
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
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Hadia Ali	hadia.ali@virginiahousing.com	(804) 343-5873

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2026 Low-Income Housing Tax Credit Application For Reservation

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

☒	\$1,000 Application Fee (MANDATORY) - Invoice information will be provided in your Procorem Workcenter
☒	Electronic Copy of the Microsoft Excel Based Application (MANDATORY)
☒	PDF Copy of the Signed Tax Credit Application with Attachments (Tabs A-AB) (MANDATORY)
☒	Electronic Copy of the Market Study (MANDATORY - Application will be disqualified if study is not submitted with application)
☒	Electronic Copy of the Plans (MANDATORY)
☒	Electronic Copy of the Specifications (MANDATORY)
☐	Electronic Copy of the Existing Condition questionnaire (MANDATORY if Rehab)
☐	Electronic Copy of Unit by Unit Matrix and Scope of Work narrative (MANDATORY if Rehab)
☐	Electronic Copy of the Physical Needs Assessment (MANDATORY at reservation for a 4% rehab request)
☐	Electronic Copy of Appraisal (MANDATORY if acquisition credits requested)
☒	Electronic Copy of Environmental Site Assessment (Phase I) (MANDATORY if 4% credits requested)
☐	Electronic Copy of Signed Previous Participation Agreement
☒	Tab A: Chart of ownership structure with percentage of interests (see manual for details) (MANDATORY)
☒	Tab B: Virginia State Corporation Commission Certification (MANDATORY)
☒	Tab C: Syndicator's or Investor's Letter of Intent (MANDATORY)
☐	Tab D: <i>Any supporting documentation related to List of LIHTC Developments or Previous Participation Agreement</i>
☒	Tab E: Site Control Documentation & Most Recent Real Estate Tax Assessment (MANDATORY)
☒	Tab F: Third Party RESNET Rater Certification and Sample HERS certificates (MANDATORY)
☒	Tab G: Zoning Certification Letter (MANDATORY)
☒	Tab H: Attorney's Opinion using Virginia Housing template (MANDATORY)
☐	Tab I: Nonprofit Questionnaire (MANDATORY for points or pool)
	The following documents need not be submitted unless requested by Virginia Housing:
	-Nonprofit Articles of Incorporation -IRS Documentation of Nonprofit Status
	-Joint Venture Agreement (if applicable) -For-profit Consulting Agreement (if applicable)
☒	Tab J: Relocation Plan and Unit Delivery Schedule (MANDATORY if Rehab)
	Tab K: Documentation of Development Location:
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☐	Tab M: <i>(left intentionally blank)</i>
☐	Tab N: Homeownership Plan
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☐	Tab P: Zero Energy or Passive House documentation for prior allocation by this developer
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☐	Tab Z: Documentation of team member's Veteran Owned Small Business certification
☐	Tab AA: Priority Letter from Rural Development
☐	Tab AB: Ownership's Veteran Owned Small Business Certification

VHDA TRACKING NUMBER

2026-TEB-193

A. GENERAL INFORMATION ABOUT PROPOSED DEVELOPMENT

Application Date:

7/1/2026

1. Development Name: Friendship Court Phase 3B
2. Address (line 1): 460 Garrett Street
 Address (line 2):
 City: Charlottesville State: VA Zip: 22902
3. If complete address is not available, provide longitude and latitude coordinates (x,y) from a location on site that your surveyor deems appropriate. Longitude: 00.00000 Latitude: 00.00000
 (Only necessary if street address or street intersections are not available.)
4. The Circuit Court Clerk's office in which the deed to the development is or will be recorded:
 City/County of Charlottesville 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: 4.01
7. Development is located in a **Qualified Census Tract**. FALSE *Note regarding DDA and QCT*
8. Development is located in a **Difficult Development Area**. FALSE
9. Development is located in a **Revitalization Area based on QCT**. FALSE
10. Development is located in a **Revitalization Area designated by resolution or by the locality**. TRUE
11. Development is located in an **Opportunity Zone** (with a binding commitment for funding). FALSE
 (If 9, 10 or 11 are True, **Action:** Provide required form in **TAB K1**)
12. Development is located in a census tract with a household poverty rate of:
- | 3% | 10% | 12% |
|--------------|--------------|--------------|
| <u>FALSE</u> | <u>FALSE</u> | <u>FALSE</u> |
13. Development is located in a medium or high-level economic development jurisdiction based on table. TRUE
14. Development is located on land owned by federally or Virginia recognized Tribal Nations. FALSE
- Enter only Numeric Values below:**
15. Congressional District: 5
 Planning District: 10
 State Senate District: 25
 State House District: 57

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

Friendship Court Phase 3B is a 24-unit new construction development for families comprising three stacked ("2 over 2") townhome buildings which are being built on a portion of land formerly occupied by the Section 8 property named Friendship Court.

VHDA TRACKING NUMBER

2026-TEB-193

A. GENERAL INFORMATION ABOUT PROPOSED DEVELOPMENT

Application Date: 7/1/2026

17. Local Needs and Support

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

Chief Executive Officer's Name:	Sam Sanders		
Chief Executive Officer's Title:	City Manager	Phone:	(434) 970-3101
Street Address:	605 E Main Street		
City:	Charlottesville	State:	VA
		Zip:	22902

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

James Freas, Deputy City Manager

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

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

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

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

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

or

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

ROUND 2

For Tax Exempt Bonds, where are bonds being issued?

Charlottesville Redevelopment & Housing Authority

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

Definitions of types:

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

New Construction

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

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

FALSE

5. Planned Combined 9% and 4% Developments

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

FALSE

If true, provide name of companion development:

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

FALSE

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

Total Units within 9% allocation request?

0

Total Units within 4% Tax Exempt allocation Request?

0

Total Units:

0

% of units in 4% Tax Exempt Allocation Request:

0.00%

6. Extended Use Restriction**Note:** Each recipient of an allocation of credits will be required to record an **Extended Use Agreement** as required by the IRC governing the use of the development for low-income housing for at least 30 years. Applicant waives the right to pursue a Qualified Contract.**Must Select One:** 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: FC Phase 3B LLC

Developer Name: Piedmont Housing Alliance and NHT Communities

Contact: M/M ▶ Mr. First: Sunshine MI: Last: Mathon

Address: 682 Berkmar Circle

City: Charlottesville St. ▶ VA Zip: 22901

Phone: (434) 817-2436 Ext. Fax: (434) 817-0664

Email address: smathon@piedmonthousing.org

Federal I.D. No. 422233324 (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.

Mandy Burbage, 434-227-8468, mburbage@piedmonthousing.org

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

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

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

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

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

If True above, what property placed in service?

D. SITE CONTROL

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

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

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

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

1. Type of Site Control by Owner:

Applicant controls site by (select one):

Select Type: ☒ Option

Expiration Date: 12/31/2029

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 12/31/2029.

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: NHTe Piedmont Garrett Square Limited Partnership

Address: 1101 Connecticut Avenue NW, Suite 700

City: WashingtonSt.: DCZip: 20036

Contact Person: Kevin WhitePhone: (202) 333-8931

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

TRUE

Note: No developer’s fee basis in cases where there purchaser and seller unless Housing prior to applicatic Fee Calculation in the LIHT

If above statement is TRUE, complete the following:

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

Names	Phone	Type Ownership	% Ownership
Kindlewood GP LLC	(434) 814-2436	GP of Owner	0.00%
Piedmont Housing Alliance	(434) 814-2436	Member of GP	50.00%
Sunshine Mathon	(434) 814-2436	Exec. Dir. Of PHA	0.00%
NHT Communities	(202) 333-8931	Member of GP	50.00%
Priya Jayachandran	(202) 333-8931	President, NHT Communities	0.00%
			0.00%
			0.00%

needs ownership %

needs ownership %

needs ownership %

E. DEVELOPMENT TEAM INFORMATION

Complete the following as applicable to your development team.

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

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

1. Tax Attorney:	Doruk Onvural	This is a Related Entity.	FALSE
Firm Name:	Klein Hornig LLP		
Address:	1325 G Street, Suite 770	Veteran Owned Small Bus?	FALSE
City, State, Zip	Washington, DC 20005		
Email:	donvural@kleinhornig.com	Phone:	(202) 926-3457
2. Tax Accountant:	Todd S. Vernon	This is a Related Entity.	FALSE
Firm Name:	Dooley & Vicars CPAs LLP		
Address:	21 S. Sheppard	Veteran Owned Small Bus?	FALSE
City, State, Zip	Richmond, VA 23221		
Email:	todd@dvcpas.com	Phone:	(804) 355-2808
3. Consultant:		This is a Related Entity.	FALSE
Firm Name:			
Address:		Veteran Owned Small Bus?	FALSE
City, State, Zip		Role:	
Email:		Phone:	
4. Management Entity:	Celeste Jeanette Abi-Nader	This is a Related Entity.	TRUE
Firm Name:	Alliance Management		
Address:	682 Berkmar Circle	Veteran Owned Small Bus?	FALSE
City, State, Zip	Charlottesville, VA 22901		
Email:	jabinader@piedmonthousing.org	Phone:	(434) 817-2436
5. Contractor:	Steve Satterfield	This is a Related Entity.	FALSE
Firm Name:	KBS, Inc.		
Address:	8050 Kimway Drive	Veteran Owned Small Bus?	FALSE
City, State, Zip	Richmond, VA 23228		
Email:	ssatterfield@kbsgc.com	Phone:	(804) 262-0100
6. Architect:	Stephen Mundt	This is a Related Entity.	FALSE
Firm Name:	Grimm and Parker		
Address:	123 E Main St, 2nd floor	Veteran Owned Small Bus?	FALSE
City, State, Zip	Charlottesville, VA 22902		
Email:	smundt@gparch.com	Phone:	(434) 296-5353

E. DEVELOPMENT TEAM INFORMATION

7. Real Estate Attorney:	Tara Boyd	This is a Related Entity.	FALSE
Firm Name:	Boyd Law Practice		
Address:	300 E Main St., Suite 313	Veteran Owned Small Bus?	FALSE
City, State, Zip	Charlottesville, VA 22902		
Email:	tara@boydlp.com	Phone:	(804) 248-8713
8. Mortgage Banker:	Paul Browne	This is a Related Entity.	FALSE
Firm Name:	Joseph Browne Development Assoc.		
Address:	5535 Langston Blvd.	Veteran Owned Small Bus?	FALSE
City, State, Zip	Arlington, VA 22207		
Email:	paul@joseph-browne.com	Phone:	(703) 835-4964
9. Other 1:		This is a Related Entity.	FALSE
Firm Name:			
Address:		Veteran Owned Small Bus?	FALSE
City, State, Zip		Role:	
Email:		Phone:	
10. Other 2:		This is a Related Entity.	FALSE
Firm Name:			
Address:		Veteran Owned Small Bus?	FALSE
City, State, Zip		Role:	
Email:		Phone:	
11. Other 3:		This is a Related Entity.	FALSE
Firm Name:			
Address:		Veteran Owned Small Bus?	FALSE
City, State, Zip		Role:	
Email:		Phone:	
12. Other 4:		This is a Related Entity.	FALSE
Firm Name:			
Address:		Veteran Owned Small Bus?	FALSE
City, State, Zip		Role:	
Email:		Phone:	
13. Other 5:		This is a Related Entity.	FALSE
Firm Name:			
Address:		Veteran Owned Small Bus?	FALSE
City, State, Zip		Role:	
Email:		Phone:	

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

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

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

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

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

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

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

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

2. Ten-Year Rule For Acquisition Credits

- a. All buildings satisfy the 10-year look-back rule of IRC Section 42 (d)(2)(B), including the 10% basis/ \$15,000 rehab costs (\$10,000 for Tax Exempt Bonds) per unit requirement. **FALSE**
- b. All buildings qualify for an exception to the 10-year rule under IRC Section 42(d)(2)(D)(i), **FALSE**
- i. Subsection (I) **FALSE**
 - ii. Subsection (II) **FALSE**
 - iii. Subsection (III) **FALSE**
 - iv. Subsection (IV) **FALSE**
 - v. Subsection (V) **FALSE**
- c. The 10-year rule in IRC Section 42 (d)(2)(B) for all buildings does not apply pursuant to IRC Section 42(d)(6). **FALSE**
- d. There are different circumstances for different buildings. **FALSE**
Action: (If True, provide an explanation for each building in Tab K)

F. REHAB INFORMATION

3. Rehabilitation Credit Information

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

G. NONPROFIT INVOLVEMENT

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

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

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

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

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

A. Nonprofit Involvement (All Applicants)

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

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

B. Type of involvement:

TRUE 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:

▶ Applicant

Name: Piedmont Housing Alliance

Contact Person: Sunshine Mathon

Street Address: 682 Berkmar Circle

City: Charlottesville

State: ▶

VA

Zip: 22901

Phone: (434) 817-2436

Contact Email: smathon@piedmonthousing.org

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

Specify the nonprofit entity's percentage ownership of the general partnership interest: 50.0%

G. NONPROFIT INVOLVEMENT

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

- A.

FALSE

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

Action:

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

Name of qualified nonprofit:

or indicate true if Local Housing Authority

FALSE

Name of Local Housing Authority

- B.

FALSE

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

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

Action:

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

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

H. STRUCTURE AND UNITS INFORMATION**1. General Information**

- | | | | |
|--|---------|----------|----|
| a. Total number of all units in development | 24 | bedrooms | 74 |
| Total number of rental units in development | 24 | bedrooms | 74 |
| Number of low-income rental units | 24 | bedrooms | 74 |
| Percentage of rental units designated low-income | 100.00% | | |
-
- | | | | |
|---------------------------------|----|----------|----|
| b. Number of new units: | 24 | bedrooms | 74 |
| 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 45,734.00 (Sq. ft.)
- e. Unheated Floor Area (i.e. Breezeways, Balconies, Storage) 0.00 (Sq. ft.)
- f. Nonresidential Commercial Floor Area (Not eligible for funding) 0.00
- g. Total Usable Residential Heated Area 45,734.00 (Sq. ft.)
- h. Percentage of Net Rentable Square Feet Deemed To Be **New Rental Space** 100.00%
- i. Exact area of site in acres 2.388
- j. Locality has approved a final site plan or plan of development. FALSE
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	0.00	SF	0	0
2BR Garden	0.00	SF	0	0
3BR Garden	0.00	SF	0	0
4BR Garden	0.00	SF	0	0
2+ Story 2BR Townhouse	1336.00	SF	5	5
2+ Story 3BR Townhouse	1481.00	SF	12	12
2+ Story 4BR Townhouse	2121.00	SF	7	7
			24	24

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) **3**
- 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:

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

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

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

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

h. Development contains an elevator(s).

If true, # of Elevators.

Elevator Type (if known)

TRUE

2

LULA

H. STRUCTURE AND UNITS INFORMATION

- | | | |
|----------------------------|---|-------------|
| i. Roof Type | ▶ | Flat |
| j. Construction Type | ▶ | Combination |
| 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 | FALSE |
| e. Laundry facilities | FALSE | j. Sports Activity Ct. | FALSE |
| | | k. Other: | |

l. Describe Community Facilities:

- | | |
|---------------------------------------|-------|
| m. Number of Proposed Parking Spaces | 33 |
| Parking is shared with another entity | FALSE |

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

TRUE

If **True**, Provide required documentation (TAB K2).**5. Plans and Specifications**

- a. **Minimum submission requirements for all properties (new construction, rehabilitation and adaptive reuse):**
- A location map with development clearly defined.
 - 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.
 - Sketch plans of all building(s) reflecting overall dimensions of:
 - Typical floor plan(s) showing apartment types and placement
 - Ground floor plan(s) showing common areas
 - Sketch floor plan(s) of typical dwelling unit(s)
 - 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.
- Phase I environmental assessment.
 - Physical needs assessment for any rehab only development.
- c. **All Tax Exempt 4% Applications must submit plans and specifications complete at least through Design Development (DD) phase for all design disciplines.** Reference the separate Minimum Design and Construction Requirements document for a full list of submission requirements for New Construction and Rehabilitation projects.

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

J. ENHANCEMENTS

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

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

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

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

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

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

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

- | | |
|--------|--|
| FALSE | a. A community/meeting room with a minimum of 749 square feet is provided with free WIFI access restricted to residents only. |
| 0.00% | 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. |
| FALSE | c. All kitchen light fixtures are LED and meet MDCR lighting guidelines. |
| FALSE | 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 | |
| FALSE | 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. |
| FALSE | i. Each unit is provided free individual high-speed internet access.
(Must have a minimum 20Mbps upload/ 100Mbps download speed per manual.) |
| FALSE | 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 | |
| FALSE | l. All Construction types: each unit is equipped with a permanent dehumidification system. |
| FALSE | m. All interior doors within units are solid core. |
| FALSE | n. Installation of a renewable energy electric system in accordance with manufacturer's specifications and all applicable provisions of the National Electrical Code - Provide documentation at Tab F . |
| FALSE | o. New construction only: Each unit to have balcony or patio with a minimum depth of 5 feet clear from face of building and a minimum size of 30 square feet. |

J. ENHANCEMENTS

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

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

2. Green Certification

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

The applicant will also obtain one of the following:

- | | | | |
|--------------|---|--------------|--|
| FALSE | Earthcraft Gold or higher certification | FALSE | National Green Building Standard (NGBS) certification of Silver or higher. |
| FALSE | LEED Certification | TRUE | 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

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

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

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

0 b. Number of Rental Units constructed to meet Virginia Housing's Universal Design standards:
0% of Total Rental Units

No Market Units listed on Structure 1a.

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

If not, please explain:



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

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

Utilities	Enter Allowances by Bedroom Size				
	0-BR	1-BR	2-BR	3-BR	4-BR
Heating	0	0	17	22	26
Air Conditioning	0	0	4	5	6
Cooking	0	0	0	0	0
Lighting	0	0	50	60	65
Hot Water	0	0	6	7	8
Water	0	0	34	42	53
Sewer	0	0	42	52	66
Trash	0	0	0	0	0
Total utility allowance for costs paid by tenant	\$0	\$0	\$153	\$188	\$224

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

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

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

K. SPECIAL HOUSING NEEDS

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

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

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

FALSE

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

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



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

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

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

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.

TRUE

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

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

K. SPECIAL HOUSING NEEDS**3. Leasing Preferences**

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

Organization which holds waiting list:

Charlottesville Redevelopment & Hsg Authority

Contact person: John Sales

Title: Executive Director

Phone Number: (434) 326-4748

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

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

TRUE

- c. Specify the number of low-income units that will serve individuals and families with children by providing three or more bedrooms: 18
% of total Low Income Units 75%

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: Jeanette

Last Name: Abi-Nader

Phone Number: (434) 817-2436

Email: jabinader@piedmonthousing.org

K. SPECIAL HOUSING NEEDS**5. Rental Assistance**

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

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

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

FALSE Section 8 New Construction Substantial Rehabilitation

FALSE Section 8 Moderate Rehabilitation

FALSE Section 811 Certificates

TRUE Section 8 Project Based Assistance

FALSE RD 515 Rental Assistance

FALSE Section 8 Vouchers

*Administering Organization: _____

FALSE State Assistance

*Administering Organization: _____

FALSE Other: _____

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

FALSE

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

0

d. Number of units receiving assistance:

21

How many years in rental assistance contract?

20.00

Expiration date of contract:

12/31/2043

There is an Option to Renew.

TRUE

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

6. Public Housing Revitalization

Is this development replacing or revitalizing Public Housing Units?

FALSE

If so, how many existing Public Housing units?

0

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

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

a. Units Provided Per Household Type:

Income Levels		
# of Units	% of Units	
0	0.00%	20% Area Median
0	0.00%	30% Area Median
0	0.00%	40% Area Median
0	0.00%	50% Area Median
24	100.00%	60% Area Median
0	0.00%	70% Area Median
0	0.00%	80% Area Median
0	0.00%	Market Units
24	100.00%	Total

Rent Levels		
# of Units	% of Units	
0	0.00%	20% Area Median
0	0.00%	30% Area Median
0	0.00%	40% Area Median
0	0.00%	50% Area Median
24	100.00%	60% Area Median
0	0.00%	70% Area Median
0	0.00%	80% Area Median
0	0.00%	Market Units
24	100.00%	Total

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

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

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

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	2 BR - 2 Bath	60% AMI	5		1196.00	\$2,250.00	\$11,250
Mix 2	3 BR - 2.5 Bath	60% AMI	10		1301.00	\$2,550.00	\$25,500
Mix 3	4 BR - 3 Bath	60% AMI	4		1925.30	\$2,600.00	\$10,400
Mix 4	4 BR - 3 Bath	60% AMI	3		1925.30	\$1,900.00	\$5,700
Mix 5	3 BR - 2.5 Bath	60% AMI	2	2	1701.00	\$2,550.00	\$5,100
Mix 6							\$0
Mix 7							\$0
Mix 8							\$0
Mix 9							\$0
Mix 10							\$0

L. UNIT DETAILS

Mix 11								\$0
Mix 12								\$0
Mix 13								\$0
Mix 14								\$0
Mix 15								\$0
Mix 16								\$0
Mix 17								\$0
Mix 18								\$0
Mix 19								\$0
Mix 20								\$0
Mix 21								\$0
Mix 22								\$0
Mix 23								\$0
Mix 24								\$0
Mix 25								\$0
Mix 26								\$0
Mix 27								\$0
Mix 28								\$0
Mix 29								\$0
Mix 30								\$0
Mix 31								\$0
Mix 32								\$0
Mix 33								\$0
Mix 34								\$0
Mix 35								\$0
Mix 36								\$0
Mix 37								\$0
Mix 38								\$0
Mix 39								\$0
Mix 40								\$0
Mix 41								\$0
Mix 42								\$0
Mix 43								\$0
Mix 44								\$0
Mix 45								\$0
Mix 46								\$0
Mix 47								\$0
Mix 48								\$0
Mix 49								\$0
Mix 50								\$0
Mix 51								\$0
Mix 52								\$0
Mix 53								\$0
Mix 54								\$0
Mix 55								\$0
Mix 56								\$0
Mix 57								\$0
Mix 58								\$0
Mix 59								\$0
Mix 60								\$0
Mix 61								\$0
Mix 62								\$0
Mix 63								\$0
Mix 64								\$0
Mix 65								\$0
Mix 66								\$0
Mix 67								\$0

L. UNIT DETAILS

Mix 68							\$0
Mix 69							\$0
Mix 70							\$0
Mix 71							\$0
Mix 72							\$0
Mix 73							\$0
Mix 74							\$0
Mix 75							\$0
Mix 76							\$0
Mix 77							\$0
Mix 78							\$0
Mix 79							\$0
Mix 80							\$0
Mix 81							\$0
Mix 82							\$0
Mix 83							\$0
Mix 84							\$0
Mix 85							\$0
Mix 86							\$0
Mix 87							\$0
Mix 88							\$0
Mix 89							\$0
Mix 90							\$0
Mix 91							\$0
Mix 92							\$0
Mix 93							\$0
Mix 94							\$0
Mix 95							\$0
Mix 96							\$0
Mix 97							\$0
Mix 98							\$0
Mix 99							\$0
Mix 100							\$0
TOTALS			24	2			\$57,950

Total Units	24	Net Rentable SF:	TC Units	35,869.10
			MKT Units	0.00
			Total NR SF:	35,869.10

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

M. OPERATING EXPENSES**Administrative:**

Use Whole Numbers Only!

1. Advertising/Marketing			\$1,200
2. Office Salaries			\$0
3. Office Supplies			\$2,400
4. Office/Model Apartment	(type		\$0
5. Management Fee			\$32,416
5.00% of EGI	\$1,350.67	Per Unit	
6. Manager Salaries			\$22,785
7. Staff Unit (s)	(type		\$0
8. Legal			\$960
9. Auditing			\$7,500
10. Bookkeeping/Accounting Fees			\$1,800
11. Telephone & Answering Service			\$1,440
12. Tax Credit Monitoring Fee			\$1,080
13. Miscellaneous Administrative			\$19,200
Total Administrative			\$90,781

Utilities

14. Fuel Oil		\$0
15. Electricity		\$3,120
16. Water		\$6,480
17. Gas		\$0
18. Sewer		\$0
Total Utility		\$9,600

Operating:

19. Janitor/Cleaning Payroll		\$0
20. Janitor/Cleaning Supplies		\$0
21. Janitor/Cleaning Contract		\$1,200
22. Exterminating		\$600
23. Trash Removal		\$10,800
24. Security Payroll/Contract		\$4,800
25. Grounds Payroll		\$0
26. Grounds Supplies		\$0
27. Grounds Contract		\$3,600
28. Maintenance/Repairs Payroll		\$24,304
29. Repairs/Material		\$4,800
30. Repairs Contract		\$2,400
31. Elevator Maintenance/Contract		\$0
32. Heating/Cooling Repairs & Maintenance		\$12,000
33. Pool Maintenance/Contract/Staff		\$0
34. Snow Removal		\$720
35. Decorating/Payroll/Contract		\$0
36. Decorating Supplies		\$1,800
37. Miscellaneous		\$4,368
Totals Operating & Maintenance		\$71,392

M. OPERATING EXPENSES

Taxes & Insurance			
38. Real Estate Taxes			\$27,100
39. Payroll Taxes			\$3,552
40. Miscellaneous Taxes/Licenses/Permits			\$0
41. Property & Liability Insurance	\$870	per unit	\$20,880
42. Fidelity Bond			\$0
43. Workman's Compensation			\$840
44. Health Insurance & Employee Benefits			\$8,472
45. Other Insurance			\$0
Total Taxes & Insurance			\$60,844
Total Operating Expense			\$232,617
Total Operating Expenses Per Unit	\$9,692	C. Total Operating Expenses as % of EGI	35.88%
Replacement Reserves (Total # Units X \$300 or \$250 New Const./Elderly Minimum)			\$7,200
Total Expenses			\$239,817

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

Complete cost column and basis column(s) as appropriate

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

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

Item	(A) Cost	Amount of Cost up to 100% Includable in Eligible Basis--Use Applicable Column(s):		
		"30% Present Value Credit"		(D)
		(B) Acquisition	(C) Rehab/ New Construction	"70 % Present Value Credit"
1. Contractor Cost				
a. Unit Structures (New)	7,637,213	0	7,637,213	0
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	7,637,213	0	7,637,213	0
f. Earthwork	0	0	0	0
g. Site Utilities	0	0	0	0
h. Renewable Energy	0	0	0	0
i. Roads & Walks	0	0	0	0
j. Site Improvements	4,990,906	0	4,741,361	0
k. Lawns & Planting	0	0	0	0
l. Engineering	0	0	0	0
m. Off-Site Improvements	0	0	0	0
n. Site Environmental Mitigation	0	0	0	0
o. Demolition	0	0	0	0
p. Site Work	0	0	0	0
q. Hard Cost Contingency	0	0	0	0
Total Land Improvements	4,990,906	0	4,741,361	0
Total Structure and Land	12,628,119	0	12,378,574	0
r. General Requirements	690,598	0	690,598	0
s. Builder's Overhead	281,648	0	281,648	0
(2.2% Contract)				
t. Builder's Profit	422,263	0	422,263	0
(3.3% Contract)				
u. Bonds	153,513	0	153,513	0
v. Building Permits	0	0	0	0
w. Special Construction	0	0	0	0
x. Special Equipment	0	0	0	0
y. Other 1:	0	0	0	0
z. Other 2:	0	0	0	0
aa. Other 3:	0	0	0	0
Contractor Costs	\$14,176,141	\$0	\$13,926,596	\$0

Construction cost per unit: \$590,672.54

MAXIMUM COMBINED GR, OVERHEAD & PROFIT =

\$1,767,937

ACTUAL COMBINED GR, OVERHEAD & PROFIT =

\$1,394,509

O. PROJECT BUDGET - OWNER COSTS

		To select exclusion of allowable line items from Total Development Costs used in Cost limit calculations, select X in yellow box to the left.		
MUST USE WHOLE NUMBERS ONLY! Item	(A) Cost	Amount of Cost up to 100% Includable in Eligible Basis--Use Applicable Column(s):		
		"30% Present Value Credit"		(D)
		(B) Acquisition	(C) Rehab/ New Construction	"70 % Present Value Credit"
2. Owner Costs				
a. Building Permit	18,000	0	18,000	0
b. Architecture/Engineering Design Fee \$26,041 /Unit)	624,980	0	624,980	0
c. Architecture Supervision Fee \$0 /Unit)	0	0	0	0
d. Tap Fees	42,000	0	42,000	0
e. Environmental	7,595	0	7,595	0
f. Soil Borings	15,190	0	15,190	0
g. Green Building (Earthcraft, LEED, etc.)	36,050	0	36,050	0
h. Appraisal	4,557	0	0	0
i. Market Study	10,000	0	0	0
j. Site Engineering / Survey	7,595	0	7,595	0
k. Construction/Development Mgt	83,545	0	83,545	0
l. Structural/Mechanical Study	0	0	0	0
m. Construction Loan Origination Fee	405,670	0	405,670	0
n. Construction Interest (0.0% for 0 months)	1,006,484	0	651,162	0
o. Taxes During Construction	15,190	0	12,428	0
p. Insurance During Construction	15,190	0	12,428	0
q. Permanent Loan Fee (0.0%)	0			
r. Other Permanent Loan Fees	128,150			
s. Letter of Credit	0	0	0	0
t. Cost Certification Fee	15,000	0	0	0
u. Accounting	6,076	0	0	0
v. Title and Recording	142,482	0	0	0
w. Legal Fees for Closing	200,000	0	40,000	0
x. Mortgage Banker	115,000	0	0	0
y. Tax Credit Fee	53,332			
z. Tenant Relocation	0			
aa. Fixtures, Furnitures and Equipment	0	0	0	0
ab. Organization Costs	0			
ac. Operating Reserve	321,385			
ad. Soft Costs Contingency	105,406			
ae. Security	0	0	0	0
af. Utilities	18,000	0	18,000	0
ag. Supportive Service Reserves	0			

O. PROJECT BUDGET - OWNER COSTS

(1) Other* specify:	Construction Cost Res.	708,808	0	684,073	0
(2) Other* specify:	Const. Rel. Soft Costs	52,405	0	49,461	0
(3) Other* specify:	Investor Counsel	70,000	0	0	0
(4) Other* specify:	Performance Bonds	22,785	0	22,785	0
(5) Other * specify:	Marketing	0	0	0	0
(6) Other* specify:	Builder's Risk Insurance	106,329	0	106,329	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))		\$4,357,204	\$0	\$2,837,291	\$0
Subtotal 1 + 2 (Owner + Contractor Costs)		\$18,533,345	\$0	\$16,763,887	\$0
3. Developer's Fees		1,970,268	0	1,970,268	0
4. Owner's Acquisition Costs					
Land		720,000			
Existing Improvements		0	0		
Subtotal 4:		\$720,000	\$0		
5. Total Development Costs					
Subtotal 1+2+3+4:		\$21,223,613	\$0	\$18,734,155	\$0

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

(Provide documentation at **Tab E**)

\$0	Land
\$0	Building

Maximum Developer Fee:

\$1,970,268

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

\$448 **Meets Limits**
\$556

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

\$854,317 **Proposed Cost per Unit exceeds limit**
\$589,015

P. ELIGIBLE BASIS CALCULATION

Item	Amount of Cost up to 100% Includable in Eligible Basis--Use Applicable Column(s):			
	(A) Cost	"30 % Present Value Credit"		(D) "70 % Present Value Credit"
		(B) Acquisition	(C) Rehab/ New Construction	
1. Total Development Costs	21,223,613	0	18,734,155	0
2. Reductions in Eligible Basis				
a. Amount of federal grant(s) used to finance qualifying development costs		0	0	0
b. Amount of nonqualified, nonrecourse financing		0	0	0
c. Costs of nonqualifying units of higher quality (or excess portion thereof)		0	0	0
d. Historic Tax Credit (residential portion)		0	0	0
3. Total Eligible Basis (1 - 2 above)		0	18,734,155	0
4. Adjustment(s) to Eligible Basis (For non-acquisition costs in eligible basis)				
a. For QCT or DDA (Eligible Basis x 30%)			0	0
<i>State Designated Basis Boosts:</i>				
b. For Revitalization or Supportive Housing (Eligible Basis x 30%)			0	0
c. For Green Certification (Eligible Basis x 10%)				0
Total Adjusted Eligible basis			18,734,155	0
5. Applicable Fraction		100.00000%	100.00000%	100.00000%
6. Total Qualified Basis (Eligible Basis x Applicable Fraction)		0	18,734,155	0
7. Applicable Percentage		4.00%	4.00%	9.00%
8. Maximum Allowable Credit under IRC §42 (Qualified Basis x Applicable Percentage)		\$0	\$749,366	\$0
(Must be same as BIN total and equal to or less than credit amount allowed)		\$749,366 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. Citibank	07/15/26	TBD	\$13,600,000	
2.				
3.				
Total Construction Funding:			\$13,600,000	

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

Source of Funds		Date of Application	Date of Commitment	Amount of Funds	Annual Debt Service Cost	Interest Rate of Loan	Amortization Period IN YEARS	Term of Loan (years)
				(Whole Numbers only)				
1.	Freddie Mac Loan	7/15/2026	11/15/2026	\$5,210,000	\$354,951	6.25%	40	17
2.	VHTF Loan			\$2,000,000		0.00%		30
3.	Charlottesville Loan			\$4,150,000		0.00%		30
4.	HIEE Loan			\$1,288,363		4.00%		30
5.	Sponsor Loan			\$1,650,000		0.00%		30
6.								
7.								
8.								
9.								
10.								
11.								
12.								
13.								
14.								
15.								
16.								
17.								
18.								
19.								
20.								
Total Permanent Funding:				\$14,298,363	\$354,951			

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.				

Q. SOURCES OF FUNDS

5.					
6.					
Total Permanent Grants:				\$0	

4. Subsidized Funding

Source of Funds		Date of Commitment	Amount of Funds
1.			
2.			
3.			
4.			
5.			
Total Subsidized Funding			\$0

5. Recap of Federal, State, and Local Funds

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

TRUE

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

Below-Market Loans

TE: See Below For 50% Test Status

a.	Tax Exempt Bonds	\$7,000,000
b.	RD 515	\$0
c.	Section 221(d)(3)	\$0
d.	Section 312	\$0
e.	Section 236	\$0
f.	Virginia Housing REACH Funds	\$0
g.	HOME Funds	\$0
h.	Choice Neighborhood	\$0
i.	National Housing Trust Fund	\$0
j.	Virginia Housing Trust Fund	\$2,000,000
k.	Other:	\$1,288,363
	HIEE Loan	
l.	Other:	\$4,150,000
	Charlottesville Loan	

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

Grants*

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

Grants

c.	State	
d.	Local	
e.	Other:	

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

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

For purposes of the Bond Cliff Test, and based only on the data entered to this

Q. SOURCES OF FUNDS

application, the portion of the aggregate basis of buildings and land financed with tax-exempt funds is: 35.98%

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

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

It is expected that the first mortgage will be credit enhanced by Freddie Mac or Fannie Mae

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

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

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

c. FALSE Other

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

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

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

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

i. Requested Annual HOTC Credits	\$0
ii. 10 Year HOTC Credit Amount	\$0
iii. Equity Dollars Per Credit	\$0.500
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	\$930,320 (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 \$930,320

2. Equity Gap Calculation

a. Total Development Cost		\$21,223,613
b. Total of Permanent Funding, Grants and Equity	-	\$15,228,683
c. Equity Gap		\$5,994,930
d. Developer Equity	-	\$602
e. Equity gap to be funded with low-income tax credit proceeds		\$5,994,328

3. Syndication Information (If Applicable)**a. Actual or Anticipated Name of Syndicator:**

Contact Person:	Jennifer Craig	Phone:	
Street Address:	1307 Washington Avenue, Suite 300		
City:	St. Louis	State:	Missouri
		Zip:	63103

b. Syndication Equity

i. Anticipated Annual Credits	\$749,366.00
ii. Equity Dollars Per Credit (e.g., \$0.85 per dollar of credit)	\$0.800
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	\$749,291
vi. Total to be paid by anticipated users of credit (e.g., limited partners)	\$5,994,328

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

4. Net Syndication Amount

Which will be used to pay for Total Development Costs

\$5,994,328

5. Net Equity Factor

79.9999932309%

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			\$21,223,613
2. Less Total of Permanent Funding, Grants and Equity	-		\$15,228,683
3. Equals Equity Gap			\$5,994,930
4. Divided by Net Equity Factor (Percent of 10-year credit expected to be raised as equity investment)			79.9999932309%
5. Equals Ten-Year Credit Amount Needed to Fund Gap			\$7,493,663
Divided by ten years			10
6. Equals Annual Tax Credit Required to Fund the Equity Gap			\$749,366
7. Maximum Allowable Credit Amount (from Eligible Basis Calculation)			\$749,366
8. Requested Credit Amount		For 30% PV Credit:	\$749,366
		For 70% PV Credit:	\$0
Credit per LI Units	\$31,223.5833	Combined 30% & 70% PV Credit Requested	
Credit per LI Bedroom	\$10,126.5676		
			\$749,366

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	\$57,950
Plus Other Income Source (list): Misc. Fees	\$144
Equals Total Monthly Income:	\$58,094
Twelve Months	x12
Equals Annual Gross Potential Income	\$697,128
Less Vacancy Allowance 7.0%	\$48,799
Equals Annual Effective Gross Income (EGI) - Low Income Units	\$648,329

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	\$648,329
b. Annual EGI Market Units	\$0
c. Total Effective Gross Income	\$648,329
d. Total Expenses	\$239,817
e. Net Operating Income	\$408,512
f. Total Annual Debt Service	\$354,951
g. Cash Flow Available for Distribution	\$53,561

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	648,329	661,296	674,522	688,012	701,772
Less Oper. Expenses	239,817	247,012	254,422	262,055	269,916
Net Income	408,512	414,284	420,100	425,957	431,856
Less Debt Service	354,951	354,951	354,951	354,951	354,951
Cash Flow	53,561	59,333	65,149	71,006	76,905
Debt Coverage Ratio	1.15	1.17	1.18	1.20	1.22

	Year 6	Year 7	Year 8	Year 9	Year 10
Eff. Gross Income	715,808	730,124	744,726	759,621	774,813
Less Oper. Expenses	278,014	286,354	294,945	303,793	312,907
Net Income	437,794	443,770	449,782	455,828	461,906
Less Debt Service	354,951	354,951	354,951	354,951	354,951
Cash Flow	82,843	88,819	94,831	100,877	106,955
Debt Coverage Ratio	1.23	1.25	1.27	1.28	1.30

	Year 11	Year 12	Year 13	Year 14	Year 15
Eff. Gross Income	790,309	806,116	822,238	838,683	855,456
Less Oper. Expenses	322,294	331,963	341,922	352,179	362,745
Net Income	468,015	474,153	480,316	486,503	492,712
Less Debt Service	354,951	354,951	354,951	354,951	354,951
Cash Flow	113,064	119,202	125,365	131,552	137,761
Debt Coverage Ratio	1.32	1.34	1.35	1.37	1.39

Estimated Annual Percentage Increase in Revenue	2.00% (Must be $\leq$ 2%)
Estimated Annual Percentage Increase in Expenses	3.00% (Must be $\geq$ 3%)

U. Building-by-Building Information

Must Complete

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

Number of BINS: 3

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

Bldg #	BIN if known	NUMBER OF		Street Address 1	Street Address 2	City	State	Zip	30% Present Value Credit for Acquisition				30% Present Value Credit for Rehab / New Construction				70% Present Value Credit				
		TAX CREDIT UNITS	MARKET RATE UNITS						Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount	Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount	Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount	
1.		10		460 Garrett Street		Charlottesville	VA	22902				\$0	\$7,805,898	12/01/28	4.00%	\$312,236				\$0	
2.		8		460 Garrett Street		Charlottesville	VA	22902				\$0	\$6,244,718	12/01/28	4.00%	\$249,789				\$0	
3.		6		460 Garrett Street		Charlottesville	VA	22902				\$0	\$4,683,539	12/01/28	4.00%	\$187,342				\$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	
24		0 If development has more than 35 buildings, contact Virginia Housing.																			
Totals from all buildings									\$0	\$18,734,155				\$0				\$749,366			
									\$0	\$0				\$0				\$0			

Number of BINS: 3

V. STATEMENT OF OWNER

The undersigned hereby acknowledges the following:

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

V. STATEMENT OF OWNER

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

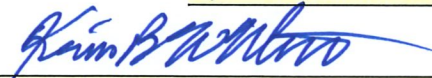
In Witness Whereof, the undersigned, being authorized, has caused this document to be executed in its name on the date of this application set forth in DEV Info tab hereof.

Legal Name of Owner: FC Phase 3B LLC

By: FC Phase 3B Managing Member LLC

By: NHT Communities

By:

Its: 
Designated Representative

(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:	Stephen R Mundt
Virginia License#:	0401009145
Architecture Firm or Company:	Grimm + Parker Architecture

By:



Its:

Partner and Vice President

(Title)

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

V. Previous Participation Certification

Development Name: Friendship Court Phase 3B

Name of Applicant (entity): FC Phase 3B 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

KEVIN A.W. WHITE

Printed Name

6/29/2026

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

Friendship Court Phase 3B
4% Tax Credit Application
Previous Participation Certification Supporting Material for #5
June 29, 2026

In August 2025, South Carolina Housing (SC Housing) issued an 8823 to the owner of Belton Woods, which is controlled by NHT Communities. The 8823 noted incomplete tenant recertifications and physical deficiencies. We submitted all file corrections and made repairs to address physical deficiencies.

On June 26, 2026, NHT Communities sold the property while still waiting for full close out from SC Housing. Meanwhile, SC Housing authorized the transfer of the property. NHT Communities provided documentation of the 8823 submissions to the buyer who has assumed responsibility to formally close-out the 8823 approval with the agency.

W.

LIHTC SELF SCORE SHEET**Self Scoring Process**

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

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

MANDATORY ITEMS:

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

Included**Score**

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

1. READINESS:

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

Y	0 or -50	0.00
N	0 or -25	0.00
N	0 to 10	0.00
N	0 or 10	0.00
Y	0 or 15	15.00
N	0 or 15	0.00
Y	0 or 5	5.00
N	0 or 15	0.00
Total:		20.00

2. HOUSING NEEDS CHARACTERISTICS:

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

Y	0 or up to 5	0.63
Y	0 or 20	20.00
0.00%	Up to 60	0.00
N	0 or 5	0.00
N	up to 40	0.00
0%	0, 20, 25 or 30	0.00
N	0 or 15	0.00
Y	Up to 20	20.00
Total:		40.63

3. DEVELOPMENT CHARACTERISTICS:

a. Enhancements (See calculations below)			20.00
b. <removed for 2026>			0.00
c. HUD 504 accessibility for 10% of units	N	0 or 20	0.00
d. Proximity to public transportation	Y10	0, 10 or 20	10.00
e. Development will be Green Certified	Y	0 or 10	10.00
f. Units constructed to meet Virginia Housing's Universal Design standards	0%	Up to 15	0.00
g. Developments with less than 100 low income units	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:			60.00

4. TENANT POPULATION CHARACTERISTICS:

Locality AMI	State AMI
\$125,800	\$78,100

a. Less than or equal to 20% of units having 1 or less bedrooms	Y	0 or 15	15.00
b. <plus> Percent of Low Income units with 3 or more bedrooms	79.17%	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)	0.00%	Up to 10	0.00
d. Units with rents at or below 40% of AMI (up to 10% of LI units)	0.00%	Up to 10	0.00
e. Units in Higher Income Jurisdictions with rent and income at or below 50% of AMI	0.00%	Up to 50	0.00
f. Units in Higher Income Jurisdictions with rents <= 50% rented to tenants with <= 60% of AMI	0.00%	Up to 25	0.00
or g. Units in LI Jurisdictions with rents <= 50% rented to tenants with <= 60% of AMI	0.00%	Up to 50	0.00
Total:			30.00

5. SPONSOR CHARACTERISTICS:

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

6. EFFICIENT USE OF RESOURCES:

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

7. BONUS POINTS:

a. Extended Use Restriction beyond 15 year compliance period	35 Years	40 or 70	70.00
or b. Nonprofit or LHA purchase option/ ROFR	N	0 or 60	0.00
or c. Nonprofit or LHA Home Ownership option	N	0 or 5	0.00
d. Combined 9% and 4% Tax Exempt Bond Site Plan	N	10 or 15	0.00
e. RAD or PHA Conversion participation and competing in Local Housing Authority pool	N	0 or 10	0.00
f. Team member with Veteran Owned Small Business Certification	N	up to 10	0.00
g. Commitment to electronic payment of fees	Y	0 or 5	5.00
h. Zero Ready or Passive House certification from prior allocation	N	0, 10 or 20	0.00
Total:			75.00

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

TOTAL SCORE: 270.13

Enhancements:

All units have:

	Max Pts	Score
a. Community Room	5	0.00
b. Exterior walls constructed with brick and other low maintenance materials	40	20.00
c. LED Kitchen Light Fixtures	2	0.00
d. Cooking surfaces equipped with fire suppression features	2	0.00
e. Bath Fan - Delayed timer or continuous exhaust	3	0.00
f. Baths equipped with humidistat	3	0.00
g. Watersense labeled faucets, toilets and showerheads (without Green Certification)	3	0.00
h. Rehab only: new infrastructure for high speed internet/broadband	5	0.00
i. Each unit provided free individual high speed internet access	15	0.00
j. USB in kitchen, living room and all bedrooms	1	0.00
k. Rehab only: dedicated space to accept permanent dehumidification system	2	0.00
l. Provides Permanently installed dehumidification system	5	0.00
m. All interior doors within units are solid core	3	0.00
n. Installation of Renewable Energy Electric system	10	0.00
o. New Construction: Balcony or patio	4	0.00

 20.00

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: 20.00

X.

Development Summary

Summary Information

2026 Low-Income Housing Tax Credit Application For Reservation

Deal Name:

Friendship Court Phase 3B

Cycle Type:

4% Tax Exempt Bonds Credits

Requested Credit Amount:

\$749,366

Allocation Type:

New Construction

Jurisdiction:

Charlottesville City

Total Units

24

Population Target:

General

Total LI Units

24

Project Gross Sq Ft:

45,734.00

Owner Contact:

Sunshine Mathon

Green Certified?

TRUE

Total Score

270.13

Source of Funds	Amount	Per Unit	Per Sq Ft	Annual Debt Service
Permanent Financing	\$14,298,363	\$595,765	\$313	\$354,951
Grants	\$0	\$0		
Subsidized Funding	\$0	\$0		

Uses of Funds - Actual Costs				
Type of Uses	Amount	Per Unit	Sq Ft	% of TDC
Improvements	\$12,628,119	\$526,172	\$276	59.50%
General Req/Overhead/Profit	\$1,394,509	\$58,105	\$30	6.57%
Other Contract Costs	\$153,513	\$6,396	\$3	0.72%
Owner Costs	\$4,357,204	\$181,550	\$95	20.53%
Acquisition	\$720,000	\$30,000	\$16	3.39%
Developer Fee	\$1,970,268	\$82,095	\$43	9.28%
Total Uses	\$21,223,613	\$884,317		

Income		
Gross Potential Income - LI Units		\$697,128
Gross Potential Income - Mkt Units		\$0
Subtotal		\$697,128
Less Vacancy %	7.00%	\$48,799
Effective Gross Income		\$648,329

Rental Assistance?

TRUE

Expenses		
Category	Total	Per Unit
Administrative	\$90,781	\$3,783
Utilities	\$9,600	\$400
Operating & Maintenance	\$71,392	\$2,975
Taxes & Insurance	\$60,844	\$2,535
Total Operating Expenses	\$232,617	\$9,692
Replacement Reserves	\$7,200	\$300
Total Expenses	\$239,817	\$9,992

Cash Flow	
EGI	\$648,329
Total Expenses	\$239,817
Net Income	\$408,512
Debt Service	\$354,951
Debt Coverage Ratio (YR1):	1.15

Total Development Costs	
Total Improvements	\$18,533,345
Land Acquisition	\$720,000
Developer Fee	\$1,970,268
Total Development Costs	\$21,223,613

Proposed Cost Limit/Sq Ft:

\$448

Applicable Cost Limit/Sq Ft:

\$556

Proposed Cost Limit/Unit:

\$854,317

Applicable Cost Limit/Unit:

\$589,015

Unit Breakdown	
# of Eff	0
# of 1BR	0
# of 2BR	5
# of 3BR	12
# of 4+ BR	7
Total Units	24

	Income Levels	Rent Levels
	# of Units	# of Units
<=30% AMI	0	0
40% AMI	0	0
50% AMI	0	0
60% AMI	24	24
>60% AMI	0	0
Market	0	0

Income Averaging?

TRUE

Extended Use Restriction?

50

Y. Efficient Use of Resources

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

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

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

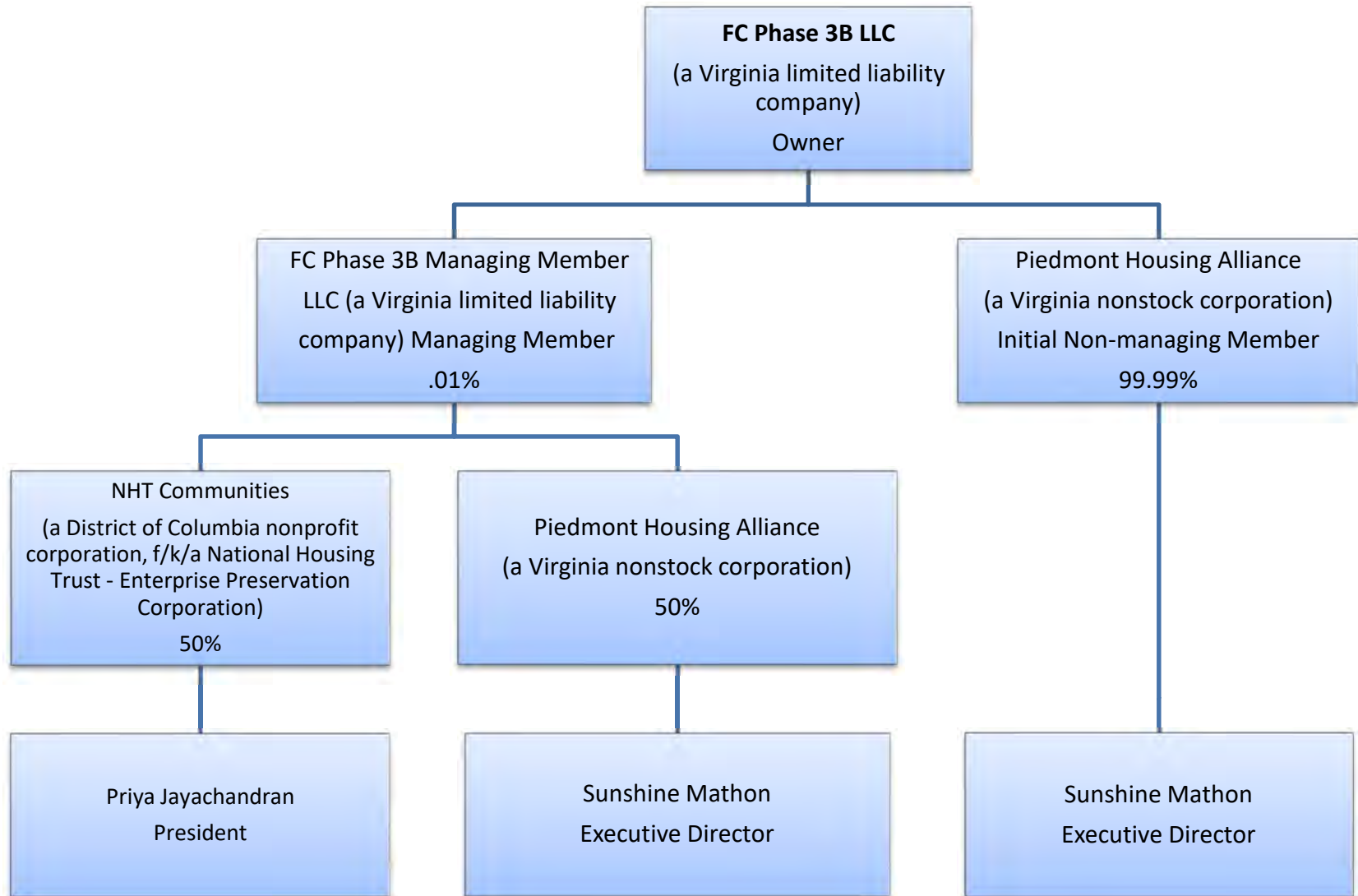
Combined Max	\$749,366
Credit Requested	\$749,366
% of Savings	0.00%
Sliding Scale Points	44.5

Tab A:

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

Organizational Chart

Development Name: Friendship Court Phase 3B



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 FC Phase 3B 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 June 26, 2025; and

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

That the limited liability company is current in the payment of all registration fees assessed against it by the Commission pursuant to the Virginia Limited Liability Company Act as of the date set forth below.

Nothing more is hereby certified.



Signed and Sealed at Richmond on this Date:

May 14, 2026

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

Bernard J. Logan, Clerk of the Commission

Tab C:

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



usbank.com/impactfinance

June 26, 2026

James T Engelhardt
National Housing Trust
1101 Connecticut Ave NW Suite 700
Washington, DC 20036

Re: Friendship Court Phase 3B – 24 Units of Affordable Housing at 460 Garrett Street, Charlottesville, VA 22902

Dear J.T.:

Thank you for contacting me about your upcoming Friendship Court Phase 3B affordable apartments project in Charlottesville, VA. The pro-forma we reviewed shows that you plan to construct 24 affordable family housing units. The information shows that 100% of the units will utilize the federal low income housing tax credit.

Your package shows that the project can support annual 4% federal low-income housing tax credits of \$749,366. Based on the preliminary information we've received, **in today's market I would propose preliminary pricing of \$0.80 for the federal low-income tax credits**, of which USBCDC would purchase 99.99%.

Sources	Permanent
USBCDC Equity	\$5,994,330
First Mortgage	\$5,210,000
VHTF/Charlottesville/HIEE Loans	\$7,438,363
Sponsor Loan	\$1,650,000
Deferred Developer Fee	\$930,920
TOTAL	\$21,147,123

USBIF will require an operating reserve of 6 months' operating expenses, debt service, and deposits to replacement reserves, currently estimated at \$297,385 and an annual asset management fee of \$7,500, indexed 10% every 5 years which shall be paid after the first mortgage lender and before deferred developer fee. USBIF will also require that the GP contribute nominal equity for its 0.01% ownership of the limited partnership.

The table above shows the sources that would balance the uses USBIF has been provided. To issue a full proposal letter and move toward closing, USBIF would need these funds to be awarded and committed.

The estimated pay-in schedule is as follows (subject to change):

Milestone	%	
#1 Closing	10.00%	\$599,433
#2 Temporary CO	25.00%	\$1,498,583
#3 Stabilization, 3 mo @ 1.15 DSCR	62.00%	\$3,696,315
#4 8609	3.00%	\$200,000
TOTAL	100%	\$5,994,330

We are excited about working with National Housing Trust on this important project. Please keep me informed of your funding requests and applications. If I can assist in any way, do not hesitate to call or email.

Sincerely,

Jennifer Craig
Senior Vice President, Relationship Manager
Jennifer.Craig@usbank.com
314-662-7533 mobile

Tab D:

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

NOT APPLICABLE

Tab E:

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

OPTION TO PURCHASE

This Option to Purchase (this “**Agreement**”), effective as of May 11, 2026 (“**Effective Date**”), is made by and between NHTE Piedmont Garrett Square Limited Partnership, a Virginia limited partnership having an address of c/o NHT Communities, 1101 Connecticut Ave NW, Suite 700, Washington, DC 20036 (“**Seller**”), and FC Phase 3B LLC, a Virginia limited liability company, having an address of 682 Berkmar Circle, Charlottesville, VA 22901 (“**Purchaser**”).

RECITALS

- A. Seller is the owner of certain real property located in Charlottesville, Virginia and described on the attached Exhibit A (“**Property**”) and wishes to grant Purchaser an option to purchase the Property contingent upon Purchase obtaining desirable financing.
- B. Purchaser wishes to accept the option to purchase the Property on the terms and conditions stated below.

Therefore, the parties agree as follows:

AGREEMENT

- 1. **Grant of Option.** In consideration of Seller’s receipt of \$1.00 from Purchaser (which is hereby acknowledged), Seller hereby grants to Purchaser the right and option to purchase the Property (“**Option**”) at any time after the Effective Date, and continuing until 5:00 p.m. on December 31, 2029 (the “**Expiration Date**”).
- 2. **Purchase Price of Property.**
 - 2.1. Subject to the adjustments and prorations described herein, the total purchase price of the Property and Seller Work (as defined below) (the “**Purchase Price**”) will be equal to the greater of (i) Seven Hundred Twenty Thousand Dollars and No Cents (\$720,000.00) and (ii) the fair market value determined by an appraisal ordered within one hundred and eighty (180) days of the Closing Date, but no sooner than one hundred and twenty (120) days before the Closing Date.
 - 2.2. The appraisal shall be conducted by an independent real estate appraiser selected by Purchaser subject to the reasonable consent of Seller. Any appraiser selected by Purchaser shall be a Member Appraisal Institute (MAI) appraiser with relevant experience valuing comparable properties and may not be an affiliate of Purchaser. Within seven days of notification of the fair market value set forth in the appraisal if either party is not satisfied with such fair market value, either party shall have the right order a second appraisal within thirty (30) days of receipt of the initial appraisal. If a second appraisal is ordered, the fair market value shall be the difference between the two appraised fair market values, unless the parties mutually agree to a different price purchase. Any increase in the Purchase Price based on the appraisal will, at the election of Purchaser, be part of the Seller note.
 - 2.3. The Purchase Price will be payable, if Purchaser elects to exercise the Option, in cash or by Purchaser delivering a promissory note to Seller, bearing simple interest accruing at the then-current applicable long-term federal rate, for up to the full amount of the Purchase Price. Such note will be paid from available cash flow as defined in the amended and restated operating agreement of Purchaser, which Seller shall review and approve, or from capital proceeds or sales

proceeds, and in any event, shall be due at maturity, which shall be 35 years from the Closing Date (as defined below) or such later date that is coterminous with the senior secured loan.

3. **Application of Consideration to Purchase Price.** If Purchaser elects to purchase the Property under the terms and conditions of this Agreement, the consideration paid for the Option will not be applied to the Purchase Price.
4. **Reserved.**
5. **Assignability.** The Purchaser anticipates that it may form and/or collaborate with one or more entities in connection with the development and/or financing of the Property. Purchaser has the right to assign this Agreement to any such entity; provided that Purchaser gives Seller written notice of such assignment and such entity assumes the obligations of Purchaser hereunder in writing. Seller may assign its interest in this Agreement and sell the Property to a new owner ("**New Owner**") so long as this Agreement continues in full force and effect and the Property and New Owner remain subject to the terms and conditions of this Agreement.
6. **Exercise of Option.** Purchaser may exercise the Option by giving Seller written notice, signed by Purchaser, on or before the Expiration Date. Upon exercise, the Purchase and Seller shall agree to a date to close on the payment of the purchase price and transfer of the Property ("**Closing Date**") which shall not be more than six (6) months from the date of exercise of the option.
7. **Proof of Title.** Seller will, at Purchaser's expense, furnish Purchaser a policy of title insurance, written by a title insurer acceptable to Purchaser, insuring the title to the Property on terms acceptable to Purchaser.
8. **Failure to Exercise Option.** If Purchaser does not exercise the Option in accordance with its terms and before the Expiration Date, the Option and the rights of Purchaser will automatically and immediately terminate without notice. In the event Purchaser fails to exercise the Option, Seller will retain the sum paid as consideration for the Option.
9. **Notices.** All notices provided for in this Agreement will be deemed to have been duly given if and when deposited in the United States mail with proper and sufficient postage affixed, properly addressed to the party for whom intended at the party's address listed above, or when delivered personally to such party.
10. **Binding Effect.** This Agreement will be binding upon and inure only to the benefit of the parties to it.
11. **Marketing.** Seller shall not market the Property or enter into any contract or option to sell the Property prior to the Expiration Date.
12. **Contingencies.** Purchaser's exercise of the option is contingent upon the following, without limitation: (a) the Purchaser determining the feasibility of the Property for development, (b) the Purchaser obtaining financing for the development of the Property, and (c) determinations satisfactory to the Purchaser that the Property and Purchaser's development plan meet all applicable governmental requirements, including without limitation any review and approvals that may be required pursuant to the National Environmental Policy Act ("**NEPA**") and related requirements under 24 CFR Parts 50 or 58, if applicable.

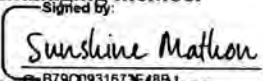
[signature pages follow]

[signature page to Option to Purchase]

PURCHASER:

FC PHASE 3B LLC,
a Virginia limited liability company

By: FC Phase 3B Managing Member LLC,
a Virginia limited liability company,
its co-managing member

By: 
Name: Sunshine Mathon
Title: Executive Manager

SELLER:

NHTE Piedmont Garrett Square Limited Partnership,
a Virginia limited partnership

By: Kindewood General Partner LLC,
a Virginia limited liability company,
its general partners

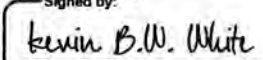
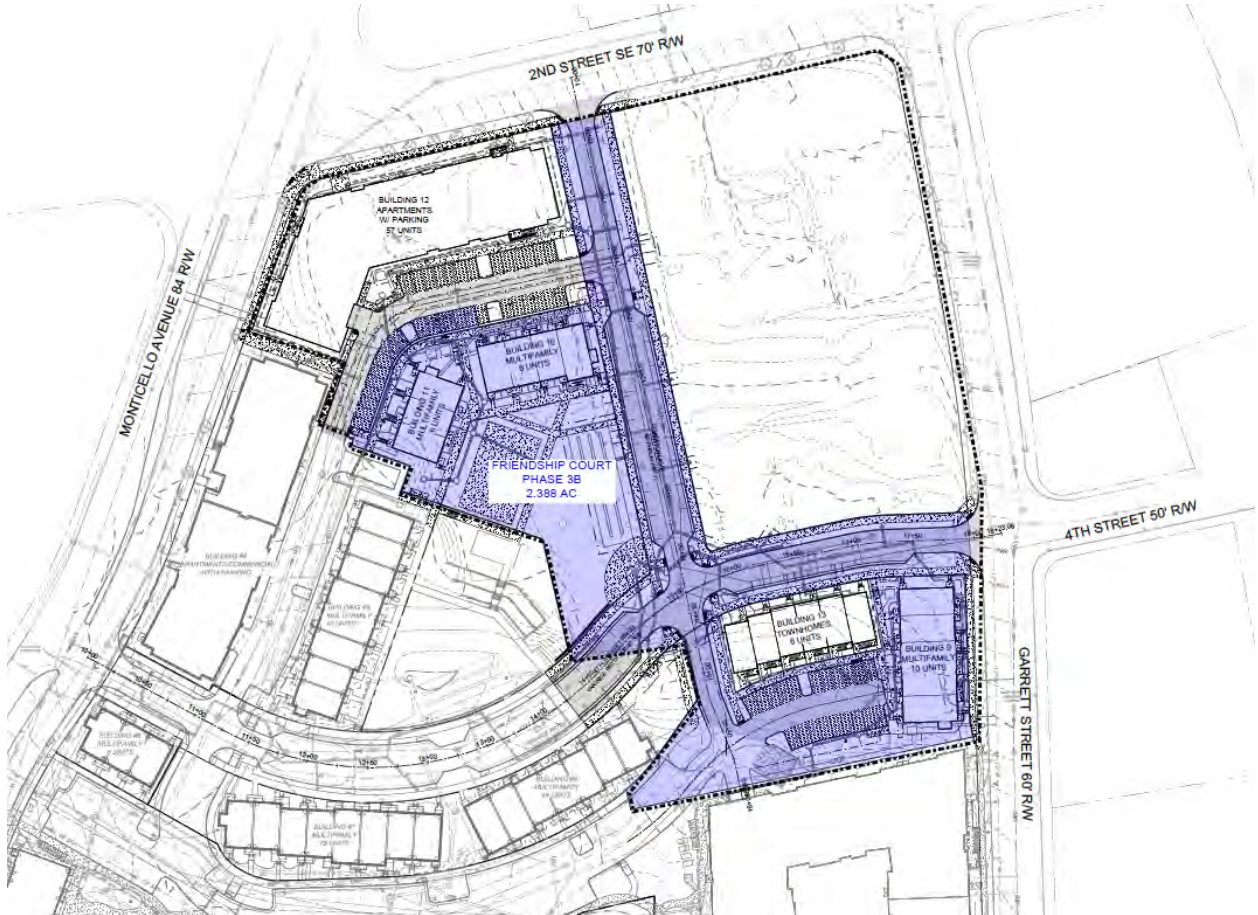
By: 
Name: Kevin B.W. White
Title: Designated Representative

Exhibit A to Option to Purchase

Property Description



City of Charlottesville, Virginia

400-426 GARRETT ST

Base Information

Parcel Number:	280112000	Current Owner:	NHTE PIEDMONT
State Code:	3.0 Multi-Family	Attention:	No Data
Tax Type:	Taxable	Owner Address:	1101 30TH ST NW STE #400
Zone:	CX-8	Owner City State:	WASHINGTON DC
Acreage:	5.3010	Owner Zip Code:	20007
Legal:	RESIDUE		

Additional Data

Elementary School Zone:	280112000
Voting Precinct:	3.0 Multi-Family
Neighborhood:	Taxable

Stormwater Utility Information

Impervious Area:	293
Billing Units:	146,013 sq. ft.
Projected Stormwater Utility Annual Fee:	\$4,219.20



Commercial Details

Commercial Details

Use Code: Apartments over 20 units
Year Built: 1978
Gross Area: 78620
Story Height: 8.00
No. of Stories: 2.00

Additions

Type	Description:	Area:	Year Built:
Addition	First Floor	78620	No Data

Ownership History

Date of Sale	Sale Price	Owner Name	Book
5/23/2024	\$0.00	NHTE PIEDMONT	2024:1168
5/23/2024	\$0.00	NHTE PIEDMONT	2024:1167
5/23/2024	\$0.00	NHTE PIEDMONT	2024:1166
5/23/2024	\$0.00	NHTE PIEDMONT	2024:1164
1/27/2022	\$0.00	NHTE PIEDMONT	2022:0297
12/10/2021	\$0.00	NHTE PIEDMONT	2021:6048
11/5/2021	\$0.00	NHTE PIEDMONT	2021:5493
11/5/2021	\$0.00	NHTE PIEDMONT	2021:5492
9/15/2020	\$0.00	NHTE PIEDMONT GARRETT SQUARE LMT PART	2020:3818
10/31/2002	\$4,800,000.00	NHTE PIEDMONT GARRETT SQUARE LMT PART	876:72
7/12/1977	\$205,103.00	CAVALIER, DEVELOPMENT COMPANY	385:776

Assessment History

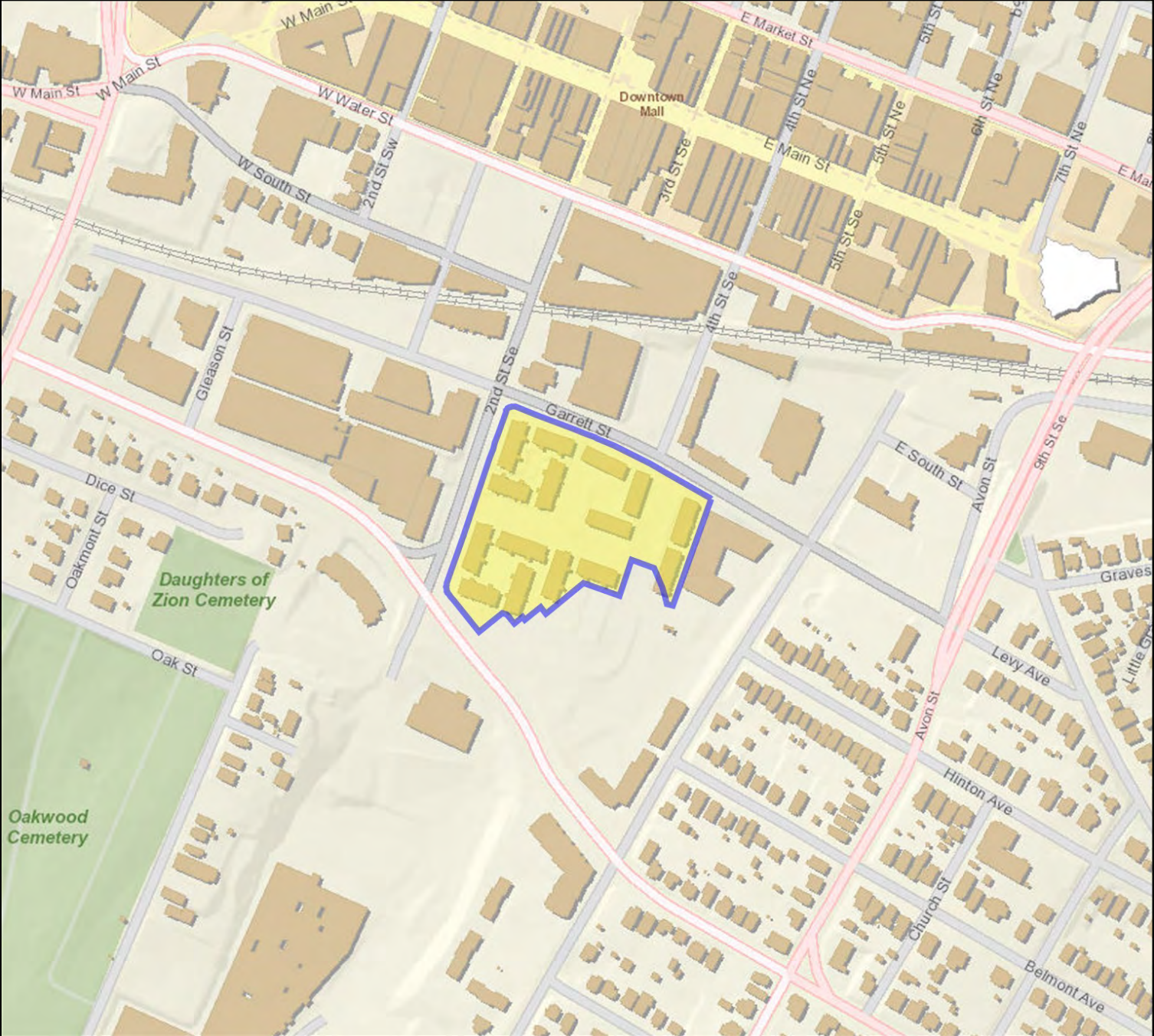
Year	Land Value	Improvement Value	Total Value
2026	\$7,884,800.00	\$5,821,100.00	\$13,705,900.00
2025	\$7,884,800.00	\$5,783,100.00	\$13,667,900.00
2024	\$6,737,900.00	\$7,528,200.00	\$14,266,100.00
2023	\$6,451,200.00	\$8,852,200.00	\$15,303,400.00
2022	\$4,874,200.00	\$7,751,100.00	\$12,625,300.00
2021	\$6,965,600.00	\$1,214,900.00	\$8,180,500.00
2020	\$6,965,600.00	\$1,214,900.00	\$8,180,500.00
2019	\$6,965,600.00	\$200,100.00	\$7,165,700.00
2018	\$6,965,600.00	\$200,100.00	\$7,165,700.00
2017	\$6,965,600.00	\$194,400.00	\$7,160,000.00
2016	\$2,018,600.00	\$5,652,800.00	\$7,671,400.00

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

2015	\$1,755,300.00	\$5,383,600.00	\$7,138,900.00
2014	\$1,720,900.00	\$5,278,000.00	\$6,998,900.00
2013	\$1,720,900.00	\$5,278,000.00	\$6,998,900.00
2012	\$1,536,500.00	\$4,712,500.00	\$6,249,000.00
2011	\$1,536,500.00	\$4,404,200.00	\$5,940,700.00
2010	\$1,536,500.00	\$4,404,200.00	\$5,940,700.00
2009	\$1,536,500.00	\$4,404,200.00	\$5,940,700.00
2008	\$1,536,500.00	\$4,404,200.00	\$5,940,700.00
2007	\$1,536,500.00	\$4,404,200.00	\$5,940,700.00
2006	\$1,536,500.00	\$4,404,200.00	\$5,940,700.00
2005	\$921,900.00	\$5,018,100.00	\$5,940,000.00
2004	\$806,600.00	\$4,863,400.00	\$5,670,000.00
2003	\$768,200.00	\$4,339,800.00	\$5,108,000.00
2002	\$768,200.00	\$4,339,800.00	\$5,108,000.00
2001	\$633,100.00	\$4,250,200.00	\$4,883,300.00
2000	\$633,100.00	\$4,250,200.00	\$4,883,300.00
1999	\$527,600.00	\$4,126,400.00	\$4,654,000.00
1998	\$512,200.00	\$4,036,400.00	\$4,548,600.00
1997	\$384,100.00	\$4,164,500.00	\$4,548,600.00

Legend

 City Limits



Feet
0 100 200 300 400
1:4,514 / 1"=376 Feet

Title: Parcels

Date: 5/13/2026

DISCLAIMER: The City makes no warranties, expressed or implied, concerning the accuracy, completeness or suitability of this data, and it should not be construed or used as a legal description. The information displayed is a compilation of records, information, and data obtained from various sources, and the City is not responsible for its accuracy or how current it may be. Every reasonable effort is made to ensure the accuracy and completeness of the data. Pursuant to Section 54.1-402 of the Code of Virginia, any determination of topography or contours, or any depiction of physical improvements, property lines or boundaries is for general information only and shall not be used for the design, modification or construction of improvements to real property or for flood plain determination.



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*****

Brian Stanfill

RESNET Rater Signature

Brian Stanfill

Printed Name

3/7/25

Date

MaGrann Associates

RESNET Provider Agency

Doug McCleery

Provider Contact Name

Contact Signature

Digitally signed by Douglas S. McCleery
Date: 2025.03.07 12:53:20 -0500

dougmcclery@magrann.com

Email

(609) 410-3994

Phone

Home Energy Rating Certificate

Projected Report
Based on Plans

Rating Date:
Registry ID:
Ekotrope ID: vyJPVq52



HERS® Index Score:

44

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

Annual Savings

\$1,607

*Relative to an average U.S. home

Home:

2BR Lower End
Charlottesville, VA 22902

Builder:

Piedmont Housing Alliance

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	4.4	\$187
Cooling	1.1	\$46
Hot Water	1.6	\$67
Lights/Appliances	14.1	\$597
Service Charges		\$0
Generation (e.g. Solar)	0.0	\$0
Total:	21.2	\$898

This home meets or exceeds the criteria of the following:

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

Rating Completed by:

Energy Rater: Brian Stanfill
RESNET ID: 0420854

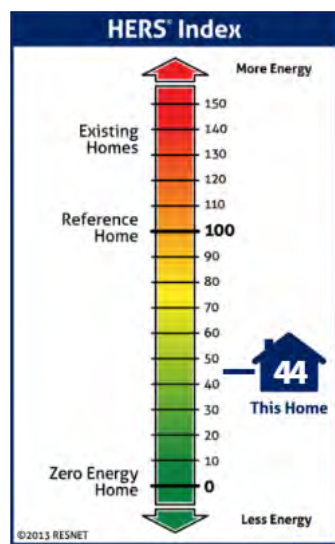
Rating Company: MaGrann Associates
701 E Gate Drive Mt Laurel, NJ 08054

Rating Provider: MaGrann Associates
701 E Gate Drive Mt Laurel, NJ 08054

Brian Stanfill, Certified Energy Rater
Date: 6/20/25 at 3:29 PM

Home Feature Summary:

Home Type:	Apartment, end unit
Model:	2BR Lower End
Community:	Friendship Court Phase 3B
Conditioned Floor Area:	1,306 ft ²
Number of Bedrooms:	2
Primary Heating System:	Air Source Heat Pump • Electric • 12.1 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 18 SEER
Primary Water Heating:	Residential Water Heater • Electric • 3.63 Energy Factor
House Tightness:	0.3 CFM50 / s.f. Shell Area (Adjusted Infiltration: 2.75 ACH50)
Ventilation:	70 CFM • 85 Watts • ERV
Duct Leakage to Outside:	Untested Forced Air
Above Grade Walls:	R-28
Ceiling:	Adiabatic, R-0
Window Type:	U-Value: 0.26, SHGC: 0.21
Foundation Walls:	N/A
Framed Floor:	N/A



Ekotrope RATER - Version:4.2.3.3653

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

Home Energy Rating Certificate

Projected Report
Based on Plans

Rating Date:
Registry ID:
Ekotrope ID: 26rQO3n2



HERS® Index Score:

45

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

Annual Savings

\$1,452

*Relative to an average U.S. home

Home:

2BR Lower Inner
Charlottesville, VA 22902

Builder:

Piedmont Housing Alliance

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	3.0	\$129
Cooling	1.0	\$43
Hot Water	1.6	\$67
Lights/Appliances	14.1	\$597
Service Charges		\$0
Generation (e.g. Solar)	0.0	\$0
Total:	19.7	\$836

This home meets or exceeds the criteria of the following:

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

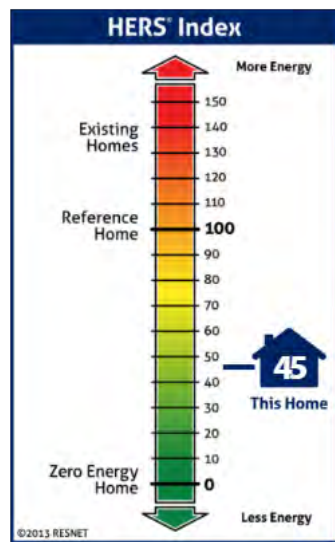
Rating Completed by:

Energy Rater: Brian Stanfill
RESNET ID: 0420854

Rating Company: MaGrann Associates
701 E Gate Drive Mt Laurel, NJ 08054

Rating Provider: MaGrann Associates
701 E Gate Drive Mt Laurel, NJ 08054

Brian Stanfill, Certified Energy Rater
Date: 6/20/25 at 3:29 PM



Home Feature Summary:

Home Type:	Apartment, inside unit
Model:	2BR Lower Inner
Community:	Friendship Court Phase 3B
Conditioned Floor Area:	1,306 ft ²
Number of Bedrooms:	2
Primary Heating System:	Air Source Heat Pump • Electric • 12.1 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 18 SEER
Primary Water Heating:	Residential Water Heater • Electric • 3.63 Energy Factor
House Tightness:	0.3 CFM50 / s.f. Shell Area (Adjusted Infiltration: 1.70 ACH50)
Ventilation:	70 CFM • 85 Watts • ERV
Duct Leakage to Outside:	Untested Forced Air
Above Grade Walls:	R-28
Ceiling:	Adiabatic, R-0
Window Type:	U-Value: 0.26, SHGC: 0.21
Foundation Walls:	N/A
Framed Floor:	N/A



Ekotrope RATER - Version:4.2.3.3653

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

Home Energy Rating Certificate

Projected Report
Based on Plans

Rating Date:
Registry ID:
Ekotrope ID: dNBGNpGd



HERS® Index Score:

41

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

Annual Savings

\$1,991

*Relative to an average U.S. home

Home:

3BR Lower End
Charlottesville, VA 22902

Builder:

Piedmont Housing Alliance

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	5.0	\$213
Cooling	1.1	\$47
Hot Water	1.9	\$79
Lights/Appliances	16.1	\$682
Service Charges		\$0
Generation (e.g. Solar)	0.0	\$0
Total:	24.1	\$1,022

This home meets or exceeds the criteria of the following:

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

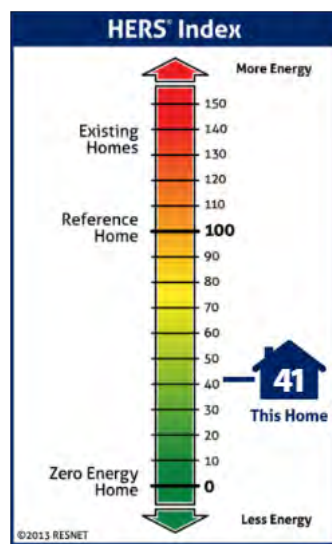
Rating Completed by:

Energy Rater: Brian Stanfill
RESNET ID: 0420854

Rating Company: MaGrann Associates
701 E Gate Drive Mt Laurel, NJ 08054

Rating Provider: MaGrann Associates
701 E Gate Drive Mt Laurel, NJ 08054

Brian Stanfill, Certified Energy Rater
Date: 6/20/25 at 3:29 PM



Home Feature Summary:

Home Type:	Apartment, end unit
Model:	3BR Lower End
Community:	Friendship Court Phase 3B
Conditioned Floor Area:	1,664 ft ²
Number of Bedrooms:	3
Primary Heating System:	Air Source Heat Pump • Electric • 12.1 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 18 SEER
Primary Water Heating:	Residential Water Heater • Electric • 3.63 Energy Factor
House Tightness:	0.3 CFM50 / s.f. Shell Area (Adjusted Infiltration: 2.64 ACH50)
Ventilation:	70 CFM • 85 Watts • ERV
Duct Leakage to Outside:	Untested Forced Air
Above Grade Walls:	R-28
Ceiling:	Adiabatic, R-0
Window Type:	U-Value: 0.26, SHGC: 0.21
Foundation Walls:	N/A
Framed Floor:	N/A



Ekotrope RATER - Version:4.2.3.3653

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

Home Energy Rating Certificate

Projected Report
Based on Plans

Rating Date:
Registry ID:
Ekotrope ID: 26rQOn52



HERS® Index Score:

41

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

Annual Savings

\$1,783

*Relative to an average U.S. home

Home:

3BR Lower Inner
Charlottesville, VA 22902

Builder:

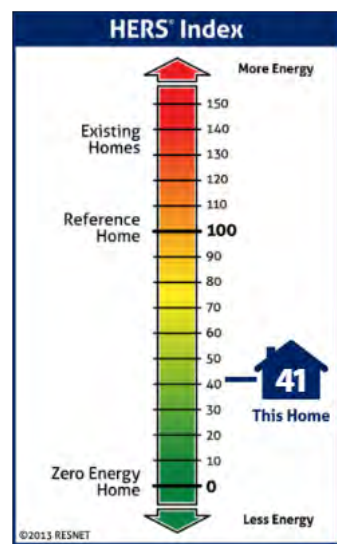
Piedmont Housing Alliance

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	2.7	\$115
Cooling	0.9	\$39
Hot Water	1.8	\$78
Lights/Appliances	16.3	\$689
Service Charges		\$0
Generation (e.g. Solar)	0.0	\$0
Total:	21.7	\$921

This home meets or exceeds the criteria of the following:

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



Home Feature Summary:

Home Type:	Apartment, inside unit
Model:	3BR Lower Inner
Community:	Friendship Court Phase 3B
Conditioned Floor Area:	1,664 ft ²
Number of Bedrooms:	3
Primary Heating System:	Air Source Heat Pump • Electric • 12.1 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 18 SEER
Primary Water Heating:	Residential Water Heater • Electric • 3.63 Energy Factor
House Tightness:	0.3 CFM50 / s.f. Shell Area (Adjusted Infiltration: 1.70 ACH50)
Ventilation:	70 CFM • 85 Watts • ERV
Duct Leakage to Outside:	Untested Forced Air
Above Grade Walls:	R-28
Ceiling:	Adiabatic, R-0
Window Type:	U-Value: 0.26, SHGC: 0.21
Foundation Walls:	N/A
Framed Floor:	N/A

Rating Completed by:

Energy Rater: Brian Stanfill
RESNET ID: 0420854

Rating Company: MaGrann Associates
701 E Gate Drive Mt Laurel, NJ 08054

Rating Provider: MaGrann Associates
701 E Gate Drive Mt Laurel, NJ 08054



Brian Stanfill, Certified Energy Rater
Date: 6/20/25 at 3:29 PM



Ekotrope RATER - Version:4.2.3.3653

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

Home Energy Rating Certificate

Projected Report
Based on Plans

Rating Date:
Registry ID:
Ekotrope ID: d1WnrMr2



HERS® Index Score:

42

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

Annual Savings

\$2,289

*Relative to an average U.S. home

Home:

3BR Upper End
Charlottesville, VA 22902

Builder:

Piedmont Housing Alliance

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	5.5	\$233
Cooling	1.8	\$75
Hot Water	1.8	\$78
Lights/Appliances	17.6	\$746
Service Charges		\$0
Generation (e.g. Solar)	0.0	\$0
Total:	26.7	\$1,132

This home meets or exceeds the criteria of the following:

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

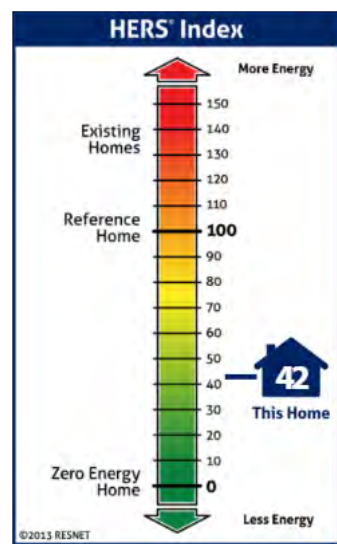
Rating Completed by:

Energy Rater: Brian Stanfill
RESNET ID: 0420854

Rating Company: MaGrann Associates
701 E Gate Drive Mt Laurel, NJ 08054

Rating Provider: MaGrann Associates
701 E Gate Drive Mt Laurel, NJ 08054

Brian Stanfill, Certified Energy Rater
Date: 6/20/25 at 3:29 PM



Home Feature Summary:

Home Type:	Apartment, end unit
Model:	3BR Upper End
Community:	Friendship Court Phase 3B
Conditioned Floor Area:	2,045 ft ²
Number of Bedrooms:	3
Primary Heating System:	Air Source Heat Pump • Electric • 12.1 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 18 SEER
Primary Water Heating:	Residential Water Heater • Electric • 3.63 Energy Factor
House Tightness:	0.3 CFM50 / s.f. Shell Area (Adjusted Infiltration: 2.52 ACH50)
Ventilation:	70 CFM • 85 Watts • ERV
Duct Leakage to Outside:	Untested Forced Air
Above Grade Walls:	R-28
Ceiling:	Vaulted Roof, R-42
Window Type:	U-Value: 0.26, SHGC: 0.21
Foundation Walls:	N/A
Framed Floor:	R-0



Ekotrope RATER - Version:4.2.3.3653

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

Home Energy Rating Certificate

Projected Report
Based on Plans

Rating Date:
Registry ID:
Ekotrope ID: vpOAD9ld



HERS® Index Score:

42

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

Annual Savings

\$2,135

*Relative to an average U.S. home

Home:

3BR Upper Inner
Charlottesville, VA 22902

Builder:

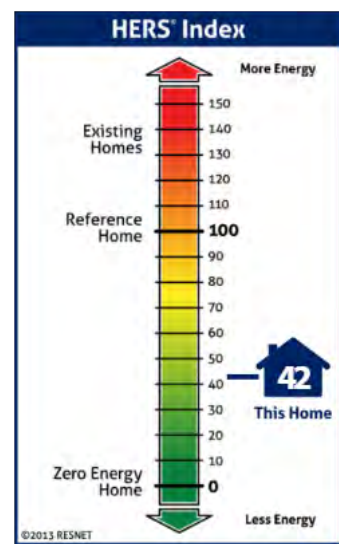
Piedmont Housing Alliance

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	4.1	\$172
Cooling	1.7	\$72
Hot Water	1.8	\$78
Lights/Appliances	18.0	\$761
Service Charges		\$0
Generation (e.g. Solar)	0.0	\$0
Total:	25.5	\$1,082

This home meets or exceeds the criteria of the following:

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



Home Feature Summary:

Home Type:	Apartment, inside unit
Model:	3BR Upper Inner
Community:	Friendship Court Phase 3B
Conditioned Floor Area:	2,045 ft ²
Number of Bedrooms:	3
Primary Heating System:	Air Source Heat Pump • Electric • 12.1 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 18 SEER
Primary Water Heating:	Residential Water Heater • Electric • 3.63 Energy Factor
House Tightness:	0.3 CFM50 / s.f. Shell Area (Adjusted Infiltration: 1.85 ACH50)
Ventilation:	70 CFM • 85 Watts • ERV
Duct Leakage to Outside:	Untested Forced Air
Above Grade Walls:	R-28
Ceiling:	Vaulted Roof, R-42
Window Type:	U-Value: 0.26, SHGC: 0.21
Foundation Walls:	N/A
Framed Floor:	R-0

Rating Completed by:

Energy Rater: Brian Stanfill
RESNET ID: 0420854

Rating Company: MaGrann Associates
701 E Gate Drive Mt Laurel, NJ 08054

Rating Provider: MaGrann Associates
701 E Gate Drive Mt Laurel, NJ 08054



Brian Stanfill, Certified Energy Rater
Date: 6/20/25 at 3:29 PM



Ekotrope RATER - Version:4.2.3.3653

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

Home Energy Rating Certificate

Projected Report
Based on Plans

Rating Date:
Registry ID:
Ekotrope ID: Le6OVn8d



HERS® Index Score:

41

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

Annual Savings

\$2,464

*Relative to an average U.S. home

Home:

4BR Upper End
Charlottesville, VA 22902

Builder:

Piedmont Housing Alliance

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	5.6	\$239
Cooling	1.9	\$80
Hot Water	2.1	\$91
Lights/Appliances	18.8	\$798
Service Charges		\$0
Generation (e.g. Solar)	0.0	\$0
Total:	28.5	\$1,208

This home meets or exceeds the criteria of the following:

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

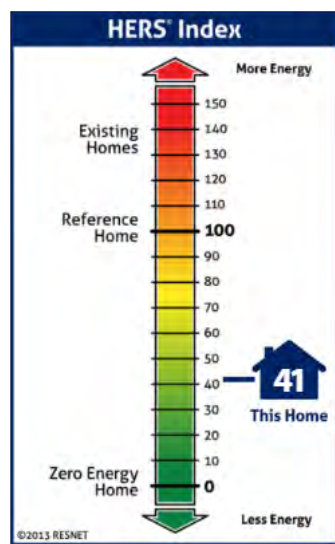
Rating Completed by:

Energy Rater: Brian Stanfill
RESNET ID: 0420854

Rating Company: MaGrann Associates
701 E Gate Drive Mt Laurel, NJ 08054

Rating Provider: MaGrann Associates
701 E Gate Drive Mt Laurel, NJ 08054

Brian Stanfill, Certified Energy Rater
Date: 6/20/25 at 3:29 PM



Home Feature Summary:

Home Type:	Apartment, end unit
Model:	4BR Upper End
Community:	Friendship Court Phase 3B
Conditioned Floor Area:	2,113 ft ²
Number of Bedrooms:	4
Primary Heating System:	Air Source Heat Pump • Electric • 12.1 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 18 SEER
Primary Water Heating:	Residential Water Heater • Electric • 3.63 Energy Factor
House Tightness:	0.3 CFM50 / s.f. Shell Area (Adjusted Infiltration: 2.47 ACH50)
Ventilation:	70 CFM • 85 Watts • ERV
Duct Leakage to Outside:	Untested Forced Air
Above Grade Walls:	R-28
Ceiling:	Vaulted Roof, R-42
Window Type:	U-Value: 0.26, SHGC: 0.21
Foundation Walls:	N/A
Framed Floor:	R-0



Ekotrope RATER - Version:4.2.3.3653

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

Home Energy Rating Certificate

Projected Report
Based on Plans

Rating Date:
Registry ID:
Ekotrope ID: dxm6Dz8v



HERS® Index Score:

41

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

Annual Savings

\$2,284

*Relative to an average U.S. home

Home:

4BR Upper Inner
Charlottesville, VA 22902

Builder:

Piedmont Housing Alliance

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	4.0	\$168
Cooling	1.8	\$77
Hot Water	2.1	\$90
Lights/Appliances	19.2	\$815
Service Charges		\$0
Generation (e.g. Solar)	0.0	\$0
Total:	27.1	\$1,150

This home meets or exceeds the criteria of the following:

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

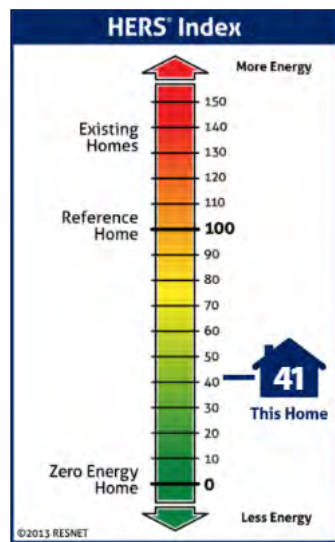
Rating Completed by:

Energy Rater: Brian Stanfill
RESNET ID: 0420854

Rating Company: MaGrann Associates
701 E Gate Drive Mt Laurel, NJ 08054

Rating Provider: MaGrann Associates
701 E Gate Drive Mt Laurel, NJ 08054

Brian Stanfill, Certified Energy Rater
Date: 6/20/25 at 3:29 PM



Home Feature Summary:

Home Type:	Apartment, inside unit
Model:	4BR Upper Inner
Community:	Friendship Court Phase 3B
Conditioned Floor Area:	2,113 ft ²
Number of Bedrooms:	4
Primary Heating System:	Air Source Heat Pump • Electric • 12.1 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 18 SEER
Primary Water Heating:	Residential Water Heater • Electric • 3.63 Energy Factor
House Tightness:	0.3 CFM50 / s.f. Shell Area (Adjusted Infiltration: 1.72 ACH50)
Ventilation:	70 CFM • 85 Watts • ERV
Duct Leakage to Outside:	Untested Forced Air
Above Grade Walls:	R-28
Ceiling:	Vaulted Roof, R-42
Window Type:	U-Value: 0.26, SHGC: 0.21
Foundation Walls:	N/A
Framed Floor:	R-0



Ekotrope RATER - Version:4.2.3.3653

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

Tab G:

Zoning Certification Letter (MANDATORY)



Zoning Certification

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

General Instructions:

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

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

taxcreditapps@virginiahousing.com

Zoning Certification

DATE: May 4, 2026

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

RE: ZONING CERTIFICATION
Name of Development: Friendship Court Phase 3B
Name of Owner/Applicant: FC Phase 3B LLC
Name of Seller/Current Owner: NHTE Piedmont Garrett Square Limited Partnership

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:
Parcel 280112000 (38.026819, -78.482089 Monticello Avenue) (38.027850, -78.480342 Garrett Street)
Address to be determined

Leal Description:
Legal description and Boundary Survey attached.

Proposed Improvements:
Construction

✓	New Construction:	# Units	24	# Buildings	3	Total Floor Area	48,864 SF
	Adaptive Reuse	# Units		# Buildings		Total Floor Area	
	Rehabilitation:	# Units		# Buildings		Total Floor Area	

Zoning Certification, cont'd

Current Zoning: DE - Downtown Extended Corridor; Parking Modified Overlay allowing a density of 43 units per acre, and the following other applicable conditions: --

Other Descriptive Information:

Phase 3B will include construction of 24 new affordable homes. All 24 rental units will be for households with incomes with incomes between 50-60% AMI.

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.



Kevin Flynn, PE

Signature

Printed Name

Brian Stanfill

Title of Local Official or Civil Engineer

(609) 410-3994

Phone

3/7/25

Date

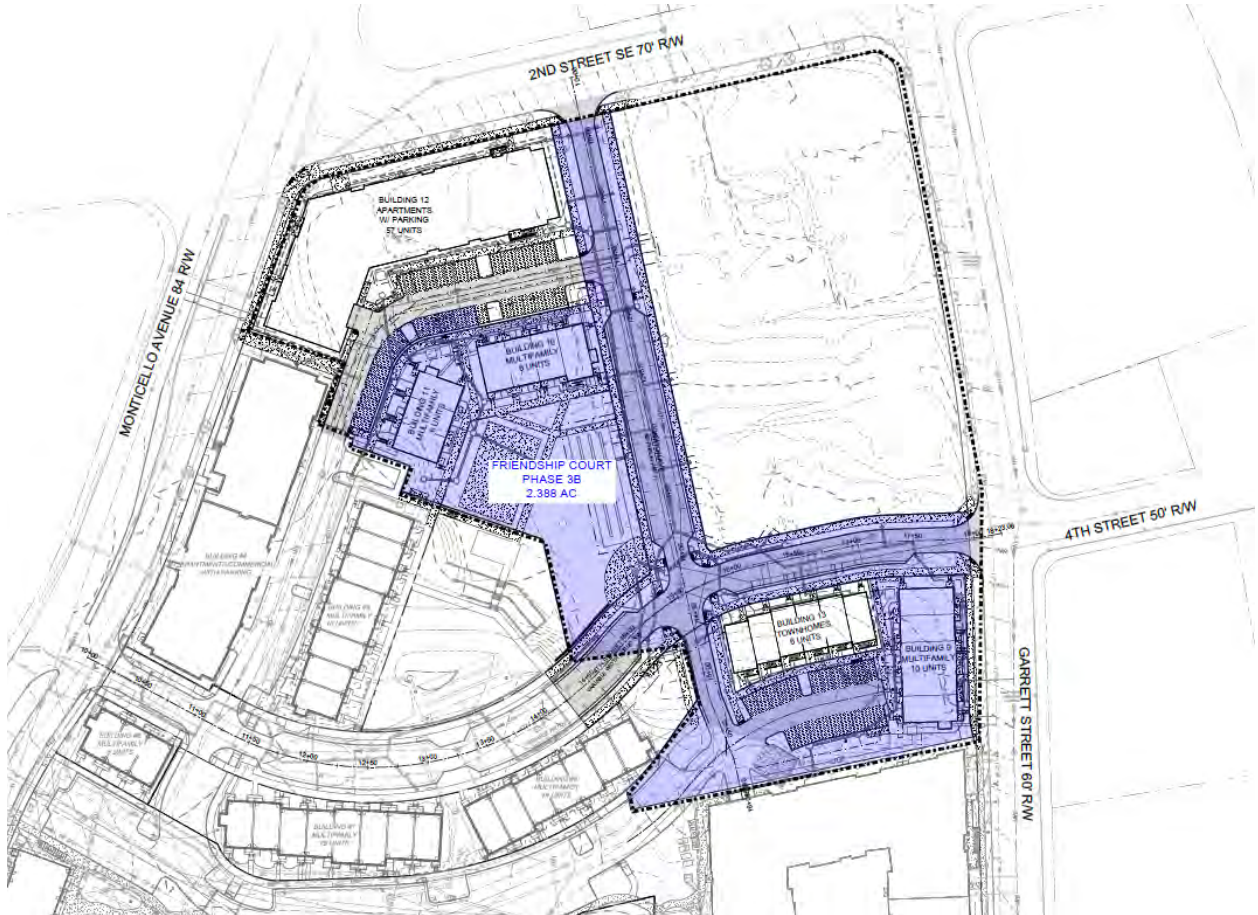
NOTES TO LOCALITY:

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.

Exhibit A to Option to Purchase

Property Description



Tab H:

Attorney's Opinion (MANDATORY)

Date July 1, 2026

To Virginia Housing
601 South Belvidere
Street Richmond, Virginia
23220

RE: 2026 4% Tax Credit Reservation Request (30% present value credits to be paired
with tax-exempt bonds)

Name of Development: Friendship Court Phase 3B

Name of Owner: FC Phase 3B LLC

Dear Virginia Housing:

This undersigned firm represents the above-referenced Owner as its counsel. It has received a copy of and has reviewed the completed application package dated July 1, 2026 (of which this opinion is a part) (the “Application”) submitted to you for the purpose of requesting, in connection with the captioned Development, a reservation of low-income housing tax credits (“Credits”) available under Section 42 of the Internal Revenue Code of 1986, as amended (the “Code”). It has also reviewed Section 42 of the Code, the regulations issued pursuant thereto and such other binding authority as it believes to be applicable to the issuance hereof (the regulations and binding authority hereinafter collectively referred to as the “Regulations”).

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

1. It is more likely than not that the inclusion in eligible basis of the Development of such cost items or portions thereof, as set forth in the Hard Costs and Owners Costs section of the Application form, complies with all applicable requirements of the Code and Regulations.
2. The calculations (a) of the Maximum Allowable Credit available under the Code with respect to the Development and (b) of the Estimated Qualified Basis of each building in the Development comply with all applicable requirements of the Code and regulations, including the selection of credit type implicit in such calculations.
3. The information set forth in the Unit Details section of the Application form as to proposed rents exceeds the Code rent restrictions; however, the Development will satisfy all applicable requirements of the Code and Regulations due to subsidies such that no tenant will pay rents in excess of what is dictated by the Code and Regulations.

4. The site of the captioned Development is controlled by the Owner, as identified in the Site Control section of the Application.
5. Based solely upon my review of (i) the Applicant's operating agreement; (ii) any certifications, resolutions, or consents provided to me by the Applicant; and (iii) such operating agreements, partnership agreements, bylaws, or other organizational documents of the Applicant's Principals which I deemed necessary to issue this Opinion (*none of which are attached to this Opinion*), the individuals identified on the list attached as Exhibit A are duly authorized to execute documents on behalf of the Applicant, to the best of my knowledge and belief.
6. 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. The nonprofit organizations' ownership interest in the development is as described in the Nonprofit Involvement section of the Application form.

Finally, the undersigned is of the opinion that, if all information and representations contained in the Application and all current law were to remain unchanged, upon 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.

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	Sunshine Mathon	Executive Manager of FC Phase 3B Managing Member LLC, which is the manager of FC Phase 3B LLC
2	Kevin B. W. White	Designated Representative of NHT Communities, which is a member of FC Phase 3B Managing Member LLC, which is the managing member of FC Phase 3B LLC
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(Add) **Klein Hornig LLP**
COUNSELORS AT LAW

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

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 July 1, 2026

To Virginia Housing
601 South Belvidere
Street Richmond, Virginia
23220

RE: 20—2026 4% Tax Credit Reservation Request (30% present value credits to be paired with tax-exempt bonds)

Name of Development: Friendship Court Phase 3B

Name of Owner: FC Phase 3B LLC

Dear Virginia Housing:

This undersigned firm represents the above-referenced Owner as its counsel. It has received a copy of and has reviewed the completed application package dated July 1, 2026 (of which this opinion is a part) (the "Application") submitted to you for the purpose of requesting, in connection with the captioned Development, a reservation of low-income housing tax credits ("Credits") available under Section 42 of the Internal Revenue Code of 1986, as amended (the "Code"). It has also reviewed Section 42 of the Code, the regulations issued pursuant thereto and such other binding authority as it believes to be applicable to the issuance hereof (the regulations and binding authority hereinafter collectively referred to as the "Regulations").

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

1. It is more likely than not that the inclusion in eligible basis of the Development of such

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~~KH-1363602-1~~KH 1363602.2

(Add)

www.kleinhornig.com



cost items or portions thereof, as set forth in the Hard Costs and Owners Costs section of the Application form, complies with all applicable requirements of the Code and Regulations.

~~2. [Select One]~~

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

OR

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

~~3. [Select One]~~

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

OR

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

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

5. Based solely upon my review of (i) the Applicant's ~~operating agreement~~ ~~/ partnership 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.

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~~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~~ Klein Hornig LLP
~~Title~~

By: _____
Doruk Onvural, Partner

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~~KH 1363602.1~~ KH 1363602.2

(Add)



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	Sunshine Mathon	Executive Manager of FC Phase 3B Managing Member LLC, which is the manager of FC Phase 3B LLC
2	Kevin B. W. White	Designated Representative of NHT Communities, which is a member of FC Phase 3B Managing Member LLC, which is the managing member of FC Phase 3B LLC
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Summary report: Litera Compare for Word 11.9.1.1 Document comparison done on 6/29/2026 3:26:36 PM	
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Intelligent Table Comparison: Active	
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Modified DMS: iw://kleinhornig.cloudimanager.com/KHDOCS/1363602/2	
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Delete	30
Move From	0
<u>Move To</u>	0
<u>Table Insert</u>	1
Table Delete	0
<u>Table moves to</u>	0
Table moves from	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	2
Embedded Excel	0
Format changes	0
Total Changes:	52

Tab I:

Nonprofit Questionnaire (MANDATORY for points or pool)

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

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

NOT APPLICABLE

Tab J:

Relocation Plan and Unit Delivery Schedule
(MANDATORY-Rehab)

Friendship Court Phase 3
Relocation Plan
January 24, 2025

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Attachment D: 30 Day Move Notice	17

I. DEFINITIONS

1. ADA Unit - Units compliant under the American's with Disabilities Act (ADA).
2. Affected Residents - All households living at Friendship Court Phase 2 during the period of the renovation project.
3. Agency - Owner/Developers of Friendship Court, NHT Communities and Piedmont Housing Alliance undertaking the project.
4. HousingToHome (HTH) - A highly experienced national firm that specializes in relocation, resident engagement, community building, and consulting services. HTH provides services for affordable and mixed-income owners undertaking a renovation or redevelopment project. HTH wrote the Friendship Court Phase 2 Relocation Plan.
5. HUD - The United States Department of Housing and Urban Development.
6. Low-Income Housing Tax Credit (LIHTC) - Created by the Tax Reform Act of 1986, the LIHTC program gives State and local LIHTC-allocating agencies the equivalent of approximately \$8 billion in annual budget authority to issue tax credits for the acquisition, rehabilitation, or new construction of rental housing targeted to lower-income households.
7. Person with a Disability - Person who has a physical or mental impairment that substantially limits one or more major life activities.
8. Redevelopment- Any new construction on a site that has pre-existing uses.
9. Relocation Manager - Representative(s) whose specific task is to relocate each resident as a result of the rehabilitation of the Friendship Court as well as monitor and coordinate all relocation activity and implement the relocation plan to ensure compliance with applicable relocation regulations, guidelines and laws.
10. Relocation Unit - A newly developed apartment as a part of the Friendship Court redevelopment.
11. Temporary Move - When residents must relocate for less than one year or transfer permanently to a comparable unit on-site.
12. Uniform Relocation Act (URA) - A federal law that establishes minimum standards for federally funded programs and projects that require the acquisition of real property (real estate) or displaced persons from their homes, businesses, or farms. The URA's protections and assistance apply to the acquisition, rehabilitation, or demolition of real property for federal or federally funded projects.
13. Virginia Housing Development Authority (VHDA) - The Administrator of the LIHTC for Friendship Court.

II. INTRODUCTION

Friendship Court is home to 150 families located in the heart of the City of Charlottesville on 12 acres of land at 418 Garrett St., Charlottesville, VA 22902. The National Housing Trust (NHT) and the Piedmont Housing Alliance are the Owners of Friendship Court. The property was built in 1978 with project-based Section 8 assistance and is formerly known as Garrett Square. Friendship Court was developed in the aftermath of the 1960s Urban Renewal which erased the previous African-American neighborhood fabric of the property. Unfortunately, the community at Friendship Court has remained economically and physically isolated from the rest of the city for decades.

Forty years later, the complex is an isolated mega-block of concentrated poverty and has fallen into disrepair from inadequate financial resources to maintain housing that was poorly designed and built. Unlike some Section 8 housing, Friendship Court has not undergone a major rehabilitation to date. The site also remains physically isolated. The four courtyard clusters of attached townhouses allow for limited shared open space on the site with a lack of amenities. The apartment interiors are small and the size and placement of windows, along with low ceilings, makes the units feel even smaller. The apartments also suffer from poor ventilation and inefficient energy and water usage.

In 2002, Piedmont Housing Alliance and National Housing Trust/Enterprise Preservation Corporation (NHT/E) partnered to acquire and renovate the property, preserving this important community of affordable housing that was at risk of being lost. Since this time, NHT has overseen the management of the property and Piedmont Housing has coordinated services and community partnerships for the 150 families, with 225 children, who call it home. In June 2019, Piedmont Housing began managing the property as well.

Owners and co-developers, NHT Communities and Piedmont Housing Alliance, are redeveloping Friendship Court through a phased approach that will replace all 150 apartments of Friendship Court as well as add 300 additional units. The redevelopment project will consist of apartments, stacked townhouses as well as a new Community Resource Center, retail space, and community outdoor space. Phase 1 was completed in December 2023 and 46 families from the original Friendship Court moved into Phase 1. Phase 2 will be constructed in the footprint of the buildings vacated by the 46 Phase 1 families, and Phase 3 will be constructed in the footprint of the buildings vacated when the 54 Phase 2 families move. This strategy ensures no resident displacement throughout all the Phases.

This relocation plan has been written to ensure that residents of Friendship Court are treated fairly and in accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1978, as amended (URA) and the implementing regulations found at 49 CFR part 24 and Virginia Housing Development Authority (VHDA) Relocation Assistance Guidelines.

People of contact for this relocation plan are as follows:

Ownership:

Mandy Burbage, Senior Real Estate Development Manager
Piedmont Housing Alliance
682 Berkmar Circle
Charlottesville, Virginia 22901
434-277-8468
mburbage@piedmonthousing.org

Property Management:

Jean Johnson, Director of Property Management
Piedmont Housing Alliance
682 Berkmar Circle
Charlottesville, Virginia 22901
434-817-2436
jjohnson@piedmonthousing.org

Relocation Consultant:

Hannagh Jacobsen, Cofounder
HousingToHome
50 Summer St
Boston, MA 02110
508-314-0644
hannagh@housingtohome.com

A copy of this Relocation Plan will be available to all residents of Friendship Court. Copies of the plan will be provided at the Leasing Office located at 460 Garrett St., Charlottesville, VA 22902.

III. PROJECT DESCRIPTION

Friendship Court is located in the heart of the City of Charlottesville on 12 acres of land and is owned by The National Housing Trust (NHT) and the Piedmont Housing Alliance. The property was built in 1978 with project-based Section 8 assistance and is formerly known as Garrett Square. Forty years later, the complex was an isolated mega-block of concentrated poverty and had fallen into disrepair from inadequate financial resources to maintain housing that was poorly designed and built. In 2002, Piedmont Housing Alliance and National Housing Trust/Enterprise Preservation Corporation (NHT/E) partnered to acquire and renovate the property, preserving this important community of affordable housing that was at risk of being lost. Owners and co-developers, NHT Communities and Piedmont Housing Alliance, began the phase redevelopment of Friendship Court with Phase 1 completed in December 2023

The need to redevelop Friendship Court was driven by two important factors. The first is the dearth of affordable housing which adversely affects thousands of low-income households. The loss of affordable housing leads to high rents, long wait lists, and an overwhelming number of families spending grossly disproportionate amounts of their limited incomes on rent. For those with the ability to achieve some economic upward mobility, tiers of affordability in the Charlottesville region are nearly non-existent. The second factor is a crucial need to redress the historic economic, social, and educational barriers faced by black American families in particular. The region ranks below 97% of localities in the U.S. in economic mobility opportunity. Many families do not earn enough to be self-sufficient and 70% of 12,000 families make less than \$35,000 annually. Overall, 20% of families in the region do not earn enough to meet basic needs (housing, food, etc.) and work-related costs (childcare and transportation). High housing costs, in particular, fuel these economic, social, and educational challenges.

The first of four phases - Phase 1 - was constructed on existing open space using a strategy allowing for no resident displacement throughout all the Phases. Phase 1 includes 106 new, modern water and energy efficient units. Phase 2 is currently under construction in the footprint of the buildings vacated by the 46 families who moved into Phase 1. Phase 2 includes 100 new water and energy efficient townhome and apartment units, including 54 replacement Section 8 units, and the first half of a future city park. As in Phase 1, PHA is pursuing Enterprise Green Communities certification for the residential buildings. Eight of the units in the new redevelopment will be ADA compliant. In addition, a Community Resource Center (CRC) will be built during Phase 2, consisting of a new, onsite, high-quality early childhood education center, a community center and Piedmont Housing Alliance's permanent headquarters.

Phase 3 of Friendship Court redevelopment directly impacts the availability of affordable housing by replacing 50 of the existing Project-Based Section 8 units, as well as creating 29 additional new units serving households ranging from 30-80% AMI. The tiers of income will be spread across the Phase 3 site so that any existing stigma of Section 8 subsidy is “hidden” through income integration. With a long-term strategy to improve the quality of life for all residents, the transformation of Friendship Court will catalyze onsite support services to help families grow and prosper.

As of 2021, Friendship Court secured a new 20-year Project-Based Section 8 contract with HUD for all existing 150 units. As each phase of redevelopment is completed, the project-based vouchers will be bifurcated with a portion moving to the newly built units. HUD has approved the bifurcation process of transferring vouchers, and rental subsidies have been included in the application pro forma project’s rents.

Funding sources for the redevelopment include:

- 9% LIHTC (Virginia Housing)
- Tax Credit Equity
- First Mortgage (Virginia Housing)
- City of Charlottesville Capital Improvements Program (CIP)

IV. RESIDENT RELOCATION & UNIT DELIVERY SCHEDULE

In order to continue the redevelopment, residents of Phase 3 will need to permanently transfer to a new apartment as part of the redevelopment of Friendship Court. This relocation phasing plan minimizes any off-site or temporary relocation by having residents move once to a renovated apartment by Phase.

The project started with construction of Phase 1 of the redevelopment being built on open land next to the existing Friendship Court property in a safe and secure manner. After Phase 1 construction was completed in December 2023, the residents in the first set of buildings moved directly into Phase 1 units as a permanent transfer. Then, upon financial closing of Phase 2, the original Friendship Court apartments/buildings, known as Phase 2, will be demolished and redeveloped into new apartments and the next set of residents will move directly into the completed Phase 2 units. This pattern will continue for 3 Phases. Phase 4 will be new units and not be used as new housing for any original Friendship Court residents as they all will have moved to new units in the redevelopment at this point.

Phase 3 affects the residents living in Buildings 400, 402, 404, 406, 408, 410 & 412.

It is anticipated that construction for Phase 3 will begin in 2027. Construction will take approximately 20 months and will be completed in 2029.

The project does not anticipate any permanent off-site relocation. In the case that permanent relocation has to occur, residents will be notified and given permanent relocation assistance in accordance with the URA and VHDA Relocation Guidelines.

i. Resident Demographics

As of Summer 2024, demographics of the residents of Friendship Court include:

- 14.9% of residents are white, 46.5% of residents are Black or African American, 15.8% are Asian and 3.0% did not specify.
- 11.9% of residents are persons with disabilities.
- 48.1% of residents are children under the age of 18.

ii. Relocation Assistance and Benefits

Residents will have the full support and assistance for the Friendship Court ownership, development, and property management team. The Friendship Court team will also contract with HousingToHome (HTH) to provide relocation assistance.

HousingToHome will be responsible for providing the following advisory services, benefits, and assistance.

Advisory Services include:

- Meet with each household one-on-one (in whatever format makes residents feel most comfortable including by phone, in-person, virtually, etc.) to complete a relocation assessment to best understand and assist residents through the relocation process, **see Section iii: Resident Relocation Assessment.**
- Provide required notices and all verbal and written correspondence regarding relocation updates, progress and other important information, **see Section iv: Ongoing Resident Communication and Notices.**
- Be accessible for residents' questions or concerns and have flexible hours communicated to residents with contact information.
- Provide appropriate counseling for residents who may be unable to read and understand notices.
- Assign relocation units, by phase in the redevelopment, to residents based on any reasonable accommodation needs.
- Understand and anticipate the needs of families and the elderly and be able to address the special advisory services they may need.
- Arrange, schedule and supervise the moving of residents' belongings to their relocation unit. This includes distribution of packing materials, arranging for the packing assistance for residents unable to pack themselves and monitoring the move(s).
- Assist residents/facilitate any transfers of cable, internet and other utilities and USPS address change.

- Follow up with residents post their move to address any concerns, questions or grievances.

Other Benefits to residents include:

- Move Assistance
 - Move(s) in connection to the project will be arranged and paid for by the agency at no cost to the resident.
 - Moves will be conducted by a licensed, bonded and insured moving company.
- Utility Transfer Costs
 - All necessary transfer, disconnection, and reconnection fees will be covered or reimbursed by the agency.
- No additional housing costs will be incurred during relocation, whether it is to a temporary unrenovated apartment or permanently to a renovated apartment. Rent amounts will remain the same unless there is a change in the resident's income.

iii. Resident Relocation Assessment

HousingToHome (HTH) will meet one on one with every household in order to explain the renovations, review their relocation benefits, and to develop a relocation plan that works for the household. During this assessment, HTH staff will also determine the level of packing assistance needed by the household.

The Resident Assessment process include the following:

- Meet one on one with each household to establish their relocation plan based on their household's situation and needs. Identify any and all obstacles and/or issues that may impact relocation. Among the information collected in assessment will include household composition, approved reasonable accommodations, pets, current in-home services, planned vacations/hospitalizations, households requiring day space accommodations, etc.
- If the Head of Household does not speak English then HTH will arrange for appropriate translation services.
- Discuss and evaluate the household's furniture and belongings. HTH staff makes note of large furnishings, housekeeping issues, clutter, pest issues, and hoarding disorders.
- HTH determines if a household requires packing and unpacking services.

iv. Ongoing Resident Communication & Notices

Residents will receive ongoing and frequent communication regarding the project and how to access information about the project and relocation. Along with phone calls and letter updates that will provide information regarding relocation, the required notices will be promptly sent to each affected household. Any requested translation and/or interpretation of these notices will be completed and delivered.

Required notices will include:

- General Information Notice (GIN) and Cover Letter - This will be delivered to each resident and a signed copy will be kept on file to confirm receipt for each household. The GIN Cover Letter will explain that ownership plans to begin renovations soon and provide Relocation Contact Information for any questions or concerns. The letter will also explain that residents can find the Relocation Plan, upon finalized approval, at the Friendship Court leasing office. ***See Attachment B.***
- Notice of Eligibility for Relocation Assistance & 120 Day Move Notice - This will be delivered to each resident and a signed copy will be kept on file to confirm receipt for each household. This notice confirms that project funding has been secured and relocation will begin in no less than 120-days but no residents will be permanently displaced as a part of the project. The notice also details how residents will not incur any additional costs due to the project. ***See Attachment C.***
- 30 Day Relocation Notice - This notice will be issued and delivered no less than 30 days before a resident has to move addressed to the resident at their current address. The notice will state the specific move date and time frame moving services will arrive; state the responsibilities of the tenant pertaining to the move and contact information in order to request assistance with said responsibilities; states the address to which the tenant will be relocated; state, if applicable, the date on which the move-in inspection will be completed. Residents will receive this minimum notice but may also agree, in writing, to move sooner if feasible. ***See Attachment D.***

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

V. APPEALS

If a resident contends that this Relocation Plan is not being implemented properly or believes the Owner has failed to properly consider the person's request for relocation assistance, the resident may file a written appeal to the Owner based on the determination of relocation assistance or any other part of the Relocation Plan not being implemented by the Owner.

Grounds for appeal shall not include suspension of discretionary relocation benefits to former residents. The agency is required to consider a written appeal regardless of form as set in the URA. The time limit shall not be less than 60 days after the person receives written notification of the Agency's determination on the person's claim.

Promptly after receipt of all information submitted by a person in support of an appeal, the Agency shall make a written determination on the appeal, including an explanation of the basis on which the decision was made, and furnish the person a copy. If the full relief requested is not granted, the agency shall advise the person of his or her right to seek judicial review.

The Agency official conducting the review of the appeal shall be either the head of the Agency or his or her authorized designee. However, the official shall not have been directly involved in the action appealed.

A displaced person who is dissatisfied with the Owner's determination on the appeal may submit a written request for further review with HUD's Regional Relocation Specialist.

Michael Szupper
HUD Regional Relocation Specialist
U.S. Dept. of Housing and Urban Development
Office of Community Planning and Development
The Wanamaker Building
100 Penn Square East
Philadelphia, PA 19107-3380
Phone: (215) 861-7669
Fax: (215) 656-3442
Email: michael.szupper@hud.gov

If a review by the HUD Regional Relocation Specialist is not sought within 30 days of receipt of a decision, the decision of the displacing agency shall be final.

Attachment A: Phasing Schedule

Phase 1: Complete

Phase 2: Jan 2025 – Sept 2026

Phase 3: Jan 2027 – Sept 2029

Phase 4: Jan 2030 – Sept 2031

Attachment B: Cover Letter & General Information Notice (GIN)

General Information Notice Cover Letter

Date:

Dear Resident of Friendship Court,

The enclosed letter is a General Information Notice (GIN) which is a required form to inform you that the owners of Friendship Court, NHT Communities & Piedmont Housing Alliance, plan to redevelop Friendship Court. However, you will not be displaced from Friendship Court.

The renovations will require you to move to a new apartment at Friendship Court in the order of the Phasing plan for the redevelopment. You will not be required to leave Friendship Court or incur any additional costs due to the renovations at the property.

(Name of relocation coordinator contact) will be in contact with you soon to discuss the information enclosed and answer any questions or concerns you may have. If you have questions or concerns in the meantime, you can contact us at *(phone number)*, *(Email address)* and in person at *(office address)*.

Please note that we ask you to sign a copy of the enclosed GIN so we can confirm you received it. There is also a written Relocation Plan located at the property management office, please let us know if you'd like to have a copy.

Thank you,

(Name, Title)

GENERAL INFORMATION NOTICE RESIDENTIAL TENANT NOT DISPLACED

Date: _____

Dear: _____

NHT Communities & Piedmont Housing Alliance is interested in redeveloping Friendship Court, the property you currently occupy for a proposed project which may receive funding assistance from the U.S. Department of Housing and Urban Development (HUD) under the Project Based Voucher program.

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

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

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

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

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

to certify that they are a United States citizen or national, or an alien lawfully present in the United States.)

We urge you not to move at this time. If you choose to move, you will not be provided relocation assistance.

Please remember:

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

You will be contacted soon so that we can provide you with more information about the proposed project. If the project is approved, we will make every effort to accommodate your needs. In the meantime, if you have any questions about our plans, please contact: (name, title) at (phone/email) or at (address)._____.

Sincerely,

(name and title)

By signing below you acknowledge receipt of this notice:

Resident Signature

Date

Attachment C: Notice of Eligibility for Relocation Assistance & 120 Day Move Notice
Notice of Eligibility for Relocation Assistance & 120 Day Move Notice
Friendship Court

Date: _____

Dear: (Resident Name & Current Address)

Dear resident of Friendship Court,

On (date of GIN), NHT Communities & Piedmont Housing Alliance, notified you of proposed plans to redevelop Friendship Court and the unit you occupy for a project which will receive funding assistance from the U.S. Department of Housing and Urban Development (HUD) under the Project Based Voucher program. You will be able to transfer once to a unit on-site as a part of the redevelopment.

- This is a notice of nondisplacement. You will not be required to move permanently off-site but you will need to transfer to a new unit as a part of the redevelopment project.
- This notice is to inform you that in approximately 120 days, you will move to your new unit due to the Friendship Court Redevelopment plan. You will be permanently transferred to a renovated apartment at the same property in Phase 1 of the redevelopment.
- **Your move details will be provided to you at least 30 days prior to your actual move date.**

This notice guarantees you the following:

- Upon completion of the rehabilitation, you will be able to lease and occupy a suitable, decent, safe and sanitary apartment in the new development under reasonable terms and conditions.
- Due to you being required to move from your unit, all moving costs will be paid for by the owner. Your rent will continue to be based on your income and not increase due to the project. You will not pay any costs due to this move. The transfer/new unit will be decent, safe and sanitary, and all other conditions of the move will be reasonable.

In the meantime, please do not purchase any boxes or packing materials for your move, we will provide those to you at no additional cost closer to your move date. If you have any questions or concerns about this notice or your move please contact the HousingToHome (HTH) team at (804) 534-4355 for any questions around your move. In April, HTH will meet with you to discuss your move and coordinate the best date for the moving company to conduct your move. This will be done at no cost to you by a professional moving company that is coordinated by HTH.

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

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

We truly appreciate your patience and understanding as we move forward with Phase 1 of the resident-led redevelopment at Friendship Court. This letter is important to you and should be retained. Please sign the bottom of a copy of this notice to confirm receipt and then return to management.

Thank you,

(Name, title)

NHT Communities & Piedmont Housing Alliance

By signing below you acknowledge receipt of this notice:

Resident Signature

Date

Attachment D: 30 Day Move Notice

**30 Day Move Notice
Friendship Court**

Date: _____

Dear: (Resident Name & Current Address)

Dear resident of Friendship Court, this notice is to inform you that in approximately 30 days, you will be required to move to your new unit due to the Friendship Court Redevelopment plan.

You will be permanently transferred to a renovated apartment at: (new unit address).

Your move details are as follows:

Move Date: _____

Move Start Time Frame:

Moving Company: _____

Please note that any changes to your move date, time, and temporary unit address will be communicated to you as soon as possible.

Please do not purchase any boxes or packing materials for your move, we will provide those to you at no additional cost in the upcoming days. If you have any questions or concerns about this notice or your move please contact (name, title), at (phone/email) or at (address).

We truly appreciate your patience and understanding as we move forward to making the necessary repairs and renovations at Friendship Court.

Thank you,

(Name, title)

By signing below you acknowledge receipt of this notice:

Resident Signature

Date

Tab K:

Documentation of Development Location:

Tab K.1

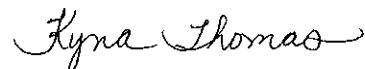
Revitalization Area Certification

RESOLUTION

Revitalization Area Certification for Friendship Court Parcel Number: 280112000

BE IT RESOLVED by the Council of the City of Charlottesville, Virginia that Friendship Court is located within a Revitalization Area, defined by the Virginia Housing Development Authority as any area that 1) the industrial, commercial or other economic development of such area will benefit the city or county but such area lacks the housing needed to induce manufacturing, industrial, commercial, governmental, educational, entertainment, community development, healthcare or nonprofit enterprises or undertakings to locate or remain in such area; AND 2) private enterprise and investment are not reasonably expected, without assistance, to produce the construction or rehabilitation of decent, safe and sanitary housing and supporting facilities that will meet the needs of low and moderate income persons and families in such area and will induce other persons and families to live within such area and thereby create a desirable economic mix of residents in such area.

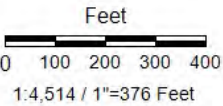
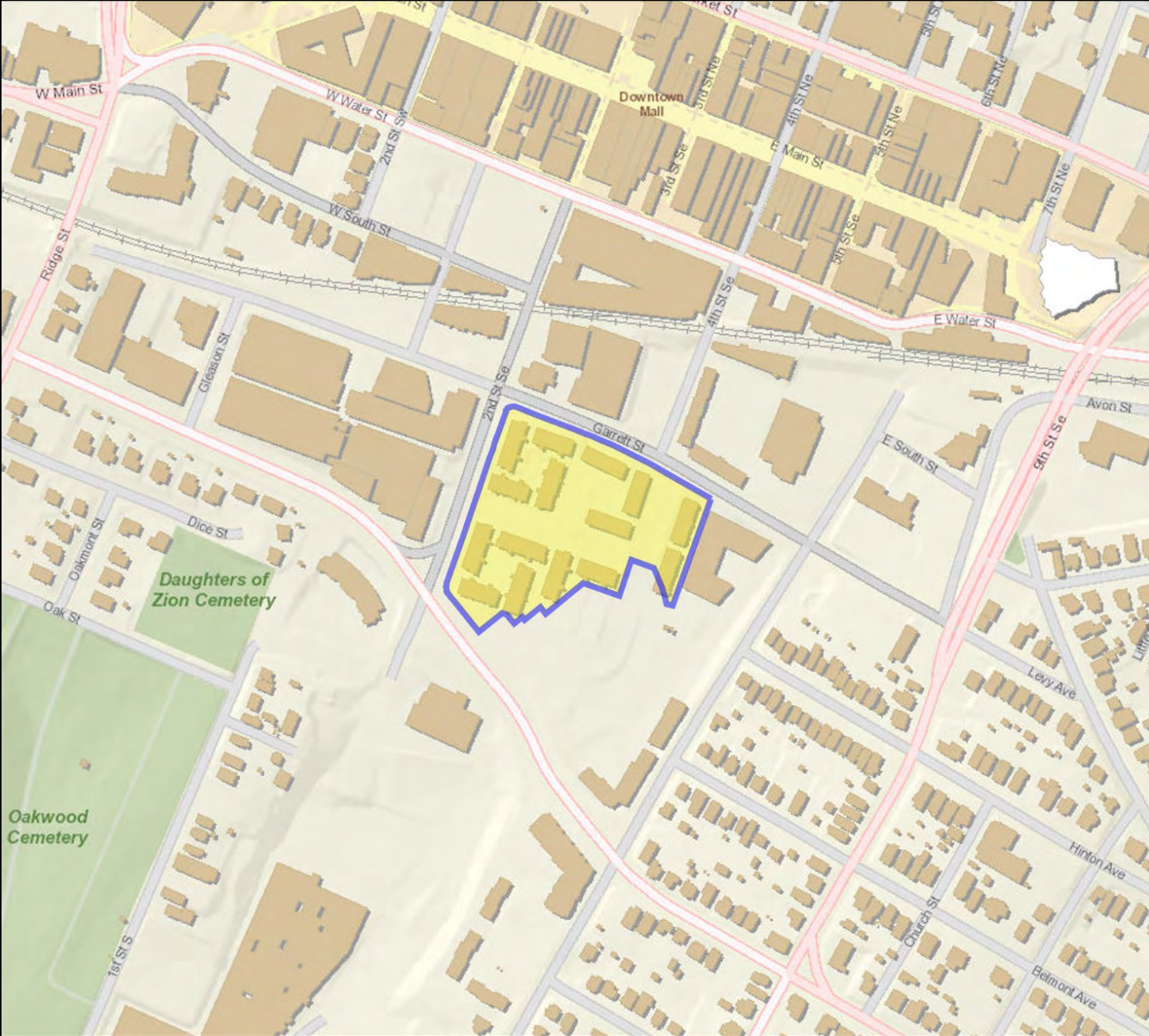
Approved by Council
February 4, 2019



Kyna Thomas
Clerk of Council

Legend

 City Limits



Title: Parcels

Date: 1/22/2025

DISCLAIMER: The City makes no warranties, expressed or implied, concerning the accuracy, completeness or suitability of this data, and it should not be construed or used as a legal description. The information displayed is a compilation of records, information, and data obtained from various sources, and the City is not responsible for its accuracy or how current it may be. Every reasonable effort is made to ensure the accuracy and completeness of the data. Pursuant to Section 54.1-402 of the Code of Virginia, any determination of topography or contours, or any depiction of physical improvements, property lines or boundaries is for general information only and shall not be used for the design, modification or construction of improvements to real property or for flood plain determination.



Tab K.2

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

Surveyor's Certification of Proximity to Transportation

General Instructions

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

Date: 3/7/25

TO: Virginia Housing
 601 South Belvidere Street
 Richmond, Virginia 23220 2025 Tax Credit Reservation Request
 Name of Development Friendship Court Phase 3B
 Name of Owner FC Phase 3B 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 Timmons Group
 By Kevin Flynn, PE
 Its Project Manager

Title



Tab L:

PHA / Section 8 Notification Letter

NOT APPLICABLE

Tab M:

Intentionally Blank

Tab N:

Homeownership Plan

NOT APPLICABLE

Tab O:

Plan of Development Certification Letter

NOT APPLICABLE

Tab P:

Zero Energy or Passive House documentation for
prior allocation by this developer

NOT APPLICABLE

Tab Q:

Documentation of Rental Assistance, Tax Abatement
and/or existing RD or HUD Property

Documentation of Existing Section 8 Contract

Friendship Court was a 150-unit Section 8 property in Charlottesville, Virginia. Beginning in 2016, the owners of the property (Piedmont Housing Alliance and NHT Communities) embarked on an ambitious plan to redevelop the site in consultation with the residents. The redevelopment of Friendship Court is a multi-phase development that will provide new homes for the existing residents and greatly expand the affordable housing opportunities at the site (more than doubling the number of affordable units), all without the displacement of any residents.

To support the phased development, HUD is bifurcating the original Section 8 contract as the redevelopment progresses: The first bifurcation and assignment allowed for the 46 units to be assigned to the 106-unit build-first Phase 1. The attached 104-unit HAP contract covers both Phase 2 (which is currently under construction) and Phase 3, which is the subject of this application.

Included after the 104-unit HAP contract are 40- and 64-unit HAP contracts that were split just prior to the closing on the financing of Phase 2 in December 2024. As the only new construction awardee of GRRP funds nationally, HUD chose to assign 40 units to FC Phase 2 LLC at initial closing prior to the units being built to meet the statutory requirement that GRRP funds (a construction period source) must go to entities that have a HAP assigned the entity. The residents in those 40 units still reside in their current units at Legacy Friendship Court and are technically being provided "off-site" housing by the Legacy Friendship Court owner for FC Phase 2 LLC until the units are built.

These contracts are being provided to show the HUD approved as-complete rents, as was requested by Virginia Housing in their review of our the July 2025 4% LIHTC Application submitted for FC Phase 3B.

**U.S. Department of Housing and Urban Development
Office of Housing**

PROJECT-BASED SECTION 8

**HOUSING ASSISTANCE PAYMENTS
RENEWAL CONTRACT
FOR MARK-UP-TO-MARKET PROJECT**

Friendship Court VA36H027021

OMB Control #2502-0587
Exp. (04/30/2017)

"Public reporting burden for this collection of information is estimated to average .75 hours. This includes the time for collecting, reviewing, and reporting the data. The information is being collected for obtaining a signature on legally binding documents and will be used to enforce contractual obligations. Response to this request for information is required in order to receive the benefits to be derived. This agency may not collect this information, and you are not required to complete this form unless it displays a currently valid OMB control number. No confidentiality is assured."

PREPARATION OF CONTRACT

Reference numbers in this form refer to notes at the end of the contract text. These endnotes are instructions for preparation of the Renewal Contract. The instructions are not part of the Renewal Contract.

RENEWAL HAP CONTRACT FOR SECTION 8 MARK-UP-TO-MARKET PROJECT¹

1 CONTRACT INFORMATION²

PROJECT

Section 8 Project Number: VA36H027021

Section 8 Project Number of Expiring Contract: SAME

FHA Project Number (if applicable): N/A

Project Name: FRIENDSHIP COURT

Project Description:³

Property is located at 418 Garrett Street in Charlottesville, VA 22902-5664.

Project has 68-(2BR), 12-(3BR), 18-(3BR TH) and 6-(4BR) Section 8 Units.

☐ Check this box if the project is a Section 236 project or a Section 221(d)(3) below market interest rate (BMIR) project at the beginning of the Renewal Contract term.

PARTIES TO RENEWAL CONTRACT

Name of Contract Administrator⁴

Navigate Affordable Housing Partners

Name of Owner

NHTE Piedmont Garrett Square, LP

2 TERM AND FUNDING OF RENEWAL CONTRACT

- a The Renewal Contract begins on 1/1/2024⁵ and shall run for a period of 20 (Twenty)⁶ years.
- b Execution of the Renewal Contract by the Contract Administrator is an obligation by HUD of \$140,138.00⁷, an amount sufficient to provide housing assistance payments for approximately 12⁸ months of the first annual increment of the Renewal Contract term.
- c HUD will provide additional funding for the remainder of the first annual increment and for subsequent annual increments, including for any remainder of such subsequent annual increments, subject to the availability of sufficient appropriations. When such appropriations are available, HUD will obligate additional funding and provide the Owner written notification of (i) the amount of such additional funding, and (ii) the approximate period of time within the Renewal Contract term to which it will be applied.

3 RENEWAL CONTRACT

a Parties

- (1) This contract ("Renewal Contract") is a housing assistance payments contract ("HAP contract") between the contract administrator and the owner of the housing.
- (2) If HUD is the contract administrator, HUD may assign the Renewal Contract to a public housing agency ("PHA") for the purpose of PHA administration of the Renewal Contract, as contract administrator, in accordance with the Renewal Contract (during the term of the annual contributions contract ("ACC") between HUD and the PHA). Notwithstanding such assignment, HUD shall remain a party to the provisions of the Renewal Contract that specify HUD's role pursuant to the Renewal Contract, including such provisions of section 8 (applicable requirements), section 9 (statutory changes during term), section 10 (distributions) and section 11 (PHA default) of the Renewal Contract.

b Statutory authority

The Renewal Contract is entered pursuant to section 8 of the United States Housing Act of 1937 ("Section 8") (42 U.S.C. 1437f), and section 524(a) of the Multifamily Assisted Housing Reform and

Affordability Act of 1997 (MAHRA) ** (Title V of Public Law No.105-65, October 27, 1997, 111 Stat. 1384), as amended.

c Expiring Contract

Previously, the owner entered into a Housing Assistance Payments Contract ("Expiring Contract") with HUD or a PHA to make Section 8 housing assistance payments to the owner for eligible families living in the project. The term of the Expiring Contract has expired or will expire prior to the beginning of the term of the Renewal Contract.

d Purpose of Renewal Contract

The purpose of the Renewal Contract is to renew the Expiring Contract for an additional term. During the term of the Renewal Contract, the contract administrator will make housing assistance payments to the owner in accordance with the provisions of the Renewal Contract. Such payments shall only be made for contract units occupied by eligible families ("families") leasing decent, safe and sanitary units from the owner in accordance with HUD regulations and other requirements.

e Contract units

The Renewal Contract applies to the project contract units identified in Exhibit A by size and applicable contract rents.

4 EXPIRING CONTRACT – PROVISIONS RENEWED

a Except as specifically modified by the Renewal Contract, all provisions of the Expiring Contract are renewed (to the extent such provisions are consistent with statutory requirements in effect at the beginning of the Renewal Contract term).

b Any provisions of the Expiring Contract concerning any of the following subjects are not renewed, and shall not be applicable during the renewal term:

- (1)** The amount of the monthly contract rents;
- (2)** Contract rent adjustments;

(3) Project account (sometimes called “HAP reserve” or “project reserve”) as previously established and maintained by HUD pursuant to former Section 8(c)(6) of the United States Housing Act of 1937 (currently Section 8(c)(5) of the Act, 42 U.S.C. 1437f(c)(5)). Section 8(c)(5) does not apply to the Renewal Contract, or to payment of housing assistance payments during the Renewal Contract term.

c The Renewal Contract includes those provisions of the Expiring Contract that are renewed in accordance with this section.

5 CONTRACT RENT

a Initial contract rents

At the beginning of the Renewal Contract term, and until contract rents for units in the project are adjusted in accordance with section 5b, the contract rent for each bedroom size (number of bedrooms) shall be the initial contract rent amount listed in Exhibit A, which is attached to and made a part of the Renewal Contract. The initial contract rent amounts listed in Exhibit A have been increased to market levels under the HUD Mark-Up-to-Market Option.

b Contract rent adjustments

(1) OCAF adjustment

Except for adjustment of the contract rents to comparable market rents at the expiration of each 5-year period (as provided in paragraph 5b(2) of this section) (“fifth year adjustment”), during the term of the Renewal Contract the contract administrator shall annually, on the anniversary of the Renewal Contract, adjust the amounts of the monthly contract rents in accordance with HUD requirements, using an operating cost adjustment factor (OCAF) established by HUD. Such adjustments by use of the OCAF shall not result in a negative adjustment (decrease) of the contract rents. The OCAF shall not be used for a fifth year adjustment.

(2) Fifth year adjustment (comparability adjustment at expiration of each 5-year period, *if applicable*)

(a) This section 5(b)(2) is only applicable if the term of the Renewal Contract is longer than five (5) years (from the first day of the term specified in section 2a).

-
- (b) At the expiration of each 5-year period of the Renewal Contract term, the contract administrator shall compare existing contract rents with comparable market rents for the market area. At such anniversary of the Renewal Contract, the contract administrator shall make any adjustments in the monthly contract rents, as reasonably determined by the contract administrator in accordance with HUD requirements, necessary to set the contract rents for all unit sizes at comparable market rents. Such adjustments may result in a negative adjustment (decrease) or positive adjustment (increase) of the contract rents for one or more unit sizes.
 - (c) To assist in the redetermination of contract rents, the contract administrator may require that the owner submit to the contract administrator a rent comparability study prepared (at the owner's expense) in accordance with HUD requirements.

(3) Procedure for rent adjustments during renewal term

To adjust contract rents during the term of the Renewal Contract (in accordance with paragraph 5b(1) or paragraph 5b(2)), the contract administrator shall give the owner notice of the revised Exhibit A. The revised Exhibit A shall specify the adjusted contract rent amount for each bedroom size as determined by the contract administrator in accordance with paragraph 5b(1) or paragraph 5b(2). The notice shall specify when the adjustment of contract rent is effective. The notice by the contract administrator of the revised Exhibit A constitutes an amendment of the Renewal Contract.

(4) No other adjustments

Except for contract rent adjustments in accordance with paragraph 5b, there shall not be any other adjustments of the contract rents during the term of the Renewal Contract. Special adjustments shall not be granted.

6 OWNER WARRANTIES

- a The owner warrants that it has the legal right to execute the Renewal Contract and to lease dwelling units covered by the contract.

-
- b The owner warrants that the rental units to be leased by the owner under the Renewal Contract are in decent, safe and sanitary condition, as defined by HUD, and shall be maintained in such condition during the term of the Renewal Contract.

7 OWNER NOTICE

- a Before termination of the Renewal Contract, the owner shall provide written notice to the contract administrator and each assisted family in accordance with the law and HUD requirements.
- b If the owner fails to provide such notice in accordance with the law and HUD requirements, the owner may not increase the tenant rent payment for any assisted family until such time as the owner has provided such notice for the required period.

8 APPLICABLE REQUIREMENTS

The Renewal Contract shall be construed and administered in accordance with all statutory requirements, and with all HUD regulations and other requirements, including amendments or changes in HUD regulations and other requirements during the term of the Renewal Contract. However, any changes in HUD regulations and requirements which are inconsistent with the provisions of the Renewal Contract, including the provisions of section 5 (contract rent) and section 10 (distributions), shall not be applicable.

9 STATUTORY CHANGES DURING TERM

If any statutory change during the term of the Renewal Contract is inconsistent with section 5 or section 10 of the Renewal Contract, and if HUD determines, and so notifies the contract administrator and the owner, that the contract administrator is unable to carry out the provisions of section 5 or section 10 because of such statutory change, then the contract administrator or the owner may terminate the Renewal Contract upon notice to the other party.

10 DISTRIBUTIONS

During the term of the Renewal Contract, neither HUD nor the PHA may impose any additional limitations on distributions of project funds other than any distribution limitations specified in Exhibit B, which is attached to and made a part of this Renewal Contract.

11 PHA DEFAULT

- a** This section of the Renewal Contract applies if the contract administrator is a PHA acting as contract administrator pursuant to an annual contributions contract ("ACC") between the PHA and HUD. This includes a case where HUD has assigned the Renewal Contract to a PHA contract administrator, for the purpose of PHA administration of the Renewal Contract.
- b** If HUD determines that the PHA has committed a material and substantial breach of the PHA's obligation, as contract administrator, to make housing assistance payments to the owner in accordance with the provisions of the Renewal Contract, and that the owner is not in default of its obligations under the Renewal Contract, HUD will take actions HUD determines necessary for the continuation of housing assistance payments to the owner in accordance with the Renewal Contract.

12 SECTIONS 236 AND 221(D)(3) BMIR PROJECTS -- PREPAYMENT

- a** This section of the Renewal Contract shall be applicable if the project is a Section 236 project or a 221(d)(3) BMIR project (See the check-box at section 1 of the Renewal Contract).

-
- b During the term of the Renewal Contract, the owner shall not prepay any FHA-insured mortgage on the project, except where HUD, in its sole discretion, approves the prepayment as a component of a transaction whereby the project is preserved as affordable housing.

13 EXCLUSION OF THIRD-PARTY RIGHTS

- a The contract administrator does not assume any responsibility for injury to, or any liability to, any person injured as a result of the owner's action or failure to act in connection with the contract administrator's implementation of the Renewal Contract, or as a result of any other action or failure to act by the owner.
- b The owner is not the agent of the contract administrator or HUD, and the Renewal Contract does not create or affect any relationship between the contract administrator or HUD and any lender to the owner or any suppliers, employees, contractors or subcontractors used by the owner in connection with implementation of the Renewal Contract.
- c If the contract administrator is a PHA acting as contract administrator pursuant to an annual contributions contract ("ACC") between the PHA and HUD, the contract administrator is not the agent of HUD, and the Renewal Contract does not create any relationship between HUD and any suppliers, employees, contractors or subcontractors used by the contract administrator to carry out functions or responsibilities in connection with contract administration under the ACC.

14 WRITTEN NOTICES

Any notice by the contract administrator or the owner to the other party pursuant to the Renewal Contract must be in writing.

SIGNATURES**Contract administrator (HUD or PHA)**

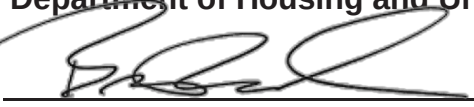
Name of Contract Administrator

Navigate Affordable Housing Partners

By: Robert J. McLaughlin, Jr. Robert J. McLaughlin, Jr., Director of Quality Control
Signature of authorized representative

For **Lisa McCarroll, President and CEO**

Name and official title

Date 06/27/2024**U.S. Department of Housing and Urban Development**By: 

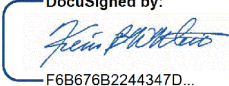
Signature of authorized representative

Brett Morash, Multifamily Housing HUD Branch Chief

Name and official title

Date June 27, 2024**Owner**

Name of Owner

NHTE Piedmont Garrett Square, LPBy: 

Signature of authorized representative

Kevin White, General Partner

Name and title

Date 6/11/2024

EXHIBIT A
**IDENTIFICATION OF UNITS ("CONTRACT UNITS")
BY SIZE AND APPLICABLE CONTRACT RENTS**

Section 8 Contract Number: VA36H027021
 FHA Project Number (if applicable): N/A
 Effective Date of the Rent Increase (if applicable): 1/1/2024

Number of Contract Units	Number of Bedrooms	Contract Rent	Utility Allowance	Gross Rent
68	2 Bedroom	\$1,125	\$100	\$1,225
12	3 Bedroom	\$1,400	\$156	\$1,556
18	3 Bedroom TH	\$1,400	\$160	\$1,560
6	4 Bedroom	\$1,475	\$206	\$1,681

NOTE:

This Exhibit will be amended by contract administrator notice to the owner to specify adjusted contract rent amounts as determined by the contract administrator in accordance with section 5b(3) of the Renewal Contract.

Comments:

EXHIBIT B

DISTRIBUTION LIMITATIONS

FOR PROJECT NOT SUBJECT TO DISTRIBUTION LIMITATIONS:

If the project is not subject to any limitations on distribution of project funds, either pursuant to an FHA Regulatory Agreement or pursuant to the Expiring Contract, neither HUD nor the PHA may impose any additional limitations on distribution of project funds during the term of the Renewal Contract.

FOR PROJECT SUBJECT TO DISTRIBUTION LIMITATIONS:

If the project is subject to any limitations on distribution of project funds pursuant to an FHA Regulatory Agreement or pursuant to the Expiring Contract, such limitations on distribution shall continue to be applicable during the term of the Renewal Contract, provided that the owner may take an increased distribution in accordance with the Section 8 Renewal Policy Guidance for Renewal of Project-Based Section 8 Contracts, (the "Guidebook").

However, owners of Section 8 properties must maintain the property in good condition, as demonstrated by a REAC score of 60 or higher, in order to take increased distributions.

The owner shall comply with the distribution limitations. The maximum distribution to the owner shall be equal to the total of:

- 1** The limited distribution permitted pursuant to the FHA Regulatory agreement or the Expiring Contract, **plus**
- 2** Any increased distribution as approved by HUD in accordance with the Guidebook.

INSTRUCTIONS FOR PREPARATION OF RENEWAL CONTRACT

The following instructions are not part of the Renewal Contract.

Endnote numbers are keyed to references in the text of the Renewal Contract.

¹ This form of Renewal Contract is only to be used to renew an expiring Section 8 project-based HAP contract for a Section 8 project whose rents are increased to market under the HUD Mark-Up-to-Market Option. The Renewal Contract shall be entered in accordance with Section 524 of MAHRA and HUD requirements. Section 2 of the Renewal Contract specifies the contract term.

² To prepare the Renewal Contract for execution by the parties, fill out all contract information in section 1 and section 2.

³ Enter a description of the housing that will be covered by the Renewal Contract. The description must clearly identify the housing by providing the address or other description of project location, and any other information necessary to clearly designate the covered housing.

If necessary, attach an exhibit with a site plan or other descriptive information. Enter a reference to the attached exhibit.

⁴ Enter the name of the contract administrator that executes the Renewal Contract. If HUD is the contract administrator, enter "United States of America – Department of Housing and Urban Development (HUD)". If the contract administrator is a public housing agency (PHA), enter the full name of the PHA.

⁵ The Renewal Contract must be entered before expiration of the Expiring Contract. Enter the date of the first day after expiration of the term of the Expiring Contract.

⁶ Enter a whole number of five or more years.

⁷ Enter the amount of funding obligated.

⁸ Enter a whole number of months.

Attachment 1

PRESERVATION EXHIBIT

Subject to all applicable laws and regulations in effect upon expiration, the Renewal Contract shall automatically renew for a term of **19 Years**¹ beginning on **1/1/2044**.² This requirement shall be binding on the Owner and the Contract Administrator, as identified in section 1 of the Renewal Contract, and on all their successors and assigns.

Project-Based Section 8 Housing Assistance Payments Renewal Contract for Mark-Up-to-Market Project

This form is used for the renewal of Section 8 Housing Assistance Payments contracts as authorized under the Multifamily Assisted Housing Reform and Affordability Act of 1997 (MAHRA), 42 U.S.C. § 1437f note. The public reporting burden for completing this form is estimated to average 30 minutes per response, including the time for reviewing instructions, searching existing data sources, and gathering and maintaining the data needed. The information collected is required to obtain benefits. HUD may disclose certain information to Federal, State, or local agencies when relevant to civil, criminal, or regulatory investigations and prosecutions. Information collected will not otherwise be disclosed or released outside of HUD, except as required and permitted by law. HUD may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

Preparation of HAP Contract

Reference numbers in this form refer to notes at the end of the contract text. These endnotes are instructions for preparation of the Basic Renewal Contract. The instructions are not part of the Renewal Contract.

This form of Renewal Contract is to be used only to renew an expiring Section 8 project-based HAP contract for a Section 8 project whose rents are increased to market under the HUD Mark-Up-to-Market Option. The Renewal Contract shall be entered in accordance with Section 524 of MAHRA and HUD requirements.

Section 2 of the Renewal Contract specifies the contract term.

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1. Contract Information¹

a. Project

Section 8 Project Number: _____

Section 8 Project Number of Expiring Contract: VA36H027267

FHA Project Number (if applicable): _____

Project Name: FC Phase 2

Project Description:²

Property is located at 460 Garrett Street in Charlottesville, VA 22902-5664. Project has 40 units which is comprised of 31-2 bdrm, 7-3 bdrm, and 2-4bdrm units which will be covered under the S8 contract.

- ☐ Check this box if the project is a Section 236 project or a Section 221(d)(3) below market interest rate (BMIR) project at the beginning of the Renewal Contract term.

b. Parties to Renewal Contract

U.S. Department of Housing and Urban Development

Name of Contract Administrator³

FC Phase 2 LLC

Name of Owner

2. Term and Funding of Renewal Contract

- a. The Renewal Contract begins on 01/01/2025⁴ and shall run for a period of 20⁵ years.
- b. Execution of the Renewal Contract by the Contract Administrator is an obligation by HUD of \$ 140,138⁶, an amount sufficient to provide housing assistance payments for approximately 12⁷ months of the first annual increment of the Renewal Contract term.
- c. HUD will provide additional funding for the remainder of the first annual increment and for subsequent annual increments, including for any remainder of such subsequent annual increments, subject to the availability of sufficient appropriations. When such appropriations are available, HUD will obligate additional funding and provide the Owner written notification of (i) the amount of such additional funding, and (ii) the approximate period of time within the Renewal Contract term to which it will be applied.

3. Renewal Contract

a. Parties

- (1) This contract ("Renewal Contract") is a housing assistance payments contract ("HAP contract") between the contract administrator and the owner of the housing.

- (2) If HUD is the contract administrator, HUD may assign the Renewal Contract to a public housing agency (“PHA”) for the purpose of PHA administration of the Renewal Contract, as contract administrator, in accordance with the Renewal Contract (during the term of the annual contributions contract (“ACC”) between HUD and the PHA).
Notwithstanding such assignment, HUD shall remain a party to the provisions of the Renewal Contract that specify HUD’s role pursuant to the Renewal Contract, including such provisions of section 8 (applicable requirements), section 9 (statutory changes during term), section 10 (distributions) and section 11 (PHA default) of the Renewal Contract.

b. Statutory authority

The Renewal Contract is entered pursuant to section 8 of the United States Housing Act of 1937 (“Section 8”) (42 U.S.C. 1437f), and section 524(a) of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (MAHRA) (Title V of Public Law No.105–65, October 27, 1997, 111 Stat. 1384), as amended.

c. Expiring Contract

Previously, the owner entered into a Housing Assistance Payments Contract (“Expiring Contract”) with HUD or a PHA to make Section 8 housing assistance payments to the owner for eligible families living in the project. The term of the Expiring Contract has expired or will expire prior to the beginning of the term of the Renewal Contract.

d. Purpose of Renewal Contract

The purpose of the Renewal Contract is to renew the Expiring Contract for an additional term. During the term of the Renewal Contract, the contract administrator will make housing assistance payments to the owner in accordance with the provisions of the Renewal Contract. Such payments shall only be made for contract units occupied by eligible families (“families”) leasing decent, safe and sanitary units from the owner in accordance with HUD regulations and other requirements.

e. Contract units

The Renewal Contract applies to the project contract units identified in Exhibit A by size and applicable contract rents.

4. Expiring Contract: Provisions Renewed

- a. Except as specifically modified by the Renewal Contract, all provisions of the Expiring Contract are renewed (to the extent such provisions are consistent with statutory requirements in effect at the beginning of the Renewal Contract term).
- b. Any provisions of the Expiring Contract concerning any of the following subjects are not renewed, and shall not be applicable during the renewal term:
 - (1) The amount of the monthly contract rents;
 - (2) Contract rent adjustments;

- (3) Project account (sometimes called “HAP reserve” or “project reserve”) as previously established and maintained by HUD pursuant to former Section 8(c)(6) of the United States Housing Act of 1937 (currently Section 8(c)(5) of the Act, 42 U.S.C. 1437f(c)(5)). Section 8(c)(5) does not apply to the Renewal Contract, or to payment of housing assistance payments during the Renewal Contract term.
- c. The Renewal Contract includes those provisions of the Expiring Contract that are renewed in accordance with this section.

5. Contract Rent

a. Initial contract rents

At the beginning of the Renewal Contract term, and until contract rents for units in the project are adjusted in accordance with section 5b, the contract rent for each bedroom size (number of bedrooms) shall be the initial contract rent amount listed in Exhibit A, which is attached to and made a part of the Renewal Contract. The initial contract rent amounts listed in Exhibit A have been increased to market levels under the HUD Mark-Up-to-Market Option.

b. Contract rent adjustments

(1) OCAF adjustment

Except for adjustment of the contract rents to comparable market rents at the expiration of each 5-year period (as provided in paragraph 5b(2) of this section) (“fifth-year adjustment”), during the term of the Renewal Contract the contract administrator shall annually, on the anniversary of the Renewal Contract, adjust the amounts of the monthly contract rents in accordance with HUD requirements, using an operating cost adjustment factor (OCAF) established by HUD. Such adjustments by use of the OCAF shall not result in a negative adjustment (decrease) of the contract rents. The OCAF shall not be used for a fifth-year adjustment.

(2) Fifth-year adjustment (comparability adjustment at expiration of each 5-year period, if applicable)

- (a) This section 5(b)(2) is only applicable if the term of the Renewal Contract is longer than five (5) years (from the first day of the term specified in section 2a).
- (b) At the expiration of each 5-year period of the Renewal Contract term, the contract administrator shall compare existing contract rents with comparable market rents for the market area. At such anniversary of the Renewal Contract, the contract administrator shall make any adjustments in the monthly contract rents, as reasonably determined by the contract administrator in accordance with HUD requirements, necessary to set the contract rents for all unit sizes at comparable market rents. Such adjustments may result in a negative adjustment (decrease) or positive adjustment (increase) of the contract rents for one or more unit sizes.

- (c) To assist in the redetermination of contract rents, the contract administrator may require that the owner submit to the contract administrator a rent comparability study prepared (at the owner's expense) in accordance with HUD requirements.
- (3) Procedure for rent adjustments during renewal term

To adjust contract rents during the term of the Renewal Contract (in accordance with paragraph 5b(1) or paragraph 5b(2)), the contract administrator shall give the owner notice of the revised Exhibit A. The revised Exhibit A shall specify the adjusted contract rent amount for each bedroom size as determined by the contract administrator in accordance with paragraph 5b(1) or paragraph 5b(2). The notice shall specify when the adjustment of contract rent is effective. The notice by the contract administrator of the revised Exhibit A constitutes an amendment of the Renewal Contract.
- (4) No other adjustments

Except for contract rent adjustments in accordance with paragraph 5b, there shall not be any other adjustments of the contract rents during the term of the Renewal Contract. Special adjustments shall not be granted.

6. Owner Warranties

- a. The owner warrants that it has the legal right to execute the Renewal Contract and to lease dwelling units covered by the contract.
- b. The owner warrants that the rental units to be leased by the owner under the Renewal Contract are in decent, safe, and sanitary condition, as defined by HUD, and shall be maintained in such condition during the term of the Renewal Contract.

7. Owner Notice

- a. Before termination of the Renewal Contract, the owner shall provide written notice to the contract administrator and each assisted family in accordance with the law and HUD requirements.
- b. If the owner fails to provide such notice in accordance with the law and HUD requirements, the owner may not increase the tenant rent payment for any assisted family until such time as the owner has provided such notice for the required period.

8. Applicable Requirements

The Renewal Contract shall be construed and administered in accordance with all statutory requirements, and with all HUD regulations and other requirements, including amendments or changes in HUD regulations and other requirements during the term of the Renewal Contract. However, any changes in HUD regulations and requirements which are inconsistent with the provisions of the Renewal Contract, including the provisions of section 5 (contract rent) and section 10 (distributions), shall not be applicable.

9. Statutory Changes During Term

If any statutory change during the term of the Renewal Contract is inconsistent with section 5 or section 10 of the Renewal Contract, and if HUD determines, and so notifies the contract administrator and the owner, that the contract administrator is unable to carry out the provisions of section 5 or section 10 because of such statutory change, then the contract administrator or the owner may terminate the Renewal Contract upon notice to the other party.

10. Distributions

During the term of the Renewal Contract, neither HUD nor the PHA may impose any additional limitations on distributions of project funds other than any distribution limitations specified in Exhibit B, which is attached to and made a part of this Renewal Contract.

11. PHA Default

- a. This section of the Renewal Contract applies if the contract administrator is a PHA acting as contract administrator pursuant to an annual contributions contract ("ACC") between the PHA and HUD. This includes a case where HUD has assigned the Renewal Contract to a PHA contract administrator, for the purpose of PHA administration of the Renewal Contract.
- b. If HUD determines that the PHA has committed a material and substantial breach of the PHA's obligation, as contract administrator, to make housing assistance payments to the owner in accordance with the provisions of the Renewal Contract, and that the owner is not in default of its obligations under the Renewal Contract, HUD will take actions HUD determines necessary for the continuation of housing assistance payments to the owner in accordance with the Renewal Contract.

12. Sections 236 and 221(d)(3) BMIR projects: Prepayment

- a. This section of the Renewal Contract shall be applicable if the project is a Section 236 project or a 221(d)(3) BMIR project (See the check-box at section 1 of the Renewal Contract).
- b. During the term of the Renewal Contract, the owner shall not prepay any FHA-insured mortgage on the project, except where HUD, in its sole discretion, approves the prepayment as a component of a transaction whereby the project is preserved as affordable housing.

13. Exclusion of Third-Party Rights

- a. The contract administrator does not assume any responsibility for injury to, or any liability to, any person injured as a result of the owner's action or failure to act in connection with the contract administrator's implementation of the Renewal Contract, or as a result of any other action or failure to act by the owner.
- b. The owner is not the agent of the contract administrator or HUD, and the Renewal Contract does not create or affect any relationship between the contract administrator or HUD and any lender to the owner or any suppliers, employees,

contractors or subcontractors used by the owner in connection with implementation of the Renewal Contract.

- c. If the contract administrator is a PHA acting as contract administrator pursuant to an annual contributions contract ("ACC") between the PHA and HUD, the contract administrator is not the agent of HUD, and the Renewal Contract does not create any relationship between HUD and any suppliers, employees, contractors or subcontractors used by the contract administrator to carry out functions or responsibilities in connection with contract administration under the ACC.

14. Written Notices

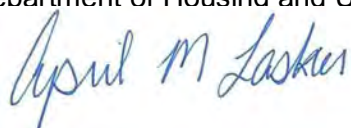
- a. Any notice by the contract administrator or the owner to the other party pursuant to the Renewal Contract must be in writing.
- b. A party shall give notice at the other party's address specified in section 1 of the Renewal Contract, or at such other address as the other party has designated by a contract notice. A party gives notice to the other party by taking steps reasonably required to deliver the notice in ordinary course of business. A party receives notice when the notice is duly delivered at the party's designated address.

EXECUTION OF HAP CONTRACT

Contract Administrator (CA)

Department of Housing and Urban Development

By:



Digitally signed by: April M Lasker
DN: CN = April M Lasker email = april.m.lasker@hud.gov C = US O = U.S. Department of Housing and Urban Development OU = HUD
Date: 2024.12.19 08:51:15 -05'00'

Signature of authorized representative

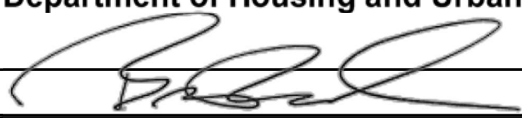
April Lasker, Branch Chief, AM Division

Name and official title (print or type)

December 19, 2024
Date (mm/dd/yyyy)

U.S. Department of Housing and Urban Development (HUD)

By:



Signature of authorized representative

Brett Morash - Chief Funding Branch

Name and official title (print or type)

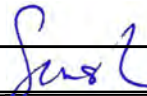
12/19/2024
Date (mm/dd/yyyy)

Owner

FC Phase 2 LLC

Name of Owner (print or type)

By:



Signature of authorized representative

Sunshine Mathon, Executive Manager, FC Phase 2 Managing Member LLC, the managing member of Owner

Name and title (print or type)

Date (mm/dd/yyyy)

Project-Based Section 8 Housing Assistance Payments Addendum to Renewal Contract under Option One or Option Two for Capital Repairs and/or Acquisition Costs

This form is used in the renewal of Section 8 Housing Assistance Payments contracts as authorized by the Multifamily Assisted Housing Reform and Affordability Act of 1997 (MAHRA), 42 U.S.C. § 1437f note. The public reporting burden for completing this form is estimated to average 30 minutes per response, including the time for reviewing instructions, searching existing data sources, and gathering and maintaining the data needed. The information collected is required to obtain benefits. HUD may disclose certain information to Federal, State, or local agencies when relevant to civil, criminal, or regulatory investigations and prosecutions. Information collected will not otherwise be disclosed or released outside of HUD, except as required and permitted by law. HUD may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

The Renewal Contract as amended by this Addendum includes the following Exhibits that are checked:

- ☒ Exhibit A1: Identification of Units (Contract Units) by Size and Applicable Contract Rents;
 - ☒ Exhibit A2: Identification of Units (Contract Units) by Size and Applicable Contract Rents after Capital Repairs and/or Acquisition;
 - ☐ Exhibit C: Reserved
 - ☐ Additional Exhibits: (Specify any additional Exhibits if applicable)
1. **Initial Rents.** Except as otherwise provided herein, Contract Rents shall be as provided in Exhibit A1 attached hereto.
 2. **Rents after Capital Repairs.** The Owner will make capital repairs to the Project's dwelling units in accordance with the Owner's proposal, specifically that portion of the proposal captioned Scope of Work, as used to determine the Contract Rents in Exhibit A2 (the "Scope of Work"). Such repairs shall be referred to throughout this Addendum as the "Capital Repairs." Until acceptance by HUD of the Capital Repairs, and until cost certification, if applicable (see section 10 of this Addendum), the Contract Rents shall continue to be those provided in Exhibit A1. If HUD accepts the Capital Repairs, the Contract Rents shall be as provided in Exhibit A2. In this event, the Contract Rents as provided in Exhibit A2 shall be effective on the first day of the month following the date of HUD's written notification to the Owner that the Capital Repairs are accepted, as provided in section 8.b. of this Addendum. Thereafter, all subsequent adjustments to Contract Rents shall be determined in accordance with the provision of the Renewal Contract governing Contract Rent adjustments.
 3. **Compliance with Applicable State and Federal Requirements.** The Owner hereby certifies that the Capital Repairs are permissible under the applicable State or local zoning and housing codes, ordinances or regulations as modified by any waivers obtained from the appropriate officials. The Owner further agrees to repair and substantially rehabilitate the Project to meet all applicable local standards, including as applicable the following:
 - a. State and local building codes, ordinances and regulations;
 - b. Standards set forth in the Project Capital Needs Assessment;
 - c. Economic Opportunities at 24 CFR Part 75;
 - d. Disability Accessibility Guidelines at 24 CFR Part 41;

- e. Section 504 of the Rehabilitation Act of 1973;
 - f. Lead-Based Paint Requirements at 24 CFR Part 35;
 - g. Equal Employment Opportunity Regulations (for contracts in excess of \$10,000) at 41 CFR Chapter 60;
 - h. Any conditions imposed by HUD pursuant to regulations at 24 CFR Part 50 and/or 51; and
 - i. The relocation plan or statement prepared pursuant to any HUD requirements or the Uniform Acquisition Policies Act of 1970.
4. **Date for Commencement of Capital Repairs.** The Date for Commencement of the Capital Repairs shall not be more than 60 calendar days from the date on which the Renewal Contract begins, as provided in section 2a of the Renewal Contract (referred to in this Addendum as “the effective date of the Renewal Contract”).
5. **Date for Completion of Capital Repairs.** The Date for Completion of the Capital Repairs shall not be more than 365 calendar days from the Date for Commencement of the Capital Repairs referred to in the preceding section. Consistent with section 2 of this Addendum, in the event that the Capital Repairs are not completed and accepted by HUD by the date referred to in the preceding sentence, the Contract Rents provided in Exhibit A1 will remain in effect until the first day of the month following the date of HUD’s written notification to the Owner that the Capital Repairs are accepted, as provided in section 8.b. of this Addendum.
6. **Flood Insurance.** Provided that the Project is located in an area that has been identified by the Federal Emergency Management Agency as an area having special flood hazards, and provided further that if the sale of flood insurance has been made available under the National Flood Insurance Program, the Owner agrees that the Project will be covered during the life of the Project by flood insurance in an amount at least equal to its development or project cost (less estimated land cost) or to the limit of coverage made available with respect to the particular type of property under the National Flood Insurance Act of 1968, whichever is less. In the event that the foregoing two conditions are satisfied, the Owner further agrees that it will advise any prospective purchaser or transferee of the property in writing, prior to any such purchase or transfer, of the continuing requirement pursuant to this section to maintain such flood insurance during the life of the property.
7. **Review and Inspection.** The Owner or an architect employed or engaged by the Owner must inspect the Capital Repairs for acceptable completion. The inspection must be sufficient to enable the inspector to report that he/she has inspected the observable elements and features of the Capital Repairs (for both assisted and unassisted units) in accordance with professional standards of care and judgment and that, on the basis of the inspection, the Capital Repairs have been completed in accordance with the Scope of Work and this Addendum and that there were no observable conditions inconsistent with the Completion Evidence, as defined in section 8 of this Addendum. The results of the inspection must be evidenced by a written report (the “Report”), which the Owner agrees to submit to HUD. HUD may, within 30 calendar days of receiving the Report, perform an inspection of its own prior to accepting the Capital Repairs to determine

whether there are any defects or deficiencies in the Capital Repairs that preclude or materially affect occupancy.

8. **Capital Repair Completion and Acceptance by HUD.** The Owner will notify HUD of completion of the Capital Repairs by submitting to HUD (i) a certificate of occupancy and any other local approvals necessary for occupancy (the “CO”); and (ii) a certification by the Owner or Owner’s architect that there are no defects or deficiencies in the Capital Repairs except for (a) ordinary punch list items, and/or (b) items of delayed completion that are minor in nature or that are incomplete because of weather conditions and that do not preclude or materially affect occupancy (the “Certification”). The CO and the Certification shall be referred to collectively as the “Completion Evidence.” The Owner agrees that its submission of the Completion Evidence is a certification as to compliance with the applicable State and Federal requirements stated in section 3 of this Addendum.
 - a. If, after review of the Completion Evidence and any inspection of the Capital Repairs pursuant to section 7 of this Addendum, HUD determines that the Capital Repairs have been completed according to this Addendum, HUD shall accept the Capital Repairs.
 - b. If HUD accepts the Capital Repairs, the Owner will be notified in writing of this decision. If there are punch list items that do not preclude or materially affect occupancy and if all other requirements of this Addendum have been met, the Capital Repairs shall still be accepted.
 - c. If defects or deficiencies exist, other than punch list items, HUD will determine whether and, if so, the extent to which the defects or deficiencies are correctable and the corrective actions necessary to permit acceptance of the Capital Repairs. In addition, HUD will determine whether and, if so, the extent to which the Contract Rents should be reduced as a condition of acceptance.
 - i. If HUD determines that corrective actions are necessary to permit acceptance of the Capital Repairs, HUD will notify the Owner of such determination and the corrective actions necessary for acceptance of the Capital Repairs in writing. If the Owner fails to correct such defects or deficiencies, HUD shall not accept the Capital Repairs.
 - ii. If HUD determines that the Contract Rents must be adjusted as a condition of acceptance of the Capital Repairs, HUD shall require the Contract Administrator to reevaluate and revise the comparable market rents based on the actual work completed. If the reevaluated comparable market rents exceed the Contract Rents as provided in Exhibit A2, the Contract Administrator will set the rents at market. HUD will provide written notification to the Owner of this determination, the reason for the determination, and the resulting rents.
 - iii. If HUD determines that the Capital Repairs cannot be accepted, the owner will be notified of this decision in writing.
9. **Projects Subject to an FHA-Insured or HUD-Held Loan.** In the case of a project subject to an FHA-Insured or HUD-held loan, the provisions of the applicable mortgage

insurance program in place at the time that the Capital Repairs commence shall also apply. In the event of a conflict between this Addendum and the applicable mortgage insurance program provisions, the mortgage insurance provisions shall govern.

10. **Cost Certification for Owners Renewing under Option Two.** In the case of a Renewal Contract issued under Option Two of the Section 8 Renewal Guide, the Owner will, upon completion of the Capital Repairs, submit to HUD a simplified form of cost certification establishing that the costs support the increase in Contract Rents as provided by Exhibit A2. This requirement shall apply regardless of whether the Project is HUD-insured. Except as provided below, the form to be used for the cost certification is Form HUD-92330 ("Mortgagor's Certificate of Actual Cost"). If a cost plus construction contract was used or if an identity of interest exists between the Owner and the general contractor, the form to be used is Form HUD-92330-A ("Contractor's Certificate of Actual Cost"). An accountant's opinion is not needed. If HUD accepts the Capital Repairs, HUD will determine in accordance with applicable requirements whether, and the extent to which, the certified costs support an increase in Contract Rents. If HUD determines that the certified costs do not support an increase in Contract Rents, the Owner must submit a new budget reflecting the approved costs, as determined by HUD, and HUD shall direct the Contract Administrator to implement the resulting rents. HUD, or the Contract Administrator will provide written notification to the Owner of this determination, the reason for the determination, and the resulting rents.

[The remainder of this page has been left blank intentionally.]

SIGNATURES

Contract Administrator (CA)

Department of Housing and Urban Development

Name of Contract Administrator (print or type)

By:



Digitally signed by: April M Lasker
DN: CN = April M Lasker email = april.m.lasker@hud.gov C = US O = U.S. Department of Housing and Urban Development OU = HUD
Date: 2024.12.19 08:55:40 -05'00'

Signature of authorized representative

April Lasker, Branch Chief, AM Division

Name and official title (print or type)

December 19, 2024

Date (mm/dd/yyyy)

U.S. Department of Housing and Urban Development (HUD)

By:



Signature of authorized representative

Brett Morash - Chief Funding Branch

Name and official title (print or type)

12/19/2024

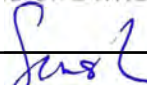
Date (mm/dd/yyyy)

Owner

FC Phase 2 LLC, a Virginia limited liability company

Name of Owner (print or type)

By:



Signature of authorized representative

Sunshine Mathon, Executive Manager, FC Phase 2 Managing Member LLC, the managing member of Owner

Name and title (print or type)

December 18, 2024

Date (mm/dd/yyyy)

EXHIBIT A1

IDENTIFICATION OF UNITS ("CONTRACT UNITS") BY SIZE AND APPLICABLE CONTRACT RENTS

Section 8 Contract Number: VA36H027267

FHA Project Number (if applicable): _____

Number of Contract Units	Number of Bedrooms	Contract Rent	Utility Allowance	Gross Rent
31	2	\$ 1,400.00	\$ 100.00	\$ 1,500.00
4	3	\$ 1,900.00	\$ 156.00	\$ 2,056.00
3	3	\$ 1,900.00	\$ 160.00	\$ 2,060.00
2	4	\$ 2,000.00	\$ 206.00	\$ 2,206.00

NOTE: This Exhibit will be amended by Contract Administrator notice to the Owner to specify adjusted contract rent amounts as determined by the Contract Administrator in accordance with the provision of the Renewal Contract governing the adjustment of Contract Rents.

Comments:

Per note in attached HUD-93181 as part of the redevelopment one of the 3BR garden units will be converted to a 3BR townhouse unit

EXHIBIT A2

**IDENTIFICATION OF UNITS ("CONTRACT UNITS")
BY SIZE AND APPLICABLE CONTRACT RENTS AFTER CAPITAL
REPAIRS AND/OR ACQUISITION ("POST-REHABILITATION RENTS")**

**Section 8 Contract Number: VA36-H027-267
FHA Project Number (if applicable): N/A**

No. of Contract Units	ID	Number of Bedrooms	Contract Rent	Utility Allowance	Gross Rents
5		2 BR -	\$2,030	\$138	\$2,168
14		2 BR -	\$2,050	\$138	\$2,188
4		2 BR -	\$2,090	\$138	\$2,228
4		2 BR -	\$2,090	\$138	\$2,228
4		2 BR -	\$2,250	\$138	\$2,419
3		3 BR -	\$2,450	\$169	\$2,619
3		3 BR -	\$2,550	\$169	\$2,719
1		3 BR -	\$2,550	\$169	\$2,719
2		4 BR -	\$2,600	\$205	\$2,805

NOTE: This Exhibit will be amended by Contract Administrator notice to the Owner to specify adjusted contract rent amounts as determined by the Contract Administrator in

accordance with the provision of the Renewal Contract governing the adjustment of Contract Rents.

Comments:

Exhibit B

DISTRIBUTION LIMITATION

FOR PROJECT NOT SUBJECT TO DISTRIBUTION LIMITATIONS:

If the project is not subject to any limitations on distribution of project funds, either pursuant to an FHA Regulatory Agreement or pursuant to the Expiring Contract, neither HUD nor the PHA may impose any additional limitations on distribution of project funds during the term of the Renewal Contract.

FOR PROJECT SUBJECT TO DISTRIBUTION LIMITATIONS:

If the project is subject to any limitations on distribution of project funds pursuant to an FHA Regulatory Agreement or pursuant to the Expiring Contract, such limitations on distribution shall continue to be applicable during the term of the Renewal Contract, provided that the owner may take an increased distribution in accordance with the Section 8 Renewal Policy Guidance for Renewal of Project-Based Section 8 Contracts, (the "Guidebook").

However, owners of Section 8 properties must maintain the property in good condition, as demonstrated by a REAC score of 60 or higher, in order to take increased distributions.

The owner shall comply with the distribution limitations. The maximum distribution to the owner shall be equal to the total of:

1. The limited distribution permitted pursuant to the FHA Regulatory agreement or the Expiring Contract, plus
2. Any increased distribution as approved by HUD in accordance with the Guidebook.

¹ To prepare the Renewal Contract for execution by the parties, fill out all contract information in section 1 and section 2.

² Enter a description of housing that will be covered by the Renewal Contract. The description must clearly identify the Project by providing the Project's name, street address, city, county, state, and zip code, block and lot number (if known), and any other information, necessary to clearly designate the covered Project.

³ Enter the name of the contract administrator that executes the Renewal Contract. If HUD is the contract administrator, enter "United States of America – Department of Housing and Urban Development (HUD)". If the contract administrator is a public housing agency (PHA), enter the full name of the PHA.

⁴ The Renewal Contract must be entered before expiration of the Expiring Contract. Enter the date of the first day after expiration of the term of the Expiring Contract.

⁵ Enter a whole number of five or more years.

⁶ Enter the amount of funding obligated.

⁷ Enter a whole number of months.

Attachment 1

PRESERVATION EXHIBIT

Subject to all applicable laws and regulations in effect upon expiration, the Renewal Contract shall automatically renew for a term of **19 Years**¹ beginning on **1/1/2045**.² This requirement shall be binding on the Owner and the Contract Administrator, as identified in section 1 of the Renewal Contract, and on all their successors and assigns.

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
OFFICE OF HOUSING
PROJECT-BASED SECTION 8 HOUSING ASSISTANCE PAYMENTS
Addendum to Project Based Section 8 Housing Assistance Payments Contract for
Green and Resilient Retrofit Program (GRRP)

RECITALS

1. The Owner is party to a Section 8 Housing Assistance Payments Contract (the "HAP contract"), authorized under section 8 of the United States Housing Act of 1937 ("Act"), 42 U.S.C. § 1437f, with the contract administrator (HUD, or a public housing agency ("PHA") acting under an annual contributions contract ("ACC") with HUD). The HAP contract may have been renewed under a contract ("the Renewal Contract") or under successive Renewal Contracts authorized under the Multifamily Assisted Housing Reform and Affordability Act of 1997, 42 U.S.C. § 1437f note. The term "HAP Contract," as used in this addendum, means either the Original HAP Contract or the Renewal Contract in effect on the effective date of this addendum, including any amendments and exhibits thereto.
2. The Owner has been selected for an Elements Award, Comprehensive Award or a Leading Edge Award under the Green and Resilient Retrofit Program (GRRP), authorized under Section 30002 of the Inflation Reduction Act of 2022, (Public Law 117-169), pursuant to the terms of a Notice of Funding Opportunity.
3. HUD has reviewed and accepted the Elements Closing Package, Leading Edge Transaction Plan or Comprehensive Transaction Plan.
4. The Owner has executed the Legal Documents required by HUD for participation in the GRRP in accordance with the GRRP Notice.

AMENDMENT

As a result of the foregoing recitals, the HAP Contract is amended to include the following provisions:

- A. Compliance with applicable Federal statutes and regulations, as amended from time to time.** The Owner shall comply with all applicable Federal statutes and regulations, as amended from time to time, including all applicable regulations in 24 C.F.R. part 5, as amended from time to time, including without limitation the following:

1. 2 C.F.R. part 200 ("Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards");
2. 24 C.F.R. § 5.107 ("Audit Requirements for Non-Profit Organizations");
3. 24 C.F.R. part 5 subpart G ("Physical Condition Standards and Inspection Requirements");
4. 24 C.F.R. part 5 subpart H ("Uniform Financial Reporting Standards"); and 5. 24 C.F.R. part 200 subpart P ("Physical Condition of Multifamily Properties").

B. Annual financial reports. Notwithstanding anything to the contrary in the HAP Contract, including any previous amendment to the HAP Contract, the Owner shall comply with the following provisions:

1. Within ninety (90) days, or such period established in writing by HUD, following the end of each fiscal year, Owner shall prepare a financial report for the Owner's fiscal year, or the portion thereof that started with the Owner's assumption of the HAP Contract, based on an examination of the books and records of the Owner in accordance with generally accepted accounting principles and in such other form and substance as specified by HUD in supplemental guidance, and provide such report to the Contract Administrator and HUD (if a PHA is the Contract Administrator) in such form, substance, and manner as may be specified by HUD under the Uniform Financial Reporting Standards at 24 C.F.R. § 5.801 ("UFRS"), or any successor regulations.
2. Unless specifically waived or modified by HUD or to the extent otherwise exempt, Owner shall: (a) engage an independent, licensed Certified Public Accountant ("CPA") to audit the Owner's annual financial report and to produce an audit report in accordance with both Generally Accepted Government Auditing Standards and Generally Accepted Auditing Standards; (b) engage an independent, licensed CPA to perform an agreed-upon procedure, in accordance with the American Institute of Certified Public Accountants Statement on Standards for Attestation Engagements, to compare the financial data template information submitted electronically by the Owner to HUD against the annual financial report examined by, and the audit report prepared by, the independent, licensed CPA, and report any variances to HUD; and (c) furnish to the Contract Administrator and HUD (if a PHA is the Contract Administrator) the audit report, and any other reports relating to the annual financial report or the audit report as required by HUD, by such means and in such form, substance, and manner as may be specified by HUD under UFRS, or any successor regulations.

3. To the extent certain non-profit Owners' requirement to submit annual financial reports may be waived or modified by HUD, or such Owners may otherwise be exempt from compliance, such waiver, modification, or exemption shall not be construed to relieve Owner of any requirements of this provision, except for those requirements specifically waived, modified, or exempt from. 4. If Owner fails to perform as required pursuant to this provision, the Contract Administrator or HUD (if a PHA is the Contract Administrator) may, at its sole election, and in a manner determined by HUD, and without affecting any other provisions herein, and after first providing notice of default of the HAP Contract to the Owner, initiate or cause to be initiated a forensic audit of the Owner's books, records, and accounts in such a manner as to provide to the Contract Administrator and HUD (if a PHA is the Contract Administrator) with as much of the same information that would have been provided had the Owner not failed to perform as required. Any such audit initiated by the Contract Administrator or HUD does not relieve Owner of the requirement to submit to the Contract Administrator and HUD (if a PHA is the Contract Administrator) an annual audited financial report as required pursuant to this provision.

C. Physical Condition and Occupancy Reports. The Owner will provide the Secretary with an annual certification that: 1) the unit meets HUD's physical inspection standards contained in 24 CFR Part 5, Subpart G, Physical Condition Standards and Inspection Requirements; 2) tenant income meets the income restrictions as set out in this Agreement; and 3) eligible tenants are paying rent for the units that is no more than the applicable occupancy income requirements. A supplemental certification will be provided when a family moves or a new unit is substituted.

An event of default by the owner will include any of the following:

- a. Failure to provide an annual certification as required by the above paragraph.
- b. Failure to provide a supplemental certification as required by the above paragraph.
- c. Failure to submit the annual report as required by the above paragraph, or submission of an annual report that contains inaccurate information.
- d. Failure to charge income eligible residents occupying affordable housing units an amount that is within the monthly affordable rent limits.

Upon an event of default and the owner's failure to take corrective action to the Secretary's satisfaction, the Owner agrees to provide the Secretary with liquidated damages. The liquidated damages shall be in an amount no less than \$1,000 per violation per unit. Such liquidated damages shall be levied every three months

commencing with the end of the corrective period until compliance is achieved. In the event of a default under part d, the liquidated damages will be calculated monthly and will be equal to the amount by which the rent actually charged in any month for any affordable housing unit exceeds the monthly affordable housing rent for that unit.

The Secretary may seek any other legal or equitable remedy, including but not limited to, specific performance, in addition to liquidated damages.”

D. Management and Maintenance of the Project.

- a. The Owner shall provide for the management of the Project in a manner satisfactory to the Secretary. Any management contract entered into by the Owner involving the Project shall contain a provision that it shall be subject to termination, without penalty and with or without cause, upon written request by the Secretary addressed to the Owner. Upon receipt of such request the Owner shall immediately terminate the contract within a period of not more than thirty days and shall make arrangements satisfactory to the Secretary for continuing proper management of the Project.
- b. The Owner agrees that the Project shall be covered at all times by commercially available property and liability insurance to protect the Project from financial loss. To the extent insurance proceeds permit, and if determined feasible by the first mortgage lender, the Owner agrees to promptly restore, reconstruct, and/or repair any damaged or destroyed property of a Project. If the first mortgage lender determines restoration is infeasible, the first mortgage lender shall consult with HUD prior to the first mortgage lender determining the application of insurance proceeds.
- c. The books and records, documents and other papers relating to the financial condition of the Project, shall at all times be maintained in accordance with Generally Accepted Accounting Principles which can be subjected to an audit performed in accordance with Generally Accepted Auditing Standards and shall be subject to examination and inspection at any reasonable time by the Secretary or his duly authorized agents. The Owner shall keep copies of all written contracts or other instruments that affect the Project, all or any of which may be subject to inspection and examination by the Secretary or his agents.”

Property Name: Friendship Court Phase 2
Contract Number: VA36H027267
IREMS Number: 800257317

OMB Approval XXXX-XXXX
(Exp. X/XX/XXXX)

SIGNATURES

Contract Administrator

Name of Contract Administrator (Print)

Dept of Housing and Urban Development (HUD)

By: April Lasker

Signature of authorized representative

April Lasker, Branch Chief, AM Division



Digitally signed by: April M Lasker
DN: CN = April M Lasker email =
april.m.lasker@hud.gov C = US O
= U.S. Department of Housing and
Urban Development OU = HUD
Date: 2024.12.12 13:02:04 -05'00'

Name and official title (Print)

Date December 12, 2024

U.S. Department of Housing and Urban Development

By:



Digitally signed by: Thomas R. Davis

Date: 2024.12.18 13:30:17 -05'00'

Name: Thomas R. Davis

Title: Director, Office of Recapitalization

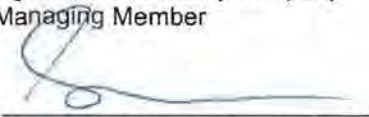
Date December 18, 2024

Owner

FC PHASE 2 LLC,
a Virginia limited liability company

By: FC Phase 2 Managing Member LLC,
a Virginia limited liability company,
Its Managing Member

By:



Sunshine Mathon, Executive Manager

Date

12/12/24

Tab R:

Documentation of Utility Allowance calculation



June 24, 2025

Mandy Burbage
Piedmont Housing Alliance
682 Berkmar Circle
Charlottesville, Virginia 22901

Re: Utility Analysis –Friendship Court Phase 3B

Dear Mandy Burbage,

Per your request, we have completed energy modeling for the Friendship Court Phase 3B project in Charlottesville, VA in order to provide an estimate of annual utility cost for each model of apartment.

Please review the attached report detailing the results of this analysis and contact me should you have any questions regarding its contents.

Sincerely,

A handwritten signature in black ink, appearing to read "Brian Stanfill", is written over a light blue horizontal line.

Brian Stanfill
Technical Consultant

encl.

New Jersey • New York • Pennsylvania • Connecticut • Washington, DC

1201 Connecticut Avenue NW, #660 • Washington, D.C. 20036 • 1-888-MAGRANN • www.magrann.com



ESTIMATING UTILITY USAGE
Friendship Court Phase 3B
Charlottesville, VA

June 24, 2025

Prepared by:

MaGrann Associates

1201 Connecticut Avenue NW, #660 • Washington, D.C. 20026

MaGrann Associates

PERFORMANCE · PARTNERSHIP · PURPOSE

1.0 Executive Summary

MaGrann Associates was contracted by Piedmont Housing Alliance to perform energy modeling on the Friendship Court Phase 3B Apartments located in Charlottesville, VA in order to provide an estimate of annual utility cost for each model of apartment in the property.

The analysis was performed using the Ekotrope Version 4.2.3 software incorporating all of the specifications noted on the plans that were provided by the client. A detailed list of specifications & any assumptions made in the model is attached to the end of this report.

The “energy consumption model” used for each unit type is in compliance with IRS regulation 1.42-10 (4)(ii)(E). The energy consumption model took into account unit size, building orientation, design & materials, mechanicals systems, appliances, and characteristics of the building location. The estimates are limited to only residential units and do not include common areas. The estimates are based on current utility rates obtained from the local electric and gas companies serving this property. A summary table of the results & a list of specifications & assumptions used in the modeling are attached to this report.

2.0 Results

Project Name	Model Type	Area	# BRs	Projected Monthly Energy Costs				
				Heating	Cooling	Water Heating	Lights/Appliances	Total
Friendship Court Phase 3B	4BR Upper End	2113	4	\$29	\$7	\$8	\$65	\$108
	4BR Upper Inner	2113	4	\$24	\$6	\$8	\$65	\$103
	3BR Upper Inner	2045	3	\$24	\$6	\$7	\$62	\$98
	3BR Upper End	2045	3	\$28	\$6	\$7	\$62	\$103
	2BR Lower Inner	1306	2	\$15	\$4	\$6	\$50	\$74
	2BR Lower End	1306	2	\$19	\$4	\$6	\$50	\$78
	3BR Lower End	1664	3	\$22	\$4	\$7	\$57	\$89
	3BR Lower Inner	1664	3	\$15	\$3	\$7	\$57	\$82
	3BR Lower End Larger	2067	3	\$23	\$5	\$7	\$62	\$96

Average Monthly Energy Costs					
# Bedrooms	Heating	Cooling	Water Heating	Lights/Appliances	Total
2	\$17	\$4	\$6	\$50	\$77
3	\$22	\$5	\$7	\$60	\$94
4	\$26	\$6	\$8	\$65	\$105

These results are based on the current average utility rates for Virginia as of 6/2025 obtained from the EIA data

Average EIA VA Electric

\$/kWh Charge: \$0.1446

Specifications & Assumptions Used in Energy Model

Slab on Grade Floor: R-10 insulation

Above Grade Walls: 2x6 wood framing 16" on center, R-21 batt insulation, R-6.6 continuous insulation

Rim Joist: R-21 batt, R-6.6 continuous insulation

Ceilings: Minimum R-42 rigid insulation on top of roofdeck

Windows: U value : 0.26 SHGC : 0.21

Infiltration: 0.3 CFM50/sq ft Shell Area

Ventilation: ERV, 77% recovery efficiency

Heating/Cooling: Air source heat pump, 12.1 HSPF / 18 SEER

Water Heaters: 50 gallon electric 3.5 UEF

Refrigerator Use: ENERGY STAR labeled

Dishwasher Use: ENERGY STAR labeled

Clothes Washer: ENERGY STAR labeled

Clothes Dryer: ENERGY STAR labeled

Lighting: 100% LED lighting

Utility Allowance Schedule

See Public Reporting and Instructions on back.

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

OMB Approval No. 2577-0169

exp. 04/30/2026

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

Locality/PHA		Unit Type					Date (mm/dd/yyyy)	
CRHA-CHARLOTTESVILLE VA - CENTRAL VIR		1 EXPOSED WALLS					01/01/2025	
Utility or Service	Fuel Type	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	
Heating	Natural Gas	9	12	15	19	24	27	
	Bottled Gas	62	86	111	135	172	197	
	Electric	25	34	44	54	69	78	
	Electric – Heat Pump							
	Fuel Oil	49	69	88	108	137	157	
	Other							
Cooking	Natural Gas	2	2	3	3	4	5	
	Bottled Gas	11	15	20	24	31	35	
	Electric	4	5	6	8	10	11	
	Other							
Other Electric		14	20	25	31	39	45	
Air Conditioning		7	10	13	15	20	22	
Water Heating	Natural Gas	4	6	7	9	11	13	
	Bottled Gas	27	37	48	58	74	85	
	Electric	13	18	23	28	35	40	
	Electric – Heat Pump							
	Fuel Oil	24	33	42	52	66	75	
Water		19	27	34	42	53	61	
Sewer		24	33	42	52	66	75	
Trash Collection		15	15	15	15	15	15	
Other – specify								
Range/Microwave		2	2	2	2	2	2	
Refrigerator		3	3	3	3	3	3	
Actual Family Allowances – May be used by the family to compute allowance while searching for a unit.					Utility/Service/Appliance		Allowance	
					Heating			
Head of Household Name					Cooking			
					Other Electric			
					Air Conditioning			
					Water Heating			
Unit Address					Water			
					Sewer			
					Trash Collection			
					Other			
					Range/Microwave			
Number of Bedrooms					Refrigerator			
					Total			

Tab S:

Supportive House Mandatory
Certification and Documentation

NOT APPLICABLE

Tab T:

Funding Documentation



Glenn Youngkin
Governor

Juan Pablo Segura
Secretary of
Commerce and Trade

COMMONWEALTH of VIRGINIA

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

Maggie Beal
Director

1/26/2026

Mandy Burbage
Senior Real Estate Development Manager
Piedmont Housing Alliance
682 Berkmar Circle
Charlottesville, VA 22901
mburbage@piedmonthousing.org

Re: Affordable and Special Needs Housing Funding
Proposal

Dear Ms. Mandy Burbage:

On behalf of the Department of Housing and Community Development (DHCD), it gives me great pleasure to inform you that Piedmont Housing Alliance is receiving a preliminary offer of funding from the fall FY 2026 Affordable and Special Needs Housing (ASNH) application cycle to support the **Friendship Court Apartments Phase 3B** project in the following amounts:

\$2,000,000 from Virginia Housing Trust Fund
\$943,000* from Housing Innovations in Energy Efficiency; **The project may be eligible for up to \$1,288,363 based on the project's total improvement cost.*

Separately, you will receive the terms of this offer, including any requirements to meet federal environmental review and submission of confirmations for leveraged funding, as outlined in the Friendship Court Apartments Phase 3B application, including the allocation of tax credits. Each of these stipulations must be met, and a program agreement for funding must be executed no later than **November 1st, 2026**.

Any adjustments to the application submitted including, but not limited to, changes in committed capital sources, operating expense budgets, and unit mix, must be approved by DHCD before execution of a program agreement. Execution of the program agreement by **November 1st, 2026**, is necessary to finalize your formal funding reservation and loan commitment.

A member of our team will contact you via email to begin the contract negotiation process soon. We are pleased to work with Piedmont Housing Alliance in its affordable housing efforts.

Sincerely,

Sandra Powell
Senior Deputy Director
Community Development & Housing





CITY OF CHARLOTTESVILLE

To be a place where everyone thrives

Office of the City Manager
P.O. Box 911
Charlottesville, Virginia 22902
Telephone: 434-970-3101
www.charlottesville.gov

October 21, 2024

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

re: Financing Commitment, Kindlewood Phase 3

Ladies and Gentlemen:

The City of Charlottesville, Virginia (the "City") hereby issues its commitment (the "Commitment") to make a forgivable loan up to \$4,150,000 (the "Loan") to Piedmont Housing Alliance and its successors and assigns ("PHA"), to provide funding for the project known as Kindlewood Phase 3 (the "Project"). The funding will be documented pursuant to the required forms and agreements of the City.

PHA will comply with all requirements and restrictions in its application for financing from Virginia Housing. The City hereby consents to reliance on this Commitment by Virginia Housing in connection with their review of the application for a reservation of low-income housing tax credits for the Project.

We are looking forward to working with you.

Sincerely,

Samuel Sanders, Jr.
City Manager
City of Charlottesville

RESOLUTION**Financial Resolution Supporting Kindlewood/Friendship Court Phase 3
Parcel Number: 280112000**

NOW, THEREFORE BE IT RESOLVED that the Council of the City of Charlottesville, Virginia hereby commits up to \$4,150,000 in the form of loans for the redevelopment of Kindelwood/Friendship Court Phase 3. The commitment of up to \$4,150,000 will help to subsidize Phase 3 which in turn will create a total of approximately 79 newly constructed affordable housing units, through Phase 3A and Phase 3B, in the City of Charlottesville. This commitment will be made to Piedmont Housing Alliance.

	<u>Aye</u>	<u>No</u>
Oschrin	<u>x</u>	<u> </u>
Payne	<u>x</u>	<u> </u>
Pinkston	<u>x</u>	<u> </u>
Snook	<u>x</u>	<u> </u>
Wade	<u>x</u>	<u> </u>

Approved by Council
February 18, 2025



Kyna Thomas, MMC
Clerk of Council

Tab U:

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



PIEDMONT **HOUSING ALLIANCE**

Friendship Court

Virginia Housing's Free Renter Education Acknowledgement

I, _____, have read, understand, and acknowledge that I have been presented information regarding Virginia Housing's free renter education opportunities available to tenants.

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

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

Resident Name: _____

Resident Signature: _____

Apartment Number: _____

Date: _____

Tab V:

Nonprofit or LHA Purchase Option or Right of First
Refusal

RECORDING REQUESTED BY: Klein Hornig LLP, 1325 G St NW, Suite 770, Washington, DC 20005, Attn: Doruk Onvural

WHEN RECORDED MAIL TO: Klein Hornig LLP, 1325 G St NW, Suite 770, Washington, DC 20005, Attn: Doruk Onvural

RIGHT OF FIRST REFUSAL AGREEMENT

(Friendship Court Phase 3B Apartments)

RIGHT OF FIRST REFUSAL AGREEMENT (the "Agreement") dated as of [Closing Date] by and among FC Phase 3B LLC, a Virginia limited liability company (the "Owner" or the "Company"), Piedmont Housing Alliance, a Virginia nonstock nonprofit corporation (the "Grantee"), and is consented to by FC Phase 3B Managing Member LLC, a Virginia limited liability company (the "Managing Member"), [INVESTOR ENTITY], a [] limited liability company (the "Investor Member"), and [SPECIAL MEMBER ENTITY], a [] limited liability company (the "Special Member"). The Managing Member, the Investor Member, and the Special Member are sometimes collectively referred to herein as the "Consenting Members." The Investor Member and Special Member are sometimes collectively referred to herein as the "Non-Managing Members." This Agreement shall be fully binding upon and inure to the benefit of the parties and their successors and assigns to the foregoing.

Recitals

A. The Owner, pursuant to its Amended and Restated Operating Agreement dated on or about the date hereof by and among the Consenting Members (the "Operating Agreement"), is engaged in the ownership and operation of a 24-unit apartment project for families located in Charlottesville, Virginia and commonly known as "Friendship Court Phase 3B Apartments" (the "Project"). The real property comprising the Project is legally defined in Exhibit A; and

B. The Grantee is a qualified nonprofit organization as defined within Section 42 of the Internal Revenue Code of 1986, as amended, (the "Code") and is both a member of the Managing Member of the Owner and instrumental to the development and operation of the Project; and

C. The Owner desires to give, grant, bargain, sell, and convey to the Grantee certain rights of first refusal to purchase the Project on the terms and conditions set forth herein; and

D. Capitalized terms used herein and not otherwise defined shall have the meanings outlined in the Operating Agreement.

NOW, THEREFORE, in consideration of the foregoing, of the mutual promises of the parties hereto and of other good and valuable consideration, the receipt and sufficiency of which the parties hereto acknowledge, the parties hereby agree as follows:

Section 1. Right of First Refusal

The Owner hereby grants to the Grantee a right of first refusal (the "Refusal Right") to purchase the real or leasehold estate, fixtures, and personal property comprising the Project or associated with the physical operation thereof and owned by the Company at the time (the "Property"), for the price and subject to the other terms and conditions set forth below. The Property will include any reserves of the Partnership that are required by the Virginia Housing Development Authority ("Virginia Housing" or the "Credit Authority"), or any lender of a loan being assumed in connection with the exercise of the Refusal Right to remain with the Project.

Section 2. Exercise of Refusal Right; Purchase Price

A. After the end of the Compliance Period, the Company agrees that it will not sell the Property or any portion thereof without first offering the Property to the Grantee (the "Refusal Right"), for the Purchase Price (as defined in Section 3); provided, however, that such Refusal Right shall be conditioned upon the receipt by the Company of a "bona fide offer" (the acceptance or rejection of which shall not require the Consent of the Members). The Company shall give the notice of its receipt of such offer (the "Offer Notice") and shall deliver a copy of the Offer Notice to the Grantee and to Virginia Housing. Upon receipt of the Offer Notice by the Grantee and by Virginia Housing, the Grantee shall have ninety (90) days to deliver to the Company a written notice of its intent to exercise the Refusal Right (the "Election Notice"). An offer made with the purchase price and basic terms of the proposed sale from a third party shall constitute a "bona fide offer" for purposes of this Agreement. Such offer:

- (i) may be solicited by the Grantee or the Managing Member (with such solicitation permitted to begin at any time following the end of the fourteenth (14th) year of the Compliance Period, provided that the Election Notice may not be sent until the end of the Compliance Period); and
- (ii) may contain customary due diligence, financing, and other contingencies. Notwithstanding anything to the contrary herein, a sale of the Project pursuant to the Refusal Right shall not require the Consent of the Non- Managing Members or of Virginia Housing.

B. If the Grantee fails to deliver the Election Notice within ninety (90) days of receipt of the Offer Notice, or if such Election Notice is delivered but the Grantee does not consummate the purchase of the Project within 270 days from the date of delivery of the Election Notice (each, individually, a "Terminating Event"), then its Refusal Right shall terminate, and the Company shall be permitted to sell the Property free of the Refusal Right.

Section 3. Purchase Price; Closing

A. The purchase price for the Property pursuant to the Refusal Right (the "Purchase Price") shall equal the sum of (i) the principal amount of all outstanding indebtedness secured by the Project, and any accrued interest on any of such debts and (ii) all federal, State, and local taxes attributable to such sale, including those incurred or to be incurred by the partners or members of the Non-Managing Members. Notwithstanding the foregoing, however, the Purchase Price shall never be less than the amount of the "minimum purchase price" as defined in Section 42(i)(7)(B) of the Code. The Refusal Right granted hereunder is intended to satisfy the requirements of Section 42(i)(7) of the Code and shall be interpreted consistently therewith. In computing such price, it shall be assumed that each of the Non-Managing Members of the Owner (or their constituent partners or members) has an effective combined federal, state and local income tax rate equal to the maximum of such rates in effect on the date of Closing.

B. All costs of the Grantee's purchase of the Property pursuant to the Refusal Right, including any filing fees, shall be paid by the Grantee.

C. The Purchase Price shall be paid at Closing in either of the following methods:

- (i) the payment of all cash or immediately available funds at Closing; or
- (ii) the assumption of any assumable Loans if Grantee has obtained the consent of the lenders to the assumption of such Loans, which consent shall be secured at the sole cost and expense of Grantee; provided, however, that any Purchase Price balance remaining after the assumption of the Loans shall be paid by Grantee in immediately available funds.

Section 4. Conditions Precedent; Termination

A. Notwithstanding anything in this Agreement to the contrary, the right of the Grantee to exercise the Refusal Right and consummate any purchase pursuant thereto is contingent on each of the following being true and correct at the time of exercise of the Refusal Right and any purchase pursuant thereto:

- (i) the Grantee or its assignee shall be a "qualified nonprofit organization" as defined in Section 42(h)(5)(C) of the Code or another qualified purchaser described in Section 42(i)(7)(A) of the Code (collectively, each, a Qualified Beneficiary"); and
- (ii) the Project continues to be a "qualified low-income housing project" within the meaning of Section 42 of the Code.

B. This Agreement shall automatically terminate upon the occurrence of any of the following events and, if terminated, shall not be reinstated unless such reinstatement is agreed to in writing and signed by the Grantee and each of the Consenting Members:

- (i) the transfer of the Property to a lender in total or partial satisfaction of any loan; or
- (ii) any transfer or attempted transfer of all or any part of the Refusal Right by the Grantee, whether by operation of law or otherwise, except as otherwise permitted under Section 7 of this Agreement; or
- (iii) the Project ceases to be a “qualified low-income housing project” within the meaning of Section 42 of the Code; or (iv) the Grantee fails to deliver its Election Notice or consummate the purchase of the Property within the timeframes outlined in Section 2 above.

C. If the Investor Member removes the Managing Member from the Company for failure to cure a default under the Operating Agreement after all applicable notice and cure periods, the Investor Member may elect to exercise any rights it has under the Operating Agreement to terminate this Agreement and to exercise any rights it has under the Operating Agreement to release this Agreement as a lien against the Project, upon first obtaining the prior written consent of Virginia Housing, which consent may be granted or withheld in Virginia Housing’s sole discretion.

Section 5. Contract and Closing

Upon determination of the purchase price, the Owner and the Grantee shall enter into a written contract for the purchase and sale of the Property in accordance with the terms of this Agreement and containing such other terms and conditions as are standard and customary for similar commercial transactions in the geographic area which the Property is located, providing for a closing (the “Closing”) to occur in the City of Charlottesville, Virginia not later than the timeframes set forth in Section 2. In the absence of any such contract, this Agreement shall be specifically enforceable upon the exercise of the Refusal Right.

Section 6. Conveyance and Condition of the Property

The Owner's right, title, and interest in the Property shall be conveyed by quitclaim deed or an assignment of lease, subject to such liens, encumbrances, and parties in possession as shall exist as of the date of Closing. The Grantee shall accept the Property “AS IS, WHERE IS” and “WITH ALL FAULTS AND DEFECTS,” latent or otherwise, without any warranty or representation as to the condition thereof whatsoever, including without limitation, without any warranty as to fitness for a particular purpose, habitability, or otherwise and no indemnity for hazardous waste or other conditions with respect to the Property will be provided. It is a condition to Closing that all amounts due to the Owner and the Investor Member from the

Grantee or its Affiliates be paid in full. The Grantee shall pay all closing costs, including, without limitation, the Owner's attorney's fees. Upon closing, the Owner shall deliver to the Grantee, along with the deed or assignment of the lease to the property, an ALTA owner's (leasehold, as applicable) title insurance policy dated as of the close of escrow in the amount of the purchase price, subject to the liens, encumbrances, and other exceptions then affecting the title.

Section 7. Transfer

The Refusal Right shall not be transferred without the Consent of the Investor Member, except that the Grantee may assign all or any of its rights under this Agreement to an Affiliate of Grantee (a "Permitted Assignee") at the election and direction of the Grantee or to any assignee that shall be a "qualified nonprofit organization" as defined in Section 42(h)(5)(C) of the Code or another qualified purchaser described in Section 42 of the Code (collectively, each, a "Qualified Beneficiary").

In the case of any transfer of the Refusal Right, (i) all rights, conditions, and restrictions applicable to the exercise or transfer of the Refusal Right or to the purchase of the Property pursuant thereto shall also apply to such transferee, and (ii) such transferee shall be disqualified from the exercise of any rights hereunder at all times during which the transferor would have been ineligible to exercise such rights hereunder had it not effected such transfer.

Section 8. Rights Subordinate; Priority of Requirements of Section 42 of the Code

This Agreement is subordinate in all respects to any regulatory agreements and to the terms and conditions of the Mortgage Loans encumbering the Property. In addition, it is the intention of the parties that nothing in this Agreement be construed to affect the Owner's status as owner of the Property for federal income tax purposes prior to exercise of the Refusal Right granted hereunder. Accordingly, notwithstanding anything to the contrary contained herein, both the grant and the exercise of the Refusal Right shall be subject in all respects to all applicable provisions of Section 42 of the Code, including, in particular, Section 42(i)(7). In the event of a conflict between the provisions contained in this Agreement and Section 42 of the Code, the provisions of Section 42 shall control.

Section 9. Option to Purchase

A. The parties hereto agree that if either the Code is revised or the Service hereafter issues public authority to permit the owner of a low-income housing tax credit project to grant an "option to purchase" pursuant to Section 42(i)(7) of the Code (or other applicable provision of Section 42) as opposed to a "right of first refusal" without adversely affecting the status of such owner as owner of its project for federal income tax purposes, then the parties shall amend this Agreement and the Owner shall grant the Grantee an option to purchase the Property at the Purchase Price provided in Section 3 hereof and that meets the requirements of Code Section 42.

B. The parties hereto agree that if either the Code is revised or the Service hereafter issues public authority to permit the owner of a low-income housing tax credit project to grant a "right of first refusal to purchase partner interests" and/or "purchase option to purchase partner interests" pursuant to Section 42(i)(7) of the Code (or other applicable provision) as opposed to a "right of first refusal to purchase the Project" without adversely affecting the status of such owner as owner of its project for federal income tax purposes (or the status of the Investor Member as a partner of the Company for federal income tax purposes) then the parties shall amend this Agreement and the Investor Members shall provide a right of first refusal and/or purchase option, as the case may be, to acquire their Interests for the Purchase Price provided in Section 3 hereof and that meets the requirements of Code Section 42.

Section 10. Notice

Except as otherwise specifically provided herein, all notices, demands or other communications hereunder shall be in writing by hand delivery (whether personally or by courier or other delivery service) or by certified mail, return receipt requested, to the parties hereto at the addresses set forth below, or to such other place as a party may from time to time designate in writing. Any such notice(s) shall be deemed given when received at such address or place or, in the case of certified mail, three (3) days after date of mailing.

- (A) If to the Owner, at the principal office of the Company set forth in Article II of the Operating Agreement;
- (B) If to a Consenting Member, at their respective addresses set forth in Schedule A of the Operating Agreement;
- (C) If to the Grantee, 682 Berkmar Circle, Charlottesville, VA 22901, Attn: Sunshine Mathon; and
- (E) If to Virginia Housing:

Virginia Housing Development Authority
c/o Director of Tax Credit Programs
601 S Belvidere Street
Richmond, Virginia 23220

Section 11. Severability of Provisions

Each provision of this Agreement shall be considered severable, and if for any reason any provision that is not essential to the effectuation of the basic purposes of the Agreement is determined to be invalid and contrary to any existing or future law, such invalidity shall not impair the operation of or affect those provisions of this Agreement that are valid.

Section 12. Binding Provisions

The covenants and agreements contained herein shall be binding upon and inure to the benefit of the heirs, legal representatives, successors, and assignees of the respective parties hereto, except in each case as expressly provided to the contrary in this Agreement.

Section 13. Counterparts

This Agreement may be executed in several counterparts and all so executed shall constitute one agreement binding on all parties hereto, notwithstanding that all the parties have not signed the original or the same counterpart.

Section 14. Governing Law

This Agreement shall be construed and enforced in accordance with the laws of the Commonwealth of Virginia without regard to principles of conflicts of law. Notwithstanding the foregoing, Company, Investor Member, and Grantee do not intend the Refusal Right in this Agreement to be a common law right of first refusal but rather intend it to be understood and interpreted as a mechanism authorized by Section 42 of the Code to allow nonprofit entities to preserve affordable housing for low-income families in accordance with Grantee's charitable objectives.

Section 15. Headings

All headings in this Agreement are for convenience of reference only. Masculine, feminine, or neuter gender shall include all other genders, the singular shall include the plural, and vice versa as the context may require.

Section 16. Amendments

This Agreement shall not be amended except by written agreement between Grantee and the Owner with the consent of each of the Consenting Members and Virginia Housing.

Section 17. Time

Time is of the essence with respect to this Agreement, and all provisions relating thereto shall be so construed.

Section 18. Legal Fees

Except as otherwise provided herein, in the event that legal proceedings are commenced by the Owner against the Grantee or by the Grantee against the Owner in connection with this Agreement or the transactions contemplated hereby, the prevailing party shall be entitled to recover all reasonable attorney's fees and expenses.

Section 19. Subordination

This Agreement is and shall remain automatically subject and subordinate to any bona fide mortgage to (or assigned to) an institutional or governmental lender with respect to the Project. In the event of a foreclosure of any such mortgage or of the giving of a deed in lieu of foreclosure to any such mortgagee, this Agreement shall become void and shall be of no further force or effect.

Section 20. Rule Against Perpetuities Savings Clause

The term of this Agreement will be ninety years commencing on the date first written above unless sooner terminated pursuant to the provisions hereof. If any provision of this Agreement is construed as violating and applicable "Rule Against Perpetuities" by statute or common law, such provision will be deemed to remain in effect only until the death of the last survivor of the now-living descendants of any member of the 116th Congress of the United States, plus twenty-one (21) years thereafter. This Agreement and the Refusal Right herein granted are covenants running with the land, and the terms and provisions hereof will be binding upon, inure to the benefits of, and be enforceable by the parties hereto and their respective successors and assigns.

Section 21. Third-Party Beneficiary; Virginia Housing Rights and Powers

Virginia Housing shall be a third-party beneficiary to this Agreement, and the benefits of all of the covenants and restrictions hereof shall inure to the benefit of Virginia Housing, including the right, in addition to all other remedies provided by law or in equity, to apply to any court of competent jurisdiction within the Commonwealth of Virginia to enforce specific performance by the parties or to obtain an injunction against any violations hereof, or to obtain such other relief as may be appropriate. Virginia Housing and its agents shall have those rights and powers with respect to the Project as set forth in the Act and the Virginia Housing Rules and Regulations promulgated thereunder, including, without limitation, those rights and powers set forth in Chapter 1.2 of Title 365 of the Code of Virginia (1950), as amended, and 13VAC10-180-10 et seq., as amended.

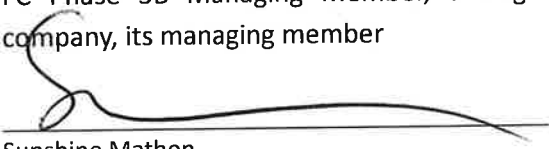
[Signatures appear on following pages]

IN WITNESS WHEREOF, the parties hereto have caused this Right of First Refusal Agreement to be executed by their duly authorized representatives as of the date first stated above.

OWNER:

FC Phase 3B LLC, a Virginia limited liability company

By: FC Phase 3B Managing Member, a Virginia limited liability company, its managing member

By: 
Name: Sunshine Mathon
Title: Executive Manager

COMMONWEALTH OF VIRGINIA

COUNTY OF Albemarle

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)SS
)

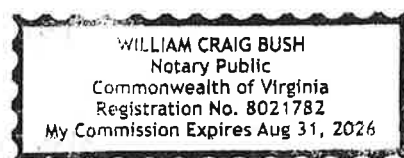
On this the 14th day of May, 2026, before me, the undersigned officer, personally appeared Sunshine Mathon as Executive Manager of FC Phase 3B Managing Member LLC, a Virginia limited liability company, the Managing Member of FC Phase 3B LLC, a Virginia limited liability company, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument and acknowledged that she executed the same for the purposes therein contained.

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


Notary Public

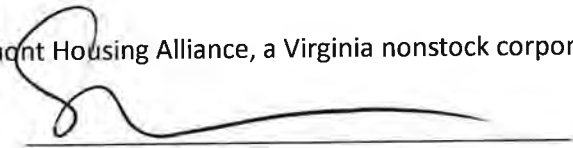
My Commission Expires: August 31, 2026

[Notarial Seal]



GRANTEE:

Piedmont Housing Alliance, a Virginia nonstock corporation

By: 

Name: Sunshine Mathon

Title: Executive Director

COMMONWEALTH OF VIRGINIA

)

COUNTY OF

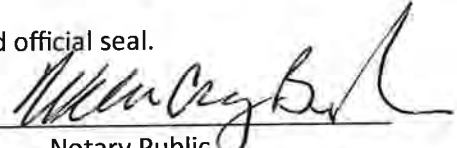
Albemarle

)SS

)

On this the 14th day of May, 2026, before me, the undersigned officer, personally appeared Sunshine Mathon as Executive Director of Piedmont Housing Alliance, a Virginia nonstock corporation, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument and acknowledged that she executed the same for the purposes therein contained.

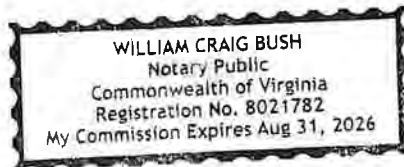
IN WITNESS WHEREOF, I hereunto set my hand and official seal.


Notary Public

My Commission Expires:

August 31, 2026

[Notarial Seal]



MANAGING MEMBER:

FC Phase 3B Managing Member LLC, a Virginia limited liability company

By: [Signature]
Name: Sunshine Mathon
Title: Executive Manager

COMMONWEALTH OF VIRGINIA)
COUNTY OF Albemarle)SS
)

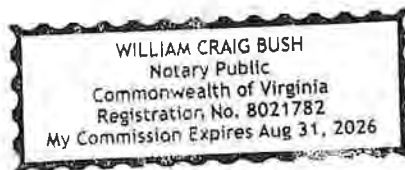
On this the 14th day of May, 2026, before me, the undersigned officer, personally appeared Sunshine Mathon as Executive Manager of FC Phase 3B Managing Member LLC, a Virginia limited liability company, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument and acknowledged that she executed the same for the purposes therein contained.

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

[Signature]
Notary Public

My Commission Expires: August 31, 2026

[Notarial Seal]



INVESTOR MEMBER:

[INVESTOR MEMBER], a [Virginia] limited liability company

By: _____

Its: _____

_____ OF _____

_____ of _____, to-wit:

The foregoing instrument was acknowledged before me this ____ day of _____, 20 __, by

on behalf of _____

a _____.

SEAL:

Notary Public

Commission expires: _____

Registration No. _____

SPECIAL MEMBER:

[SPECIAL MEMBER], a [Virginia] limited liability company

By: _____

Its: _____

_____ OF _____

_____ of _____, to-wit:

The foregoing instrument was acknowledged before me this ____ day of _____, 20____, by

on behalf of _____

a _____.

SEAL:

Notary Public

Commission expires: _____

Registration No. _____

EXHIBIT A
LEGAL DESCRIPTION

[insert legal description]

Tab W:

Internet Safety Plan and Resident Information Form



Friendship Court Phase 3B

Resident Acknowledgment of Responsibilities

By signing below, I acknowledge that I have read, understand, and agree to the terms of all provisions contained in Friendship Court Phase 3A's Internet Security Plan and Usage Guidelines.

I understand that the Internet Security Plan and Usage Guidelines outline and summarize the proper use and safety guidelines when using the Internet Services provided at Friendship Court Phase 3A.

Resident Name: _____

Resident Signature: _____

Apartment Number: _____

Date: _____



Friendship Court Phase 3B

Cybercrime Prevention Information

Constantly evolving technology has made our business and social practices more efficient and personal. While communicating with friends and family and accessing information easily makes life more enjoyable, this freedom also makes Internet users more vulnerable to cybercriminals. Cybercriminals exploit the Internet through fraud, unsolicited bulk emails (SPAM), phishing scams, and child exploitation.

FRAUD

The ease and convenience of shopping online has led an increasing number of consumers to purchase goods and services on the Internet. In the process, customers transmit personal information such as their Social Security Numbers and credit card numbers through cyberspace. While some of these websites are safe and serve their purpose well, others either do not have the proper security measures or present a fraudulent front with the sole purpose of gaining personal information. In 2007, identity thieves stole \$48 billion from financial institutions and \$5 billion from individual consumers. Follow these tips to avoid becoming a victim.

Credit Card Fraud

Criminals commit credit card fraud because credit can be obtained quickly and without face-to-face interaction. The thief can then open credit accounts or purchase merchandise with a click of the mouse within seconds of obtaining personal information.

Tips to avoid credit card fraud include:

- Do not provide your credit card number unless the site is secure and reputable. Look for "https:" at the beginning of the web address to make sure the site is secure.
- Look for symbols such as the Better Business Bureau's Online Reliability and Privacy Seals and the TRUSTe privacy seal.
- Check the website's privacy policy so you can be assured that you have full control over the uses of your personal information.
- Keep a list of all credit card(s) and account information along with the card issuer's contact information. If your bill looks suspicious or you lose your creditcard(s), contact the card issuer immediately.
- Request a free credit report online at annualcreditreport.com and check for lines of credit that you did not open.
- If you are the victim of fraud, place an initial fraud alert on your credit report with the credit agencies.

Internet Auction Fraud

Internet auction fraud typically occurs in one of two ways: the seller receives the agreed upon funds for the item that was advertised, but fails to deliver the item, or the buyer fails to pay for the item once it has been received.

Tips to avoid Internet auction fraud include:

- Read each auction site's Terms of Use before using.
- Consider what method of payment works best for you, but never send cash.
- Read and print the description of the product, and save all copies of emails between you and the buyer or seller.
- Do not provide your Social Security Number to the seller.

International ("Nigerian") Letter and E-mail Scams

International letter and e-mail scams defraud numerous American consumers each year and result in losses of approximately \$100 million annually. International con artists use emails to lure victims by promising confidential business proposals.

Tips to avoid international letter scams include:

- Be skeptical of individuals representing themselves as foreign government officials asking for your help in placing large sums of money in overseas bank accounts. Delete without opening unsolicited emails from these senders.
- Do not believe the promise of large sums of money for your cooperation.
- Do not provide your bank account or credit card numbers to these email senders.

CHILD EXPLOITATION

The same advances in technology that allow our children to expand their realm of knowledge are also leaving them vulnerable to exploitation and harm by computer-sex offenders. It is believed as many as 40,000 sexual predators can be online at any given moment. Internet content filters can protect children while they use the Internet.

Signs your child may be at risk include:

- Your child has a computer with Internet access in his or her room;
- You have a webcam on your computer;
- Child spends large amounts of time online, especially at night;
- Pornography or obscene material is discovered on child's computer;
- You notice a child may receive phone calls from adults (hang-ups when you pick up the phone, adults asking to speak with child); child makes calls to numbers you don't recognize (be aware of who your child speaks with; use re-dial if necessary)

- Child receives mail, gifts, or packages from someone you don't know;
- Child turns monitor off or quickly changes screen on the monitor when you come into the room;
- Child becomes withdrawn from family; and
- Child uses online account belonging to someone else; check your Internet history files or ask your child.

PHISHING

Phishing involves sending unsolicited email in an attempt to capture personal information such as credit card numbers, bank account numbers, social security numbers, passwords, and other information. A typical phishing email might appear as if it is sent from a company you deal with and may say that you must update your account information by clicking on a link in the email. The email will look authentic and have a visible email address claiming to be from a financial institution or other legitimate company, as well as graphics that resemble the company's website. The information you input does not go to the purported company but will be routed to an identity thief.

Tips to avoid phishing include:

- Install anti-virus and anti-spyware software, as well as a firewall on your computer. Keep them regularly updated.
- Do not respond to information in the email. Go to the company's actual website or call the company to ensure that the email is authentic.

TABNABBING

Tabnabbing is a form of a "phishing" scam where a criminal runs a computer program to alter a legitimate website that has been opened on a user's Internet browser. The program, or "script," will find an open and hidden webpage tab on the user's Internet browser and rewrite the webpage behind the tab to mirror the website that the user had initially opened. It will typically seek out sites that ask for personal information such as a login ID and password. When the user returns to the page and enters the information it is redirected to the criminal's computer server.

Tips to avoid tabnabbing include:

- Avoid opening several websites at the same time
- Do not keep numerous websites open for a long period of time
- Close and reopen websites that have been open for a long period of time to ensure they are the correct page.

UNSOLICITED BULK E-MAIL

Unsolicited bulk e-mail, sometimes referred to as “UBE” or “SPAM,” is email that is sent for the purpose of selling goods, services, or properties. Commercial UBE advertisements are most often used for multi-level marketing schemes, get-rich-quick schemes, work-at-home schemes, or for questionable products or pornography. Fraudulently sent SPAM violates the criminal laws of Virginia.

Tips to prevent SPAM include:

- If you have doubts about the authenticity of the sender and/or the content, do not respond.
- Get a free email account specifically for newsgroups and registering on websites.
- Do not post your actual email address on your website; spammers have programs that can scan web pages for an email address. Consider using a free web-based account such as AOL, Hotmail, Yahoo, or Gmail.
- Report SPAM to the Federal Trade Commission at ftc.gov.
- Use mail filters. They are not always completely accurate, but they can decrease the number of junk emails you receive.



Friendship Court Phase 3B

Internet Security Plan

Friendship Court Apartments will provide Wi-Fi service for all units. Each unit will be provided a secure connection. Friendship Court Apartments will enter into a contract with an internet provider to install Wi-Fi equipment (which may include routers, switches, and wireless access points), and will contract to provide ongoing support and maintenance to ensure the network functions properly. The routers will have a secure firewall to guard against data breaches.

Prior to move-in, all residents will be provided with the attached internet safety and security information guidelines. New residents will be required to sign an Acknowledgement of Responsibilities verifying that they have read and understand Friendship Court internet safety and security guidelines. It is the resident's responsibility on making sure that their devices have adequate security, including up-to-date virus and malware protection software.

Inappropriate use of the Friendship Court network will not be permitted. Unacceptable use of the internet by residents and their guests includes (but is not limited to) those actions listed in the Internet Usage Guidelines. Friendship Court has the discretion to determine unacceptable usage and prevent network access by a resident not abiding by the internet guidelines. If a resident is unclear about appropriate internet usage, they should direct questions to the Community Manager.

Internet Usage Guidelines

1. Friendship Court ("Landlord") agrees to provide individual Wi-Fi internet service at a speed of no less than 10Mbps download and 3Mbps upload ("Internet Access") to each unit during the Lease Term subject to the terms and conditions of these Guidelines.
2. Resident understands that internet access points are the property of the Landlord. If Resident removes or damages an access point, Landlord may charge a fee.
3. Resident may not use the facilities and capabilities of the network to conduct or solicit the performance of any illegal or criminal activity.
4. Resident may not do anything which is contrary to the acceptable use policies of the internet provider.

5. Resident will not post or transmit any file which contains malicious software, which may include but is not limited to viruses, worms, "Trojan horses" or any other contaminating or destructive features.

6. Resident is solely responsible for keeping personal computer devices secure and free of viruses or other harmful programs that can directly or indirectly interfere with the operations of the network, and that of third parties connected to its networks. Resident is solely responsible for guarding against and repairing devices from any infection by malicious code or unauthorized use.

7. Resident may not send proactively, receive, upload, download, use or re-use any information or material which is offensive, abusive, indecent, defamatory, obscene or menacing, or in breach of confidence, copyright, privacy or any other rights while using the Friendship Court network.

8. Resident will not permit any guests or a third party to do any of the above.



Internet Safety

Playing it safe while playing online



Hi there kids! I am Charlie Cardinal and this is Speedy the Crime Fighting Hamster. We are here to introduce you to the basics of Internet Safety and some of the villains you need to watch out for. There are some bad characters out there, so you have to protect yourself. Your parents won't always be there to watch out for you, so stay sharp, learn all you can, and stay safe!



Privacy & Personal Information



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

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

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

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

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

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



Think before you click



Do you know who sent that email?



Passwords

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

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

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



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

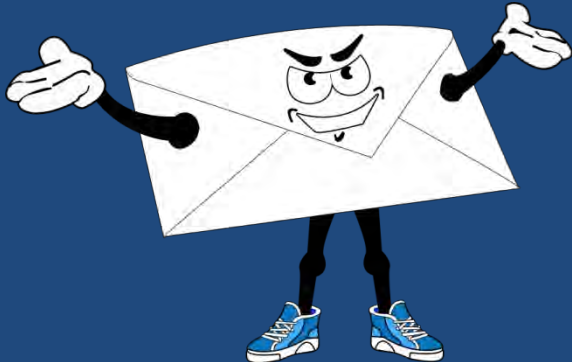
Spam



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

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

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



How do you know it is spam?

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



Malware



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

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

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

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



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

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

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

Adware

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

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

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

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



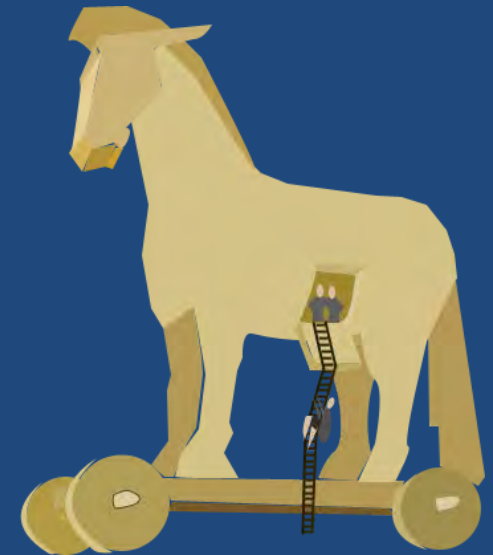
Trojan Horse

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

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

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

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



Worms

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

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

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





Virus

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

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

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

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

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

Social Media

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



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

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

Geotagging



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

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

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

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

<http://www.nytimes.com/2010/08/13/technology/personaltech>



Be Careful of What You Say!



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

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

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

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



Be Careful of What You Say!



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

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

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

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

Stranger Danger Online



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

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

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

How to Protect Yourself in Online Chats

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





Cyberbullying

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



Consequences of Cyberbullying

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

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

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

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

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

Consequences of Cyberbullying

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

There are many websites designed to inform and decrease the number of bullying cases we see each year. The U.S. Department of Health and Human Services has created a website with lots of resources to help combat bullying of all kinds - www.stopbullying.gov
If you experience cyberbullying or witness it, tell someone such as a school counselor, teacher, or a parent.





The Effects of Cyberbullying

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



Dealing with Cyberbullying

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



About Sexting



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

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

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

22% of teen girls

18% of teen boys

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

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

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



About Sexting



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

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

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

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

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

Legal Consequences of Sexting

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



Information Provided By:
Office of the Attorney
General

202 North Ninth Street
Richmond, Virginia 23219
(804) 786-2071
www.ag.virginia.gov

Tab X:

Marketing Plan for units meeting accessibility
requirements of HUD section 504

NOT APPLICABLE

Tab Y:

Inducement Resolution for Tax Exempt Bonds

RESOLUTION OF THE CHARLOTTESVILLE REDEVELOPMENT AND HOUSING
AUTHORITY AUTHORIZING AND APPROVING THE ISSUANCE OF UP TO
\$7,000,000 MULTIFAMILY HOUSING REVENUE BONDS FOR
FC PHASE 3B LLC

RECITALS

A. The Charlottesville Redevelopment and Housing Authority (the "Authority") is empowered, pursuant to the Virginia Housing Authorities Law, Chapter 1, Title 36 (the "Act") of the Code of Virginia of 1950, as amended (the "Virginia Code"), to issue its bonds for the purpose, among others, of financing the Plan of Finance (as hereinafter defined), located within the territorial boundaries of the City of Charlottesville, Virginia (the "City").

B. To further the Act's purposes, at the request of FC Phase 3B LLC, a Virginia limited liability company (the "Applicant"), the Authority has determined to issue and sell its Multifamily Housing Revenue Bonds in a principal amount not in excess of \$7,000,000 (the "Bonds"), pursuant to the Act, for the purpose of assisting the Applicant or an entity affiliated with and controlled by, or under common ownership with, the Applicant (the Applicant or such resulting ownership entity hereinafter referred to as the "Borrower") in financing or refinancing all or a portion of (a) the costs of acquiring, renovating, rehabilitating and equipping a portion of an affordable multifamily residential rental community known as Kindewood, such portion to consist of approximately five two-bedroom units, 12 three-bedroom units and seven four-bedroom units in three townhome style buildings, as well as other site work and community-related improvements, including in-building community space and a community park, all to be located on approximately 1.067 acres of land located at or around the intersection of Garrett St and 4th Street in Charlottesville, Virginia (the "Project"), and (b) if and as needed, issuance costs for the Bonds and other eligible expenditures, including, without limitation, any required reserves or capitalized interest (collectively, the "Plan of Finance"). Based on representations of the Applicant, the Project is structured to meet the requirements of a qualified residential rental project within the meaning of Section 142(d) of the Internal Revenue Code of 1986, as amended (the "Code"). The Applicant has represented that the Project will be owned by the Borrower.

C. Based on the representations of the Applicant and the information submitted concerning the Project, the Authority has determined that the issuance and sale of the Bonds will benefit the inhabitants of the City and the Commonwealth of Virginia by promoting their health, welfare, convenience and prosperity.

D. A public hearing has been held on March 23, 2026, with respect to the Plan of Finance and the Bonds in accordance with Section 147(f) of the Code and applicable Virginia law.

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

1. The foregoing recitals are approved by the Authority and are incorporated in, and deemed a part of, this resolution.

2. It is hereby found and determined that the acquisition, renovation, rehabilitation and equipping of the Project will further the public purposes of the Act by assisting in providing housing to low and moderate income persons in the City.

3. To induce the Borrower to acquire, construct, renovate, rehabilitate and equip the Project as a "qualified residential rental project" within the meaning of Section 142(d) of the Code, the Authority hereby agrees, subject to approvals required by applicable law, to assist the Borrower in financing the Plan of Finance by undertaking the issuance of the Bonds in an aggregate principal amount not to exceed \$7,000,000 upon terms and conditions as shall be mutually agreeable to the Authority and the Borrower. The Bonds will be issued pursuant to documents as shall be satisfactory to the Authority and its counsel. The Bonds may be issued in one or more series at one time or from time to time, and the Bonds of any such series may be either taxable or tax-exempt for purposes of federal income taxation.

4. It having been represented to the Authority that it is necessary to proceed with the acquisition, renovation, rehabilitation and equipping of the Project, the Authority hereby agrees that the Borrower may proceed with the plans for the Project, enter into contracts related to the acquisition, construction and equipping of the Project and take such other steps as it may deem appropriate in connection therewith, provided that nothing herein shall be deemed to authorize the Borrower to obligate the Authority without its consent in each instance to the payment of any moneys or the performance of any acts in connection with the Project.

5. In adopting this Resolution, the Authority intends to evidence its "official intent" to reimburse the Project expenditures with proceeds from the issuance of the Bonds within the meaning of Treasury Regulations Section 1.150-2.

6. The Authority hereby designates McGuire Woods LLP, Tysons, Virginia, to serve as bond counsel and hereby appoints such firm to supervise the proceedings and approve the issuance of the Bonds.

7. As a condition of the issuance of the Bonds by the Authority, the Borrower shall agree to indemnify and save harmless the Authority, its commissioners, officers, directors, employees and agents from and against all liabilities, obligations, claims, damages, penalties, losses, costs and expenses in any way connected with the issuance and sale of the Bonds.

8. All costs and expenses in connection with the financing of the Plan of Finance, including the fees and expenses of the Authority (including, without limitation, any application fee, origination fee or annual fee, as applicable), bond counsel, and counsel for the Authority shall be paid from the proceeds of the Bonds (but only to the extent

permitted by applicable law) or from moneys provided by the Borrower. If for any reason the Bonds are not issued, it is understood that all such fees and expenses shall be paid by the Borrower and that the Authority shall have no responsibility therefor.

9. The Chairman, Vice Chairman, Secretary or any Assistant Secretary of the Authority, or the designee of any of them, any of whom may act alone, are hereby authorized to request an allocation or allocations of the State Ceiling (as defined in Section 15.2-5000 of the Virginia Code) in accordance with the applicable provisions of the Virginia Code and any regulations or executive orders issued thereunder. All costs incurred by the Authority, if any, in connection with such proceedings shall be paid for by the Borrower.

10. No Bonds may be issued pursuant to this resolution until such time as the issuance of the Bonds has been approved by the City Council of the City (the "City Council").

11. The Bonds shall be limited obligations of the Authority and shall be payable solely out of revenues, receipts and payments specifically pledged therefor. Neither the commissioners, directors, officers, agents or employees of the Authority, past, present or future, nor any person executing the Bonds, shall be liable personally on the Bonds by reason of the issuance thereof. The Bonds shall not be deemed to constitute a general obligation debt or a pledge of the faith and credit of the Commonwealth of Virginia or any political subdivision thereof, including the Authority and the City (and the Bonds shall so state on their face), and neither the Commonwealth of Virginia nor any such political subdivision thereof shall be generally liable thereon, nor in any event shall the Bonds be payable out of any funds or properties other than the special funds and sources provided therefor. Neither the faith and credit nor the taxing power of the Commonwealth of Virginia, or any political subdivision thereof, including the Authority and the City, shall be pledged to the payment of the principal of the Bonds or the interest thereon or other costs incident thereto. The Authority has no taxing power. The Bonds shall not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

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

13. The Chairman, Vice Chairman, Secretary or any Assistant Secretary of the Authority, or the designee of any of them, any of whom may act alone, is hereby authorized

to execute and deliver any and all contracts, agreements, assignments, draws, instruments and other documents as may be necessary or desirable to consummate the transactions contemplated by the foregoing resolution and to take such other action and to execute and deliver such other documents as he, she or they may deem necessary or desirable to carry out the intent of this resolution.

14. All actions heretofore taken by the Chairman, Vice Chairman, Secretary or any Assistant Secretary of the Authority, or the designee of any of them, or other officers of the Authority in connection with the transactions contemplated by this resolution are hereby approved, adopted, ratified and confirmed in all respects.

15. The Authority recommends that the City Council approve the issuance of the Bonds.

16. The approval of the issuance of the Bonds does not constitute an endorsement to a prospective purchaser of the Bonds of the creditworthiness of the Project or the Borrower.

17. This Resolution shall take effect immediately upon its adoption.

Adopted: March 23, 2026

CERTIFICATE

The undersigned Secretary of the Charlottesville Redevelopment and Housing Authority (the "Authority"), hereby certifies that the foregoing is a true, correct and complete copy of a resolution adopted by a majority of the Commissioners of the Authority at a meeting duly called and held on March 23, 2026, in accordance with law, and that such resolution has not been repealed, revoked, rescinded or amended but is in full force and effect on the date hereof.

WITNESS the following signature and seal of the Authority as of March 23, 2026.



Secretary, Charlottesville Redevelopment and
Housing Authority

[SEAL]

City of Charlottesville

To be a place where everyone thrives

Office of the City Manager
P.O. Box 911 • Charlottesville, Virginia 22902
Telephone 434-970-3101
www.charlottesville.gov



April 27, 2026

Virginia Department of Housing and Community Development
600 East Main Street, Suite 300
Richmond, VA 23219
Attention: Caroline Stokes

**Re: Charlottesville Redevelopment and Housing Authority Bond Allocation Application for
Kindlewood Project**

Dear Ms. Stokes:

As required by the above-referenced application this is to confirm that:

1. By resolution adopted April 27, 2026, Charlottesville City Council approved the Charlottesville Redevelopment and Housing Authority's proposed issuance of revenue bonds for the above-referenced project; and
2. The above-referenced project conforms with the City of Charlottesville's Consolidated Plan.

Sincerely,

Samuel Sanders, Jr.
City Manager



#R-26-057

RESOLUTION AUTHORIZING THE CHARLOTTESVILLE REDEVELOPMENT AND HOUSING AUTHORITY TO ISSUE UP TO \$7,000,000 IN TAX-EXEMPT REVENUE BONDS FOR KINDLEWOOD PHASE 3

WHEREAS, the Charlottesville Redevelopment and Housing Authority (“CRHA”) is authorized under Virginia Code § 36-19(10) to issue revenue bonds to facilitate affordable housing development; and

WHEREAS, Piedmont Housing Alliance (“PHA”) is leading the redevelopment of Friendship Court into Kindewood (“Project”) in the City of Charlottesville, Virginia (“City”), and Phase 3 of the Project includes the construction of eighty-five (85) units, including twenty-four (24) townhomes, to be financed in part through tax-exempt bonds and Low-Income Housing Tax Credit (“LIHTC”) equity; and

WHEREAS, CRHA has requested approval from the Council of the City of Charlottesville, Virginia (“City Council”), to issue up to \$7,000,000 in tax-exempt revenue bonds as a conduit issuer to support Phase 3 Project financing; and

WHEREAS, the bonds will not be general obligations of CRHA, the City, or the Commonwealth of Virginia, and all repayment obligations, fees, and costs will be borne solely by PHA, the borrower; and

WHEREAS, issuing the bonds will enable the Project to access four percent (4%) LIHTC and advance the broader Kindewood redevelopment, with no direct financial impact to the City.

NOW, THEREFORE, BE IT RESOLVED by City Council, that CHRA is authorized to issue up to \$7,000,000 in tax-exempt revenue bonds for Phase 3 of the Project.

Date Adopted: April 27, 2026

Certified: Kyna Thomas
Clerk of Council

	<u>Aye</u>	<u>No</u>
Fleisher	<u>x</u>	_____
Oschrin	<u>x</u>	_____
Payne	<u>x</u>	_____
Snook	<u>x</u>	_____
Wade	<u>x</u>	_____

AFFIDAVIT OF PUBLICATION

State of Florida, County of Orange, ss:

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

PUBLICATION DATES:

Mar. 14, 2026

NOTICE ID: IO5bxqjLwHZOXO2U98IL

PUBLISHER ID: COL-5001258

NOTICE NAME: KW Phase 3B - Daily Progress (3-14-2026)

Publication Fee: 566.77

Ad Size: 2 X 53 L

Category: General Legal Notice

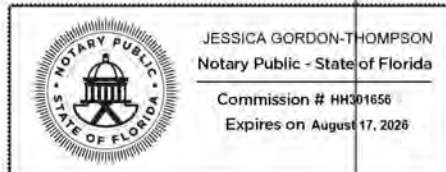
Under penalty of perjury, I, the undersigned affiant swear or affirm that the statements above are true and accurate to the best of my knowledge and belief.

Anjana Bhadoriya

(Signed) _____

VERIFICATION

State of Florida
County of Orange



Subscribed in my presence and sworn to before me on this: **03/16/2026**

J. Thompson

Notary Public

Notarized remotely online using communication technology via Proof.

**NOTICE OF PUBLIC HEARING
ON PROPOSED REVENUE BOND
FINANCING BY CHARLOTTESVILLE
REDEVELOPMENT AND HOUSING
AUTHORITY**

Notice is hereby given that the Charlottesville Redevelopment and Housing Authority (the "Authority"), whose address is 605 E Main Street, Charlottesville, Virginia 22902, will hold a public hearing on the request of FC Phase 3B LLC (the "Applicant"), a Virginia limited liability company, whose business address is 682 Berkmar Circle, Charlottesville, Virginia 22901. The Applicant has requested the Authority to issue up to \$7,000,000 of its revenue bonds (the "Bonds"), in one or more series of qualified residential rental bonds, at one time or from time to time pursuant to a plan of finance, to assist the Applicant in financing or refinancing all or a portion of (a) the costs of acquiring, renovating, rehabilitating and equipping a portion of an affordable multifamily residential rental community known as Kindewood, such portion to consist of approximately five two-bedroom units, 12 three-bedroom units and seven four-bedroom units in three townhome style buildings, as well as other site work and community-related improvements, including in-building community space and a community park, all to be located on approximately 1.067 acres of land located at or around the intersection of Garrett St and 4th Street in Charlottesville, Virginia (the "Project"), and (b) if and as needed, issuance costs for the Bonds and other eligible expenditures, including, without limitation, any required reserves or capitalized interest. The Project will meet the requirements of a qualified residential rental project within the meaning of Section 142(d) of the Internal Revenue Code of 1986, as amended (the "Code"). The Project will be owned by the Applicant or an entity affiliated with and controlled by or under common ownership with the Applicant.

THE ISSUANCE OF THE BONDS AS REQUESTED BY THE APPLICANT WILL NOT CONSTITUTE A DEBT OR PLEDGE OF THE FAITH AND CREDIT OF THE COMMONWEALTH OF VIRGINIA OR ANY OTHER POLITICAL SUBDIVISION THEREOF, INCLUDING THE AUTHORITY AND THE CITY OF CHARLOTTESVILLE, VIRGINIA, AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE COMMONWEALTH OF VIRGINIA OR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING THE CITY OF CHARLOTTESVILLE, VIRGINIA, WILL BE PLEDGED TO THE PAYMENT OF SUCH BONDS BUT WILL BE PAYABLE SOLELY FROM THE REVENUES DERIVED FROM THE APPLICANT AND PLEDGED TO THE PAYMENT THEREOF. THE AUTHORITY HAS NO TAXING POWER.

The public hearing, which may be continued or adjourned, will be held at 6:00 p.m. on Monday, March 23, 2026, before the Authority at 605 E Main Street, Charlottesville, Virginia 22902.

Any person interested in the issuance of the Bonds or the facilities to be financed or refinanced with the proceeds of the Bonds may appear at the hearing and present his or her views.

CHARLOTTESVILLE REDEVELOPMENT AND HOUSING AUTHORITY
COL-5001258

Tab Z:

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

NOT APPLICABLE

Tab AA:

Priority Letter from Rural Development

NOT APPLICABLE

TAB AB:

Social Disadvantage Certification or Veteran
Owned Small Business Certification

NOT APPLICABLE