor to the applicable Person to provide the City with a

current address. The failure of the applicable Person to provide a current address shall be a default under this Covenant.

Notices shall be deemed delivered as follows: (i) if hand delivered, then on the date of delivery or refusal thereof; (ii) if by overnight courier service, then on the next business day after deposit with the overnight courier service; and (iii) if by certified mail (return receipt requested, postage pre-paid), then on the date of actual delivery or refusal thereof.

ARTICLE XII
MISCELLANEOUS

12.1 **Applicable Law: Forum for Disputes**. This Covenant shall be governed by, interpreted under, and construed and enforced in accordance with the laws of the Commonwealth of Virginia, without reference to the conflicts of laws provisions thereof. Owner, Affordable Unit Tenants and the Declarant irrevocably submit to the jurisdiction of the Circuit Court of the City of Richmond, Virginia for the purposes of any suit, action or other proceeding arising out of this Covenant or any transaction contemplated hereby. Owner, Affordable Unit Tenants and the Declarant irrevocably and unconditionally waive any objection to the laying of venue of any action, suit or proceeding arising out of this Covenant or the transactions contemplated hereby in the Circuit Court of the City of Richmond, Virginia, and hereby further waive and agree not to plead or claim in any such court that any such action, suit or proceeding brought in any such court has been brought in an inconvenient forum.

12.2 **Counterparts.** This Covenant may be executed in any number of counterparts, each of which shall be an original but all of which shall together constitute one and the same instrument.

12.3 **Time of Performance.** All dates for performance (including cure) shall expire at 5:00 p.m. (Eastern Time) on the performance or cure date. A performance date which falls on a day other than a business day shall automatically be extended to the next business day.

12.4 **Further Assurances.** Each party agrees to execute and deliver to the other party such additional documents and instruments as the other party reasonably may request in order to fully carry out the purposes and intent of this Covenant; provided that such additional documents and instruments do not materially increase the obligations or burdens upon the second party.

12.5 **Severability.** If any provision of this Covenant is held to be unenforceable or illegal for any reason, said provision shall be severed from all other provisions. Said other provisions shall remain in effect without reference to the unenforceable or illegal provision.

12.6 **Limitation on Liability.** Provided that Owner has exercised reasonable due diligence in the performance of its obligations and duties herein, no Owner shall be liable in the event a Household submits falsified documentation, commits fraud, or breaches any representation or warranty contained in this Covenant. Notwithstanding the foregoing, Owner shall be liable if Owner has knowledge, or should have knowledge, that a Household submitted falsified documentation, committed fraud, or breached any representation or warranty contained in this Covenant.

12.7 **City Limitation on Liability.** Any review or approval by the City shall not be deemed to be an approval, warranty, or other certification by the City as to compliance of such submissions, the Property, or any Affordable Housing Unit with any building codes, regulations, standards, laws, or any other requirements contained in this Covenant or any other covenant granted in favor of the City that is filed among the Land Records; or otherwise contractually required. The City shall incur no liability in connection with the City's review of any submissions required under this Covenant as its review is solely for the purpose of protecting the City's interest under this Covenant.

12.8 **No Third Party Beneficiary.** Except as expressly set forth in this Covenant, there are no intended third party beneficiaries of this Covenant, and no Person other than City shall have standing to bring an action for breach of or to enforce the provisions of this Covenant.

12.9 **Representations of Declarant.** As of the date hereof, Declarant hereby represents and warrants as follows:

(a) This Covenant has been duly executed and delivered by Declarant, and constitutes the legal, valid and binding obligation of Declarant, enforceable against Declarant, and its successors and assigns, in accordance with its terms;

(b) Neither the entering into of this Covenant nor performance hereunder will constitute or result in a violation or breach by Declarant of any agreement or order which is binding on Declarant; and

(c) Declarant (i) is duly organized, validly existing and in good standing under the laws of its state of jurisdiction and is qualified to do business and is in good standing under the laws of the Commonwealth of Virginia; (ii) is authorized to perform under this Covenant; and (iii) has all necessary power to execute and deliver this Covenant.

12.10 **Federal Affordability Restrictions.** In the event the Property is encumbered by other affordability restrictions **("Federal Affordability Restrictions")** as a result of federal funding or the issuance of Low-Income Housing Tax Credits for the Project, it is expressly understood and agreed that in the event the requirements in this Covenant would cause a default of or finding of non-compliance **("Conflict")** with the Federal Affordability Restrictions during the compliance period for the Federal Affordability Restrictions, then the requirements of the Federal Affordability Restrictions shall control to the extent of the Conflict. In all other instances, the requirements of this Covenant shall control.

12.11 **Authorization to Act.** The Chief Administrative Officer of the City of Richmond, Virginia or a designee thereof is authorized to act on behalf of the City under this Covenant.

[Signatures on Following Pages]

IN TESTIMONY WHEREOF, Declarant has caused these presents to be signed, acknowledged and delivered in its name by _____ , its duly authorized _____ and witnessed by _____its _____.

WITNESS

By:_____
Name: _____
Title: _____

DECLARANT [SEAL]

By:_____
Name: _____
Title: _____

COMMONWEALTH OF VIRGINIA

CITY OF RICHMOND, to-wit:

_____, a Notary Public in and for the Commonwealth of Virginia, DO HEREBY CERTIFY THAT who is personally known to be (or approved by oaths of credible witnesses to be) the person named as _____ for _____ in the foregoing and annexed Declaration of Affordable Dwelling Units Covenants, bearing the date of _____ personally appeared before me_____ and as _____ acting on behalf of _____, as aforesaid, acknowledged the same to be his/her free act and deed.

Given under my hand and seal this_____day of_____

__

_____

Notary Public

My Commission Expires: _____

EXHIBIT D (AFFORDABLE HOUSING COVENANT)
TO
DIAMOND DISTRICT PURCHASE AND SALE AGREEMENT

APPROVED AND ACCEPTED THIS DAY OF , 20 :

CITY OF RICHMOND,

By:_____
Chief Administrative Officer

Approved as to form:

By: _____
City Attorney

EXHIBIT A
Legal Description of Property

[See attached]

EXHIBIT D (AFFORDABLE HOUSING COVENANT)
TO
DIAMOND DISTRICT PURCHASE AND SALE AGREEMENT

EXHIBIT B

Rental Affordable Unit Lease Rider

This Affordable Unit Lease Rider ("Rider") is attached to and incorporated into the lease dated ("Lease") between ("Resident" or "You") and , as Management Agent ("Manager") for ("Owner") for Apartment ("Premises"). All capitalized terms not defined in this Rider shall have the meaning provided in the Affordable Housing Covenant (as defined below).

In consideration of the mutual covenants set forth in the Lease and below, you agree that your use and possession of the Premises is subject to the terms and conditions set forth in the Lease and the following terms and conditions, which are in addition to and supplement the Lease. The following terms and conditions are material terms of the Lease and your failure to comply with them will be grounds for lease termination:

AFFORDABLE UNIT: Resident acknowledges that the Premises is subject to that certain Declaration of Affordable Dwelling Units Covenants dated [date], 20_, as may be subsequently amended (the "Affordable Housing Covenant"). The Premises is currently designated as an Affordable Housing Unit, which requires the Resident's household income to be less than or equal to ____ of the Area Median Income (AMI).

DEFINED TERMS: Those terms not specifically defined herein shall be assigned the definition provided in the Affordable Housing Covenant.

ELIGIBILITY: In order for you, as Resident, to be eligible to rent an Affordable Housing Unit, you must be and remain an "Affordable Unit Tenant" as defined in the Affordable Housing Covenant.

INCOME CERTIFICATION / INCOME RECERTIFICATION: No more than ninety (90) days and no less than thirty (30) days before each anniversary of the first day of the Lease, Manager will request the Resident to provide the following:

(i) an executed Certification of Residency that states that Resident occupies the Premises as his/her/their principal residence,

(ii) all information pertaining to the Resident's household composition and income for all household members,

(iii) a release authorizing third party sources to provide relevant information regarding the Resident's eligibility for the Affordable Housing Unit, as well as how to contact such sources, and

(iv) any other reasonable and customary representations, information or documents requested by the Manager.

Resident shall submit the foregoing listed documentation within fifteen (15) days of Manager's request. Within ten (10) days of City's receipt of the foregoing documentation and based on the results of the annual income recertification review, City will determine whether the Resident remains income eligible for the Premises and notify the Resident of his or her household's AMI percentage, and (a) if the Resident is no longer income eligible for the Premises, the income category for which the Resident is income eligible to lease a unit in the apartment community, or

(b) if the Resident is income eligible for the Premises, provide a certification of income verifying that the income of the Resident meets income eligibility for the Premises.

Resident's failure to provide such documents shall be grounds for lease termination and eviction. Pending any such termination and eviction, Declarant shall treat the Resident as an Over Income Tenant and charge market rate rent.

Upon annual recertification, if the Resident remains income eligible for the Premises, the Resident will be eligible to remain in the Premises and to renew this Lease at the then-current lease rate for the Premises. If the Resident's Annual Household Income is determined to exceed the Maximum Annual Household Income applicable to the Premises, then the Resident may remain in the Premises and pay the rent applicable to an Affordable Housing Unit at a higher affordability level for which the Resident's Annual Household Income qualifies. If the Resident's Annual Household Income is determined to exceed the Maximum Annual Income for the Affordable Housing Unit with the highest AMI level in the Property, then the Owner may allow the Resident to remain in the Premises and to pay the applicable market-rate rent for the Premises.

Manager will notify Resident of all options (i.e., an Affordable Housing Unit at a different AMI category or a market rate unit) for which Resident is income eligible prior to the expiration of the Resident's lease term. Prior to the expiration of the Resident's lease term, the Resident shall notify Manager in writing of the Resident's election to either (i) remain in the Premises and pay the rental rate applicable to the Resident's then current AMI category if the Resident's Annual Household Income is at or below the established AMI categories of [ ]AMI or [ ] AMI, (ii) remain in the Premises paying the market rate rent for that unit if the Resident's then current income is above the highest AMI level, or (iii) vacate the Premises at the end of the Resident's lease term. Resident's failure to notify Manager of Resident's election prior to the expiration of the lease term will be deemed by Manager as Resident's election to vacate the Premises.

In the event that Resident fails to pay the applicable rental rate or vacate the Premises upon expiration of the lease term, Manager shall pursue an action for eviction of Resident. Resident's agreement to pay the applicable rental rate or vacate was a condition precedent to Manager's initial acceptance of Resident's eligibility and Manager has relied on Resident's agreement. Resident acknowledges and agrees that failure to vacate the Premises or pay the applicable rental rate is both a default under the Lease and in violation of the Affordable Housing Covenant.

PROHIBITION ON SUBLETS AND ASSIGNMENTS: Resident may not sublease any portion of the Premises or assign its Lease to any other person.

LEASE EFFECTIVE: The Lease of the Premises shall only be effective if this executed Rider, a certification of income, a Certification of Tenant Eligibility (for initial lease term), and a Certificate of Residency (for lease renewals) are attached as exhibits to the Lease.

Resident Signature _____ Date _____

Resident Signature _____ Date _____

EXHIBIT D (AFFORDABLE HOUSING COVENANT)
TO
DIAMOND DISTRICT PURCHASE AND SALE AGREEMENT
SCHEDULE 1

Maximum Sales Price

The following assumptions shall be used in calculating the Maximum Sales Price of a For Sale Affordable Unit.

i. *Condominium Fees, if applicable:* Use the actual monthly condominium fees, or if unknown, estimate monthly condominium fees at $0.60 per square foot. If the actual size of the For Sale Affordable Unit is unknown, use the square footage estimated in the chart below based on unit type.

Multi-Family Development

Studio	1-Bedroom	2-Bedroom	3-Bedroom
500	625	900	1,050

ii. *Homeowner Fees, if applicable:* Use the actual monthly homeowner fees, or if unknown, estimate monthly homeowner fees at $0.10 per square foot. If the actual size of the For Sale Affordable Unit is unknown, use the square footage estimated in the chart below based on home type.

Single-Family Development

2-Bedroom	3-Bedroom	4-Bedroom
1,100	1,300	1,500

iii. *Monthly Hazard Insurance, if single family home:* Estimated to be $125.00 per month. If a more recent survey or source is available, the City shall instruct Declarant to use a different estimate.

iv. *Monthly Real Property Taxes:* Base monthly real property taxes on the estimated price of the For Sale Affordable Unit at current real estate tax rates ($1.20 per $100 in 2023).

v. *Mortgage Rate:* Mortgage rates are determined by the most recent monthly average of a 30 year fixed rate mortgage at www.freddiemac.com plus a one percent (1%) cushion. For this example, assume an average rate of 4.40%. After adding the 1% cushion, the rate for calculation of the Maximum Resale Price would be 5.40%.

vi. *Down payment:* Assume a down payment of 5% on the purchase of the For Sale Affordable Unit.

SCHEDULE 2

Provisions Governing Calculation of Maximum Resale Price

1. The Maximum Resale Price ("MRP") for a subsequent sale of a For Sale Affordable Unit shall be determined through use of the formula MRP = P x (F) + V ("Formula"), where:

(a) P = the price Owner paid for the For Sale Affordable Unit;

(b) V = the sum of the value of the Eligible Capital Improvements and Eligible Replacement and Repair Costs, as determined by the City pursuant to this section; and

(c) F = the average of the Ten Year Compound Annual Growth Rates of the Area Median Income ("AMI") from the first year of ownership of the For Sale Affordable Unit to the year of the sale of the For Sale Affordable Unit by the Affordable Unit Owner. This average may be expressed:

As the result of the formula F = (1 + [((AMI Year m /AMI Year m-10) A (1/10) -1) +...((AMI Year k /AMI year k-10) ^{A} (1/10) -1) / n]) ^{A} n, where m = the year after the For Sale Affordable Unit was purchased by Owner, k = the year in which the For Sale Affordable Unit is sold by Owner, and n = the number of years the For Sale Affordable Unit is owned by Owner.

2. For the purposes of determining the value of "V" in the Formula, the following improvements made to a For Sale Affordable Unit after the date of purchase may be included at the percentage of cost indicated, to the extent they are permanent in nature and add to the market value of the property:

(a) Eligible Capital Improvements, which will be valued at 100% of reasonable cost, as determined by the City; and

(b) Eligible Replacement and Repair Costs, which shall be valued at 50% of reasonable cost, as determined by the City.

3. Ineligible costs shall not be included in the determining the value of "V" in the Formula.

4. The value of improvements may be determined by the City based upon documentation provided by the Affordable Unit Owner or, if not provided, upon a standard value established by the City.

5. The City may disallow an Eligible Capital Improvement or Eligible Replacement and Repair Cost if the City finds that the improvement diminished or did not increase the fair market value of the For Sale Affordable Unit or if the improvements make the For Sale Affordable Unit unaffordable to all Qualified Purchasers at the Designated Affordability Level.

6. The City may reduce the value of a capital improvement if there is evidence of abnormal physical deterioration of, or abnormal wear and tear to, the capital improvement.

7. Owner shall permit a representative of the City to inspect the For Sale Affordable Unit upon request to verify the existence and value of any capital improvements that are claimed by Owner.

8. No allowance shall be made in the Maximum Resale Price for the payment of real estate brokerage fees associated with the sale of the For Sale Affordable Unit.

9. The value of personal property transferred to a purchaser in connection with the resale of a For Sale Affordable Unit shall not be considered part of the sales price of the For Sale Affordable Unit for the purposes of determining whether the sales price of the For Sale Affordable Unit exceeds the MRP.

10. Any capitalized terms used in this Schedule that are not defined herein shall have the meanings set forth in the Covenant. As used in this Schedule, the following capitalized terms shall have the meanings indicated below:

Eligible Capital Improvement: major structural system upgrades, special assessments, new additions, and improvements related to increasing the health, safety, or energy efficiency of a For Sale Affordable Unit. Such improvements generally include: (i) major electrical wiring system upgrades; (ii) major plumbing system upgrades; (iii) room additions; (iv) installation of additional closets and walls; (v) alarm systems; (vi) smoke detectors; (vii) removal of toxic substances, such as asbestos, lead, mold, or mildew; (viii) insulation or upgrades to double-paned windows or glass fireplace screens; and (ix) upgrade to Energy Star built-in appliances, such as furnaces, water heaters, stoves, ranges, dishwashers, and microwave hoods. Improvements that meet these criteria will be given 100% credit by the City.

Eligible Replacement and Repair Cost: in-kind replacement of existing amenities and repairs and general maintenance that keep a For Sale Affordable Unit in good working condition. Such improvements generally include: (i) electrical maintenance and repair, such as switches and outlets; (ii) plumbing maintenance and repair, such as faucets, supply lines, and sinks; (iii) replacement or repair of flooring, countertops, cabinets, bathroom tile, or bathroom vanities; (viii) non-Energy Star replacement of built-in appliances, including furnaces, water heaters, stoves, ranges, dishwashers, and microwave hoods; (ix) replacement of window sashes; (x) fireplace maintenance or in-kind replacement; (xi) heating system maintenance and repairs; and (xii) lighting system. Costs that meet these criteria will be given 50% credit for repairs as determined by the City.

Ineligible Costs: means costs of cosmetic enhancements, installations with limited useful life spans and non-permanent fixtures not eligible for capital improvement credit as determined by the City.

EXHIBIT E

FORM OF HOTEL USE COVENANT

EXHIBIT E

<INSERT RECORDING INFORMATION>

<TAX MAP PARCEL NUMBER>

DECLARATION OF HOTEL USE COVENANTS

This DECLARATION OF HOTEL USE COVENANTS ("Covenant") is made as of the day of_____, 20__ (the "Effective Date"), by_____, a _____ corporation ("Declarant"), identified for indexing purposes as Grantor and Grantee.

RECITALS

R-1. Declarant is the fee simple owner of certain real property, known as <INSERT PARCEL> and as further described in **Exhibit A** (the "***Property***").

R-2. The City of Richmond, Virginia (the "***City***") seeks to redevelop a portion of the Greater Scott's Addition area of the City that currently is home to The Diamond baseball stadium and that is not utilized to its full market potential, with the aim that such redevelopment results in additional taxable value in both the project area and in surrounding properties.

R-3. The City, the Economic Development Authority of the City of Richmond, Virginia (the "***EDA***"), and RVA Diamond Partners LLC (the "***Developer***") entered into that certain Development Agreement dated _____ (the "***Development Agreement***") and the EDA and Developer entered into that certain Purchase and Sale Agreement dated _____ (the "***PSA***"), whereby the City, the EDA, and the Developer agreed upon the terms under which the Developer agreed, among other things, to design, develop and construct a minimum 180 room guest hotel as part of the Phase 1 Project (the "***Hotel***"). The Declarant further shall enter into a Franchise Agreement with a Selected Hotel Brand for a period of time at least contemporaneous with the period of time the Bonds remain outstanding.

R-4. The Declarant was formed to acquire title to the Property and to oversee development and construction of the Hotel on behalf of the Developer.

R-5. The Hotel shall be developed and constructed in accordance with the Development Agreement, PSA and the Memorandum of Development Agreement (as defined herein).

NOW THEREFORE, in consideration of the foregoing and other good and valuable consideration, the Declarant hereby declares that the Property shall be subject to this Covenant, which shall be binding in accordance with the terms herein on the Declarant and on all tenants and purchasers of the Hotel and all Transferees (as defined herein) of the Property until the payment in full or defeasance of the Bonds (as defined herein). Wherever "Declarant" is used in this Covenant, the term includes any Transferee.

ARTICLE I

DEFINITIONS AND MISCELLANEOUS PROVISIONS

1.1 DEFINITIONS. For the purposes of this Covenant, the following capitalized terms shall have the meanings ascribed to them below and, unless the context clearly indicates otherwise, shall include the plural as well as the singular:

"***Affiliate***" means any Person directly or indirectly Controlling, Controlled by, or under Common Control with another Person.

"***Bonds***" shall have the meaning provided in the Development Agreement.

"***Business Day***" means any day that is neither a Saturday, a Sunday, nor a day observed as a legal holiday by the City of Richmond, Virginia, the Commonwealth of Virginia, or the United States government.

"CDA" means the community development authority formed or to be formed in accordance with the CDA as set forth in the Development Agreement.

"Control" means (i) the ownership, direct or indirect, by one Person of more than 50 percent of the profits, capital, or equity interest of another Person, or (ii) the power to direct the affairs or management of another Person, whether by contract, other governing documents, or by operation of law.

"***Controlling Interest***" shall mean (i) the ownership, direct or indirect, by one Person of more than 50 percent of the profits, capital, or equity interest of another Person or (ii) the power to direct the affairs or management of another Person, whether by contract, other governing documents, or by operation of law.

"***Debt Financing***" shall mean non-equity funds procured from a lender to fund the construction and development of the Hotel.

"***Declarant***" is defined in the introductory paragraph.

"***Declarant Party***" means the Declarant, any Affiliate of Declarant, a Declarant Subcontractor, the Developer, each Construction Contractor, any Contractor, advisor or agent of Declarant and their successors and permitted assigns.

"***Development Agreement***" is defined in the Recitals which is recorded in the Land Records.

"Developer" is defined in the Recitals.

"***Equity Interest***" shall mean with respect to any entity, (A) the legal (other than as a nominee) or beneficial ownership of outstanding voting or non-voting stuck of such entity if such entity is a business corporation, a real estate investment trust or a similar entity, (B) the legal (other than as a nominee) or a beneficial ownership of any partnership, membership or other voting or non-voting ownership interest in a partnership, joint venture, limited liability company or similar entity, (C) a legal (other than as a nominee) or beneficial voting or non- voting interest in a trust if

such entity is a trust, and (D) any other voting or non-voting interest that is the function al equivalent of any of the foregoing.

"***Foreclosure Transfer***" shall mean a transfer, sale or assignment occurring as a result of the foreclosure of, or other action in enforcement of, a Mortgage, or any transfer, sale or assignment of any or all of the Property, or any other transfer, sale or assignment of all or any part of the Property by judicial or other proceedings under, pursuant or pertaining to a Mortgage, or by virtue of the exercise of any power or right contained in a Mortgage, or by deed, assignment, or other conveyance-in-lieu of foreclosure or other action in enforcement of a Mortgage, or otherwise, or a transfer of some or all of the Equity Interests in Declarant occurring as a result of, or pursuant to, or in connection with a pledge, hypothecation or other collateral assignment of such Equity Interests, or any sale, transfer or assignment of some or all of the Equity Interest in Declarant, or in any Person holding, directly or indirectly, some or all of the Equity Interest in Declarant in any Person holding, directly or indirectly, some or all of the Equity Interests in Declarant by virtue of, or pursuant to, any right or power contained in a Mortgage or in any other document or instrument evidencing or securing a loan secured by a Mortgage, or by deed, assignment or other conveyance of some or all of such equity interests in lieu of a foreclosure, sale or other enforcement action, or otherwise (it being the intention of the parties that the term "Foreclosure Transfer" shall be given the broadest possible interpretation to over, reach, include and permit any sale, assignment or transfer whatsoever, and however effected or structured, of some or all of the Property, some or all of the Equity Interests in Declarant or in any Person holding, directly or indirectly, some or all of the Equity Interests in Declarant following an uncured default under a Mortgage (including any document or instrument, whether or not recorded, that evidences or secures a debt secured by a Mortgage)):

(x) to a Mortgagee or its Designee or Foreclosure Transferee: or

(y) to any Person that is not a Prohibited Person and that purchases or otherwise acquires some or all of the Property, or some or all of the Equity Interests in Declarant from a Mortgagee or its designee after such Mortgagee or designee has purchased or otherwise acquired some or all of the Property, or some or all of the Equity Interests in Declarant in a Foreclosure Transfer described in the immediately preceding clause (x).

Each Foreclosure Transfer shall be deemed, for the purposes hereof, to have occurred as of the date of the transfer, sale, assignment or conveyance-in-lieu thereof in question.

"***Franchise Agreement***" shall mean the franchise license agreement by and between the Declarant and a Permitted Franchisor, as it may be amended, supplemented, modified, substituted or replaced.

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

"***Improvements***" means any and all site and vertical improvements, including the systems, cables, materials, equipment, property, buildings, structures, appurtenances, subsystem or other improvement any of which comprises the Hotel on or within the Property.

"***Land Records***" means the land records of the City of Richmond, Virginia.

"***Law***" or "***Laws***" means any one or more present and future laws, ordinances, rules,

regulations, permits, authorizations, orders, judgments, and requirements, to the extent applicable to the City, the EDA, the Declarant, a Declarant Party, the Hotel or to the Property or any portion thereof, including, without limitation, whether or not in the present contemplation of the City, the EDA, or the Declarant, all consents or approvals (including Regulatory Approvals) required to be obtained from, and all rules and regulations of, and all building and zoning laws of, all federal, state, and local governments, authorities, courts, and any other body or bodies exercising similar functions, having or acquiring jurisdiction of, or which may affect or be applicable to, the Property or any part thereof, including, without limitation, any subsurface area, the use thereof and of the buildings and improvements thereon.

"***Master Plan***" means the master plan for Developer's entire project under the Development Agreement.

"***Member***" means any Person with an interest in Declarant.

"***Memorandum of Development Agreement***" means the Memorandum of Development Agreement to be recorded against title to each Phase of Purchased Property as set forth in, and as required by, the Development Agreement.

"***Mortgage***" means any mortgage, deed of trust or other similar instrument securing Debt Financing.

"***Mortgagee***" shall mean any provider of Debt Financing.

"***Notice Address***" shall mean the address for notice set forth below, as amended from time to time by notice sent to the other party as provided herein:

A. To the City:

Chief Administrative Officer
City of Richmond, Virginia
900 East Broad Street, Suite 201
Richmond, Virginia 23219

with a copy to:

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

B. To the Developer:

RVA Diamond Partners LLC

_____

_____

with a copy to:

McGuireWoods LLP
Gateway Plaza
800 East Canal Street
Richmond, Virginia 23219
Attention: George Keith Martin, Esquire

C. To the EDA:

_____
_____
_____

D. To the Declarant

_____
c/o Capstone Development, LLC
4445 Willard Avenue, Suite 600
Chevy Chase, Maryland 20815
Attention: Norman Jenkins

"***Operating Standard***" shall mean the standard consistent with the maintenance and operational standards applicable to the Selected Hotel Brand or other brand approved by the EDA.

"***Permitted Franchisor***" shall mean a Person who is not a Prohibited Person and is franchisor of a Selected Hotel Brand or other comparable hotel brand approved by the EDA in accordance with Section 5.1 of this Covenant.

"***Person***" means any individual, corporation, partnership, association, cooperative, limited liability company, trust, business trust, joint venture, government, political subdivision or any other legal or commercial entity and any successor, representative, agent, agency or instrumentality thereof.

"Phase 1 Project" means the Project components to be constructed on the Phase 1 Project Site (as defined in the Development Agreement) in material conformity to the requirements of the Development Agreement.

"***Prohibited Person***" shall mean any of the following Persons:

(a) Any Person (or any Person whose operations are directed or controlled by a Person) who has been convicted of or has pleaded guilty in a criminal proceeding for a felony or who is an on-going target of a grand jury investigation convened pursuant to applicable Laws concerning organized crime; or

(b) Any Person organized in or controlled from a country, the effects of the activities with respect to which, are regulated or controlled pursuant to the following United States laws and the regulations or executive orders promulgated thereunder: (x) the Trading with the Enemy Act of 1917, 50 U.S.C. App. §1, et seq., as amended (which countries are, as of the date hereof, North Korea and Cuba); (y) the International Emergency Economic Powers Act of 1976, 50 U.S.C. §1701, et seq., as amended; and (z) the Anti-Terrorism and Arms Export Amendments Act of 1989, codified at Section 6(j) of the Export Administration Act of 1979, 50 U.S.C. App. § 2405(j), as amended (which countries are, as of the date hereof, Iran, Sudan and Syria); or

(c) Any Person who has engaged in any dealings or transactions (i) in contravention of the applicable money laundering laws or regulations or conventions or (ii) in contravention of Executive Order No. 13224 dated September 24, 2001 issued by the President of the United States (Executive Order Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism), as may be amended or supplemented from time-to-time or any published terrorist or watch list that may exist from time to time; or

(d) Any Person who appears on or conducts any business or engages in any transaction with any person appearing on the list maintained by the U.S. Treasury Department's Office of Foreign Assets Control list located at 31 C.F.R., Chapter V, Appendix A or is a person described in Section 1 of the Anti-Terrorism Order; or

(e) Any Affiliate of any of the Persons described in paragraphs (a) through (d) above.

"***Project***" shall have the meaning provided in the Development Agreement.

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

"PSA" is defined in the Recitals.

"***Selected Hotel Brand***" means one of the following brands: AC Hotels by Marriott; Autograph Collection; Canopy by Hilton; Curio Collection; Hilton; Tempo by Hilton; Hyatt; Hyatt Centric; Hyatt Regency; JdV by Hyatt; Kimpton; Le Meridien; Marriott;; Tapestry Collection; Tribute Portfolio; and Westin.

"Substantial Controlling Interest" shall mean such ownership of Declarant or a Transferee as to give day-to-day control over Declarant or ownership or control of the votes necessary to elect a majority of the board of directors or other governing body, or appoint the managing member or Operator, or such Person.

"***Transfer***" shall mean (A) any change, by operation of law or otherwise, in ownership of an Equity Interest in Declarant, where such change in ownership directly or indirectly produces any change in the Substantial Controlling Interest of Declarant, or (B) any transaction or series of transactions, by operation of law or otherwise, including, without limitation, the issuance of additional Equity Interests or the direct or indirect revision of the beneficial ownership or control structure of the management or operation of Declarant or any direct or indirect constituent entity of Declarant, which, in either case, produces any change, by operation of law or otherwise, in the Substantial Controlling Interest in Declarant. With respect to the Property, the term "Transfer" shall mean any sale, assignment, conveyance, lease, deed of trust or encumbrance on the Property or of any portion of or any interest in the Property.

"***Transferee***" shall mean any Person to which the ownership of the Hotel has been Transferred.

1.2 GOVERNING LAW. This Covenant shall be governed by and construed in accordance with the laws of the city of Richmond, Virginia (without reference to conflicts of law principles).

1.3 CAPTIONS, NUMBERINGS, AND HEADINGS. Captions, numberings, and

headings of Articles, Sections, and Exhibits in this Covenant are for convenience of reference only and shall not be considered in the interpretation of this Covenant.

1.4 NUMBER; GENDER. Whenever required by the context, the singular shall include the plural, the neuter gender shall include the male gender and female gender, and vice versa.

1.5 BUSINESS DAY. In the event that the date for performance of any obligation under this Covenant falls on other than a Business Day, then such obligation shall be performed on the next succeeding Business Day.

1.6 COUNTERPARTS. This Covenant may be executed in multiple counterparts, each of which shall constitute an original and all of which shall constitute one and the same agreement.

1.7 SEVERABILITY. In the event that one or more of the provisions of this Covenant shall be held to be illegal, invalid, or unenforceable, each such provision shall be deemed severable and the remaining provisions of this Covenant shall continue in full force and effect, unless this construction would operate as an undue hardship on EDA or Declarant or would constitute a substantial deviation from the general intent of the parties as reflected in this Covenant.

1.8 EXHIBITS. All Exhibits referenced in this Covenant are incorporated by this reference as if fully set forth in this Covenant.

1.9 INCLUDING. The word "including," and variations thereof, shall mean "including without limitation."

1.10 NO CONSTRUCTION AGAINST DRAFTER. This Covenant has been negotiated and prepared by City, EDA, and Declarant and their respective attorneys and, should any provision of this Covenant require judicial interpretation, the court interpreting or construing such provision shall not apply the rule of construction that a document is to be construed more strictly against one party.

1.11 CONFLICTS. In the event of a conflict between this Covenant and the Memorandum of Development Agreement prior to the release of the Memorandum of Development Agreement, the terms of the Memorandum of Development Agreement shall govern.

ARTICLE II

USE COVENANTS

2.1 OPERATION. Subject to the provisions of this Covenant, the Declarant shall continue to operate the Property as a Hotel consistent with the Master Plan, the Operating Standard and the other provisions of this Covenant.

2.2 GENERAL USES. Prior to the full repayment or defeasance of the Bonds, the Property shall only be utilized in a manner consistent with Section 2.1 hereof.

2.3 MAINTENANCE OF HOTEL. Declarant hereby covenants and agrees to maintain the Hotel and the Improvements during the term of this Covenant in accordance with the Operating Standard.

2.4 FINANCIAL REPORTING. For so long as the Bonds remain outstanding, the

Declarant shall, and shall cause any tenants and subtenants to, make the following reports to the City's Director of Finance, with a copy to the EDA:

(a) once each month, at a time during each month prescribed by the City's Director of Finance, which, if applicable, shall be no earlier than the date such information would otherwise be required to be reported pursuant to applicable Law, a report setting forth (A) the sales taxes remitted to the Commonwealth of Virginia attributable to the Property (including the Hotel) and (B) the Person who collected and remitted those sales taxes;

(b) once each month, at a time during each month prescribed by the City's Director of Finance, which, if applicable, shall be no earlier than the date such information would otherwise be required to be reported pursuant to applicable Law, a report setting forth (A) the amount of meals taxes remitted to the City attributable to the Property (including the Hotel) and (B) the name of the Person who collected and remitted those meals taxes to the City;

(c) once each calendar year, at a time during the year prescribed by the City's Director of Finance, which, if applicable, shall be no earlier than the date such information would otherwise be required to be reported pursuant to applicable Law, a report setting forth (A) the amount of business, professional, and occupational license taxes paid to the City attributable to the Property (including the Hotel), (B) the name of the Person who paid those business, professional, and occupational license taxes, and (C) the type of business, as classified by the City's Director of Finance, for which the Person paid those business, professional, and occupational license taxes;

(d) once each month, at a time during each month prescribed by the City's Director of Finance, which, if applicable, shall be no earlier than the date comparable sales tax information would otherwise be required to be reported pursuant to applicable Law, a report setting forth (A) the amounts generated from the collection of the Consumer Purchase Surcharge on the Property (including the Hotel) and (B) the Person who collected and transferred those amounts as provided for under the financing documents for the Bonds; and

(e) once each month, at a time during each month prescribed by the City's Director of Finance, which, if applicable, shall be no earlier than the date comparable hotel tax information would otherwise be required to be reported pursuant to applicable Law, a report setting forth (A) the amounts generated from the collection of the Hotel Use Surcharge on the Property (including the Hotel) and (B) the Person who collected and transferred those amounts as provided for under the financing documents for the Bonds.

ARTICLE III

TERM

3.1 TERM. All other obligations, liabilities, terms, and conditions set forth herein shall run with the land, binding Declarant and its successors and assigns until the repayment or defeasance of the Bonds in accordance with the Indenture.

ARTICLE IV

INTENTIONALLY OMITTED

ARTICLE V

FRANCHISOR; CHAIN AFFILIATION

5.1 FRANCHISOR; CHAIN AFFILIATION.

(a) Declarant shall cause the Hotel to be affiliated with a Selected Hotel Brand that is a Permitted Franchisor (provided that there has been no material adverse change in the financial condition of such Permitted Franchisor since the date of this Covenant) or a chain or "flag" approved by EDA pursuant to Section 5.1(c) (a "Franchisor") in accordance with the terms and conditions of this Covenant pursuant to a written Franchise Agreement providing for a national or international reservation and marketing system to which the Hotel has access and in which the Hotel is included, the use of trademarks, service marks, logos, the "flag" and other identifying items provided to other hotels in such reservation and marketing system of the Franchisor and providing for such other services, and containing terms and conditions, reasonable and customary for license agreements for hotels.

(b) As between EDA and Declarant, in the event of any conflict between the obligations of Declarant under the terms of this Covenant and the terms of the Franchise Agreement, the terms of this Covenant shall govern and Declarant shall remain responsible for performing all of its obligations hereunder notwithstanding the fact that the Hotel is affiliated with the Franchisor.

(c) Developer shall, at least thirty (30) days prior to engagement of the initial or a new Franchisor for the Hotel (a "Franchisor Engagement") **other than with a Permitted Franchisor**, submit to the EDA the following information, for EDA approval:

1. The franchise disclosure document as described in 16 C.F.R. §436;

2. such other additional information as EDA shall reasonably request, which information may include information regarding ownership, banking and financial matters, in connection with its evaluation of such transaction to the extent reasonably available to Declarant, provided EDA shall make such request within twenty (20) Business Days after receipt of the initial information; provided, however, that where a change in any Franchisor Engagement occurs in connection with a Foreclosure Transfer such information shall be submitted EDA as soon as practicable but in no event later than thirty (30) days after the Foreclosure Transfer; and

(d) If EDA approves the Franchisor Engagement, EDA shall deliver written confirmation of such approval within twenty (20) days after receipt of the materials provided to EDA under Section 5.1(c). If EDA disapproves the Franchisor Engagement pursuant to the provisions of Section 5.1(c), then within the aforementioned twenty (20) day period EDA shall specify in writing to Developer the reasons for its disapproval. Franchisor Engagements that have not been act upon by EDA within sixty (60) days of submission of a complete request in accordance with Section 5.1(c) shall be deemed approved.

(e) Declarant shall deliver to EDA, or shall cause to be delivered to the EDA, within ten (10) Business Days after the execution thereof, a true and correct copy of the instrument of transfer or engagement and a true and correct copy of Franchise Agreement.

(f) In the event of any Franchisor Engagement that does not comply with the provisions of this Covenant, EDA shall have the right to seek such equitable relief (either mandatory or injunctive in nature) as may be necessary to enjoin such Franchisor Agreement or to cause the licensor to comply with such applicable provisions, or, if necessary, to transfer the Franchise Agreement to another Person in accordance with such applicable provisions, it being understood that monetary damages will be inadequate to compensate EDA for harm resulting from such noncompliance. Compliance with the delivery requirements of this Section shall be evidenced by either (i) a written acknowledgment signed by EDA, or (ii) proof of delivery of the items required by this Section to the Notice Address for EDA (including but not limited to time-stamped copies of the items transmitted or return receipts for certified mail or electronic verification by a reputable courier company), without the necessity for a signature by an EDA official.

(g) In the event of a Franchise Engagement with a new Permitted Franchisor, the Developer shall deliver to EDA such of the information specified in Section 5.1(c) with respect to the new Permitted Franchisor as EDA shall request, but EDA shall have no right of approval of the new Permitted Franchisor.

5.2 DECLARANT'S RESPONSIBILITIES. Declarant will (a) perform or cause to be performed Declarant's material obligations under the Franchise Agreement, (b) enforce the performance by Franchisor of all of Franchisor's material obligations under the Franchise Agreement, (c) give EDA prompt written notice and a copy of any notice of default, event of default, termination or cancellation sent or received by Declarant and (d) promptly deliver to the EDA executed copies of any amendment or modification of the Franchise Agreement, or if applicable, any new Franchise Agreement.

ARTICLE VI

DEFAULT AND REMEDIES

6.1 DECLARANT DEFAULT

6.1.1 Events of Default by Declarant. Upon the occurrence of one of the events enumerated in Sections 6.1.1(a)-(g) below and if such default shall continue uncured for sixty (60) days alter written notice of such default from EDA, such event shall constitute an "Event of Default" by the Declarant, provided that such sixty (60) day period may be extended for an additional period of time, at the reasonable discretion of EDA, if the Declarant has timely commenced and is diligently pursuing the cure of the default, but in no event shall any cure period be extended beyond one-hundred twenty (120 days):

(a) Declarant fails to perform any covenant, obligation, term, or provision under this Covenant;

(b) if a Transfer occurs in violation of the conditions stated in this Covenant;

(c) if Declarant admits, in writing, that it is generally unable to pay its debts as such become due;

6.1.2 EDA Remedies to Events of Default by Declarant. If any Event of Default by

Declarant occurs and is continuing the EDA may take any one or more of the following remedial steps as determined in the EDA's sole and absolute discretion:

(a) seek any available remedy at law (subject to any limitations set forth in the Development Agreement); or

(b) seek enforcement of Declarant's obligations hereunder by any and all remedies available in equity, including without limitation, specific performance and injunctive relief.

6.2 RIGHTS AND REMEDIES CUMULATIVE. The rights and remedies of the EDA under this Covenant, whether provided by law, in equity, or by this Covenant, shall be cumulative, and the exercise of any one or more of such remedies shall not preclude the exercise of any other remedies for the same such default or breach.

ARTICLE VII

COVENANTS BINDING ON SUCCESSORS AND ASSIGNS

This Covenant is and shall be binding upon the Property and shall run with the land for the period of time stated herein. The rights and obligations of City, EDA, Declarant, and their respective successors and assigns shall be binding upon and inure to the benefit of the foregoing parties and their respective successors and assigns; provided, however, that all rights of EDA pertaining to the monitoring or enforcement of the obligations of Declarant hereunder shall not convey with the transfer of title or any lesser interest in the Property, but shall be retained by EDA, or such other designee as EDA may so determine.

ARTICLE VIII

AMENDMENT OF COVENANT

This Covenant shall not be amended, modified, or released other than by an instrument in writing executed by a duly authorized official of the EDA on behalf of the EDA and approved by City Attorney for legal sufficiency. Any amendment to this Covenant that materially alters the terms of this Covenant shall be recorded among the Land Records before it shall be deemed effective.

ARTICLE IX

COVENANTS OF DECLARANT

Declarant covenants that, by execution and delivery of this Covenant, the performance of its obligations under this Covenant, including the development and operation of the Hotel, have been duly authorized by all requisite corporate action. Upon execution and delivery hereof by Declarant, this Covenant will, assuming enforceability against the EDA, constitute the legal, valid and binding obligation of Declarant, enforceable in accordance with its terms, except to the extent that enforceability may be limited by applicable bankruptcy, insolvency or other similar laws of general application or equitable principles relating to or affecting the enforcement of contracts generally against persons similarly situated.

ARTICLE X

NOTICES AND REPRESENTATIVES

Notices served upon Declarant or City or EDA at the respective party's Notice Address shall be deemed to have been received for all purposes hereunder: (i) if hand delivered to the other party at the Notice Address, when the copy of the notice is receipted; (ii) if given by overnight courier service, on the next Business Day after the notice is deposited to the Notice Address with the overnight courier service; (iii) if given by certified mail to the Notice Address, return receipt requested, postage pre-paid, on the date of actual delivery or refusal thereof at the Notice Address. If notice is tendered under the terms of this Covenant and is refused by the intended recipient of the notice, the notice shall nonetheless be considered to have been received and shall be effective as of the date provided in this Covenant.

ARTICLE XI

MISCELLANEOUS

11.1 RISK OF LOSS. Except as otherwise provided herein, the risk of loss with respect to any and all existing and new improvements on the Property shall be borne by the Declarant.

11.2 INDEPENDENT CONTRACTOR. Declarant is and shall remain an independent contractor and not the agent or employee of the City or the EDA. The City and the EDA shall not be responsible for making payments to any contractor, subcontractor, agent, consultant, employee or supplier of the Declarant.

11.3 CITY AS AGENT OF EDA**.** The Declarant acknowledges and agree that the City and its employees, contractors, agents and designees shall be responsible for performing all functions of the EDA under the Development Agreement and this Covenant and shall have the power to exercise all of the rights of EDA under the Development Agreement and this Covenant. Unless the context provides otherw i s e all references in this Covenant to the EDA shall include the City.

(Signatures on following page)

EXHIBIT E (HOTEL USE COVENANT)
TO
DIAMOND DISTRICT PURCHASE AND SALE AGREEMENT

IN TESTIMONY WHEREOF, Declarant has caused these presents to be signed, acknowledged and delivered in its name by_____, its duly authorized _____ and witnessed by _____its_____.

WINTESS

By:_____
Name:_____
Title: _____

DECLARANT [SEAL]

By:_____
Name:_____
Title: _____

COMMONWEALTH OF VIRGINIA

CITY OF RICHMOND, to-wit:

_____, a Notary Public in and for the Commonwealth of Virginia, DO HEREBY CERTIFY THAT who is personally known to be (or approved by oaths of credible witnesses to be) the person named as_____for in the foregoing and annexed Hotel Use Covenant, bearing the date of the personally appeared before me_____and as_____acting on behalf of _____, as aforesaid, acknowledged the same to be his/her free act and deed.

Given under my hand and seal this_____day of_____

_____
Notary Public

My Commission Expires: _____

EXHIBIT E (HOTEL USE COVENANT)
TO
DIAMOND DISTRICT PURCHASE AND SALE AGREEMENT

APPROVED AND ACCEPTED THIS DAY OF , 20 :

CITY OF RICHMOND,

By:_____
Chief Administrative Officer

Approved as to form:

By:_____
City Attorney

EXHIBIT E (HOTEL USE COVENANT)
TO
DIAMOND DISTRICT PURCHASE AND SALE AGREEMENT

EXHIBIT A

Legal Description of Property

EXHIBIT D

CDA DISTRICT BOUNDARIES

[TO BE ATTACHED]

Exhibit D – CDA District Boundaries

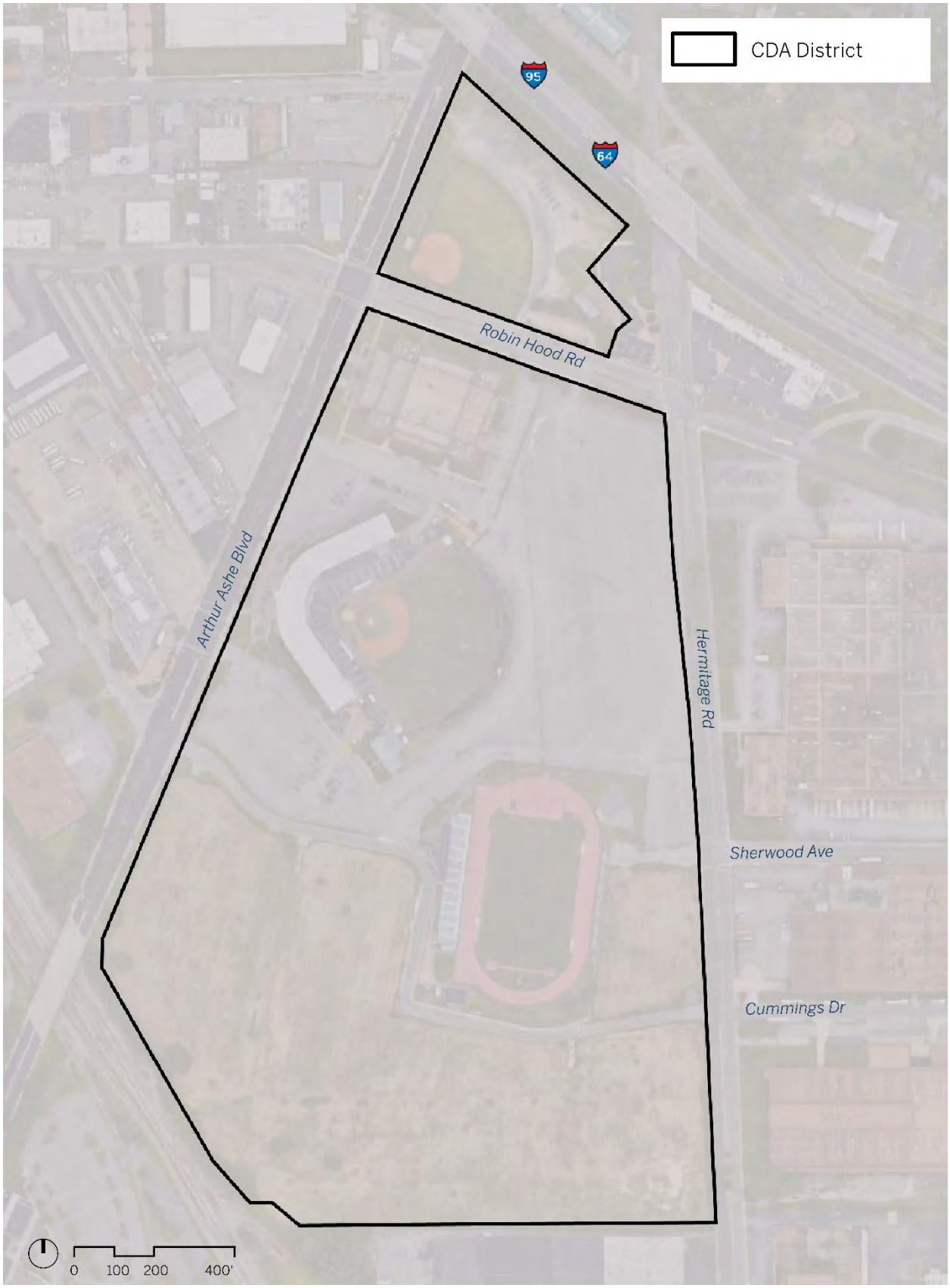


EXHIBIT E-1

PHASE 1 PROJECT COMPONENTS

[TO BE ATTACHED]

Exhibit E-1 – Phase 1 Project Components

Phase 1 Program*

Parcel	Residential Units					Hotel Keys	Commercial GSF Office (O), Retail (R), R&D	Stadium Capacity	Parking Structured Spaces
	Rental			For Sale					
	Market Rate	60% AMI	30% AMI	Market Rate	60-70% AMI				
Phase 1									
P1, P3, and Phase 1 Infrastructure									
E1	180								180
E2	200								200
E3	200								200
E4	114	76	25						245
E5	220								220
E6	104	79	14				7,000 (R)		245
E7	TBD						TBD		TBD
S1								9,000	
S2							16,000 (R)		
W1						180			
Total	**1,018**	**155**	**39**	-	-	**180**	**23,000**	**9,000**	**1,290**

*Note: The master plan program is subject to change based on the provisions in the Development Agreement

Phase 1 Map

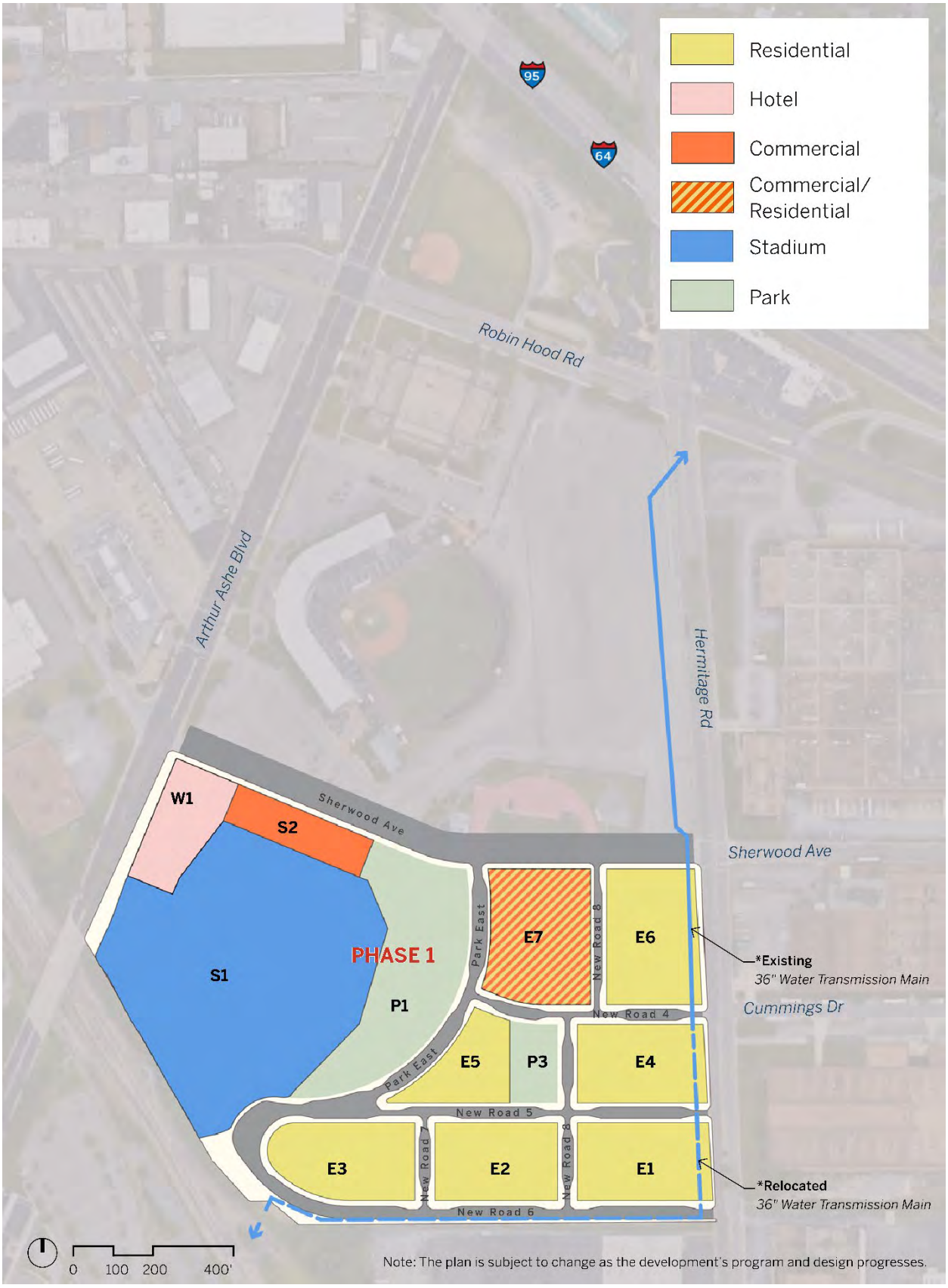

Residential
Hotel
Commercial
Commercial/ Residential
Stadium
Park
95
64
Robin Hood Rd
Arthur Ashe Blvd
Hermitage Rd
Sherwood Ave
Sherwood Ave
W1
S2
S1
PHASE 1
P1
Park East
E7
New Road 8
E6
New Road 4
E5
P3
E4
New Road 5
E3
New Road 7
E2
New Road 8
E1
New Road 6
*Existing
36" Water Transmission Main
Cummings Dr
*Relocated
36" Water Transmission Main
0 100 200 400'
Note: The plan is subject to change as the development's program and design progresses.

EXHIBIT E-2

PHASE 2 PROJECT COMPONENTS

[TO BE ATTACHED]

Exhibit E-2 – Phase 2 Project Components

Phase 2 Program*

Parcel	Residential Units					Hotel Keys	Commercial GSF Office (O), Retail (R), R&D	Stadium Capacity	Parking Structured Spaces
	Rental			For Sale					
	Market Rate	60% AMI	30% AMI	Market Rate	60-70% AMI				
Phase 2									
P2 South and Phase 2 Infrastructure									
E8	101	90	18						410
E9	350						9,000 (R)		230
W2	217						34,000 (R), 244,000 (O)		840
Total	**668**	**90**	**18**	-	-	-	**287,000**	-	**1,480**

*Note: The master plan program is subject to change based on the provisions in the Development Agreement

Phase 2 Map

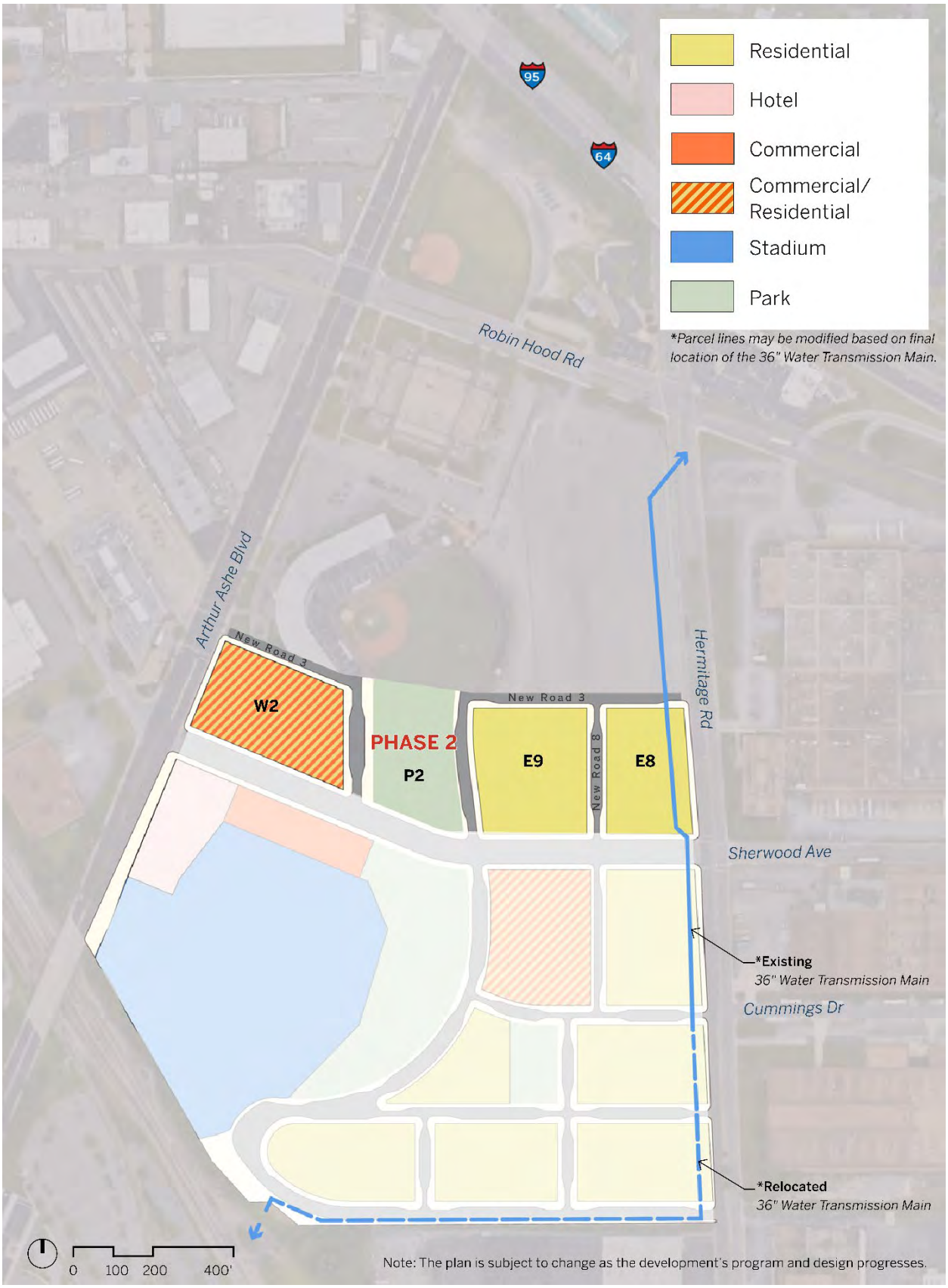

Residential
Hotel
Commercial
Commercial/ Residential
Stadium
Park
*Parcel lines may be modified based on final location of the 36" Water Transmission Main.
95
64
Robin Hood Rd
Arthur Ashe Blvd
New Road 3
W2
PHASE 2
P2
New Road 3
E9
New Road 8
E8
Hermitage Rd
Sherwood Ave
*Existing
36" Water Transmission Main
Cummings Dr
*Relocated
36" Water Transmission Main
0 100 200 400'
Note: The plan is subject to change as the development's program and design progresses.

EXHIBIT E-3

PHASE 3 PROJECT COMPONENTS

[TO BE ATTACHED]

Exhibit E-3 – Phase 3 Project Components

Phase 3 Program*

Parcel	Residential Units					Hotel Keys	Commercial GSF Office (O), Retail (R), R&D	Stadium Capacity	Parking Structured Spaces
	Rental			For Sale					
	Market Rate	60% AMI	30% AMI	Market Rate	60-70% AMI				
Phase 3									
P2 Middle and Phase 3 Infrastructure									
E10	74	65	12	22	6				270
E11	27	24	5	32	8				100
W3	89	78	13				17,000 (R)		470
W4							329,000 (O)		660
Total	**190**	**167**	**30**	**54**	**14**	-	**346,000**	-	**1,500**

*Note: The master plan program is subject to change based on the provisions in the Development Agreement

Phase 3 Map

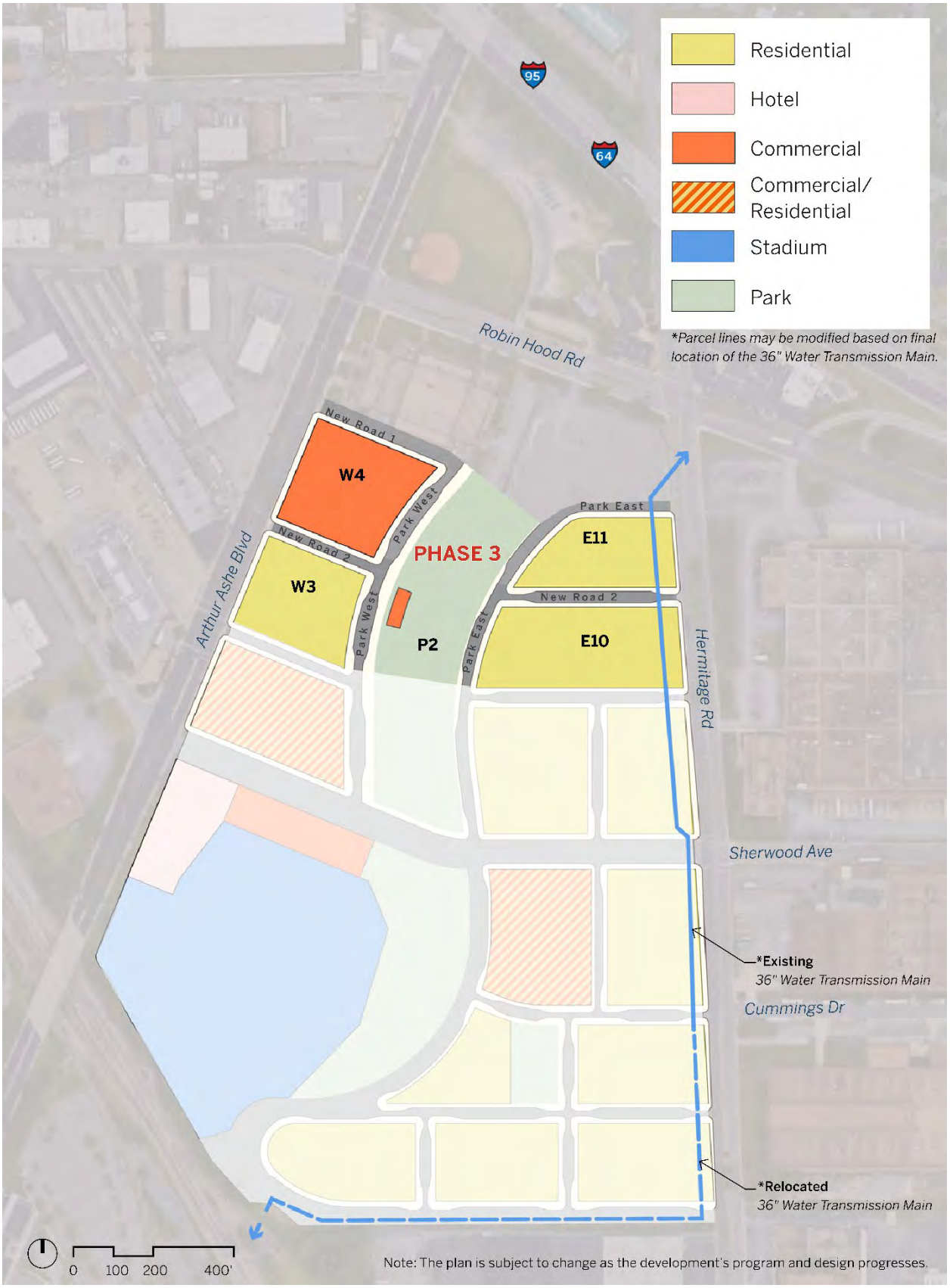

Residential
Hotel
Commercial
Commercial/ Residential
Stadium
Park
*Parcel lines may be modified based on final location of the 36" Water Transmission Main.
95
64
Robin Hood Rd
New Road 1
W4
Park West
New Road 2
W3
Arthur Ashe Blvd
PHASE 3
P2
Park West
Park East
E11
New Road 2
E10
Park East
Hermitage Rd
Sherwood Ave
*Existing
36" Water Transmission Main
Cummings Dr
*Relocated
36" Water Transmission Main
0
100
200
400'
Note: The plan is subject to change as the development's program and design progresses.

EXHIBIT E-4

PHASE 4 PROJECT COMPONENTS

[TO BE ATTACHED]

Exhibit E-4 – Phase 4 Project Components

Phase 4 Program*

Parcel	Residential Units					Hotel Keys	Commercial GSF Office (O), Retail (R), R&D	Stadium Capacity	Parking Structured Spaces
	Rental			For Sale					
	Market Rate	60% AMI	30% AMI	Market Rate	60-70% AMI				
Phase 4									
P2 North and Phase 4 Infrastructure									
E12							14,000 (R)		
N1							362,000 (O)		1,620
N2	73	64	13				16,000 (R)		290
W5	354						45,000 (R)		620
Total	**427**	**64**	**13**	-	-	-	**437,000**	-	**2,530**

*Note: The master plan program is subject to change based on the provisions in the Development Agreement

Phase 4 Map

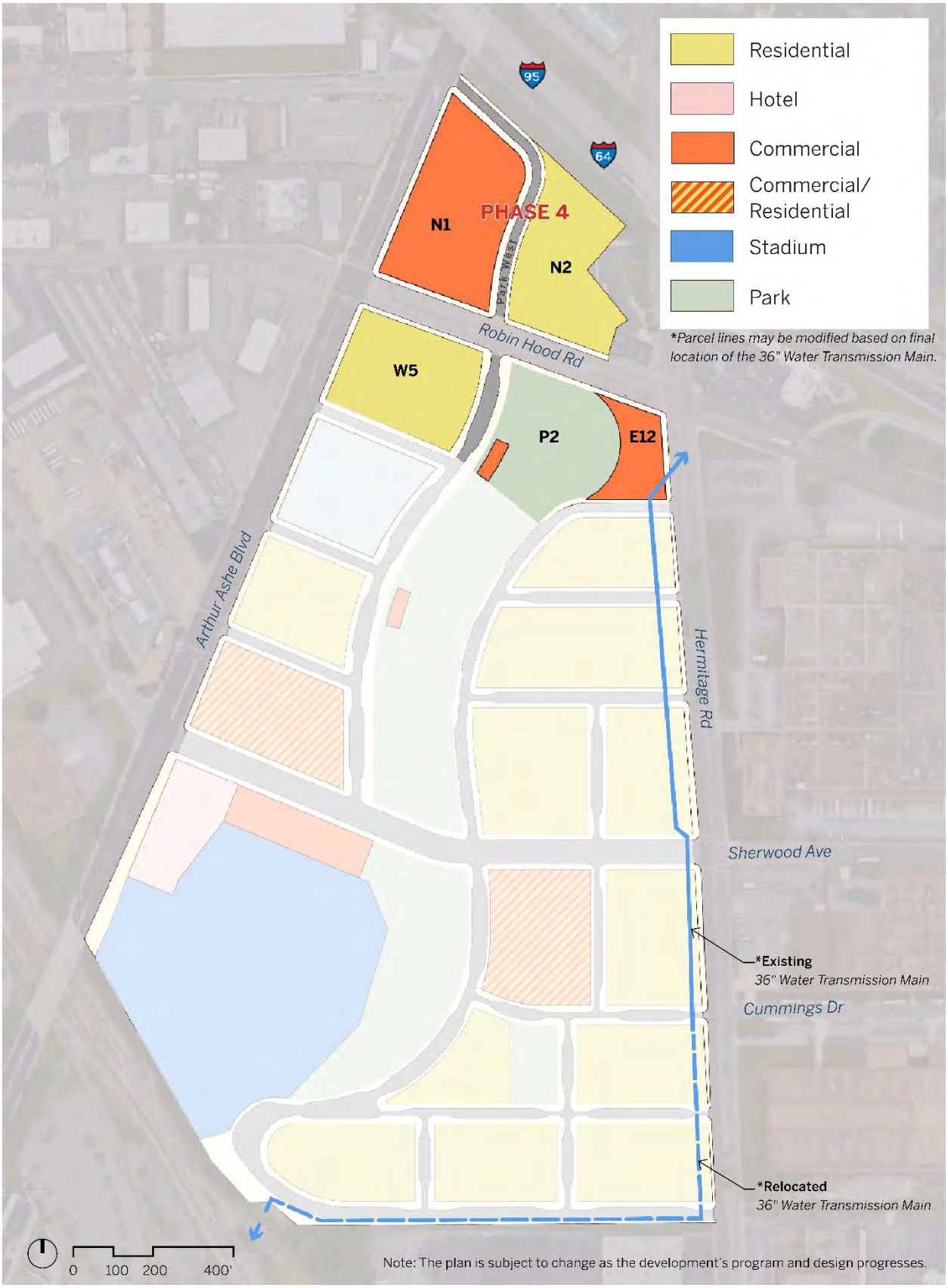

Residential
Hotel
Commercial
Commercial/ Residential
Stadium
Park
*Parcel lines may be modified based on final location of the 36" Water Transmission Main.
PHASE 4
N1
N2
W5
P2
E12
95
64
Park West
Robin Hood Rd
Arthur Ashe Blvd
Hermitage Rd
Sherwood Ave
Cummings Dr
*Existing
36" Water Transmission Main
*Relocated
36" Water Transmission Main
0 100 200 400'
Note: The plan is subject to change as the development's program and design progresses.

EXHIBIT E-5

DEVELOPMENT PROGRESS REQUIREMENTS

The Parties agree that, for each of the Phase 2 Purchased Property, the Phase 3 Purchased Property and the Phase 4 Purchased Property, the Developer must achieve a minimum level of progress in the Phase of the Project then under development (including any applicable portion of the Work from prior Phases that must be completed as part of the then-current Phase), as prescribed below, before it may Close on the succeeding Phase of the Purchased Property. The Parties further agree that the Developer must have achieved Final Completion of at least ninety-five percent (95%) of the development components set forth in the Master Plan, as it may be amended from time to time, on or before the Total Development Progress Completion Deadline.

The table included as Schedule I hereto, as it may be revised from time to time, sets forth the required development components (including the types and amounts of such components) that must be completed (a) before the Developer Close on each subsequent Phase of Purchased Property and (b) on or before the Total Development Progress Completion Deadline, provided that such required development components may be modified by agreement of the EDA and the Developer in accordance with the provisions set forth in Section 4.8 of the Development Agreement. Columns "B" through "K" set forth the type of each required development component that will comprise the Project. Rows "1," "5," "9" and "13" set forth the amount of each required development component that is to be developed in each Phase according to the Developer's Master Plan. Rows "3," "4," "7," "8," "11" and "12" set forth the minimum amount of each required development component that must be Under Construction (as hereinafter defined) before the Developer may proceed to Close on the succeeding Phase of Purchased Property, with the minimum amounts of each required development component to collectively constitute the "**Minimum Development Progress**" for each Phase. Rows "15" and "16" set forth the minimum amount of each required development component for which the Developer must have achieved Final Completion by the Total Development Progress Completion Deadline (the "**Total Development Progress**"). As used herein, "Under Construction" shall mean the Developer has Commenced Construction with respect to the applicable required development component.

The requirements for Minimum Development Progress and Total Development Progress set forth in this Exhibit E-5 (*Development Progress Requirements*) shall collectively constitute the "**Development Progress Requirements**."

The requirements for the Affordable Housing Units (expressed in actual numbers, percentages and kinds of such units) to be developed as part of each Phase and in aggregate for the Project are set forth in columns "C," "D," "E" and "F" and rows "1," "5," "9" and "13" of the table included as Schedule I hereto, as it may be revised from time to time, and shall collectively constitute the "**Affordable Housing Development Requirements,**" provided that the Developer need only achieve (a) the Minimum Development Progress for such Phase as described above prior to Closing on the succeeding Phase of the Purchased Property and (b) the Total Development Progress prior to the Total Development Progress Deadline as described above.

The minimum amount of Commercial Use space required to be developed as part of the Project is set forth in cell "H16" of the table included as Schedule I hereto, as it may be revised from time to time, and shall constitute the "**Minimum Commercial Development**."

The Office Use components of the Minimum Commercial Development, which are detailed in the conceptual site plans and renderings and narrative descriptions in Exhibits E-1 (*Phase 1 Project Components*) through E-4 (*Phase 4 Project Components*) and the Master Plan shall constitute the "**Minimum Office Development**." The "**Office Development Progress Target**" shall mean the achievement of Final Completion of ninety-five (95%) of the Minimum Office Development.

Upon the occurrence of a Delay Event, the timing for completion of such portion of the Development Progress Requirements directly and adversely effected by the Delay Event may be extended in accordance with ARTICLE 14 (*Delay Events*).

SCHEDULE I

	A	B	C	D	E	F	G	H	I	J	K
	Development Program[1]	**Total Market Rate Residential Units (Rental & For Sale)**	**Total Affordable Residential Units (Rental & For Sale)**[2]	**Rental Affordable Residential Units at 60% AMI**[3,4]	**Rental Affordable Residential Units at 30% AMI**[2,5]	**For Sale Affordable Residential Units at 60%-70% AMI**	**Hotel Keys**	**Commercial Gross Square Feet** (Office, Retail, R&D)	**Stadium Capacity**	**Public Infrastructure**	**Parking Spaces** (Structured)
1.	PHASE 1 PROJECT	1,018	194	155	39	0	180	23,000	9,000	Must materially conform to the Master Plan and include all Horizontal Public Infrastructure and Open Spaces and Public Areas programmed as part of the Phase 1 Project	1,290
2.	The Developer shall have until December 31, 2027, to achieve the Minimum Development Progress for the Phase 1 Project and to acquire the Phase 2 Purchased Property, after which time the EDA may exercise its rights under Sections 6.5 and Article 11 of the Development Agreement.										
3.	Minimum Development Progress expressed as percentage of the Phase 1 Project components shown in the Master Plan[6]	65%	75%	75%	75%	75%	100%	50%	100%	100%	65%
4.	Minimum Development Progress in actual units calculated applying the foregoing percentage to the Phase 1 Project components shown in the Master Plan	662	146	116	29	0	180	11,500	9,000	Must materially conform to the Master Plan and include all Horizontal Public Infrastructure and Open Spaces and Public Areas programmed as part of the Phase 2 Project	839
5.	PHASE 2 PROJECT	668	108	90	18	0	0	287,000	0	Must materially conform to the Master Plan and include all Horizontal Public Infrastructure and Open Spaces and Public Areas programmed as part of the Phase 2 Project	1,480
6.	The Developer shall have until December 31, 2030, to achieve the Minimum Development Progress for the Phase 2 Project and to acquire the Phase 3 Purchased Property, after which time the EDA may exercise its rights under Sections 6.5 and Article 11 of the Development Agreement.										

[1] **Note to Draft:** Subject to revision to reflect final plan of development.

[3] Subject to increase as described in footnote 1.

[5] Twenty (20) of the rental Affordable Housing Units at 30% of AMI developed as part of the Phase 1 Project shall be set aside for public housing residents with project-based vouchers.

[6] In the event the product of such percentage shown in row "3" and the applicable number of planned units or square footage of the applicable Project component is less than the number shown for such Project component in row "4," the actual number in row "4" shall control.

	A	B	C	D	E	F	G	H	I	J	K
7.	Minimum Development Progress expressed as percentage of the Phase 1 Project and Phase 2 Project components shown in the Master Plan[7]	75%	80%	80%	80%	80%	100%	65%	100%	100%	75%
8.	Minimum Development Progress in actual units calculated applying the foregoing percentage to the Phase 1 Project and Phase 2 Project components shown in the Master Plan	1,265	242	196	46	0	180	201,500	9,000	Must materially conform to the Master Plan and include all Horizontal Public Infrastructure and Open Spaces and Public Areas programmed as part of the Phase 1 Project and the Phase 2 Project	2,078
9.	PHASE 3 PROJECT	244	211	167	30	14	0	346,000	0	Must materially conform to the Master Plan and include all Horizontal Public Infrastructure and Open Spaces and Public Areas programmed as part of the Phase 3 Project	1,500
10.	The Developer shall have until December 31, 2033, to achieve the Minimum Development Progress for the Phase 3 Project and to acquire the Phase 4 Purchased Property, after which time the EDA may exercise its rights under Sections 6.5 and Article 11 of the Development Agreement.										
11.	Minimum Development Progress expressed as percentage of the Phase 1 Project, Phase 2 Project and Phase 3 Project components shown in the Master Plan[8]	85%	90%	90%	90%	90%	100%	85%	100%	100%	85%
12.	Minimum Development Progress in actual units calculated applying the foregoing percentage to the Phase 1 Project, Phase 2 Project and Phase 3 Project components shown in the Master Plan	1,641	462	371	78	13	180	557,600	9,000	Must materially conform to the Master Plan and include all Horizontal Public Infrastructure and Open Spaces and Public Areas programmed as part of the Phase 1 Project, the Phase 2 Project and the Phase 3 Project	3,630

[7] In the event the product of such percentage shown in row "7" and the applicable number of planned units or square footage of the applicable Project component is less than the number shown for such Project component in row "8," the actual number in row "8" shall control.

[8] In the event the product of such percentage shown in row "11" and the applicable number of planned units or square footage of the applicable Project component is less than the number shown for such Project component in row "12," the actual number in row "12" shall control.

	A	B	C	D	E	F	G	H	I	J	K
13.	PHASE 4 PROJECT	427	77	64	13	0	0	437,000	0	Must materially conform to the Master Plan and include all Horizontal Public Infrastructure and Open Spaces and Public Areas programmed as part of the Phase 4 Project	2,530
14.	The Developer shall have until December 31, 2036, to achieve the Total Development Progress for the Project, after which time the EDA may exercise its rights under Article 11 of the Development Agreement.										
15.	Total Development Progress expressed as percentage of all Project components shown in the Master Plan[9]	95%	95%	95%	95%	95%	100%	95%	100%	100%	95%
16.	Total Development Progress in actual units calculated applying the foregoing percentage to all Project components shown in the Master Plan	2,239	561	452	95	13	180	1,038,350	9,000	Must materially conform to the Master Plan and include all Horizontal Public Infrastructure and Open Spaces and Public Areas programmed for the entire Project	6,460

[9] In the event the product of such percentage shown in row "15" and the applicable number of planned units or square footage of the applicable Project component is less than the number shown for such Project component in row "16," the actual number in row "16" shall control.

EXHIBIT F

PROJECT SCHEDULE

[TO BE ATTACHED]

Exhibit F

Project Schedule

The Project Schedule may below adjust per provisions set forth in the Development Agreement.

Parcel	Ground Breaking Date	Completion Date
Phase 1		
P1	2024	2025
P3	2025	2026
Infrastructure	2024	2025-2027*
E1	2024	2025
E2	2025	2026
E3	2026	2027
E4	2024	2025
E5	2027	2028
E6	2025	2026
E7	2028	2029
S1	2024	2025
S2	2024	2025
W1	2024	2025
Phase 2		
P2 South	2027	2028
Infrastructure	2027	2028-2030*
E8	2027	2028
E9	2030	2031
W2	2028	2030
Phase 3		
P2 Middle	2030	2031
Infrastructure	2030	2031-2032*
E10	2030	2031
E11	2030	2031
W3	2031	2032
W4	2032	2033
Phase 4		
P2 North	2033	2034
Infrastructure	2033	2034-2037*
E12	2033	2034
N1	2035	2036
N2	2036	2037
W5	2034	2035

*Some infrastructure may be phased as the parcels develop during the Phase.

Baseball Stadium Major Milestones (Parcel S1)**

Task	Start	Completion
Pre-Development Activities		
Development Agreement Executed	May 2023	May 2023
Phase I POD Review & Approval	May 2023	July 2023
Land Acquisition: Due Diligence & RVA DP Closing	May 2023	October 2023
Establishment of CDA and Legal Review	May 2023	September 2023
CDA Government Approval & Bond Issuance	September 2023	March 2024
Baseball Stadium Design & Construction		
Design	**October 2022**	**June 2024**
Programming, Financial Feasibility Studies, Stakeholder Review	October 2022	May 2023
Schematic Design (SD)	May 2023	August 2023
Design Development (DD)	August 2023	December 2023
Construction Documents (CD)	November 2023	June 2024
Permitting	**February 2024**	**August 2024**
Construction	**August 2023**	**December 2025**
GC Design Budgeting, Bidding, & Material Procurement	August 2023	August 2024
Demolition, Mass Grading, & Environmental Remediation	February 2024	April 2024
Breaking Ground Ballpark Construction	April 2024	April 2024
Final Grading, Sitework, & Utility Installation	April 2024	August 2024
Ballpark Construction (S1)	August 2024	December 2025
Park Construction (P1)	December 2024	December 2025
Stadium Substantial Completion	December 2025	December 2025

**The above schedule reflects the current understanding of the project timeline. Approximate dates and durations have been populated to draft the schedule. Dates and durations are subject to change.

EXHIBIT G

PUBLIC INFRASTRUCTURE

[TO BE ATTACHED]

Exhibit G

Public Infrastructure

1.0 **Preliminary Provisions.**

1.1 **Purpose.** Pursuant to the Development Agreement, this Exhibit G ("Public Infrastructure") governs the performance of all Work involving the Public Infrastructure (the "Infrastructure Conditions").

1.2 **Definitions.** Capitalized terms used, but not defined in these Infrastructure Conditions have the meanings ascribed to them by the Development Agreement unless the context clearly indicates that another meaning is intended.

1.2.1 **City Code.** *"City Code"* means the Code of the City of Richmond, Virginia, as amended, and all future amendments thereto, with all references to the 2015 codification thereof stated in these Public Infrastructure Conditions deemed to refer to the corresponding section number in the most recent codification thereof.

1.2.2 **Director.** *"Director"* means the City's Director of the Department of Public Works (DPW) or the written designee thereof.

1.2.3 **DPU.** *"DPU"* means the City's Department of Public Utilities.

1.2.4 **Final Plans.** *"Final Plans"* means all plans and specifications necessary to perform all Work on the Infrastructure Improvements, including but not limited to all construction drawings, in a form and condition that such plans and specifications are 100 percent complete.

1.2.5 **Horizontal Public Infrastructure Improvements.** *"Horizontal Public Infrastructure Improvements"* means all public infrastructure improvements (other than the Park Space and Public Areas Improvements) required to facilitate the development and operation of the Project, which infrastructure improvements shall include but are not limited to: water, sewer, storm water, gas, and electric (streetlight) utility improvements, utility installations, utility relocations, utility abandonments, traffic signals, streets and alleys, street signs, curb and gutter, sidewalks, crosswalks, traffic calming measures, bicycle parking, curbside management, decorative pavement, pavement markings, other improvements designed to facilitate pedestrian, bicycle, and vehicular movements within the public right-of-way, landscaping, retaining walls, street lighting, street trees and tree wells, and other pedestrian amenities including wayfinding signage, trash receptacles, benches, and planters, all in accordance with all applicable City and Virginia Department of Transportation (VDOT) standards and guidelines.

1.2.6 **Infrastructure Improvements.** *"Infrastructure Improvements"* means, collectively, the Horizontal Public Infrastructure Improvements and the Park Space and Public Areas Improvements.

1.2.7 **Landscaping.** "*Landscaping*" means the horticultural elements of the Infrastructure Improvements.

1.2.8 **Park Space and Public Areas.** "*Park Space and Public Areas*" means the approximately 11 acres identified as P1, P2, and P3 on Exhibit B ("Map Depicting Development Parcels") to the Development Agreement and any other areas agreed by the parties, on which the Park Space and Public Areas Improvements will be constructed and accessible to the public for walking, outdoor gathering, and other activities.

1.2.9 **Park Space and Public Areas Improvements.** "*Park Space and Public Areas Improvements*" means all public improvements (other than Horizontal Public Infrastructure Improvements) required to facilitate the development and operation of the Park Space and Public Areas, as generally shown on Attachment 1 ("Conceptual Park Space and Public Areas Master Plan") to this Exhibit G.

1.2.10 **Preliminary Plans.** *"Preliminary Plans"* means plans and specifications that are approximately 30 percent complete.

1.2.11 **Public Realm Design Standards.** "*Public Realm Design Standards*" means the Public Realm Design Standards established pursuant to section 4.23 of the Development Agreement.

1.2.12 **Sixty-Percent Plans.** *"Sixty-Percent Plans"* means plans and specifications that are approximately 60 percent complete.

1.2.13 **Traffic Impact Analysis**. "*Traffic Impact Analysis*" means the transportation engineering analysis and traffic study required by the City Traffic Engineer of the City's Department of Public Works.

1.2.14 **Utility Infrastructure and Capacity Analysis.** *"Utility Infrastructure and Capacity Analysis"* means the utility engineering assessments and capacity modeling studies required by the Director of the City's Department of Public Utilities to produce the Final Plans. Without limitation, the Utility Infrastructure and Capacity Analysis may include assessments of all water, sewer, and gas lines on the Property, modeling studies for water and sewer capacity to serve to the Project, and stormwater discharge calculations for the Project.

1.2.14 **VDOT.** *"VDOT"* means the Virginia Department of Transportation.

1.2.15 **Warranty Period.** "*Warranty Period*" means a period of two-years following the City's acceptance of the Infrastructure Improvements pursuant to Sections 3.4.2 and 4.4.2 of these Infrastructure Conditions for Landscaping, and a period of one-year following the City's acceptance of the Infrastructure Improvements pursuant to Sections 3.4.2 and 4.4.2 for all other Infrastructure Improvements.

2.0 **Infrastructure Improvements, Generally.**

2.1 **Developer Responsible for Work; Design and Construction Contracts; Schedule**.

(A) Developer shall perform (or shall cause to be performed) all Work involving the Infrastructure Improvements in accordance with these Infrastructure Conditions, the Development Agreement, the Public Realm Design Standards, all applicable laws and regulations, and all other applicable City and VDOT standards and guidelines. Each Construction Contractor engaged by the Developer for Work involving the Infrastructure Improvements shall be subject at all times to the direction and control of the Developer, and any delegation to a Construction Contractor does not relieve the Developer of any of its obligations, duties or liability pursuant to the Development Agreement. Each Public Infrastructure Construction Contract shall comply with the provisions set forth in Section 4.16 of the Development Agreement.

(B) All such Work shall be performed in accordance with the Project Schedule (subject to extensions as may be permitted pursuant to Section 5B.4 of the Development Agreement). Additionally, prior to closing on the purchase of any Purchased Property Phase, the Developer shall have received (1) the City's approval of the Sixty-Percent Plans for such phase's Horizontal Public Infrastructure Improvements (as set forth in Section 3 of these Infrastructure Conditions) and the EDA's approval of the Sixty-Percent Plans for such phase's Park Space and Public Areas Improvements (as set forth in Section 4 of these Infrastructure Conditions) (collectively, such Phase's Infrastructure Improvements), and (2) the City's approval of the total cost of such Infrastructure Improvements to the extent such cost is to be borne by the Public Infrastructure Bonds Proceeds or otherwise as set forth in section 6.1(e) of the Development Agreement.

(C) The occurrence of any Event of Default or any other dispute related to the Infrastructure Improvements shall be governed by the Development Agreement.

2.2 **Phases.** Pursuant to the Development Agreement, the Project will be completed by the Developer in four phases. The requirements, obligations, submissions, processes, and other provisions set forth in these Infrastructure Conditions shall apply to the applicable Infrastructure Improvements for each Phase.

3.0 **Process for Horizontal Public Infrastructure Improvements.**

3.1 **Generally.** The Developer shall construct (or, alternatively, the Developer shall cause the same to occur), the Horizontal Public Infrastructure Improvements, in accordance with plans submitted to and approved by the EDA and the Director pursuant to Section 3.2 of these Infrastructure Conditions.

3.2 **Plans.**

A. The Developer represents and warrants that the Preliminary, Sixty-Percent and Final Plans will be designed by a licensed professional engineer retained by the Developer ("Developer's Engineer") and that said plans will conform to the standards referenced in these Infrastructure Conditions (including incorporating the Public Realm Design Standards) and to generally accepted engineering practices, except where a specific written exemption has been granted by the Director.

B. Incorporating the results of the Traffic Impact Analysis, at the time of it Plan of Development submission, the Developer shall submit Preliminary Plans for the Horizontal Public Infrastructure Improvements, and ensure that the Preliminary Plans, at the time of submission to the Director, meet all City requirements for Preliminary Plans under the City's then-existing policies. The Preliminary Plans shall be approved only after such a determination is made by the Director.

C. Subsequent to the approval of the Preliminary Plans and prior to the submission of the Final Plans, the Developer shall submit the Sixty-Percent Plans for the Horizontal Public Infrastructure Improvements. Prior to the submission of the Sixty-Percent Plans, the Developer shall, at Developer's sole expense, complete the Utility Infrastructure and Capacity Analysis. Developer shall ensure that the Sixty-Percent Plans, at the time of submission to the Director, meet all City requirements for Sixty-Percent Plans under the City's then-existing policies. The Sixty-Percent Plans shall be approved only after such a determination is made by the Director.

D. Subsequent to the EDA's approval of the Sixty-Percent Plans, the Developer shall submit Final Plans to the Director for review and approval. The Developer acknowledges and agrees that approval of its Plan of Development will not ensure approval of the Final Plans. The Developer shall ensure that the Final Plans submitted to the Director meet all requirements under the City's then-existing policies for Final Plans, including those necessary for obtaining a Work in Streets permit, if applicable.

3.3 **Construction Requirements.**

3.3.1 **Insurance**. The Developer shall not commence or permit to be commenced any Work on the Horizontal Public Infrastructure Improvements until first meeting all insurance requirements of Article 8 of the Development Agreement and any applicable requirements set forth in City Code.

3.3.2 **Indemnification**. These Infrastructure Conditions, and Developer's performance hereunder, are subject to the indemnity provisions of Article 7 of the Development Agreement and any applicable requirements set forth in City Code.

3.3.3 **Permits.** The Developer shall not commence or permit to be commenced any Work on the Horizontal Public Infrastructure Improvements until the Developer has obtained, and paid all required fees for, all Regulatory Approvals with respect to such Work, including, but not limited to, a Work in Streets Permit when applicable.

3.3.4 **Testing and Monitoring.** The Developer shall provide all professional engineering and testing services necessary to appropriately monitor and assess all Work in accordance with applicable industry standards and practices, and further in accordance with the VDOT Inspection Manual (as amended, as of the time of such monitoring). Such professional engineering and testing services may include, but are not limited to: geotechnical engineering, environmental engineering analysis, critical structure engineering inspections (including, but not limited to: retaining walls, abutments, caissons, piles, piers, footings,

traffic signal equipment etc.), daily construction inspection and the various material science testing services, to adequately monitor the ongoing site construction. This includes such items as the daily testing of soils and soil placement, monitoring cuts and cut slopes, testing engineered fills, checking line and grade, testing pipe materials and structures prior to their delivery, monitoring storm inlet and sewer manhole placements and other utility structure installations, certifying structural fills and building pads, conducting proof roll tests on subgrades, testing stone placements, testing concrete, testing asphalt, testing steel, foundation inspections, inspecting reinforcement bar placement and form work, etc.

The Developer shall provide to the City copies of all reports produced as a result of the performance of any such professional engineering and testing services. All engineering reports must be certified by a person licensed as a professional engineer in the Commonwealth of Virginia.

3.3.5 **Construction Reports.** All required construction inspection requirements shall follow the applicable standards of the City's Department of Public Works, the City's Department of Public Utilities (DPU), Virginia Department of Transportation Materials Division standards and guidelines, those guidelines set by other utilities, and any other standards as may be deemed necessary by the Director in the Director's reasonable discretion.

3.3.6 **Design and Construction Meetings and Schedule.** The Developer shall schedule and coordinate design meetings at Preliminary, Sixty-Percent and Final Plan submissions with the EDA and the City to review the submissions. Prior to the start of each phase of construction a pre-construction conference for the Horizontal Public Infrastructure Improvements, or phase of the Horizontal Public Infrastructure Improvements shall be scheduled with the City. During construction, EDA and City staff may attend the construction progress meetings. The Developer shall give 30-days notice to the City in advance to the actual beginning of construction, and thereafter shall coordinate its construction schedule with the City and EDA.

3.3.7 **Inspections.**

A. The City may, at any time, inspect the Horizontal Public Infrastructure Improvements or any portion thereof, protections, and stormwater management to ensure compliance with the Final Plans, erosion and sedimentation control plans, and all applicable specifications and standards.

B. All applicable permits must be paid for and approved prior to start of Work. Where applicable, contracts to extend water mains, wastewater mains, and gas mains shall be executed, separate and apart from these Infrastructure Conditions, prior to the issuance of any permits for construction of such extensions.

D. The City may, in its sole discretion, request that sanitary and storm sewer improvements be verified by television (T.V.) inspection. The Developer must submit recordings of such inspections for the City's approval prior to any pavement application.

3.3.8 **Manner of Construction**. All Horizontal Public Infrastructure Improvements, erosion and sedimentation controls, and stormwater management features shall be constructed in a sound professional manner, in accordance with the Final Plans. The Developer shall provide adequate materials and supervision of all Work. All Horizontal Public Infrastructure Improvements shall be constructed in compliance with the current standards and specifications of the City for all materials, workmanship, seasonal limitations and construction procedures; except where specifically superseded by the Final Plans, or current standards and specifications adopted by DPW and DPU. The installation of gas, water, sanitary sewer, storm sewer and street light infrastructure shall be done in compliance with the applicable DPU standards and specifications, latest revisions, which shall be provided in advance and in writing to the Developer upon request.

3.3.9 **Street Standards**. All Horizontal Public Infrastructure Improvements and any other construction or Work performed in the public right-of-way (and in areas that are to be dedicated as public right-of-way) by the Developer, its agents or assigns, pursuant to these Infrastructure Conditions and the Final Plans shall fully comply with all applicable design parameters and construction standards as provided in the DPW Better Streets Manual, DPW standards manual, DPW Geotechnical Guidelines, DPW Constructions Notes, DPW Pavement Design Guidelines, all applicable VDOT requirements, including but not limited to the VDOT Road and Bridge Specifications and all standards and guidelines of the VDOT Materials Division, and any additional guidelines and standards established by the City, latest revisions, which shall be provided in advance and in writing to the Developer upon request.

3.3.10 **Requirements upon Final Completion.** Upon 100 percent completion of the Work on the Horizontal Public Infrastructure Improvements, the Developer shall furnish the City with all required documents relating to the Horizontal Public Infrastructure Improvements identified in the City's standards applicable to the Horizontal Public Infrastructure Improvements:

A. Upon 100 percent completion of the Horizontal Public Infrastructure Improvements, the Developer shall submit the following to the Director, who shall review each within twenty (20) Business Days of receipt thereof and notify the Developer of any deficiencies, to the extent applicable to Infrastructure Improvements:

1. The final inspection log books.

2. Material testing reports and a fully and properly completed Virginia Department of Transportation Source of Materials Form C-25.

3. A construction inspection report certified by a person licensed as a professional engineer in the Commonwealth of Virginia.

B. Upon the 100 percent completion of the Horizontal Public Infrastructure Improvements, the Developer shall, by its engineer, submit the following to the Director, to the extent applicable to the Infrastructure Improvements:

1. Two complete paper copies of the full as-built plan set of the completed Infrastructure Improvements.

2. Intentionally omitted.

3. A digital file, the format of which shall be AutoCAD DWG or DXF format, containing all of the following information, each in a separate layer:

   a. Existing right-of-way conditions.

   b. The storm sewer system.

   c. Water and wastewater systems.

   d. All easements.

   e. Full as-built plan set of the completed Infrastructure Improvements.

The as-built drawings must include notations, modifications to the drawings, and supplemental drawings to accurately reflect actual construction of all improvements. Both the digital file and the report must be labeled with the plan name, plan number, and the engineering firm. All AutoCAD files must be referenced directly to the Virginia State Plane Coordinate system, South Zone, in the NAD83 Datum.

3.3.11 **Certificates of Occupancy**. The Developer acknowledges that, to the extent consistent with City Code, a certificate of occupancy will not be issued until all underground utilities are installed and field approved with respect to the applicable portion of the Project, and the applicable capacity, connection, and inspection charges and fees are paid, and not until the base pavement for the streets are installed and field approved within the applicable portion of the Project.

3.4 **Surety, Warranty, Default.**

3.4.1 **Requirement for Surety**. At the time it submits its Final Plans for each phase of Horizontal Public Infrastructure Improvements, the Developer shall prepare and submit to the City an estimate of costs for the specific phase of Horizontal Public Infrastructure Improvements. The Developer shall provide any additional information relating to its estimate of costs as may be reasonably requested by the City. Based upon such estimate of costs and any such additional information, the City will determine the amount of security necessary for the construction of the Horizontal Public Infrastructure Improvements, or phase of the Horizontal Public Infrastructure Improvements. Prior to commencing construction of any phase of the Horizontal Public Infrastructure Improvements, the Developer shall furnish to the City a Letter of Credit (LOC), Surety Bond, or Certified Corporate Check in a form approved by the City Attorney in such amount the City determines is a sufficient amount of security necessary for the construction of the Horizontal Public Infrastructure Improvements.

3.4.2 **Warranties**. The Developer hereby warrants that (i) the Horizontal Public Infrastructure Improvements will be constructed in a good and workmanlike manner in accordance with the Final Plans and all City and state standards applicable to the Horizontal Public Infrastructure Improvements, (ii) there are no unsatisfied liens on any part of the Horizontal Public Infrastructure Improvements, (iii) the Horizontal Public Infrastructure Improvements will be free of defects during the Warranty Period, and (iv) the Developer shall repair any defects that are discovered or may arise during the Warranty Period. During the course of construction and upon completion of such construction, Developer shall furnish to City evidence, satisfactory to City in City's sole discretion, showing that there has not been filed with respect to the property and improvements to be conveyed to City, or any part thereof, any vendor's, mechanic's, laborer's, materialmen's or similar lien which has not been discharged of record.

3.4.3 **Release of Surety**. Upon faithful completion and final acceptance of all required Horizontal Public Infrastructure Improvements, or of a specific phase of Horizontal Public Infrastructure Improvements, the Director may reduce the posted surety amount. Such reduced surety shall remain in-place for the Warranty Period. After a warranty inspection by the Director at the end of the Warranty Period, release of the performance bond, letter of credit, or other financial security that the Developer provided pursuant to these Infrastructure Conditions will occur upon the Director's issuance to the Developer of a letter indicating that such performance bond, letter of credit, or other financial security is released. The Director will issue such a letter only if the Director determines that, based on all City and state standards applicable to the Horizontal Public Infrastructure Improvements, no defects remain that the Developer is required to correct.

3.5 **Certification and Acceptance.**

3.5.1 **Certification.** Certification that Developer has completed the Horizontal Public Infrastructure Improvements, or phase of the Horizontal Public Infrastructure Improvements, will occur upon the Director's issuance to the Developer of a letter indicating that the City certifies Developer's satisfactory completion of the Horizontal Public Infrastructure Improvements; however, the Director will continue to monitor the Horizontal Public Infrastructure Improvements in accordance with the standards set forth in the VDOT Inspection Manual (as amended, as of the time of such monitoring), during the Warranty Period. The Director will issue such a letter only if the Director determines that, based on all City and state standards applicable to the Horizontal Public Infrastructure Improvements, the Horizontal Public Infrastructure Improvements are complete and the Director has received all required documents relating to the Horizontal Public Infrastructure Improvements.

3.5.2 **Acceptance**. Upon certification of the Horizontal Public Infrastructure Improvements, or phase of the Horizontal Public Infrastructure Improvements, by the Director in accordance with Subsection 3.5.1, all public infrastructure improvements that are components thereof shall be deemed accepted by the City. To the extent necessary in order to effectuate the City's acceptance thereof (as determined by the City), the Developer agrees to provide appropriate documentation to dedicate the public improvements to the City in a form approved by the Office of the City Attorney.

4.0. **Process for Park Space and Public Areas Improvements.**

4.1 **Generally.** The Developer shall construct (or, alternatively, the Developer shall cause the same to occur), the Park Space and Public Areas Improvements, in accordance with Public Realm Design Standards, the Development Agreement, these Infrastructure Conditions and the plans submitted to and approved by the EDA pursuant to Section 4.2 of these Infrastructure Conditions.

4.2 **Plans.**

A. The Developer represents and warrants that the Preliminary, Sixty-Percent and Final Plans will be designed by a licensed professional engineer or landscape architect retained by the Developer ("Developer's Professional) and that said plans will conform to the standards referenced in these Infrastructure Conditions (including incorporating the Public Realm Design Standards, as applicable) and to generally accept engineering practices.

B. Consistent with the applicable Master Plan Requirements and the Public Realm Design Standards, the Developer shall submit to the EDA and City, for its review and approval, the Preliminary, and Sixty-Percent Plans for the Park Space and Public Areas Improvements. Such submissions shall also include a budget outlining anticipated costs of such improvements.

C. Subsequent to the EDA's approval of the Sixty-Percent Plans, the Developer shall submit Final Plans with a final budget of the costs to construct such improvements to the EDA and City for review and approval.

4.3 **Construction Requirements.**

4.3.1 **Insurance**. The Developer shall not commence or permit to be commenced any Work on the Park Space and Public Areas Improvements until first meeting all insurance requirements of Article 8 of the Development Agreement and any applicable requirements set forth in City Code.

4.3.2 **Indemnification**. These Infrastructure Conditions, and Developer's performance hereunder, are subject to the indemnity provisions of Article 7 of the Development Agreement and any applicable requirements set forth in City Code.

4.3.3 **Permits.** The Developer shall not commence or permit to be commenced any Work on the Park Space and Public Areas Improvements until the Developer has obtained, and paid all required fees for, all Regulatory Approvals with respect to such Work.

4.3.4 **Testing and Monitoring.** The Developer shall provide all professional engineering and testing services necessary to appropriately monitor and assess all Work in accordance with applicable industry standards and practices

The Developer shall provide to the EDA copies of all reports produced as a result of the performance of any such professional engineering and testing services. All engineering

reports must be certified by a person licensed as a professional engineer in the Commonwealth of Virginia.

4.3.5 **Design and Construction Meetings and Schedule.** The Developer shall schedule and coordinate Design meetings at the Preliminary, Sixty-Percent and Final Plan submissions with the EDA and City. The Developer shall schedule a pre-construction conference for the Park Space and Public Areas Improvements and shall schedule and attend monthly progress meetings with the EDA and City. The Developer shall give 30-days notice to the EDA and City in advance to the actual beginning of construction, and thereafter shall coordinate its construction schedule with the EDA and City.

4.3.6 **Manner of Construction**. All Park Space and Public Areas Improvements, shall be constructed in a sound professional manner, in accordance with the Public Realm Design Standards, the Development Agreement, these Infrastructure Conditions, and the EDA-approved Final Plans.

4.4 **Surety, Warranty, Default.**

4.4.1 **Requirement for Construction Performance Security**. Prior to commencing construction of the Park Space and Public Areas Improvements, the Developer shall furnish to the EDA a Letter of Credit (LOC), Surety Bond, or Certified Corporate Check in a form approved by the City Attorney, or other such Construction Performance Security, as defined by and contemplated in the Development Agreement.

4.4.2 **Warranties**. The Developer hereby warrants that (i) the Park Space and Public Areas Improvements will be constructed in a good and workmanlike manner in accordance with the Final Plans, (ii) there are no unsatisfied liens on any part of the Park Space and Public Areas, (iii) the Park Space and Public Areas will be free of defects during the Warranty Period, and (iv) the Developer shall repair any defects that are discovered or may arise during the Warranty Period. During the course of construction and upon completion of such construction, Developer shall furnish to EDA evidence, satisfactory to EDA in EDA's sole discretion, showing that there has not been filed with respect to the property and improvements to be conveyed to EDA, or any part thereof, any vendor's, mechanic's, laborer's, materialmen's or similar lien which has not been discharged of record.

4.4.3 **Release of Surety**. After a warranty inspection by the EDA at the end of the Warranty Period, release of the performance bond, letter of credit, or other financial security that the Developer provided pursuant to these Infrastructure Conditions will occur upon the EDA's issuance to the Developer of a letter indicating that such performance bond, letter of credit, or other financial security is released. The EDA will issue such a letter only if the EDA determines that, based on all requirements and standards applicable to the Park Space and Public Areas Improvements, no defects remain that the Developer is required to correct.

4.5 **Substantial Completion; Certification and Acceptance; Operations and Maintenance.**

4.5.1 **Substantial Completion; Certification.** Certification that Developer has achieved Substantial Completion of the Park Space and Public Areas Improvements in accordance

with the Development Agreement will occur upon the EDA's issuance to the Developer of a letter indicating that the EDA certifies Developer's satisfactory Substantial Completion of the Park Space and Public Areas Improvements.

4.5.2 **Acceptance**. Upon the EDA's certification that Developer has achieved Substantial Completion of the Park Space and Public Areas Improvements, the Developer shall convey to the EDA the underlying Park Space and Public Areas, including the Park Space and Public Areas Improvements and any other improvements thereon. To the extent necessary in order to effectuate the Developer's conveyance and the EDA's acceptance thereof (as determined by the EDA), the Developer agrees to provide deed(s) and any other required documentation to the EDA in a form approved by the Office of the City Attorney.

4.5.3 **Continued Operation and Maintenance**. Following the Developer's conveyance of any Park Space and Public Areas to the EDA, the Developer shall operate and maintain such Park space and Public Areas on the EDA's behalf in accordance with the O&M Contract executed by the EDA and the Developer pursuant to the Development Agreement.

END OF INFRASTRUCTURE CONDITIONS

ATTACHMENT 1

(Conceptual Park Space and Public Areas Master Plan)

to

EXHIBIT G

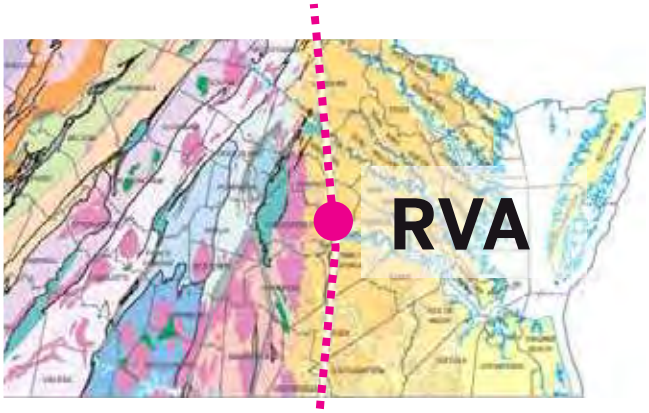
(Infrastructure Conditions)

Conceptual Park Master Plan

Where tectonic plates collide, Fall Lines are created as the physical manifestation of millions of years of geologic energy. These district transitions form where two different geologies intersect and overlap creating more diversity in the ensuing flora and fauna.

The Diamond District lies in the heart of Richmond's seven-mile wide Fall Line zone, marking a transition between the hard bedrock of the Piedmont and the soft sediments of the Coastal Plain. Its physical manifestation is most dramatically evident in the rapids and waterfalls that mark a 100 foot elevation change on the James River, which influenced the location of the city, due to ships inability to travel further inland.

Our vision for the Diamond District's signature open space is to celebrate the geological phenomena of the Fall Line by marking transitions, celebrating diversity, and embracing expression – of this place and its people. Specifically, we propose a series of landscape features that tell the rich story of Richmond's geological history and its diverse ecology. Parallel to and intersecting those features, we propose a gently meandering path that traces the life and legacy of Arthur Ashe.



Piedmont Coastal Plain



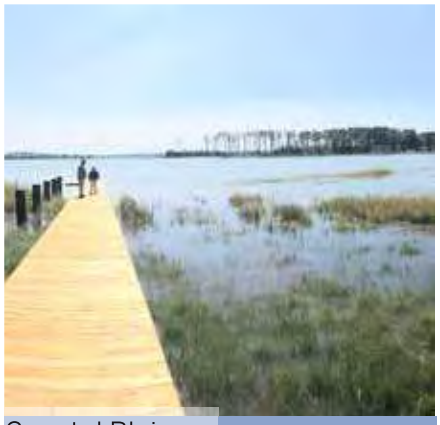
Diamond District Tectonics



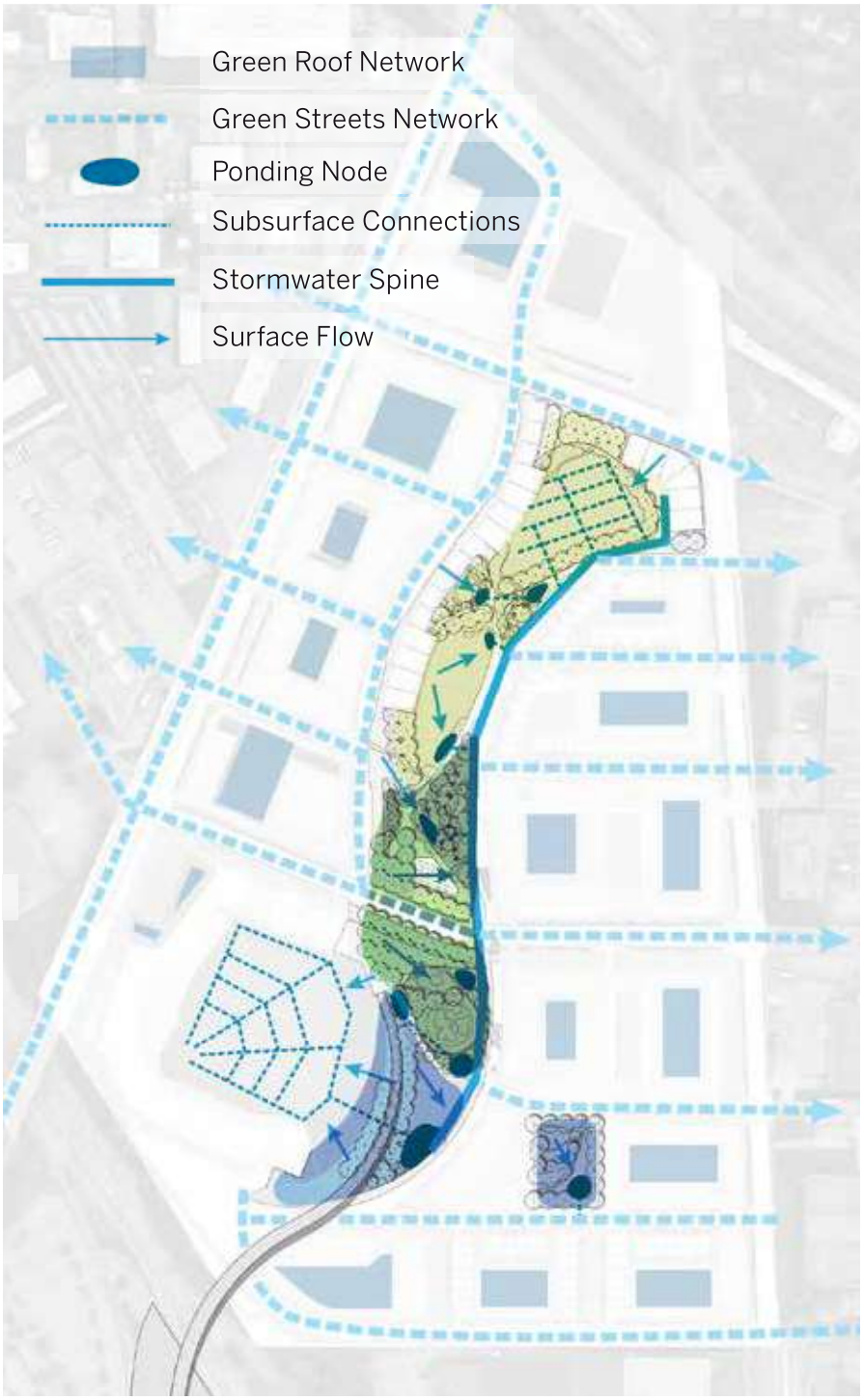
Piedmont Fields and Meadows



Piedmont Forests and Clearings



Coastal Plain



Ecological Zones and Stormwater

Crescent Park



Fall Line - Cultural/Ecological History

Plants, stormwater, materials, and text at the Fall Line interventions shift visitor's attention to the site's cultural, ecological, and geological history.



Piedmont Playgrounds

Landscape forms of the Piedmont Playgrounds mimic geologic formations while creating dynamic spaces for play. Two age-appropriate spaces on either side of the Flex Lawn engage children with the local flora and fauna.



The Grove - Urban Bosque

The Grove is a block-scale urban forest that counters the urban heat island effect notably intense in this part of the city. The seasonal shade re-introduces a healthy tree canopy to build on Richmond 300 campaign.



Forest Falls - Splash Pad

Forest Falls sits east of the Grove providing a refreshing refuge from the summer sun and the flexibility of an open plaza for a variety of events and uses throughout the year.



The Bowls - Skate Park

The Bowls animate and diversify the broadened Sherwood Ave pedestrian way. Sculptural and iconic, the Bowls also play a functional role retaining stormwater during the first flush.



Stormfalls - Stormwater Park

Referencing the fall zone in the James River, Storm Falls intertwines geology, hydrology, and ecology to create a variety of experiences that are both functional and recreational.

Open Space Plan









Landscape Illustrative Plan



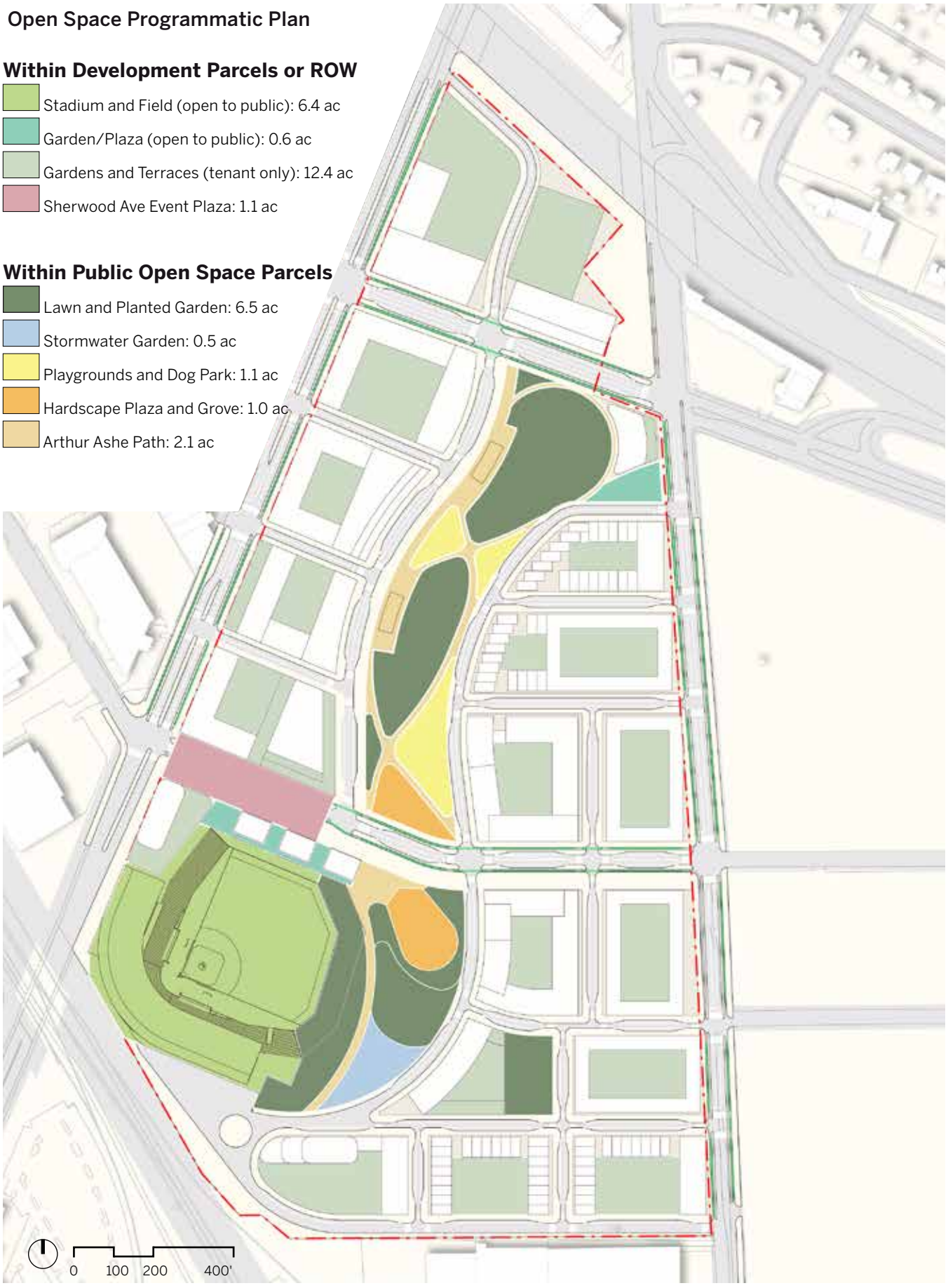
Open Space Programmatic Plan

Within Development Parcels or ROW

- Stadium and Field (open to public): 6.4 ac
- Garden/Plaza (open to public): 0.6 ac
- Gardens and Terraces (tenant only): 12.4 ac
- Sherwood Ave Event Plaza: 1.1 ac

Within Public Open Space Parcels

- Lawn and Planted Garden: 6.5 ac
- Stormwater Garden: 0.5 ac
- Playgrounds and Dog Park: 1.1 ac
- Hardscape Plaza and Grove: 1.0 ac
- Arthur Ashe Path: 2.1 ac



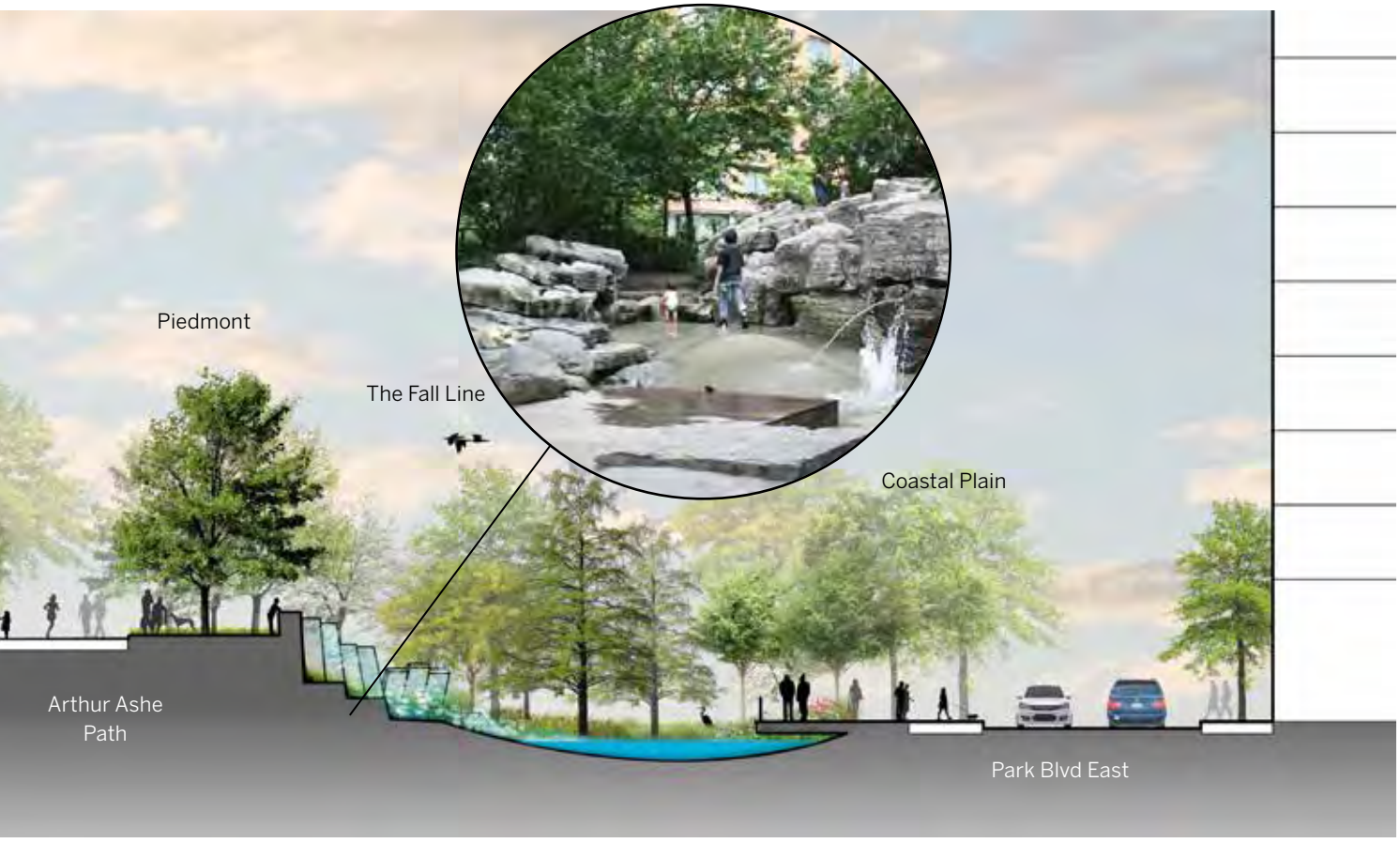
Crescent Park



Diamond Slopes, Flyover Walk, Stormfalls



Park Pavilions, Flex Lawn, Piedmont Climb Playground


Piedmont
The Fall Line
Coastal Plain
Arthur Ashe
Path
Park Blvd East


Play
Park Blvd East


OAK GROVE
RESIDENTIAL COMMUNITY
ARTHUR ASHE PATH
"From what we get, we can make a living. What we give; however, makes a life."
POLLINATOR MEADOW
STORMWATER CATCHMENT

CRESCENT PARK: IMMERSIVE, ECOLOGICAL, WITH PROGRAMS FOR ALL



EXHIBIT H

HOTEL USE COVENANT

[TO BE ATTACHED]

EXHIBIT H

<INSERT RECORDING INFORMATION>

<TAX MAP PARCEL NUMBER>

DECLARATION OF HOTEL USE COVENANTS

This DECLARATION OF HOTEL USE COVENANTS ("Covenant") is made as of the day of_____, 20__ (the "Effective Date"), by_____, a _____ corporation ("Declarant"), identified for indexing purposes as Grantor and Grantee.

RECITALS

R-1. Declarant is the fee simple owner of certain real property, known as <INSERT PARCEL> and as further described in **Exhibit A** (the "***Property***").

R-2. The City of Richmond, Virginia (the "***City***") seeks to redevelop a portion of the Greater Scott's Addition area of the City that currently is home to The Diamond baseball stadium and that is not utilized to its full market potential, with the aim that such redevelopment results in additional taxable value in both the project area and in surrounding properties.

R-3. The City, the Economic Development Authority of the City of Richmond, Virginia (the "***EDA***"), and RVA Diamond Partners LLC (the "***Developer***") entered into that certain Development Agreement dated _____ (the "***Development Agreement***") and the EDA and Developer entered into that certain Purchase and Sale Agreement dated _____ (the "***PSA***"), whereby the City, the EDA, and the Developer agreed upon the terms under which the Developer agreed, among other things, to design, develop and construct a minimum 180 room guest hotel as part of the Phase 1 Project (the "***Hotel***"). The Declarant further shall enter into a Franchise Agreement with a Selected Hotel Brand for a period of time at least contemporaneous with the period of time the Bonds remain outstanding.

R-4. The Declarant was formed to acquire title to the Property and to oversee development and construction of the Hotel on behalf of the Developer.

R-5. The Hotel shall be developed and constructed in accordance with the Development Agreement, PSA and the Memorandum of Development Agreement (as defined herein).

NOW THEREFORE, in consideration of the foregoing and other good and valuable consideration, the Declarant hereby declares that the Property shall be subject to this Covenant, which shall be binding in accordance with the terms herein on the Declarant and on all tenants and purchasers of the Hotel and all Transferees (as defined herein) of the Property until the payment in full or defeasance of the Bonds (as defined herein). Wherever "Declarant" is used in this Covenant, the term includes any Transferee.

ARTICLE I

DEFINITIONS AND MISCELLANEOUS PROVISIONS

1.1 DEFINITIONS. For the purposes of this Covenant, the following capitalized terms shall have the meanings ascribed to them below and, unless the context clearly indicates otherwise, shall include the plural as well as the singular:

"***Affiliate***" means any Person directly or indirectly Controlling, Controlled by, or under Common Control with another Person.

"***Bonds***" shall have the meaning provided in the Development Agreement.

"***Business Day***" means any day that is neither a Saturday, a Sunday, nor a day observed as a legal holiday by the City of Richmond, Virginia, the Commonwealth of Virginia, or the United States government.

"CDA" means the community development authority formed or to be formed in accordance with the CDA as set forth in the Development Agreement.

"Control" means (i) the ownership, direct or indirect, by one Person of more than 50 percent of the profits, capital, or equity interest of another Person, or (ii) the power to direct the affairs or management of another Person, whether by contract, other governing documents, or by operation of law.

"***Controlling Interest***" shall mean (i) the ownership, direct or indirect, by one Person of more than 50 percent of the profits, capital, or equity interest of another Person or (ii) the power to direct the affairs or management of another Person, whether by contract, other governing documents, or by operation of law.

"***Debt Financing***" shall mean non-equity funds procured from a lender to fund the construction and development of the Hotel.

"***Declarant***" is defined in the introductory paragraph.

"***Declarant Party***" means the Declarant, any Affiliate of Declarant, a Declarant Subcontractor, the Developer, each Construction Contractor, any Contractor, advisor or agent of Declarant and their successors and permitted assigns.

"***Development Agreement***" is defined in the Recitals which is recorded in the Land Records.

"Developer" is defined in the Recitals.

"***Equity Interest***" shall mean with respect to any entity, (A) the legal (other than as a nominee) or beneficial ownership of outstanding voting or non-voting stuck of such entity if such entity is a business corporation, a real estate investment trust or a similar entity, (B) the legal (other than as a nominee) or a beneficial ownership of any partnership, membership or other voting or non-voting ownership interest in a partnership, joint venture, limited liability company or similar entity, (C) a legal (other than as a nominee) or beneficial voting or non- voting interest in a trust if

such entity is a trust, and (D) any other voting or non-voting interest that is the function al equivalent of any of the foregoing.

"***Foreclosure Transfer***" shall mean a transfer, sale or assignment occurring as a result of the foreclosure of, or other action in enforcement of, a Mortgage, or any transfer, sale or assignment of any or all of the Property, or any other transfer, sale or assignment of all or any part of the Property by judicial or other proceedings under, pursuant or pertaining to a Mortgage, or by virtue of the exercise of any power or right contained in a Mortgage, or by deed, assignment, or other conveyance-in-lieu of foreclosure or other action in enforcement of a Mortgage, or otherwise, or a transfer of some or all of the Equity Interests in Declarant occurring as a result of, or pursuant to, or in connection with a pledge, hypothecation or other collateral assignment of such Equity Interests, or any sale, transfer or assignment of some or all of the Equity Interest in Declarant, or in any Person holding, directly or indirectly, some or all of the Equity Interest in Declarant in any Person holding, directly or indirectly, some or all of the Equity Interests in Declarant by virtue of, or pursuant to, any right or power contained in a Mortgage or in any other document or instrument evidencing or securing a loan secured by a Mortgage, or by deed, assignment or other conveyance of some or all of such equity interests in lieu of a foreclosure, sale or other enforcement action, or otherwise (it being the intention of the parties that the term "Foreclosure Transfer" shall be given the broadest possible interpretation to over, reach, include and permit any sale, assignment or transfer whatsoever, and however effected or structured, of some or all of the Property, some or all of the Equity Interests in Declarant or in any Person holding, directly or indirectly, some or all of the Equity Interests in Declarant following an uncured default under a Mortgage (including any document or instrument, whether or not recorded, that evidences or secures a debt secured by a Mortgage)):

(x) to a Mortgagee or its Designee or Foreclosure Transferee: or

(y) to any Person that is not a Prohibited Person and that purchases or otherwise acquires some or all of the Property, or some or all of the Equity Interests in Declarant from a Mortgagee or its designee after such Mortgagee or designee has purchased or otherwise acquired some or all of the Property, or some or all of the Equity Interests in Declarant in a Foreclosure Transfer described in the immediately preceding clause (x).

Each Foreclosure Transfer shall be deemed, for the purposes hereof, to have occurred as of the date of the transfer, sale, assignment or conveyance-in-lieu thereof in question.

"***Franchise Agreement***" shall mean the franchise license agreement by and between the Declarant and a Permitted Franchisor, as it may be amended, supplemented, modified, substituted or replaced.

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

"***Improvements***" means any and all site and vertical improvements, including the systems, cables, materials, equipment, property, buildings, structures, appurtenances, subsystem or other improvement any of which comprises the Hotel on or within the Property.

"***Land Records***" means the land records of the City of Richmond, Virginia.

"***Law***" or "***Laws***" means any one or more present and future laws, ordinances, rules,

regulations, permits, authorizations, orders, judgments, and requirements, to the extent applicable to the City, the EDA, the Declarant, a Declarant Party, the Hotel or to the Property or any portion thereof, including, without limitation, whether or not in the present contemplation of the City, the EDA, or the Declarant, all consents or approvals (including Regulatory Approvals) required to be obtained from, and all rules and regulations of, and all building and zoning laws of, all federal, state, and local governments, authorities, courts, and any other body or bodies exercising similar functions, having or acquiring jurisdiction of, or which may affect or be applicable to, the Property or any part thereof, including, without limitation, any subsurface area, the use thereof and of the buildings and improvements thereon.

"***Master Plan***" means the master plan for Developer's entire project under the Development Agreement.

"***Member***" means any Person with an interest in Declarant.

"***Memorandum of Development Agreement***" means the Memorandum of Development Agreement to be recorded against title to each Phase of Purchased Property as set forth in, and as required by, the Development Agreement.

"***Mortgage***" means any mortgage, deed of trust or other similar instrument securing Debt Financing.

"***Mortgagee***" shall mean any provider of Debt Financing.

"***Notice Address***" shall mean the address for notice set forth below, as amended from time to time by notice sent to the other party as provided herein:

A. To the City:

Chief Administrative Officer
City of Richmond, Virginia
900 East Broad Street, Suite 201
Richmond, Virginia 23219

with a copy to:

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

B. To the Developer:

RVA Diamond Partners LLC
_____
_____

with a copy to:

McGuireWoods LLP
Gateway Plaza
800 East Canal Street
Richmond, Virginia 23219
Attention: George Keith Martin, Esquire

C. To the EDA:

_____
_____
_____

D. To the Declarant

_____
c/o Capstone Development, LLC
4445 Willard Avenue, Suite 600
Chevy Chase, Maryland 20815
Attention: Norman Jenkins

"***Operating Standard***" shall mean the standard consistent with the maintenance and operational standards applicable to the Selected Hotel Brand or other brand approved by the EDA.

"***Permitted Franchisor***" shall mean a Person who is not a Prohibited Person and is franchisor of a Selected Hotel Brand or other comparable hotel brand approved by the EDA in accordance with Section 5.1 of this Covenant.

"***Person***" means any individual, corporation, partnership, association, cooperative, limited liability company, trust, business trust, joint venture, government, political subdivision or any other legal or commercial entity and any successor, representative, agent, agency or instrumentality thereof.

"Phase 1 Project" means the Project components to be constructed on the Phase 1 Project Site (as defined in the Development Agreement) in material conformity to the requirements of the Development Agreement.

"***Prohibited Person***" shall mean any of the following Persons:

(a) Any Person (or any Person whose operations are directed or controlled by a Person) who has been convicted of or has pleaded guilty in a criminal proceeding for a felony or who is an on-going target of a grand jury investigation convened pursuant to applicable Laws concerning organized crime; or

(b) Any Person organized in or controlled from a country, the effects of the activities with respect to which, are regulated or controlled pursuant to the following United States laws and the regulations or executive orders promulgated thereunder: (x) the Trading with the Enemy Act of 1917, 50 U.S.C. App. §1, et seq., as amended (which countries are, as of the date hereof, North Korea and Cuba); (y) the International Emergency Economic Powers Act of 1976, 50 U.S.C. §1701, et seq., as amended; and (z) the Anti-Terrorism and Arms Export Amendments Act of 1989, codified at Section 6(j) of the Export Administration Act of 1979, 50 U.S.C. App. § 2405(j), as amended (which countries are, as of the date hereof, Iran, Sudan and Syria); or

(c) Any Person who has engaged in any dealings or transactions (i) in contravention of the applicable money laundering laws or regulations or conventions or (ii) in contravention of Executive Order No. 13224 dated September 24, 2001 issued by the President of the United States (Executive Order Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism), as may be amended or supplemented from time-to-time or any published terrorist or watch list that may exist from time to time; or

(d) Any Person who appears on or conducts any business or engages in any transaction with any person appearing on the list maintained by the U.S. Treasury Department's Office of Foreign Assets Control list located at 31 C.F.R., Chapter V, Appendix A or is a person described in Section 1 of the Anti-Terrorism Order; or

(e) Any Affiliate of any of the Persons described in paragraphs (a) through (d) above.

"***Project***" shall have the meaning provided in the Development Agreement.

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

"PSA" is defined in the Recitals.

"***Selected Hotel Brand***" means one of the following brands: AC Hotels by Marriott; Autograph Collection; Canopy by Hilton; Curio Collection; Hilton; Tempo by Hilton; Hyatt; Hyatt Centric; Hyatt Regency; JdV by Hyatt; Kimpton; Le Meridien; Marriott;; Tapestry Collection; Tribute Portfolio; and Westin.

"Substantial Controlling Interest" shall mean such ownership of Declarant or a Transferee as to give day-to-day control over Declarant or ownership or control of the votes necessary to elect a majority of the board of directors or other governing body, or appoint the managing member or Operator, or such Person.

"***Transfer***" shall mean (A) any change, by operation of law or otherwise, in ownership of an Equity Interest in Declarant, where such change in ownership directly or indirectly produces any change in the Substantial Controlling Interest of Declarant, or (B) any transaction or series of transactions, by operation of law or otherwise, including, without limitation, the issuance of additional Equity Interests or the direct or indirect revision of the beneficial ownership or control structure of the management or operation of Declarant or any direct or indirect constituent entity of Declarant, which, in either case, produces any change, by operation of law or otherwise, in the Substantial Controlling Interest in Declarant. With respect to the Property, the term "Transfer" shall mean any sale, assignment, conveyance, lease, deed of trust or encumbrance on the Property or of any portion of or any interest in the Property.

"***Transferee***" shall mean any Person to which the ownership of the Hotel has been Transferred.

1.2 GOVERNING LAW. This Covenant shall be governed by and construed in accordance with the laws of the city of Richmond, Virginia (without reference to conflicts of law principles).

1.3 CAPTIONS, NUMBERINGS, AND HEADINGS. Captions, numberings, and

headings of Articles, Sections, and Exhibits in this Covenant are for convenience of reference only and shall not be considered in the interpretation of this Covenant.

1.4 NUMBER; GENDER. Whenever required by the context, the singular shall include the plural, the neuter gender shall include the male gender and female gender, and vice versa.

1.5 BUSINESS DAY. In the event that the date for performance of any obligation under this Covenant falls on other than a Business Day, then such obligation shall be performed on the next succeeding Business Day.

1.6 COUNTERPARTS. This Covenant may be executed in multiple counterparts, each of which shall constitute an original and all of which shall constitute one and the same agreement.

1.7 SEVERABILITY. In the event that one or more of the provisions of this Covenant shall be held to be illegal, invalid, or unenforceable, each such provision shall be deemed severable and the remaining provisions of this Covenant shall continue in full force and effect, unless this construction would operate as an undue hardship on EDA or Declarant or would constitute a substantial deviation from the general intent of the parties as reflected in this Covenant.

1.8 EXHIBITS. All Exhibits referenced in this Covenant are incorporated by this reference as if fully set forth in this Covenant.

1.9 INCLUDING. The word "including," and variations thereof, shall mean "including without limitation."

1.10 NO CONSTRUCTION AGAINST DRAFTER. This Covenant has been negotiated and prepared by City, EDA, and Declarant and their respective attorneys and, should any provision of this Covenant require judicial interpretation, the court interpreting or construing such provision shall not apply the rule of construction that a document is to be construed more strictly against one party.

1.11 CONFLICTS. In the event of a conflict between this Covenant and the Memorandum of Development Agreement prior to the release of the Memorandum of Development Agreement, the terms of the Memorandum of Development Agreement shall govern.

ARTICLE II

USE COVENANTS

2.1 OPERATION. Subject to the provisions of this Covenant, the Declarant shall continue to operate the Property as a Hotel consistent with the Master Plan, the Operating Standard and the other provisions of this Covenant.

2.2 GENERAL USES. Prior to the full repayment or defeasance of the Bonds, the Property shall only be utilized in a manner consistent with Section 2.1 hereof.

2.3 MAINTENANCE OF HOTEL. Declarant hereby covenants and agrees to maintain the Hotel and the Improvements during the term of this Covenant in accordance with the Operating Standard.

2.4 FINANCIAL REPORTING. For so long as the Bonds remain outstanding, the

Declarant shall, and shall cause any tenants and subtenants to, make the following reports to the City's Director of Finance, with a copy to the EDA:

(a) once each month, at a time during each month prescribed by the City's Director of Finance, which, if applicable, shall be no earlier than the date such information would otherwise be required to be reported pursuant to applicable Law, a report setting forth (A) the sales taxes remitted to the Commonwealth of Virginia attributable to the Property (including the Hotel) and (B) the Person who collected and remitted those sales taxes;

(b) once each month, at a time during each month prescribed by the City's Director of Finance, which, if applicable, shall be no earlier than the date such information would otherwise be required to be reported pursuant to applicable Law, a report setting forth (A) the amount of meals taxes remitted to the City attributable to the Property (including the Hotel) and (B) the name of the Person who collected and remitted those meals taxes to the City;

(c) once each calendar year, at a time during the year prescribed by the City's Director of Finance, which, if applicable, shall be no earlier than the date such information would otherwise be required to be reported pursuant to applicable Law, a report setting forth (A) the amount of business, professional, and occupational license taxes paid to the City attributable to the Property (including the Hotel), (B) the name of the Person who paid those business, professional, and occupational license taxes, and (C) the type of business, as classified by the City's Director of Finance, for which the Person paid those business, professional, and occupational license taxes;

(d) once each month, at a time during each month prescribed by the City's Director of Finance, which, if applicable, shall be no earlier than the date comparable sales tax information would otherwise be required to be reported pursuant to applicable Law, a report setting forth (A) the amounts generated from the collection of the Consumer Purchase Surcharge on the Property (including the Hotel) and (B) the Person who collected and transferred those amounts as provided for under the financing documents for the Bonds; and

(e) once each month, at a time during each month prescribed by the City's Director of Finance, which, if applicable, shall be no earlier than the date comparable hotel tax information would otherwise be required to be reported pursuant to applicable Law, a report setting forth (A) the amounts generated from the collection of the Hotel Use Surcharge on the Property (including the Hotel) and (B) the Person who collected and transferred those amounts as provided for under the financing documents for the Bonds.

ARTICLE III

TERM

3.1 TERM. All other obligations, liabilities, terms, and conditions set forth herein shall run with the land, binding Declarant and its successors and assigns until the repayment or defeasance of the Bonds in accordance with the Indenture.

ARTICLE IV

INTENTIONALLY OMITTED

ARTICLE V

FRANCHISOR; CHAIN AFFILIATION

5.1 FRANCHISOR; CHAIN AFFILIATION.

(a) Declarant shall cause the Hotel to be affiliated with a Selected Hotel Brand that is a Permitted Franchisor (provided that there has been no material adverse change in the financial condition of such Permitted Franchisor since the date of this Covenant) or a chain or "flag" approved by EDA pursuant to Section 5.1(c) (a "Franchisor") in accordance with the terms and conditions of this Covenant pursuant to a written Franchise Agreement providing for a national or international reservation and marketing system to which the Hotel has access and in which the Hotel is included, the use of trademarks, service marks, logos, the "flag" and other identifying items provided to other hotels in such reservation and marketing system of the Franchisor and providing for such other services, and containing terms and conditions, reasonable and customary for license agreements for hotels.

(b) As between EDA and Declarant, in the event of any conflict between the obligations of Declarant under the terms of this Covenant and the terms of the Franchise Agreement, the terms of this Covenant shall govern and Declarant shall remain responsible for performing all of its obligations hereunder notwithstanding the fact that the Hotel is affiliated with the Franchisor.

(c) Developer shall, at least thirty (30) days prior to engagement of the initial or a new Franchisor for the Hotel (a "Franchisor Engagement") **other than with a Permitted Franchisor**, submit to the EDA the following information, for EDA approval:

1. The franchise disclosure document as described in 16 C.F.R. §436;

2. such other additional information as EDA shall reasonably request, which information may include information regarding ownership, banking and financial matters, in connection with its evaluation of such transaction to the extent reasonably available to Declarant, provided EDA shall make such request within twenty (20) Business Days after receipt of the initial information; provided, however, that where a change in any Franchisor Engagement occurs in connection with a Foreclosure Transfer such information shall be submitted EDA as soon as practicable but in no event later than thirty (30) days after the Foreclosure Transfer; and

(d) If EDA approves the Franchisor Engagement, EDA shall deliver written confirmation of such approval within twenty (20) days after receipt of the materials provided to EDA under Section 5.1(c). If EDA disapproves the Franchisor Engagement pursuant to the provisions of Section 5.1(c), then within the aforementioned twenty (20) day period EDA shall specify in writing to Developer the reasons for its disapproval. Franchisor Engagements that have not been act upon by EDA within sixty (60) days of submission of a complete request in accordance with Section 5.1(c) shall be deemed approved.

(e) Declarant shall deliver to EDA, or shall cause to be delivered to the EDA, within ten (10) Business Days after the execution thereof, a true and correct copy of the instrument of transfer or engagement and a true and correct copy of Franchise Agreement.

(f) In the event of any Franchisor Engagement that does not comply with the provisions of this Covenant, EDA shall have the right to seek such equitable relief (either mandatory or injunctive in nature) as may be necessary to enjoin such Franchisor Agreement or to cause the licensor to comply with such applicable provisions, or, if necessary, to transfer the Franchise Agreement to another Person in accordance with such applicable provisions, it being understood that monetary damages will be inadequate to compensate EDA for harm resulting from such noncompliance. Compliance with the delivery requirements of this Section shall be evidenced by either (i) a written acknowledgment signed by EDA, or (ii) proof of delivery of the items required by this Section to the Notice Address for EDA (including but not limited to time-stamped copies of the items transmitted or return receipts for certified mail or electronic verification by a reputable courier company), without the necessity for a signature by an EDA official.

(g) In the event of a Franchise Engagement with a new Permitted Franchisor, the Developer shall deliver to EDA such of the information specified in Section 5.1(c) with respect to the new Permitted Franchisor as EDA shall request, but EDA shall have no right of approval of the new Permitted Franchisor.

5.2 DECLARANT'S RESPONSIBILITIES. Declarant will (a) perform or cause to be performed Declarant's material obligations under the Franchise Agreement, (b) enforce the performance by Franchisor of all of Franchisor's material obligations under the Franchise Agreement, (c) give EDA prompt written notice and a copy of any notice of default, event of default, termination or cancellation sent or received by Declarant and (d) promptly deliver to the EDA executed copies of any amendment or modification of the Franchise Agreement, or if applicable, any new Franchise Agreement.

ARTICLE VI

DEFAULT AND REMEDIES

6.1 DECLARANT DEFAULT

6.1.1 Events of Default by Declarant. Upon the occurrence of one of the events enumerated in Sections 6.1.1(a)-(g) below and if such default shall continue uncured for sixty (60) days alter written notice of such default from EDA, such event shall constitute an "Event of Default" by the Declarant, provided that such sixty (60) day period may be extended for an additional period of time, at the reasonable discretion of EDA, if the Declarant has timely commenced and is diligently pursuing the cure of the default, but in no event shall any cure period be extended beyond one-hundred twenty (120 days):

(a) Declarant fails to perform any covenant, obligation, term, or provision under this Covenant;

(b) if a Transfer occurs in violation of the conditions stated in this Covenant;

(c) if Declarant admits, in writing, that it is generally unable to pay its debts as such become due;

6.1.2 EDA Remedies to Events of Default by Declarant. If any Event of Default by

Declarant occurs and is continuing the EDA may take any one or more of the following remedial steps as determined in the EDA's sole and absolute discretion:

(a) seek any available remedy at law (subject to any limitations set forth in the Development Agreement); or

(b) seek enforcement of Declarant's obligations hereunder by any and all remedies available in equity, including without limitation, specific performance and injunctive relief.

6.2 RIGHTS AND REMEDIES CUMULATIVE. The rights and remedies of the EDA under this Covenant, whether provided by law, in equity, or by this Covenant, shall be cumulative, and the exercise of any one or more of such remedies shall not preclude the exercise of any other remedies for the same such default or breach.

ARTICLE VII

COVENANTS BINDING ON SUCCESSORS AND ASSIGNS

This Covenant is and shall be binding upon the Property and shall run with the land for the period of time stated herein. The rights and obligations of City, EDA, Declarant, and their respective successors and assigns shall be binding upon and inure to the benefit of the foregoing parties and their respective successors and assigns; provided, however, that all rights of EDA pertaining to the monitoring or enforcement of the obligations of Declarant hereunder shall not convey with the transfer of title or any lesser interest in the Property, but shall be retained by EDA, or such other designee as EDA may so determine.

ARTICLE VIII

AMENDMENT OF COVENANT

This Covenant shall not be amended, modified, or released other than by an instrument in writing executed by a duly authorized official of the EDA on behalf of the EDA and approved by City Attorney for legal sufficiency. Any amendment to this Covenant that materially alters the terms of this Covenant shall be recorded among the Land Records before it shall be deemed effective.

ARTICLE IX

COVENANTS OF DECLARANT

Declarant covenants that, by execution and delivery of this Covenant, the performance of its obligations under this Covenant, including the development and operation of the Hotel, have been duly authorized by all requisite corporate action. Upon execution and delivery hereof by Declarant, this Covenant will, assuming enforceability against the EDA, constitute the legal, valid and binding obligation of Declarant, enforceable in accordance with its terms, except to the extent that enforceability may be limited by applicable bankruptcy, insolvency or other similar laws of general application or equitable principles relating to or affecting the enforcement of contracts generally against persons similarly situated.

ARTICLE X

NOTICES AND REPRESENTATIVES

Notices served upon Declarant or City or EDA at the respective party's Notice Address shall be deemed to have been received for all purposes hereunder: (i) if hand delivered to the other party at the Notice Address, when the copy of the notice is receipted; (ii) if given by overnight courier service, on the next Business Day after the notice is deposited to the Notice Address with the overnight courier service; (iii) if given by certified mail to the Notice Address, return receipt requested, postage pre-paid, on the date of actual delivery or refusal thereof at the Notice Address. If notice is tendered under the terms of this Covenant and is refused by the intended recipient of the notice, the notice shall nonetheless be considered to have been received and shall be effective as of the date provided in this Covenant.

ARTICLE XI

MISCELLANEOUS

11.1 RISK OF LOSS. Except as otherwise provided herein, the risk of loss with respect to any and all existing and new improvements on the Property shall be borne by the Declarant.

11.2 INDEPENDENT CONTRACTOR. Declarant is and shall remain an independent contractor and not the agent or employee of the City or the EDA. The City and the EDA shall not be responsible for making payments to any contractor, subcontractor, agent, consultant, employee or supplier of the Declarant.

11.3 CITY AS AGENT OF EDA**.** The Declarant acknowledges and agree that the City and its employees, contractors, agents and designees shall be responsible for performing all functions of the EDA under the Development Agreement and this Covenant and shall have the power to exercise all of the rights of EDA under the Development Agreement and this Covenant. Unless the context provides otherw i s e all references in this Covenant to the EDA shall include the City.

(Signatures on following page)

EXHIBIT H (HOTEL USE COVENANT)
TO
DIAMOND DISTRICT REDEVELOPMENT PROJECT DEVELOPMENT AGREEMENT

IN TESTIMONY WHEREOF, Declarant has caused these presents to be signed, acknowledged and delivered in its name by_____, its duly authorized _____ and witnessed by _____its_____.

WINTESS

By:_____
Name:_____
Title: _____

DECLARANT [SEAL]

By:_____
Name:_____
Title: _____

COMMONWEALTH OF VIRGINIA

CITY OF RICHMOND, to-wit:

_____, a Notary Public in and for the Commonwealth of Virginia, DO HEREBY CERTIFY THAT who is personally known to be (or approved by oaths of credible witnesses to be) the person named as_____for in the foregoing and annexed Hotel Use Covenant, bearing the date of the personally appeared before me_____and as_____acting on behalf of _____, as aforesaid, acknowledged the same to be his/her free act and deed.

Given under my hand and seal this_____day of_____

_____
Notary Public

My Commission Expires: _____

EXHIBIT H (HOTEL USE COVENANT)
TO
DIAMOND DISTRICT REDEVELOPMENT PROJECT DEVELOPMENT AGREEMENT

APPROVED AND ACCEPTED THIS DAY OF , 20 :

CITY OF RICHMOND,

By:_____
Chief Administrative Officer

Approved as to form:

By:_____
City Attorney

EXHIBIT A

Legal Description of Property

EXHIBIT H (HOTEL USE COVENANT)
TO
DIAMOND DISTRICT REDEVELOPMENT PROJECT DEVELOPMENT AGREEMENT

EXHIBIT I

AFFORDABLE HOUSING COVENANTS

[TO BE ATTACHED]

EXHIBIT I

<INSERT RECORDING INFORMATION>

<TAX MAP PARCEL NUMBER>

DECLARATION OF AFFORDABLE DWELLING UNITS COVENANTS

This DECLARATION OF AFFORDABLE DWELLING UNITS COVENANTS ("Covenant") is made as of the _____ day of _____, 20___ (the "Effective Date"), by <INSERT>, ("Declarant"), identified for indexing purposes as Grantor and Grantee.

RECITALS

R-1. The Declarant is the fee simple owner of certain real property as further described in **Exhibit A** (the "Property").

R-2. The City of Richmond, Virginia (the "City") has determined to further its public policy of increasing the affordable housing stock in that portion of the Greater Scotts Addition area of the City that is currently home to the Diamond baseball stadium, and in particular, on the Property.

R-3. The City, the Economic Development Authority of the City of Richmond, Virginia (the "EDA"), and RVA Diamond Partners, LLC (the "Developer") entered into that certain Development Agreement dated _____ ("Development Agreement") and the EDA and the Developer entered into that certain Purchase and Sale Agreement dated _____ ("PSA"), whereby the City, the EDA, and the Developer agreed upon the terms under which the Developer agreed, among other things, to directly develop and construct at least five hundred and sixty-one (561) Affordable Housing Units (as defined herein, and consistent with the Minimum Development Progress Requirements set forth in the Development Agreement) dispersed among several of the Private Development Parcels (as defined in the Development Agreement) pursuant to the Development Agreement (the "Affordable Housing Parcels").

R-4. The Property is one of the Affordable Housing Parcels.

R-5. The Declarant was formed to acquire title to the Property and to oversee development and construction of the Improvements (as defined in the Development Agreement) on the Property in accordance with the Development Agreement and the PSA, including certain Affordable Housing Units.

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, Declarant hereby declares that the Property shall be subject to this Covenant, which shall be binding in accordance with the terms herein on Declarant and on all tenants and purchasers of the Affordable Housing Units and all Transferees (as defined herein) of the Property until expiration of the Affordability Period. For purposes herein, Transferees shall be deemed all persons that may hereafter acquire any interest whatsoever in the Property, or any part thereof,

from Declarant, or any successor or assign of Declarant, or any other party, whether by sale, lease, assignment, hypothecation, or any other means of transfer (any and all of the foregoing means of transfer being herein referred to as "Transfer"), for the Affordability Period. Wherever "Declarant" is used in this Covenant, the term includes any Transferee. In the event of a conflict between this Covenant and any terms of Internal Revenue Code Section 42 or a covenant required by Virginia Housing Development Authority, the provisions of the latter shall prevail.

ARTICLE I
DEFINITIONS

For the purposes of this Covenant, the capitalized terms used herein shall have the meanings ascribed to them below and, unless the context clearly indicates otherwise, shall include the plural as well as the singular.

Affordability Period: is defined in Article X.

Affordability Requirement: is the requirement that Declarant develop and construct 560 Affordable Housing Units, subject to the following requirements: a: (i) no less than 452 of the units so constructed and operated on the Property shall meet the definition of a low income housing unit and be rent-restricted under Internal Revenue Code Section 42(g), (ii) no less than 95 of the units so constructed and operated on the Property shall be leased for occupancy by households earning up to 30% of the Area Median Income, and (iii) no less than 13 of the units shall be sold to households earning between 60% and 70% of the Area Median Income.

Affordable Housing Units: are dwelling units that are reserved for occupancy by households earning up to the Maximum Annual Household Incomes described herein.

Affordable Unit Owner: means a Qualified Purchaser who own(s) a For Sale Affordable Unit.

Affordable Unit Tenant: means a Qualified Tenant who lease(s) a Rental Affordable Unit.

Area Median Income or AMI: means the most recent annually adjusted median income for the Richmond, VA Metropolitan Statistical Area published by the United States Department of Housing and Urban Development adjusted for household size.

Annual Household Income: means the aggregate annual income of a Household as determined by using the standards set forth in 24 CFR § 5.609, as may be amended.

Annual Report: has the meaning given in Section 4.9.

Business Day: means Monday through Friday, inclusive, other than holidays recognized by the City of Richmond, Virginia, the Commonwealth of Virginia, or the United States government.

Certificate of Purchaser Eligibility: means a certification executed by a Household prior to its purchase of an Affordable Housing Unit, in a form approved by the City (such approval not

to be unreasonably withheld), that shall be given to the City, or its designee, and Declarant, representing and warranting the following: (a) the Household is a Qualified Purchaser and has disclosed all of its Annual Household Income and has provided reasonably satisfactory documentation evidencing such Annual Household Income, (b) the Household's Annual Household Income is at or below the Maximum Annual Household Income for the applicable Affordable Housing Unit, (c) the Household has been informed of its rights and obligations under this Covenant, (d) the Household intends to occupy the Affordable Housing Unit as its principal residence, (e) that the Household size is within the Occupancy Standard for the Affordable Housing Unit, and (f) any other reasonable and customary representations requested by the City or Declarant.

Certificate of Tenant Eligibility: means a certification by a Household at its initial occupancy of an Affordable Housing Unit, in a form approved by the City (such approval not to be unreasonably withheld), that shall be given to the City, or its designee, and Declarant representing and warranting the following: (a) the Household is a Qualified Tenant and has disclosed all of its Annual Household Income, (b) the Household's Annual Household Income is at or below the Maximum Annual Household Income for the applicable Affordable Housing Unit, (c) the Household has been informed of its rights and obligations under this Covenant, (d) the Household intends to occupy the Affordable Housing Unit as its principal residence, (e) that the Household size is within the Occupancy Standard for the Affordable Housing Unit, and (f) any other reasonable and customary representations requested by the City or Declarant.

Certification of Compliance: means a certification by Declarant that it has performed or caused to be performed an inspection of all Rental Affordable Units in the Property and that, to the best of Declarant's knowledge, the Property is in compliance with all applicable statutory and regulatory requirements, in such form as the City approves (such approval not to be unreasonably withheld) and allowing for reasonable review by Declarant.

Certification of Residency: means a certification made by Affordable Unit Owner that states that each Rental Affordable Unit within the Property is occupied by an Affordable Unit Tenant as its principal residence, in such form as the City approves (such approval not to be unreasonably withheld) and allowing for reasonable review by Declarant.

Designated Affordability Level: means the percentage of AMI assigned to each Affordable Housing Unit, at or below which a Qualified Purchaser's or Qualified Tenant's, as applicable, Annual Household Income must fall.

Declarant: is identified in the preamble of this Covenant, and when used herein includes any Transferee.

For Sale Affordable Unit: means an Affordable Housing Unit designated for sale to households earning between 60% and 70% of the Area Median Income, which shall be sold to a Qualified Purchaser.

Household(s): means all persons who will occupy the Affordable Housing Unit, including all persons over eighteen (18) years of age whose names will appear on the lease, the purchaser's

or tenant's, as applicable, spouse or domestic partner and children under eighteen (18) years of age.

Household Size Adjustment Factor (HAF): means the factor related to the number of individuals in a Household for the purpose of establishing the Maximum Annual Household Income of a For Sale Affordable Housing Unit, as set forth in the following table:

Household Size	Household Adjustment Factor
1	0.7
2	0.8
3	0.9
4	1
5	1.1
6	1.2

Housing Cost: means (a) the total monthly payments for rent and Utilities for a Rental Affordable Unit, less any rental subsidies paid on behalf of the Qualified Tenant leasing that Rental Affordable Unit, or (b) the total monthly mortgage payments, property tax, hazard insurance, if applicable, and condominium or homeowner fees for a For Sale Affordable Unit.

HUD: means the United States Department of Housing and Urban Development.

Land Records: means the real property records for the City of Richmond, Virginia.

Market-Rate Unit: means each Residential Unit that is not an Affordable Housing Unit.

Maximum Allowable Rent: is defined in Section 4.3.2.

Maximum Annual Household Income or **MAXI:** means the maximum Annual Household Income of a Household occupying an Affordable Housing Unit as calculated pursuant to (a) Section 4.4.1 for Rental Affordable Units and (b) Section 5.2.1 for For Sale Affordable Units.

Maximum Resale Price: means the maximum resale price of a For Sale Affordable Unit as described in Section 5.1.2 and determined pursuant to the procedures contained in **Schedule** 2 attached hereto.

Maximum Sales Price: as defined in Section 5.1.1.

Minimum Annual Household Income or **MINI:** is the minimum Annual Household Income of a Household occupying an Affordable Housing Unit as calculated pursuant to (a) Section 4.4.2 for Rental Affordable Units and (b) Section 5.2.1 for For Sale Affordable Units.

Mortgage: means a mortgage, deed of trust, mortgage deed, or such other classes of instruments as are commonly given to secure a debt under the laws of the Commonwealth of Virginia.

Mortgagee: means the holder of a Mortgage.

Occupancy Standard: means the minimum number of individuals permitted to occupy any given Affordable Housing Unit, as identified in the following chart:

Affordable Housing Unit Size (Number of Bedrooms)	Minimum Number of Individuals in Affordable Housing Unit
Studio/Efficiency	1
1	1
2	2
3	3
4	4

Occupancy Standard Factor: means the factor related to the assumed number of occupants for the purpose of establishing the Maximum Sales Price of a For Sale Affordable Unit as set forth in the following table:

Size of For Sale Affordable	Occupancy Pricing Standard	Occupancy Standard Factor
Efficiency/Studio	1	.7
1 Bedroom	2	.8
2 Bedroom	3	.9
3 Bedroom	5	1.1

Over-Income Tenant: is defined in Section 4.5.5.

Owner: means, in the context of Rental Affordable Units, Declarant, and in the context of For Sale Affordable Units, Declarant for so long as Declarant owns the applicable For Sale Affordable Unit, and then thereafter, the Affordable Unit Owner that owns such For Sale Affordable Unit.

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

Property: is defined in the Recitals.

Qualified Purchaser: means a Household that (i) has an Annual Household Income less than or equal to the Maximum Annual Household Income for the applicable Affordable Housing Unit, (ii) shall occupy the Affordable Housing Unit as its principal residence during its ownership of such Affordable Housing Unit, (iii) shall not permit exclusive occupancy of the Affordable Housing Unit by any other Person, and (iv) shall use, occupy, hold and sell the Affordable Housing Unit as an Affordable Housing Unit subject to the Affordability Requirement (including the requirement to sell the Affordable Housing Unit to a Qualified Purchaser) and this Covenant.

Qualified Tenant: means a Household that (i) has an Annual Household Income less than or equal to the Maximum Annual Household Income for the applicable Affordable Housing Unit at the time of leasing and subsequent lease renewals, (ii) shall occupy the Affordable Housing Unit as its principal residence during its lease of such Affordable Housing Unit, (iii) shall not permit exclusive occupancy of the Affordable Housing Unit by any other Person, and (iv) shall use and occupy the Affordable Housing Unit as an Affordable Housing Unit subject to the Affordability Requirement and this Covenant.

Rental Affordable Unit: means an Affordable Housing Unit designated to be leased for occupancy by households earning either (i) up to 60% of the Area Median Income or (ii) up to 30% of the Area Median Income, as applicable, which shall be leased to a Qualified Tenant.

Rental Affordable Unit Lease Rider: is that certain lease rider, which is attached to this Covenant as **Exhibit B** and incorporated herein, as the same may be amended from time to time with the written approval of the City (such approval not to be unreasonably withheld).

Residential Unit: is any dwelling unit developed and constructed on the Property to be sold or leased for Residential Use, including all Affordable Housing Units.

Sale: is defined in Section 5.1.

Successor In Interest: is defined in Section 5.8.

Utilities: means water, sewer, electricity, and natural gas.

Virginia Housing: means the Commonwealth of Virginia's housing finance agency, also known as the Virginia Housing Development Authority.

ARTICLE II
AFFORDABILITY REQUIREMENT

2.1 **Requirement of Affordability.** Declarant shall construct, reserve, and either, or both (as applicable), maintain and lease as Rental Affordable Units, or sell as For Sale Affordable Units that number of Affordable Housing Units that are required by the Affordability Requirement.

2.2 **Affordable Unit Standards and Location.**

2.2.1 *Size.* Each category of Residential Unit (studio, one-bedroom, two-bedrooms, etc.) developed and constructed as an Affordable Housing Unit must be of a size substantially similar to the same category of Residential Unit developed and constructed as Market-Rate Units within the same building.

2.2.2 *Exterior Finishes, Amenities.* Exteriors of buildings housing Affordable Housing Units will be of durable, high quality materials; the building architecture will complement and contribute positively to the character of the surrounding neighborhood; will include exterior architectural features and design elements that add visual interest and appeal. ; and buildings will provide amenities appropriate for the target resident community, including but not necessarily

limited to, spaces to facilitate recreational and social opportunities, community / multi-purpose room(s) with kitchen / kitchenette to accommodate resident functions, fully equipped fitness center, indoor and outdoor seating areas, etc.

2.2.3 *Interior Finishes.* Interior finishes, fixtures, materials, appliances and equipment in the Affordable Housing Units must be equivalent to that of the Market-Rate Units within the same building.

2.2.4 *Affordable Unit Location.* Affordable Housing Units shall be disbursed throughout the Property on the parcels designated for affordable housing as outlined on the Master Plan attached to the Development Agreement

2.3 **Certification.** Upon request, the Owner will provide the City, or a designee of the City, such documentation as may be reasonably requested in order to review and verify a Household's Annual Household Income and Household's size and determine whether the Household is a Qualified Tenant or Qualified Purchaser, as applicable. The City may require, and may designate a third party to issue, such certifications as it may deem necessary or desirable to memorialize such qualification. The City may also elect to rely on reports and documentation provided to VHDA for this purpose. Wherever "City" is used in this Covenant with regard to review, administration, or reporting requirements designed to ensure Household eligibility, "City" will include any such designee.

ARTICLE III
USE

3.1 **Use.** Except as provided herein, all Affordable Unit Owners and Affordable Unit Tenants shall have the same and equal use and enjoyment of all of the amenities of the Property and services provided at the Property as the owners or tenants of the comparable Market-Rate Units. No restrictions, requirements or rules shall be imposed on Affordable Unit Owners or Affordable Unit Tenants that are not imposed equally on the owners or tenants of the comparable Market-Rate Units. If amenities, services, upgrades, or ownership or rental of parking and other facilities are offered as an option at an additional upfront and or recurring cost or fee to the comparable Market-Rate Units, such amenities, services, upgrades, or ownership or rental of parking and other facilities shall be offered to the Affordable Unit Owners and Affordable Unit Tenants of comparable Affordable Housing Units at the same upfront and or recurring cost or fee charged to the Market-Rate Units. If there is no cost or fee charged to the owners or tenants of the comparable Market-Rate Units for such amenities, services, upgrades, or ownership or rental of parking and other facilities, there shall not be a cost or fee charged to Affordable Unit Owners or Affordable Unit Tenants of comparable Affordable Housing Units.

3.2 **Demolition/Alteration.** Owner shall maintain, upkeep, repair and replace interior components (including fixtures, appliances, flooring and cabinetry) of any Affordable Housing Unit with interior components of equal or better quality than those interior components being replaced. Owner shall not demolish or otherwise structurally alter an Affordable Housing Unit or remove fixtures or appliances installed in an Affordable Housing Unit other than for maintenance and repair (and replacement, if necessary, subject to the terms of the preceding sentence) without prior notification to the City.

ARTICLE IV

RENTAL OF AFFORDABLE HOUSING UNITS

4.1 **Lease of Rental Affordable Units.** In the event the Property contains Rental Affordable Units, Declarant shall reserve, maintain and lease the Rental Affordable Units to Qualified Tenants (a) in accordance with this Covenant, and (b) at a rental rate at or below the Maximum Allowable Rent.

4.2 **Rental Affordable Unit Lease Requirements.**

4.2.1 *Form of Lease.* To lease a Rental Affordable Unit to a Qualified Tenant, Declarant shall use a lease agreement to which is attached and incorporated a Rental Affordable Unit Lease Rider. The Rental Affordable Unit Lease Rider must be executed by Declarant and each Qualified Tenant prior to the Qualified Tenant's occupancy of the Rental Affordable Unit. Any occupant of the Rental Affordable Unit who is eighteen (18) years or older shall be a party to the lease agreement and shall execute the Rental Affordable Unit Lease Rider. A Rider in a format acceptable to VHDA will also be accepted by the City for this purpose.

4.2.2 *Effectiveness of Lease.* The lease of a Rental Affordable Unit will only be effective if a Rental Affordable Unit Lease Rider and a Certificate of Tenant Eligibility are attached as exhibits to the lease agreement. Failure to attach the foregoing shall render the lease null and void *ab initio.*

4.2.3 *Declarant to Maintain Copies.* Declarant shall maintain or cause to be maintained copies of all initial and renewal leases executed with Qualified Tenants for a period of no less than five (5) years from the expiration or termination of such lease, or for such period of time as required by law, whichever is longer.

4.3 **Initial Rental Affordable Unit Lease Terms.**

4.3.1 *Term.* The term of any Rental Affordable Unit lease agreement shall be for a period of one (1) year.

4.3.2 *Establishment of Maximum Rent.* The maximum allowable monthly rent **("Maximum Allowable Rent"** or **"MAR")** for each Rental Affordable Unit shall be an amount equal to the equivalent of the then current Maximum LIHTC Gross Rent for such size of Affordable Housing Unit (studio, one-bedroom, two-bedrooms, etc.) permitted to be charged by Virginia Housing by owners of projects in the City of Richmond, Virginia that are participating in the Federal Low-Income Housing Tax Credit (LIHTC) program, before deducting a Utility Allowance in the determination of such rents.

4.4 **Income Determinations.** The Annual Household Income for a prospective tenant of a Rental Affordable Unit shall be determined as of the date of the lease and any lease renewals for such Rental Affordable Unit. A Household's income eligibility to rent a Rental Affordable Unit is determined by calculating both the Maximum Annual Household Income for a Household

occupying the Rental Affordable Unit and the Minimum Annual Household Income for a Household occupying the Rental Affordable Unit.

4.4.1 *Maximum Annual Household Income.* The Maximum Annual Household Income is determined through the use of the formula: MAXI = (AMI * DAL * HAF).

4.4.2 *Minimum Annual Household Income.* The Minimum Annual Household Income is determined by multiplying the monthly Housing Cost by twelve (12) and dividing this number by thirty-eight percent (38%).

4.5 Subsequent Lease Years.

4.5.1 *Establishment of Maximum Rent.* Declarant shall determine the Maximum Allowable Rent in lease years after the first lease year in accordance with Section 4.3.2 above.

4.5.2 *Renewal by Affordable Unit Tenant.* For each Affordable Unit Tenant who intends to renew its residential lease, no earlier than ninety (90) days and no later than thirty (30) days before each anniversary of the first day of a residential lease, Declarant shall request the following: (i) a Certification of Residency from each such Affordable Unit Tenant; and (ii) a certification of income. Declarant shall not permit a renewal of an Affordable Unit Tenant's lease unless the Affordable Unit Tenant has provided Declarant with these documents as required herein and the tenant is determined to be a Qualified Tenant. If the Affordable Unit Tenant fails to provide such documents, Declarant shall treat such tenant as an Over-Income Tenant and charge market-rate rent, upon which Declarant shall designate another unit as a Rental Affordable Unit. in accordance with Section 4.5.6.

4.5.3 *Annual Recertification of Tenants.* Upon receipt of an Affordable Unit Tenant's renewal documents at annual recertification, Declarant shall determine the Affordable Unit Tenant's income eligibility pursuant to Section 4.5 for the subject Rental Affordable Unit and notify Affordable Unit Tenant of the same within fifteen (15) days prior to the expiration of the then-current lease term. Any Affordable Unit Tenant whose Annual Household Income remains at or below the Maximum Annual Household Income for the subject Rental Affordable Unit will be eligible to remain in the Rental Affordable Unit and to renew the lease at the then-current lease rate for the particular Rental Affordable Unit.

4.5.4 *Annual Recertification of Under Income Tenants.* Upon annual recertification, any Affordable Unit Tenant whose Annual Household Income remains at or below the Maximum Annual Household Income for the subject Rental Affordable Unit, but whose Annual Household Income is less than the Minimum Annual Household Income for the subject Rental Affordable Unit, may elect either to (i) remain in the Rental Affordable Unit paying rent, as established by Owner, up to the then-current Maximum Allowable Rent for the subject Rental Affordable Unit or (ii) vacate the Rental Affordable Unit at the end of the tenant's lease term.

4.5.5 *Annual Recertification of Over-Income Tenants.* Upon annual recertification, if an Affordable Unit Tenant's Annual Household Income is determined to exceed the Maximum Annual Household Income for the subject Rental Affordable Unit (such tenant, an "Over-Income Tenant"), then the Over-Income Tenant may elect to remain in the Rental Affordable Unit and pay the rent applicable to (a) a higher Designated Affordability Level, if a higher Designated

Affordability Level exists for the Property, for which the Over-Income Tenant's Annual Household Income qualifies, whereupon Declarant shall change the Designated Affordability Level of the Rental Affordable Unit to the higher Designated Affordability Level pursuant to Section 4.5.6, or (b) a like-sized Market-Rate Unit, if the Over-Income Tenant's Annual Household Income does not qualify for a higher Designated Affordability Level, but qualifies for a like-sized Market Rate Unit, whereupon Declarant shall designate a Market-Rate Unit as a Rental Affordable Unit pursuant to Section 4.5.6.

4.5.6 *Changes to Unit Location.* Declarant may only change the designation of a Rental Affordable Unit to a new Designated Affordability Level or to a Market-Rate Unit as necessary to allow an Over-Income Tenant to remain in the unit. Following any change in designation of a Rental Affordable Unit to a higher Designated Affordability Level or to a Market-Rate Unit, as applicable, Declarant shall designate the next available Rental Affordable Unit at that same higher Designated Affordability Level or Market-Rate Unit of the similar size and location in the Property to the lower Designated Affordability Level from which the original Rental Affordable Unit had been changed in order to bring the Property in conformity with the Affordability Requirement.

4.5.7 *Rent from Subsidies.* Nothing herein shall be construed to prevent Declarant from collecting rental subsidy or rental-related payments from any federal or state agency paid to Declarant or the Affordable Unit Tenant, or on behalf of an Affordable Unit Tenant, to the extent receipt of such payment is otherwise in compliance with the requirements of this Covenant. Such rental subsidy or rental related payment shall be included in the calculation to determine if a tenant is a Qualified Tenant.

4.6 **No Subleasing of Rental Affordable Units.** An Affordable Unit Tenant may not sublease any portion of its Rental Affordable Unit or assign its lease to any other Household and Declarant shall not knowingly allow such Rental Affordable Unit to be subleased.

4.7 **Representations of Affordable Unit Tenant.** By execution of a lease for a Rental Affordable Unit, each Affordable Unit Tenant shall be deemed to represent and warrant to the Declarant, whom may rely thereon, that the Affordable Unit Tenant meets, and will continue to meet, all eligibility requirements contained in this Covenant for the rental of a Rental Affordable Unit.

4.8 **Representations of Declarant.** By execution of a lease for a Rental Affordable Unit, Declarant shall be deemed to represent and warrant to the City, which may rely on the following, that: (i) the Household is determined to be a Qualified Tenant, and (ii) Declarant is not collecting more than the Maximum Allowable Rent.

4.9 **Annual Reporting Requirements.** Beginning with the first anniversary of the Property achieving 100% qualified occupancy and on each anniversary date thereafter, Declarant shall provide copies of the books an annual report ("Annual Report") to the City regarding the Rental Affordable Units. The Annual Report shall include the following:

(a) the number and identification of the Rental Affordable Units, by bedroom count, that are occupied;

(b) the number and identification of the Rental Affordable Units, by bedroom count, that are vacant;

(c) for each Rental Affordable Unit that is vacant or that was vacant for a portion of the reporting period, the manner in which the Rental Affordable Unit became vacant (e.g. eviction or voluntary departure) and the progress in re-leasing that unit;

(d) for each occupied Rental Affordable Unit, the names and ages of all persons in the Household, the Household size, date of initial occupancy, and total Annual Household Income;

(e) a sworn statement that, to the best of Declarant's information and knowledge, the Household occupying each Rental Affordable Unit meets the eligibility criteria of this Covenant;

(f) a copy of each new or revised Certification of Residency for each Household renting a Rental Affordable Unit;

(g) a copy of each inspection report and Certification of Inspection for each Rental Affordable Unit; and

(h) a copy of all forms, policies, procedures, and other documents reasonably requested by the City related to the Rental Affordable Units.

The Annual Reports shall be retained by Declarant for a minimum of five (5) years after submission and shall be available, upon reasonable notice, for inspection by the City's Chief Administrative Officer or a designee thereof. The City may request Declarant to provide additional information in support of its Annual Report, and the Declarant shall make reasonable efforts to provide such information.

4.10 **Confidentiality.** Except as may be required by applicable law, including, without limitation, the Virginia Freedom of Information Act, Declarant will not disclose to third parties the personal information of the Households, including the identity of the Households, submitted as a part of the Annual Report.

4.11 **Inspection Rights.** The City's Chief Administrative Officer or a designee thereof shall have the right to inspect the Rental Affordable Units, upon reasonable advance notice to Declarant, but in no event less than forty-eight (48) hours' notice. If Declarant receives such notice, Declarant shall, in turn, give reasonable advance notice of the inspection to the tenant(s) occupying the specific Rental Affordable Unit(s). Subject to the rights of the tenants occupying the applicable Rental Affordable Units, the City's Chief Administrative Officer or a designee thereof shall have the right to inspect a random sampling of the Rental Affordable Units to confirm that the units are in compliance with applicable statutory and regulatory housing requirements and as otherwise permitted under this Covenant. The City's Chief Administrative Officer or a designee thereof shall have the right to conduct audits of a random sampling of the Rental Affordable Units and associated files and documentation to confirm compliance with the requirements of this Covenant.

ARTICLE V

SALE OF AFFORDABLE UNITS

5.1 **Sale of For Sale Affordable Units.** In the event the Property contains For Sale Affordable Units, the Owner shall comply with the provisions of this Article V for the sale of such Affordable Housing Units. Owner shall not convey all or any part of its fee interest ("Sale"), whether or not for consideration, in a For Sale Affordable Unit to any Person other than a Qualified Purchaser. Owner shall only sell to a buyer who has provided a certification of income and who is a Qualified Purchaser. Any Sale of a For Sale Affordable Unit to a Person who is not a Qualified Purchaser shall be null and void.

5.1.1 *Maximum Sales Price.* The sale price of each For Sale Affordable Unit upon an initial Sale shall not exceed an amount (the "Maximum Sales Price") that is affordable to a Household with an Annual Household Income at the Designated Affordability Level, adjusted by the Occupancy Standard Factor, spending not more than forty-one percent (41%) of their Annual Household Income on Housing Cost. The Housing Cost includes mortgage payments, property taxes, condominium and homeowner fees, and hazard insurance, if applicable, and shall be calculated in accordance with Schedule 1 attached hereto and incorporated herein. The Declarant shall submit to the City the proposed sales price for each For Sale Affordable Unit for approval prior to the marketing and sale of such For Sale Affordable Unit, such approval or disapproval not to be unreasonably withheld or delayed.

5.1.2 *Maximum Resale Price.* The Maximum Resale Price for each Sale subsequent to the initial Sale shall be calculated in accordance with Schedule 2 attached hereto and incorporated herein.

5.1.3 *Subsidized funding.* The Maximum Sales Price and Maximum Resale Price of a For Sale Affordable Unit shall be determined as described in Sections 5.1.1 and 5.1.2, regardless of the prospective buyer's use of any available subsidized funding for the purchase of the For Sale Affordable Unit.

5.2 **Procedures for Sales.** The following procedures shall apply to (i) Declarant with respect to the initial Sale of a For Sale Affordable Unit, and (ii) an Affordable Unit Owner of a For Sale Affordable Unit desiring to sell his or her For Sale Affordable Unit.

5.2.1 *Income Eligibility.* For any Qualified Purchaser, the Annual Household Income shall be determined as of the date of the sales contract for such For Sale Affordable Unit. To the extent settlement for a For Sale Affordable Unit will not occur within 90 days after the sales contract, the Annual Household Income of the prospective Qualified Purchaser shall be determined again within 90 days prior to settlement. A Household's eligibility to purchase a For Sale Affordable Unit is determined by calculating both the Maximum Annual Household Income for a Household seeking to occupy the For Sale Affordable Unit and the Minimum Annual Household Income for a Household seeking to occupy the For Sale Affordable Unit and verifying that the prospective Household's Annual Household Income is between the MAXI and MINI. The Maximum Annual Household Income is determined through the use of the formula: MAXI = (AMI * DAL * HAF). Examples of the calculation of Maximum Annual Household Income are included in the attached Schedule 1. The Minimum Annual Household Income is determined by multiplying the total Housing Cost by twelve (12) and dividing this number by forty one percent (41%). Examples of

the calculation of Minimum Annual Household Income are included in the attached Schedule 1. The Housing Cost is determined by calculating the monthly mortgage payments using the actual terms of the Household's approved mortgage, and adding all applicable property taxes, homeownership or condominium fees, and hazard insurance, if applicable.

5.2.2 *Sale.* A Sale of a For Sale Affordable Unit shall only be effective if a Certificate of Purchaser Eligibility submitted by a Household to Owner and dated within ninety (90) days of the closing of such Sale is recorded prior to or contemporaneous with the deed conveying the For Sale Affordable Unit and (b) a certification of income is completed within ninety (90) days before closing of such Sale. Owner, Mortgagee(s), City and any title insurer shall each be a third party beneficiary of each such Certificate of Purchaser Eligibility.

5.3 **Closing Procedures and Form of Deed.**

5.3.1 *Owner to Provide Copy of Covenant.* Owner shall provide the Qualified Purchaser with a copy of this Covenant prior to or at the closing on the Sale of the For Sale Affordable Unit.

5.3.2 *Form of Deed.* All deeds used to convey a For Sale Affordable Unit must have a fully executed Certificate of Purchaser Eligibility attached, and shall include the following statement in twelve (12) point or larger type, in all capital letters, on the front page of the deed:

THIS DEED IS DELIVERED AND ACCEPTED SUBJECT TO THE PROVISIONS AND CONDITIONS SET FORTH IN THAT CERTAIN DECLARATION OF AFFORDABLE DWELLING UNITS COVENANTS, DATED AS OF 20_ RECORDED AMONG THE LAND RECORDS OF THE CITY OF RICHMOND, VIRGINIA, AS INSTRUMENT NUMBER ON 20 , WHICH AMONG OTHER THINGS IMPOSES RESTRICTIONS ON THE SALE AND CONVEYANCE OF THE SUBJECT PROPERTY.

5.3.3 *Deed for For Sale Affordable Unit.* A deed for a For Sale Affordable Unit shall not be combined with any other property, including parking spaces or storage facilities, unless the price of such property is included in the Maximum Sales Price (for initial Sales) or Maximum Resale Price (for subsequent Sales).

5.3.4 *Post-Closing Obligations.* The purchaser of a For Sale Affordable Unit shall submit to the City within thirty (30) days after the closing a copy of the final executed settlement statement, a copy of the deed recorded in the Land Records, the Certificate of Purchaser Eligibility, and the certification of income.

5.4 **Rejection of Applicants.** In connection with the Sale of a For Sale Affordable Unit, Owner may reject any applicant seeking to acquire a For Sale Affordable Unit who has provided a certification of income or other evidence of eligibility, if, based on such applicant's application, background, or creditworthiness (including, without limitation, the applicant's inability to provide credible evidence that such applicant will qualify for sufficient financing to purchase the For Sale Affordable Unit), Owner determines in good faith that such applicant does not meet the criteria to purchase or occupy a For Sale Affordable Unit, provided that such criteria does not violate applicable laws and is the same criteria as Market-Rate Units, except as required by this Covenant. In the event any rejected applicant raises an objection or challenges Owner's rejection

of such applicant, Owner shall be solely responsible for ensuring that its rejection of any applicant is not in violation of law. Owner shall provide the City with all documents evidencing Owner's review and rejection of an applicant, upon the request of the City.

5.5 **Representations of Owner.** By execution of a deed for a For Sale Affordable Unit, Declarant (for initial Sales) and the Affordable Unit Owner (for subsequent Sales) shall be deemed to represent and warrant to the City and, if applicable, the title company, each of whom may rely on the following: that (i) the Household is determined to be a Qualified Purchaser at the Designated Affordability Level, and (ii) the sale price satisfies the terms of this Covenant.

5.6 **Annual Certification of Residency.** During the Affordability Period, the Affordable Unit Owner shall submit to the City annually on the anniversary of the closing date for a For Sale Affordable Unit, a Certification of Residency. The Certification of Residency shall be submitted on or with such form as may be prescribed by City.

5.7 **Leasing For Sale Affordable Units.** An Affordable Unit Owner shall not lease, or permit a sublease of, a For Sale Affordable Unit.

5.8 **Succession.** Except as provided in Article VIII, in the event an Affordable Unit Owner voluntarily or involuntarily transfers all or part of the For Sale Affordable Unit pursuant to operation of law, court order, divorce, or death to a transferee, heir, devisee or other personal representative of such owner of a For Sale Affordable Unit (each a "Successor in Interest"), such Successor in Interest, shall automatically be bound by all of the terms, obligations and provisions of this Covenant; and shall either: (i) occupy the For Sale Affordable Unit if he or she is a Qualified Purchaser, or (ii) if the Successor in Interest does not wish to or is unable to occupy the For Sale Affordable Unit, he or she shall promptly sell it in accordance with this Covenant.

5.9 **Prohibition on Occupancy.** In no event shall a Successor in Interest who is not a Qualified Purchaser reside in a For Sale Affordable Unit for longer than ninety (90) days.

5.10 **Progress Reports.** Until all initial Sales of For Sale Affordable Units are completed, Declarant shall provide City with annual progress reports, or more frequently upon request, on the status of its sale of the For Sale Affordable Units.

ARTICLE VI
DEFAULT; ENFORCEMENT AND REMEDIES

6.1 **Default; Remedies.** Except as otherwise provided in Section 6.2, in the event Owner, defaults under any term of this Covenant and does not cure such default within thirty (30) days following written notice of such default from the City, the City shall have available to it all remedies at law and in equity, including the right to seek specific performance, injunctive relief, or other equitable remedies, including compelling the re-sale or leasing of an Affordable Housing Unit and the disgorgement of rents and sale proceeds in excess of the rental rates and sale prices permitted hereunder, for defaults under this Covenant.

6.2 **Right to Cure Period.** Notwithstanding anything contained in Section 6.1 above to the contrary, if a default by the Declarant occurs under this Covenant, the City shall provide the

Declarant with written notice setting forth the alleged violation with particularity and shall provide at least forty-five (45) days to cure the alleged violation, prior to exercising its remedies. The City may extend the cure period in its sole discretion, provided that the cure period shall be extended for an additional ninety (90) days if the Declarant commences to cure the alleged violation within the initial forty-five (45) day period and diligently pursues the cure during such period.

6.3 **No Waiver.** Any delay by the City in instituting or prosecuting any actions or proceedings with respect to a default hereunder, in asserting its rights or pursuing its remedies hereunder shall not operate as a waiver of such rights.

6.4 **Right to Attorney's Fees.** If the City shall prevail in any such legal action to enforce this Covenant, then Owner, Affordable Unit Tenant, Person or Household against whom the City prevails, shall pay City all of its costs and expenses, including reasonable attorney fees (to include the cost of attorneys employed in the Office of the City Attorney), incurred in connection with City efforts to enforce this Covenant.

ARTICLE VII
COVENANTS BINDING ON SUCCESSORS AND ASSIGNS

This Covenant is and shall be binding upon the Property and each Affordable Housing Unit and shall run with the land as of the Effective Date through the Affordability Period. The rights and obligations of City, Declarant, Affordable Unit Owner, and their respective successors, heirs, and assigns shall be binding upon and inure to the benefit of the foregoing parties and their respective successors, heirs, and assigns; provided however that all rights of City pertaining to the monitoring and enforcement of the obligations of Declarant or Affordable Unit Owner hereunder shall be retained by City, or such designee of the City as the City may so determine. No Sale, transfer or foreclosure shall affect the validity of this Covenant, except as provided in Article VIII.

ARTICLE VIII
MORTGAGES

8.1 **Subordination of Mortgages.** All Mortgages placed against the Property, or any portion thereof, shall be subject and subordinate to this Covenant, except as provided in Section 8.3.

8.2 **Amount of Mortgage.** In no event shall the aggregate amount of all Mortgages placed against a For Sale Affordable Unit exceed an amount equal to one hundred five percent (105%) of the Maximum Resale Price for such unit. Prior to obtaining any Mortgage or refinancing thereof, the Affordable Unit Owner shall request from the City the then-current Maximum Resale Price for its For Sale Affordable Unit.

8.3 **Default of Mortgage and Foreclosure.**

8.3.1 *Notice of Default.* The Mortgagee shall provide to the City written notice of any notice of default and notice of intent to foreclose under the Mortgage on the For Sale Affordable Unit. Notwithstanding the foregoing, in no event shall failure to provide such notices preclude the Mortgagee's right to proceed with its remedies for default under the Mortgage.

8.3.2 *Termination Upon Foreclosure and Assignment.* In the event title to a For Sale Affordable Unit is transferred following foreclosure by, or deed in lieu of foreclosure to a Mortgagee in first position, or a Mortgage in first position is assigned to the Secretary of HUD, the terms of this Covenant applicable to such unit shall automatically terminate subject to Sections 8.3.3.

8.3.3 *Apportionment of Proceeds.* In the event title to a For Sale Affordable Unit is transferred according to the provisions of Section 8.3.2, the proceeds from such foreclosure or transfer shall be apportioned and paid as follows: first, to the Mortgagee, in the amount of debt secured under the Mortgage, including commercially reasonable costs and expenses, if any, incurred by Mortgagee and due and payable by the Affordable Unit Owner under the terms of the Mortgage; second, to any junior Mortgagees, in the amount of the debt secured under such Mortgages; and third, to the For Sale Affordable Unit Owner, up to the amount of the Maximum Resale Price as of the date of such sale or transfer.

8.3.4 *Effect of Foreclosure on this Covenant.* Except as provided in Section 8.3.2 in the event of foreclosure or deed in lieu thereof, this Covenant shall not be released or terminated and the Mortgagee or any Person who takes title to an Affordable Housing Unit through a foreclosure sale shall become a Successor in Interest in accordance with Section 5.8.

ARTICLE IX
AMENDMENT OF COVENANT

Neither this Covenant, nor any part hereof, can be amended, modified or released other than as provided herein by an instrument in writing duly authorized by the City, and by a duly authorized representative of Owner of such Affordable Housing Unit affected by such amendment. Any amendment to this Covenant that alters the terms and conditions set forth herein shall be recorded among the Land Records before it shall be deemed effective.

ARTICLE X
AFFORDABILITY PERIOD

All Affordable Housing Units on the Property shall be sold or leased in accordance with the terms of this Covenant for the duration of the applicable Affordability Period. The Affordability Period for each For Sale Affordable Unit shall be a period of ten (10) years beginning on the date of the Sale of the unit to the initial Affordable Unit Owner. The Affordability Period for each Rental Affordable Unit shall be a period of thirty (30) years beginning on the date upon which the building containing the Rental Affordable Unit is placed in service.

ARTICLE XI

NOTICES

Any notices given under this Covenant shall be in writing and delivered by certified mail (return receipt requested, postage pre-paid), by hand, or by reputable private overnight commercial courier service to the applicable Person at the addresses specified in this Article, or to such other persons or locations as may be designated by the City or the Declarant from time to time. All notices shall be sent to the following address:

A. To the City:

Chief Administrative Officer
City of Richmond, Virginia
900 East Broad Street, Suite 201
Richmond, Virginia 23219

with a copy to:

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

B. To the Developer:

_____
_____
_____
Attention: _____

C. To the EDA:

D. To the Declarant:

All notices to be sent to the Affordable Unit Owner shall be sent to the address on record with the Office of the Assessor of the City of Richmond. All notices to be sent to any Affordable Unit Tenant shall be sent to the unit number referenced in its lease. It shall be the responsibility of the applicable Person and any successor to the applicable Person to provide the City with a

current address. The failure of the applicable Person to provide a current address shall be a default under this Covenant.

Notices shall be deemed delivered as follows: (i) if hand delivered, then on the date of delivery or refusal thereof; (ii) if by overnight courier service, then on the next business day after deposit with the overnight courier service; and (iii) if by certified mail (return receipt requested, postage pre-paid), then on the date of actual delivery or refusal thereof.

ARTICLE XII
MISCELLANEOUS

12.1 **Applicable Law: Forum for Disputes**. This Covenant shall be governed by, interpreted under, and construed and enforced in accordance with the laws of the Commonwealth of Virginia, without reference to the conflicts of laws provisions thereof. Owner, Affordable Unit Tenants and the Declarant irrevocably submit to the jurisdiction of the Circuit Court of the City of Richmond, Virginia for the purposes of any suit, action or other proceeding arising out of this Covenant or any transaction contemplated hereby. Owner, Affordable Unit Tenants and the Declarant irrevocably and unconditionally waive any objection to the laying of venue of any action, suit or proceeding arising out of this Covenant or the transactions contemplated hereby in the Circuit Court of the City of Richmond, Virginia, and hereby further waive and agree not to plead or claim in any such court that any such action, suit or proceeding brought in any such court has been brought in an inconvenient forum.

12.2 **Counterparts.** This Covenant may be executed in any number of counterparts, each of which shall be an original but all of which shall together constitute one and the same instrument.

12.3 **Time of Performance.** All dates for performance (including cure) shall expire at 5:00 p.m. (Eastern Time) on the performance or cure date. A performance date which falls on a day other than a business day shall automatically be extended to the next business day.

12.4 **Further Assurances.** Each party agrees to execute and deliver to the other party such additional documents and instruments as the other party reasonably may request in order to fully carry out the purposes and intent of this Covenant; provided that such additional documents and instruments do not materially increase the obligations or burdens upon the second party.

12.5 **Severability.** If any provision of this Covenant is held to be unenforceable or illegal for any reason, said provision shall be severed from all other provisions. Said other provisions shall remain in effect without reference to the unenforceable or illegal provision.

12.6 **Limitation on Liability.** Provided that Owner has exercised reasonable due diligence in the performance of its obligations and duties herein, no Owner shall be liable in the event a Household submits falsified documentation, commits fraud, or breaches any representation or warranty contained in this Covenant. Notwithstanding the foregoing, Owner shall be liable if Owner has knowledge, or should have knowledge, that a Household submitted falsified documentation, committed fraud, or breached any representation or warranty contained in this Covenant.

12.7 **City Limitation on Liability.** Any review or approval by the City shall not be deemed to be an approval, warranty, or other certification by the City as to compliance of such submissions, the Property, or any Affordable Housing Unit with any building codes, regulations, standards, laws, or any other requirements contained in this Covenant or any other covenant granted in favor of the City that is filed among the Land Records; or otherwise contractually required. The City shall incur no liability in connection with the City's review of any submissions required under this Covenant as its review is solely for the purpose of protecting the City's interest under this Covenant.

12.8 **No Third Party Beneficiary.** Except as expressly set forth in this Covenant, there are no intended third party beneficiaries of this Covenant, and no Person other than City shall have standing to bring an action for breach of or to enforce the provisions of this Covenant.

12.9 **Representations of Declarant.** As of the date hereof, Declarant hereby represents and warrants as follows:

(a) This Covenant has been duly executed and delivered by Declarant, and constitutes the legal, valid and binding obligation of Declarant, enforceable against Declarant, and its successors and assigns, in accordance with its terms;

(b) Neither the entering into of this Covenant nor performance hereunder will constitute or result in a violation or breach by Declarant of any agreement or order which is binding on Declarant; and

(c) Declarant (i) is duly organized, validly existing and in good standing under the laws of its state of jurisdiction and is qualified to do business and is in good standing under the laws of the Commonwealth of Virginia; (ii) is authorized to perform under this Covenant; and (iii) has all necessary power to execute and deliver this Covenant.

12.10 **Federal Affordability Restrictions.** In the event the Property is encumbered by other affordability restrictions **("Federal Affordability Restrictions")** as a result of federal funding or the issuance of Low-Income Housing Tax Credits for the Project, it is expressly understood and agreed that in the event the requirements in this Covenant would cause a default of or finding of non-compliance **("Conflict")** with the Federal Affordability Restrictions during the compliance period for the Federal Affordability Restrictions, then the requirements of the Federal Affordability Restrictions shall control to the extent of the Conflict. In all other instances, the requirements of this Covenant shall control.

12.11 **Authorization to Act.** The Chief Administrative Officer of the City of Richmond, Virginia or a designee thereof is authorized to act on behalf of the City under this Covenant.

[Signatures on Following Pages]

IN TESTIMONY WHEREOF, Declarant has caused these presents to be signed, acknowledged and delivered in its name by _____ , its duly authorized _____ and witnessed by _____its _____.

WITNESS

By:_____
Name: _____
Title: _____

DECLARANT [SEAL]

By:_____
Name: _____
Title: _____

COMMONWEALTH OF VIRGINIA

CITY OF RICHMOND, to-wit:

_____, a Notary Public in and for the Commonwealth of Virginia, DO HEREBY CERTIFY THAT who is personally known to be (or approved by oaths of credible witnesses to be) the person named as _____ for _____ in the foregoing and annexed Declaration of Affordable Dwelling Units Covenants, bearing the date of _____ personally appeared before me_____ and as _____ acting on behalf of _____, as aforesaid, acknowledged the same to be his/her free act and deed.

Given under my hand and seal this_____day of_____

_____

Notary Public

My Commission Expires: _____

EXHIBIT I (AFFORDABLE HOUSING COVENANT)
TO
DIAMOND DISTRICT REDEVELOPMENT PROJECT DEVELOPMENT AGREEMENT

APPROVED AND ACCEPTED THIS DAY OF , 20 :

CITY OF RICHMOND,

By: _____
Chief Administrative Officer

Approved as to form:

By: _____
City Attorney

EXHIBIT A
Legal Description of Property

[See attached]

EXHIBIT I (AFFORDABLE HOUSING COVENANT)
TO
DIAMOND DISTRICT REDEVELOPMENT PROJECT DEVELOPMENT AGREEMENT

EXHIBIT B

Rental Affordable Unit Lease Rider

This Affordable Unit Lease Rider ("Rider") is attached to and incorporated into the lease dated ("Lease") between ("Resident" or "You") and , as Management Agent ("Manager") for ("Owner") for Apartment ("Premises"). All capitalized terms not defined in this Rider shall have the meaning provided in the Affordable Housing Covenant (as defined below).

In consideration of the mutual covenants set forth in the Lease and below, you agree that your use and possession of the Premises is subject to the terms and conditions set forth in the Lease and the following terms and conditions, which are in addition to and supplement the Lease. The following terms and conditions are material terms of the Lease and your failure to comply with them will be grounds for lease termination:

AFFORDABLE UNIT: Resident acknowledges that the Premises is subject to that certain Declaration of Affordable Dwelling Units Covenants dated [date], 20_, as may be subsequently amended (the "Affordable Housing Covenant"). The Premises is currently designated as an Affordable Housing Unit, which requires the Resident's household income to be less than or equal to ____ of the Area Median Income (AMI).

DEFINED TERMS: Those terms not specifically defined herein shall be assigned the definition provided in the Affordable Housing Covenant.

ELIGIBILITY: In order for you, as Resident, to be eligible to rent an Affordable Housing Unit, you must be and remain an "Affordable Unit Tenant" as defined in the Affordable Housing Covenant.

INCOME CERTIFICATION / INCOME RECERTIFICATION: No more than ninety (90) days and no less than thirty (30) days before each anniversary of the first day of the Lease, Manager will request the Resident to provide the following:

(i) an executed Certification of Residency that states that Resident occupies the Premises as his/her/their principal residence,

(ii) all information pertaining to the Resident's household composition and income for all household members,

(iii) a release authorizing third party sources to provide relevant information regarding the Resident's eligibility for the Affordable Housing Unit, as well as how to contact such sources, and

(iv) any other reasonable and customary representations, information or documents requested by the Manager.

Resident shall submit the foregoing listed documentation within fifteen (15) days of Manager's request. Within ten (10) days of City's receipt of the foregoing documentation and based on the results of the annual income recertification review, City will determine whether the Resident remains income eligible for the Premises and notify the Resident of his or her household's AMI percentage, and (a) if the Resident is no longer income eligible for the Premises, the income category for which the Resident is income eligible to lease a unit in the apartment community, or

(b) if the Resident is income eligible for the Premises, provide a certification of income verifying that the income of the Resident meets income eligibility for the Premises.

Resident's failure to provide such documents shall be grounds for lease termination and eviction. Pending any such termination and eviction, Declarant shall treat the Resident as an Over Income Tenant and charge market rate rent.

Upon annual recertification, if the Resident remains income eligible for the Premises, the Resident will be eligible to remain in the Premises and to renew this Lease at the then-current lease rate for the Premises. If the Resident's Annual Household Income is determined to exceed the Maximum Annual Household Income applicable to the Premises, then the Resident may remain in the Premises and pay the rent applicable to an Affordable Housing Unit at a higher affordability level for which the Resident's Annual Household Income qualifies. If the Resident's Annual Household Income is determined to exceed the Maximum Annual Income for the Affordable Housing Unit with the highest AMI level in the Property, then the Owner may allow the Resident to remain in the Premises and to pay the applicable market-rate rent for the Premises.

Manager will notify Resident of all options (i.e., an Affordable Housing Unit at a different AMI category or a market rate unit) for which Resident is income eligible prior to the expiration of the Resident's lease term. Prior to the expiration of the Resident's lease term, the Resident shall notify Manager in writing of the Resident's election to either (i) remain in the Premises and pay the rental rate applicable to the Resident's then current AMI category if the Resident's Annual Household Income is at or below the established AMI categories of [ ]AMI or [ ] AMI, (ii) remain in the Premises paying the market rate rent for that unit if the Resident's then current income is above the highest AMI level, or (iii) vacate the Premises at the end of the Resident's lease term. Resident's failure to notify Manager of Resident's election prior to the expiration of the lease term will be deemed by Manager as Resident's election to vacate the Premises.

In the event that Resident fails to pay the applicable rental rate or vacate the Premises upon expiration of the lease term, Manager shall pursue an action for eviction of Resident. Resident's agreement to pay the applicable rental rate or vacate was a condition precedent to Manager's initial acceptance of Resident's eligibility and Manager has relied on Resident's agreement. Resident acknowledges and agrees that failure to vacate the Premises or pay the applicable rental rate is both a default under the Lease and in violation of the Affordable Housing Covenant.

PROHIBITION ON SUBLETS AND ASSIGNMENTS: Resident may not sublease any portion of the Premises or assign its Lease to any other person.

LEASE EFFECTIVE: The Lease of the Premises shall only be effective if this executed Rider, a certification of income, a Certification of Tenant Eligibility (for initial lease term), and a Certificate of Residency (for lease renewals) are attached as exhibits to the Lease.

Resident Signature _____ Date _____

Resident Signature _____ Date _____

SCHEDULE 1

Maximum Sales Price

The following assumptions shall be used in calculating the Maximum Sales Price of a For Sale Affordable Unit.

i. *Condominium Fees, if applicable:* Use the actual monthly condominium fees, or if unknown, estimate monthly condominium fees at $0.60 per square foot. If the actual size of the For Sale Affordable Unit is unknown, use the square footage estimated in the chart below based on unit type.

Multi-Family Development

Studio	1-Bedroom	2-Bedroom	3-Bedroom
500	625	900	1,050

ii. *Homeowner Fees, if applicable:* Use the actual monthly homeowner fees, or if unknown, estimate monthly homeowner fees at $0.10 per square foot. If the actual size of the For Sale Affordable Unit is unknown, use the square footage estimated in the chart below based on home type.

Single-Family Development

2-Bedroom	3-Bedroom	4-Bedroom
1,100	1,300	1,500

iii. *Monthly Hazard Insurance, if single family home:* Estimated to be $125.00 per month. If a more recent survey or source is available, the City shall instruct Declarant to use a different estimate.

iv. *Monthly Real Property Taxes:* Base monthly real property taxes on the estimated price of the For Sale Affordable Unit at current real estate tax rates ($1.20 per $100 in 2023).

v. *Mortgage Rate:* Mortgage rates are determined by the most recent monthly average of a 30 year fixed rate mortgage at www.freddiemac.com plus a one percent (1%) cushion. For this example, assume an average rate of 4.40%. After adding the 1% cushion, the rate for calculation of the Maximum Resale Price would be 5.40%.

vi. *Down payment:* Assume a down payment of 5% on the purchase of the For Sale Affordable Unit.

SCHEDULE 2

Provisions Governing Calculation of Maximum Resale Price

1. The Maximum Resale Price ("MRP") for a subsequent sale of a For Sale Affordable Unit shall be determined through use of the formula MRP = P x (F) + V ("Formula"), where:

(a) P = the price Owner paid for the For Sale Affordable Unit;

(b) V = the sum of the value of the Eligible Capital Improvements and Eligible Replacement and Repair Costs, as determined by the City pursuant to this section; and

(c) F = the average of the Ten Year Compound Annual Growth Rates of the Area Median Income ("AMI") from the first year of ownership of the For Sale Affordable Unit to the year of the sale of the For Sale Affordable Unit by the Affordable Unit Owner. This average may be expressed:

As the result of the formula F = (1 + [((AMI Year m /AMI Year m-10) A (1/10) -1) +...((AMI Year k /AMI year k-10) ^{A} (1/10) -1) / n]) ^{A} n, where m = the year after the For Sale Affordable Unit was purchased by Owner, k = the year in which the For Sale Affordable Unit is sold by Owner, and n = the number of years the For Sale Affordable Unit is owned by Owner.

2. For the purposes of determining the value of "V" in the Formula, the following improvements made to a For Sale Affordable Unit after the date of purchase may be included at the percentage of cost indicated, to the extent they are permanent in nature and add to the market value of the property:

(a) Eligible Capital Improvements, which will be valued at 100% of reasonable cost, as determined by the City; and

(b) Eligible Replacement and Repair Costs, which shall be valued at 50% of reasonable cost, as determined by the City.

3. Ineligible costs shall not be included in the determining the value of "V" in the Formula.

4. The value of improvements may be determined by the City based upon documentation provided by the Affordable Unit Owner or, if not provided, upon a standard value established by the City.

5. The City may disallow an Eligible Capital Improvement or Eligible Replacement and Repair Cost if the City finds that the improvement diminished or did not increase the fair market value of the For Sale Affordable Unit or if the improvements make the For Sale Affordable Unit unaffordable to all Qualified Purchasers at the Designated Affordability Level.

6. The City may reduce the value of a capital improvement if there is evidence of abnormal physical deterioration of, or abnormal wear and tear to, the capital improvement.

7. Owner shall permit a representative of the City to inspect the For Sale Affordable Unit upon request to verify the existence and value of any capital improvements that are claimed by Owner.

8. No allowance shall be made in the Maximum Resale Price for the payment of real estate brokerage fees associated with the sale of the For Sale Affordable Unit.

9. The value of personal property transferred to a purchaser in connection with the resale of a For Sale Affordable Unit shall not be considered part of the sales price of the For Sale Affordable Unit for the purposes of determining whether the sales price of the For Sale Affordable Unit exceeds the MRP.

10. Any capitalized terms used in this Schedule that are not defined herein shall have the meanings set forth in the Covenant. As used in this Schedule, the following capitalized terms shall have the meanings indicated below:

Eligible Capital Improvement: major structural system upgrades, special assessments, new additions, and improvements related to increasing the health, safety, or energy efficiency of a For Sale Affordable Unit. Such improvements generally include: (i) major electrical wiring system upgrades; (ii) major plumbing system upgrades; (iii) room additions; (iv) installation of additional closets and walls; (v) alarm systems; (vi) smoke detectors; (vii) removal of toxic substances, such as asbestos, lead, mold, or mildew; (viii) insulation or upgrades to double-paned windows or glass fireplace screens; and (ix) upgrade to Energy Star built-in appliances, such as furnaces, water heaters, stoves, ranges, dishwashers, and microwave hoods. Improvements that meet these criteria will be given 100% credit by the City.

Eligible Replacement and Repair Cost: in-kind replacement of existing amenities and repairs and general maintenance that keep a For Sale Affordable Unit in good working condition. Such improvements generally include: (i) electrical maintenance and repair, such as switches and outlets; (ii) plumbing maintenance and repair, such as faucets, supply lines, and sinks; (iii) replacement or repair of flooring, countertops, cabinets, bathroom tile, or bathroom vanities; (viii) non-Energy Star replacement of built-in appliances, including furnaces, water heaters, stoves, ranges, dishwashers, and microwave hoods; (ix) replacement of window sashes; (x) fireplace maintenance or in-kind replacement; (xi) heating system maintenance and repairs; and (xii) lighting system. Costs that meet these criteria will be given 50% credit for repairs as determined by the City.

Ineligible Costs: means costs of cosmetic enhancements, installations with limited useful life spans and non-permanent fixtures not eligible for capital improvement credit as determined by the City.

EXHIBIT J

FORM OF PARENT GUARANTY

[TO BE ATTACHED]

EXHIBIT J
FORM OF PARENT GUARANTY

This **GUARANTY** (this "Guaranty") is made as of [●], by **[●],** a [●] (the "Guarantor"), to RVA Diamond Partners LLC (the "Developer"), a Virginia limited liability company, with respect to the obligations of [***Name of Construction Contractor or O&M Contractor***], a [●] (the "Contractor"), pursuant to that certain Diamond District Redevelopment Project Development Agreement, dated as of [●], by and between the Developer, the City of Richmond, a municipal corporation and political subdivision of the Commonwealth of Virginia (the "City") and the Economic Development Authority of the City of Richmond, Virginia, a political subdivision of the Commonwealth of Virginia (the "EDA") (as amended, altered, varied or supplemented, the "Development Agreement"), and pursuant to that certain Contract, dated as of [●], by and between the Developer and the Contractor (as amended, altered varied or supplemented, the "Contract". The Development Agreement and the Contract are hereby incorporated by reference herein, and capitalized terms used herein and not otherwise defined herein shall have the meanings set forth in the Development Agreement and the Contract, as the context requires. The Guarantor is an Affiliate of the Contractor. The Guarantor acknowledges that financial and direct benefits will accrue to the Guarantor by virtue of entering into this Guaranty and that such benefits constitute adequate consideration therefor.

This Guaranty is provided pursuant to [Sections 4.2(b), 5.6(b) and 5.7(c)] of the Development Agreement.

1. GUARANTY

1.1. Guaranty. The Guarantor guarantees to the Developer, absolutely, unconditionally and irrevocably, that each and every payment and performance obligation and other liability of the Contractor now or hereafter arising under the Contract, including but not limited to all obligations and liabilities of the Contractor under any and all representations and warranties made or given by the Contractor under the Contract, under any and all liquidated or stipulated damage provisions of the Contract, and under any and all indemnities given by the Contractor under the Contract (collectively the "Guaranteed Obligations") will be paid promptly and satisfied in full when due and without offset, and performed and completed when required. This is a continuing guaranty of payment and performance of the Guaranteed Obligations.

1.2. Obligations. Except as otherwise provided in Section 4.6 below, the obligations of the Guarantor hereunder are absolute and unconditional and independent of the [Guaranteed Obligations] and shall remain in full force and effect until all the Guaranteed Obligations have been paid, performed and completed in full, irrespective of any assignment, amendment, modification or termination of the Contract.

1.3. No Exoneration. Except as otherwise provided in Section 4.6 below, the obligations of the Guarantor hereunder shall not be released, discharged, exonerated or impaired in any way by reason of:

1.3.1. any failure of the Contractor to retain or preserve any rights against any person, except to the extent the Contractor is required to do so under the terms of the Contract and such failure prejudices Guarantor;

1.3.2. the lack of prior enforcement by the Contractor of any rights against any person and the lack of exhaustion of any bond, letter of credit or other security held by the Contractor, except to the extent the Contractor is required to do so under the terms of the Contract and such failure prejudices Guarantor;

1.3.3. the lack of authority or standing of the Contractor or the dissolution of the Guarantor or the Contractor;

1.3.4. with or without notice to the Guarantor, the amendment, alteration, acceleration, extension, waiver, retirement, suspension, surrender, compromise, settlement, release, revocation or termination of, or failure to assert, any portion of the Guaranteed Obligations, the Contract, the Development Agreement, any rights or remedies of the Developer (including rights of offset) against the Contractor, or any bond, letter of credit, other guaranty, instrument, document, collateral security or other property given or available to the Developer to secure all or any part of the Guaranteed Obligations; *provided* that, notwithstanding the foregoing, the Guarantor shall have available to it any and all defenses relating to the Guaranteed Obligations that may be available to the Contractor based on any such amendment, alteration, acceleration, extension, waiver, retirement, suspension, surrender, compromise, settlement, release, revocation or termination or failure to assert voluntarily made by the Developer, except defenses available to the Contractor under any federal or state law respecting bankruptcy, arrangement, reorganization or similar relief of debtors and those expressly waived under this Guaranty;

1.3.5. the extension of the time for payment of any amount owing or payable under the Contract or of the time for performance or completion of any Guaranteed Obligation; *provided, however,* that to the extent the Developer grants the Contractor an extension of time under the Contract for performance of any of the obligations of the Contractor thereunder, such extension of time shall likewise extend the time for performance by the Guarantor;

1.3.6. the existence now or hereafter of any other guaranty or endorsement by the Guarantor or anyone else of all or any portion of the Guaranteed Obligations;

1.3.7. the acceptance, release, exchange or subordination of additional or substituted security for all or any portion of the Guaranteed Obligations;

1.3.8. the taking of any action or the failure to take any action simply because it would constitute a legal or equitable defense, release or discharge of a surety;

1.3.9. any bankruptcy, arrangement, reorganization or similar proceeding for relief of debtors under federal or state law hereafter initiated by or against the Contractor [or any of its members];[1]

1.3.10. any full or partial payment or performance of any Guaranteed Obligation which is required to be returned as a result of or in connection with the insolvency, reorganization or bankruptcy of the Contractor [or any of its members or otherwise];

1.3.11. the rejection of the Contract in connection with the insolvency, reorganization or bankruptcy of the Contractor [or any of its members];

1.3.12. an impairment of or limitation on damages otherwise due from the Contractor by operation of law as a result of any insolvency, reorganization or bankruptcy proceeding by or against the Contractor or any of its members;

1.3.13. failure by the Developer to file or enforce a claim against the estate (either in administration, bankruptcy or other proceedings) of the Contractor, [any of its members,] the Guarantor or any other guarantor;

1.3.14. any merger, consolidation or other reorganization to which the Contractor or the Guarantor is a party;

1.3.15. any sale or disposition of all or any portion of the Guarantor's direct or indirect ownership in the Contractor, or action by the Guarantor or its Affiliates which results in discontinuation or interruption in the business relations of the Contractor with the Guarantor (unless another entity acceptable to the Developer, in the Developer's sole discretion, assumes the Guarantor's liability hereunder); or

1.3.16. the failure of the Developer to assert any claim or demand, bring any action or exhaust its remedies against the Contractor or any security before proceeding against the Guarantor hereunder after the expiration of applicable notice and cure periods.

1.4. <u>Enforcement of the Contract and Guaranteed Obligations</u>.

1.4.1. Nothing contained herein shall prevent or limit the Developer from pursuing any of its rights and remedies under the Contract. The Developer may apply any available moneys, property or security in such manner and amounts and at such times to the payment or reduction or performance of any Guaranteed Obligation as it may elect, and may generally deal with the Contractor, the Guaranteed Obligations, such security and property as the Developer may see fit. Notwithstanding the foregoing, the Guarantor shall remain bound by this Guaranty.

[1] **Note to Draft:** To be included if the Construction Contractor is structured as a joint venture or partnership.

1.4.2. In the event that Contractor defaults on any of the Guaranteed Obligations, the Guarantor shall be obligated to undertake all curative actions (which may include payments relating to the Guaranteed Obligations and/or performance of the Guaranteed Obligations) within fourteen (14) days (or immediately, in the case of emergency conditions) following notice under Section 4.6 below (to the extent not prohibited thereunder). Thereafter, the Guarantor shall use commercially reasonable efforts to effectuate such curative actions without further notice. If the Guarantor fails to undertake such curative actions in a timely manner, the Developer shall have the right to perform or have performed by third parties the necessary curative actions, and the costs thereof shall be borne by the Guarantor. Any payment by the Guarantor to the Developer shall be in U.S. dollars.

1.4.3. The Developer may bring and prosecute a separate action or actions against the Guarantor to enforce its liabilities hereunder, regardless of whether any action is brought against the Contractor and regardless of whether any other person is joined in any such action or actions. Nothing shall prohibit the Developer from exercising its rights against the Guarantor, the Contractor, any other guarantor of the Guaranteed Obligations, a performance bond or other security, if any, which insures the payment relating to or performance of the Guaranteed Obligations, or any other person simultaneously, or any combination thereof jointly and/or severally. The Developer may proceed against the Guarantor from time to time as it sees fit in its sole and absolute discretion; *provided, however*, the Developer shall not be entitled to enforce its rights and claims under this Guaranty for a breach of the Guaranteed Obligations to the extent that it has already received payment or discharge or has otherwise been compensated in respect of the same breach of Guaranteed Obligations, including through insurance proceeds or call of any other security that the Developer may hold under the Contract.

2. REPRESENTATIONS AND WARRANTIES

2.1. Representations and Warranties. The Guarantor hereby represents and warrants, which shall be continuing representations and warranties until the expiration of the Guarantor's obligations under this Guaranty, that:

2.1.1. Consents. Consent of the Contractor to any modification or amendment of the Contract to which it is a party constitutes knowledge thereof and consent thereto by the Guarantor;

2.1.2. Organization and Existence. The Contractor is a [●] duly organized, validly existing and in good standing under the laws of its state of formation. The Guarantor is a corporation duly organized, validly existing and in good standing under the laws of [●];

2.1.3. Power and Authority. The Guarantor has the full power and authority to execute, deliver and perform this Guaranty, and to own and lease its properties and to carry on its business as now conducted and as contemplated hereby;

2.1.4. Authorization and Enforceability**.** This Guaranty has been duly authorized, executed and delivered by the Guarantor and constitutes the legal, valid and binding obligation of the Guarantor, enforceable against it in accordance with the terms hereof, subject as to enforceability of remedies to limitations imposed by bankruptcy, insolvency, reorganization, moratorium or other similar laws relating, to or affecting the enforcement of creditors' rights generally, as applicable to the Guarantor, and to general principles of equity;

2.1.5. No Governmental Consents. No authorization, consent or approval of, notice to or filing with, any governmental authority, is required for the execution, delivery and performance by the Guarantor of this Guaranty;

2.1.6. No Conflict or Breach. Neither the execution, delivery or performance by the Guarantor of this Guaranty, nor compliance with the terms and provisions hereof, conflicts or will conflict with or will result in a breach or violation of any material terms, conditions, or provisions of any Laws, regulations and ordinances applicable to the Guarantor or the charter documents, as amended, or bylaws or equivalent governing documents, as amended, of the Guarantor, or any order, writ, injunction or decree of any court or governmental authority against the Guarantor or by which it or any of its properties are bound, or any indenture, mortgage or contract or other agreement or instrument to which the Guarantor is a party or by which it or any of its properties are bound, or constitutes or will constitute a default thereunder or will result in the imposition of any lien upon any of its properties;

2.1.7. No Proceedings. There are no suits or proceedings pending, or, to the knowledge of the Guarantor, threatened in any court or before any regulatory commission, board or other governmental administrative agency against the Guarantor which could reasonably be expected to have a material adverse effect on the business or operations of the Guarantor, financial or otherwise, or on its ability to fulfill its obligations hereunder;

2.1.8. Contract. The Guarantor is fully aware of and consents to the terms and conditions of the Contract;

2.1.9. Financial Statements. All financial statements and data that have been given to the Developer by the Guarantor with respect to the Guarantor: (i) are complete and correct in all material respects as of the date given; (ii) accurately present in all material respects the financial condition of the Guarantor as of the date thereof; and (iii) have been prepared in accordance with generally accepted accounting principles consistently applied throughout the periods covered thereby;

2.1.10. No Adverse Change. There has been no material adverse change in the financial condition of the Guarantor since the date of the most recent financial statements given to the Developer with respect to the Guarantor;

2.1.11. No Default. The Guarantor is not in default in the performance, observance or fulfillment of any of the obligations, covenants or

conditions set forth in any agreement or instrument to which the Guarantor is a party, which default may materially and adversely affect the Guarantor's ability to fulfill its obligations hereunder;

2.1.12. Accuracy of Information. All other reports, papers and written data and information given to the Developer by the Guarantor with respect to the Guarantor are accurate and correct in all material respects and complete; and

2.1.13. Notice of Change. The Guarantor shall advise the Developer in writing of any material adverse change in the business or financial condition of the Guarantor and promptly furnish to the Developer such information about the financial condition of the Guarantor as the Developer shall reasonably request.

3. WAIVERS, SUBROGATION AND SUBORDINATION

3.1. Waivers.

3.1.1. The Guarantor hereby unconditionally waives:

3.1.1.1. notice of acceptance of this Guaranty or of the intention to act in reliance hereon and of reliance hereon;

3.1.1.2. notice of the incurring, contracting, amendment, alteration, acceleration, extension, waiver, retirement, suspension, surrender, compromise, settlement, release, revocation or termination of, or of the failure to assert, any Guaranteed Obligation;

3.1.1.3. demand on the Guarantor in the event of default of the Contractor under the Contract (but not the giving of notice to the extent required in Section 4.6 below);

3.1.1.4. any invalidity of the Contract due to lack of proper authorization of or a defect in execution thereof by the Contractor, its purported representatives or agents;

3.1.1.5. demand for payment or performance, presentment, protest and notice of nonpayment or dishonor to the Guarantor respecting any Guaranteed Obligation;

3.1.1.6. any right of the Guarantor to receive notices to the Contractor to which the Guarantor might otherwise be entitled except notice to the extent required in Section 4.6 below;

3.1.1.7. any demand for payment hereunder (but not the giving of notice to the extent required in Section 4.6 below); and

3.1.1.8. any duty on the part of the Developer to disclose to the Guarantor any facts the Developer may now or hereafter know with regard to the Contractor.

3.1.2. The Guarantor also hereby waives any right to require, and the benefit of all laws now or hereafter in effect giving the Guarantor the right to require, any prior enforcement as referred to in Section 1.3.2 above, and the Guarantor agrees that any delay in enforcing or failure to enforce any such rights or in making demand on the Guarantor for the performance of the obligations of the Guarantor under this Guaranty shall not in any way affect the liability of the Guarantor hereunder.

3.1.3. The Guarantor hereby waives, as against the Developer or any person claiming under the Developer, all rights and benefits which might accrue to the Guarantor by reason of any bankruptcy, arrangement, reorganization or similar proceedings by or against the Contractor and agrees that its obligations and liabilities hereunder shall not be affected by any modification, limitation or discharge of the obligations of the Contractor that may result from any such proceedings.

3.1.4. Until the Contractor shall have fully and satisfactorily paid, performed, completed and discharged all the Guaranteed Obligations, the Guarantor hereby agrees not to file, or solicit the filing by others of, any involuntary petition in bankruptcy against the Contractor.

3.2. Subrogation. Until the Contractor shall have fully and satisfactorily paid, performed, completed and discharged all the Guaranteed Obligations, the Guarantor shall not (absent the Developer's prior written consent) claim or enforce any right of subrogation, reimbursement or indemnity against the Contractor, or any other right or remedy which might otherwise arise on account of any payment made by the Guarantor or any act or thing done by the Guarantor on account of or in accordance with this Guaranty.

3.3. Subordination.

3.3.1. All existing or future indebtedness of the Contractor to the Guarantor is subordinated to all of the Guaranteed Obligations. Whenever and for so long as the Contractor shall be in default in the performance or payment of any Guaranteed Obligation, no payments with respect to any such indebtedness shall be made by the Contractor to the Guarantor without prior written notice to the Developer.

3.3.2. In the event that the Developer provides written consent pursuant to Section 3.2, the Guarantor shall file all claims against the Contractor in any bankruptcy or other proceedings in which the filing of claims is required or permitted by law upon any obligation or indebtedness of the Contractor to the Guarantor, and shall have assigned to the Developer all of the Guarantor's rights thereunder to the extent of outstanding and unsatisfied Guaranteed Obligations. If the Guarantor does not file any such claim, the Developer is authorized as the Guarantor's

attorney-in-fact to do so in the Guarantor's name, or in the discretion of the Developer, the Developer is authorized to assign the claim to, and cause proof of claim to be filed in the name of the Developer or its nominee. In all such cases, whether in administration, bankruptcy, or otherwise, the person or persons authorized to pay such claim shall pay to the Developer or its nominee the full amount payable on the claim in the proceeding before making any payment to the Guarantor, and to the full extent necessary for that purpose, the Guarantor assigns to the Developer all of its rights to any payments or distributions to which it otherwise would be entitled. If the amount so paid is in excess of the Guaranteed Obligations covered hereby, the Developer shall pay the amount of the excess to the party determined by it to be entitled thereto.

4. MISCELLANEOUS

4.1. Enforcement of Guaranty.

4.1.1. The terms and provisions of this Guaranty shall be governed by and interpreted in accordance with the laws of the Commonwealth of Virginia.

4.1.2. No supplement, amendment, modification, waiver or termination of this Guaranty shall be binding unless executed in writing and duly signed by the Guarantor and the Developer. No waiver of any of the provisions of this Guaranty shall be deemed or shall constitute a waiver of any other provisions hereof whether or not similar, nor shall such waiver constitute a continuing waiver unless otherwise expressly provided. No failure on the part of the Developer to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right hereunder preclude any other or further exercise of any other right.

4.1.3. All disputes between the Developer and the Guarantor arising under or relating to this Guaranty or its breach shall be filed, heard and decided in the Circuit Court for the City of Richmond, Virginia, Division I, and any appellate court deriving jurisdiction therefrom, which shall have exclusive jurisdiction and venue. The Guarantor hereby irrevocably waives the defense of an inconvenient forum to the maintenance of any action or proceedings in such court arising out of or relating to this Guaranty. The Guarantor agrees that a final non-appealable judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. The Guarantor agrees and consents to service of process by delivery in the manner and to the address set forth in Section 4.2 below. Nothing in this section shall affect the right of the Developer or to serve legal process in any other manner permitted by law.

4.1.4. The rights of the Developer hereunder are cumulative and shall not be exhausted by any one or more exercises of said rights against the Guarantor or other guarantors or by any number of successive actions until and unless all Guaranteed Obligations have been fully paid or performed.

4.1.5. The Developer acknowledges and agrees that this Guaranty does not and is not intended to impose, in the event the Guaranty is called upon, any greater obligations upon the Guarantor than are imposed upon the Contractor under the Contract, other than with respect to the Guarantor's obligation hereunder to pay the Developer for its reasonable costs and expenses of enforcing this Guaranty.

4.1.6. The Guarantor shall pay to the Developer all reasonable out-of-pocket legal fees and other reasonable out-of-pocket costs and expenses (including fees and costs on appeal) it incurs by reason of any permitted enforcement of its rights hereunder, *provided* that it is the prevailing party with respect to a substantial portion of its claim.

4.1.7. THE PARTIES HEREBY KNOWINGLY, VOLUNTARILY, AND INTENTIONALLY WAIVE ANY RIGHTS THEY MAY HAVE TO A TRIAL BY JURY IN ANY LITIGATION OR CLAIM WHICH IS BASED ON, OR ARISES OUT OF, UNDER OR IN CONNECTION WITH, THIS GUARANTY OR THE TRANSACTIONS CONTEMPLATED BY THIS GUARANTY.

4.1.8. Notwithstanding anything to the contrary, if at any time payment of any of the Guaranteed Obligations is rescinded or must otherwise be returned upon bankruptcy, reorganization or similar proceeding for relief of debtors under federal or state law, the Guarantor shall continue to remain liable therefor.

4.2. Notices. All notices, demands or other communications under this Guaranty shall be in writing and shall be sent to each other party, at its address specified below (or such other address as a party may from time to time specify to the other parties by notice given in accordance with this Guaranty), and shall be deemed to have been duly given when actually received by the addressee or when served:

4.2.1. personally;

4.2.2. by independent, reputable, overnight commercial courier; or

4.2.3. by deposit in the United States mail, postage and fees fully prepaid, registered or certified mail, with return receipt requested, addressed as follows:

If to the Developer:

[●]

With a copy to:

George Keith Martin, Esq.
Partner
McGuireWoods LLP
800 East Canal Street

Richmond, Virginia 23219

With a copy to:

General Counsel
Economic Development Authority of the Developer of Richmond, Virginia
900 East Broad Street, Suite 400
Richmond, Virginia 23219

If to the Guarantor:

[●]
[●]
Attention: [●]

4.3. Severability. If any provision of this Guaranty shall for any reason be held invalid or unenforceable, to the fullest extent permitted by law, such invalidity or unenforceability shall not affect any other provisions hereof, but this Guaranty shall be construed as if such invalid or unenforceable provision had never been contained herein.

4.4. Assignment. Neither this Guaranty nor any of the rights, interest or obligations hereunder shall be assigned or delegated by the Guarantor without the prior written consent of the Developer. The Developer may assign this Guaranty, with prior notice but without need for the consent of Guarantor, but only together with an assignment of the Contract. This Guaranty and all of the provisions hereof shall be binding upon the Guarantor and its successors and permitted assigns and shall inure to the benefit of the Developer and its successors and assigns.

4.5. No Third Party Beneficiaries. Nothing in this Guaranty shall entitle any person other than the Developer and its successors and assigns to any claim, cause or action, remedy or right of any kind.

4.6. Certain Rights, Duties, Obligations and Defenses. Notwithstanding Sections 1. 1, 1. 2, 1. 3, 3. 1 and 4. 8 hereof, the Guarantor shall have all rights, duties, obligations and defenses available to the Contractor under the Contract relating to waiver, surrender, compromise, settlement, release or termination voluntarily made by the Developer, failure to give notice of default to the Contractor to the extent required by the Contract (except to the extent the giving of notice is precluded by bankruptcy or other applicable law), interpretation or performance of terms and conditions of the Contract, or other defenses available to the Contractor under the Contract except those expressly waived (otherwise than in Section 1.2) in this Guaranty and defenses available to the Contractor as a result of any federal or state law respecting bankruptcy, arrangement, reorganization or similar relief of debtors. The Guarantor's duties under Section 1.4 above shall be subject to no prior notice or demand except for fourteen (14) days' prior written notice to the Guarantor (except to the extent the giving of notice to the Guarantor is precluded by bankruptcy or other applicable law affecting the Guarantor) in the case of

any demand relative to any Guaranteed Obligation not paid or performed when due under the Contract setting forth the default of the [Construction/OM&C] Contractor.

4.7. Mergers, etc. The Guarantor shall not, in a single transaction or through a series of related transactions, consolidate with or merge with or into any other person or sell, assign, convey, transfer, lease or otherwise dispose of any material portion of its properties and assets to any person(s) or group of affiliated persons, unless:

4.7.1. in case of a merger, the Guarantor shall be the continuing corporation; or

4.7.2. the person (if other than the Guarantor) formed by such consolidation or into which the Guarantor merges or the person(s) (or group of affiliated persons) that acquires by sale, assignment, conveyance, transfer, lease or other disposition a material portion of the properties and assets of the Guarantor shall expressly agree to perform all of the obligations of the Guarantor hereunder, as a joint and several obligor with the Guarantor if the Guarantor continues to exist after such transaction, by a writing in form and substance reasonably satisfactory to the Developer.

Notwithstanding the agreement by any such person to perform the obligation of the Guarantor hereunder, the Guarantor shall not be released from its obligations hereunder unless released by operation of law or by consent.

4.8. Survival. The obligations and liabilities of the Guarantor hereunder shall survive termination of any or all of the Contract, or the Contractor's rights thereunder due to default by the Contractor thereunder; *provided, however*, that for the avoidance of doubt, such obligations and liabilities are only in respect of the Guaranteed Obligations.

4.9. Headings. The Article and Section headings in this Guaranty are for convenience of reference only and shall not be deemed to alter or affect the meaning or interpretation of any provisions hereof.

4.10. Counterparts. This Guaranty may be executed in one or more counterparts, all of which shall constitute one and the same instrument.

4.11. Entire Agreement. This Guaranty constitutes the entire agreement of the parties hereto with respect to the subject matter hereof. The Guarantor agrees to execute, have acknowledged and delivered to the Developer such other and further instruments as may be reasonably required by the Developer to effectuate the intent and purpose hereof.

IN WITNESS WHEREOF, the Guarantor has caused this Guaranty to be executed as of the day and year first above written by its duly authorized officer.

[●],
a [●]

By: _____
Name: _____
Title: _____

Receipt of this Guaranty is hereby acknowledged and accepted effective as of the [●].

RVA DIAMOND PARTNERS LLC,
A Virginia limited liability company

By: _____
Name: _____
Title: _____

EXHIBIT K

FORM OF PERFORMANCE BOND AND PAYMENT BOND

[TO BE ATTACHED]

EXHIBIT K
FORM OF EXPEDITED DISPUTE RESOLUTION PERFORMANCE BOND

Bond No.

KNOW ALL WHO SHALL SEE THESE PRESENTS:

THAT WHEREAS, the Economic Development Authority of the City of Richmond, a political agency of the Commonwealth of Virginia (the "Owner") and RVA Diamond Partners, LLC, a Virginia limited liability company (the "Obligee"), are each parties to that certain Diamond District Redevelopment Project Development Agreement (the "Agreement") to develop, design, build, operate and maintain the Diamond District Project (the "Project"), dated as of [●].

AND WHEREAS, the Obligee has entered into a Design-Build Contract (the "Construction Contract") with [●], as DB Contractor (hereinafter, the "Principal"), bearing the date of [●], for the performance of design and construction of the Project and certain other work for the Project defined in the Construction Contract as the "Design-Build Work", which the Construction Contract and all items incorporated into the Construction Contract, together with any and all changes, extensions of time, alterations, modifications, or additions to the Construction Contract or to the work to be performed thereunder, shall hereafter be referred to as the "Contract."

AND WHEREAS, it is one of the conditions of the Agreement and the Contract that separate performance security shall be executed by the Principal with respect to the performance of the Contract for this Project (the "Performance Security").

NOW THEREFORE, we, the undersigned Principal, and [●] (the "Surety"[, and collectively, the "Co-Sureties"]) are firmly bound and held unto the Obligee, in the penal sum of [●] Dollars ($[●]) good and lawful money of the United States of America for the payment whereof, well and truly to be paid to the Obligee, we bind ourselves, our heirs, successors, executors, administrators, and assigns, jointly and severally, firmly by these presents. [Any reference to the "Surety" in this Bond shall be read as a reference to the Co-Sureties and each of them on the basis of such joint and several liability.]

THE CONDITION OF THE FOREGOING OBLIGATION IS SUCH THAT:

1. If the Principal shall in all things stand to and abide by and well and truly keep, perform and complete all covenants, conditions, agreements, and obligations under the Contract, including any and all amendments, supplements, and alterations made to the Contract as therein provided, on the Principal's part to be kept and performed at the time and in the manner therein specified, if the Principal shall indemnify and save harmless the Obligee, its directors, officers, employees and agents, as therein stipulated, and if the Principal shall reimburse upon demand of the Obligee any sums paid the Principal which exceed the final payment determined to be

due upon completion of the Project, then these presents shall become null and void; otherwise they shall remain in full force and effect unconditionally, irrevocably and shall be non-cancellable; provided, however, that this Bond shall be released by the Obligee upon the achievement of the [Project Completion Date][1] for the Project (as defined in the Contract).

2. The obligations covered by this Bond, as defined in Schedule A specifically include payments to subcontractors, payments to suppliers and liability for liquidated damages and warranties as specified in the Contract, but in no event shall the Surety's aggregate liability exceed the penal sum of this Bond.

3. The obligations covered by this Bond solely cover the design and construction work and the Design-Build Work to be performed under the Contract.

4. The Surety agrees that no fraud practiced by any person other than the Obligee(s) seeking to recover on this Bond, as well as no change, extension of time, alterations, additions, omissions or other modifications of the terms of the following shall in any way affect Surety's obligations on this Bond, and it does hereby waive notice of such changes, extensions of time, alterations, additions, omissions or other modifications to:

   a) the Contract, or

   b) in the Design-Build Work to be performed with respect to the Project, or

   c) in the specifications or plans, or any change or modification of any terms of payment or extension of time for any payment pertaining or relating to the Contract, or

   d) any conditions precedent or subsequent in this Bond attempting to limit the right of recovery of Obligee(s) otherwise entitled to recover under this Bond.

5. Whenever the Principal shall be, and is declared by Obligee to be in default under the Contract, the Surety shall within fifteen (15) days of receipt of a letter from Obligee in the form set forth in Schedule A:

   a) remedy such default, or

   b) complete the Design-Build Work covered by this Bond in accordance with the terms and conditions of the Contract then in effect, or

   c) select a contractor or contractors to complete all Design-Build Work covered by this Bond in accordance with the terms and conditions of the Contract then in effect, using a contractor or contractors approved by the Obligee as required by the Contract (provided, that the Surety may not select the Principal or any affiliate of the Principal to complete the Design-Build Work for and on behalf of the Surety without Obligee's express written consent), arrange for a contract meeting the requirements of the Contract between such

[1] ***Note to Draft*** – Defined terms are bracketed to form with terminology in Construction Contract.

contractor or contractors and Obligee, and make available as Design-Build Work progresses (even though there should be a default or a succession of defaults under such contract or contracts of completion arranged under this paragraph) sufficient funds to pay the cost of completion less the unpaid balance of the contract price; but not exceeding, including other costs and damages for which Surety is liable hereunder, the bonded sum; or

d) waive the Surety's right to perform and complete, arrange for completion, or obtain a new contractor and with reasonable promptness under the circumstances, make payment of the full penal sum of the bond to the Obligee.

The Surety's actions as stated in (a)-(d) above shall each include payment to the Obligee of any liquidated damages or other sums due and owing under the Contract by the Principal.

6. In the event that the Surety disputes its liability pursuant to this Bond, which includes any allegations of fraud, such dispute shall be determined in the first instance in accordance with the dispute resolution process ("DRP") attached hereto as Schedule B. If the Surety fails to make an election within the fifteen (15) days set forth in Paragraph 5 of this Bond, then the claim shall be deemed to be in dispute for the purposes of this paragraph. A Decision, as defined in Schedule B, shall be rendered within thirty (30) days of the Adjudication Commencement Date, as defined in Schedule B, or as otherwise extended pursuant to the DRP. The Decision shall be binding on the Surety, the Principal and the Obligee as to their respective rights and obligation under this Bond but subject to each party's right to commence a de novo appeal of the Decision to a court of competent jurisdiction at any time. The parties shall immediately begin to comply with the Decision and the terms of this Bond (which in the case of making payments owed per the Decision shall mean making such payments immediately) and shall continue to comply with the Decision and the terms of the bond until the [Project Completion Date] under the Contract notwithstanding the commencement of, and during, any appeal de novo of the Decision and unless or until such time as a court of competent jurisdiction issues a final order or ruling vacating or modifying the Decision, either in whole or in part, at the conclusion of any de novo appeal of the Decision (the "Obligation to Comply with the Decision"), Surety's Obligation to Comply with the Decision is limited by the penal sum of the Bond.

7. The parties acknowledge that the Obligation to Comply with the Decision is of the essence of the Bond, and the parties agree that the Surety's failure to fulfill its Obligation to Comply with the Decision will cause irreparable harm to the Principal and the Obligee. Accordingly, Surety waives and releases any right it may have to initiate any action in court seeking a stay of its obligations arising pursuant to the Decision or seeking a stay of enforcement of the Decision. Surety's only recourse to court processes in connection with the Decision is to file for a de novo appeal of the Decision while continuing to fulfill its Obligation to Comply with the

Decision. In any such de novo appeal or in any action seeking enforcement of the Decision, the Surety (a) waives any right to file for an interim stay of its obligations arising pursuant to the Decision or to seek a stay of enforcement of the Decision, (b) waives any right to object to or contest an action brought to enforce specific performance of Surety's obligations arising pursuant to the Decision and waives all defenses in such an action, and (c) consents to an order or ruling directing and requiring Surety to perform its obligations arising pursuant to the Decision, and that an action for such an order or ruling may be sought on an expedited (emergency) basis under the rules of the court. The parties' Obligation to Comply with the Decision does not alter either party's right to pursue a de novo appeal of the Decision in a court of competent jurisdiction.

8. [If multiple or co-sureties] The Co-Sureties agree to empower a single representative with authority to act on behalf of all of the Co-Sureties with respect to this Bond, so that the Obligee will have no obligation to deal with multiple sureties hereunder. All correspondence from the Obligee to the Co-Sureties and all claims under this Bond shall be sent to such designated representative. The designated representative may be changed only by delivery of written notice (by personal delivery or by certified mail, return receipt requested) to the Obligee designating a single new representative, signed by all of the Co-Sureties. The initial representative shall be [●], whose contact information is [●].

9. Schedules A and B are an integral part of this Bond and are specifically incorporated herein as if set out in full in the body of this Bond.

10. If any provision of this Bond is found to be unenforceable as a matter of law, all other provisions shall remain in full force and effect.

11. This Bond shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia and for any de novo appeal of the Decision or any action seeking enforcement of the Decision the parties consent to jurisdiction in the courts of the Commonwealth of Virginia.

IN WITNESS WHEREOF, we have hereunto set our hands and seals on this at [●] on this [●] day of [●], 20[●].

PRINCIPAL (full legal name):
Address:

By: _____
Title:
Contact Name:
Phone: ( )

SURETY (full legal name):
Address:

By: _____
Title:
Contact Name:
Phone: ( )

[Note: If more than one surety, then add appropriate number of lines to signature block.]

[Note: A copy of a certificate that the Surety (or Co-Sureties) is (are) authorized to transact business in Virginia must be attached.]

[Note: The Bond shall be signed by authorized persons. Where such persons are signing in a representative capacity (e.g., an attorney-in-fact), but are not a members of the firm, partnership, or joint venture, or an officer of the legal entity involved, evidence of authority including the appropriate power of attorney documentation must be attached.]

Schedule A
Form of Demand

Date

Re: Performance Bond No.: [●] (the "Bond")

Principal: [●] (the "Principal")

Owner: Economic Development Authority of the City of Richmond (the "Owner")

Obligee: RVA Diamond Partners, LLC (the "Obligee")

Obligees: The Owner and the Obligee (collectively, the "Obligees")

Contract: The Construction Contract, dated [●] between the Principal as DB Contractor and Obligee as Developer for the Diamond District Redevelopment Project (the "Contract")

Dear Sir:

Pursuant to the Bond, the Obligees hereby certify that:

1. the Principal is and continues to be in default of the Principal's obligations under the Contract;

2. the Obligee has issued a notice of default to the Principal in accordance with the provisions of the Contract; and

3. the Obligee has honored and will continue to honor and perform in all material respects its obligations under the Contract.

We hereby demand that the Surety honor its obligations under the Bond forthwith.

The Obligees acknowledge that if the Surety intends to dispute its liability pursuant to the Bond, then the parties shall proceed immediately with the DRP set forth in Schedule B.

Yours truly,

Obligee

RVA Diamond Partners, LLC

By: _____
Name:
Title:

Owner

Economic Development Authority of the City of Richmond

By: _____
Name:
Title:

Schedule B
Dispute Resolution Process

Given the on default nature of the Bond, the Principal, the Surety and the Obligees acknowledge that they may not agree whether the Surety is liable to make payment pursuant to the Bond. In order to ensure that such disputes are determined quickly so as to allow for the orderly and timely completion of the Contract, the Principal, the Surety and the Obligees agree to submit such disputes to the dispute resolution process set out below. Terms not defined herein shall have the meaning ascribed to them in the body of the Bond. The parties acknowledge that any decision rendered in the dispute resolution process (an "Award") will be binding, but subject to appeal de novo by any party at any time to a court of competent jurisdiction.

1. "Dispute" means a disagreement as to the Surety's liability pursuant to the Bond following an Obligee's Demand.
2. Disputes arising out of or in connection with the Bond shall be submitted for binding resolution to adjudication (the "Adjudication") administered by JAMS – The Resolution Experts! ("JAMS") in accordance with the procedure set out below. The JAMS' Dispute Resolution Rules for Surety Bond Disputes, effective [●] shall apply to the resolution of any Dispute unless modified by the provisions herein, in which case, the provisions of this Bond shall govern.
3. The Surety or the Obligees shall demand Adjudication by filing an Adjudication statement electronically with JAMS, and serving electronic copies by email upon the Principal and the Obligee, utilizing the electronic forms and filing directions provided by JAMS on its website at www.jamsadr.com. The Adjudication statement shall set forth in detail the factual and legal issues submitted for Adjudication and shall be sent no later than 10 days following either Obligee's Demand.
4. Within three (3) Business Days after the Adjudication statement is filed and served, the parties shall appoint an adjudicator (the "Adjudicator") who shall be a panelist on the JAMS Global Engineering & Construction Panel ("JAMS GEC Panel") of dispute adjudicators. JAMS shall appoint an Adjudicator administratively from the JAMS GEC Panel if the parties fail to appoint an Adjudicator within the three day period. The Adjudicator shall be under a duty to act impartially and fairly and shall serve as an independent neutral.
5. The Adjudication shall commence on the date that JAMS receives the Adjudication statement and initial deposit of funds, and confirms the appointment of the Adjudicator (the "Adjudication Commencement Date"). Unless the Adjudicator decides otherwise, the Principal, the Surety and the Obligee shall pay the final fees and expenses of Adjudication in accordance with the provisions set forth in the Contract governing the payment of fees and expenses of dispute resolution. In an Adjudication in which the Adjudicator determines that the Principal and Surety are aligned with the same commonality of interest against the Obligees, the Principal and Surety jointly shall be charged with one share and the Obligees

will be charged with one share. Should any party fail to deposit funds as required by JAMS, any other party may advance the deposit, and the amount of that advance deposit will be taken into consideration in the Adjudicator's decision.

6. Upon commencement of the Adjudication, the Adjudicator is empowered to take the initiative in ascertaining the facts and the law, and to exercise sole discretion in managing the Adjudication process. Among other things, the Adjudicator may require the parties to make additional factual submissions such as sworn witness statements and business documents, may interview important witnesses after notice to the parties and affording opportunity to attend, may request and consider expert reports and may call for memoranda on legal issues. Notwithstanding the foregoing, the Adjudicator must decide the following questions:
   a. Is the Principal in default of the Principal's obligations under the Contract?
   b. Is the Surety liable to perform in accordance with Paragraph 5 of the Bond?
7. The Adjudicator shall issue a written decision (the "Decision") which shall be binding upon and enforceable by the parties through the completion of the Principal's obligations under the Contract, subject to any party's right to commence an appeal de novo in a court of competent jurisdiction at any time in accordance with the terms of the Bond. Any payment required in the Decision shall be made immediately. The Decision shall be issued through JAMS as soon as practicable but in no event later than thirty (30) calendar days of the Adjudication Commencement Date or within any later time agreed upon by the parties. Unless the parties agree otherwise, the Decision shall state reasons therefore and shall be admissible in later administrative, arbitral or judicial proceedings between the parties.
8. This thirty- (30-) calendar day period also may be extended by the Adjudicator in its sole discretion up to fourteen (14) days in the event that JAMS has requested any party to make an additional fee and expense deposit and such funds have not been deposited as requested or advanced by another party.
9. Any party may request clarification of the Decision within five (5) business days after issuance, and the Adjudicator shall endeavor to respond within an additional five (5) business days, and any payment shall be made immediately thereafter. Unless the parties agree otherwise, the Decision shall state reasons therefore and shall be admissible in later administrative, arbitral or judicial proceedings between the parties. The parties shall comply with the Decision, unless and until subsequently vacated or modified, through the completion of the Principal's obligations under the Contract.
10. Upon any settlement by the parties of the dispute prior to issuance of a Decision, the parties shall jointly terminate the Adjudication. Such removal or termination shall not affect the parties' continuing joint and several obligations for payment to JAMS of unpaid fees and expenses.

If the Decision is that the Surety is liable to perform in accordance with Paragraph 5 of the Bond, then notwithstanding the commencement of any appeal de novo of the Decision, the Surety shall

perform in accordance with the Decision and with the terms of the Bond until the Principal's Obligations under the Contract are completed, but not to exceed the penal sum of the Bond.

EXHIBIT K
FORM OF PAYMENT BOND

BOND NO. _____
AMOUNT: $_____

KNOW ALL WHO SEE THESE PRESENTS, that _____

of _____

hereinafter called the PRINCIPAL, and _____

_____ a corporation duly organized and

existing under and by virtue of the laws of the State of _____, hereinafter called the SURETY, and authorized to transact business within the Commonwealth of Virginia, as

SURETY, are held and firmly bound unto _____

as OBLIGEE, in the sum of: _____
_____ DOLLARS ($_____), lawful money of the United States of America, for payment of which, well and truly be made to the OBLIGEE, the PRINCIPAL and the SURETY bind themselves and each of their heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents as follows:

THE CONDITION OF THE ABOVE OBLIGATION IS SUCH THAT:

WHEREAS, the PRINCIPAL has executed and entered into a certain [Construction Contract][1] hereto attached, with the OBLIGEE, dated [●], 20[●] for the performance of design and construction of the [Project] and certain other work for the [Project] defined in the [Construction Contract] as the "Design-Build Work" (the [Construction Contract], and all items incorporated into the [Construction Contract], together with any and all changes, extensions of time, alternations, modifications or additions to the [Construction Contract] or to the work to be performed thereunder, shall hereafter be referred to as the "Contract").

NOW, THEREFORE, if the PRINCIPAL shall promptly make payment to all persons, firms, subcontractors, and corporations furnishing materials for or performing labor in the prosecution of the work provided for in the Contract (the "Claimants"), and any authorized extension or modification thereof, including all amounts due for materials, lubricants, oil, gasoline, coal and coke, repairs on machinery, equipment, and tools consumed or used in connection with the construction of the work, and all insurance premiums on the work, and for all labor performed in the work, whether by subcontractor or otherwise, then this obligation shall be void; otherwise to remain in full force and effect.

PROVIDED, FURTHER, that all Claimants shall have direct right of action only against the PRINCIPAL and the SURETY under this bond, *provided, however*, that no claim, suit or action

[1] ***Note to Draft*** –Defined terms are bracketed to conform with terminology in Construction Contract.

shall be brough by any Claimant after the expiration of one (1) year following the date on which the Claimant last furnished materials for or performed labor in the prosecution of the work provided for in the Contract. Any and all claim, suit or action arising out of or in connection with this bond shall be brought, and any judicial proceeding shall take place, only in the Circuit Court of the City of Richmond, Virginia.

PROVIDED, FURTHER, that any Claimant who does not have a direct contractual relationship with the PRINCIPAL shall, as a condition precedent to bringing such a claim, suit or action, provide written notice thereof to the PRINCIPAL, SURETY, and OBLIGEE, no later than ninety (90) days from the date the Claimant last furnished materials for or performed labor in the prosecution of the work provided for in the Contract, stating with substantial accuracy the amount claimed, the name of the person for whom the work was performed or to whom the material was furnished, and the dates on which such materials or labor were supplied.

PROVIDED, FURTHER, SURETY shall, after receipt of reasonable notice to SURETY of any claim, demand, suit or action brought against OBLIGEE by a Claimant, defend, with counsel approved by OBLIGEE, indemnify and hold harmless OBLIGEE from any and all claims, demands, suits or actions brought by any Claimant. OBLIGEE shall have a direct right of action against SURETY and PRINCIPAL for any breach by SURETY of its obligation to defend, indemnify and hold harmless OBLIGEE.

PROVIDED, FURTHER, that the SURETY, for value received hereby stipulates and agrees that no change, extension of time, alteration, or addition to the terms of the Contract, or to work to be performed thereunder, or the Specifications accompanying the same, shall in any way affect its obligation on this bond, and it does hereby waive notice of any such change, extension of time, alteration, or addition to the terms of the Contract, or to the work, or to the [Specifications].

PROVIDED, FURTHER, that no final settlement between the OBLIGEE and the PRINCIPAL shall abridge the right of any beneficiary hereunder, whose claim may be unsatisfied.

[*Signature Page Follows*]

IN WITNESS WHEREOF, the above parties bounded together have executed this instrument

this [●] day of [●], 20[●], the name and corporate seal of each corporate party being hereto affixed and those presents duly signed by its undersigned representative, pursuant to authority of its governing body.

PRINCIPAL

_____

By _____(Seal)

_____

Attest

SURETY

_____

By _____(Seal)

_____

Attest

APPROVED AS TO FORM: _____, 20__.

_____, OBLIGEE

NOTE: Date of bond must not be prior to date of Contract. If PRINCIPAL is a partnership, all partners should execute bond.

IMPORTANT: The SURETY named on this bond shall be one who is licensed to conduct business in the Commonwealth of Virginia, and named in the current list of Companies Holding Certificates of Authority as Acceptable Sureties on Federal Bonds and as Acceptable Reinsuring Companies, as published in Circular 570 (amended) by the Audit Staff Bureau of Accounts, U.S. Treasury Department. All bonds signed by an agent must be accompanied by a certified copy of the authority to act for the SURETY at the time of the signing of this bond.

EXHIBIT L

GRANT AND COOPERATION AGREEMENT

[TO BE ATTACHED]

GRANT AND COOPERATION AGREEMENT

THIS **GRANT AND COOPERATION AGREEMENT** (this "Agreement") is made as of [_____ ___, 2023], by and between the **CITY OF RICHMOND, VIRGINIA**, a municipal corporation and political subdivision of the Commonwealth of Virginia (the "City"); the **ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF RICHMOND, VIRGINIA**, a political subdivision of the Commonwealth of Virginia (the "EDA").

WITNESSETH

WHEREAS, the City, the EDA and RVA Diamond Partners LLC (the "Developer") have entered into the Diamond District Redevelopment Project Development Agreement dated as of [_____ __, 2023] (the "Development Agreement"), to provide for the redevelopment of a portion of the Greater Scott's Addition area of the City that currently is home to The Diamond baseball stadium and that is not utilized to its full market potential, with the aim that such redevelopment results in additional taxable value in both the project area and in surrounding properties;

WHEREAS, the Development Agreement provides for the design, financing and construction of a new stadium (the "Stadium") to replace The Diamond baseball stadium;

WHEREAS, the Development Agreement further provides for the development of a full spectrum of new, privately financed affordable housing, retail and office spaces and hotels within the Diamond District (as further described in the Development Agreement, the "Mixed-Use Development") and certain publicly financed infrastructure that will serve the Diamond District and connect the project area with adjacent communities (as further described in the Development Agreement, the "Public Infrastructure");

WHEREAS, as contemplated in the Development Agreement and the other necessary documents to effect the Stadium Project and the Mixed-Use Development, the Developer is responsible for, among other things, the design and construction of the Stadium and the Public Infrastructure (the "Stadium Development Projects");

WHEREAS, as contemplated in the Development Agreement, the City has agreed to make available certain incremental tax revenues to support the financing of the Stadium Development Projects;

WHEREAS, as contemplated in the Development Agreement, the EDA has agreed to participate in the financing of the Stadium and the Public Infrastructure either by issuing its own bonds or facilitating the issuance of bonds by a to-be-created community development authority (the "CDA") (with any of such bonds to be secured, in part, by certain incremental tax revenues and other project revenues made available pursuant to the terms of this Agreement) to pay the costs of the Stadium Development Projects and the related costs of financing the Stadium Development Projects;

WHEREAS, as contemplated in the Development Agreement, the EDA has agreed to assume certain responsibilities and to perform certain activities to facilitate the redevelopment of

the Project Site into the Mixed-Use Development and the Stadium Project and will incur costs in connection with the performance of such undertakings;

WHEREAS, as an inducement to the EDA to perform its undertakings pursuant to the Development Agreement and any other related agreements necessary to effect the transactions contemplated by the Development Agreement, the City desires, subject to annual appropriation by the City Council of sufficient amounts for such purpose, to make available to the EDA such funds as may be necessary to enable the EDA to satisfy its undertakings pursuant to the Development Agreement and any other related agreements necessary to effect the transactions contemplated by the Development Agreement;

WHEREAS, the transactions contemplated by this Agreement will benefit the citizens of the City by promoting increased employment opportunities, a strengthened economic base, increased tax revenues, affordable housing and additional business, retail and recreational opportunities; and

WHEREAS, the parties wish to set forth in this Agreement several undertakings with respect to the plan to finance the Stadium Development Projects and to provide funding for the EDA to perform its undertakings pursuant to the Development Agreement and any other related agreements necessary to effect the transactions contemplated by the Development Agreement:

NOW, THEREFORE, in consideration of the foregoing, the parties set forth the following agreements and understandings:

1. Definitions. Capitalized terms used, but not defined in this Agreement will have the meanings set forth in the Development Agreement, as the context requires. The following terms will have the meanings specified below unless otherwise expressly provided or the context otherwise requires:

"Administrative Expenses" has the meaning set forth in Section 3(e).

"Annual Installments" has the meaning set forth in Section 3(a)(ii).

"Appropriated Revenues" has the meaning set forth in Section 2(b).

"Bonds" means (a) any bonds issued by the EDA or the CDA for the purpose of paying the costs of the Stadium Development Projects and the related costs of financing the Stadium Development Projects, including, without limitation, capitalized interest, required reserves and costs of issuance, and (b) any bonds issued by the EDA or the CDA, as applicable, to refund or defease such bonds.

"CDA" has the meaning set forth in the Recitals hereto.

"CDA Administrator" has the meaning set forth in Section 4(c).

"CDA District" means the land comprising the geographic boundaries of the CDA, which will include all of the Development Parcels less any portions thereof excluded pursuant to the approvals and documents providing for the formation of the CDA.

"City" means the City of Richmond, Virginia.

"City Council" means the City Council of the City of Richmond, Virginia.

"Consumer Purchase Surcharge Revenues" has the meaning set forth in Section 3(c).

"Debt Service Payment Date" means each principal and interest payment date for the Bonds.

"EDA" means the Economic Development Authority of the City of Richmond, Virginia.

"Fiscal Year Payment Requirements" has the meaning set forth in Section 3(d)(ii).

"Grant Term" means the period beginning on the effective date of the Development Agreement and ending on the date as of which all Bonds have been paid in full or provision for their payment in full has been made, during which period the Incremental Tax Revenues will be calculated and amounts derived therefrom (i.e., the Appropriated Revenues) will be made available for payment of the Bonds as set forth in this Agreement.

"Hotel Use Surcharge Revenues" has the meaning set forth in Section 3(b).

"Incremental Tax Financing Area" means the geographic area described in Exhibit Q to the Development Agreement.

"Incremental Tax Revenues" means the various incremental tax revenues described in, and calculated in accordance with, Section 3(d)(vii) resulting from the Stadium Project and the Mixed-Use Development.

"Indenture" means the indenture of trust to be entered into between the Trustee and the issuer of the Bonds (which may be either the CDA or the EDA), as it may be supplemented and amended from time to time and pursuant to which the Bonds will be issued.

"Project Revenues" means, collectively, (a) the Appropriated Revenues, (b) the Hotel Use Surcharge Revenues, (c) the Consumer Purchase Surcharge Revenues and (d) such other revenues as the parties may determine are necessary and appropriate to provide further security for the Bonds; provided that the parties will execute a supplement to this Agreement identifying any such additional revenues as well as the method for calculating and transferring such revenues.

"Property Owners" has the meaning set forth in Section 3(a)(i).

"Rate and Method" means the rate and method of apportionment of special assessments to be prepared by the CDA Administrator and approved by the City, the CDA and the Developer, which will provide for the apportionment of the Special Assessments among the taxable real property comprising the CDA District.

"Special Assessment Agreement" means the special assessment agreement to be entered into by the City, the CDA and the Developer, which will subject the CDA and the Developer to the terms of this Agreement and confirm the Developer's agreement to the imposition of the Special Assessments pursuant to the terms of this Agreement and the Rate and Method.

"Special Assessment Revenues" has the meaning set forth in Section 3(a)(iii).

"Special Assessments" has the meaning set forth in Section 3(a)(i).

"Stadium Bonds" means any Bonds issued to finance or refinance the costs of designing, acquiring, constructing and equipping the Stadium.

"Stadium Development Projects" has the meaning set forth in the Recitals hereto.

"VCU Lease Revenues" means the rents, fees and charges and other amounts payable by VCU to the EDA pursuant to the terms of the VCU Stadium Lease.

"Trustee" means the trustee for the Bonds to be appointed by the CDA or the EDA, as applicable.

"Virginia Code" means the Code of Virginia of 1950, as amended.

2. Plan of Development and Finance for Stadium Development Projects.

(a) The Developer will arrange for the design, acquisition, construction, equipping, operation, commercialization and maintenance of the Stadium Development Projects in accordance with the Development Agreement and the other necessary documents to effect the Stadium Development Projects.

(b) In return for the Developer's undertaking of the Stadium Development Projects and the Mixed-Use Development, the City and the EDA will facilitate the financing of the Stadium Development Projects. As contemplated in the Development Agreement and as further detailed in and subject to the terms of this Agreement, the City will make available amounts derived from the Incremental Tax Revenues for the purpose of financing the Stadium Development Projects (as calculated and appropriated pursuant to Section 3(d), the "Appropriated Revenues"). To enable the application of the Appropriated Revenues for such purpose, the EDA will either (i) issue the Bonds and pledge the Appropriated Revenues as security therefor or (ii) if it is determined that the CDA will issue the Bonds, assign its interest in the Appropriated Revenues to the CDA to be pledged as security therefor. Notwithstanding any provision herein to the contrary and as further described herein, the City's and the EDA's undertakings pursuant to this Agreement are subject to appropriation from time to time of sufficient amounts for such purposes by the City Council.

(c) As contemplated in the Development Agreement, the Bonds will be secured, directly or indirectly (depending on the issuer of the Bonds), by (i) the Appropriated Revenues, (ii) the Hotel Use Surcharge Revenues, (iii) the Consumer Purchase Surcharge Revenues, (iv) the VCU Lease Revenues (except to the extent that the VCU Lease Revenues may be pledged exclusively to the Stadium Bonds as described in Section 2(d)), (v) the amounts on deposit in Special Reserve Fund A and Special Reserve Fund B, subject to the requirement set forth in Section 6.1(b)(vii) of the Development Agreement that any amount in either such reserve fund not previously applied to the payment of debt service on the Phase 1 Bonds will be applied to retire the Phase 1 Bonds at maturity, and (vi) such other revenues, funds and accounts as the parties may determine are necessary or appropriate. If the EDA, in consultation with a financial advisor and bond counsel, determines that it will be advantageous to the overall plan of finance for the Stadium Development Projects, the Stadium Bonds and the Public Infrastructure Bonds may be issued as a

single series of Bonds, provided that the proceeds thereof allocable to Stadium Bonds may only be used for the Stadium Project (which may include related Eligible Mass Grading) and the proceeds thereof allocable to Public Infrastructure Bonds may only be used for Public Infrastructure and Eligible Mass Grading as contemplated in the Development Agreement.

(d) The parties understand and agree that the Bonds are intended to be repaid from (i) the Project Revenues and (ii) the VCU Lease Revenues, provided that VCU Lease Revenues may be pledged exclusively to the Stadium Bonds if the EDA, in consultation with a financial advisor and bond counsel, determines that such dedication is advantageous to the overall plan of finance for the Stadium Development Projects. To the extent that the Project Revenues and, if applicable, the VCU Lease Revenues are less than the amounts due on the Bonds, any such deficiency will be satisfied by the collection of the Annual Installments of the Special Assessments as described herein

(e) Any Bonds issued for the purpose of financing the costs of the Stadium Development Projects will mature no later than 40 years from their respective issue dates. Bonds issued to refund or defease any prior Bonds may only be issued with the prior written consent of the City.

3. <u>Special Assessments and Project Revenues</u>.

(a) <u>Special Assessments</u>.

(i) *Property Owners' Agreement with Respect to Assessments*. As provided contemplated in the Development Agreement, the Developer, as the initial owner of the taxable real property within the CDA District, will agree to the imposition of special assessments (the "Special Assessments") on such property pursuant to Virginia Code Sections 15.2-5158(A)(5) and 15.2-2405. The Special Assessments will be levied, apportioned and collected in accordance with the Special Assessment Agreement and the Rate and Method. Pursuant to the Special Assessment Agreement, the Developer, on behalf of itself and the future owners of such real property (collectively the "Property Owners"), will represent and agree that the Special Assessments, as apportioned pursuant to the Rate and Method, do not exceed the peculiar benefit to the assessed property resulting from the Stadium Development Projects and are apportioned to the property within the CDA District on a rational basis.

(ii) *Request for Collection of Special Assessments.* Not later than March 1 of each year, commencing in 2023, the CDA will request the City to collect annual installments (the "Annual Installments") of the Special Assessments within the CDA District pursuant to Virginia Code Section 15.2-5158(A)(5) in amounts to be determined in accordance with the Rate and Method, which amount may be zero for a particular collection date to the extent that (A) there are sufficient funds available under the Indenture to pay (1) debt service due on the Bonds on the applicable Debt Service Payment Date and (2) any accrued and unpaid Administrative Expenses on the applicable Debt Service Payment Date and (B) no Special Assessment Revenues are needed to (1) restore any required balance in any reserve fund for the Bonds or (2) pay any arbitrage rebate liability with respect to the Bonds. In making the above request, the CDA will provide such information as the City may request to enable it to collect the Annual Installments. The Annual Installments will be collected semiannually on the due dates for real property taxes, and each semiannual portion thereof will be in an amount equal to (W) the debt service due on the Bonds

on the applicable Debt Service Payment Date that immediately follows such due date plus (X) any accrued and unpaid Administrative Expenses plus (Y) the amount needed to (1) restore any required balance in any reserve fund for the Bonds and (2) pay any arbitrage rebate liability with respect to the Bonds less (Z) the funds then available under the Indenture for the payment of such debt service, Administrative Expenses and arbitrage rebate liability (including but not limited to Project Revenues and, if applicable, VCU Lease Revenues received by the Trustee and any available funds on deposit in any capitalized interest, stabilization or other reserve accounts, but excluding any funds on deposit in any debt service reserve account that is intended to be the final source of repayment for any Bonds), all as more fully described in the Rate and Method.

(iii) *City's Agreement with respect to Special Assessments*. Subject to the request of the CDA pursuant to clause (ii) above, the Chief Administrative Officer will ask the Mayor to propose the requisite legislation for the City Council to approve the collection of the applicable Annual Installments; it being understood that the collection of each Annual Installment will be made only to the extent that the Project Revenues as calculated and made available pursuant to this Agreement and any supplements hereto in the applicable fiscal year, together with any other amounts available under the Indenture (including any VCU Lease Revenues that have been deposited with the Trustee for purposes of paying all or a portion of the Bonds and any available funds on deposit in any capitalized interest, stabilization or other reserve accounts, but excluding any funds on deposit in any debt service reserve account that is intended to be the final source of repayment for any Bonds), will be insufficient to pay the debt service due on the Bonds, the accrued and unpaid Administrative Expenses and any arbitrage rebate liability with respect to the Bonds and to restore any required balance in any reserve fund for the Bonds on the succeeding Debt Service Payment Date. So long as any Bonds remain outstanding, the City will collect the Annual Installments and, subject to annual appropriation by the City Council, pay the amounts received thereunder to, or at the direction of, the CDA (the "Special Assessment Revenues"). The City will assign all of its right, title and interest in the Annual Installments and the Special Assessment Revenues to the CDA (except such portion thereof as may be withheld by the City pursuant to Section 3(e)). The Annual Installments assigned by the City will include any payments from foreclosures, less costs of collection, and exclude amounts retained by the City in satisfaction of its portion of the Administrative Expenses (as described in Section 3(e) below) and any interest or late payment fees or penalties retained by the City (as described in Section 3(a)(v)). The CDA, in turn, will assign all of its right, title and interest in the Annual Installments and the Special Assessment Revenues to the Trustee, who will use the moneys received to pay debt service on the Bonds, Administrative Expenses and pay any arbitrage rebate liability with respect to the Bonds and to restore any required balance in any reserve fund for the Bonds before forwarding any remainder to the CDA.

The City's obligation to make payments of the Special Assessment Revenues to the Trustee, on behalf of the CDA, will not be deemed to be a general obligation of the City, will be payable solely from payments of the Annual Installments received by the City and will be subject to and dependent on appropriations being made from time to time of the Special Assessment Revenues by the City Council for such purpose.

(iv) *Billing and Collection of Annual Installment.* The City will bill the Annual Installments, to the extent needed to satisfy any deficiency in the Project Revenues or the VCU Lease Revenues, in the same manner and at the same time as it bills its real estate taxes. The amount of the Annual Installments for each tax parcel will be recorded in the City land records

such that the public will have access to its existence. Penalties and interest on delinquent payments of the Annual Installments will be charged as provided by law. The Annual Installments will be billed and collected on the same dates as the City's real estate taxes. Payments of the Annual Installment collected by the City will be segregated from all other funds of the City and may not be used for any other purpose by the City.

(v) *Collection of Delinquent Assessments*. The City's customary tax payment enforcement proceedings will apply to the collection of any delinquent payment of an Annual Installment except that foreclosure proceedings may be instituted to sell any parcel (except for owner-occupied residential property, to which the provisions of Virginia Code Section 58.1-3965 will apply) when any payment of the Annual Installment for such parcel remains unpaid one year from its initial due date in accordance with Virginia Code Section 58.1-3965.2. The City will pursue the collection of delinquent payments with the same diligence it employs in the collection of the City's general ad valorem real estate taxes, including the commencement of tax foreclosure proceedings to the extent provided by the then-current statutes of the Commonwealth of Virginia. The City agrees that it will provide notice to the CDA of any legal proceedings to be instituted for the collection of delinquent payments of Annual Installments. The parties understand and agree that the City's ordinary discretion in this regard allows it to decide not to expend resources to collect de minimis outstanding amounts; provided that the City will obtain the CDA's consent with respect to waiving collection of any such amounts in excess of $200. The CDA will cooperate with the City in any such enforcement action. Any interest or late payment fees or penalties collected by the City on delinquent payments of the Annual Installments will be retained by the City.

The Developer, on behalf of itself and any future Property Owners, will acknowledge that the City may commence foreclosure proceedings for the collection of delinquent payments of the Installments in accordance with the foregoing provisions. In order to reduce the likelihood of any prolonged foreclosure actions, the Property Owners will provide for facilitated service of process with respect to any foreclosure action in respect of any delinquent payments of the Annual Installments and will waive affirmative defenses to any such foreclosure action pertaining to the formation of the CDA District and its financing structure, including but not limited to the apportionment of the Special Assessment provided for in the Rate and Method, the validity of the Bonds (or any CDA payment obligations otherwise secured by the Special Assessments), any requirements of the Indenture and the priority of CDA District liens and foreclosure of liens to collect delinquent payments of the Annual Installments; provided, however, that such waiver will not be deemed to prevent any Property Owner from asserting in a separate legal action (and not as an affirmative defense in any foreclosure action) a challenge to (A) any levy or collection not made in accordance with the terms of this Agreement, the Rate and Method or the Virginia Code or (B) a foreclosure not undertaken in accordance with the City's generally applicable foreclosure procedures.

(vi) *Priority of Rate and Method*. In the event of any conflict between the provisions of this Section 3(a) and the provisions of the Rate and Method, the provisions of the Rate and Method will control.

(vii) *Notice to Subsequent Property Owners*. Each Property Owner will include in each sales contract and each deed for the conveyance of a fee simple interest in any portion of land within the CDA District that is subject to an outstanding Special Assessment a disclosure

statement that includes a statement of the amount of the applicable portion of the Special Assessment and setting forth the name and address of the CDA Administrator or other location where information regarding the CDA and the Special Assessment may be obtained. All such sales contracts and deeds will also include a covenant that all subsequent deeds conveying any fee simple interest in land within the CDA District that is subject to an outstanding Special Assessment include such disclosure statement. Each Property Owner will notify the CDA and the CDA Administrator in writing, within ten (10) days after recordation of a deed of conveyance, of the sale of any land owned by such Property Owner indicating the tax map parcel number of the property sold and the purchaser of the property.

(b) Hotel Use Surcharge. As contemplated by the Development Agreement and pursuant to Virginia Code Section 15.2-5158(A)(6), a Hotel Use Surcharge of 2.00% will be imposed on all room reservations at any hotels within the CDA District commencing no later than date of issuance of the initial series of Bonds and for so long as any Bonds remain outstanding under the Indenture. The Property Owners of hotels within the CDA District will include the Hotel Use Surcharge on hotel guest billing folios and, on behalf of the CDA, will remit Hotel Use Surcharge collections to the Trustee on a monthly basis and not later than the fifteenth day of the month following the month in which such amounts are collected (such remitted collections, the "Hotel Use Surcharge Revenues"). The Property Owners of hotels within the CDA District will provide the CDA, the Trustee and the CDA Administrator such information as may be reasonably requested to verify the amount of Hotel Use Surcharge Revenues remitted each month. The Developer, on behalf of itself and any future Property Owners, will acknowledge that neither the City, the CDA nor the EDA will be responsible for collecting the Hotel Use Surcharge and that any failure by the Developer, or such future Property Owners, to collect the Hotel Use Surcharge and to remit such collections to the Trustee, on behalf of the CDA, could result in a deficiency in Project Revenues necessitating collection of the Annual Installments.

(c) Consumer Purchase Surcharge. As contemplated by the Development Agreement and pursuant to Virginia Code Section 15.2-5158(A)(6), a Consumer Purchase Surcharge of 0.25% will be imposed on all purchases within the CDA District commencing no later than date of issuance of the initial series of Bonds and for so long as any Bonds remain outstanding under the Indenture. The Property Owners will include the Consumer Purchase Surcharge on the purchasers' bills and, on behalf of the CDA, will remit Consumer Purchase Surcharge collections to the Trustee on a monthly basis and not later than the fifteenth day of the month following the month in which such amounts are collected (such remitted collections, the "Consumer Purchase Surcharge Revenues"). The Property Owners will provide the CDA, the Trustee and the CDA Administrator such information as may be reasonably requested to verify the amount of Consumer Purchase Surcharge Revenues remitted each month. The Developer, on behalf of itself and any future Property Owners, will acknowledge that neither the City, the CDA nor the EDA will be responsible for collecting the Consumer Purchase Surcharge and that any failure by the Developer, or such future Property Owners, to collect the Consumer Purchase Surcharge and to remit such collections to the Trustee, on behalf of the CDA, could result in a deficiency in Project Revenues necessitating collection of the Annual Installments.

(d) Incremental Tax Revenues and Appropriated Revenues.

(i) *City's Agreement to Pay Incremental Tax Revenues Generated During Initial Capitalized Interest Period*. Subject to the provisions of clauses (iv) and (vi) below, for

fiscal years 2025 through 2027, the City agrees to pay to, or at the direction of, the EDA an amount equal to the full amount of the Incremental Tax Revenues (calculated in accordance with clause (vii) below) collected during the preceding calendar year. The City will make each such payment no later than August 15 of the applicable fiscal year.

(ii) *City's Agreement to Pay Incremental Tax Revenues Generated After Initial Capitalized Interest Period*. Subject to the provisions of clauses (iv), (vi) and (viii) below and the immediately succeeding sentence in this clause (ii), for fiscal year 2028 and each fiscal year thereafter through the end of the Grant Term, the City agrees to pay to, or at the direction of, the EDA an amount equal to the portion of the Incremental Tax Revenues (calculated in accordance with clause (vii) below) collected during the preceding calendar year as may be necessary to pay debt service on the Bonds and Administrative Expenses due in such fiscal year (the "Fiscal Year Payment Requirements"). Subject to the availability, and only to the extent, of such amounts as described herein, the City will make available Appropriated Revenues in such amount as is necessary to cover any deficiency between the Fiscal Year Payment Requirements and the amounts realized from the VCU Lease Revenues, the Hotel Use Surcharge Revenues and the Consumer Purchase Surcharge Revenues. The City will make each such payment no later than August 15 of the applicable fiscal year.

(iii) *Request for Inclusion in Annual Budget.* For each fiscal year through the end of the Grant Term, the Chief Administrative Officer will request that the Mayor include in the Mayor's proposed current expense budget for the general operation of the City government to be submitted to the City Council for each fiscal year a recommendation to appropriate an amount equal to the payment described in clause (i) or (ii) above, as applicable, to fulfill the City's undertaking pursuant to this Section 3(d). If the Mayor does not include such recommendation in the Mayor's proposed current expense budget, the Chief Administrative Officer will give notice thereof to the EDA, the City, the Trustee and the Developer as soon as possible after the Mayor has submitted such proposed budget to the City Council.

(iv) *City's Undertaking Limited to Actual Incremental Tax Revenue Collections*. Notwithstanding anything to the contrary in this Agreement, the City will make the payments of Appropriated Revenues in accordance with clauses (i) and (ii) above only to the extent it has collected Incremental Tax Revenues for such calendar years. Further, the City's agreement to pay Appropriated Revenues to, or at the direction of, the EDA as provided in this Agreement is made in consideration of the Developer undertaking the Stadium Project and the Mixed-Use Development as set forth in the Development Agreement. In the event the Developer fails to execute the Special Assessment Agreement or is in default under the Development Agreement, the City will have no obligation to make any payments provided in this Section 3(d) until such time as the Developer has satisfied such obligations.

(v) *Application of Appropriated Revenues*. The payments of Appropriated Revenues described in clauses (i) and (ii) above will be used to pay debt service on the Bonds and Administrative Expenses due in the fiscal year for which such amounts are appropriated.

(vi) *Subject to Appropriation*. The City's undertaking to make payments described in clauses (i) and (ii) above will not be deemed to be a general obligation of the City and will be subject to and dependent on appropriations being made from time to time by the City Council for such purpose.

(vii) *Calculation of Incremental Tax Revenues*. The Incremental Tax Revenues for each calendar year will equal the sum of:

(A) The amount of real estate taxes levied pursuant to Chapter 26, Article V of the City Code on real estate in the Incremental Tax Financing Area by the City in each calendar year beginning with the calendar year commencing January 1, 2023, that exceeds the amount of such real estate taxes levied on real estate in the Incremental Tax Financing Area in the calendar year commencing January 1, 2022. For such purposes, the real estate tax revenues derived from the property comprising the CDA District will be assumed to be $0.00 for the calendar year commencing January 1, 2022.

(B) The amount of meals taxes levied pursuant to Chapter 26, Article VIII of the City Code at a rate of six percent (6%) on meals purchased in the Incremental Tax Financing Area in each calendar year beginning with the calendar year commencing January 1, 2023, that exceeds the amount of such meals taxes levied at a rate of six percent on meals purchased in the Incremental Tax Financing Area in the calendar year commencing January 1, 2022. For such purposes, the meals tax revenues derived from the activity within the CDA District will be assumed to be $0.00 for the calendar year commencing January 1, 2022. It is not intended that any portion of the additional meals tax levy pursuant to Section 2 of Ordinance No. 2018-017, adopted February 12, 2018, be included when calculating meals taxes to be included in the Incremental Tax Revenues.

(C) The amount of state retail sales and use taxes attributable to transactions occurring in the Incremental Tax Financing Area remitted by the Commonwealth to the City in each calendar year beginning with the calendar year commencing January 1, 2023, that exceeds the amount of Virginia retail sales and use taxes attributable to transactions occurring within the Incremental Tax Financing Area remitted by the Commonwealth to the City for the calendar year commencing January 1, 2022. For such purposes, the retail sales and use tax revenues derived from the activity within the CDA District will be assumed to be $0.00 for the calendar year commencing January 1, 2022.

(D) The amount of license taxes levied pursuant to Chapter 26, Article XV of the City Code on persons engaged in a business, profession or occupation in the Incremental Tax Financing Area in each calendar year beginning with the calendar year commencing January 1, 2023, that exceeds the amount of such license taxes levied that is attributable to the Incremental Tax Financing Area for the calendar year commencing January 1, 2022. For such purposes, the license tax revenues derived from the activity within the CDA District will be assumed to be $0.00 for the calendar year commencing January 1, 2022.

(E) The amount of admission taxes levied pursuant to Chapter 26, Article IX of the City Code in the Incremental Tax Financing Area in each calendar year beginning with the calendar year commencing January 1, 2023, that exceeds the amount of such admission taxes levied in the Incremental Tax Financing Area for the calendar year commencing January 1, 2022. For such purposes, the admission tax revenues derived from the activity within the CDA District will be assumed to be $0.00 for the calendar year commencing January 1, 2022.

Notwithstanding the foregoing, Incremental Tax Revenues will not include any amounts realized from penalties or interest collected in connection with payments of delinquent taxes.

(viii) *Return of Excess Appropriated Revenues.* Except as provided in the following sentence, any excess Appropriated Revenues not needed to pay debt service on the Bonds and Administrative Expenses in the fiscal year for which they were appropriated will be returned to the City by the Trustee, on behalf of the EDA or the CDA, as applicable, at the conclusion of such fiscal year and available for the City's general use and will not be credited against any debt service on the Bonds due in any other fiscal year or otherwise applied to reduce the Special Assessment lien. Any Appropriated Revenues derived from Incremental Tax Revenues collected in calendar years 2023 through 2026 will either be applied to pay debt service on the Bonds and Administrative Expenses due in such fiscal years or deposited to Special Reserve Fund A.

(ix) *Release of Incremental Tax Revenues*. At the conclusion of the Grant Term, the tax increment contribution plan will expire, and the City will have no obligation appropriate any amounts derived from the Incremental Tax Revenues for any purpose other than its own general use.

(e) Administrative Expenses. The CDA will reimburse the City and the EDA for their reasonable costs and expenses associated with the CDA, including but not limited to the administration and collection of the Incremental Tax Revenues and the Special Assessments. The Trustee will maintain an administrative expense fund, and the Trustee will deposit in such fund sufficient money to pay the fees of the Trustee and the administrative expenses of the EDA, the CDA and the City, including but not limited to the fees of their respective counsel, the cost of the CDA's audit and the fees of the CDA Administrator (collectively, the "Administrative Expenses"); provided that the City may deduct the City's and the EDA's portions of the Administrative Expenses from the payments of the Appropriated Revenues (or the payments of Special Assessment Revenues, if any) made to the Trustee. In addition to its portion of the Administrative Expenses, the City will be entitled to recover any additional costs incurred by the City in conjunction with any and all proceedings to collect the amounts payable to the CDA hereunder, including tax foreclosure, administrative and other proceedings.

4. Additional Covenants.

(a) Public Ownership of Improvements. The City and the EDA agree, and the Developer, on behalf of itself and future Property Owners, will agree, that the Stadium Development Projects will be conveyed to the City, the EDA, the CDA or other appropriate public entity or that the City, the EDA, the CDA or other appropriate public entity will have a long term-interest in such improvements via a lease, an easement or other property right. The City and the EDA agree, and the Developer, on behalf of itself and future Property Owners, will agree, further that the City will not be required to undertake ownership, operation or maintenance of any improvements unless the City agrees to such undertaking.

(b) Bonds Not Secured by City's Full Faith and Credit. Neither the Bonds nor any related CDA payment obligations will constitute a debt or a pledge of the full faith and credit of the City or impose any liability on the City. The documents pursuant to which the Bonds will be issued and sold will contain a statement to such effect in form satisfactory to the City.

(c) CDA Administrator; Financial Reports. The CDA will engage a professional administrator (the "CDA Administrator") to oversee its financial affairs and will obtain an annual report of the CDA's finances from the CDA Administrator. Copies of such financial report and all other reports required by the Trustee for the Bonds and the owners of the Bonds will be furnished to the Chief Administrative Officer as soon as they are available to the CDA. The CDA will provide draft annual financial statements to the City by September 15 and audited financial statements to the City by October 15 of each year prepared in accordance with generally accepted accounting principles. Unless otherwise approved by the City, the CDA's audited financial statements will be audited by the auditor engaged by the City to audit the City's financial statements. The fiscal year of the CDA will be from July 1 through June 30.

(d) Assets upon Dissolution. Upon dissolution of the CDA, any assets of the CDA not previously conveyed to another governmental entity will be transferred to or at the direction of the City.

5. Approved Budget and Notice of Appropriation. Throughout the Grant Term, the Chief Administrative Officer will deliver to the EDA, the CDA, the Trustee and the Developer within 10 days after adoption of the annual budget submitted to the City Council for each fiscal year, but not later than the first day of the fiscal year, a certificate stating whether the City Council has included in its annual budget the payments to, or at the direction of, the CDA described in Section 3(d)(i) or (ii), as applicable. If, by 15 days after the beginning of the fiscal year, the City Council has not appropriated to, or at the direction of, the CDA an amount equal to the payments described in Section 3(d)(i) or (ii) above, as applicable, the Chief Administrative Officer will give written notice to the City Council setting forth the consequences of the failure to appropriate, including the possible effects upon the ability of the EDA or the CDA, as the case may be, to pay debt service due on the Bonds and will request the Mayor to submit to the City Council, as promptly as practicable, a request for an amendment to the budget of the then-current fiscal year to include an additional appropriation that will provide sufficient moneys to cover such difference.

6. Approval by City. Any approval or consent required of the City under this Agreement may be given by the Chief Administrative Officer or such officer's designee unless action by the City Council is expressly required.

7. EDA's Obligations Subject to Availability of Funds. The EDA's obligation to undertake and perform any of its responsibilities under this Agreement is specifically conditioned on the availability of funds for the EDA to perform such responsibilities. The EDA will not be required to expend any funds the EDA derives from sources other than those provided for by or described in this Agreement or otherwise appropriated to the EDA by the City Council for the performance of such responsibilities. The EDA's obligation to undertake the responsibilities herein is specifically conditioned upon the City providing funding on a timely basis; provided, however, the City's obligation is subject to appropriation by the City Council and availability of funds.

8. Audit by City. Pursuant to Section 2-187(c) of the City Code, the EDA, the CDA and the Developer will be subject to periodic audits by the City Auditor, at the City's expense, on demand and without notice of their respective finances and expenditures under this Agreement. In addition, the EDA, the CDA and the Developer will afford the City access to all records relating to their respective expenditures under this Agreement, wherever located, for such examination and

audit by the City as the City may desire. The EDA, the CDA and the Developer will afford the City the opportunity to make copies of any records that the City has the rights under this Agreement to access, examine, and audit.

9. Certain Payments. Subject to annual appropriation by the City Council of sufficient amounts for such purpose, the City agrees to take all actions reasonably necessary to raise and to grant to the EDA sufficient funds to perform its undertakings pursuant to the Development Agreement and any other related agreements necessary to effect the transactions contemplated by the Development Agreement (including, but not limited to, providing sufficient funds to meet the EDA's payment obligations with respect to the Startup EDA Bonds and the EDA Stadium Design Note), provided such agreements are approved by the EDA and are consistent with the terms and purposes of the Development Agreement.

10. No Agency, Joint Venture, or Other Relationship. Neither the execution of this Agreement nor the performance of any act or acts pursuant to the provisions of this Agreement will be deemed to have the effect of creating between the City, the EDA, the CDA and the Developer, or any of them, any relationship of principal and agent, partnership, or relationship other than the relationship established by this Agreement.

11. Binding Effect on CDA and Developer. This Agreement will become binding upon, inure to the benefit of and be enforceable by the CDA and the Developer upon their respective execution of the Special Assessment Agreement.

12. Successors and Assigns. This Agreement will be binding upon, inure to the benefit of and be enforceable by the parties and their respective successors and assigns.

13. Amendments. This Agreement may be amended only in writing signed by each of the parties hereto or their successors and assigns; provided, however, any Property Owner's consent to and execution of an amendment will only be required with respect to amendments affecting such Property Owner.

14. Term. This Agreement will be in full force and effect until all Bonds and any related CDA payment obligations have been paid in full or deemed no longer outstanding.

15. Severability. If any clause, provision or section of this Agreement is held to be illegal or invalid by any court, the invalidity of the clause, provision or section will not affect any of the remaining clauses, provisions or sections, and this Agreement will be construed and enforced as if the illegal or invalid clause, provision or section had not been contained in it.

16. Counterparts. This Agreement may be executed in any number of counterparts, each of which will be deemed to be an original, and all of which together will constitute but one and the same instrument.

17. Recitals. The recitals set forth at the beginning of this Agreement are incorporated into and made a part of this Agreement as though they were fully set forth in this Section 17 and constitute representations and understandings of the parties hereto.

18. Governing Law and Venue. This Agreement will be governed by the laws of the Commonwealth of Virginia without regard to its conflict of law rules. Any action or dispute

arising out of this Agreement that cannot be resolved among the parties will be resolved in the City of Richmond Circuit Court or in the United States District Court, Eastern District of Virginia, Richmond Division and in no other forum.

19. Public Records. The City and the EDA acknowledge and agree, and the Developer will acknowledge and agree, that this Agreement and any other records furnished, prepared by, or in the possession of the EDA, the City or the CDA may be subject to the retention and disposition requirements of the Virginia Public Records Act and the public disclosure requirements of the Virginia Freedom of Information Act.

20. Notices. Any notice, request or other deliveries required to be given hereunder will be deemed given if sent by registered or certified mail, or overnight delivery service, postage prepaid, addressed to the following addresses:

City:	Chief Administrative Officer City of Richmond, Virginia 900 East Broad Street, Suite 201 Richmond, Virginia 23219
with a copy to:	City Attorney City of Richmond, Virginia 900 East Broad Street, Suite 400 Richmond, Virginia 23219
EDA:	Chairman Economic Development Authority of the City of Richmond, Virginia [_____] [_____]
with a copy to:	[_____] [_____] [_____] [_____]

Any such notice will also be given to the CDA at such address as may be provided in the Special Assessment Agreement.

Any party may designate any other addresses for notices or requests or other deliveries by giving notice under this Section 20.

WITNESS the following signatures.

CITY OF RICHMOND, VIRGINIA

By: _____
Name: _____
Title: _____

APPROVED AS TO FORM:

_____
City Attorney

ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF RICHMOND, VIRGINIA

By: _____
Name: _____
Title: _____

In connection with the execution of the foregoing Cooperation and Grant Agreement, the undersigned Treasurer of the City of Richmond, Virginia, hereby acknowledges and agrees to (a) perform any obligations of the City pertaining to the assessment, billing, collection and reporting of any taxes, assessments, fees or other charges described in the Cooperation and Grant Agreement, to the extent those obligations fall within the purview of the duties of the Treasurer as prescribed by the Code of Virginia, the City Charter, the City Code and any other applicable law or ordinance and (b) undertake normal and customary collection efforts of any Annual Installments of the Special Assessments in the same manner in which she would undertake the collection of the City's real estate taxes.

Dated _____ __, 20__.

_____

[_____], Treasurer of the City of Richmond, Virginia

EXHIBIT M-1

PHASE 1 LAND PURCHASED PROPERTY BOUNDARIES

[TO BE ATTACHED]

Exhibit M-1 – Phase 1 Land Purchased Property Boundaries

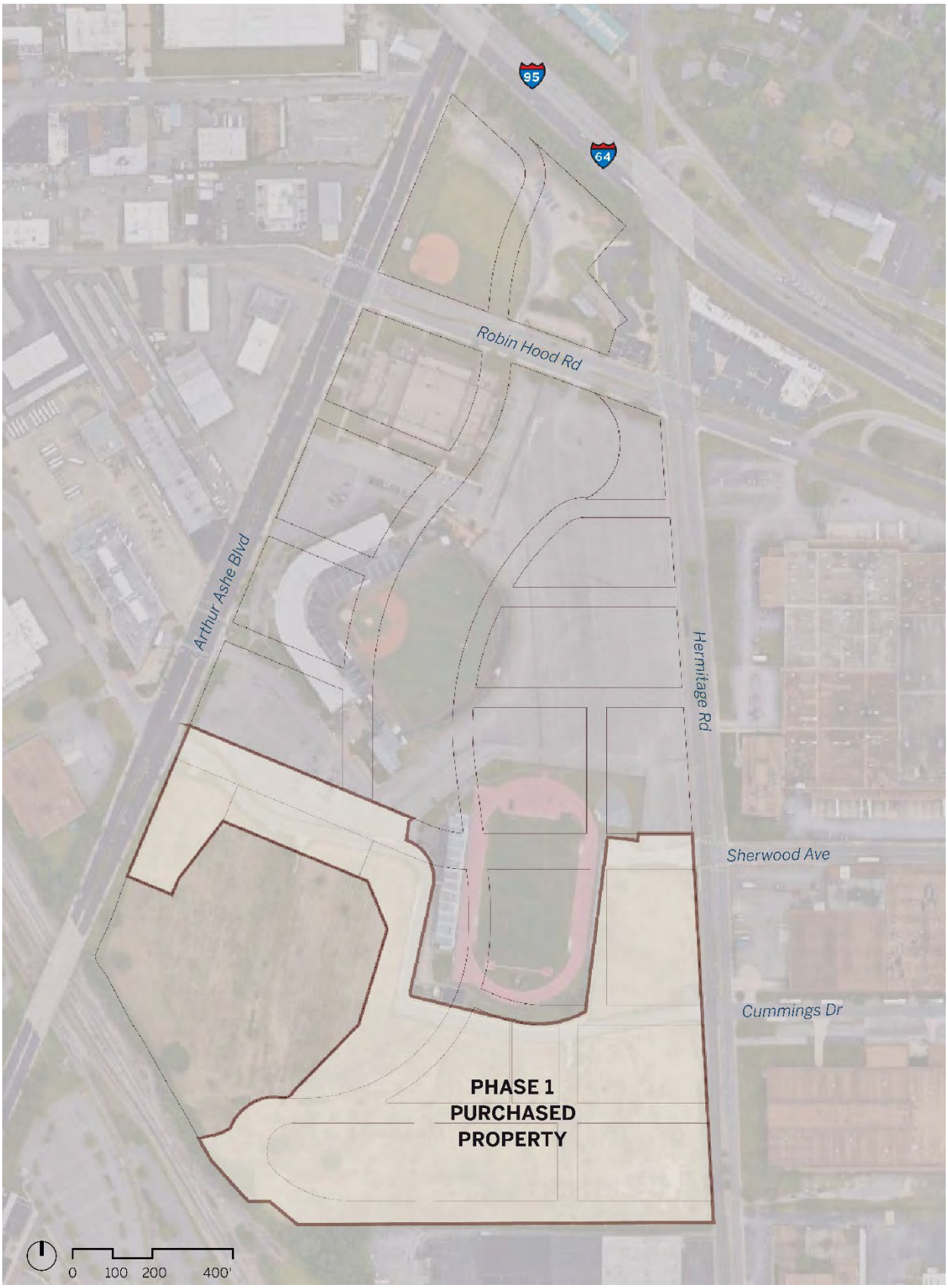


EXHIBIT M-2

SPORTS BACKERS PARCEL BOUNDARIES

[TO BE ATTACHED]

Exhibit M-2 – Sports Backers Parcel Boundaries



EXHIBIT M-3

PHASE 2 LAND PURCHASED PROPERTY BOUNDARIES

[TO BE ATTACHED]

Exhibit M-3 – Phase 2 Land Purchased Property Boundaries



EXHIBIT M-4

PHASE 3 LAND PURCHASED PROPERTY BOUNDARIES

[TO BE ATTACHED]

Exhibit M-4 – Phase 3 Land Purchased Property Boundaries



EXHIBIT M-5

PHASE 4 LAND PURCHASED PROPERTY BOUNDARIES

[TO BE ATTACHED]

Exhibit M-5 – Phase 4 Land Purchased Property Boundaries

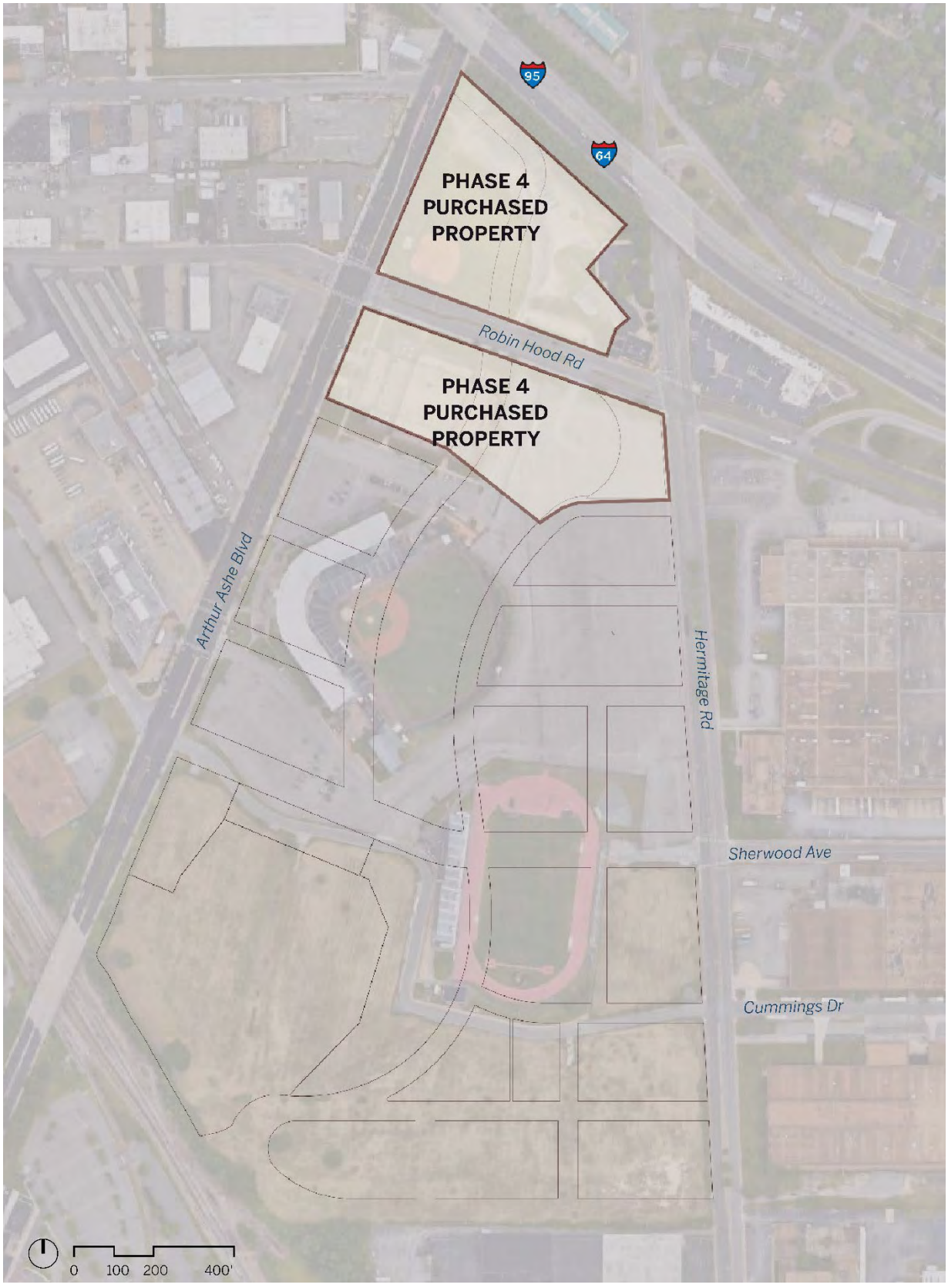


EXHIBIT N

MORALS CLAUSE

[TO BE ATTACHED]

EXHIBIT N

Morals Clause

Any advertising, signage or promotional material affixed or attached to the Project Site or the Improvements on or within the Project shall not fall within any one or more of the following categories:

1. Promotes or opposes a political party, or promotes or opposes any ballot referendum or the election of any candidate or group of candidates for federal, state, judicial, or local government offices.

2. Is false, misleading, or deceptive.

3. Promotes unlawful or illegal goods, services, or activities, or involves other unlawful conduct.

4. Falsely implies or declares an endorsement by the City or the EDA of any service, product, or point of view.

5. Encourages or depicts illegal or unsafe behavior.

6. Depicts or describes in a patently offensive manner sexual or excretory activity so as to satisfy the definition of obscene material under applicable Law.

7. Contains an image of a person who appears to be a minor in sexually suggestive dress, pose, or context.

8. Contains material the display of which the EDA reasonably foresees would imminently incite or provoke violence or other immediate breach of the peace, and so harm, disrupt, or interfere with safe, efficient, and orderly operations of the Stadium, the Public Infrastructure, or the City.

9. Contains material that demeans or disparages an individual or group of individuals. For purposes of determining whether an advertisement contains such material, the EDA will determine whether a reasonably prudent person, knowledgeable of Richmond, VA and using prevailing community standards, would believe that the advertisement contains material that is abusive to, or debases the dignity of, an individual or group of individuals.

10. Contains sexually explicit material that appeals to the prurient interest in sex or is so violent, frightening, or otherwise disturbing as to reasonably be deemed harmful to minors.

11. Promotes an escort service or sexually oriented business.

DRAFT

EXHIBIT O

DIAMOND DISTRICT PUBLIC REALM DESIGN STANDARDS – DRAFT SCOPE OF WORK

[TO BE ATTACHED]

Exhibit O

Diamond District Public Realm Design Standards – Draft Scope of Work

The Developer shall engage a consultant to work with a project management team (made of the Developer and EDA representatives) to develop the Diamond District Public Realm Design Standards. Outlined below is a draft Scope of Work to be performed. The Public Realm Design Standards shall be followed for the CDA District. Additionally, the Public Realm Design Standards may be used to guide the development of public realm elements in the general area surrounding the Diamond District.

The Public Realm Design Standards will include the following elements (the list below is not exhaustive):

1. **Street Hierarchy**
    - Map of the streets with hierarchies assigned
    - General widths and sections for all streetscape types based on street hierarchy

2. **Public Realm Elements**
    - Pavement types in the Sidewalk and Amenity Zones
    - Pavement types in the Building Zone and Public Spaces
    - Landscape materials
    - Architectural materials for elements that create space and place activities
        - Gathering elements
        - Play elements
        - Water elements
    - Furnishing and Fixture elements
        - Lighting
        - Shelters
        - Seating
        - Trash and Recycling Receptacles
        - Bollards and Planters
        - Wayfinding signage
    - Public Art

The Diamond District Public Realm Design Standards are not a substitute for the codes and ordinance provisions associated with the development review process.

Task 1 –Project Management Team + City Staff Meeting and Project Management

1.1 City Project management Team Meeting + Site Tour

A meeting with the consultant team and Project Management Team to review the project scope, schedule, and major project milestones and deliverables. The consultant team will provide an outline for a schedule of events for review and discussion prior to the meeting. The Project

Management Team and consultant team will also tour recent developments and other sites to understand the key issues to be addressed in the guidelines and obtain site photos.

1.2 Project Management (Ongoing)

Ongoing project management includes regular updates to the Project Management Team, the coordination of project tasks for team members and sub consultants, project billing, and coordination with City and EDA staff.

1.3 City Project Management Team

Up to five meetings with staff are anticipated during the project to review interim deliverables, plan for public engagement events and discuss the results, review the project schedule, and other project coordination tasks.

Task 2 - Existing Conditions Assessment

2.1 Gap Analysis of Existing Guidelines + Zoning Ordinance Code

The consultant team will review all existing guidelines in the city and the relative sections of development regulations in the City's Zoning Ordinance. The review and analysis will identify existing gaps in information and recommendations for the design guidelines update including new guidelines, standards, graphics, policies, administration, and the overall design process. In addition, the gap analysis will include a best practice review of plans and design guidelines from other cities. The gap analysis will inform the development of an outline for the design guidelines update with a unified structure and framework.

2.2 Stakeholder Interview/Focus Groups

As part of the baseline assessment of existing conditions it would be beneficial to interview key stakeholders that have been involved in the design review process including members of the City staff, designers, engineers, developers, and property owners of land in the Diamond District area. The input received during the stakeholder interviews and/or focus groups will be summarized with the key themes to inform the gap analysis and existing conditions analysis.

2.3 Existing Conditions Report

The information compiled under 2.1 and 2.2 will be summarized in an existing conditions report for review and input from City and EDA staff, the Developer, and other stakeholders. This input will inform the final existing conditions report and the next phase of work.

2.3 Final Existing Conditions Report

Based on input received under 2.3 the consultant team will finalize the existing conditions report.

- **Deliverable: Existing Conditions Report**

Task 3 – Standards Development

3.1 Workshop

The consultant will work with the Project Management Team to host a stakeholder workshop to charrette the street network and public realm design elements.

3.2 Draft Standards

The consultant will create draft design standards to share with the Project Management Team for review. The Project Management Team will gather input from City and EDA departments and other stakeholders to share with the consultant.

- Deliverable: Draft standards

3.3 Final Standards

The consultant will revise the standards based on input from stakeholders and share with the Project Management Team for review.

- Deliverable: Final standards

Task 4 – Standards Document

4.1 Document Design and Table of Contents

- Deliverable: Document Template and Table of Contents

4.2 Graphic Production

- Deliverable: Final Graphics

4.3 Draft Design Standards

- Deliverable: Draft Design Standards

4.4 Final Design Standards

- Deliverable: Final Design Standards

Timeline

Draft SOW Timeline Subject to change:

- Commencement Date: within 30 days of the execution of the Development Agreement
- Standards Finalized: September 30, 2023

*Dates are subject to change at the Project Management Team's sole discretion.

EXHIBIT P

SUBCONTRACTOR DIRECT AGREEMENT

[TO BE ATTACHED]

EXHIBIT P
FORM OF SUBCONTRACTOR DIRECT AGREEMENT

THIS SUBCONTRACTOR DIRECT AGREEMENT (this "**Agreement**") is made on [●], 20[●]:

AMONG:

(1) [●], a [●] (the "**Contractor**");

(2) [●], a [●] (the "**Guarantor,**" whether one or more);

(3) **THE ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF RICHMOND**, **VIRGINIA** a political subdivision of the Commonwealth of Virginia (the "**EDA**"); and

(4) **RVA DIAMOND DISTRICT PARTNERS LLC**, a Virginia limited liability company (the "**Developer**"),

collectively, the "**Parties**".

RECITALS:

(A) By the Diamond District Redevelopment Project Development Agreement, dated [●], between the City of Richmond, a municipal corporation and political subdivision of the Commonwealth of Virginia (the "**City**"), the EDA, and the Developer (the "**Development Agreement**"), the EDA has appointed the Developer, and Developer has agreed, to carry out, directly or indirectly, the Work.

(B) By a Construction Contract between the Developer and the Contractor dated [●] (the "**Contract**"), the Developer has appointed the Contractor to carry out the Work in relation to the Project.

(C) The Guarantor has guaranteed the obligations of the Contractor under the Contract pursuant to guarantees in favor of the Developer dated [●] (the "**Parent Guaranty**").

THE PARTIES AGREE as follows:

1. **INTERPRETATION**

1.1 **Defined Terms**

Unless expressly defined otherwise in this Agreement, any defined term in this Agreement will have the same meaning given to such term in the Contract. In addition, "**Work**" means all Work and other obligations to be performed by the Contractor under the Contract.

1.2 **Interpretation**

The rules of interpretation set out in Section 18.14 (*Interpretation*) of the Development Agreement will apply to this Agreement.

2. THE CONTRACTOR'S WARRANTY AND LIABILITY

2.1 Warranty

The Contractor warrants to the EDA that:

(a) it has carried out and performed and will continue to carry out and perform its obligations under the Contract in accordance with the Contract; and

(b) it has exercised and will continue to exercise in the performance of those obligations the reasonable skill, care and diligence to be expected of a properly qualified member of its profession experienced in carrying out obligations such as its duties under the Contract in relation to works of similar scope, nature and complexity to the Work.

2.2 Defense and Liability

In any action or proceedings by the EDA pursuant to Section 2.1 (*Warranty*):

(a) the Contractor may raise any defense (except for set off or counterclaim) as it would have against the Developer under the Contract; and

(b) the Contractor's liability to the EDA will be no greater or for longer duration than it would have been if the EDA had been a party to the Contract as joint employer.

3. INTELLECTUAL PROPERTY AND DOCUMENTS

3.1 To the extent that any [Project Data] is in the ownership or possession of the Contractor or any [Intellectual Property] is owned or licensable by the Contractor, the Contractor undertakes (for the benefit of the EDA) to comply with the terms of the Section [●] of the Development Agreement as if such terms were incorporated into this Agreement and the Contractor was the Developer.

3.2 The Contractor agrees on reasonable request at any time and following reasonable written prior notice to give the EDA or those authorized by it access to the [Project Data] relating to the Work and to provide copies (including copy negatives and CAD disks) thereof at the EDA expense.

3.3 The Contractor warrants to the EDA that it has used the standard of skill, care and diligence as set out in Section 2.1 (*Warranty*) to see that the [Project Data] relating to the Work (save to the extent duly appointed subcontractors have been used to prepare the same) is its own original work and that in any event their use in connection with the Work will not infringe the rights of any third party.

4. CURE RIGHTS AND STEP-IN RIGHTS IN FAVOR OF THE EDA

4.1 **Notice of Termination and Cure Period**

Each of the Contractor and the Guarantor shall not exercise or seek to exercise any right which may be or become available to it to terminate or treat as terminated or repudiated (as relevant) the Contract and the Parent Guaranty, or its engagement under the Contract and the Parent Guaranty, or discontinue or suspend the performance of any duties or obligations under the Contract and the Parent Guaranty (including the Contractor's obligations with respect to the Performance Security) without first giving to the EDA not less than forty-five (45) days' prior written notice specifying the Contractor's and the Guarantor's grounds for terminating or treating as terminated or repudiated (as relevant) the Contract and the Parent Guaranty, or its engagement under the Contract and the Parent Guaranty or discontinuing or suspending its performance and stating the amount (if any) of monies outstanding under the Contract and the Parent Guaranty.

4.2 **Cure Right**

(a) Within the period of notice stated in Section 4.1 (*Notice of Termination and Cure Period*):

(i) the EDA may give written notice to the Contractor and Guarantor that the EDA will become the Developer under the Contract and the Parent Guaranty to the exclusion of the Developer and each of the Contractor and the Guarantor will admit that the EDA is Developer under the Contract and the Parent Guaranty, respectively, and each of the Contract and the Parent Guaranty will be and remain in full force and effect despite any of the said grounds;

(ii) if the EDA has given notice under Section 4.2(a)(i) or Section 4.2(c), the EDA shall accept liability for the Developer's obligations under the Contract and will promptly remedy any outstanding breach by the Developer which is capable of remedy by the EDA; and

(iii) if the EDA has given notice under Section 4.2(a)(i) or Section 4.2(c), the EDA will from the service of such notice become responsible for all sums properly payable to the Contractor under the Contract accruing due before and after the service of such notice but the EDA will in paying such sums be entitled to the same rights of set-off and deduction as would have applied to the Developer under the Contract.

(b) Despite anything contained in this Agreement and despite any payments which may be made by the EDA to the Contractor, the EDA will not be under any obligation to the Contractor or the Guarantor nor will the Contractor or the Guarantor have any claim or cause of action against the EDA unless and until the EDA has given written notice to the Contractor and the Guarantor pursuant to Section 4.2(a)(i) or Section 4.2(c).

(c) Each of the Contractor and the Guarantor further covenants with the EDA that if the Development Agreement is terminated by the EDA, it will, if requested by the

EDA by notice in writing and subject to Section 4.2(a)(ii) and Section 4.2(a)(iii), accept the instructions of the EDA to the exclusion of the Developer with respect to its duties under the Contract or the Parent Guaranty, as the case may be, upon the terms and conditions of the Contract or the Parent Guaranty and will if so requested in writing enter into a novation agreement where the EDA is substituted for the Developer under the Contract and the Parent Guaranty.

(d) The Developer acknowledges that each of the Contractor and the Guarantor will be entitled to rely on a notice given to it by the EDA under Section 4.2(c) as conclusive evidence that the Development Agreement has been terminated by the EDA.

5. NOTICES

5.1 Notices under this Agreement will be in writing and:

(a) delivered personally;

(b) sent by certified mail, return receipt requested;

(c) sent by a recognized overnight mail or courier service, with delivery receipt requested; or

(d) sent by e-mail communication followed by a hard copy and with receipt confirmed by telephone, to the following addresses (or to such other address as may from time to time be specified in writing by such person):

(i) All notices, correspondence and other communications to Contractor will be delivered to the following address:

Contractor	[●]
Address:	[●]
Attention:	[●]
Email:	[●]
Telephone:	[●]

(ii) All notices, correspondence and other communications to the Developer will be delivered to the following address or as otherwise directed by the EDA (as set forth in the Development Agreement):

RVA Diamond Partners LLC	[●]
Address:	[●]
Attention:	[●]
Email:	[●]
Telephone:	[●]

(iii) All notices, correspondence and other communications to the EDA will be marked as regarding the Project and will be delivered to the following address or as otherwise directed by the EDA (as set forth in the Development Agreement):

Economic Development Authority of the City of Richmond
Address: [●]

Attention: [●]
Email: [●]
Telephone: [●]

(iv) All notices, correspondence and other communications to Guarantor will be delivered to the following address:

Guarantor
Address: [●]

Attention: [●]
Email: [●]
Telephone: [●]

5.2 Notices will be deemed received when actually received in the office of the addressee (or by the addressee if personally delivered) or when delivery is refused, as shown on the receipt of the U.S. Postal Service, private carrier or other person making the delivery. Notwithstanding the foregoing notices received after 5:00 p.m. Central Time will be deemed received on the first business day following delivery.

6. ASSIGNMENT

No Party to this Agreement may assign or transfer any part of its rights or obligations this Agreement without the prior written consent of the other Parties.

7. EDA'S REMEDIES

The rights and benefits conferred upon the EDA by this Agreement are in addition to any other rights and remedies it may have against the Contractor, including any remedies in negligence.

8. INSPECTION OF DOCUMENTS

Each of the Contractor's and the Guarantor's liabilities under this Agreement will not be in any way reduced or extinguished by reason of any inspection or approval of the [Project Data] or attendance at Project meetings or other enquiry or inspection which the EDA may make or procure to be made for its benefit or on its behalf.

9. GOVERNING LAW AND JURISDICTION

9.1 **Governing Law**

This Agreement will be governed by and construed and interpreted in accordance with the laws of the Commonwealth of Virginia the laws of the Commonwealth of Virginia, without giving effect to any choice of law or conflict of laws rules or provisions, whether of the Commonwealth of Virginia or any other jurisdiction, that would cause the application of the laws of any jurisdiction other than those of the Commonwealth of Virginia..

9.2 **Submission to Jurisdiction**

The Parties consent to the jurisdiction of Circuit Court of the City of Richmond, waiving any claim or defense that such forum is not convenient or proper. Each of the Developer, the Contractor and the Guarantor agrees that such court shall have *in personam* jurisdiction over it, and consents to service of process in any manner authorized by Applicable Law.

9.3 **Waiver of Jury Trial**

THE PARTIES HEREBY KNOWINGLY, IRREVOCABLY, VOLUNTARILY AND INTENTIONALLY WAIVE ANY RIGHTS THAT ANY MAY HAVE TO A TRIAL BY JURY WITH RESPECT TO ANY ACTION, PROCEEDING, COUNTERCLAIM OR DEFENSE BASED ON THIS AGREEMENT, OR ARISING OUT OF, UNDER OR IN ANY CONNECTION WITH THIS AGREEMENT, OR WITH RESPECT TO ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER ORAL OR WRITTEN) OR ACTIONS OF ANY PARTY HERETO RELATING TO THIS AGREEMENT. THIS PROVISION IS A MATERIAL INDUCEMENT FOR ALL PARTIES ENTERING INTO THIS AGREEMENT. THIS PROVISION APPLIES ONLY TO SUITS BETWEEN THE PARTIES ARISING OUT OF OR RELATED TO THIS AGREEMENT AND DOES NOT APPLY TO THIRD PARTY CLAIMS OR SUITS BY OR ON BEHALF OF THE PARTIES FOR PROJECT PROPERTY ACQUISITION AND/OR CONSTRUCTION CONTRACT CLAIMS AND DEFENSES. Each of the Parties hereby (a) certifies that no representative, agent, attorney or any other Person has represented, expressly or otherwise, that such other Person would not, in the event of any suit, action or proceedings relating to this Agreement, seek to enforce the foregoing waiver and (b) acknowledges that it has been induced to enter into this Agreement by, among other things, the mutual waivers and certifications in this Section 9.3.

10. **GENERAL PROVISIONS**

10.1 **Third Party Rights**

This Agreement is only enforceable by the original parties to it and by their successors in title and permitted assignees.

10.2 **Severability**

If any term or provision of this Agreement should be invalid, illegal, or unenforceable in any respect, the validity, legality, and enforceability of the remaining provisions will not

in any way be affected or impaired thereby. In addition, the Parties shall endeavor in good-faith negotiations to replace any such invalid, illegal, or unenforceable provisions with valid, legal, and enforceable provisions with the same or comparable economic effect and benefit as such invalid, illegal, or unenforceable provisions.

10.3 **Inconsistency with Other Documents**

If this Agreement is inconsistent with the Contract or Parent Guaranty, this Agreement prevails.

10.4 **Entire Agreement**

This Agreement contains the entire understanding of the Parties with respect to the subject matter of this Agreement and supersedes all prior agreements, understandings, statements, representations and negotiations between the Parties with respect to their subject matter.

10.5 **Amendments**

This Agreement can only be amended or replaced by another document executed by the Parties.

10.6 **Waivers**

(a) A waiver of any term, provision or condition of, or consent granted under, this Agreement will be effective only if given in writing and signed by the waiving or consenting Party and then only in the instance and for the purpose for which it is given.

(b) No failure or delay on the part of any Party in exercising any right, power or privilege under this Agreement will operate as a waiver thereof, nor will any single or partial exercise of any such right, power or privilege preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

(c) No breach of any provision of this Agreement will be waived or discharged except with the express written consent of the other Party.

10.7 **Counterparts or Electronic Execution**

This Agreement and any amendments, waivers, consents or supplements hereto or in connection herewith may be executed in any number of counterparts and by different Parties in separate counterparts, each of which when so executed and delivered will be deemed an original, but all such counterparts together will constitute but one and the same instrument; signature pages may be detached from multiple separate counterparts and attached to a single counterpart so that all signature pages are physically attached to the same document. Any copies of this Agreement or signatures on this Agreement delivered by email or other electronic means will, for all purposes, be deemed to be originals.

The parties are signing this Agreement on the date stated in the introductory clause.

[*Signature Pages to Follow*]

SIGNATORIES

RVA DIAMOND PARTNERS LLC,
a Virginia limited liability company

By: _____
Title: _____

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

By: _____
Title: _____

CONTRACTOR,
a [●]

By: _____
Title: _____

GUARANTOR,
a [●]

By: _____
Title: _____

EXHIBIT Q

INCREMENTAL TAX FINANCING AREA

[TO BE ATTACHED]

Exhibit O – Incremental Financing Area

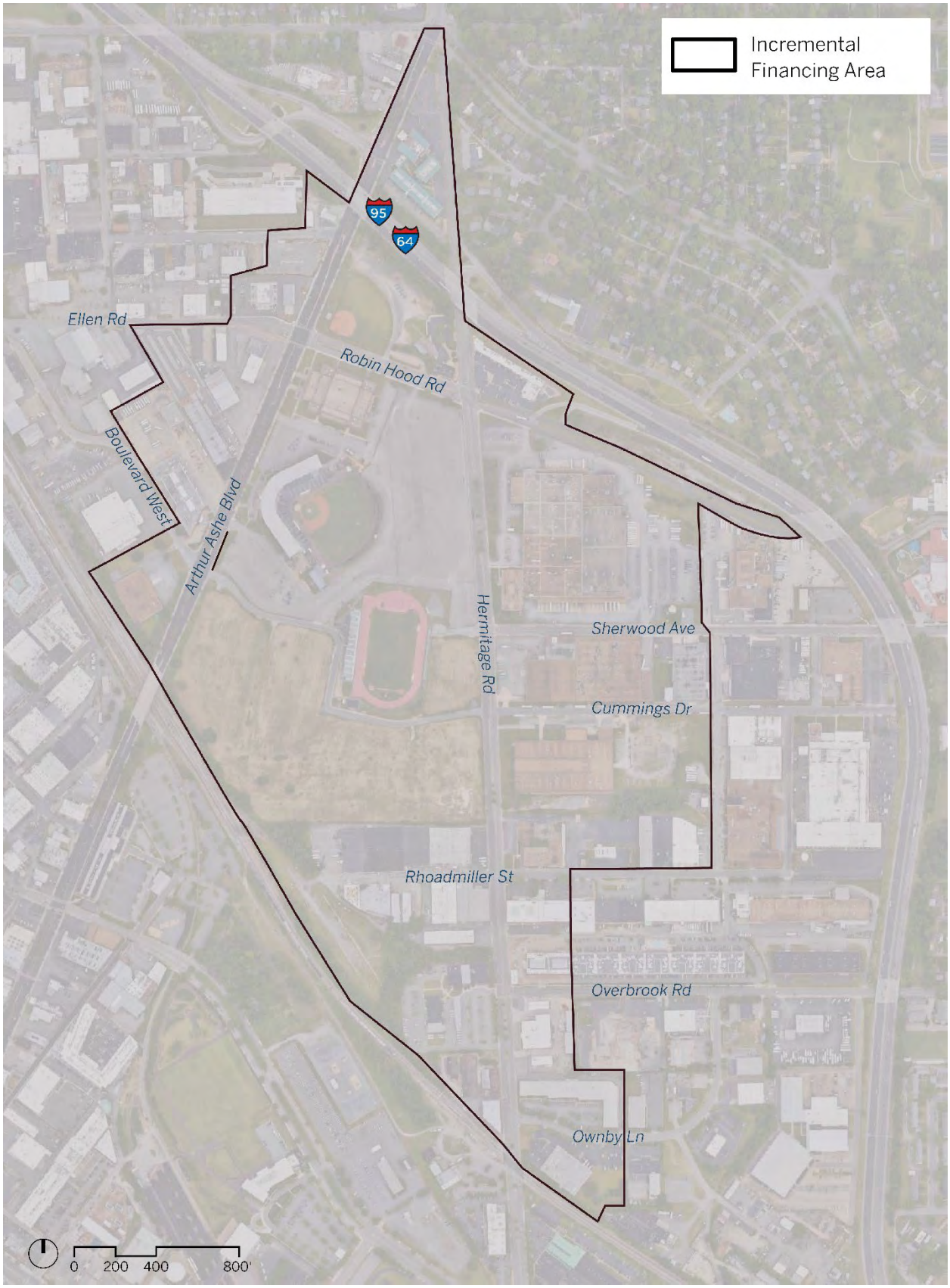


EXHIBIT R

[RESERVED]

EXHIBIT S

RIGHT OF ENTRY AGREEMENT

THIS RIGHT-OF-ENTRY AGREEMENT ("**Agreement**") is entered into this ___ day of _____ 202_ ("**Agreement Date**") by and between the City of Richmond, Virginia, a municipal corporation and political subdivision of the Commonwealth of Virginia ("**City**") and RVA Diamond Partners LLC, a Virginia limited liability company ("**Grantee**"). Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Development Agreement or the Purchase and Sale Agreement, as applicable (each as defined herein).

WHEREAS, Grantee proposes, the development of a mixed-use development as part of the redevelopment of an area of approximately 67.57 acres within an area comprised of property identified as 2907, 2909, 2911, 3001, 3017, and 3101 North Arthur Ashe Boulevard and 2728 Hermitage Road, known as the "Diamond District";

WHEREAS, the City, Grantee and the Economic Development Authority of the City of Richmond, Virginia ("**EDA**") entered into the Diamond District Redevelopment Project Development Agreement (the "**Development Agreement**") dated [_____], 2023, to establish each Party's obligations, rights and limitations with respect to delivering the Stadium Project, the Mixed-Use Development, the Public Infrastructure and such other improvements or commitments as provided in the Development Agreement;

WHEREAS, pursuant to the Development Agreement, the City has agreed to convey to the EDA all of the Purchased Property (excluding the Sports Backers Parcel) on or before the Closing Date for the Phase 1 Purchased Property and the Sports Backers Parcel and the EDA has agreed to acquire the Sports Backers Parcel not later than the Closing Date for the Phase 1 Purchased Property;

WHEREAS, the EDA and Grantee have entered into a Purchase and Sale Agreement dated [_____], 2023 (the "**Purchase and Sale Agreement**"), pursuant to which the EDA has agreed to sell the Purchased Property to Grantee in accordance with the terms of the Purchase and Sale Agreement and the Development Agreement;

WHEREAS, Grantee has requested entry onto land currently owned by the City (as well as such additional property as may be acquired by the City or the EDA) within the Diamond District prior to consummation of any purchase of the Purchased Property in order to perform certain due diligence; and

WHEREAS, the City agrees to grant such entry, and Grantee agrees to exercise such right to enter City property, on the terms and conditions contained herein.

NOW THEREFORE, Grantee agrees to the right-of-entry hereby granted on the following terms and conditions.

1.0 **Right of Entry**

1.1 **Scope and Purpose**.

1.1.1. **Meaning of Property**. As used herein, "**Property**" means the City-owned real property, including any improvements thereon, located within the Diamond District and commonly known as 2907, 2909, 3001, 3017, and 3101 North Arthur Ashe Boulevard and 2728 Hermitage Road.

1.1.2. **Conduct of Due Diligence**.

1.1.2.1 **Generally**. In connection with its right of entry, and as the sole purpose of the right of entry, Grantee shall perform Due Diligence (as defined herein) on the Property. During the Due Diligence Period (as defined herein) with respect to each Purchased Property Phase, Grantee shall have the right to enter and access such Purchased Property Phase for the purposes of conducting such additional due diligence as Grantee determines is necessary in its reasonable discretion to determine the feasibility of developing each Purchased Property Phase for the purposes set forth in the Development Agreement, which additional due diligence shall include but not be limited to (i) conducting any and all studies, tests, evaluations and investigations (collectively, the "**Studies**") that Grantee determines are necessary in Grantee's reasonable discretion to determine the feasibility of the intended use and development of such Purchased Property Phase, (ii) conducting the Survey for such Purchased Property Phase as required by Section 5(b) of the Purchase and Sale Agreement and (iii) satisfying any other requirements to be undertaken during the Due Diligence Period required elsewhere in the Purchase and Sale Agreement with respect to such Purchased Property Phase (collectively, the "**Due Diligence**"). As used herein, the term "**Due Diligence Period**" shall mean (a) with respect to the Phase 1 Purchased Property, a period of ninety (90) Days commencing upon the Agreement Date, and (b) with respect to each subsequent Purchased Property Phase, the period commencing upon the Agreement Date and terminating on the date that is ninety (90) Days prior to the Outside Closing Date for such Purchased Property Phase (as such Outside Closing Date may be extended pursuant to the terms of the Development Agreement or the Purchase and Sale Agreement), provided that any right to enter and access the Sports Backers Parcel will only be effective to the extent that the EDA is the fee simple owner of the Sports Backers Parcel. If the Due Diligence Period terminates on a Saturday, Sunday or legal holiday, the Due Diligence Period will be deemed to terminate on the Business Day immediately prior thereto.

1.1.2.2 **Survey Requirement**. So long as this Agreement is not terminated by either party prior to the expiration of the Due Diligence Period pursuant to Section 1.6 below, Grantee covenants and agrees, as part of the Due Diligence, to obtain a current ALTA survey of the Property prior to the expiration of the Due Diligence Period in accordance with the requirement of the Purchase and Sale Agreement, including specifically, but not limited to, those portions of the Property to be divided or subdivided for conveyance or leasing to Grantee.

1.1.2.3 **Work Product**. Grantee shall deliver copies of all Studies prepared by third-parties regarding the physical condition of the Property and title thereto, including, without limitation, any environmental reports, soils reports, property condition reports, title commitments and surveys, to the City, without representation or warranty of any kind from Grantee, within five (5) Business Days of receipt of such Studies. The City shall have a full and non-exclusive right to use any of the Studies in any manner not inconsistent with applicable law; however, this Agreement does not allow the City to rely upon any such Studies without the prior written consent of the party preparing such Studies. This Section 1.1.2.3 will survive termination of this Agreement.

1.2 **Grant of Right of Entry**. For the duration set forth in Section 1.5 and pursuant to the terms of this Agreement, the City hereby grants to Grantee, and its agents, contractors and employees, the nonexclusive right to enter upon the Property for the purpose of enabling Grantee to perform its Due Diligence thereon. Grantee understands, acknowledges, and agrees that this grant conveys no interest or estate in the Property but merely grants to Grantee the personal privilege to enter the Property for the purposes and on the terms set forth herein. The right of entry hereby granted, and all terms and conditions contained herein, will terminate automatically as to each Purchased Property Phase upon the expiration of the Due Diligence Period with respect to each Purchased Property Phase.

1.3 **Access**. Grantee shall provide two (2) Business Days' prior written notice to the City before accessing any Purchased Property Phase and shall schedule the timing of access to such Purchased Property Phase with the City's point of contact identified in Section 4.5. Grantee shall permit the City to have a representative present during every entry upon the Property. Grantee shall abide by reasonable security, safety and access restrictions as may be required by the City. If the intended Due Diligence includes intrusive physical or environmental testing of the Property, or any portion thereof, Grantee's notice shall include a reasonably detailed description of the type, scope, manner and duration of the Due Diligence to be conducted. Grantee shall not undertake any such physically or environmentally intrusive Due Diligence without the prior written consent of the City, which shall not be unreasonably withheld, conditioned or delayed.

1.4 **No Relationship between Parties**. Grantee acknowledges that it is in no way to be considered an employee, partner, agent or associate, whether by joint venture or otherwise, of the City in the performance of its activities under this grant.

1.5 **Duration**. The right of entry hereby granted, and all terms and conditions contained herein, will terminate automatically upon the earlier of (i) Grantee's written notification to the City of the completion of Grantee's Due Diligence, (ii) the expiration of the Due Diligence Period or (iii) termination by the City or Grantee as provided in Section 1.6.

1.6 **Termination**. Either party may terminate this Agreement at will by giving notice to the other party.

2.0 **Repairs and Non-Interference**.

2.1 **No Disruption**. Grantee shall not unreasonably disrupt or interfere with the City's business activities on any Purchased Property Phase or ordinary traffic flow in or around any Purchased Property Phase. Grantee shall not alter, damage, discard, remove or allow the alteration, damage, discarding or removal of any fixture or personal property located in or on any Purchased Property Phase. Grantee shall not move any equipment that is not a fixture located in or on any Purchased Property Phase without the City's prior consent, which may be given by the City representative to which Section 1.3 refers. Grantee may move, within or on any Purchased Property Phase, personal property other than equipment as Grantee may require to perform the Due Diligence, provided Grantee complies with all other requirements of this Agreement.

2.2 **Utility Protection**. Grantee shall protect all private and publicly owned utilities located within the Property and shall not permit any utilities interruption.

2.3 **Condition of Property**. Upon completion of the Due Diligence Period, or upon earlier termination or cancellation of this Agreement, Grantee shall, at its sole expense: (i) repair any damage to any Purchased Property Phase or to any equipment, fixture or personal property located therein or thereon, caused by the Due Diligence or any activities conducted in connection therewith; (ii) remove all materials and equipment from any Purchased Property Phase which Grantee brought or caused to be brought onto such Purchased Property Phase; and (iii) otherwise restore each Purchased Property Phase and any equipment, fixture or personal property located therein or thereon to a condition satisfactory to the City in the City's reasonable discretion. If Grantee fails to comply with this Section 2.3, the City may undertake repair, removal or restoration at Grantee's cost. This Section 2.3 will survive the termination of this Agreement.

3.0 **Liability**

3.1 **Release**. The City shall not be liable for any personal injury or property damage to Grantee or its agents, contractors, employees, invitees, licensees, officers or volunteers irrespective of how the injury or damage is caused, and Grantee hereby

releases the City from any liability, real or alleged, for any personal injury or property damage to Grantee or its agents, contractors employees, invitees, licensees, officers or volunteers irrespective of how the injury or damage is caused. Nothing herein shall be construed as a waiver of the sovereign immunity of the City. This Section 3.1 will survive the termination of this Agreement. For the purposes of this Section 3.1, the EDA is to be considered a third-party beneficiary.

3.2 **Indemnity**. Grantee shall indemnify and defend the City and the EDA, as applicable, and their respective agents, contractors, employees, officers and volunteers from and against any and all losses, liabilities, claims, damages and expenses, including court costs and reasonable attorneys' fees, caused by, resulting from, or arising out of any claim, action, or other proceeding, including any claim, action or other proceeding initiated or maintained by any of Grantee's agents, contractors, employees, invitees, licensees, officers or volunteers, that is based on or related to (i) Grantee's breach of this Agreement; (ii) the use of the Property by the Grantee or its agents, contractors, employees, invitees, licensees, officers or volunteers pursuant to this Agreement; (iii) the performance of the Due Diligence on or outside of any Purchased Property Phase by the Grantee or its agents, contractors, employees, invitees, licensees, officers or volunteers; (iv) the presence on or about any Purchased Property Phase of the Grantee or its agents, contractors, employees, invitees, licensees, officers or volunteers; (v) the conduct or actions of the Grantee or its agents, contractors, employees, invitees, licensees, officers or volunteers within or outside the scope of the conduct of Due Diligence with respect to any Purchased Property Phase; and (vi) any error, omission, negligent act or intentional act of the Grantee or its agents, contractors, employees, invitees, licensees, officers or volunteers. Without limiting the generality of the foregoing obligation, Grantee further agrees that it shall indemnify the City and the EDA, as applicable, and their respective agents, contractors, employees, officers and volunteers from all liabilities, remedial costs, environmental claims, fees or other expense related to, arising from, or attributable to, any Hazardous Substances introduced by Grantee (including effluent discharged on any Purchased Property Phase) or disturbed as a result of Grantee's activities on any Purchased Property Phase. This Section 3.2 will survive the termination of this Development Agreement. For the purposes of this Section 3.2, the EDA is to be considered a third-party beneficiary.

3.3 **Insurance**. Prior to engaging in any Due Diligence, Grantee shall carry and maintain, and shall cause its agents and contractors to carry and maintain, insurance in accordance with the requirements of Article 8 (*Insurance*) of the Development Agreement.

4.0 **Miscellaneous**.

4.1 **Assignment**.

4.1.1 Grantee shall not transfer or assign its rights or obligations under this Agreement.

4.1.2 The City may assign, or otherwise transfer all or any part of, its rights or obligations under this Agreement to the EDA, without the prior written consent of Grantee.

4.2 **Dispute Resolution**. Any and all disputes, claims, and causes of action arising out of or in connection with this Agreement, or any performances made hereunder, shall be resolved in accordance with the dispute resolution procedures set forth in Article 13 (*Dispute Resolution Provisions*) of the Development Agreement.

4.3 **Modifications**. This Agreement contains the complete understanding and agreement of the parties with respect to the matters covered herein and may not be modified except in a written instrument signed by the duly authorized representatives of each of the parties hereto.

4.4 **No Third-Party Beneficiaries**. Except otherwise expressly provided in this Agreement, the City and Grantee hereby agree that: (i) no individual or entity shall be considered, deemed or otherwise recognized to be a third-party beneficiary of this Agreement; (ii) the provisions of this Agreement are not intended to be for the benefit of any individual or entity other than the City and Grantee; (iii) no individual or entity shall obtain any right to make any claim against the City or Grantee under the provisions of this Agreement; and (iv) no provision of this Agreement shall be construed or interpreted to confer third-party beneficiary status on any individual or entity. For purposes of this section, the phrase "individual or entity" means any individual or entity, including, but not limited to, individuals, tenants, subtenants, contractors, subcontractors, vendors, sub-vendors, assignees, licensors and sub-licensors, regardless of whether such individual or entity is named in this Agreement.

4.5 **Notices**. All notices, offers, consents, or other communications required or permitted to be given pursuant to this Agreement shall be in writing and shall be considered as properly given or made if delivered personally, by messenger, by recognized overnight courier service or by registered or certified U.S. mail with return receipt requested, and addressed to the address of the intended recipient at the following addresses:

A. To the City:

Chief Administrative Officer
City of Richmond, Virginia
900 East Broad Street, Suite 201
Richmond, Virginia 23219
Attention: Jeff L. Gray

with a copy to:

City Attorney
City of Richmond, Virginia
900 East Broad Street, Suite 400
Richmond, Virginia 23219
Attention: Bonnie M. Ashley

B. To the Grantee:

RVA Diamond Partners LLC
[_____]
[_____]

with copies to:

[_____]
[_____]

Either party may change any of its address information given above by giving notice in writing stating its new address to the other party. All notices, offers, consents or other communications required or permitted to be given pursuant to this Agreement shall be in writing and shall be considered as properly given or made if delivered personally, by messenger, by recognized overnight courier service or by registered or certified U.S. mail with return receipt requested, and addressed to the address of the intended recipient.

4.6 **Compliance with Laws**. Grantee shall obtain all necessary governmental approvals and permits and shall perform such acts as are necessary to effect the compliance with all laws, rules, ordinances, statutes and regulations of any governmental authority applicable to the completion of the Due Diligence and shall ensure the same compliance by its agents, consultants, contractors and subcontractors.

4.7 **Counterparts**. This Agreement may be executed by the City and Grantee in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same Agreement.

IN WITNESS WHEREOF, the City and the Developer have executed this Right of Entry Agreement as of the day and year written first above.

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

By: _____
Chief Administrative Officer

APPROVED AS TO FORM:

_____
Deputy City Attorney

RVA DIAMOND PARTNERS LLC,
a Virginia limited liability company

By: _____
Title: _____

EXHIBIT T

KEY PERSONNEL

[TO BE ATTACHED]

EXHIBIT T
KEY PERSONNEL

Jason Guillot, RVA Diamond Partners, LLC

Susan Cronin, Loop Capital

Gregory Peck, Loop Capital

Kenny Jones, Prestige Construction

Brendan Carrol, Whiting-Turner

Bryan Olzin, Whiting-Turner

Chad Rexrode, Whiting-Turner

Bob Carlson, DLR Group

Norman Jenkins, Capstone Development, LLC

Darren Linnartz, Capstone Development, LLC

Ivy Carter, Pennrose

Patrick Stewart, Pennrose

Mike Hopkins, The M Companies

Robert Easter, KEi Architects

Marcus Thomas, KEi Architects

Gracetta Washington, J&G Workforce Development Services

INTRODUCED: April 8, 2024

AN ORDINANCE No. 2024-114

To approve a plan to finance certain public infrastructure in connection with the redevelopment of the area known as the "Diamond District" through the issuance of revenue bonds by the Economic Development Authority of the City of Richmond, Virginia (the "Authority"); to approve the form of a Cooperation Agreement pursuant to which the City of Richmond, Virginia (the "City"), will undertake, subject to annual appropriation by the Council of the City of sufficient amounts for such purposes, to make available to the Authority such funds as may be necessary to enable the Authority to (a) satisfy its undertakings pursuant to the Purchase and Sale and Development Agreement, the Stadium Development Agreement and the Stadium Lease, each to be entered into in connection with the Diamond District redevelopment project, (b) pay the debt service on the revenue bonds to be issued to finance such public infrastructure and (c) pay certain other costs and fees and fund other obligations required pursuant to the terms of the financing documents pursuant to which such revenue bonds are to be issued; and to authorize the Chief Administrative Officer and other appropriate officers of the City to execute and deliver the Cooperation Agreement and such other documents as may be necessary or appropriate to accomplish the plan of finance with respect to the public infrastructure.

Patrons – Mayor Stoney, Ms. Jordan, President Nye, Ms. Newbille, Ms. Trammell, Mr. Addison, Ms. Lynch and Ms. Robertson

---

Approved as to form and legality
by the City Attorney

PUBLIC HEARING: MAY 8 2024 AT 3 P.M.

WHEREAS, the Economic Development Authority of the City of Richmond, Virginia (the "Authority"), pursuant to the Industrial Development and Revenue Bond Act (the "Act") under which it is created, is authorized to exercise all the powers set forth in the Act, which include,

AYES: 6 NOES: 0 ABSTAIN: _____

ADOPTED: MAY 8 2024 REJECTED: _____ STRICKEN: _____

among other things, the power to finance "authority facilities" (as defined in the Act), to issue its revenue bonds, notes and other obligations from time to time for such purpose and to pledge all or any part of its revenues and receipts derived from payments received by the Authority from any source as security for the payment of principal of and premium, if any, and interest on any such obligations;

WHEREAS, the City of Richmond, Virginia (the "City"), the Authority and Diamond District Partners, LLC (the "Developer"), are expected to enter into a Purchase and Sale and Development Agreement (the "Development Agreement"), to provide for the redevelopment of a portion of the Greater Scott's Addition area that is known as the "Diamond District" and is home to The Diamond baseball stadium, the operation of which is no longer economically viable as a result of age, limited seating capacity and operational deficiencies;

WHEREAS, the Development Agreement will provide for the development of a full spectrum of new, privately financed housing (including both market rate and affordable housing), retail and office spaces and a hotel within the Diamond District and certain publicly financed public infrastructure that will serve the Diamond District and connect the project area with adjacent communities (as further described herein, the "Public Infrastructure");

WHEREAS, such Public Infrastructure is expected to include: (a) park and public space improvements, (b) parking facilities, (c) cultural facilities, (d) water, sewer, storm water, gas and electric utility improvements, (e) utility installations, relocations and abandonments, (f) road, alley and sidewalk improvements and (g) streetlight, traffic signal, traffic control, street signage, curb, gutter, streetscape and landscaping improvements;

WHEREAS, the Authority and Navigators Baseball, LP (the "Team"), are expected to enter into a Stadium Development Agreement (the "Stadium Development Agreement"), to provide for the design, construction and delivery of a new minor league baseball stadium (the "Stadium");

WHEREAS, the Authority and Team are expected to enter into a Stadium Lease (the "Stadium Lease"), to provide for the Team's lease and use of the Stadium;

WHEREAS, in accordance with the terms of the Development Agreement, the Council of the City of Richmond, Virginia (the "Council"), has approved the issuance of general obligation public improvement bonds to finance the costs of the design, construction and equipping of the Stadium;

WHEREAS, pursuant to the terms of the Development Agreement, the Authority will undertake to finance the costs of the design, construction and equipping of the Public Infrastructure (the "Public Infrastructure Project") through the issuance and sale of one or more series of revenue bonds (the "Public Infrastructure Bonds"), which will be secured by and payable from amounts appropriated by the Council for such purpose but are expected to be paid from rent payments made by the Team to the Authority pursuant to the Stadium Lease (the "Rent Payments");

WHEREAS, the City desires to assist the Authority in the performance of its undertakings pursuant to the Development Agreement, the Stadium Development Agreement and the Stadium Lease and the financing of the Public Infrastructure by entering into a Cooperation Agreement with the Authority (the "Cooperation Agreement"), pursuant to which (a) the City will agree, subject to annual appropriation by the Council of sufficient amounts for such purposes, to make available to the Authority such funds as may be necessary to enable the Authority to (i) satisfy its undertakings pursuant to the Development Agreement, the Stadium Development Agreement and the Stadium Lease, (ii) pay the debt service on the Public Infrastructure Bonds, (iii) if applicable,

replenish any debt service reserve fund established in connection with the Public Infrastructure Bonds, (iv) if applicable, pay the bond trustee its reasonable fees and expenses in connection with the performance of its duties as bond trustee and any other costs or expenses necessary to cancel and discharge the trust agreement pursuant to which the Public Infrastructure Bonds are to be issued and (v) pay any arbitrage rebate liability with respect to the Public Infrastructure Bonds and (b) the Authority will agree to apply the Rent Payments to pay debt service on the Public Infrastructure Bonds and to credit such Rent Payments toward the City's undertaking to make payments in amounts sufficient to timely pay debt service on the Public Infrastructure Bonds;

WHEREAS, the transactions contemplated by the Cooperation Agreement will benefit the citizens of the City by promoting increased employment opportunities, a strengthened economic base, increased tax revenues, market rate and affordable housing and additional business, retail and recreational opportunities; and

WHEREAS, a public hearing on this ordinance has been advertised and held in the manner required by Section 4.10 of the Charter of the City;

NOW, THEREFORE,

THE CITY OF RICHMOND HEREBY ORDAINS:

§ 1. The Council finds that the undertaking of the Public Infrastructure Project will be in the best interests of the City and its citizens and authorizes the City, in collaboration with the Authority, to undertake the following plan of finance to accomplish the same. The Authority shall issue the Public Infrastructure Bonds to finance the Public Infrastructure Project and to pay related issuance and financing costs. The Public Infrastructure Bonds shall (a) be issued in an aggregate principal amount not to exceed $40,000,000, (b) mature or be subject to mandatory sinking fund redemption in annual installments ending no later than December 31, 2058, (c) have a "true" or

"Canadian" interest cost not exceeding 8.00% (taking into account any original issue discount or premium), (d) be sold to the underwriter(s) thereof at a price not less than 97% of the aggregate principal amount thereof (without taking into account any original issue discount or premium) and (e) be subject to optional redemption on such terms as the Director of Finance, with the approval of the Chief Administrative Officer, and the Chair or Vice Chair of the Authority determine to be in the best interests of the City and the Authority. Pursuant to and in accordance with the terms of the Cooperation Agreement, the City will undertake to make payments to the Authority in amounts sufficient to enable the Authority to (i) satisfy its undertakings pursuant to the Development Agreement, the Stadium Development Agreement and the Stadium Lease, (ii) pay the debt service on the Public Infrastructure Bonds, (iii) if applicable, replenish any debt service reserve fund established in connection with the Public Infrastructure Bonds, (iv) if applicable, pay the bond trustee its reasonable fees and expenses in connection with the performance of its duties as bond trustee and any other costs or expenses necessary to cancel and discharge the trust agreement pursuant to which the Public Infrastructure Bonds are to be issued and (v) pay any arbitrage rebate liability with respect to the Public Infrastructure Bonds. The obligation of the Authority to pay principal of and premium, if any, and interest on the Public Infrastructure Bonds will be limited to such payments from the City, provided that, pursuant to the terms of the Cooperation Agreement, the Authority will apply the Rent Payments to pay debt service on the Public Infrastructure Bonds and credit such Rent Payments toward the City's undertaking to make payments in amounts sufficient to timely pay debt service on the Public Infrastructure Bonds. Notwithstanding the foregoing sentence describing the Authority's undertaking to apply Rent Payments to the payment of debt service on the Public Infrastructure Bonds, the Public Infrastructure Bonds will be secured solely by an assignment of payments made by the City for such purpose pursuant to the

Cooperation Agreement. The undertaking by the City to make such payments pursuant to the Cooperation Agreement will be subject to appropriation by the Council from time to time of sufficient amounts for such purposes. The plan of finance for the Public Infrastructure Project may contain such additional requirements and provisions as may be approved by the Director of Finance, with the approval of the Chief Administrative Officer, and the Chair or Vice Chair of the Authority. The actions of the Director of Finance in approving the terms of the Public Infrastructure Bonds and the Cooperation Agreement shall be conclusive, and no further action shall be necessary on the part of the Council.

§ 2. In consideration of the Authority's undertakings with respect to the Development Agreement, the Stadium Development Agreement, the Stadium Lease and the Public Infrastructure Bonds, the Chief Administrative Officer, for and on behalf of the City, is authorized and directed to execute and deliver the Cooperation Agreement. The Cooperation Agreement must be approved as to form by the City Attorney and shall be substantially in the form of the document attached to this ordinance.

§ 3. The Council, while recognizing that it is not empowered to make any binding commitment to make appropriations beyond the current fiscal year, states its intent to make appropriations in future fiscal years in amounts sufficient to make all payments due under the Cooperation Agreement and recommends that future Councils do likewise during the term of the Cooperation Agreement. The Council confirms that the components of the Public Infrastructure Project are important to the welfare or quality of life of the citizens of the City, and the Council anticipates that such components will continue to be so during the term of the Cooperation Agreement.

§ 4. The Chief Administrative Officer and the Director of Finance are authorized and directed to coordinate with the appropriate officers of the Authority to have prepared and distributed, in accordance with standard practices for municipal securities, one or more Preliminary Official Statements of the Authority describing the Public Infrastructure Bonds, the security therefor and providing any other pertinent or relevant information. The Director of Finance, together with appropriate officers of the Authority, shall make such completions, omissions, insertions and changes in each such Preliminary Official Statement not inconsistent with this ordinance as are necessary or desirable to complete it as a final Official Statement. The City shall arrange for the delivery to the purchasers of the Public Infrastructure Bonds of a reasonable number of copies of any final Official Statement, within seven business days after the date the Public Infrastructure Bonds have been awarded, for delivery to each potential investor requesting a copy of such final Official Statement and to each person to whom such underwriter or bidder and members of the underwriting or bidding group initially sell Public Infrastructure Bonds.

§ 5. The Director of Finance is authorized, on behalf of the City, to deem each such Preliminary Official Statement and Official Statement in final form, each to be final as of its date within the meaning of Rule 15c2-12 (the "Rule") of the Securities and Exchange Commission (the "SEC"), except for the omission from each such Preliminary Official Statement of certain pricing and other information permitted to be omitted pursuant to the Rule. The distribution of any Preliminary Official Statement or Official Statement in final form shall be conclusive evidence that it has been deemed final as of its date by the City, except for the omission from any Preliminary Official Statement of such pricing and other information permitted to be omitted pursuant to the Rule.

§ 6. All other actions of officers of the City in conformity with the purposes and intent of this ordinance and in furtherance of the plan of finance for the Public Infrastructure Project are hereby ratified, approved and confirmed. The officers of the City are authorized and directed to execute and deliver all certificates and instruments and to take all such further action as may be considered necessary or desirable in connection with the execution and delivery of the Cooperation Agreement, the financing of the Public Infrastructure Project and the issuance, sale and delivery of the Public Infrastructure Bonds, including, but not limited to, entering into (a) a continuing disclosure agreement pursuant to which the City will agree to provide certain annual financial information and operating data and notices of the occurrence of certain events in order to assist the underwriters of the Public Infrastructure Bonds in complying with the Rule and (b) a certificate setting forth the expected use and investment of the proceeds of the Public Infrastructure Bonds to show that such expected use and investment will not violate the provisions of Section 148 of the Internal Revenue Code of 1986, as amended, and regulations thereunder applicable to "arbitrage bonds." The authorization granted by this ordinance to the Director of Finance, the Chief Administrative Officer and the City Attorney shall apply equally to any person serving in such capacity on an interim or acting basis pending a permanent appointment to any such office.

§ 7. This ordinance shall be in force and effect upon adoption.

APPROVED AS TO FORM:

_____
CITY ATTORNEY'S OFFICE

A TRUE COPY:
TESTE:

Camelia D. Reid

City Clerk

RECEIVED
By City Attorney at 5:03 pm, Apr 08, 2024

City of Richmond

900 East Broad Street
2nd Floor of City Hall
Richmond, VA 23219
www.rva.gov

Master

File Number: Admin-2024-0291

File ID:	Admin-2024-0291	**Type:**	Request for Ordinance or Resolution	**Status:**	Regular Agenda
Version:	1	**Reference:**		**In Control:**	DCAO For Planning and Economic Development
Department:		**Cost:**		**File Created:**	04/08/2024
Subject:				**Final Action:**	

Title: To authorize the Chief Administrative Officer to execute a Cooperation Agreement between the City and the EDA for the purpose of facilitating the financing of the stadium and public improvements in the Diamond District.

Internal Notes:

Code Sections:

Agenda Date: 04/08/2024

Indexes:

Agenda Number:

Patron(s):

Enactment Date:

Attachments: Admin-2024-0291_Diamond District - Cooperation Agreement - AATF.pdf.pdf, Admin-2024-0291_Ordinance - Diamond District - Cooperation Agreement AATF.pdf.pdf

Enactment Number:

Contact:

Introduction Date:

Drafter: Cordell Hayes

Effective Date:

Related Files:

Approval History

Version	Seq #	Action Date	Approver	Action	Due Date
1	1	4/8/2024	Sharon Ebert - FYI	Notified - FYI	
1	2	4/8/2024	Lincoln Saunders	Approve	4/10/2024
1	3	4/8/2024	Mayor Stoney	Approve	4/10/2024

History of Legislative File

Version:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:

Text of Legislative File Admin-2024-0291

Title

To authorize the Chief Administrative Officer to execute a Cooperation Agreement between the City and the EDA for the purpose of facilitating the financing of the stadium and public improvements in the Diamond District.

Body

O & R Request

DATE: April 8, 2024 **EDITION:** 1

TO: The Honorable Members of City Council

THROUGH: The Honorable Levar M. Stoney, Mayor

THROUGH: Lincoln Saunders, Chief Administrative Officer

FROM: Sharon L. Ebert, DCAO - Planning & Economic Development Portfolio

RE: To authorize the CAO to execute a Cooperation Agreement between the City and the EDA for the purpose of facilitating the financing of the stadium and public improvements in the Diamond District.

PURPOSE: To authorize the CAO to execute a Cooperation Agreement between the City and the EDA for the purpose of facilitating the financing of the stadium and public improvements in the Diamond District.

BACKGROUND: The execution of this Cooperation Agreement will assist the Authority in the performance of its undertakings pursuant to the Development Agreement, the Stadium Development Agreement and the Stadium Lease and the financing of the Public Infrastructure by entering into a Cooperation Agreement with the Authority (the "Cooperation Agreement"), pursuant to which (a) the City will agree, subject to annual appropriation by the Council of sufficient amounts for such purposes, to make available to the Authority such funds as may be necessary to enable the Authority to (i) satisfy its undertakings pursuant to the Development Agreement, the Stadium Development Agreement and the Stadium Lease, (ii) pay the debt service on the Public Infrastructure Bonds, (iii) if applicable, replenish any debt service reserve fund established in connection with the Public Infrastructure Bonds, (iv) if applicable, pay the bond trustee its reasonable fees and expenses in connection with the performance of its duties as bond trustee and any other costs or expenses necessary to cancel and discharge the trust agreement pursuant to which the Public Infrastructure Bonds are to be issued and (v) pay any arbitrage rebate liability with respect to the Public Infrastructure Bonds and (b) the Authority will agree to apply the Rent Payments to pay debt service on the Public Infrastructure Bonds and to credit such Rent Payments toward the City's undertaking to make payments in amounts sufficient to timely pay debt service on the Public Infrastructure Bonds.

COMMUNITY ENGAGEMENT: The goals for development of the Diamond District are based upon the Richmond 300 Master Plan. The City hosted numerous public meetings as part of the Richmond 300 process generally, and four meetings specifically about the Greater Scott's Addition Area to guide the creation of the Small Area Plan. The City also hosted two surveys specific to Greater Scott's Addition and garnered over 1,300 responses. The meetings and survey responses aided the City in drafting the vision and primary next steps as well as the district and open space plans included in Richmond 300 to guide the redevelopment of Greater Scott's Addition. The draft Greater Scott's Addition Small Area Plan was presented to the community in February 2020 and the final Plan was adopted as part of Richmond 300 in December 2020. During the process to rezone several hundred acres of land in Greater Scott's Addition, the City hosted two public meetings and received generally positive feedback on the proposed rezoning. The rezoning was approved by City Council in July 2021.

City staff gave update presentations on the solicitation process at six City Council meetings from October 2021 to August 2022.

STRATEGIC INITIATIVES AND OTHER GOVERNMENTAL: Richmond 300 Master Plan

FISCAL IMPACT: See attached document entitled "Discussion Materials Diamond District Project" dated March 28, 2024 from the City's Financial Advisor (the "Davenport Update to DD Project Fiscal/Economic Impact Analysis")

DESIRED EFFECTIVE DATE: Upon adoption

REQUESTED INTRODUCTION DATE: April 8, 2024

CITY COUNCIL PUBLIC HEARING DATE: April 22, 2024

REQUESTED AGENDA: Consent Agenda

RECOMMENDED COUNCIL COMMITTEE:

- Finance and Economic Development Standing Committee

AFFECTED AGENCIES: Mayor, Chief Administrative Officer, Office of the City Attorney, Department of Economic Development, Department of Planning & Development Review, Department of Finance, Department of Public Works, Department of Public Utilities

RELATIONSHIP TO EXISTING ORD. OR RES.: This ordinance is expected to be introduced along with the following three companion papers: (1) An ordinance to authorize the issuance of G.O. Bonds for stadium construction. (2) An ordinance to create the Diamond District Community City of Richmond Page 5 Printed on 4/8/2024 Master Continued (Admin-2024-0289) Development Authority.

ATTACHMENTS:
Approved to Form Cooperation Agreement

Approved to Form Ordinance for Cooperation Agreement.

STAFF:
Sharon Ebert, DCAO - Planning & Economic Development Portfolio
Leonard Sledge, Director - Department of Economic Development
Matt Welch, Senior Policy Advisor - Planning & Economic Development Portfolio

COOPERATION AGREEMENT

THIS COOPERATION AGREEMENT is made as of [_____ __], 2024, between the **CITY OF RICHMOND, VIRGINIA** (the "City"), and the **ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF RICHMOND, VIRGINIA** (the "Authority"), a political subdivision of the Commonwealth of Virginia;

WITNESSETH:

WHEREAS, the Authority is organized and operating under the Virginia Industrial Development and Revenue Bond Act (the "Act"), Chapter 49, Title 15.2 of the Code of Virginia of 1950, as amended;

WHEREAS, the Act authorizes the Authority to finance "authority facilities," as defined in the Act, to issue its revenue bonds, notes and other obligations from time to time for such purposes and to pledge all or any part of its revenues and receipts derived from payments received by the Authority from any source as security for the payment of principal of and interest on any such obligations;

WHEREAS, the City, the Authority and Diamond District Partners, LLC, have entered into the Diamond District Redevelopment Project Purchase and Sale and Development Agreement dated as of [_____ __, 2024] (the "Development Agreement"), to provide for the redevelopment of a portion of the Greater Scott's Addition area that is known as the "Diamond District" and is home to The Diamond baseball stadium, the operation of which is no longer economically viable as a result of age, limited seating capacity and operational deficiencies;

WHEREAS, the Development Agreement provides for the development of a full spectrum of new, privately financed housing (including both market rate and affordable housing), retail and office spaces and a hotel within the Diamond District (as further described in the Development Agreement, the "Mixed-Use Development") and certain publicly financed public infrastructure that will serve the Diamond District and connect the project area with adjacent communities (as further described in the Development Agreement, the "Public Infrastructure");

WHEREAS, the Authority and Navigators Baseball, LP (the "Team"), have entered into the Stadium Development Agreement dated [_____ __, 2024] (as it may be amended from time to time, the "Stadium Development Agreement"), to provide for the design, construction, and delivery of a new minor league baseball stadium (the "Stadium") in accordance with the requirements set forth in the Stadium Development Agreement (the "Stadium Project");

WHEREAS, the Authority and the Team have entered into the Stadium Lease dated [_____ __, 2024] (as it may be amended from time to time, the "Stadium Lease"), to provide for the Team's lease and use of the Stadium as its home venue and for other purposes described therein;

WHEREAS, the City has approved the issuance of issue one or more series of general obligation public improvement bonds to finance the costs of the Stadium Project (the "Stadium Bonds");

WHEREAS, pursuant to the terms of the Development Agreement, the Authority has agreed to finance the costs of the Public Infrastructure through the issuance and sale of one or more series of revenue bonds (the "Public Infrastructure Bonds"), which will be secured by and payable from amounts appropriated by the Council of the City of Richmond, Virginia (the "Council"), for such purpose pursuant to the terms of this Cooperation Agreement;

WHEREAS, the Authority has further agreed to apply the Rent Payments as a credit toward the City's undertaking, subject to annual appropriation by the Council of sufficient amounts for such purpose, to make payments in amounts sufficient to timely pay debt service on the Public Infrastructure Bonds;

WHEREAS, as contemplated in the Development Agreement, the Authority has agreed to assume certain responsibilities and to perform certain activities to facilitate the redevelopment of the Phase 1 Property (as defined in the Development Agreement) into the Mixed-Use Development and the Stadium Project and will incur costs in connection with the performance of such undertakings in addition to the costs of funding the Public Infrastructure;

WHEREAS, to assist the Authority in the performance of its undertakings pursuant to the Development Agreement, the Stadium Development Agreement and the Stadium Lease and the financing of the Public Infrastructure, the City desires, subject to annual appropriation by the Council of sufficient amounts for such purpose, to make available to the Authority such funds as may be necessary to enable the Authority to (a) satisfy its undertakings pursuant to the Development Agreement, the Stadium Development Agreement and the Stadium Lease, (b) pay the debt service on the Public Infrastructure Bonds, (c) if applicable, replenish any debt service reserve fund established in connection with the Public Infrastructure Bonds, (d) if applicable, pay the bond trustee its reasonable fees and expenses in connection with the performance of its duties as bond trustee and any other costs or expenses necessary to cancel and discharge the trust agreement pursuant to which the Public Infrastructure Bonds are to be issued (the "Trust Agreement") and (e) pay any arbitrage rebate liability with respect to the Public Infrastructure Bonds;

WHEREAS, the transactions contemplated by this Cooperation Agreement will benefit the citizens of the City by promoting increased employment opportunities, a strengthened economic base, increased tax revenues, affordable housing and additional business, retail and recreational opportunities; and

WHEREAS, all acts, conditions and things required by law to happen, exist and be performed precedent to and in connection with the execution of and entering into this Cooperation Agreement have happened, exist and have been performed in regular and due time and in form and manner as required by law, and the parties hereto are now duly empowered to execute and enter into this Cooperation Agreement;

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter contained and other valuable consideration, the parties hereto covenant and agree as follows:

1. Definitions. Capitalized terms used, but not defined in this Cooperation Agreement will have the meanings set forth in the Development Agreement, as the context requires. The following terms will have the meanings specified below unless otherwise expressly provided or the context otherwise requires:

"Act" shall have the meaning set forth in the Recitals hereto.

"Annual Budget" shall have the meaning set forth in Section 4(b).

"Annual Rent" shall have the meaning set forth in the Stadium Lease.

"Authority" shall mean the Economic Development Authority of the City of Richmond, Virginia, together with its successors and assigns.

"Bond Cost Payment" shall have the meaning set forth in Section 3(c).

"Bond-Related Costs" shall mean any amounts (other than Debt Service Requirements) payable by the Authority in connection with Public Infrastructure Bonds pursuant to the terms of the Trust Agreement, including, but not limited to, amounts necessary to (a) replenish any debt service reserve fund established in connection with the Public Infrastructure Bonds, (b) pay the bond trustee its reasonable fees and expenses in connection with the performance of its duties as bond trustee and any other costs or expenses necessary to cancel and discharge the Trust Agreement and (c) pay any arbitrage rebate liability with respect to the Public Infrastructure Bonds.

"City" shall mean the City of Richmond, Virginia, together with its successors and assigns.

"Contract Performance Costs" shall mean the Authority's reasonable costs incurred in the satisfaction of its undertakings pursuant to the Development Agreement and any other related agreements necessary to effect the transactions contemplated by the Development Agreement.

"Contract Performance Payment" shall have the meaning set forth in Section 3(a).

"Cooperation Term" shall have the meaning set forth in Section 12.

"Council" shall have the meaning set forth in the Recitals hereto.

"Debt Service Payment" shall have the meaning set forth in Section 3(b).

"Debt Service Requirements" shall mean the payments of principal and interest due on the Public Infrastructure Bonds on each principal and interest payment date.

"Development Agreement" shall have the meaning set forth in the Recitals hereto.

"Fiscal Year" shall mean the twelve-month period beginning July 1 of one year and ending June 30 of the following year.

"Mixed-Use Development" shall have the meaning set forth in the Recitals hereto.

"Public Infrastructure" shall have the meaning set forth in the Recitals hereto.

"Public Infrastructure Bonds" shall have the meaning set forth in the Recitals hereto.

"Rent Payments" shall mean all payments of Annual Rent due under the Stadium Lease.

"Stadium" shall have the meaning set forth in the Recitals hereto.

"Stadium Development Agreement" shall have the meaning set forth in the Recitals hereto.

"Stadium Lease" shall have the meaning set forth in the Recitals hereto.

"Stadium Project" shall have the meaning set forth in the Recitals hereto.

"Trust Agreement" shall have the meaning set forth in the Recitals hereto.

2. Financing of Public Infrastructure. Pursuant to the terms of the Development Agreement, the Authority will finance the costs of the Public Infrastructure through the issuance of the Public Infrastructure Bonds in accordance with the provisions of the Act.

3. City Support for Authority Undertakings. Subject to the provisions of Section 4, the City agrees to provide financial support to the Authority as follows:

(a) The City shall make payments to the Authority from time to time in amounts sufficient to enable the Authority to pay, or to reimburse the Authority for any prior payment of, Contract Performance Costs incurred by the Authority (each such payment by the City shall be referred to herein as a "Contract Performance Payment").

(b) No later than 10 days prior to each principal or interest payment date on the Public Infrastructure Bonds, the City shall pay to the Authority or its assignee (which may include the bond trustee) an amount sufficient to satisfy the Debt Service Requirements on the Public Infrastructure Bonds on such principal or interest payment date (each such payment by the City shall be referred to herein as a "Debt Service Payment"). The City shall receive a credit against its undertaking to make each Debt Service Payment due under this Cooperation Agreement in an amount equal to (i) any amounts on deposit with the bond trustee under the Trust Agreement available to make the corresponding debt service payment on the Public Infrastructure Bonds and not previously applied as a credit with respect to any Debt Service Payment payable pursuant hereto and (ii) any Rent Payments received by the Authority and not previously applied by the Authority to pay debt service on the Public Infrastructure Bonds in accordance with the provisions of Section 5.

(c) No later than the date on which any Bond-Related Cost is required to be paid or funded by the Authority pursuant to the terms of the Trust Agreement, the City shall pay to the Authority or the bond trustee, as applicable, an amount sufficient to satisfy such payment or funding obligation (each such payment by the City shall be referred to herein as a "Bond Cost Payment").

4. Appropriation of Funds.

(a) While recognizing that it is not empowered to make any binding commitment to make any Contract Performance Payments, Debt Service Payments or Bond Cost Payments beyond the current Fiscal Year, the Council in authorizing the execution of this Cooperation Agreement has stated its intent to make appropriations from time to time in amounts sufficient to make Contract Performance Payments, Debt Service Payments and Bond Cost Payments when due.

(b) Notwithstanding anything in this Cooperation Agreement to the contrary, the City's undertakings to make Contract Performance Payments, Debt Service Payments and Bond Cost Payments shall be subject to and dependent upon appropriations being made from time to time by the Council for such purposes; provided, however, that, during the Cooperation Term, the Chief Administrative Officer (or other officer charged with the responsibility for preparing the City's Annual Budget) will request that the Mayor include in the Mayor's proposed current expense budget for the general operation of the City government (the "Annual Budget") to be submitted to the Council for each Fiscal Year a recommendation to appropriate an amount equal to the scheduled Debt Service Requirements and any estimated Contract Performance Costs and Bond-Related Costs for such Fiscal Year. If the Mayor does not include such recommendation in the Mayor's proposed Annual Budget, the Chief Administrative Officer or other appropriate City officer will give notice thereof to the Authority and the bond trustee as soon as possible after the Mayor has submitted such proposed budget to the Council.

Throughout the term of this Cooperation Agreement, the Chief Administrative Officer or other appropriate City officer shall deliver to the Authority and the bond trustee within 15 days after the adoption of the Annual Budget for each Fiscal Year, a certificate stating whether an amount equal to the scheduled Debt Service Requirements and estimated Contract Performance Costs and Bond-Related Costs for such Fiscal Year has been appropriated by the Council in such Annual Budget.

If any adopted Annual Budget does not include an approval of funds sufficient to pay the scheduled Debt Service Requirements and estimated Contract Performance Costs and Bond-Related Costs for such Fiscal Year, the Council shall take a roll call vote immediately after adoption of such Annual Budget acknowledging the impact of its failure to approve such funds. In addition, the Chief Administrative Officer or other appropriate City officer shall deliver to the Authority and the bond trustee within 15 days after the beginning of each Fiscal Year, a certificate stating whether an amount equal to the scheduled Debt Service Requirements and estimated Contract Performance Costs and Bond-Related Costs for such Fiscal Year has been appropriated by the Council. If, by 15 days after the beginning of the Fiscal Year, the Council has not appropriated funds for the payment of the scheduled Debt Service Payments and estimated Contract Performance Payments and Bond Cost Payments for such Fiscal Year, the Chief Administrative Officer (or other officer charged with the responsibility for preparing the City's Annual Budget) shall (1) give written notice to the Council of the consequences of such failure to appropriate, including the possible effects upon the ability of the EDA to pay debt service on the Public Infrastructure Bonds and perform its obligations under the Development Agreement, and (2) request the Mayor to submit to the Council, as promptly as practicable, a request for an

amendment to the Annual Budget of the then-current Fiscal Year to include an additional appropriation that will provide sufficient moneys for such purposes.

If, during any Fiscal Year, the City determines that the actual Debt Service Requirements, Contract Performance Costs and Bond-Related Costs payable in such Fiscal Year will exceed the amount appropriated by the Council, the Chief Administrative Officer or other appropriate City officer charged with the responsibility for preparing the City's Annual Budget) (1) within 15 days of making such determination, shall notify the Authority and the bond trustee of such deficiency and (2) within 45 days of making such determination, request the Mayor to submit to the Council, as promptly as practicable, a request for an amendment to the Annual Budget of the then-current Fiscal Year to include an additional appropriation in an amount sufficient to satisfy such additional Annual Debt Funding Requirements, Contract Performance Costs and Bond-Related Costs. If the Council fails to make a supplemental appropriation of a sufficient amount within 75 days of such determination by the Chief Administrative Officer or other appropriate City officer, the Council shall take a roll call vote immediately after such failure acknowledging the impact of its failure to approve such funds. In addition, the Chief Administrative Officer or other appropriate City officer shall deliver to the Authority and the bond trustee no later than 15 days after such action by the Council, a certificate stating whether an amount sufficient to satisfy such additional Debt Service Requirements, Contract Performance Costs and Bond-Related Costs has been appropriated by the Council.

(c) For the avoidance of doubt, in no event shall the failure to appropriate funds hereunder for any reason constitute a default or an event of default by the City under this Cooperation Agreement.

5. Application of Rent Payments. The Team will make quarterly Rent Payments to the Authority for the term set forth in and in accordance with the provisions of the Stadium Lease. Although the Authority will not pledge the Rent Payments as security for the payment of the Public Infrastructure Bonds, the Authority and the City hereby agree that the Authority shall apply the Rent Payments as described herein to pay debt service on the Public Infrastructure Bonds and for no other purpose. For so long as any Public Infrastructure Bonds remain outstanding, the Authority shall transfer each quarterly Rent Payment to the bond trustee to satisfy the Debt Service Requirements. Any Rent Payments applied in satisfaction of the Debt Service Requirement for a principal or interest payment date shall be credited against the City's undertaking to make the corresponding Debt Service Payment pursuant to Section 3(b), and, subject to the provisions of Section 4, the City shall only make a Debt Service Payment equal to the amount by which the Debt Service Requirement for such principal or interest payment date exceeds such Rent Payments and any other funds available under the Trust Agreement to make such debt service payment as described in Section 3(b).

6. Assignment.

(a) Neither the City nor the Authority shall have the right to assign or transfer their respective rights, liabilities and obligations under this Cooperation Agreement to any person without the prior written consent of the other party. This Cooperation Agreement shall be binding upon, inure to the benefit of and be enforceable by the City and the Authority and their respective successors and permitted assigns. So long as any Public Infrastructure Bonds remain outstanding,

any assignment or transfer of either party's rights, liabilities or obligations under this Cooperation Agreement shall be subject to such additional conditions or limitations, if any, as may be set forth in the Trust Agreement.

(b) The Authority's rights, title and interest to (i) receive Debt Service Payments under Section 3(b), (ii) receive Bond Cost Payments under Section 3(c), but only to the extent such Bond Cost Payments relate the replenishment of any debt service reserve fund established in connection with the Public Infrastructure Bonds and (iii) seek performance by the City of its undertakings pursuant to Section 4 are hereby assigned to the bond trustee as security for the payment in full of the Public Infrastructure Bonds. By its execution and delivery of this Cooperation Agreement, the City has evidenced its consent to such assignment. Notwithstanding any provision of this Cooperation Agreement or the Trust Agreement to the contrary, neither the bond trustee nor the holders of the Public Infrastructure Bonds shall have any rights, title or interest with respect to the application of Rent Payments pursuant to Section 5.

(c) The City consents to any such assignment by the Authority to the bond trustee for the benefit of the holders of the Public Infrastructure Bonds.

7. Notices. Any notice, request or other deliveries required to be given hereunder will be deemed given if sent by registered or certified mail, or overnight delivery service, postage prepaid, addressed to the following addresses:

City:	Chief Administrative Officer City of Richmond, Virginia 900 East Broad Street, Suite 201 Richmond, Virginia 23219
with a copy to:	City Attorney City of Richmond, Virginia 900 East Broad Street, Suite 400 Richmond, Virginia 23219
Authority:	Chairman Economic Development Authority of the City of Richmond, Virginia 1500 East Main Street; 4th Floor Richmond, Virginia 23219
with a copy to:	General Counsel Economic Development Authority of the City of Richmond, Virginia 900 East Broad Street, Suite 400 Richmond, Virginia 23219

Either party may designate any other address for notices or requests by giving notice under this Section 7.

8. Amendments. This Cooperation Agreement may only be supplemented, amended or modified in writing signed by each of the parties hereto or their successors and assigns. So long as any Public Infrastructure Bonds remain outstanding, any supplement, amendment or modification to this Cooperation Agreement shall be subject to such additional conditions or limitations, if any, as shall be set forth in the Trust Agreement. Notwithstanding any provision of this Cooperation Agreement or the Trust Agreement to the contrary, neither the bond trustee nor the holders of the Public Infrastructure Bonds shall have any right to consent to any supplements, modifications or amendments to the provisions of Section 5 of this Cooperation Agreement.

9. Limited Liability of City. Notwithstanding any provision of this Cooperation Agreement to the contrary, the undertakings of the City hereunder are not general obligations of the City, but are limited obligations payable solely from payments of Contract Performance Payments, Debt Service Payments and Bond Cost Payments. No officer, official, employee or agent of the City shall be personally liable on the City's obligations hereunder.

10. Governing Law and Venue. This Cooperation Agreement will be governed by the laws of the Commonwealth of Virginia without regard to its conflict of law rules. Any action or dispute arising out of this Cooperation Agreement that cannot be resolved among the parties will be resolved in the City of Richmond Circuit Court or in the United States District Court, Eastern District of Virginia, Richmond Division and in no other forum.

11. Severability. If any clause, provision or section of this Cooperation Agreement shall be held illegal or invalid by any court, the illegality or invalidity of such clause, provision or section shall not affect the remainder of this Cooperation Agreement, which shall be construed and enforced as if such illegal or invalid clause, provision or section had not been contained in this Cooperation Agreement.

12. Term of Cooperation Agreement. This Cooperation Agreement shall remain in full force and effect from the date hereof until the later of (a) the date on which of the Term of the Development Agreement expires and (b) the date on which all Public Infrastructure Bonds have been paid in full or otherwise deemed no longer outstanding (the "Cooperation Term").

13. Counterparts. This Cooperation Agreement may be executed in any number of counterparts, each of which will be deemed to be an original, and all of which together will constitute but one and the same instrument.

[Remainder of Page Intentionally Left Blank;
Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have each caused this Cooperation Agreement to be executed in their respective names as of the date first above written.

CITY OF RICHMOND, VIRGINIA

By_____

Name:_____

Title:_____

Approved as to form:

Deputy City Attorney

ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF RICHMOND, VIRGINIA

By_____

Name:_____

Title:_____

Tab U:

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

RENTAL EDUCATION DISCLOSURE

Diamond District Phase 1 Nine, LLC, commits to provide a disclosure, to be acknowledged by future tenants, of the availability of renter education from Virginia Housing. Please see the following page for the sample disclosure included with this application. Please note that VirginiaHousing.com/Renters is included on the sample disclosure, as required by Section 6.6.29 Rental Education Disclosure of the 2026 Federal Housing Credit Manual.

DIAMOND DISTRICT PHASE 1 NINE, LLC,
a Virginia limited liability company

By: Diamond District Phase 1 Nine MM, LLC,
a Virginia limited liability company,
its managing member

By: Pennrose Nix DD JV, LLC,
a Virginia limited liability company,
its sole member

By: Pennrose Holdings, LLC,
its managing member

By: _____
Name: Timothy I. Henkel
Title: Chief Executive Officer

TENANT DISCLOSURE FORM – AVAILABILITY OF VIRGINIA HOUSING RENTER EDUCATION

NOTICE TO RENTER:

VIRGINIA HOUSING RENTER EDUCATION

Virginia Housing is the not-for-profit state organization that was created in 1972 to help Virginians attain quality affordable housing. Virginia Housing administers the Low-Income-Housing Tax Credit program, which is sponsored by the U.S. Treasury Department and that made this development possible.

As part of their commitment to affordable housing, Virginia Housing provides many resources to renters to help them manage their money, educate them on the application process, and inform them of their rights and responsibilities.

These resources can be found at https://www.virginiahousing.com/renters and https:///www.virginiahousing.com/renters/education. You are encouraged to visit the site and take advantage of the education material provided.

By signing this disclosure, you are acknowledging that you have been made aware of the education material made available by Virginia Housing.

_____

TENANT NAME & UNIT #

_____

TENANT SIGNATURE

_____

DATE

SAMPLE

Tab V:

Nonprofit or LHA Purchase Option or Right of First Refusal

Tab W:

Internet Safety Plan and Resident Information Form

Internet Security Plan

Diamond District Phase 1 Nine, LLC (OWNER) is proud to provide free community room wifi service to residents of Diamond District Phase 1 (9%).

In order to maintain the safety of our residents, the OWNER will utilize internet security software and services to monitor and secure the wifi Service. Various restrictions and conditions will be enforced to ensure residents are adhering to the Terms of Service each resident will be required to sign upon move-in. In order to fulfill the aforementioned, the OWNER will incorporate the following:

1. Password Managers: Rotating passwords will be used when accessing the Service
2. Security Suite Software: Anti-virus, firewalls, and anti-spyware, and spam filtering
3. Each resident will be given Internet Education Tips and an Internet TOS Acknowledgment form informing them of pitfalls that need to be avoided and the requirements for each resident using this free Service

Protect your privacy on the internet

Information is the currency of the internet. Your privacy on the internet depends on your ability to control both the amount of personal information that you provide and who has access to that information.

Is your information at risk on the internet?

When performing everyday online activities, you might reveal personal information that can be used by others to invade your privacy. This can include sensitive information such as your IP address, your email address, your current physical location, or your home or work address. For example, online shopping transactions often require credit card information and your home address.

How your information gets on the internet

Businesses, governments, and other organizations gather data when you:

- Set up an online account
- Make a purchase in an online store
- Register for a contest
- Take part in a survey
- Download free software
- Surf the web
- Use apps on your computer or your mobile device
- Post photos or your status on social media

What happens to your information

Microsoft and other responsible businesses use your personal information to help improve your experience with their products and services—such as by helping you complete a transaction, remembering your preferences, or delivering personalized content and special offers.

Online transactions—such as signing up for a service or buying something—are linked to you by information such as a shipping address or credit card number. But in most cases, businesses generally

Protect your privacy on the internet. (2026, March 1). Retrieved from https://support.microsoft.com/en-us/windows/protect-your-privacy-on-the-internet-ffe36513-e208-7532-6f95-a3b1c8760dfa

collect data that does not identify you by name. Websites track which webpages you visit and the clicks of your mouse, but not you personally.

Personal details about you could be also online because you may have added your own information in resumes, chats, pages on social networking sites like Facebook, or comments in discussion groups or on Twitter.

Others may have published information about you. Friends may write about you or post photos of you and your family. Records of government agencies are searchable—for example, photos of your house and its value, your birth certificate, and copies of your signature. Church groups, clubs, and professional associations may reveal your full name, workplace, and donation history.

Why it matters if your information is online

The information that is available about you online is important for two reasons:

- Companies and recruiters may use this information, which constitutes your online reputation, to gauge your suitability for a job.
- Criminals may use data about you online to target you for phishing scams, steal your identity, and to commit other crimes. You can reduce your risk by following the advice in this article to protect your privacy online.

Online information is searchable and often permanent. Unlike data stored on paper, however, powerful internet search engines and data aggregation tools can make it easy to pull data together to build a full profile of you.

Once data is published online, it is effectively there forever and, depending on the privacy policy of the company holding the data, may ultimately be seen by anyone on the internet. Sites may archive anything you have posted in addition to data they have collected from you. Friends (or ex-friends) may give your information out, or hackers and security lapses may expose it.

Tips for sharing information online

First, read the website's privacy policy

Privacy policies—which are commonly outlined in a website's privacy statement—should clearly explain what data the website gathers about you, how it is used, shared, and secured, and how you can edit or delete it. The website's privacy statement should be readily available for you to review. For example, a link to the Microsoft Privacy Statement appears at the bottom of this and every page on support.microsoft.com. No privacy statement? Take your business elsewhere.

Don't share more than you need to

Don't post anything online that you would not want made public.

- Minimize details that identify you or your whereabouts. Sharing details about an event you're attending might seem harmless, but you're actually letting people know where you are and that you're not at home.

Protect your privacy on the internet. (2026, March 1). Retrieved from https://support.microsoft.com/en-us/windows/protect-your-privacy-on-the-internet-ffe36513-e208-7532-6f95-a3b1c8760dfa

- Keep your account numbers, user names, and passwords secret.
- Only share your primary email address or Instant Message (IM) name with people you know or with reputable organizations. Avoid listing your address or name on internet directories and job-posting sites.
- Enter only required information—often marked with an asterisk (*)—on registration and other forms.
- Check app settings, especially on your phone. Be careful about allowing apps to access your **location information, your photos, the camera, or the microphone.**

Choose your friends wisely

Be mindful when adding contacts or friends on social networks. If possible, verify with the person directly if the account is authentic. If you are unsure you are adding the right person, try to limit the information that person can view on your profile.

Choose how private you want your profile or blog to be

Review your website settings and preferences to manage who can see your online profile or photos, how people can search for you, who can view your posts and make comments, and how to block unwanted access by others. Be sure to review the privacy settings for your favorite social networks to ensure you're not sharing more than you intend to.

Monitor what others post

- Search for your name on the internet using popular search engines. Search for text and images. If you find sensitive information about yourself on a website, look for contact information on the website and send a request to have your information removed.
-
- Regularly review what others write about you on blogs and social networking websites. Ask friends not to post photos of you or your family without your permission. If you feel uncomfortable with material such as information or photos that are posted on others' websites, ask for it to be removed.
- On Facebook and other social media, turn on the tag review option to prevent people from tagging photos that you appear in without your permission.

Guard your information

Protect your computer

Keeping your computer secure helps you avoid malware and direct hacking attempts designed to steal your personal information. For info about how to reduce your online risk, see Keep your computer secure at home and Keep your computer secure at work.

Save sensitive business for your home computer

Avoid paying bills, banking, and shopping on a public computer, or on any device (such as a laptop or mobile phone) over a public wireless network.

Protect your privacy on the internet. (2026, March 1). Retrieved from https://support.microsoft.com/en-us/windows/protect-your-privacy-on-the-internet-ffe36513-e208-7532-6f95-a3b1c8760dfa

If you're not using your own device to browse the internet, use Microsoft Edge and open only InPrivate tabs or windows. When you use InPrivate tabs or windows, your browsing data (like your history, temporary internet files, and cookies) isn't saved on the PC once you're done. However, you should still be careful not to type critical passwords on a shared computer.

Protect your data when using a shared computer

- If you're browsing the internet using a shared device (like an airport kiosk or a friend's laptop), here are two important things you can do to protect your data:
-
- If you're using Microsoft Edge, turn on InPrivate Browsing (or use similar functionality in whichever browser you're using, such as Incognito mode in Google Chrome or Private Browsing in Mozilla Firefox).
-
- When you're finished browsing on the shared computer, be sure to close all browser windows before stepping away from the device.

Protect your privacy on the internet. (2026, March 1). Retrieved from https://support.microsoft.com/en-us/windows/protect-your-privacy-on-the-internet-ffe36513-e208-7532-6f95-a3b1c8760dfa

INTERNET ACKNOWLEDGEMENT FORM

_____

TENANT NAME & UNIT #

_____

TENANT SIGNATURE

_____

DATE

By Signing above, you acknowledge the following:

Access to Wi-Fi

This Service is provided free-of-charge to residents of Diamond District Phase 1 (9%) and brought to you by Diamond District Phase 1 Nine, LLC (OWNER). Access to this free Service is available in the community room to residents ONLY. Your access to the Service is completely at the discretion of OWNER, and your access to the service may be blocked, suspended, or terminated at any time for any reason including, but not limited to, violation of this Agreement, actions that may lead to liability for OWNER, disruption of access to other users or networks, or violation of applicable state and federal laws or regulations. OWNER may revise the Terms Of Service (TOS) at any time. You must accept this agreement each time you use the Service and it is your responsibility to review it for any changes each time. While OWNER utilizes internet security tools for this Service, no network communication is 100% secure.

Please remember: Communication on this network should not be considered private or protected. All communication over the OWNER network is subject to monitoring. OWNER reserves the right to reduce capacity or access as need be.

You hereby agree that OWNER is not liable for any interception or transmissions, viruses, loss of data, damage to your computer, loss/corruption of files, hacking, or any other detrimental effects that come with using this Service in the transmission and downloading of material.

OWNER does not guarantee availability of this service, that it will be uninterrupted, or error free.

Acceptable Use of the Service

Your use of the Service and any activities conducted online through the Service shall not violate any applicable law or regulation or the rights of OWNER, or any third

party. OWNER cannot accept any responsibility for any injury or loss that results from inaccurate, unsuitable, offensive, or illegal Internet communications.

Disclaimer

Illegal/Unacceptable Uses

To use this free Service, you acknowledge to not engage in the following list of activities. This list is solely meant to be provided as an example and is in no way comprehensive:

- Spamming and invasion of privacy - Sending of unsolicited bulk and/or commercial messages over the Internet using the Service or using the Service for activities that invade another's privacy.
- Intellectual property right violations - Engaging in any activity that infringes or misappropriates the intellectual property rights of others, including patents, copyrights, trademarks, service marks, trade secrets, or any other proprietary right of any third party.
- Accessing illegally or without authorization computers, accounts, equipment or networks belonging to another party, or attempting to penetrate/circumvent security measures of another system. This includes any activity that may be used as a precursor to an attempted system penetration, including, but not limited to, port scans, stealth scans, or other information gathering activity.
- The transfer of technology, software, or other materials in violation of applicable export laws and regulations.
- Export Control Violations
- Using the Service in violation of applicable law and regulation, including, but not limited to, advertising, transmitting, or otherwise making available ponzi schemes, pyramid schemes, fraudulently charging credit cards, pirating software, or making fraudulent offers to sell or buy products, items, or services.
- Uttering threats;
- Distribution of pornographic materials to minors;
- and Child pornography.
- High bandwidth operations, such as large file transfers and media sharing with peer-to-peer programs
- Obscene or indecent speech or materials
- Defamatory or abusive language
- Using the Service to transmit, post, upload, or otherwise making available defamatory, harassing, abusive, or threatening material or language that encourages bodily harm, destruction of property or harasses another.
- Forging or misrepresenting message headers, whether in whole or in part, to mask the originator of the message.
- Facilitating a Violation of these Terms of Use
- Hacking

INTERNET ACKNOWLEDGEMENT FORM

- Distribution of Internet viruses, Trojan horses, or other destructive activities
- Distributing information regarding the creation of and sending Internet viruses, worms, Trojan horses, pinging, flooding, mail-bombing, or denial of service attacks. Also, activities that disrupt the use of or interfere with the ability of others to effectively use the node or any connected network, system, service, or equipment.
- Advertising, transmitting, or otherwise making available any software product, product, or service that is designed to violate these Terms of Use, which includes the facilitation of the means to spam, initiation of pinging, flooding, mail-bombing, denial of service attacks, and piracy of software.
- The sale, transfer, or rental of the Service to customers, clients or other third parties, either directly or as part of a service or product created for resale.
- Seeking information on passwords or data belonging to another user.
- Making unauthorized copies of proprietary software, or offering unauthorized copies of proprietary software to others.
- Intercepting or examining the content of messages, files or communications in transit on a data network.

PENNROSE
Bricks & Mortar | Heart & Soul

Wireless Acceptable Use Policy

Pennrose Management Company Wi-Fi Service Terms of Service and Acceptable Use Policy

BY CLICKING ON "ACCEPT" ON THE WI-FI SERVICE SIGN-UP PAGE, YOU ("RESIDENT") REPRESENT THAT YOU HAVE READ, UNDERSTAND AND AGREE TO THESE TERMS OF SERVICE AND ACCEPTABLE USE POLICY (THE "AGREEMENT").

Access to the Wi-Fi Service (the "Service")

The Wi-Fi Service is a free public service provided by Pennrose Management Company ("Pennrose"). Your access to the Wi-Fi Service is completely at the discretion of Pennrose, and your access to the Wi-Fi Service may be blocked, suspended, or terminated at any time for any reason including, but not limited to, violation of this Agreement, actions that may lead to liability for Pennrose or its owners, disruption of access to other users or networks, and violation of applicable laws or regulations. Pennrose may revise this Agreement at any time. You must accept this Agreement each time you use the Service and it is your responsibility to review it for any changes each time.

Acceptable Use of the Service

Your access to the Service is conditioned on legal and appropriate use of the Wi-Fi Service. Your use of the Wi-Fi Service and any activities conducted online through the Wi-Fi Service shall not violate any applicable law or regulation or the rights of Pennrose, or any third party (when applicable) including, but not limited to, the acceptable use policy found at www.pennrose.com/waup.

The use of the Wi-Fi Service for the following activities is prohibited:

Spamming and Invasion of Privacy

Sending of unsolicited bulk and/or commercial messages over the Internet using the Wi-Fi Service or using the Wi-Fi Service for activities that invade another's privacy.

Intellectual Property Right Violations

Engaging in any activity that infringes or misappropriates the intellectual property rights of others, including patents, copyrights, trademarks, service marks, trade secrets, or any other proprietary right of any third party.

Defamatory or Abusive Language

Using the Wi-Fi Service to transmit, post, upload, or otherwise making available defamatory, harassing, abusive, or threatening material or language that encourages bodily harm, destruction of property or harasses another.

Forging of Headers

Forging or misrepresenting message headers, whether in whole or in part, to mask the originator of the message.

Hacking

Accessing illegally or without authorization computers, accounts, equipment or networks belonging to another party, or attempting to penetrate security measures of another system. This includes any activity that may be used as a precursor to an attempted system penetration, including, but not limited to, port scans, stealth scans, or other information gathering activity.

Distribution of Internet Viruses, Trojan Horses, or Other Destructive Activities

Distributing information regarding the creation of and sending Internet viruses, worms, Trojan Horses, pinging, flooding, mailbombing, or denial of service attacks. Also, activities that disrupt the use of or interfere with the ability of others to effectively use the node or any connected network, system, service, or equipment. Certain high bandwidth or potentially destructive protocols may not be available on the Wi-Fi Service.

Facilitating a Violation of this Agreement of Use

Advertising, transmitting, or otherwise making available any software product, product, or service that is designed to violate this Agreement, which includes the facilitation of the means to spam, initiation of pinging, flooding, mailbombing, denial of service attacks, and piracy of software.

Export Control Violations

The transfer of technology, software, or other materials in violation of applicable export laws and regulations, including but not limited to the U.S. Export Administration Regulations and Executive Orders.

Obscene or Indecent Speech or Materials

Using the Wi-Fi Service to advertise, solicit, transmit, store, post, display, or otherwise make available obscene or indecent images or other materials. Pennrose will notify and fully cooperate with law enforcement if it becomes aware of any use of the Wi-Fi Service in any connection with any illegal activity. Certain content or web sites may be filtered or unavailable due to inappropriate content.

Other Illegal Activities

Using the Wi-Fi Service in violation of applicable law and regulation, including, but not limited to, advertising, transmitting, or otherwise making available ponzi schemes, pyramid schemes, fraudulently charging credit cards, pirating or inappropriately distributing copywritten material, or making fraudulent offers to sell or buy products, items, or services.

Resale

The sale, transfer, or rental of the Wi-Fi Service to customers, clients or other third parties, either directly or as part of a service or product created for resale.

Notice of Violations of the AUP

Pennrose requests that anyone who believes that there is a violation of the AUP direct the information to: This email address is being protected from spambots. You need JavaScript enabled to view it..

Disclaimer

You acknowledge (i) that the Wi-Fi Service may not be uninterrupted or error-free; (ii) that viruses or other harmful applications may be available through the Wi-Fi Service; (iii) that Pennrose does not guarantee the security of the Wi-Fi Service and that unauthorized third parties may access your computer or files or otherwise monitor your connection; (iv) that Pennrose and that its owners' ability to provide the Service without charge is based on the limited warranty, disclaimer and limitation of liability specified in this Section. THE WI-FI SERVICE AND ANY PRODUCTS OR SERVICES PROVIDED ON OR IN CONNECTION WITH THE SERVICE ARE PROVIDED ON AN "AS IS", "AS AVAILABLE" BASIS WITHOUT WARRANTIES OF ANY KIND. ALL WARRANTIES, CONDITIONS, REPRESENTATIONS, INDEMNITIES AND GUARANTEES WITH RESPECT TO THE CONTENT OR SERVICE AND THE OPERATION, CAPACITY, SPEED, FUNCTIONALITY, QUALIFICATIONS, OR CAPABILITIES OF THE SERVICES, GOODS OR PERSONNEL RESOURCES PROVIDED HEREUNDER, WHETHER EXPRESS OR IMPLIED, ARISING BY LAW, CUSTOM, PRIOR ORAL OR WRITTEN STATEMENTS BY PENNROSE, OR OTHERWISE (INCLUDING, BUT NOT LIMITED TO ANY WARRANTY OF SATISFACTORY QUALITY, MERCHANTABILITY, FITNESS FOR PARTICULAR PURPOSE, TITLE AND NON-INFRINGEMENT) ARE HEREBY OVERRIDDEN, EXCLUDED AND DISCLAIMED. SOME JURISDICTIONS DO NOT ALLOW THE EXCLUSION OF CERTAIN WARANTIES, SO THE ABOVE EXCLUSIONS MAY NOT APPLY TO YOU.

No Consequential Damages UNDER NO CIRCUMSTANCES WILL PENNROSE, ITS OWNERS, ITS SUPPLIERS OR LICENSORS, OR THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, AND AFFILIATES BE LIABLE FOR CONSEQUENTIAL, INDIRECT, SPECIAL, PUNITIVE OR INCIDENTAL DAMAGES OR LOST PROFITS, WHETHER FORESEEABLE OR UNFORESEEABLE, BASED ON CLAIMS OF CUSTOMER, ITS APPOINTEES OR ITS OR THEIR CUSTOMERS (INCLUDING, BUT NOT LIMITED TO, UNAUTHORIZED ACCESS, DAMAGE, OR THEFT OF YOUR SYSTEM OR DATA, CLAIMS FOR LOSS OF GOODWILL, CLAIMS FOR LOSS OF DATA, USE OF OR RELIANCE ON THE SERVICE, STOPPAGE OF OTHER WORK OR IMPAIRMENT OF OTHER ASSETS, OR DAMAGE CAUSED TO EQUIPMENT OR PROGRAMS FROM ANY VIRUS OR OTHER HARMFUL APPLICATION), ARISING OUT OF BREACH OR FAILURE OF EXPRESS OR IMPLIED WARRANTY, BREACH OF CONTRACT, MISREPRESENTATION, NEGLIGENCE, STRICT LIABILITY IN TORT OR OTHERWISE. IN NO EVENT WILL THE AGGREGATE LIABILITY THAT PENNROSE OR AFFILIATES MAY INCUR IN ANY ACTION OR PROCEEDING EXCEED $100. THE LIMITATIONS, EXCLUSIONS AND DISCLAIMERS SET FORTH IN THIS SECTION WILL NOT APPLY ONLY IF AND TO THE EXTENT THAT THE LAW OR A COURT OF COMPETENT JURISDICTION REQUIRES LIABILITY UNDER APPLICABLE LAW BEYOND AND DESPITE THESE LIMITATIONS, EXCLUSIONS AND DISCLAIMERS.

Indemnity

You agree to indemnify and hold harmless Pennrose, its owners, its suppliers and licensors, and their respective officers, directors, employees, agents and affiliates from any claim, liability, loss, damage, cost, or expense (including without limitation reasonable attorney's fees) arising out of or related to your use of the Wi-Fi Service, any materials downloaded or uploaded through the Wi-Fi Service, any actions taken by you in connection with your use of the Wi-Fi Service, any violation of any third party's rights or an violation of law or regulation, or any breach of this Agreement. This section will not be construed to limit or exclude any other claims or remedies that Pennrose may assert under this Agreement or by law.

Arbitration

You agree to submit any and all controversies or claims arising out of or relating to this Agreement or the existence, validity, breach or termination thereof, whether during or after its term, to a single arbitrator. The arbitrator may, at either party's request, grant injunctive relief. The arbitral award will be the exclusive remedy of the parties for all claims, counterclaims, issues or accountings presented or plead to the arbitrator. Judgment upon the arbitral award may be entered in any court that has jurisdiction thereof. Any additional costs, fees or expenses incurred in enforcing the arbitral award will be charged against the party that resists its enforcement. Nothing in this section will prevent the parties from seeking interim injunctive relief against one another.

Tab X:

Marketing Plan for units meeting accessibility requirements of HUD section 504

Marketing Plan

Diamond District Phase 1 (9%)

Richmond, VA

This plan provides marketing objectives and direction for the year, based on an analysis of the surrounding market area, property positioning and budget.

PENNROSE

Owner's Intent

Pennrose, LLC, and Nix Development Company are jointly developing Diamond District Phase 1 (9%), a 50-unit affordable multi-family housing development located within the Diamond District redevelopment area of Richmond, VA. As of the time this plan is drafted, we anticipate Richmond Redevelopment & Housing Authority (RRHA) to provide Project Based Vouchers, that would give priority to residents of Mosby Court South, Creighton Court, Gilpin Court, and other RRHA properties. The Owner plans to construct six (6) units to serve persons with physical disabilities (hereinafter referred to as the "Targeted Population"), including 5 UFAS units and 1 Hearing/Vision Impaired Unit. All 5 UFAS units and, to the extent applicable, the HVI unit, will conform to the HUD accessibility regulations in Section 504 of the Rehabilitation Act.

The construction of these six (6) handicapped accessible units will qualify this development for accessibility points by providing at least 10% of the project units which conform to the HUD accessibility regulations in Section 504 of the Rehabilitation Act. These six (6) accessible units are hereinafter referred to as "Targeted Units".

Diamond District Phase 1 (9%) will be managed by Pennrose Management Company.

Targeted Unit Marketing Approach: Pennrose Management Company will utilize one of the following approaches to match Targeted Units with Targeted Populations:

1. Targeted Units - Set-Aside Units for 60 Days:
    - Targeted units will be set aside and marketed to Targeted Populations for a minimum period of 60 days.
    - During this 60-day time period, ongoing marketing efforts to qualified Targeted Populations will be documented.
    - If a qualified Targeted Population household is not identified within 60 days, evidence of the management agent's Targeted Unit marketing will be submitted to Virginia Housing's Program Compliance Office along with a request to rent the unleased Targeted Unit(s) to any income qualified households.
2. Targeted Units are Marketed to Targeted Populations On-Going:
    - The management agent may alternatively work with Virginia Housing's Compliance Officer to demonstrate that marketing to the Targeted Population is occurring on an ongoing basis throughout the year, allowing the management agent to fill any vacant Targeted Units with any income-qualified tenant without the Targeted Unit remaining vacant for 60 days.
    - On-going marketing will include contacting at least two (2) Targeted Unit resources (described in the Focused Marketing Section) at least monthly. Documentation of those contacts will be maintained and provided to Virginia Housing.

With either approach, the lease of any qualified non-Targeted Population tenant housed in a Targeted Unit will contain a provision stipulating the non-Targeted Population household must move to the next available vacant unit if a Targeted Population household applies and qualifies for the Targeted Unit. The cost incurred to relocate the non-Targeted Population household will be paid by the owner.

First preference on the property's waitlist will be given to persons with a developmental disability (DD) as confirmed by the Virginia Department of Behavioral Health and Development Services for six (6) units.

Implementation of Owner's Intent

As the property management agent, Pennrose Management Company will only rent Targeted Units to Targeted Populations, unless a qualified Targeted Population household cannot be found during the 60-day marketing effort, or after ongoing marketing efforts as described above. Focused marketing efforts will occur, in addition to normal routine marketing strategies, to ensure Targeted Population households are consistently aware of the availability of Targeted Units.

Focused Marketing Efforts

VirginiaHousingSearch.com — Diamond District Phase 1 (9%) will be posted on the virginiahousingsearch.com website and will communicate the availability of Targeted Units suitable for Targeted Populations.

Additionally, Pennrose Management Company will establish and maintain regular contact with networking contacts including the centers for independent living, disability services boards and other organizations serving the Targeted Population, including but not limited to, the following:

Center for Independent Living – Centers for Independent Living (CIL)'s are advocates for persons with disabilities promoting leadership and independence as well as advocating for the removal of barriers to independence.

Gerald O'Neill, Executive Director
804.353.6503
4009 Fitzhugh Ave, Suite 100
Richmond, VA 23230

THRIVE Virginia — THRIVE Virginia helps equip people with new perspectives and practical tools as they transition through their crises toward financial peace and accountability. Contact information for THRIVE Virginia:

804.343.3000
211 Rocketts Way, 2nd Floor
Henrico, VA 23231

The Span Center (Capital Area)— For more than 50 years, The Span Center has been a trusted resource in Central Virginia, dedicated to helping individuals and building a more connected community. Formerly known as Senior Connections, The Span Center rebrand reflects a broader vision to better serve people of all ages, abilities and generations.

Diane Hartley, VP of Care Coordination
(757) 873-0541
1300 Semmes Ave
Richmond, VA 23224

Virginia Department of Behavioral Health and Development Services (VA DBHDS) — The project team has communicated with VA DBHDS and will continue to communicate the availability of units, highlighting the first preference for persons with a developmental disability for six (6) units. Contact information for VA DBHDS:

Jeannie Cummins Eisenhour
Sr. Integrated Community Options Specialist
(804) 836-4308
1220 Bank Street
Richmond, VA 23219

AccessVA.org and other supportive non-profit organizations — The project team will communicate with accessibility-minded organizations to inform those organization of the availability of Targeted Units at Diamond District Phase 1 (9%).

Virginia Housing (VH) — The project team will provide information on the availability of accessible units to the VH representatives charged with Targeted Unit outreach.

Objectives

The priority objective with marketing effort for this development will be a coordinated effort with RRHA to offer residents of Mosby Court South, Creighton Court, Gilpin Court, and other RRHA properties to use PBVs. The objectives for this project are below:

- Effectively utilize print, online and direct mail advertising to attract qualified residents and fill vacant units in a timely manner.
- Create all marketing resources so that they conform to the spirit, intent, and letter of applicable fair housing laws.
- Educate all site staff of their responsibilities of meeting fair housing goals.
- Ensure that all segments of the population have an equal opportunity to be aware of this housing opportunity.
- Collect and analyze data collected from applicants on a voluntary basis during the initial lease-up process and continue for an optional basis for all subsequent applicants to the site, to analyze the effectiveness of the initial marketing activities, as well as determine if the racial and ethnic balance is an accurate reflection of the greater community.

Definitions

Pre-Leasing – For the purpose of this marketing plan, pre-leasing is defined as any time before on-site leasing staff is hired and an on-site leasing office is established. During the Pre-Leasing period, some

tasks will need to be accomplished and expenses incurred which will prepare the project to smoothly transition to the Active Lease Up period. Although important to the overall brand of the property, focusing on the actual marketing of the property during the Pre-Leasing period can deplete the sense of urgency for the customer and create advertising burnout. The focus during the Pre-Leasing period will be primarily on preparing to launch the integrated marketing campaign during Active Lease Up, rather than reaching the customer with a direct ask.

Active Lease Up – For the purpose of this marketing plan, Active Lease Up is defined as the period of time that starts on the day that an on-site leasing office begins operations and ends on the day that the project reaches 100% occupancy. On-site staff will be well versed in all applicable programs including the affordability requirements, workforce housing requirements, and local preferences Diamond District Phase 1 (9%) residents. During the Active Lease Up period, the focus will be on reaching prospective residents and educating them on the programs for with they qualify.

Stabilized Marketing – For the purpose of this marketing plan, Stabilized Marketing is defined as the time after the project reaches initial 100% occupancy.

Pre-Leasing

Signage – Pennrose marketing will **design "Coming Soon" signage** for the property. Once approved by Ownership, the signage will be **ordered by Pennrose marketing and installed by on-site personnel**. This signage will initially include **banners** to be displayed strategically on the property.

Two to three months prior to the end of Pre-Leasing, Pennrose marketing will **design a full complement of "Now Accepting Applications" signage** for the property in preparation for the Active Lease Up. Once approved by Ownership, the signage will be **ordered by Pennrose marketing**. This signage will include **banners** to be displayed strategically on the property, **A-frames** to be placed at strategic points outside of the property, **pole banners** to be hung on the light poles surrounding the property, **window clings** to be displayed on prominent windows of the property, **bootleg signs** for the area, and **flutter flags** to be placed at the entrance to the leasing office.

Internet – Pennrose utilizes a combination of paid search advertising and geofencing of targeted locations to generate advance interest in new community locations. The leads form an interest list that is used to market the property when leasing activities begin.

Events – The property will host a **Groundbreaking Ceremony** open to community stakeholders and media. Media will receive a **media advisory and press release** related to the event.

Print – Pennrose marketing will file the required Affirmative Fair Housing Marketing Plan (AFHMP) and will place AFHMP ads in local newspapers including Newport Daily Press.

Other Marketing – During the Pre-Leasing period the **website and flyer design and copy will be finalized** and the **flyer will be printed**.

Active Lease Up

Signage – All **"Now Accepting Applications" signage** will be installed by on-site personnel. This signage will include **banners** to be displayed strategically on the property, **A-frames** to be placed at strategic points outside of the property, **pole banners** to be hung on the light poles surrounding the property, **window clings** to be displayed on prominent windows of the property, **bootleg signs** for the area, and **flutter flags** to be placed at the entrance to the leasing office.

During the last month before obtaining Certificates of Occupancy (CO's), Pennrose marketing will **design "Now Open" signage** for the property to replace the "Now Accepting Applications" signage. Once approved by Ownership, the signage will be **ordered by Pennrose marketing**. Once CO's are obtained, the **signage will be installed** by on-site personnel. This signage will include **banners** to be displayed strategically on the property, **A-frames** to be placed at strategic points outside of the property, **pole banners** to be hung on the light poles surrounding the property, **window clings** to be displayed on prominent windows of the property, **bootleg signs** for the area, and **flutter flags** to be placed at the entrance to the leasing office.

Events – After CO's are obtained and after the first move-in, the property will host a **Grand Opening Ceremony** open to community stakeholders and media. Media will receive a **media advisory and press release** related to the event. The Grand Opening will be followed by a **guided tour of the property** and refreshments in the community room or other designated area.

Internet

Internet Listing Services (ILS) – The property will be listed throughout Active Lease Up on the most effective ILS's for the geographical area.

VirginiaHousingSearch.com — Diamond District Phase 1 (9%) will be posted on the virginiahousingsearch.com website and will communicate the fact the development has accessible units.

Other ILS's may include Apartments.com and Zillow.com. The property will be listed with **packages** that will assist with **SEO** and will give the property **exposure in surrounding markets**.

Other Marketing – Active Lease Up will not be initiated before **leasing staff is hired and on-site** to begin the leasing process. The Leasing Office will be open at least one evening during the week and Saturdays to account for working professionals' schedules.

Following the opening of on-site office, **a "Now Accepting Applications" email** will be sent to the property interest list and Groundbreaking attendees. The email will **be published on the property website. Monthly follow-up emails** relating to construction progress, countdown to Grand Opening, and First Move-In will be sent to the list and published on the property website.

After obtaining CO's semi-weekly **Open Houses** will be held during varying times outside of normal business hours (not between 9 am – 5 pm Monday – Friday) and will be staffed by leasing staff.

Stabilized Marketing

Signage – Existing signage will be **maintained as necessary** by on-site staff following Active Lease Up. Damaged or worn signage will not necessarily need to be replaced during Stabilized Marketing and should be **phased out to a more manageable long-term level** for on-site staff.

Events – A Grand Opening Event should be held for Ownership, Stakeholders, Staff, and Residents and can be used as a "Thank You" to attendees for making the Lease Up a success. Media will receive a **media advisory and press release** related to the event.

Internet

Internet Listing Services (ILS) – The property's level of ILS listings will be decreased but will remain on the three major sites: Apartments.com and Apartment Finder for the benefits of **SEO** and continued **exposure in competitive markets**.

VirginiaHousingSearch.com — Diamond District Phase 1 (9%) will be posted on the virginiahousingsearch.com website and will communicate the fact the development has accessible units.

Other Marketing – After reaching 100% occupancy, the Leasing Office will be open during regular business hours and by appointment to account for working professionals' schedules.

Tab Y:

Inducement Resolution for Tax Exempt Bonds

Tab Z:

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

CONSULTING AGREEMENT 2026
For 9% Low Income Housing Tax Credit Deals in Virginia

THIS CONSULTING AGREEMENT (this "Agreement") is made this 25th day of February, 2026, by and between ** Tim's Garage & Consulting, LLC, whose address is 2308 Park Ave., Richmond, VA 23220, hereinafter referred to as "Tim's Garage", and Diamond District Phase 1 Nine, LLC, whose principal place of business is located at 1501 St. Paul Street, Suite 118, Baltimore, Maryland. 21202---, herein after referred to as "Company".

WHEREAS, the Company desires to engage the services of Tim's Garage to perform for the Company, consulting services regarding the VHDA competitive 9% low income housing tax credit application (the "Tax Credit Application") review for one or more multi-family developments at a location to be determined (sometimes referred to herein as the "Project") and functioning as an independent contractor and not as an employee; and or a 4% Tax Exempt bonds LIHTC application.

WHEREAS, Tim's Garage desires to consult with the Company on a non-exclusive basis, and to undertake for the Company consultation as to the development of a 9% or 4% tax credit deals.

NOW, THEREFORE, it is agreed as follows:

1. Term. The respective duties and obligations of the contracting parties shall be for a period of 24 months commencing on February 27, 2026, and may be terminated at any time by either party giving thirty (30) days' written notice to the other party at the addresses stated above or at an address chosen subsequent to the execution of this Agreement and duly communicated to the party giving notice. In the event of the termination of this Agreement for any reason, Tim's Garage will be entitled to the compensation earned by Tim's Garage to the date of termination as provided for in this Agreement.

2. Consultations/Services. Tim's Garage shall be available to (i) consult with the Company's Board of Directors, general partner, officers and heads of the administrative staff (the "Company Representatives"), at reasonable times, concerning matters pertaining to site selection, building size and type, local support, assembly of the Tax Credit Application for submission, including all relevant schedules, appendices, contracts, et cetera and (ii) handle all matters pertaining to the VHDA's review of the Tax Credit Application and communications with VHDA regarding the Tax Credit Application submission.

In addition, Tim's Garage shall perform the following consulting services: Review LIHTC application for completeness.

3. Confidential Information/Non-Exclusive Services. Company is aware that Tim's Garage is providing consulting services of all types contemplated by this Agreement to other developers on low-income housing tax credit applications within the same designated pool that the Company is competing in.

Nothing herein contained shall be construed to limit or restrict Tim's Garage in conducting such consulting services with respect to others. Tim's Garage agrees to keep confidential all information contained in the Tax Credit Application and shared with Tim's Garage by the Company about the Tax Credit Application until and unless such information is made available to the public by VHDA ("Confidential Information"). The foregoing confidentiality restrictions shall not apply to any Confidential Information that: (a) becomes known generally to the public through no fault of Tim's Garage and other than through any person's violation of his/her/its confidentiality obligations to Company; (b) is required by applicable law, legal process, or any order or mandate of a court or other governmental authority to be disclosed; (c) is reasonably believed by Tim's Garage, based upon the advice of legal counsel, to be required to be disclosed in defense of a lawsuit or other legal or administrative action brought against Tim's Garage; or (d) required to be disclosed to the VHDA in connection with the submission of the Tax Credit Application (but only after such submission); provided, that in the case of clauses (b) or (c), Tim's Garage shall give Company reasonable advance written notice of the Confidential Information intended to be disclosed and the reasons and circumstances surrounding such disclosure, in order to permit Company to seek a protective order or other appropriate request for confidential treatment of the applicable Confidential Information.

4. Relationship**.** Tim's Garage shall not represent the Company or Company Representatives in any transactions or communications, nor shall Tim's Garage make a claim to do so. Company and its counsel will be responsible for determining the legal sufficiency of all documents relating to any transaction contemplated by this Agreement or required under the low-income housing tax credit program. Without limiting the foregoing, by signing the Tax Credit Application, Company shall be certifying that (a) it has reviewed the Tax Credit Application, (b) all information supplied to the Company required to be included in the Tax Credit Application is included therein and (c) the factual information and data set forth in the Tax Credit Application accurately represents the information and the data supplied to Tim's Garage by the Company. This Agreement does not constitute either party as a legal representative or agent of the other, and neither party is granted any right or authority to assume or create any obligation or responsibility, express or implied, on behalf of or in the name of the other, or to bind the other in any manner whatsoever. Tim's Garage is not authorized to enter into any agreement or make any warranty on behalf of the Company and shall not represent to any third party that it has the right to do so or to bind the Company in any other way. Neither Tim's Garage nor any employee or agent thereof is an employee nor agent of the Company, as Tim's Garage serves only in the capacity of an independent contractor. Tim's Garage will be solely responsible for the payment and reporting of all federal and state taxes and withholdings due on amounts paid hereunder, and Company will not withhold any amounts for federal, state or local income taxes or taxes, assessments or withholding liabilities. In addition to the foregoing, nothing set forth in this Agreement will be construed as creating a partnership or joint venture between Tim's Garage and the Company.

5. Liability. With regard to the services to be performed by Tim's Garage pursuant to the terms of this Agreement, Tim's Garage shall not be liable to the Company, or to anyone who may claim any right due to any relationship with the Company, for any acts or omissions in the performance of services on the part of Tim's Garage or on the part of the agents employees of Tim's Garage, except when said acts or

omissions of Tim's Garage are due to willful misconduct or sole negligence. The Company shall hold Tim's Garage free and harmless from any obligations, costs, claims, judgments, attorney's fees, and attachments arising from or growing out of the services rendered to the Company pursuant to the terms of this Agreement or in any way connected with the rendering of services, except when the same shall arise due to the willful misconduct or sole negligence of Tim's Garage. Tim's Garage shall indemnify and hold the Company free and harmless from any obligations, costs, claims, judgments, attorney's fees, and attachments arising from or growing out of the willful misconduct or sole negligence of Tim's Garage.

6. Compensation. Tim's Garage shall receive from the Company for the performance of the services to be rendered pursuant to the terms of this Agreement; for the 9% application if deals are moving forward $2,000.00 for each application payable before application is submitted. All fees are per application submitted.

7. Agreement Confidential. The parties hereto agree to keep the terms and conditions contained in this Agreement confidential and not to disclose the terms to any third party without the express prior written approval of the other party.

8. Arbitration. Any controversy or claim arising out of or relating to this Agreement, or the breach thereof, shall be settled by arbitration in accordance of the rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrator(s) shall be entered in any court having jurisdiction thereof. For that purpose, the parties hereto consent to the jurisdiction and venue of an appropriate court located in Chesterfield County, Commonwealth of Virginia. In the event that litigation or arbitration proceedings results from or arises out of this Agreement or the performance thereof, the parties agree to reimburse the prevailing party's reasonable attorney's fees, arbitration fees, court costs, and all other expenses, whether or not ordered by a court or arbitrator as costs, in addition to any other relief to which the prevailing party may be entitled. No action or arbitration proceeding shall be entertained by an arbitrator or any court of competent jurisdiction if filed more than one year subsequent to the date the cause(s) of action actually accrued regardless of whether damages were otherwise as of said time calculable.

9. Notices. Any notices or deliveries permitted or required by this Agreement will be deemed given (i) when delivered by messenger, (ii) one business day after deposited for overnight delivery with Federal Express, United Parcel Service, Airborne Express or similar nationally recognized overnight delivery service that obtains a confirmation of delivery, (iii) three business days after mailed via certified or registered U.S. mail, return receipt requested, or (iv) provided the notice is delivered, deposited for delivery, mailed or sent to the party's address as first set forth above. Any party may change the address to which notices are to be delivered by giving notice of the change of address in the manner set forth above; except, however, that notwithstanding the foregoing provision, notice of a change of address will be deemed made upon actual receipt of the notice by the other party.

10. Miscellaneous. No provision of this Agreement may be modified or waived unless such waiver or modification is agreed to in writing signed by both of the parties hereto. No waiver by any party hereto

of any breach by any other party hereto shall be deemed a waiver of any similar or dissimilar term or condition at the same or at any prior or subsequent time. This Agreement is the entire agreement between the parties hereto with respect to the Tim's Garage's engagement by the Company, and there are no agreements or representations, oral or otherwise, expressed, or implied, with respect to or related to the engagement of Tim's Garage which is not set forth in this Agreement. This Agreement shall be binding upon, and inure to the benefit of, the Company, its respective successors and assigns, and Tim's Garage and Tim's Garage's heirs, executors, administrators, and legal representatives. The parties agree that if any provision of this Agreement shall under any circumstances be deemed invalid or inoperative, the Agreement shall be construed with the invalid or inoperative provision deleted and the rights and obligations of the parties shall be construed and enforced accordingly.

11. Governing Law. The validity, interpretation, construction, and performance of this Agreement shall be governed by the Commonwealth of Virginia without regard to principles of choice of law or conflicts of law thereunder.

12. Counterparts; Facsimile Signatures. 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 one and the same instrument. This Agreement may be effective upon the execution and delivery by any party hereto of facsimile or electronic copies of signature pages hereto duly executed by such party; provided, however, that any party delivering a facsimile or electronic signature page covenants and agrees to deliver promptly after the date hereof an original copy to the other party hereto.

IN WITNESS WHEREOF, the parties have hereunto executed this Agreement on the date of the signatures below.

Tim's Garage & Consulting, LLC

By:_____ Date: March 4, 2026

Tim Farinholt

The foregoing is hereby agreed to and confirmed:

Diamond District Phase 1 Nine, LLC
a Virginia limited liability company

By: Diamond District Phase 1 Nine MM, LLC
its managing member

By: Pennrose Nix DD JV, LLC, a Virginia limited liability company, its sole member

By: Pennrose Holdings, LLC, a Pennsylvania limited liability company, its managing member

By: _____
Name: Timothy I. Henkel
Title: Chief Executive Officer

Form **W-9**
(Rev. March 2024)
Department of the Treasury
Internal Revenue Service

Request for Taxpayer Identification Number and Certification

Go to *www.irs.gov/FormW9* for instructions and the latest information.

Give form to the requester. Do not send to the IRS.

Before you begin. For guidance related to the purpose of Form W-9, see *Purpose of Form*, below.

Print or type. See *Specific Instructions* on page 3.

1 Name of entity/individual. An entry is required. (For a sole proprietor or disregarded entity, enter the owner's name on line 1, and enter the business/disregarded entity's name on line 2.)
TIMOTHY FARINHOLT

2 Business name/disregarded entity name, if different from above.
TIM'S GARAGE & CONSULTING, LLC

3a Check the appropriate box for federal tax classification of the entity/individual whose name is entered on line 1. Check only **one** of the following seven boxes.
☒ Individual/sole proprietor ☐ C corporation ☐ S corporation ☐ Partnership ☐ Trust/estate
☐ LLC. Enter the tax classification (C = C corporation, S = S corporation, P = Partnership) . . . . .
Note: Check the "LLC" box above and, in the entry space, enter the appropriate code (C, S, or P) for the tax classification of the LLC, unless it is a disregarded entity. A disregarded entity should instead check the appropriate box for the tax classification of its owner.
☐ Other (see Instructions)

4 Exemptions (codes apply only to certain entities, not individuals; see Instructions on page 3):
Exempt payee code (if any)
Exemption from Foreign Account Tax Compliance Act (FATCA) reporting code (if any)
(Applies to accounts maintained outside the United States.)

3b If on line 3a you checked "Partnership" or "Trust/estate," or checked "LLC" and entered "P" as its tax classification, and you are providing this form to a partnership, trust, or estate in which you have an ownership interest, check this box if you have any foreign partners, owners, or beneficiaries. See Instructions . . . . . ☐

5 Address (number, street, and apt. or suite no.). See Instructions.
2308 PARK AVENUE

Requester's name and address (optional)

6 City, state, and ZIP code
RICHMOND, VIRGINIA 23220

7 List account number(s) here (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

Note: If the account is in more than one name, see the instructions for line 1. See also *What Name and Number To Give the Requester* for guidelines on whose number to enter.

Social security number
2 2 3 - 1 1 - 4 0 0 9

or

Employer identification number
__ - _____

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification Instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and, generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

Sign Here | **Signature of U.S. person** T A Farinholt | **Date** 01/01/2025

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to *www.irs.gov/FormW9*.

What's New

Line 3a has been modified to clarify how a disregarded entity completes this line. An LLC that is a disregarded entity should check the appropriate box for the tax classification of its owner. Otherwise, it should check the "LLC" box and enter its appropriate tax classification.

New line 3b has been added to this form. A flow-through entity is required to complete this line to indicate that it has direct or indirect foreign partners, owners, or beneficiaries when it provides the Form W-9 to another flow-through entity in which it has an ownership interest. This change is intended to provide a flow-through entity with information regarding the status of its indirect foreign partners, owners, or beneficiaries, so that it can satisfy any applicable reporting requirements. For example, a partnership that has any indirect foreign partners may be required to complete Schedules K-2 and K-3. See the Partnership Instructions for Schedules K-2 and K-3 (Form 1065).

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS is giving you this form because they

12/04/2024

Timothy Farinholt
TIM'S GARAGE & CONSULTING, LLC
2308 PARK AVE RICHMOND, VA 23220

Dear Timothy Farinholt,

Congratulations! I am pleased to inform you that TIM'S GARAGE & CONSULTING, LLC has been approved for the following U.S. Small Business Administration (SBA) certification(s):

- Veteran-Owned Small Business (VOSB)

TIM'S GARAGE & CONSULTING, LLC is eligible for VOSB contracts and will be identified as a certified VOSB program participant in as of the date of this letter, **12/04/2024.**

To align with your existing certification, your effective date for recertification for all your SBA certifications is **12/04/2024. Your first certification renewal will be due 12/04/2027.**

Responsibilities

The information below sets forth requirements related to your business' continued eligibility and its responsibilities as a certified program participant:

- **Reporting Changes:** You are required to notify SBA in writing of changes to your business that could affect its eligibility. Please refer to the attached supplemental pages for more details and examples.
- **System for Award Management (SAM.gov):** You must keep the business' SAM.gov profile and DSBS records up-to-date in order for the business to receive benefits from our Programs (i.e., to be identified by contracting officers as eligible to be awarded small business set-aside contracts and to be paid under any such contracts). You must validate your business' SAM.gov information at least annually or your SAM.gov registration will become inactive. If you need assistance in updating the business' SAM.gov or DSBS information, please go to the SAM.gov Help Desk at https://fsd.gov/fsd-gov/home.do.
- **Notices from SBA:** You are responsible for responding to notices from SBA, including but not limited to notices regarding certification renewals, eligibility reviews, protests, proposed decertification and termination actions, and recertification requirements. All SBA Programs send such notices to the business' email address listed in its MySBA Profile. If the business fails to respond to these notices, SBA will propose the business for decertification or termination and may subsequently decertify or terminate it from participation in SBA Programs. Therefore, it is critical that you keep the business' SAM.gov and MySBA profiles current, including listing an active email address for contacting the business, and check your email's SPAM folder to make sure that you are receiving emails from SBA.

- **Contracting Requirements:** You are required to comply with limitations on subcontracting requirements and nonmanufacturer rule when performing any small business set-aside contracts (see 13 CFR 125.6)

Resources and More Information

As a certified program participant, there are valuable free resources available to you, including:

- SBA Resource Partners: For general assistance on various topics, information on SBA programs, and upcoming small business events in your area. You can find your local resource partner by visiting: https://www.sba.gov/tools/local-assistance.
- The "Contract Opportunities" function in SAM.gov (https://sam.gov/content/opportunities) serves as a central listing for Federal procurement opportunities. Anyone interested in doing business with the government can use this system to search opportunities. In addition, the "Contract Data" function in SAM.gov (https://sam.gov/content/contract-data) is a database accessible to the public at no cost and you may use it to learn about contract awards to businesses in various socioeconomic categories.
- SBA's Surety Bond Guarantee Program helps small businesses establish or increase bonding capacity. Bond guarantees increase eligibility for contracts up to $10M. Go to http://www.sba.gov/osg to find an SBA authorized agent.
- APEX Accelerators are an official government contracting resource for small businesses. Find your local APEX Accelerator for free government expertise related to contract opportunities.

Downloading Certification Icons

As a certified business participating in the program(s), you may visit SBA's website to download SBA-approved digital icons that indicate your certification status for use on your business' website, business cards, social media profiles, and in your capability statements and proposal bids. However, you **cannot** use the digital icon to express or imply endorsement of any goods, services, entities, or individuals. Thus, the digital icon **cannot** be used on a company's letterhead, marketing materials or advertising, paid or public service announcements, in traditional or digital format.

Misrepresentation

Any business found to have willfully misrepresented its certification status in obtaining an SBA program set-aside or sole source award may be subject to a range of civil and criminal penalties, treble damages under the False Claims Act, and/or suspension or debarment from federal contracting.

Next Steps

It is important that you review the attached supplemental pages carefully. These pages contain vital details about the program(s) you are now certified in, including period of eligibility, next steps, guidelines, and additional resources.

Our SBA team is here to support you and your business as you pursue new growth and build capacity. Please keep a copy of this letter to confirm TIM'S GARAGE & CONSULTING, LLC's continued program eligibility. Wishing you much success!

Sincerely,

John Perkins
Government Contracting and Business Development
Office of Certifications and Eligibility

Tim's Garage & Consulting, LLC

Veterans Owned Small Business – Verify Certification

1. Go to: dsbs.sba.gov
2. It will take you to the page below
3. In the Quick Search box enter my UEI
4. UEI: NSYSMZK9Q2A3

Small Business Search Notifications

- **The only legitimate SBA phone number related to Certifications is 1-866-443-4110.** "Certify.us" is not affiliated with SBA. SBA will not demand documents or information by email related to this Small Business Search (SBS) website, including capability statements. SBA will not charge a cost for Small Business Search (SBS) content or profile management.
-
- Effective August 1, 2025, **VOSB and SDVOSB joint venture designations will no longer be reflected in SBS**. Click here to learn more.



Find the right small businesses **fast.**

Small businesses everywhere are seeking federal contracts.
Find the ones that meet your agency's needs right now.

Quick Search

Search by name, UEI, CAGE code, narrative, or keywords

Enter my UEI	NSYSMZK9Q2A3

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

LIHTC Applicant Name Diamond District Phase 1 Nine, LLC

Name of VSOB or SWaM Service Provider Nyfeler Associates, LLC

Part II, 13VAC10-180-60(E)(5)(e) of the Qualified Allocation Plan (the "QAP") of the Virginia Housing Development Authority (the "Authority") for the allocation of federal low income housing tax credits ("Credits") available under §42 of the Internal Revenue Code, as amended, provides that an applicant may receive points toward its application for Credits for entering into at least one contract for services provided by a (i) a veteran-owned small business (VOSB) as certified by the U.S. Department of Veterans Affairs, Office of Small and Disadvantaged Business Utilization, or the U.S. Small Business Administration, or (ii) a business certified as service-disabled veteran-owned through the Commonwealth of Virginia's SWaM Certification Program. Any applicant seeking points from Part II, 13VAC10-180-60(E)(5)(e) of the QAP must provide in its application this certification together with a copy of the service provider's VOSB certification or Commonwealth of Virginia's SWaM Program certification. The certification and information requested below will be used by the Authority in its evaluation of whether an applicant meets such requirements.

Complete a separate form for each VOSB or SWaM Service Provider. Note: Contracts used to claim points in Part II, 13VAC10-180-60(E)(5)(a) of the QAP may **not** also be used to claim points under 13VAC10-180-60(E)(5)(e).

INSTRUCTIONS:

Please complete all* parts below*. Omission of any information or failure to certify any of the information provided below may result in failure to receive points under Part II, 13VAC10-180-60(E)(5)(e) of the QAP.

1. The VOSB or SWaM Service Provider will provide the following services and roles eligible for points under the QAP:

___ consulting services to complete the LIHTC application;
_X_ ongoing development services through the placed in service date;
___ general contractor;
___ architect;
___ property manager;
___ accounting services; or
___ legal services.

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

Nyfeler Associates have been contracted to provide surveying services through the placed in service date. The scope of services to be provided are pre-construction ALTA / NSPS Land Title Survey and post-construction ALTA / NSPS Land Title Survey services. Additional surveying services will be provided on an as needed basis confirmed through separate or amended contracts.

3. Attach to this certification a copy of the service provider's current VOSB certification from the U.S. Department of Veterans Affairs, Office of Small and Disadvantaged Business Utilization, or the U.S. Small Business Administration or attach to this certification a copy of the service provider's current service-disabled veteran-owned certification from the Commonwealth of Virginia's SWAM Program.

4. The undersigned acknowledge by their signatures below that prior to the Authority's issuance of an 8609 to the applicant, the undersigned will be required to certify that the VOSB or SWaM service provider successfully rendered the services described above, that said services fall within the scope of services outlined within Part II, 13VAC10-180-60(E)(5)(e) of the QAP, and that the undersigned service provider is still a business certified as a VOSB by the U.S. Department of Veterans Affairs, Office of Small and Disadvantaged Business Utilization, or the U.S. Small Business Administration or that the undersigned service provider is still a business certified as service-disabled veteran-owned through the Commonwealth of Virginia's SWaM) Program.

5. The undersigned further acknowledge that no spousal relationship exists between any principal of the applicant and any principal of the undersigned service provider.

[Contract Certification and signatures appear on following page]

CONTRACT CERTIFICATION

The undersigned do hereby certify and acknowledge that they have entered into with each another at least one contract for services as described herein; that said services fall within the scope of services outlined within Part II, 13VAC10-180-60(E)(5)(e) of the QAP; that the undersigned service provider is a business certified as a VOSB by the U.S. Department of Veterans Affairs, Office of Small and Disadvantaged Business Utilization, or the U.S. Small Business Administration or that the undersigned service provider is a business certified as service-disabled veteran-owned through the Commonwealth of Virginia's SWaM) Program; that no spousal relationship exists between any principal of the applicant and any principal of the undersigned service provider; and that it is the current intention of the undersigned that the services be performed (i.e., the contract is *bona fide* and not entered into solely for the purpose of obtaining points under the QAP). The undersigned do hereby further certify that all information in this certification is true and complete to the best of their knowledge, that the Authority is relying upon this information for the purpose of allocating Credits, and that any false statements made herein may subject both the undersigned applicant and the undersigned service provider to disqualification from current and future awards of Credits in Virginia.

APPLICANT:

DIAMOND DISTRICT PHASE 1 NINE, LLC,
a Virginia limited liability company

By: Diamond District Phase 1 Nine MM, LLC,
a Virginia limited liability company,
its managing member

By: Pennrose Nix DD JV, LLC,
a Virginia limited liability company,
its sole member

By: Pennrose Holdings, LLC,
its managing member

By: _____
Name: Timothy I. Henkel
Title: Chief Executive Officer

VOSB OR SWAM CERTIFIED SERVICE PROVIDER:

Nyfeler Associates, LLC
Name of VOSB or SWaM Certified Service Provider

Karen Hubbard
Signature of VOSB SWaM Certified Service Provider

Karen Hubbard, Vice President
Printed Name and Title of Authorized Signer

NYFELER SURVEY

NAICS Code: 541370 (Surveying) **DUNS: 962080862** **CAGE Code: 5YJC1**

March 10, 2026

Diamond District Phase 1 Nine, LLC
ATTN: Patrick Stewart

RE: PROPOSAL TO PREPARE ALTA/NSPS LAND TITLE SURVEY PLATS FOR LOT 5 OF DIAMOND DISTRICT DEVELOPMENT, PHASE 1A-1, CITY OF RICHMOND, VIRGINIA (NYF 26034)

Dear Mr. Stewart,

We are happy to offer the following proposal for your comment or approval.

SCOPE OF WORK:
Prepare a field run ALTA/NSPS LAND TITLE SURVEY for City of Richmond Parcel ID N0001510025 also known as Lot 5 on plat by TRC titled "SUBDIVISION OF PARCEL N0001510013 DIAMOND DISTRICT DEVELOPMENT, PHASE 1A-1, CITY OF RICHMOND – VIRGINIA" dated 11/18/2025. Approximate limits of the survey are shown outlined in red below:



Utility locations will be shown from field located surface evidence and City of Richmond GIS mapping. Private Quality Level B SUE can be added for an additional fee if requested and the additional fee is approved by you.

NYFELER SURVEY

NAICS Code: 541370 (Surveying) **DUNS: 962080862** **CAGE Code: 5YJC1**

Horizontal datum to be established with RTK solutions for GPS observed points. Horizontal datum: NAD83 Virginia South Zone.

All work will be conducted on the ground without using aerial surveying methods. The ALTA/NSPS LAND TITLE SURVEY will meet or exceed the Virginia state minimum standards for accuracy and the minimum accuracy standards listed in the current edition of Minimum Standard Detail Requirements for ALTA/NSPS Land Title Surveys. Table A items that are a Virginia state survey requirement are included. Additional Table A items may incur additional fee.

This proposal includes revisions based on comments from lender, title insurance and other interested parties and up to 4 title commitment revisions. Additional title commitment revisions or revisions to survey after a signed survey is issued, will be charged hourly as outlined below. Further, updates to parcel lines due to consolidation or subdivision during the ALTA/NSPS Land Title Survey process will result in hourly charges.

SCHEDULE: Complete approximately 4 ½ weeks from notice to proceed, depending on weather and the timing of the receipt of the title commitment.

DELIVERABLES: Civ3D CAD and 16x24" PDF(s) with surveyor's certification and seal.

FEES:
PRE-CONSTRUCTION ALTA/NSPS LAND TITLE SURVEY: $ 5,790
POST-CONSTRUCTION ALTA/NSPS LAND TITLE SURVEY: $ 5,675
REVISIONS IN EXCESS OF SCOPE: $ 125/hr
*A retainer of 50% is required before project commencement.

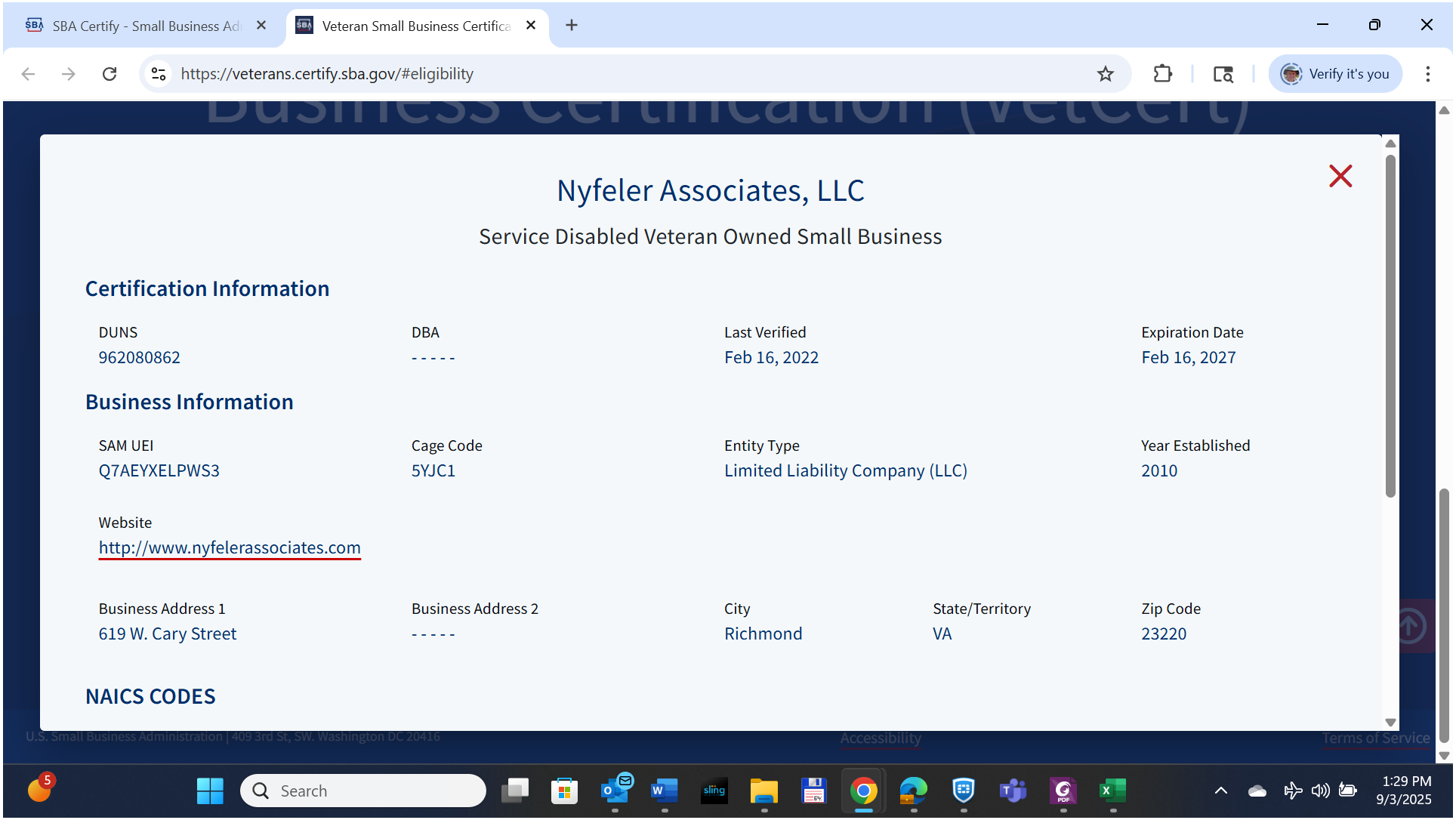
Sincerely,

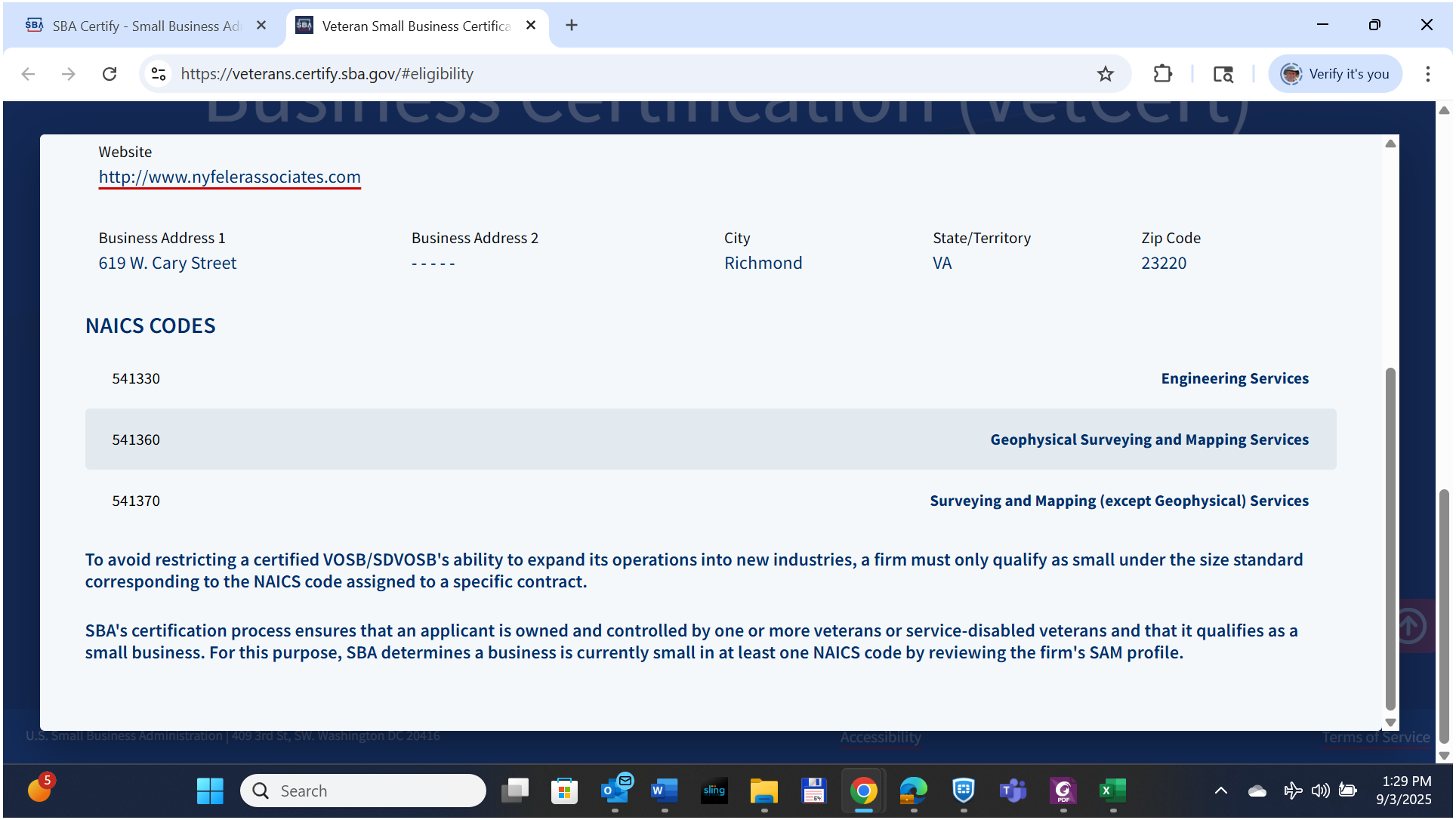
Karen Hubbard

Nyfeler Survey
Karen A. Hubbard, LS

_____
Accepted

Patrick Stewart/Regional Vice President


SBA Certify - Small Business Ad
Veteran Small Business Certifica
https://veterans.certify.sba.gov/#eligibility
Verify it's you
Nyfeler Associates, LLC
Service Disabled Veteran Owned Small Business
Certification Information
DUNS
962080862
DBA
- - - - -
Last Verified
Feb 16, 2022
Expiration Date
Feb 16, 2027
Business Information
SAM UEI
Q7AEYXELPWS3
Cage Code
5YJC1
Entity Type
Limited Liability Company (LLC)
Year Established
2010
Website
http://www.nyfelerassociates.com
Business Address 1
619 W. Cary Street
Business Address 2
- - - - -
City
Richmond
State/Territory
VA
Zip Code
23220
NAICS CODES
U.S. Small Business Administration | 409 3rd St, SW. Washington DC 20416
Accessibility
Terms of Service
Search
1:29 PM
9/3/2025


SBA Certify - Small Business Ad
Veteran Small Business Certifica
https://veterans.certify.sba.gov/#eligibility
Verify it's you
Website
http://www.nyfelerassociates.com
Business Address 1
619 W. Cary Street
Business Address 2
- - - - -
City
Richmond
State/Territory
VA
Zip Code
23220
NAICS CODES
541330
Engineering Services
541360
Geophysical Surveying and Mapping Services
541370
Surveying and Mapping (except Geophysical) Services
To avoid restricting a certified VOSB/SDVOSB's ability to expand its operations into new industries, a firm must only qualify as small under the size standard corresponding to the NAICS code assigned to a specific contract.
SBA's certification process ensures that an applicant is owned and controlled by one or more veterans or service-disabled veterans and that it qualifies as a small business. For this purpose, SBA determines a business is currently small in at least one NAICS code by reviewing the firm's SAM profile.
U.S. Small Business Administration | 409 3rd St, SW. Washington DC 20416
Accessibility
Terms of Service
Search
1:29 PM
9/3/2025

Tab AA:

Priority Letter from Rural Development

TAB AB:

Social Disadvantage Certification or Veteran Owned Small Business Certification