

INSTRUCTIONS FOR THE VIRGINIA 2025 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 9% Competitive Credits

Applicants should submit an electronic copy of the application package prior to the application deadline, which is **12:00 PM** Richmond Virginia time on **March 13, 2025**. 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**
- 7. Developer Experience Documentation (PDF)**

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
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2025 Low-Income Housing Tax Credit Application For Reservation

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

<input checked="" type="checkbox"/>	\$1,000 Application Fee (MANDATORY) - Invoice information will be provided in your Procorem Workcenter
<input checked="" type="checkbox"/>	Electronic Copy of the Microsoft Excel Based Application (MANDATORY)
<input checked="" type="checkbox"/>	Scanned Copy of the <u>Signed</u> Tax Credit Application with Attachments (excluding market study, 8609s and plans & specifications) (MANDATORY)
<input checked="" type="checkbox"/>	Electronic Copy of the Market Study (MANDATORY - Application will be disqualified if study is not submitted with application)
<input checked="" type="checkbox"/>	Electronic Copy of the Plans (MANDATORY)
<input checked="" type="checkbox"/>	Electronic Copy of the Specifications (MANDATORY)
<input checked="" type="checkbox"/>	Electronic Copy of the Existing Condition questionnaire (MANDATORY if Rehab)
<input checked="" type="checkbox"/>	Electronic Copy of Unit by Unit Matrix and Scope of Work narrative (MANDATORY if Rehab)
<input checked="" type="checkbox"/>	Electronic Copy of the Physical Needs Assessment (MANDATORY at reservation for a 4% rehab request)
<input checked="" type="checkbox"/>	Electronic Copy of Appraisal (MANDATORY if acquisition credits requested)
<input checked="" type="checkbox"/>	Electronic Copy of Environmental Site Assessment (Phase I) (MANDATORY if 4% credits requested)
<input checked="" type="checkbox"/>	Electronic Copy of Development Experience and Partnership or Operating Agreement, including chart of ownership structure with percentage of interests (MANDATORY)
<input checked="" type="checkbox"/>	Tab A: Partnership or Operating Agreement, including chart of ownership structure with percentage of interests (see manual for details) (MANDATORY)
<input checked="" type="checkbox"/>	Tab B: Virginia State Corporation Commission Certification (MANDATORY)
<input checked="" type="checkbox"/>	Tab C: Syndicator's or Investor's Letter of Intent (MANDATORY)
<input type="checkbox"/>	Tab D: Any supporting documentation related to List of LIHTC Developments (Schedule A)
<input checked="" type="checkbox"/>	Tab E: Site Control Documentation & Most Recent Real Estate Tax Assessment (MANDATORY)
<input checked="" type="checkbox"/>	Tab F: Third Party RESNET Rater Certification (MANDATORY)
<input checked="" type="checkbox"/>	Tab G: Zoning Certification Letter (MANDATORY)
<input checked="" type="checkbox"/>	Tab H: Attorney's Opinion using Virginia Housing template (MANDATORY)
<input type="checkbox"/>	Tab I: Nonprofit Questionnaire (MANDATORY for points or pool)
	The following documents need not be submitted unless requested by Virginia Housing:
	-Nonprofit Articles of Incorporation -IRS Documentation of Nonprofit Status
	-Joint Venture Agreement (if applicable) -For-profit Consulting Agreement (if applicable)
<input checked="" type="checkbox"/>	Tab J: Relocation Plan and Unit Delivery Schedule (MANDATORY if Rehab)
<input type="checkbox"/>	Tab K: Documentation of Development Location:
<input type="checkbox"/>	K.1 Revitalization Area Certification
<input checked="" type="checkbox"/>	K.2 Surveyor's Certification of Proximity To Public Transportation using Virginia Housing template
<input type="checkbox"/>	Tab L: PHA / Section 8 Notification Letter
<input type="checkbox"/>	Tab M: <i>(left intentionally blank)</i>
<input type="checkbox"/>	Tab N: Homeownership Plan
<input checked="" type="checkbox"/>	Tab O: Plan of Development Certification Letter
<input type="checkbox"/>	Tab P: Zero Energy or Passive House documentation for prior allocation by this developer
<input checked="" type="checkbox"/>	Tab Q: Documentation of Rental Assistance, Tax Abatement and/or existing RD or HUD Property
<input checked="" type="checkbox"/>	Tab R: Documentation of Utility Allowance Calculation
<input type="checkbox"/>	Tab S: Supportive Housing Certification
<input type="checkbox"/>	Tab T: Funding Documentation
<input checked="" type="checkbox"/>	Tab U: Acknowledgement by Tenant of the availability of Renter Education provided by Virginia Housing
<input type="checkbox"/>	Tab V: Nonprofit or LHA Purchase Option or Right of First Refusal
<input checked="" type="checkbox"/>	Tab W: Internet Safety Plan and Resident Information Form
<input type="checkbox"/>	Tab X: Marketing Plan for units meeting accessibility requirements of HUD section 504
<input type="checkbox"/>	Tab Y: Inducement Resolution for Tax Exempt Bonds
<input type="checkbox"/>	Tab Z: Documentation of team member's Diversity, Equity and Inclusion Designation or Veteran Owned Small Business certification
<input type="checkbox"/>	Tab AA: Priority Letter from Rural Development
<input type="checkbox"/>	Tab AB: Ownership's Social Disadvantage or Veteran Owned Small Business Certification

VHDA TRACKING NUMBER

2025-TEB-119

A. GENERAL INFORMATION ABOUT PROPOSED DEVELOPMENT

Application Date:

5/1/2025

1. Development Name: Pinecrest Apartments
 2. Address (line 1): 27 Crestview Road
Address (line 2):
City: Lawrenceville State: VA Zip: 23868
 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 Brunswick County
 5. The site overlaps one or more jurisdictional boundaries..... FALSE
If true, what other City/County is the site located in besides response to #4?.....
 6. Development is located in the census tract of: 9302.03
 7. Development is located in a **Qualified Census Tract**..... TRUE *Note regarding DDA and QCT*
 8. Development is located in a **Difficult Development Area**..... FALSE
 9. Development is located in a **Revitalization Area based on QCT** TRUE
 10. Development is located in a **Revitalization Area designated by resolution or by the locality**..... FALSE
 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: 4
Planning District: 13
State Senate District: 17
State House District: 83
16. Development Description: In the space provided below, give a brief description of the proposed development

Pinecrest Apartments is an existing affordable housing community that consists of 70 multifamily units in Lawrenceville, Brunswick County. 100% of the units are rent subsidized via a Project Based Section 8 HAP Contract with HUD. The property was constructed in 1981 and previously received an allocation of low income housing tax credits in 2000. The proposed development will fund the acquisition, renovation and long-term preservation of the property. In connection with closing the proposed bond and credit application, the Applicant will renew the HAP contract for an additional 20-year term in order to preserve this important income-restricted, rent-subsidized housing for future generations.

VHDA TRACKING NUMBER

2025-TEB-119

A. GENERAL INFORMATION ABOUT PROPOSED DEVELOPMENT

Application Date:

5/1/2025

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: Leslie Weddington
Chief Executive Officer's Title: County Administrator Phone: 434-848-3107
Street Address: 228 N. Main Street, Suite 300
City: Lawrenceville State: VA Zip: 23868

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

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

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

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

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

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

or

b. If requesting Tax Exempt Bond credits, select development type:

For Tax Exempt Bonds, where are bonds being issued?

ACTION: Provide Inducement Resolution at **TAB Y** (if available)**Skip to Number 4 below.****2. Type(s) of Allocation/Allocation Year**

Definitions of types:

a. **Regular Allocation** means all of the buildings in the development are expected to be placed in service this calendar year, 2025.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, 2025, 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 2025 credits pursuant to Section 42(h)(1)(E).**3. Select Building Allocation type:****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.

D. SITE CONTROL

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

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

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

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

1. Type of Site Control by Owner:

Applicant controls site by (select one):

Select Type: ▶ Purchase Contract

Expiration Date: 12/2/2025

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..... 12/2/2025 .

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:

Pinecrest Brunswick, LLC

Address:

919 E. Main Street, Suite 1400

City:

Richmond

 St.:

VA

 Zip:

23219

Contact Person:

Samuel A. Jones

 Phone:

(804) 644-1020

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

FALSE

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

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

Names	Phone	Type Ownership	% Ownership
			0.00%
			0.00%
			0.00%
			0.00%
			0.00%
			0.00%
			0.00%

E. DEVELOPMENT TEAM INFORMATION

Complete the following as applicable to your development team.

- Indicate either DEI (Diversity, Equity, and Inclusion) or Veteran Owned Small Business designation (as defined in the manual) that you would like to assign to each contract (if applicable). Each contract can only be assigned to one designation. You can mark True for 3 contracts per each designation to receive the full 10 points.

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

1. Tax Attorney:	Warren P. Wenzloff	This is a Related Entity.	FALSE
Firm Name:	Applegate & Thorne-Thomsen	DEI Designation?	FALSE OR
Address:	425 S. Financial Place, Suite 1900	Veteran Owned Small Bus?	FALSE
City, State, Zip	Chicago, IL 60605		
Email:	wwenzloff@att-law.com	Phone:	(312) 491-3321
2. Tax Accountant:	Mindy Reed	This is a Related Entity.	FALSE
Firm Name:	Eisner Amper LLP	DEI Designation?	FALSE OR
Address:	3595 Grandview Pkwy Ste 500	Veteran Owned Small Bus?	FALSE
City, State, Zip	Birmingham, AL 35243		
Email:	mindy.reed@eisneramper.com	Phone:	205-271-5523
3. Consultant:	Ryne Johnson	This is a Related Entity.	FALSE
Firm Name:	Astoria, LLC	DEI Designation?	FALSE OR
Address:	3450 Lady Marian Ct.	Veteran Owned Small Bus?	FALSE
City, State, Zip	Midlothian, VA 23113	Role:	Consultant
Email:	Rynejohnson@AstoriaLLC.com	Phone:	(804) 339-7205
4. Management Entity:	Cynamon Willis	This is a Related Entity.	FALSE
Firm Name:	Ambling Management Company, LLC	DEI Designation?	FALSE OR
Address:	348 Enterprise Drive	Veteran Owned Small Bus?	FALSE
City, State, Zip	Valdosta, GA 31601		
Email:	cwillis@ambling.com	Phone:	312-656-0596
5. Contractor:	Dave Purdy	This is a Related Entity.	FALSE
Firm Name:	The Walsh Group	DEI Designation?	FALSE OR
Address:	929 West Adams Street	Veteran Owned Small Bus?	FALSE
City, State, Zip	Chicago, IL 60607		
Email:	dpurdy@walshgroup.com	Phone:	312-563-5400
6. Architect:	Mark Olson	This is a Related Entity.	FALSE
Firm Name:	Bialosky Cleveland	DEI Designation?	FALSE OR
Address:	6555 Carnegie Avenue, Suite 200	Veteran Owned Small Bus?	FALSE
City, State, Zip	Cleveland, OH 44103		
Email:	olson@bialosky.com	Phone:	(216) 752-8750

E. DEVELOPMENT TEAM INFORMATION

7. Real Estate Attorney:	Warren P. Wenzloff	This is a Related Entity.	FALSE
Firm Name:	Applegate & Thorne-Thomsen	DEI Designation?	FALSE OR
Address:	425 S. Financial Place, Suite 1900	Veteran Owned Small Bus?	FALSE
City, State, Zip	Chicago, IL 60605		
Email:	wwenzloff@att-law.com	Phone:	(312) 491-3321
8. Mortgage Banker:		This is a Related Entity.	FALSE
Firm Name:		DEI Designation?	FALSE OR
Address:		Veteran Owned Small Bus?	FALSE
City, State, Zip			
Email:		Phone:	
9. Other 1:		This is a Related Entity.	FALSE
Firm Name:		DEI Designation?	FALSE OR
Address:		Veteran Owned Small Bus?	FALSE
City, State, Zip		Role:	
Email:		Phone:	
10. Other 2:		This is a Related Entity.	FALSE
Firm Name:		DEI Designation?	FALSE OR
Address:		Veteran Owned Small Bus?	FALSE
City, State, Zip		Role:	
Email:		Phone:	
11. Other 3:		This is a Related Entity.	FALSE
Firm Name:		DEI Designation?	FALSE OR
Address:		Veteran Owned Small Bus?	FALSE
City, State, Zip		Role:	
Email:		Phone:	
12. Other 4:		This is a Related Entity.	FALSE
Firm Name:		DEI Designation?	FALSE OR
Address:		Veteran Owned Small Bus?	FALSE
City, State, Zip		Role:	
Email:		Phone:	
13. Other 5:		This is a Related Entity.	FALSE
Firm Name:		DEI Designation?	FALSE OR
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..... **TRUE**

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..... **TRUE**
 If so, when was the most recent year that this development received credits? **2001**
 If this is a preservation deal,
 what date did this development enter its Extended Use Agreement period? **3/1/2016**

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

2. Ten-Year Rule For Acquisition Credits

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

- 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)..... **TRUE**

- 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..... TRUE
- 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)..... TRUE

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)

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

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

B. Type of involvement:

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

or

Nonprofit meets eligibility requirements for nonprofit pool and points..... FALSE

C. Identity of Nonprofit (All nonprofit applicants):

The nonprofit organization involved in this development is: ▶

Name:

Contact Person:

Street Address:

City:

State: ▶

Zip:

Phone:

Contact Email:

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

Specify the nonprofit entity's percentage ownership of the general partnership interest: 0.0%

G. NONPROFIT INVOLVEMENT

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

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

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

Name of qualified nonprofit:

or indicate true if Local Housing Authority.....FALSE

Name of Local Housing Authority

B. FALSE A qualified nonprofit or local housing authority submits a homeownership plan committing to sell the units in the development after the mandatory 15-year compliance period to tenants whose incomes shall not exceed the applicable income limit at the time of their initial occupancy.
Do not select if extended compliance is selected on Request Info Tab
Action: Provide Homeownership Plan (TAB N) and contact Virginia Housing for a Pre-Application 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	70	bedrooms	184
Total number of rental units in development	70	bedrooms	184
Number of low-income rental units	70	bedrooms	184
Percentage of rental units designated low-income	100.00%		
b. Number of new units:.....	0	bedrooms	0
Number of adaptive reuse units:	0	bedrooms	0
Number of rehab units:.....	70	bedrooms	184
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.....		69,132.00	(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.....		69,132.00	(Sq. ft.)
h. Percentage of Net Rentable Square Feet Deemed To Be New Rental Space		0.00%	
i. Exact area of site in acres	15.000		
j. Locality has approved a final site plan or plan of development.....		TRUE	
If True , Provide required documentation (TAB O).			
k. Requirement as of 2016: Site must be properly zoned for proposed development.			
ACTION: Provide required zoning documentation (MANDATORY TAB G)			
l. Development is eligible for Historic Rehab credits.....		FALSE	

Definition:

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

H. STRUCTURE AND UNITS INFORMATION**2. UNIT MIX**a. Specify the **average size and number per unit type (as indicated in the Architect's Certification):***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
Supportive Housing	0.00	SF	0	0
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	907.00	SF	32	32
3BR Garden	1001.00	SF	32	32
4BR Garden	0.00	SF	0	0
2+ Story 2BR Townhouse	0.00	SF	0	0
2+ Story 3BR Townhouse	0.00	SF	0	0
2+ Story 4BR Townhouse	1346.00	SF	6	6
			70	70

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

3. Structuresa. Number of Buildings (containing rental units)..... **9**b. Age of Structure:..... **44** yearsc. Maximum Number of stories:..... **2**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 any structural elements made of wood).....**TRUE**ii. Mid Rise Building(s) - (5-7 stories with no structural elements made of wood).....**FALSE**iii. High Rise Building(s) - (8 or more stories with no structural elements made of wood).....**FALSE**g. Indicate **True** for all development's structural features that apply:

i. Row House/Townhouse

FALSE

v. Detached Single-family

FALSE

ii. Garden Apartments

TRUE

vi. Detached Two-family

FALSE

iii. Slab on Grade

TRUE

vii. Basement

FALSE

iv. Crawl space

FALSE

h. Development contains an elevator(s).

FALSE

If true, # of Elevators.

0

Elevator Type (if known)

H. STRUCTURE AND UNITS INFORMATION

- | | | |
|----------------------------|---|-------------|
| i. Roof Type | ▶ | Pitched |
| j. Construction Type | ▶ | Frame |
| k. Primary Exterior Finish | ▶ | Combination |

4. Site Amenities (indicate all proposed)

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

- | | |
|-----------------------------------|---|
| l. Describe Community Facilities: | Community room, business center, fitness room |
|-----------------------------------|---|

- | | |
|---------------------------------------|-------|
| m. Number of Proposed Parking Spaces | 146 |
| Parking is shared with another entity | FALSE |

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

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

5. Plans and Specifications

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

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

Notes must indicate basic materials in structure, floor and exterior finish.

- b. The following are due at reservation for Tax Exempt 4% Applications and at allocation for 9% Applications.

- i. Phase I environmental assessment.
- ii. Physical needs assessment for any rehab only development.

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

J. ENHANCEMENTS

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

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

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

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

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

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

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

- | | |
|--------|--|
| TRUE | a. A community/meeting room with a minimum of 749 square feet is provided with free WIFI access restricted to residents only. |
| 40.00% | b1. Percentage of brick covering the exterior walls. |
| 0.00% | b2. Percentage of Fiber Cement Board or other similar low-maintenance material approved by the Authority covering exterior walls. Community buildings are to be included in percentage calculations. |
| TRUE | c. All kitchen light fixtures are LED and meet MDCR lighting guidelines. |
| 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. |
| TRUE | h. Rehab Only: Each unit is provided with the necessary infrastructure for high-speed internet/broadband service. |
| TRUE | 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

- ☐ 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

☐ FALSE Enterprise Green Communities (EGC) Certification
- Action:** If seeking any points associated Green certification, provide appropriate documentation at **TAB F**.
- b. Applicant will pursue one of the following certifications to be awarded points on a future development application. (Failure to reach this goal will not result in a penalty.)
- ☐ FALSE 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.

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

0% of Total Rental Units

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

If not, please explain:



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

1 TC Application Version 2025-4 - Pinecrest DRAFT V4

Enhancements, printed 2

I. UTILITIES

1. Utilities Types:

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

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

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

Utilities	Enter Allowances by Bedroom Size				
	0-BR	1-BR	2-BR	3-BR	4-BR
Heating	0	0	109	125	165
Air Conditioning	0	0	0	0	0
Cooking	0	0	0	0	0
Lighting	0	0	0	0	0
Hot Water	0	0	0	0	0
Water	0	0	0	0	0
Sewer	0	0	0	0	0
Trash	0	0	0	0	0
Total utility allowance for costs paid by tenant	\$0	\$0	\$109	\$125	\$165

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

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

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)
If Supportive Housing is True: Will the supportive housing consist of units designated for tenants that are homeless or at risk of homelessness?
- FALSE
- Action:** Provide Permanent Supportive Housing Certification (**Tab S**)
- b. The development has existing tenants and a relocation plan has been developed.....

TRUE
- (If **True**, Virginia Housing policy requires that the impact of economic and/or physical displacement on those tenants be minimized, in which Owners agree to abide by the Authority's Relocation Guidelines for LIHTC properties as described in the manual.)
- Action:** Provide Relocation Plan, Budget and Unit Delivery Schedule (**Mandatory if tenants are displaced - Tab J**)

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

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

Organization which holds waiting list: _____

Contact person: Montinique Ellis

Title: Area Manager

Phone Number: (804) 729-6056

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

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

- c. Specify the number of low-income units that will serve individuals and families with children by providing three or more bedrooms: 38
% of total Low Income Units 54%

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

[Download Current CMA List from VirginiaHousing.com](https://www.virginiahousing.com)

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: _____

Last Name: _____

Phone Number: _____

Email: _____

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:

70

How many years in rental assistance contract?

20.00

Expiration date of contract:

12/1/2045

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
70	100.00%	60% Area Median
0	0.00%	70% Area Median
0	0.00%	80% Area Median
0	0.00%	Market Units
70	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
36	51.43%	50% Area Median
34	48.57%	60% Area Median
0	0.00%	70% Area Median
0	0.00%	80% Area Median
0	0.00%	Market Units
70	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 ☐ TRUE

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

2. Unit Mix Grid

FOR YOUR CONVENIENCE, COPY AND PASTE IS ALLOWED WITHIN UNIT MIX GRID

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



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

	Unit Type (Select One)	Rent Target (Select One)	Number of Units	# of Units 504 compliant	Net Rentable Square Feet	Monthly Rent Per Unit	Total Monthly Rent
Mix 1	2 BR - 1 Bath	50% AMI	17		907.00	\$1,200.00	\$20,400
Mix 2	2 BR - 1 Bath	60% AMI	15		907.00	\$1,200.00	\$18,000
Mix 3	3 BR - 1.5 Bath	50% AMI	17		1001.00	\$1,445.00	\$24,565
Mix 4	3 BR - 1.5 Bath	60% AMI	15	4	1001.00	\$1,445.00	\$21,675
Mix 5	4 BR - 2 Bath	50% AMI	2		1346.00	\$1,660.00	\$3,320
Mix 6	4 BR - 2 Bath	60% AMI	4		1346.00	\$1,660.00	\$6,640
Mix 7							\$0
Mix 8							\$0
Mix 9							\$0
Mix 10							\$0
Mix 11							\$0
Mix 12							\$0
Mix 13							\$0
Mix 14							\$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
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Mix 55								\$0
Mix 56								\$0
Mix 57								\$0
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Mix 59								\$0
Mix 60								\$0
Mix 61								\$0
Mix 62								\$0
Mix 63								\$0
Mix 64								\$0
Mix 65								\$0
Mix 66								\$0
Mix 67								\$0

L. UNIT DETAILS

Mix 68							\$0
Mix 69							\$0
Mix 70							\$0
Mix 71							\$0
Mix 72							\$0
Mix 73							\$0
Mix 74							\$0
Mix 75							\$0
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			70	4			\$94,600

Total Units	70	Net Rentable SF:	TC Units	69,132.00
			MKT Units	0.00
			Total NR SF:	69,132.00

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

M. OPERATING EXPENSES**Administrative:**

Use Whole Numbers Only!

1. Advertising/Marketing			\$750
2. Office Salaries			\$0
3. Office Supplies			\$10,000
4. Office/Model Apartment	(type		\$0
5. Management Fee			\$43,206
4.00% of EGI	\$617.23	Per Unit	
6. Manager Salaries			\$50,000
7. Staff Unit (s)	(type		\$0
8. Legal			\$5,000
9. Auditing			\$9,000
10. Bookkeeping/Accounting Fees			\$3,850
11. Telephone & Answering Service			\$7,500
12. Tax Credit Monitoring Fee			\$3,150
13. Miscellaneous Administrative			\$10,000
Total Administrative			\$142,456

Utilities

14. Fuel Oil		\$0
15. Electricity		\$9,000
16. Water		\$37,500
17. Gas		\$0
18. Sewer		\$37,500
Total Utility		\$84,000

Operating:

19. Janitor/Cleaning Payroll		\$0
20. Janitor/Cleaning Supplies		\$0
21. Janitor/Cleaning Contract		\$0
22. Exterminating		\$5,000
23. Trash Removal		\$6,000
24. Security Payroll/Contract		\$3,300
25. Grounds Payroll		\$0
26. Grounds Supplies		\$0
27. Grounds Contract		\$15,000
28. Maintenance/Repairs Payroll		\$90,000
29. Repairs/Material		\$12,000
30. Repairs Contract		\$0
31. Elevator Maintenance/Contract		\$0
32. Heating/Cooling Repairs & Maintenance		\$2,000
33. Pool Maintenance/Contract/Staff		\$0
34. Snow Removal		\$200
35. Decorating/Payroll/Contract		\$12,000
36. Decorating Supplies		\$0
37. Miscellaneous		\$10,500
Totals Operating & Maintenance		\$156,000

M. OPERATING EXPENSES**Taxes & Insurance**

38. Real Estate Taxes		\$21,173
39. Payroll Taxes		\$8,050
40. Miscellaneous Taxes/Licenses/Permits		\$500
41. Property & Liability Insurance	\$700 per unit	\$49,000
42. Fidelity Bond		\$0
43. Workman's Compensation		\$3,300
44. Health Insurance & Employee Benefits		\$28,500
45. Other Insurance		\$0
Total Taxes & Insurance		\$110,523

Total Operating Expense**\$492,979**

**Total Operating
Expenses Per Unit**

\$7,043

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

45.64%

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

\$21,000**Total Expenses****\$513,979**

N. PROJECT SCHEDULE

ACTIVITY	ACTUAL OR ANTICIPATED DATE	NAME OF RESPONSIBLE PERSON
1. SITE		
a. Option/Contract	3/7/2025	Peter Wallace
b. Site Acquisition	12/1/2025	Peter Wallace
c. Zoning Approval	N/A	
d. Site Plan Approval	N/A	
2. Financing		
a. Construction Loan		
i. Loan Application	5/30/2025	Peter Wallace
ii. Conditional Commitment	6/30/2025	Peter Wallace
iii. Firm Commitment	9/30/2025	Peter Wallace
b. Permanent Loan - First Lien		
i. Loan Application	5/30/2025	Peter Wallace
ii. Conditional Commitment	6/30/2025	Peter Wallace
iii. Firm Commitment	9/30/2025	Peter Wallace
c. Permanent Loan-Second Lien		
i. Loan Application	N/A	
ii. Conditional Commitment	N/A	
iii. Firm Commitment	N/A	
d. Other Loans & Grants		
i. Type & Source, List	N/A	
ii. Application	N/A	
iii. Award/Commitment	N/A	
2. Formation of Owner	4/21/2025	Peter Wallace
3. IRS Approval of Nonprofit Status	N/A	
4. Closing and Transfer of Property to Owner	12/1/2025	Peter Wallace
5. Plans and Specifications, Working Drawings	8/1/2025	Peter Wallace
6. Building Permit Issued by Local Government	11/1/2025	Peter Wallace
7. Start Construction	2/1/2026	Peter Wallace
8. Begin Lease-up	12/1/2025	Peter Wallace
9. Complete Construction	11/1/2026	Peter Wallace
10. Complete Lease-Up	5/1/2027	Peter Wallace
11. Credit Placed in Service Date	5/1/2027	Peter Wallace

O. PROJECT BUDGET - HARD COSTS

Cost/Basis/Maximum Allowable Credit

Complete cost column and basis column(s) as appropriate

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

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

Must Use Whole Numbers Only!		Amount of Cost up to 100% Includable in Eligible Basis--Use Applicable Column(s):		
Item	(A) Cost	"30% Present Value Credit"		(D)
		(B) Acquisition	(C) Rehab/ New Construction	"70 % Present Value Credit"
1. Contractor Cost				
a. Unit Structures (New)	0	0	0	0
b. Unit Structures (Rehab)	4,200,000	0	4,200,000	0
c. Non Residential Structures	0	0	0	0
d. Commercial Space Costs	0	0	0	0
<input type="checkbox"/> e. Structured Parking Garage	0	0	0	0
Total Structure	4,200,000	0	4,200,000	0
f. Earthwork	0	0	0	0
g. Site Utilities	0	0	0	0
<input type="checkbox"/> h. Renewable Energy	0	0	0	0
i. Roads & Walks	0	0	0	0
j. Site Improvements	0	0	0	0
k. Lawns & Planting	0	0	0	0
l. Engineering	0	0	0	0
m. Off-Site Improvements	0	0	0	0
n. Site Environmental Mitigation	0	0	0	0
o. Demolition	0	0	0	0
p. Site Work	0	0	0	0
q. Hard Cost Contingency	488,376	0	488,376	0
Total Land Improvements	488,376	0	488,376	0
Total Structure and Land	4,688,376	0	4,688,376	0
r. General Requirements	252,000	0	252,000	0
s. Builder's Overhead	84,000	0	84,000	0
(1.8% Contract)				
t. Builder's Profit	252,000	0	252,000	0
(5.4% Contract)				
u. Bonds	47,880	0	47,880	0
v. Building Permits	100,000	0	100,000	0
w. Special Construction	0	0	0	0
x. Special Equipment	0	0	0	0
y. Other 1: Contractor's Liability	47,880	0	47,880	0
z. Other 2:	0	0	0	0
aa. Other 3:	0	0	0	0
Contractor Costs	\$5,472,136	\$0	\$5,472,136	\$0

Construction cost per unit: \$78,173.37

MAXIMUM COMBINED GR, OVERHEAD & PROFIT = \$656,373

ACTUAL COMBINED GR, OVERHEAD & PROFIT = \$588,000

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!	(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		0	0	0
b. Architecture/Engineering Design Fee \$1,643 /Unit)	115,000	0	115,000	0
c. Architecture Supervision Fee \$857 /Unit)	60,000	0	60,000	0
d. Tap Fees	0	0	0	0
e. Environmental	106,000	0	106,000	0
f. Soil Borings	0	0	0	0
g. Green Building (Earthcraft, LEED, etc.)	0	0	0	0
h. Appraisal	20,000	0	20,000	0
i. Market Study	20,000	0	20,000	0
j. Site Engineering / Survey	30,000	0	30,000	0
k. Construction/Development Mgt	0	0	0	0
l. Structural/Mechanical Study	10,000	0	10,000	0
m. Construction Loan Origination Fee	103,243	0	103,243	0
n. Construction Interest (0.0% for 0 months)	400,017	0	400,017	0
o. Taxes During Construction	42,346	0	42,346	0
p. Insurance During Construction	98,000	0	98,000	0
q. Permanent Loan Fee (0.0%)	0			
r. Other Permanent Loan Fees	0			
s. Letter of Credit	0	0	0	0
t. Cost Certification Fee	0	0	0	0
u. Accounting	9,000	0	0	0
v. Title and Recording	100,000	0	100,000	0
w. Legal Fees for Closing	505,000	0	493,000	0
x. Mortgage Banker	0	0	0	0
y. Tax Credit Fee	36,394			
z. Tenant Relocation	698,377			
aa. Fixtures, Furnitures and Equipment	0	0	0	0
ab. Organization Costs	0			
ac. Operating Reserve	492,840			
ad. Soft Costs Contingency	150,000			
ae. Security	0	0	0	0
af. Utilities	0	0	0	0
ag. Supportive Service Reserves	0			

O. PROJECT BUDGET - OWNER COSTS

(1) Other* specify:	Initial MIP Deposit	35,950	0	35,950	0
(2) Other* specify:	Other Lender Fees/Costs	129,220	0	129,220	0
(3) Other* specify:	Lender Third Party Fees	45,000	0	45,000	0
(4) Other* specify:	Arch & Cost Review	40,000	0	40,000	0
(5) Other * specify:	Bond-related Fees/Costs	32,775	0	30,275	0
(6) Other* specify:	Equity Bridge Loan Fees	25,000	0	25,000	0
(7) Other* specify:	LIHTC Investor DD Fee	50,000	0	0	0
(8) Other* specify:	Travel & Misc	25,000	0	0	0
(9) Other* specify:		0	0	0	0
Owner Costs Subtotal (Sum 2A..2(10))		\$3,379,162	\$0	\$1,903,051	\$0
Subtotal 1 + 2 (Owner + Contractor Costs)		\$8,851,298	\$0	\$7,375,187	\$0
3. Developer's Fees		1,286,598	185,620	1,100,978	0
4. Owner's Acquisition Costs					
Land		420,000			
Existing Improvements		1,436,200	1,436,200		
Subtotal 4:		\$1,856,200	\$1,436,200		
5. Total Development Costs					
Subtotal 1+2+3+4:		\$11,994,096	\$1,621,820	\$8,476,165	\$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:

\$1,286,600

Proposed Development's Cost per Sq Foot	\$147	Meets Limits
Applicable Cost Limit by Square Foot:	\$201	

Proposed Development's Cost per Unit	\$144,827	Meets Limits
Applicable Cost Limit per Unit:	\$233,654	

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	11,994,096	1,621,820	8,476,165	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)		1,621,820	8,476,165	0
4. Adjustment(s) to Eligible Basis (For non-acquisition costs in eligible basis)				
a. For QCT or DDA (Eligible Basis x 30%) <i>State Designated Basis Boosts:</i>			2,542,850	0
b. For Revitalization or Supportive Housing (Eligible Basis x 30%)			0	0
c. For Green Certification (Eligible Basis x 10%)				0
Total Adjusted Eligible basis			11,019,015	0
5. Applicable Fraction		100.00000%	100.00000%	100.00000%
6. Total Qualified Basis (Eligible Basis x Applicable Fraction)		1,621,820	11,019,015	0
7. Applicable Percentage		4.00%	4.00%	9.00%
8. Maximum Allowable Credit under IRC §42 (Qualified Basis x Applicable Percentage)		\$64,873	\$440,761	\$0
(Must be same as BIN total and equal to or less than credit amount allowed)		\$505,634 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. Brunswick County IDA			\$6,100,000	
2. FHA 221(d)(4)			\$1,090,000	
3.				
Total Construction Funding:			\$7,190,000	

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

Source of Funds	Date of Application	Date of Commitment	(Whole Numbers only)		Interest Rate of Loan	Amortization Period IN YEARS	Term of Loan (years)
			Amount of Funds	Annual Debt Service Cost			
1. FHA 221(d)(4)			\$7,190,000	\$489,846	6.25%	40	40
2.							
3.							
4.							
5.							
6.							
7.							
8.							
9.							
10.							
Total Permanent Funding:			\$7,190,000	\$489,846			

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

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

Q. SOURCES OF FUNDS**4. Subsidized Funding**

	Source of Funds	Date of Commitment	Amount of Funds
1.			\$0
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..... **FALSE**

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	\$6,100,000
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	\$0
k.	Other:	\$0
l.	Other:	\$0

Grants*

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

Market-Rate Loans

a.	Taxable Bonds	\$0
b.	Section 220	\$0
c.	Section 221(d)(3)	\$0
d.	Section 221(d)(4)	\$7,190,000
e.	Section 236	\$0
f.	Section 223(f)	\$0
g.	Other:	\$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.

Q. SOURCES OF FUNDS

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

For purposes of the 50% Test, and based only on the data entered to this application, the portion of the aggregate basis of buildings and land financed with tax-exempt funds is: 58.00%

7. Some of the development's financing has credit enhancements..... FALSE
If True, list which financing and describe the credit enhancement:

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

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

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

c. FALSE Other

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

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

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

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

Amount of State HOTC	\$0	x Equity \$	\$0.000	=	\$0
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c. Equity that Sponsor will Fund:

i. Cash Investment	\$0	
ii. Contributed Land/Building	\$0	
iii. Deferred Developer Fee	\$407,881	(Note: Deferred Developer Fee cannot be negative.)
iv. 45L Credit Equity	\$0	
v. Other: <u>Net Operating Income</u>	\$401,711	

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 \$809,592

2. Equity Gap Calculation

a. Total Development Cost		\$11,994,096
b. Total of Permanent Funding, Grants and Equity	-	\$7,999,592
c. Equity Gap		\$3,994,504
d. Developer Equity	-	\$398
e. Equity gap to be funded with low-income tax credit proceeds		\$3,994,106

3. Syndication Information (If Applicable)

a. Actual or Anticipated Name of Syndicator:			
Contact Person:	<u>Drew Foster (Huntington Bank)</u>	Phone:	<u>614-331-5402</u>
Street Address:	<u>41 South High Street, HC0542</u>		
City:	<u>Columbus</u>	State:	<u>Ohio</u>
		Zip:	<u>43215</u>

b. Syndication Equity

i. Anticipated Annual Credits	\$505,634.00
ii. Equity Dollars Per Credit (e.g., \$0.85 per dollar of credit)	\$0.790
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	\$505,583
vi. Total to be paid by anticipated users of credit (e.g., limited partners)	\$3,994,106

c. Syndication:	<u>Private</u>
d. Investors:	<u>Corporate</u>

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 \$3,994,106

5. Net Equity Factor

Must be equal to or greater than 85%, unless the applicant has an approved waiver 78.9999377128%

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		\$11,994,096
2. Less Total of Permanent Funding, Grants and Equity	-	\$7,999,592
3. Equals Equity Gap		\$3,994,504
4. Divided by Net Equity Factor (Percent of 10-year credit expected to be raised as equity investment)		78.9999377128%
5. Equals Ten-Year Credit Amount Needed to Fund Gap		\$5,056,338
Divided by ten years		10
6. Equals Annual Tax Credit Required to Fund the Equity Gap		\$505,634
7. Maximum Allowable Credit Amount (from Eligible Basis Calculation)		\$505,634
8. Requested Credit Amount	For 30% PV Credit:	\$505,634
	For 70% PV Credit:	\$0
Credit per LI Units	\$7,223.3429	
Credit per LI Bedroom	\$2,748.0109	
Combined 30% & 70% PV Credit Requested		\$505,634

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	\$94,600
Plus Other Income Source (list): Laundry + Tenant Charges + Misc	\$146
Equals Total Monthly Income:	\$94,746
Twelve Months	x12
Equals Annual Gross Potential Income	\$1,136,950
Less Vacancy Allowance 5.0%	\$56,848
Equals Annual Effective Gross Income (EGI) - Low Income Units	\$1,080,103

Warning: Documentation must be submitted to support vacancy rate of less than 7%.**2. Indicate the estimated monthly income for the Market Rate Units (based on Unit Details tab):**

Total Monthly Income for Market Rate Units:	\$0
Plus Other Income Source (list):	\$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	\$1,080,103
b. Annual EGI Market Units	\$0
c. Total Effective Gross Income	\$1,080,103
d. Total Expenses	\$513,979
e. Net Operating Income	\$566,124
f. Total Annual Debt Service	\$489,846
g. Cash Flow Available for Distribution	\$76,278

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	1,080,103	1,101,705	1,123,739	1,146,213	1,169,138
Less Oper. Expenses	513,979	529,398	545,280	561,639	578,488
Net Income	566,124	572,306	578,458	584,575	590,650
Less Debt Service	489,846	489,846	489,846	489,846	489,846
Cash Flow	76,278	82,460	88,612	94,729	100,804
Debt Coverage Ratio	1.16	1.17	1.18	1.19	1.21

	Year 6	Year 7	Year 8	Year 9	Year 10
Eff. Gross Income	1,192,520	1,216,371	1,240,698	1,265,512	1,290,822
Less Oper. Expenses	595,843	613,718	632,129	651,093	670,626
Net Income	596,678	602,653	608,569	614,419	620,196
Less Debt Service	489,846	489,846	489,846	489,846	489,846
Cash Flow	106,832	112,807	118,723	124,573	130,350
Debt Coverage Ratio	1.22	1.23	1.24	1.25	1.27

	Year 11	Year 12	Year 13	Year 14	Year 15
Eff. Gross Income	1,316,639	1,342,972	1,369,831	1,397,228	1,425,172
Less Oper. Expenses	690,745	711,467	732,811	754,795	777,439
Net Income	625,894	631,505	637,020	642,432	647,733
Less Debt Service	489,846	489,846	489,846	489,846	489,846
Cash Flow	136,048	141,659	147,174	152,586	157,887
Debt Coverage Ratio	1.28	1.29	1.30	1.31	1.32

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: 9

Total Qualified Basis should equal total on Elig Basis Tab

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

Bldg #	BIN if known	NUMBER OF		Please help us with the process: DO NOT use the CUT feature DO NOT SKIP LINES BETWEEN BUILDINGS				30% Present Value Credit for Acquisition				30% Present Value Credit for Rehab / New Construction				70% Present Value Credit			
		TAX CREDIT UNITS	MARKET RATE UNITS					Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount	Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount	Estimate Qualified Basis	Actual or Anticipated In-Service Date	Applicable Percentage	Credit Amount
				Street Address 1	Street Address 2	City	State	Zip											
1.	VA0002501	8		39 Crestview Road		Lawrenceville	VA	23868	\$185,350	12/01/25	4.00%	\$7,414	\$1,278,660	05/01/27	4.00%	\$51,146			\$0
2.	VA0002502	8		53 Crestview Road		Lawrenceville	VA	23868	\$185,350	12/01/25	4.00%	\$7,414	\$1,278,660	05/01/27	4.00%	\$51,146			\$0
3.	VA0002503	8		36 Crestview Road		Lawrenceville	VA	23868	\$185,350	12/01/25	4.00%	\$7,414	\$1,278,660	05/01/27	4.00%	\$51,146			\$0
4.	VA0002504	8		64 Crestview Road		Lawrenceville	VA	23868	\$185,350	12/01/25	4.00%	\$7,414	\$1,278,660	05/01/27	4.00%	\$51,146			\$0
5.	VA0002505	8		80 Crestview Road		Lawrenceville	VA	23868	\$185,350	12/01/25	4.00%	\$7,414	\$1,278,660	05/01/27	4.00%	\$51,146			\$0
6.	VA0002506	8		112 Crestview Road		Lawrenceville	VA	23868	\$185,350	12/01/25	4.00%	\$7,414	\$1,278,660	05/01/27	4.00%	\$51,146			\$0
7.	VA0002507	8		144 Crestview Road		Lawrenceville	VA	23868	\$185,350	12/01/25	4.00%	\$7,414	\$1,278,660	05/01/27	4.00%	\$51,146			\$0
8.	VA0002508	8		164 Crestview Road		Lawrenceville	VA	23868	\$185,350	12/01/25	4.00%	\$7,414	\$1,278,660	05/01/27	4.00%	\$51,146			\$0
9.	VA0002509	6		168,170,172,174,176,178 Crestview Road		Lawrenceville	VA	23868	\$139,020	12/01/25	4.00%	\$5,561	\$959,002	05/01/27	4.00%	\$38,360			\$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

70 0 If development has more than 35 buildings, contact Virginia Housing.

Totals from all buildings

\$1,621,820

\$11,188,282

\$0

\$64,873

\$447,531

\$0

Qualified basis should not exceed values on Elig Basis.

Number of BINS: 9

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: TTG Pinecrest Limited Partnership

a Virginia limited partnership

By: 

Its: Charles Treatch, Co-Manager of General Partner


(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:	Mark Olson
Virginia License#:	17781
Architecture Firm or Company:	Bialosky + Partners Architects

By:	
Its:	Principal
	(Title)

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

V. Previous Participation Certification**Development Name:** Pinecrest Apartments**Name of Applicant (entity):** TTG Pinecrest Limited Partnership

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:

- “Principal” has the same meaning as defined within the QAP, but as applied to each specific property referenced within this Certification.
- “Participant” means the Principals of the Owner who will participate in the ownership of the Development identified above and includes Principals who may not be required to be individually listed within a Schedule A attached hereto.

Accordingly, I hereby certify the following:

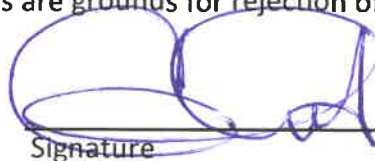
1. All the statements made within this Certification are true, complete and correct to the best of my knowledge and belief and are made in good faith, including the data contained in Schedule A and any statements attached to this certification, and I will immediately alert Virginia Housing should I become aware of any information prior to the application deadline which may render my statements herein false or misleading.
2. During any time 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.
3. During any time that any of the Participants were Principals in an owner(s) of any multifamily rental property, no such owner(s) 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.
4. That at no time have any Participants listed in this certification been required to turn in a property to the investor or been removed from a multifamily rental property ownership structure.
5. There are no unresolved findings raised as a result of state or federal audits, management reviews or other governmental investigations concerning any multifamily rental property in which any of the Participants were Principals.
6. During any time that any of the Participants were Principals in any multifamily rental property, there has not been a suspension or termination of payments under any state or federal assistance contract for such property.
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.

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8. None of the Participants have been suspended, debarred or otherwise restricted by any federal or state governmental entity from doing business with such governmental entity.
9. None of the Participants have defaulted on an obligation covered by a surety or performance bond and has not been the subject of a claim under an employee fidelity bond.
10. No Participant is a Virginia Housing employee or a member of the immediate household of any Virginia Housing employee.
11. None of the Participants participate in the ownership of a multifamily rental housing property as of this date on which construction has stopped for a period in excess of 20 days or, in the case of a multifamily rental housing property assisted by any federal or state governmental entity, which has been substantially completed for more than 90 days but for which requisite documents for closing, such as the final cost certification, have not been filed with such governmental entity.
12. None of the Participants have been found by any federal or state governmental entity or court to be in noncompliance with any applicable civil rights, equal employment opportunity or fair housing laws or regulations.
13. No Participant was a principal in any multifamily rental property which has been found by any federal or state governmental entity or court to have failed to comply with Section 42 of the Internal Revenue Code of 1986, as amended, during the period of time in which the Participant was a Principal of the owner of such property (this does not refer to corrected 8823's).
14. No Participants are currently named as a defendant in a civil lawsuit arising out of their ownership or other participation in a multi-family housing development where the amount of damages sought by plaintiffs (i.e., the ad damnum clause) exceeds 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, I have attached a true and accurate statement to explain the relevant facts and circumstances.

Failure to disclose information about properties which have been found to be out of compliance or any material misrepresentations are grounds for rejection of an application and prohibition against future applications.



Signature

Charles Treatch

Printed Name

4/25/2025

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

Development Name: Pinecrest Apartments

Name of Applicant: TTG Pinecrest Limited Partnership

Principals' Name: Charles Treatch

#	Development Name	Location	Ownership Entity	Ownership Entity Phone	CGP or "Named" Managing Member at the time of deal?	Total Development Units	Total Low Income Units	Placed in Service Date	8609 Issued Date	Uncorrected 8823s? If Y, Explain at Tab D
1.	Banning Villa Apartments	Wilmington, CA	Banning Villa Preservation Limited Partnership	310-896-2938	N	90	90	3/15/2013	4/10/2015	N
2.	Norwalk Towers	Norwalk, CA	Norwalk Preservation Limited Partnership	310-896-2938	N	185	185	4/5/2013	4/10/2015	N
3.	Casa De Cortez Apartments	Fallbrook, CA	Cortez Preservation Limited Partnership	310-896-2938	N	32	32	11/23/2013	7/17/2015	N
4.	Lyn-Roc Senior Apartments	Rocklin, CA	Lynroc Preservation Limited Partnership	310-896-2938	N	67	67	8/30/2014	10/31/2017	N
5.	Canyon View Senior Apartments	Colfax, CA	Canyon View Preservation Limited Partnership	310-896-2938	N	67	67	12/29/2014	9/17/2017	N
6.	Huntington Villa Yorba Apartments	Huntington Beach, CA	Huntington Villa Yorba Preservation Limited Partnership	310-896-2938	N	198	198	12/29/2014	10/31/2017	N
7.	Village Center Senior Apartments	Anaheim, CA	Village Center Preservation Limited Partnership	310-896-2938	N	100	100	12/31/2014	10/31/2017	N
8.	Academy Square Apartments	Chicago, IL	Academy Square Preservation Limited Partnership	310-896-2938	N	200	200	1/29/2015	7/18/2016	N
9.	Auburn Villas Senior Apartments	Auburn, CA	Auburn Villa Preservation Limited Partnership	310-896-2938	N	50	50	4/30/2015	10/31/2017	N
10.	Marine Plaza Apartments	Port Townsend, WA	Marion Preservation Limited Partnership	310-896-2938	N	41	40	12/31/2015	12/31/2017	N
11.	Marion Court Apartments	Bremerton, WA	Marion Preservation Limited Partnership	310-896-2938	N	35	35	12/31/2015	12/31/2017	N
12.	Olympian Apartments	Olympia, WA	Marion Preservation Limited Partnership	310-896-2938	N	50	50	12/31/2015	12/31/2017	N
13.	Plum Tree West Apartments	Gilroy, CA	Plum Tree West Preservation Limited Partnership	310-896-2938	N	70	70	10/31/2016	3/31/2018	N
14.	Casa Del Pueblo Apartments	San Jose, CA	Casa Del Pueblo Preservation Limited Partnership	310-896-2938	N	165	165	12/31/2016	6/30/2018	N
15.	Daniel Flood Tower Apartments	Kingston, PA	Daniel Flood Preservation Limited Partnership	310-896-2938	N	210	210	12/31/2016	6/30/2018	N
16.	Groves at Manzanita	Carmichael, CA	Sac4 Preservation Limited Partnership	310-896-2938	N	89	89	12/31/2016	6/30/2018	N
17.	Kenneth Park	Carmichael, CA	Sac4 Preservation Limited Partnership	310-896-2938	N	97	97	12/31/2016	6/30/2018	N
18.	Summit at Fair Oaks	Fair Oaks, CA	Sac4 Preservation Limited Partnership	310-896-2938	N	70	70	12/31/2016	6/30/2018	N
19.	Sunrise Meadows	Rancho Cordova, CA	Sac4 Preservation Limited Partnership	310-896-2938	N	95	95	12/31/2016	6/30/2018	N
20.	Pleasant Valley Apartments	Conshohocken, PA	Pleasant Valley Preservation Limited Partnership	310-896-2938	N	41	40	12/31/2017	6/30/2019	N
21.	Rand Grove Village Apartments	Palatine, IL	Rand Grove Preservation Limited Partnership	310-896-2938	N	212	212	12/31/2017	9/30/2018	N
22.	Parkside Apartments	Everett, WA	Parkside Preservation Limited Partnership	310-896-2938	N	202	202	3/16/2018	6/30/2019	N
23.	Chehalis Apartments	Chehalis, WA	Chehalis Preservation Limited Partnership	310-896-2938	N	60	60	5/1/2018	1/1/2019	N
24.	Colonial Ridge	Colonial Heights, VA	Colonial Ridge Preservation Limited Partnership	310-896-2938	N	292	292	12/27/2017	2/26/2021	N
25.	Coventry Court I & II	Spokane, WA	Spokane 2 Preservation Limited Partnership	310-896-2938	N	169	169	12/11/2017	7/2/2019	N
26.	Allen Hills	Atlanta, GA	Allen Hills Preservation Limited Partnership	310-896-2938	N	458	458	3/1/2018	7/16/2021	N
27.	Rolling Bends I	Atlanta, GA	Rolling Bends I Preservation Limited Partnership	310-896-2938	N	164	164	3/1/2018	2/12/2021	N
28.	Southpark	Columbus, OH	Southpark Preservation Limited Partnership	310-896-2938	N	352	348	11/26/2018	10/30/2020	N
29.	Azalea Woods	Valdosta, GA	Azalea Woods Preservation Limited Partnership	310-896-2938	N	80	80	5/30/2019	2/12/2021	N

30.	Bay Country	Cambridge, MD	Bay Preservation Limited Partnership	310-896-2938	N	144	144	2/19/2019	3/2/2021	N
31.	Bryn Mawr	Chicago, IL	Bryn Mawr Preservation Limited Partnership	310-896-2938	N	100	99	11/25/2019	11/3/2022	N
32.	Headen House	St. Charles, MD	Headen Preservation Limited Partnership	310-896-2938	N	136	136	7/31/2018	3/2/2021	N
33.	Huntington MD	St. Charles, MD	Huntington Preservation Limited Partnership	310-896-2938	N	204	204	7/31/2018	3/23/2021	N
34.	Rolling Bends II	Atlanta, GA	Rolling Bends II Preservation Limited Partnership	310-896-2938	N	190	190	1/3/2019	6/22/2021	N
35.	Athens Gardens	Athens, GA	Athens Gardens Preservation Limited Partnership	310-896-2938	N	100	100	2/28/2020	4/14/2022	N

* Must have the ability to bind the LIHTC entity; document with Partnership/operating agreements and one 8609 (per entity/development) for a total of 6.

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. Universal Design Plans
- m. List of LIHTC Developments (Schedule A)

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
Y	Y or N	0

Total: 0.00

1. READINESS:

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

Y	0 or -50	0.00
N	0 or -25	0.00
Y	0 to 10	10.00
Y	0 or 10	10.00
N	0 or 15	0.00
N	0 or 15	0.00
Y	0 or 5	5.00
N	0 or 15	0.00

Total: 25.00

2. HOUSING NEEDS CHARACTERISTICS:

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

N	0 or up to 5	0.00
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
N	Up to 20	0.00

Total: 20.00

3. DEVELOPMENT CHARACTERISTICS:

a. Enhancements (See calculations below)			43.00
b. <removed for 2025>			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	N	0 or 10	0.00
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	12.00
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:			65.00

4. TENANT POPULATION CHARACTERISTICS:

Locality AMI	State AMI
\$62,800	\$73,300

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	54.29%	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	51.43%	Up to 25	0.00
or g. Units in LI Jurisdictions with rents <= 50% rented to tenants with <= 60% of AMI	51.43%	Up to 50	50.00
Total:			80.00

5. SPONSOR CHARACTERISTICS:

a. Socially Disadvantaged Principal owner 25% or greater	N	0 or 30	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	Up to 30	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 Diversity, Equity and Inclusion Designation	N	up to 10	0.00
g. Team member with Veteran Owned Small Business Certification	N	up to 10	0.00
h. Commitment to electronic payment of fees	Y	0 or 5	5.00
i. Zero Ready or Passive House certification from prior allocation	N	0 or 20	0.00
Total:			75.00

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

TOTAL SCORE: 309.50

Enhancements:

All units have:

	Max Pts	Score
a. Community Room	5	5.00
b. Exterior walls constructed with brick and other low maintenance materials	40	16.00
c. LED Kitchen Light Fixtures	2	2.00
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: Infrastructure for high speed internet/broadband	5	5.00
i. Each unit provided free individual high speed internet access	15	15.00
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

 43.00

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: 43.00

X. Development Summary

Summary Information

2025 Low-Income Housing Tax Credit Application For Reservation

Deal Name:	Pinecrest Apartments
------------	----------------------

Cycle Type:	4% Tax Exempt Bonds Credits	Requested Credit Amount:	\$505,634
Allocation Type:	Acquisition/Rehab	Jurisdiction:	Brunswick County
Total Units	70	Population Target:	General
Total LI Units	70		
Project Gross Sq Ft:	69,132.00	Owner Contact:	Charles Treatch
Green Certified?	FALSE		

Total Score
309.50

Source of Funds	Amount	Per Unit	Per Sq Ft	Annual Debt Service
Permanent Financing	\$7,190,000	\$102,714	\$104	\$489,846
Grants	\$0	\$0		
Subsidized Funding	\$0	\$0		

Uses of Funds - Actual Costs				
Type of Uses	Amount	Per Unit	Sq Ft	% of TDC
Improvements	\$4,688,376	\$66,977	\$68	39.09%
General Req/Overhead/Profit	\$588,000	\$8,400	\$9	4.90%
Other Contract Costs	\$195,760	\$2,797	\$3	1.63%
Owner Costs	\$3,379,162	\$48,274	\$49	28.17%
Acquisition	\$1,856,200	\$26,517	\$27	15.48%
Developer Fee	\$1,286,598	\$18,380	\$19	10.73%
Total Uses	\$11,994,096	\$171,344		

Income		
Gross Potential Income - LI Units	\$1,136,950	
Gross Potential Income - Mkt Units	\$0	
Subtotal	\$1,136,950	
Less Vacancy %	5.00%	\$56,848
Effective Gross Income	\$1,080,103	

Rental Assistance? TRUE

Expenses		
Category	Total	Per Unit
Administrative	\$142,456	\$2,035
Utilities	\$84,000	\$1,200
Operating & Maintenance	\$156,000	\$2,229
Taxes & Insurance	\$110,523	\$1,579
Total Operating Expenses	\$492,979	\$7,043
Replacement Reserves	\$21,000	\$300
Total Expenses	\$513,979	\$7,343

Cash Flow	
EGI	\$1,080,103
Total Expenses	\$513,979
Net Income	\$566,124
Debt Service	\$489,846
Debt Coverage Ratio (YR1):	1.16

Total Development Costs	
-------------------------	--

Total Improvements	\$8,851,298
Land Acquisition	\$1,856,200
Developer Fee	\$1,286,598
Total Development Costs	\$11,994,096

Proposed Cost Limit/Sq Ft:	\$147
Applicable Cost Limit/Sq Ft:	\$201
Proposed Cost Limit/Unit:	\$144,827
Applicable Cost Limit/Unit:	\$233,654

Unit Breakdown	
Supp Hsg	0
# of Eff	0
# of 1BR	0
# of 2BR	32
# of 3BR	32
# of 4+ BR	6
Total Units	70

	Income Levels	Rent Levels
	# of Units	# of Units
<=30% AMI	0	0
40% AMI	0	0
50% AMI	0	36
60% AMI	70	34
>60% AMI	0	0
Market	0	0

Income Averaging? FALSE

Extended Use Restriction? 50

Y. Efficient Use of Resources

Credit Points (updated in 2025):

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	\$505,634
Credit Requested	\$505,634
% of Savings	0.00%
Sliding Scale Points	44.5

Development Name: Pinecrest Apartments

Name of Applicant: TTG Pinecrest Limited Partnership

Principals' Name: Charles Treatch (PAGE 2)

#	Development Name	Location	Ownership Entity	Ownership Entity Phone	CGP or "Named" Managing Member at the time of deal?	Total Development Units	Total Low Income Units	Placed in Service Date	8609 Issued Date	Uncorrected 8823s? If Y, Explain at Tab D
1.	Calhoun Gardens	Calhoun, GA	Calhoun Gardens Preservation Limited Partnership	310-896-2938	N	76	76	2/28/2020	4/14/2022	N
2.	Cartersville	Cartersville, GA	Cartersville Gardens Preservation Limited Partnership	310-896-2938	N	100	100	2/28/2020	4/14/2022	N
3.	Catoosa Gardens	Catoosa, GA	Catoosa Gardens Preservation Limited Partnership	310-896-2938	N	101	101	2/28/2020	4/14/2022	N
4.	Clarke Gardens	Athens, GA	Clarke Gardens Preservation Limited Partnership	310-896-2938	N	100	100	2/28/2020	4/14/2022	N
5.	Forsyth Gardens	Forsyth, GA	Forsyth Gardens Preservation Limited Partnership	310-896-2938	N	78	78	2/28/2020	4/14/2022	N
6.	Lancaster Apartments	Lancaster, OH	Lancaster Club Preservation Limited Partnership	310-896-2938	N	92	92	7/23/2021	4/5/2024	N
7.	Jackson Manor	Chicago, IL	TTG Lawndale 72 Limited Partnership	310-896-2938	Y	72	72	7/22/2022	8/20/2024	N
8.	Oakwood	Milford, OH	Oakwood Preservation Limited Partnership	310-896-2938	N	65	65	9/9/2021	2/21/2025	N
9.	Place One	Henrico, VA	SP Place One Preservation Limited Partnership	310-896-2938	N	114	114	5/27/2021	2/13/2025	N
10.	South Lawndale	Chicago, IL	TTG Lawndale 154 Limited Partnership	310-896-2938	Y	154	154	7/19/2022	9/23/2024	N
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Development Name: Pinecrest Apartments

Name of Applicant: TTG Pinecrest Limited Partnership

Principals' Name: Nicholas Tufano

#	Development Name	Location	Ownership Entity	Ownership Entity Phone	CGP or "Named" Managing Member at the time of deal?	Total Development Units	Total Low Income Units	Placed in Service Date	8609 Issued Date	Uncorrected 8823s? If Y, Explain at Tab D
1.	Lyn-Roc Senior Apartments	Rocklin, CA	Lynroc Preservation Limited Partnership	310-896-2938	N	67	67	8/30/2014	10/31/2017	N
2.	Academy Square Apartments	Chicago, IL	Academy Square Preservation Limited Partnership	310-896-2938	N	200	200	1/29/2015	7/18/2016	N
3.	Marine Plaza Apartments	Port Townsend, WA	Marion Preservation Limited Partnership	310-896-2938	N	41	40	12/31/2015	12/31/2017	N
4.	Marion Court Apartments	Bremerton, WA	Marion Preservation Limited Partnership	310-896-2938	N	35	35	12/31/2015	12/31/2017	N
5.	Olympian Apartments	Olympia, WA	Marion Preservation Limited Partnership	310-896-2938	N	50	50	12/31/2015	12/31/2017	N
6.	Casa Del Pueblo Apartments	San Jose, CA	Casa Del Pueblo Preservation Limited Partnership	310-896-2938	N	165	165	12/31/2016	6/30/2018	N
7.	Daniel Flood Tower Apartments	Kingston, PA	Daniel Flood Preservation Limited Partnership	310-896-2938	N	210	210	12/31/2016	6/30/2018	N
8.	Groves at Manzanita	Carmichael, CA	Sac4 Preservation Limited Partnership	310-896-2938	N	89	89	12/31/2016	6/30/2018	N
9.	Kenneth Park	Carmichael, CA	Sac4 Preservation Limited Partnership	310-896-2938	N	97	97	12/31/2016	6/30/2018	N
10.	Summit at Fair Oaks	Fair Oaks, CA	Sac4 Preservation Limited Partnership	310-896-2938	N	70	70	12/31/2016	6/30/2018	N
11.	Sunrise Meadows	Rancho Cordova, CA	Sac4 Preservation Limited Partnership	310-896-2938	N	95	95	12/31/2016	6/30/2018	N
12.	Pleasant Valley Apartments	Conshohocken, PA	Pleasant Valley Preservation Limited Partnership	310-896-2938	N	41	40	12/31/2017	6/30/2019	N
13.	Rand Grove Village Apartments	Palatine, IL	Rand Grove Preservation Limited Partnership	310-896-2938	N	212	212	12/31/2017	9/30/2018	N
14.	Parkside Apartments	Everett, WA	Parkside Preservation Limited Partnership	310-896-2938	N	202	202	3/16/2018	6/30/2019	N
15.	Chehalis Apartments	Chehalis, WA	Chehalis Preservation Limited Partnership	310-896-2938	N	60	60	5/1/2018	1/1/2019	N
16.	Colonial Ridge	Colonial Heights, VA	Colonial Ridge Preservation Limited Partnership	310-896-2938	N	292	292	12/27/2017	2/26/2021	N
17.	Coventry Court I & II	Spokane, WA	Spokane 2 Preservation Limited Partnership	310-896-2938	N	169	169	12/11/2017	7/2/2019	N
18.	Allen Hills	Atlanta, GA	Allen Hills Preservation Limited Partnership	310-896-2938	N	458	458	3/1/2018	7/16/2021	N
19.	Rolling Bends I	Atlanta, GA	Rolling Bends I Preservation Limited Partnership	310-896-2938	N	164	164	3/1/2018	2/12/2021	N
20.	Southpark	Columbus, OH	Southpark Preservation Limited Partnership	310-896-2938	N	352	348	11/26/2018	10/30/2020	N
21.	Azalea Woods	Valdosta, GA	Azalea Woods Preservation Limited Partnership	310-896-2938	N	80	80	5/30/2019	2/12/2021	N
22.	Bay Country	Cambridge, MD	Bay Preservation Limited Partnership	310-896-2938	N	144	144	2/19/2019	3/2/2021	N
23.	Bryn Mawr	Chicago, IL	Bryn Mawr Preservation Limited Partnership	310-896-2938	N	100	99	11/25/2019	11/3/2022	N
24.	Headen House	St. Charles, MD	Headen Preservation Limited Partnership	310-896-2938	N	136	136	7/31/2018	3/2/2021	N
25.	Huntington MD	St. Charles, MD	Huntington Preservation Limited Partnership	310-896-2938	N	204	204	7/31/2018	3/23/2021	N
26.	Rolling Bends II	Atlanta, GA	Rolling Bends II Preservation Limited Partnership	310-896-2938	N	190	190	1/3/2019	6/22/2021	N
27.	Athens Gardens	Athens, GA	Athens Gardens Preservation Limited Partnership	310-896-2938	N	100	100	2/28/2020	4/14/2022	N
28.	Calhoun Gardens	Calhoun, GA	Calhoun Gardens Preservation Limited Partnership	310-896-2938	N	76	76	2/28/2020	4/14/2022	N
29.	Cartersville	Cartersville, GA	Cartersville Gardens Preservation Limited Partnership	310-896-2938	N	100	100	2/28/2020	4/14/2022	N

30.	Catoosa Gardens	Catoosa, GA	Catoosa Gardens Preservation Limited Partnership	310-896-2938	N	101	101	2/28/2020	4/14/2022	N
31.	Clarke Gardens	Athens, GA	Clarke Gardens Preservation Limited Partnership	310-896-2938	N	100	100	2/28/2020	4/14/2022	N
32.	Forsyth Gardens	Forsyth, GA	Forsyth Gardens Preservation Limited Partnership	310-896-2938	N	78	78	2/28/2020	4/14/2022	N
33.	Lancaster Apartments	Lancaster, OH	Lancaster Club Preservation Limited Partnership	310-896-2938	N	92	92	7/23/2021	4/5/2024	N
34.	Jackson Manor	Chicago, IL	TTG Lawndale 72 Limited Partnership	310-896-2938	Y	72	72	7/22/2022	8/20/2024	N
35.	Oakwood	Milford, OH	Oakwood Preservation Limited Partnership	310-896-2938	N	65	65	9/9/2021	2/21/2025	N

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Development Name: Pinecrest Apartments

Name of Applicant: TTG Pinecrest Limited Partnership

Principals' Name: Nicholas Tufano (PAGE 2)

#	Development Name	Location	Ownership Entity	Ownership Entity Phone	CGP or "Named" Managing Member at the time of deal?	Total Develop-ment Units	Total Low Income Units	Placed in Service Date	8609 Issued Date	Uncorrected 8823s? If Y, Explain at Tab D
1.	Place One	Henrico, VA	SP Place One Preservation Limited Partnership	310-896-2938	N	114	114	5/27/2021	2/13/2025	N
2.	South Lawndale	Chicago, IL	TTG Lawndale 154 Limited Partnership	310-896-2938	Y	154	154	7/19/2022	9/23/2024	N
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Development Name: Pinecrest Apartments

Name of Applicant:

Principals' Name:

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Development Name: Pinecrest Apartments

Name of Applicant:

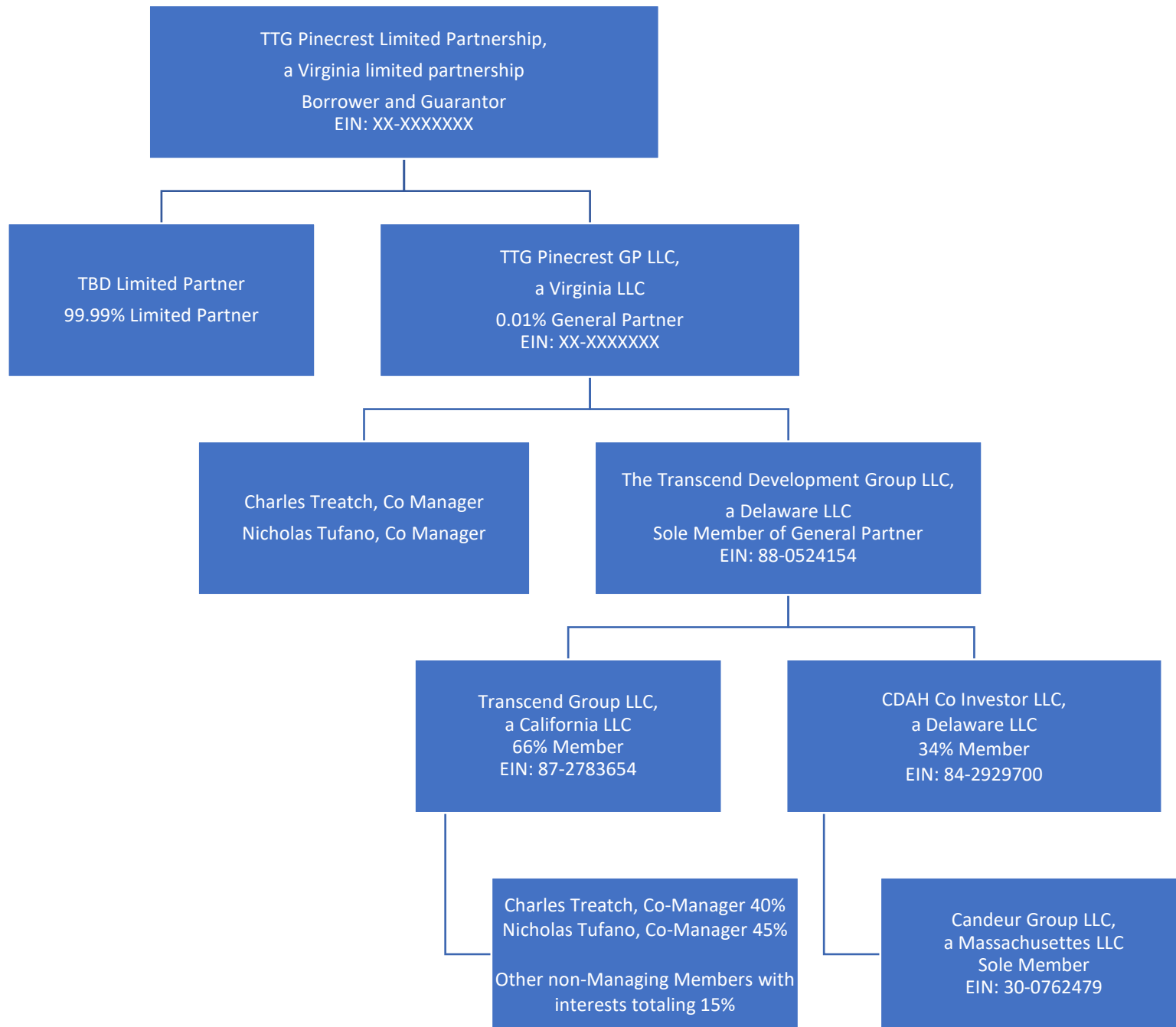
Principals' Name:

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Tab A:

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



AGREEMENT OF LIMITED PARTNERSHIP

OF

TTG PINECREST LIMITED PARTNERSHIP

A VIRGINIA LIMITED PARTNERSHIP

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**AGREEMENT OF LIMITED PARTNERSHIP
OF**

**TTG PINECREST LIMITED PARTNERSHIP
A VIRGINIA LIMITED PARTNERSHIP**

This AGREEMENT OF LIMITED PARTNERSHIP is entered into and shall be effective as of the _____, 2025, by and between TTG Pinecrest GP LLC, a Virginia limited liability company, as the General Partner, and the entities whose names are set forth on Exhibit A attached hereto, as the Limited Partners, pursuant to the provisions of the Virginia Revised Uniform Limited Partnership Act, on the following terms and conditions:

ARTICLE 1

THE PARTNERSHIP

1.1 **Organization.** The Partners hereby agree to organize the Partnership as a limited partnership pursuant to the provisions of the Act and upon the terms and conditions set forth in this Agreement.

1.2 **Partnership Name.** The name of the Partnership shall be TTG Pinecrest Limited Partnership, a Virginia limited partnership and all business of the Partnership shall be conducted in such name.

1.3 **Purpose; Independent Activities.**

(a) The purpose of the Partnership is to acquire, improve, develop, lease, operate, finance and manage real property located in Lawrenceville, Virginia and to engage in any and all activities related or incidental thereto. The Partnership shall engage in no other business.

(b) Each Partner and the stockholders, officers, directors and members of each Partner which is a corporation or other entity, may, notwithstanding this Agreement, engage in whatever activities it or they may choose, whether the same or competitive with the Partnership or otherwise, without having or incurring any obligation to offer any interest in such activities to the Partnership or any Partner. Neither this Agreement nor any activity undertaken pursuant hereto shall prevent any Partner or any stockholder, officer, director or member of any Partner from engaging in such activities, or require any Partner to permit the Partnership or any Partner to participate in any such activities, and as a material part of the consideration for the execution of this Agreement by each Partner, each Partner hereby waives, relinquishes, and renounces any such right or claim of participation.

1.4 **Principal Place of Business.** The principal place of business of the Partnership shall be 601 Cypress Avenue, Suite 301, Hermosa Beach, CA 90254. The General Partner may change the principal place of business of the Partnership to any other place upon 10 days' notice to the Limited Partners.

1.5 **Term.** The term of the Partnership shall commence on the date the certificate of limited partnership (the "Certificate") is filed in the office of the State Corporation Commission

of Virginia in accordance with the Act and shall continue until the winding up and liquidation of the Partnership and its business is completed following a Liquidating Event, as provided in Article XI hereof. Prior to the time that the Certificate is filed, no Person shall represent to third parties the existence of the Partnership or hold himself out as a Partner.

1.6 Filings: Agent for Service of Process.

(a) The General Partner shall cause the Certificate to be filed in the office of the State Corporation Commission of Virginia in accordance with the provisions of the Act. The General Partner shall take any and all other actions reasonably necessary to perfect and maintain the status of the Partnership as a limited partnership under the laws of Virginia. The General Partner shall cause amendments to the Certificate to be filed whenever required by the Act. Such amendments may be executed by any General Partner.

(b) The General Partner shall execute and cause to be filed original or amended Certificates and shall take any and all other actions as may be reasonably necessary to perfect and maintain the status of the Partnership as a limited partnership or similar type of entity under the laws of any other states or jurisdictions in which the Partnership engages in business.

(c) The agent for service of process on the Partnership shall be Corporation Service Company, 100 Shockoe Slip Fl 2, Richmond, VA 23219 or any successor as appointed by the General Partner.

(d) Upon the dissolution of the Partnership, the General Partner (or, in the event there is no remaining General Partner, any Person elected pursuant to Section 11.2 hereof) shall promptly execute and cause to be filed certificates of dissolution in accordance with the Act and the laws of any other states or jurisdictions in which the Partnership has filed certificates.

1.7 Definitions. Capitalized words and phrases used in this Agreement have the following meanings:

"Act" means the Virginia Revised Uniform Limited Partnership Act, as amended from time to time (or any corresponding provisions of succeeding law).

"Adjusted Capital Account Deficit" means, with respect to any Limited Partner, the deficit balance, if any, in such Limited Partner's Capital Account as of the end of the relevant fiscal year, after giving effect to the following adjustments:

(i) Credit to such Capital Account any amounts which such Partner is obligated to restore pursuant to any provision of this Agreement or pursuant to Regulations Section 1.704-1(b)(2)(ii)(c) is deemed to be obligated to restore pursuant to the penultimate sentences of Regulations Sections 1.704-2(g)(1) and 1.704-2(i)(5); and

(ii) Debit to such Capital Account the items described in Sections 1.704-1(b)(2)(ii)(d)(4), 1.704-1(b)(2)(ii)(d)(5), and 1.704-1(b)(2)(ii)(d)(6) of the Regulations.

The foregoing definition of Adjusted Capital Account Deficit is intended to comply with the provisions of Section 1.704-1(b)(2)(ii)(d) of the Regulations and shall be interpreted consistently therewith.

"Agreement" or "Partnership Agreement" means this Agreement of Limited Partnership, as amended from time to time. Words such as "herein," "hereinafter," "hereof," and "hereunder" refer to this Agreement as a whole, unless the context otherwise requires.

"Capital Account" means the capital account maintained for each Partner in accordance with the following provisions:

(i) To such Partner's Capital Account there shall be credited such Partner's Capital Contributions, such Partner's distributive share of Profits and any items in the nature of income or gain which are specially allocated pursuant to Section 3.3(a) hereof, and the amount of any Partnership liabilities assumed by such Partner or which are secured by any Property distributed to such Partner.

(ii) To such Partner's Capital Account there shall be debited the amount of cash and the Gross Asset Value of any Property distributed to such Partner pursuant to any provision of this Agreement, such Partner's distributive share of Losses and any items in the nature of expenses or losses which are specially allocated pursuant to Section 3.3(a) hereof, and the amount of any liabilities of such Partner assumed by the Partnership or which are secured by any property contributed by such Partner to the Partnership.

(iii) In the event all or a portion of an interest in the Partnership is transferred in accordance with the terms of this Agreement, the transferee shall succeed to the Capital Account of the transferor to the extent it relates to the transferred interest.

(iv) In determining the amount of any liability for purposes of the foregoing subparagraphs (i) and (ii) of this definition of "Capital Account," there shall be taken into account Code Section 752(c) and any other applicable provisions of the Code and Regulations.

The foregoing provisions and the other provisions of this Agreement relating to the maintenance of Capital Accounts are intended to comply with Regulations Section 1.704-1(b) and shall be interpreted and applied in a manner consistent with such Regulations.

"Capital Contributions" means, with respect to any Partner, the amount of money and the fair market value of any property contributed to the Partnership with respect to the interest in the Partnership held by such Person. The principal amount of a promissory note which is not readily traded on an established securities market and which is contributed to the Partnership by the maker of the note shall not be included in the Capital Account of any Person until the Partnership makes a taxable disposition of the note or until (and to the extent) principal payments are made on the note, all in accordance with Regulations Section 1.704-1(b)(2)(iv)(d)(2).

"Code" means the Internal Revenue Code of 1986, as amended from time to time (or any corresponding provisions of succeeding law).

"General Partner" means any Person who (i) is referred to as such in the first paragraph of this Agreement or has become a General Partner pursuant to the terms of this Agreement, and (ii) has not ceased to be a General Partner pursuant to the terms of this Agreement. "General Partners" means all such Persons.

"Interest" means a Limited Partner's ownership interest in the Partnership, including any and all benefits to which the holder of such an Interest may be entitled as provided in this Agreement, together with all obligations of such Person to comply with the terms and provisions of this Agreement.

"Limited Partner" means any Person (i) whose name is set forth on Exhibit A attached hereto or who has become a Limited Partner pursuant to the terms of this Agreement, and (ii) who holds an Interest. "Limited Partners" means all such Persons. All references in this Agreement to a majority in interest or a specified percentage of the Limited Partners shall mean Limited Partners whose combined Percentage Interests represent more than 50% or such specified percentage, respectively, of the Percentage Interests then held by all Limited Partners.

"Net Cash From Operations" means the gross cash proceeds from Partnership operations less the portion thereof used to pay or establish reserves for all Partnership expenses, debt payments, capital improvements, replacements, and contingencies, all as determined by the General Partner. "Net Cash From Operations" shall not be reduced by depreciation, amortization, cost recovery deductions, or similar allowances, but shall be increased by any reductions of reserves previously established.

"Net Cash From Sales or Refinancings" means the net cash proceeds from all sales and other dispositions (other than in the ordinary course of business) and all refinancings of Property, less any portion thereof used to establish reserves, all as determined by the General Partner. "Net Cash From Sales or Refinancings" shall include all principal and interest payments with respect to any note or other obligation received by the Partnership in connection with sales and other dispositions (other than in the ordinary course of business) of Partnership Property.

"Partners" means all General Partners and all Limited Partners, where no distinction is required by the context in which the term is used herein. "Partner" means any one of the Partners. All references in this Agreement to a majority interest or a specified percentage of the Partners shall mean Partners whose combined Percentage Interests represent more than 50% or such specified percentage, respectively, of the Percentage Interests then held by all Partners.

"Partnership" means the partnership formed pursuant to this Agreement and the partnership continuing the business of this Partnership in the event of dissolution as herein provided.

"Percentage Interest" means the percentage set forth for the General Partner in Section 2.1 hereof and for the Limited Partners on Exhibit A.

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

"Profits" and "Losses" means, for each fiscal year or other period, an amount equal to the Partnership's taxable income or loss for such year or period, determined in accordance with Code Section 703(a) (for this purpose, all items of income, gain, loss, or deduction required to be stated separately pursuant to Code Section 703(a)(1) shall be included in taxable income or loss), with the following adjustments.

(i) Any income of the Partnership that is exempt from federal income tax and not otherwise taken into account in computing Profits or Losses pursuant to this definition shall be added to such taxable income or loss; and

(ii) Any expenditures of the Partnership described in Code Section 705(a)(2)(B) or treated as Code Section 705(a)(2)(B) expenditures pursuant to Regulations Section 1.704-1(b)(2)(iv)(i), and not otherwise taken into account in computing Profits or Losses pursuant to this definition shall be subtracted from such taxable income or loss.

"Property" means all real and personal property acquired by the Partnership and any improvements thereto, and shall include both tangible and intangible property.

"Regulations" means the Income Tax Regulations, including Temporary Regulations, promulgated under the Code, as such regulations may be amended from time to time (including corresponding provisions of succeeding regulations).

"Transfer" means, as a noun, any voluntary or involuntary transfer, sale, pledge, hypothecation, grant of security interest or other disposition and, as a verb, voluntarily or involuntarily to transfer, sell, pledge, hypothecate, grant a security interest or otherwise dispose of.

ARTICLE 2

PARTNERS' CAPITAL CONTRIBUTIONS

2.1 **General Partner.** The name, address, Capital Contribution and Percentage Interest of the General Partner is as follows: TTG Pinecrest GP LLC; 601 Cypress Avenue, Suite 301, Hermosa Beach, CA 90254; One Dollar (\$1.00); one percent (.01%).

2.2 **Limited Partner.** The names, addresses, and Capital Contributions of the Limited Partners are set forth on Exhibit A attached hereto.

2.3 **Other Matters.**

(a) Except as otherwise provided in this Agreement, no Partner shall demand or receive a return of its Capital Contributions or withdraw from the Partnership without the consent of all Partners. Under circumstances requiring a return of any Capital Contributions, no Partner shall have the right to receive property other than cash except as may be specifically provided herein.

(b) No Partner shall receive any interest, salary or drawing with respect to his Capital Contributions or his Capital Account or for services rendered on behalf of the Partnership or otherwise in his capacity as a Partner, except as otherwise provided in this Agreement.

(c) Except as otherwise provided by this Agreement, no Limited Partner shall be liable for the debts, liabilities, contracts or any other obligations of the Partnership. Except as otherwise provided by this Agreement, any other agreements among the Partners, or applicable state law, a Limited Partner shall be

liable only to make his Capital Contributions as set forth on Exhibit A and shall not be required to lend any funds to the Partnership or, after his Capital Contributions have been paid, to make any additional contributions to the Partnership. No General Partner shall have any personal liability for the repayment of any Capital Contributions of any Limited Partner.

ARTICLE 3

ALLOCATIONS

3.1 **Profits.** After giving effect to the special allocation provisions set forth in Section 3.3(a) hereof, Profits for any fiscal year shall be allocated to the Partners in accordance with their respective Percentage Interests.

3.2 **Losses.**

(a) Losses for any fiscal year shall be allocated to the Partners in accordance with their respective Percentage Interests.

(b) The Losses allocated pursuant to Section 3.2(a) hereof shall not exceed the maximum amount of Losses that can be so allocated without causing any Limited Partner to have an Adjusted Capital Account Deficit at the end of any fiscal year. All Losses in excess of the limitations set forth in this Section 3.2(b) shall be allocated to the General Partner.

3.3 **Other Allocation Rules.**

(a) **Target Final Capital Account Balances.** The allocations of Profits and Losses under this Agreement are intended to produce final Capital Account balances (Capital Account balances immediately prior to the liquidation of the Partnership or of a Partner's Interest, after taking into account all allocations of fiscal periods through such point in time) that are at levels ("Target Final Balances") which permit liquidating distributions made in accordance with final Capital Account balances to equal the distributions which would occur if such liquidating proceeds were distributed in accordance with Section 4.2. To the extent that the tax allocation provisions of this Agreement would not produce the Target Final Balances, the Partners agree to take such actions as are necessary to amend such tax allocation provisions to produce such Target Final Balances. Notwithstanding the other provisions of this Agreement, allocations of income, gain, loss and deduction (including items of gross income, gain, loss and deduction) shall be made prospectively as necessary to produce such Target Final Balances, and, to the extent such prospective allocations would not effect such result, the prior tax returns of the Partnership shall be amended to reallocate items of gross income, gain, loss and deductions to produce such Target Final Balances.

(b) For purposes of determining the Profits, Losses, or any other items allocable to any period, Profits, Losses, and any such other items shall be determined on a daily, monthly, or other basis, as determined by the General Partner using any permissible method under Code Section 706 and the Regulations thereunder.

(c) Except as otherwise provided in this Agreement, all items of Partnership income, gain, loss, deduction, and any other allocations not otherwise provided for shall be divided among the Partners in the

same proportions as they share Profits or Losses, as the case may be, for the year.

(d) The Partners are aware of the income tax consequences of the allocations made by this Article III and hereby agree to be bound by the provisions of this Article III in reporting their shares of Partnership income and loss for income tax purposes.

ARTICLE 4

DISTRIBUTIONS

4.1 **Net Cash From Operations.** Except as otherwise provided in Article XI hereof, Net Cash From Operations, if any, shall be distributed, at such times as the General Partner may determine, to the Partners in accordance with their respective Percentage Interests.

4.2 **Net Cash From Sales or Refinancings.** Except as otherwise provided in Article XI hereof, Net Cash From Sales or Refinancings shall be distributed, at such times as the General Partner may determine, to the Partners in accordance with their respective Percentage Interests.

4.3 **Amounts Withheld.** All amounts withheld pursuant to the Code or any provision of any state or local tax law with respect to any payment or distribution to the Partnership or the General Partner shall be treated as amounts distributed to the Partners pursuant to this Article IV for all purposes under this Agreement. The General Partner may allocate any such amounts among the Partners in any manner that is in accordance with applicable law.

ARTICLE 5

MANAGEMENT

5.1 **Authority of the General Partner.** Except to the extent otherwise provided herein, the General Partner shall have the sole and exclusive right to manage the business of the Partnership and shall have all of the rights and powers which may be possessed by general partners under the Act including, without limitation, the right and power to:

(a) acquire by purchase, lease, or otherwise any real or personal property which may be necessary, convenient, or incidental to the accomplishment of the purposes of the Partnership;

(b) operate, maintain, finance, improve, construct, own, grant options with respect to, sell, convey, assign, mortgage, and lease any real estate and any personal property necessary, convenient, or incidental to the accomplishment of the purposes of the Partnership;

(c) execute any and all agreements, contracts, documents, certifications and instruments necessary or convenient in connection with the management, maintenance, and operation of Property, or in connection with managing the affairs of the Partnership, including executing amendments to the Agreement and the Certificate in accordance with the terms of this Agreement, pursuant to any power of attorney granted by the Limited Partners to the General Partner;

(d) borrow money and issue evidences of indebtedness necessary, convenient, or incidental to the

accomplishment of the purposes of the Partnership, and secure the same by mortgage, pledge, or other lien on any Property;

(e) execute, in furtherance of any or all of the purposes of the Partnership, any deed, lease, mortgage, deed of trust, mortgage note, promissory note, bill of sale, contract, or other instrument purporting to convey or encumber any or all of the Property;

(f) prepay in whole or in part, refinance, recast, increase, modify, or extend any liabilities affecting the Property and in connection therewith execute any extensions or renewals of encumbrances on any or all of the Property;

(g) care for and distribute funds to the Partners by way of cash, income, return of capital, or otherwise, all in accordance with the provisions of this Agreement, and perform all matters in furtherance of the objectives of the Partnership or this Agreement;

(h) contract on behalf of the Partnership for the employment and services of employees and/or independent contractors, including lawyers and accountants, and delegate to such Persons the duty to manage or supervise any of the assets or operations of the Partnership;

(i) engage in any kind of activity and perform and carry out contracts of any kind (including contracts of insurance covering risks to Property and General Partner liability) necessary or incidental to, or in connection with, the accomplishment of the purposes of the Partnership under the laws of each state in which the Partnership is then formed or qualified;

(j) make any and all elections for federal, state, and local tax purposes including, without limitation, any election, if permitted by applicable law; (i) to adjust the basis of Property pursuant to Code Sections 754, 734(b), and 743(b), or comparable provisions of state or local law, in connection with transfers of Partnership interests and Partnership distributions; (ii) to extend the statute of limitations for assessment of tax deficiencies against General Partners before taxing authorities or courts of competent jurisdiction in tax matters affecting the Partnership.

(k) take, or refrain from taking, all actions, not expressly proscribed or limited by this Agreement, as may be necessary or appropriate to accomplish the purposes of the Partnership; and

(l) institute, prosecute, defend, settle, compromise, and dismiss lawsuits or other judicial or administrative proceedings brought on or in behalf of, or against, the Partnership or the Partners in connection with activities arising out of, connected with, or incidental to this Agreement, and to engage counsel or others in connection therewith.

5.2 Right to Rely on General Partner. Any Person dealing with the Partnership may rely (without duty of further inquiry) upon a certificate signed by the General Partner as to:

(a) the identity of the General Partner or Limited Partners;

(b) the existence or nonexistence of any fact or facts which constitute a condition precedent to acts by a General Partner or which are in any other manner germane to the affairs of the Partnership;

(c) the Persons who are authorized to execute and deliver any instrument or document of the

Partnership; or

(d) any act or failure to act by the Partnership or any other matter whatsoever involving the Partnership or any Partner.

5.3 Restrictions on Authority of General Partner.

(a) Without the consent of all the Partners, the General Partner shall not have the authority to:

- (i) do any act in contravention of this Agreement;
- (ii) do any act which would make it impossible to carry on the ordinary business of the Partnership, except as otherwise provided in this Agreement;
- (iii) confess a judgment against the Partnership;
- (iv) possess Property, or assign rights in specific Property, for other than a Partnership purpose; or
- (v) knowingly perform any act that would subject any Limited Partner to liability as a general partner in any jurisdiction.

(b) Except as otherwise provided by this Agreement, the General Partner shall not have any right to participate in the management or control of the Partnership or its business and affairs or to act for or bind the Partnership in any way. The General Partner, if it acts beyond the scope of the authority granted by this Agreement, shall, in addition to any other remedy available to the Partnership or the other Partners, be liable in damages to the Partnership and each other Partner for any loss or damages that they may incur or suffer as a consequence of such act.

5.4 Duties and Obligations of General Partner.

(a) The General Partner shall take all actions which may be necessary or appropriate (i) for the continuation of the Partnership's valid existence as a limited partnership under the laws of the Commonwealth of Virginia (and of each other jurisdiction in which such existence is necessary to protect the limited liability of the Limited Partners or to enable the Partnership to conduct the business in which it is engaged) and (ii) for the accomplishment of the Partnership's purposes, including the acquisition, development, maintenance, preservation, and operation of Property in accordance with the provisions of this Agreement and applicable laws and regulations.

(b) The General Partner shall devote to the Partnership such time as may be necessary for the proper performance of all duties hereunder, but the General Partner shall not be required to devote full time to the performance of such duties.

(c) The General Partner shall be under a fiduciary duty to conduct the affairs of the Partnership in the best interests of the Partnership and of the Limited Partners, including the safekeeping and use of all of the Property and the use thereof for the exclusive benefit of the Partnership.

(d) The General Partner shall act as the "Tax Matters Partner" under the Code and in any similar capacity under state or local law.

5.5 Indemnification of General Partner.

(a) The Partnership, its receiver, or its trustee shall indemnify, save harmless, and pay all judgments and claims against any General Partner or any Member thereof relating to any liability or damage incurred by reason of any act performed or omitted to be performed by such General Partner or Member in connection with the business of the Partnership, including attorneys' fees and expenses incurred by such General Partner or Member in connection with the defense of any action based on any such act or omission, which attorneys' fees and expenses may be paid as incurred, including all such liabilities under federal and state securities laws (including the Securities Act of 1933, as amended) as permitted by law.

(b) In the event of any action by a Limited Partner against any General Partner, including a Partnership derivative suit, the Partnership shall indemnify, save harmless, and pay all expenses of such General Partner, including attorneys' fees and expenses, incurred in the defense of such action, if such General Partner is successful in such action.

(c) The Partnership shall indemnify, save harmless, and pay all expenses, costs, or liabilities of any General Partner who for the benefit of the Partnership makes any deposit, acquires any option, or makes any other similar payment or assumes any obligation in connection with any property proposed to be acquired by the Partnership and who suffers any financial loss as the result of such action.

(d) Notwithstanding the provisions of Sections 5.5(a), 5.5(b), and 5.5(c) above, no General Partner or any Member thereof shall be indemnified from any liability for fraud, bad faith, willful misconduct, or gross negligence.

5.6 Compensation.

(a) Compensation and Reimbursement. Except as otherwise provided in this Section 5.6, no Partner shall be reimbursed for any expenses incurred by such Partner on behalf of the Partnership. No Partner shall receive any salary, fee, or shares for services rendered to or on behalf of the Partnership.

(b) Expenses. The General Partner may charge the Partnership for any direct expenses reasonably incurred in connection with the Partnership's business.

5.7 Operating Restrictions.

(a) All Property in the form of cash not otherwise invested shall be deposited in one or more accounts maintained in such financial institutions as the General Partner shall determine or shall be invested in short-term liquid securities or shall be left in escrow and withdrawals shall be made only in the regular course of Partnership business on such signature or signatures as the General Partner may determine from time to time.

(b) The signature of the General Partner shall be necessary and sufficient to convey title to any real

property owned by the Partnership or to execute any promissory notes, trust deeds, mortgages, or other instruments of hypothecation, and all of the Partners agree that a copy of this Agreement may be shown to the appropriate parties in order to confirm the same, and further agree that the signature of the General Partner shall be sufficient to execute any "statement of partnership" or other documents necessary to effectuate this or any other provision of this Agreement. All of the Partners do hereby appoint the General Partner as their attorney-in-fact for the execution of any or all of the documents described herein.

ARTICLE 6

ROLE OF LIMITED PARTNERS

6.1 **Rights or Powers.** Except as otherwise set forth in Section 6.2 hereof, no Limited Partner shall have any right or power to take part in the management or control of the Partnership or its business and affairs or to act for or bind the Partnership in any way.

6.2 **Voting Rights.** The Limited Partners shall have the right to vote on the matters explicitly set forth in this Agreement.

ARTICLE 7

BOOKS AND RECORDS

7.1 **Books and Records.** The Partnership shall keep adequate books and records at its principal place of business, setting forth a true and accurate account of all business transactions arising out of and in connection with the conduct of the Partnership. Any Partner or his or its designated representative shall have the right, at any reasonable time, to have access to and inspect and copy the contents of such books or records.

7.2 **Annual Reports.** Within a reasonable period after the end of each Partnership fiscal year, each Partner shall be furnished with pertinent information regarding the Partnership and its activities during such period.

7.3 **Tax Information.** Necessary tax information shall be delivered to each Partner after the end of each fiscal year of the Partnership. Every effort shall be made to furnish such information within 75 days after the end of each fiscal year.

7.4 **Method of Accounting.** The Partnership shall account for all Partnership operations under the accrual method of accounting.

ARTICLE 8

AMENDMENTS

8.1 **Amendments.** Amendments to this Agreement may be proposed by any Partner. A proposed amendment shall be adopted and be effective as an amendment hereto if it receives the affirmative vote of all the Partners.

ARTICLE 9

TRANSFERS OF INTERESTS

9.1 **Restriction on Transfers.** No Limited Partner shall Transfer all or any portion of his Interest without the written consent of all Partners.

9.2 **Prohibited Transfers.** Any purported Transfer of all or any portion of an Interest that is not consented to by all Partners shall be null and void and of no effect whatever. In the case of a Transfer or attempted Transfer of an Interest or any part thereof that is not consented to by all Partners, the parties engaging or attempting to engage in such Transfer shall be liable to indemnify and hold harmless the Partnership and the other Partners from all cost, liability, and damage that any of such indemnified Persons may incur (including, without limitation, incremental tax liability and attorneys fees and expenses) as a result of such Transfer or attempted Transfer and efforts to enforce the indemnity granted hereby.

9.3 **Admission of Assignees as Partners.** Subject to the other provisions of this Article IX, a transferee of an Interest or any part thereof may be admitted to the Partnership as a Substituted Limited Partner only upon satisfaction of the conditions set forth below in this Section 9.3:

- (a) The General Partner consents to such admission;
- (b) The transferee becomes a party to this Agreement as a Limited Partner and executes such documents and instruments as the General Partner may reasonably request (including, without limitation, amendments to the Certificate) as may be necessary or appropriate to confirm such transferee as a Limited Partner in the Partnership and such transferee's agreement to be bound by the terms and conditions hereof;
- (c) The transferee pays or reimburses the Partnership for all reasonable legal, filing, and publication costs that the Partnership incurs in connection with the admission of the transferee as a Limited Partner with respect to the Transferred Interest; and
- (d) If the transferee is not an individual of legal majority, the transferee provides the Partnership with evidence satisfactory to counsel for the Partnership of the authority of the transferee to become a Partner and to be bound by the terms and conditions of this Agreement.

9.4 **Distributions and Allocations in Respect to a Transferred Interest.** If any Partnership Interest is sold, assigned, or transferred during any accounting period in compliance with the provisions of this Article IX, Profits, Losses, each item thereof, and all other items attributable to the transferred interest for such period shall be divided and allocated between the transferor and the transferee by taking into account their varying interests during the period in accordance with Code Section 706(d), using any conventions permitted by law and selected by the General Partner. All distributions on or before the date of such transfer shall be made to the transferor, and all distributions there-after shall be made to the transferee. Solely for purposes of making such allocations and distributions, the Partnership shall recognize such transfer not later than the end of the calendar month during which it is given notice of such transfer, provided that if the Partnership does not receive a notice stating the date such Interest was transferred and such other information as the General Partner may reasonably require within 30 days after the end of the

accounting period during which the transfer occurs, then all of such items shall be allocated, and all distributions shall be made, to the Person who, according to the books and records of the Partnership, on the last day of the accounting period during which the transfer occurs, was the owner of the interest. Neither the Partnership nor any General Partner shall incur any liability for making allocations and distributions in accordance with the provisions of this Section 9.4, whether or not any General Partner or the Partnership has knowledge of any transfer of ownership of any interest.

ARTICLE 10

GENERAL PARTNERS

10.1 **Additional General Partners.** Except as provided in this Article X and Section 11.1 hereof, no Person shall be admitted to the Partnership as a General Partner without the unanimous consent of the Partners.

10.2 **Covenant Not to Withdraw, Transfer, or Dissolve.** Except as otherwise permitted by this Agreement, the General Partner hereby covenants and agrees not to (a) withdraw or attempt to withdraw from the Partnership, (b) exercise any power under the Act to dissolve the Partnership, or (c) Transfer all or any portion of his interest in the Partnership as a General Partner. Further, each General Partner hereby covenants and agrees to continue to carry out the duties of a General Partner hereunder until the Partnership is dissolved and liquidated pursuant to Article XI hereof.

10.3 **Restriction on Transfers.** The General Partner shall not Transfer all or any portion of its Partnership interest without the written consent of all Partners.

10.4 **Permitted Transfers.**

(a) A transferee of a Partnership interest from a General Partner pursuant to a Transfer permitted hereunder shall be admitted as a General Partner with respect to such interest if, but only if the admission of such transferee as a General Partner is approved by all Partners.

(b) A transferee who acquires a Partnership interest from a General Partner hereunder by means of a Transfer that is permitted under this Agreement but who is not admitted as a General Partner, shall have no authority to act for or bind the Partnership, to inspect the Partnership's books, or otherwise to be treated as a General Partner, but such transferee shall be treated as the transferee of a Limited Partner who acquired an Interest in the Partnership in a Permitted Transfer under Article IX hereof.

10.5 **Prohibited Transfers.**

(a) Any purported Transfer of any Partnership interest held by a General Partner that is not consented to by all Partners shall be null and void and of no effect whatever.

(b) In the case of a Transfer or attempted Transfer of a Partnership interest of a General

Partner that is not consented to by all Partners, the parties engaging or attempting to engage in such Transfer shall be liable to indemnify and hold harmless the Partnership and the other Partners from all cost, liability, and damage that any of such indemnified Persons may incur (including, without limitation, incremental tax liability and lawyers fees and expenses) as a result of such Transfer or attempted Transfer and efforts to enforce the indemnify granted hereby.

ARTICLE 11

DISSOLUTION AND WINDING UP

11.1 **Liquidating Events.** The Partnership shall dissolve and commence winding up and liquidating upon the first to occur of any of the following ("Liquidating Events"):

- (a) The sale of all or substantially all of the Property;
- (b) The vote by all Partners to dissolve, wind up, and liquidate the Partnership;
- (c) The happening of any other event that makes it unlawful, impossible, or impractical to carry on the business of the Partnership; or
- (d) Any event which causes there to be no General Partner.

The Partners hereby agree that, notwithstanding any provision of the Act, the Partnership shall not dissolve prior to the occurrence of a Liquidating Event. Furthermore, if an event specified in Section 11.1(d) hereof occurs, the Limited Partners may, within 90 days of the date such event occurs, unanimously vote to elect a successor General Partner and continue the Partnership business, in which case the Partnership shall not dissolve and the occurrence of the event under Section 11.1(d) shall not be deemed a Liquidating Event. If it is determined, by a court of competent jurisdiction, that the Partnership has dissolved (i) prior to the occurrence of a Liquidating Event, or (ii) upon the occurrence of an event specified in Section 11.1(d) hereof following which the Limited Partners elect a successor General Partner pursuant to the previous sentence, the Partners hereby agree to continue the business of the Partnership without a winding up or liquidation.

11.2 **Winding Up.** Upon the occurrence of a Liquidating Event, the Partnership shall continue solely for the purpose of winding up its affairs in an orderly manner, liquidating its assets, and satisfying the claims of its creditors and Partners. No Partner shall take any action that is inconsistent with, or not necessary to or appropriate for, the winding up of the Partnership's business and affairs. The General Partner (or, in the event there is no remaining General Partner, any Person elected by a majority in interest of the Limited Partners) shall be responsible for overseeing the winding up and dissolution of the Partnership and shall take full account of the Partnership's liabilities and Property and the Partnership Property shall be liquidated as promptly as is consistent with obtaining the fair value thereof, and the proceeds therefrom, to the extent sufficient thereof, shall be applied and distributed in the following order:

(a) First, to the payment and discharge of all of the Partnership's debts and liabilities to creditors other than General Partners;

(b) Second, to the payment and discharge of all of the Partnership's debts and liabilities to General

Partners; and

(c) The balance, if any, to the General Partner and Limited Partners in accordance with their Capital Accounts, after giving effect to all contributions, distributions, and allocations for all periods.

No General Partner shall receive any additional compensation for any services performed pursuant to this Article XI.

11.3 Compliance With Timing Requirements of Regulations; Deficit Capital Account Balance. In the event the Partnership is "liquidated" within the meaning of Regulation Section 1.704-1(b)(2)(ii)(g), (a) distributions shall be made pursuant to this Article XI to the General Partner and Limited Partners who have positive Capital Accounts in compliance with Regulations Section 1.704-1(b)(2)(ii)(b)(2), and (b) if any General Partner's Capital Account has a deficit balance (after giving effect to all contributions, distributions, and allocations for all taxable years, including the year during which such liquidation occurs), such General Partner shall contribute to the capital of the Partnership the amount necessary to restore such deficit balance to zero in compliance with Regulations Section 1.704-1(b)(2)(ii)(b)(3). If any Limited Partner has a deficit balance in his Capital Account (after giving effect to all contributions, distributions and allocations for all taxable years, including the year during which such liquidation occurs), such Limited Partner shall have no obligation to make any contribution to the capital of the Partnership with respect to such deficit, and such deficit shall not be considered a debt owed to the Partnership or to any other Person for any purpose whatsoever.

11.4 Deemed Distribution and Recontribution. Notwithstanding any other provision of this Article XI, in the event the Partnership is liquidated within the meaning of Regulations Section 1.704-1(b)(2)(ii)(g) but no Liquidating Event has occurred, the Property shall not be liquidated, the Partnership's liabilities shall not be paid or discharged, and the Partnership's affairs shall not be wound up. Instead, the Partnership shall be deemed to have distributed the Property in kind to the General Partner and Limited Partners, who shall be deemed to have assumed and taken subject to all Partnership liabilities, all in accordance with their respective Capital Accounts. Immediately thereafter, the General Partner and Limited Partners shall be deemed to have recontributed the Property in kind to the Partnership, which shall be deemed to have assumed and taken subject to all such liabilities.

11.5 Rights of Limited Partners. Except as otherwise provided in this Agreement, (a) each Limited Partner shall look solely to the assets of the Partnership for the return of his Capital Contribution and shall have no right or power to demand or receive property other than cash from the Partnership, and (b) no Limited Partner shall have priority over any other Limited Partner as to the return of his Capital Contributions, distributions, or allocations.

11.6 Notice of Dissolution. In the event a Liquidating Event occurs or an event occurs that would, but for provisions of Section 11.1, result in a dissolution of the Partnership, the General Partner shall, within 30 days thereafter, provide written notice thereof to each of the Partners and to all other parties with whom the Partnership regularly conducts business (as determined in the

discretion of the General Partner) and shall publish notice thereof in a newspaper of general circulation in each place in which the Partnership regularly conducts business (as determined in the discretion of the General Partner).

ARTICLE 12

MISCELLANEOUS

12.1 **Notices.** Any notice, payment, demand, or communication required or permitted to be given by any provision of this Agreement shall be in writing and shall be delivered personally to the Person or to an officer of the Person to whom the same is directed, or sent by regular, registered, or certified mail, addressed as follows, or to such other address as such Person may from time to time specify by notice to the Partners:

- (a) If to the Partnership, to the Partnership at the address set forth in Section 1.4 hereof;
- (b) If to a General Partner, to the address set forth in Section 2.1 hereof; and
- (c) If to a Limited Partner, to the address set forth opposite his name on Exhibit A attached hereto.

Any such notice shall be deemed to be delivered, given, and received for all purposes as of the date so delivered, if delivered personally or if sent by regular mail, or as of five days after the date on which the same was deposited in a regularly maintained receptacle for the deposit of United States mail, if sent by registered or certified mail, postage and charges prepaid. Any Person may from time to time specify a different address by notice to the Partnership and the Partners.

12.2 **Binding Effect.** Except as otherwise provided in this Agreement, every covenant, term, and provision of this Agreement shall be binding upon and inure to the benefit of the Partners and their respective heirs, legatees, legal representatives, successors, transferees, and assigns.

12.3 **Construction.** Every covenant, term, and provision of this Agreement shall be construed simply according to its fair meaning and not strictly for or against any Partner.

12.4 **Time.** Time is of the essence with respect to this Agreement.

12.5 **Headings.** Section and other headings contained in this Agreement are for reference purposes only and are not intended to describe, interpret, define, or limit the scope, extent, or intent of this Agreement or any provision hereof.

12.6 **Severability.** Every provision of this Agreement is intended to be severable. If any term or provision hereof is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity or legality of the remainder of this Agreement.

12.7 **Incorporation by Reference.** Every exhibit, schedule, and other appendix attached to this Agreement and referred to herein is hereby incorporated in this Agreement by reference.

12.8 **Further Action.** Each Partner, upon the request of any General Partner, agrees to perform all further acts and execute, acknowledge, and deliver any documents which may be reasonably necessary, appropriate, or desirable to carry out the provisions of this Agreement.

12.9 **Variation of Pronouns.** All pronouns and any variations thereof shall be deemed to refer to masculine, feminine, or neuter, singular or plural, as the identity of the Person or Persons may require.

12.10 **Governing Law.** The laws of the Commonwealth of Virginia shall govern the validity of this Agreement, the construction of its terms, and the interpretation of the rights and duties of the Partners.

12.11 **Waiver of Action for Partition.** Each of the Partners irrevocably waives any right that he may have to maintain any action for partition with respect to any of the Partnership Property.

12.12 **Counterpart Execution.** This Agreement may be executed in any number of counterparts with the same effect as if all of the Partners had signed the same document. All counterparts shall be construed together and shall constitute one agreement.

12.13 **Sole and Absolute Discretion.** Except as otherwise provided in this Agreement, all actions which any General Partner may take and all determinations which any General Partner may make pursuant to this Agreement may be taken and made at the sole and absolute discretion of such General Partner.

12.14 **Entire Agreement.** This Agreement constitutes the entire agreement and understanding among the Partners and supersedes any prior understandings or written or oral agreements among them respecting the subject matter hereof.

IN WITNESS WHEREOF, the parties have entered into this Agreement of Limited Partnership as of the day first above set forth.

GENERAL PARTNER:

TTG PINECREST GP LLC,
a Virginia limited liability company

By: 

Name: Charles Treatch

Title: Manager

By: 

Name: Nicholas Tufano

Title: Manager

LIMITED PARTNER:

TRANSCEND GROUP LLC,
a California limited liability company

By: 

Name: Charles Treatch

Title: Manager

By: 

Name: Nicholas Tufano

Title: Manager

EXHIBIT A
AGREEMENT OF LIMITED PARTNERSHIP
OF
TTG PINECREST LIMITED PARTNERSHIP
LIMITED PARTNER

<u>Name and Address</u>	<u>Capital Contribution</u>	<u>Percentage Interest</u>
Transcend Group LLC 601 Cypress Avenue, Suite 301 Hermosa Beach, CA 90254	\$99.99	99.99%

Tab B:

Virginia State Corporation Commission Certification
(MANDATORY)

Tab C:

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



April 25, 2025

Attn: Charles Treatch
Partner
The Transcend Group
601 Cypress Ave., Suite 301
Hermosa Beach, CA 90254

RE: Equity Letter of Interest for TTG Pinecrest Limited Partnership
24 Crestview Road
Lawrenceville, Brunswick County, VA

Dear Mr. Treatch

On behalf of The Huntington Community Development Corporation and/or one of its affiliates ("HCDC"), The Huntington National Bank ("Bank") is pleased to provide this Letter of Interest which outlines the principal business terms of HCDC's proposed investment in the Project, an affordable housing community that will be owned and operated by the Project Owner¹.

This Letter of Interest is based upon the financial and other information provided for review by HCDC and is intended to outline the basic terms and conditions under which HCDC would make an equity investment in the Project Owner. The terms of this Letter of Interest are contingent upon, and subject to, HCDC Investment Credit approval, HCDC review and acceptance of the most recent Guarantor financial statements, and satisfaction of all other terms and conditions contained herein. Should the investment not close due to no fault of HCDC, the General Partner and/or Sponsor/Developer shall repay all third-party costs to HCDC.

Huntington is an active and committed investor in affordable housing throughout the nation. In June 2021, we committed to a \$40 billion Community Investment Plan and view our commitment to our communities holistically, from youths to seniors and from rural to urban communities. This plan fulfills our Purpose of elevating communities. We view our interest in working with you as a continuation of our commitment to our plan.

Thank you for the opportunity to present this Letter of Interest. HCDC looks forward to deepening our partnership with you.

A handwritten signature in black ink, appearing to read 'AF', with a long horizontal flourish extending to the right.

Andrew Foster
SVP, Director of Business Development
Huntington Community Impact Capital
The Huntington National Bank

¹ The Project Owner will be a single asset entity organized as a Limited Partnership, Limited Liability Company, or other limited liability organization acceptable to HCDC in its sole discretion. This Letter of Interest utilizes Limited Partnership naming conventions.

A. Property Ownership

Project Name	PINECREST
Project Owner ("Limited Partnership" or "Partnership")	TTG PINECREST LIMITED PARTNERSHIP
General Partner(s)	TTG PINECREST GP LLC
Federal Limited Partner (Investor)	HCDC
Sponsor/Developer	The Transcend Development Group LLC
Guarantor(s)	The Transcend Development Group LLC, Charles Treatch, Nicholas Tufano, Greg Judge, and Catherine Talbot, jointly and severally. Further review of Guarantors' financial capacity and any recent structural changes is subject to HCDC full underwriting approval. Guarantors are subject to a minimum \$2.00 million unencumbered liquidity and \$10.0 million net worth covenant, tested April 1 of each year. Following receipt of Form(s) 8609 by the Limited Partner, these

B. Property Information

The Project consists of the rehabilitation of 9 buildings comprised of 70, 4% Low Income Housing Tax Credit units (the "Tax Credit Units") located in Lawrenceville, VA. Rents for the Tax Credit Units will be affordable to individuals with income at or below 60% of the area median income for Lawrenceville, VA. The Project will utilize the 40/60 minimum set-aside.

Operations Overview	
Annual Rent Escalation	2%
Annual Expense Escalation	3%
Vacancy	5%
Per Unit Per Annum Expenses (excluding Replacement Reserves)	\$7,043 PUPA
Replacement Reserves	\$300 PUPA
Debt Service Coverage Ratio ("DSCR") Stabilization Requirement	1.15x DSCR*

*Note the Stabilized Occupancy DSCR requirement is subject to change based on HCDC's final underwriting, such that the projections demonstrate at least a 1.15x DSCR forward-looking pro forma throughout the entire 15-year Compliance Period.

The terms and conditions of this Letter of Interest may change subject to final underwriting of the full investment including, but not limited to, the capital stack, development budget, operating budget and 15-year pro forma, site visit, guarantor analysis, plan and cost review, physical needs assessment (if rehab), environmental reports, and market analysis. Underwriting includes a review of the developer's portfolio, HCDC's portfolio, and any third-party analysis.

C. Tax Credits and Capital Contribution**UPDATE TABLE WITH APPROPRIATE INFORMATION**

Tax Credit Type	4% Federal LIHTC
Total Credits to Partnership	\$5,124,040
Limited Partner Ownership Percentage	99.99%

Total Credits to Limited Partner	\$5,123,528
Price Per Credit Factor	\$.79
Total Capital Contribution	\$4,047,587
Annual Credit Delivery	Credits to Limited Partner
Year 1 (2025)	\$68,313
Year 2 -10	\$4,611,176
Years 11 (2035)	\$444,039

The Limited Partner will make a total Capital Contribution ("Capital Contribution") based on the Tax Credits and Tax Credit pricing in the chart above. Proceeds of the Capital Contribution will be used to fund the project equity, Operating Reserve, and the Non-Deferred Developer Fee.

	Key Conditions	Equity Amount	%	Cash Dev Fee Amount	%
1	Admission of HCDC to Limited Partnership	\$404,759	10%	\$185,989	20%
2	100% Construction Completion/Cost Certification	\$2,995,214	74%	-	-
3	Stabilization/Perm Conversion	\$445,235	11%	\$541,576	58%
4	8609 Receipt	\$202,379	5%	\$202,379	22%
	Total	\$4,047,587	100%	\$929,944	100%

D. Developer Fee

The Developer will earn a fee for services in the amount of \$1,415,422 (the "Developer Fee"). A portion of the Developer Fee will be deferred ("Deferred Developer Fee") and payable from the operation of the Limited Partnership, after payment of operating expenses, reserves, and must-pay debt service ("Cash Flow") in the priority specified in the Limited Partnership Agreement, during the Compliance Period.

Deferred Developer Fee should be projected to be repaid by the end of the eight (8th) year of the Compliance Period. If it remains unpaid at that time, the General Partner shall make a Capital Contribution in the amount of the outstanding balance which the Partnership shall use to pay such balance. "Compliance Period" means with respect to the Project, the 15-year compliance period specified in Section 42(i)(1) of the Internal Revenue Code, as amended (the "Code").

The non-deferred portion of the Developer Fee ("Non-Deferred Developer Fee") will be paid from the Limited Partner's Capital Contribution as described in the table above upon the satisfaction of the Applicable Conditions for each installment.

Any additional fees to be paid to affiliates of the Sponsor / Developer and included in the Projections ("Affiliate Fees") shall be disclosed to HCDC. HCDC shall have the right to request that the Sponsor / Developer provide sufficient evidence that any Affiliate Fees do not exceed any caps imposed by the State Agency's Qualified Allocation Plan on total development fees when taken together with the Developer Fee. HCDC may request that any Affiliate Fees be disclosed to the State Agency or seek further assurance that the State Agency has approved any fees in excess of the cap.

E. Adjustments to Limited Partner Capital (Credit Adjusters)

Federal Low-Income Housing Tax Credit Adjusters:

- i. Final Amount of Tax Credits: If actual Tax Credits allocated to the Project as determined by the Project Accountant and at 8609 are more or less than the projected Tax Credits, the Capital Contribution will be increased or decreased by the Price Per Credit multiplied by the difference between the actual Tax Credits and the projected Tax Credits.
- ii. Timing Difference in Tax Credits: If there are more, or less, Tax Credits available to the Limited Partner during the Project's initial tax credit years, the Capital Contribution will be reduced by \$0.55 times the amount for the Tax Credit shortfall.

F. General Partner Guaranties and Other Obligations

- i. Development Completion Guaranty: The General Partner will provide an unlimited guaranty of development completion which includes payments required for construction completion, funding of any operating deficits prior to Stabilized Occupancy, conversion of the construction loan to a right-sized permanent loan having must-pay debt service requirements consistent with targeted debt service coverage levels, and submission to the State Agency of the IRS Form(s) 8609 package.
- ii. Operating Deficit Guaranty ("ODG"): The General Partner will provide an ODG (currently estimated at \$698,080 for an amount equivalent to 8 months of operating expenses, replacement reserves, and must-pay debt service ("OERDS") during the period beginning with final closing and ending on the later of i) the 4th anniversary of the achievement of Stabilized Occupancy and ii) the Project achieving a 1.15x DSCR for two consecutive audited years (the "ODG Period"). If the Operating Reserve is not funded at the full required amount at the end of the ODG Period, the ODG will remain in effect until the General Partner causes the Operating Reserve to be funded at the required level in the manner provided in the Limited Partnership Agreement.
- iii. Repurchase: The General Partner is required to repurchase the Limited Partner's interest for an amount equal to 105% of the sum of all Capital Contributions actually made if certain major adverse events occur that threaten the continuing viability of the Project or its ability to generate projected Tax Credits. The conditions triggering this Repurchase obligation and the repurchase amount are described in detail in the Limited Partnership Agreement. All guarantees related to Repurchase will end at receipt of the Form(s) 8609.
- iv. Recapture: The General Partner or Special Limited Partner will reimburse the Limited Partner for any loss or disallowance of recaptured tax credits or tax credits not received plus interest and penalties at price per credit of \$1.00 per tax credit on an after-tax basis.
- v. Environmental Indemnification: The General Partner will provide an environmental indemnification with regard to the presence of any hazardous substances or the existence of other environmental conditions at the Project Property.
- vi. Guaranty of the General Partner's Obligations: The Guarantor(s) will guaranty full performance of all of the General Partner's obligations under the Limited Partnership Agreement, including the specific guaranty obligations described herein. All guarantees provided by the General Partner and the Guarantor(s) are joint and several.

G. Reserve Requirements

The Partnership will be required to fund the following Project Reserves:

Operating Reserve: An amount equivalent to 4 months of OERDS will be funded from a portion of the Limited Partner's Capital Contribution and be included in the development budget.

Replacement Reserve: The General Partner must fund the Replacement Reserve to be increased by 10% every five (5) years from Project revenues throughout the Compliance Period.

Partnership Accounts: Unless otherwise required by the Loan documents or State Agency, or otherwise consented to by the Limited Partners, all funds of the Partnership including reserves shall be deposited in accounts held by the Bank.

H. Limited Partner Transfers

The Limited Partner will have certain rights to transfer its interest in the Limited Partnership, Including the right to withdraw from the Limited Partnership at any time after the Limited Partner has satisfied its obligation to pay Capital Contributions.

I. Reporting Requirements

During the term of the Limited Partner's investment, the General Partner will provide the following reports:

- (i) Copies of all construction loan draw requests
- (ii) Monthly construction status reports
- (iii) Commencing with the start of leasing activity, monthly operating and lease-up reports,
- (iv) Quarterly management and financial reports for the Limited Partnership,
- (v) Annual audited financial statements for the Limited Partnership prepared in accordance with generally accepted accounting principles (GAAP),
- (vi) Draft state and federal tax returns after the end of the fiscal year and final form upon an agreed upon date after the end of the fiscal year,
- (vii) Annual budget, and
- (viii) Other information reasonably requested regarding significant Limited Partnership operations. The General Partner is required to submit such reports to the Limited Partner within the time frames established by the Limited Partnership Agreement. The fiscal year of the Limited Partnership will be the calendar year unless otherwise specified by the Limited Partner.

Tab D:

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

Development Name: Pinecrest Apartments

Name of Applicant: TTG Pinecrest Limited Partnership

Principals' Name: Charles Treatch

#	Development Name	Location	Ownership Entity	Ownership Entity Phone	CGP or "Named" Managing Member at the time of deal?	Total Development Units	Total Low Income Units	Placed in Service Date	8609 Issued Date	Uncorrected 8823s? If Y, Explain at Tab D
1.	Banning Villa Apartments	Wilmington, CA	Banning Villa Preservation Limited Partnership	310-896-2938	N	90	90	3/15/2013	4/10/2015	N
2.	Norwalk Towers	Norwalk, CA	Norwalk Preservation Limited Partnership	310-896-2938	N	185	185	4/5/2013	4/10/2015	N
3.	Casa De Cortez Apartments	Fallbrook, CA	Cortez Preservation Limited Partnership	310-896-2938	N	32	32	11/23/2013	7/17/2015	N
4.	Lyn-Roc Senior Apartments	Rocklin, CA	Lynroc Preservation Limited Partnership	310-896-2938	N	67	67	8/30/2014	10/31/2017	N
5.	Canyon View Senior Apartments	Colfax, CA	Canyon View Preservation Limited Partnership	310-896-2938	N	67	67	12/29/2014	9/17/2017	N
6.	Huntington Villa Yorba Apartments	Huntington Beach, CA	Huntington Villa Yorba Preservation Limited Partnership	310-896-2938	N	198	198	12/29/2014	10/31/2017	N
7.	Village Center Senior Apartments	Anaheim, CA	Village Center Preservation Limited Partnership	310-896-2938	N	100	100	12/31/2014	10/31/2017	N
8.	Academy Square Apartments	Chicago, IL	Academy Square Preservation Limited Partnership	310-896-2938	N	200	200	1/29/2015	7/18/2016	N
9.	Auburn Villas Senior Apartments	Auburn, CA	Auburn Villa Preservation Limited Partnership	310-896-2938	N	50	50	4/30/2015	10/31/2017	N
10.	Marine Plaza Apartments	Port Townsend, WA	Marion Preservation Limited Partnership	310-896-2938	N	41	40	12/31/2015	12/31/2017	N
11.	Marion Court Apartments	Bremerton, WA	Marion Preservation Limited Partnership	310-896-2938	N	35	35	12/31/2015	12/31/2017	N
12.	Olympian Apartments	Olympia, WA	Marion Preservation Limited Partnership	310-896-2938	N	50	50	12/31/2015	12/31/2017	N
13.	Plum Tree West Apartments	Gilroy, CA	Plum Tree West Preservation Limited Partnership	310-896-2938	N	70	70	10/31/2016	3/31/2018	N
14.	Casa Del Pueblo Apartments	San Jose, CA	Casa Del Pueblo Preservation Limited Partnership	310-896-2938	N	165	165	12/31/2016	6/30/2018	N
15.	Daniel Flood Tower Apartments	Kingston, PA	Daniel Flood Preservation Limited Partnership	310-896-2938	N	210	210	12/31/2016	6/30/2018	N
16.	Groves at Manzanita	Carmichael, CA	Sac4 Preservation Limited Partnership	310-896-2938	N	89	89	12/31/2016	6/30/2018	N
17.	Kenneth Park	Carmichael, CA	Sac4 Preservation Limited Partnership	310-896-2938	N	97	97	12/31/2016	6/30/2018	N
18.	Summit at Fair Oaks	Fair Oaks, CA	Sac4 Preservation Limited Partnership	310-896-2938	N	70	70	12/31/2016	6/30/2018	N
19.	Sunrise Meadows	Rancho Cordova, CA	Sac4 Preservation Limited Partnership	310-896-2938	N	95	95	12/31/2016	6/30/2018	N
20.	Pleasant Valley Apartments	Conshohocken, PA	Pleasant Valley Preservation Limited Partnership	310-896-2938	N	41	40	12/31/2017	6/30/2019	N
21.	Rand Grove Village Apartments	Palatine, IL	Rand Grove Preservation Limited Partnership	310-896-2938	N	212	212	12/31/2017	9/30/2018	N
22.	Parkside Apartments	Everett, WA	Parkside Preservation Limited Partnership	310-896-2938	N	202	202	3/16/2018	6/30/2019	N
23.	Chehalis Apartments	Chehalis, WA	Chehalis Preservation Limited Partnership	310-896-2938	N	60	60	5/1/2018	1/1/2019	N
24.	Colonial Ridge	Colonial Heights, VA	Colonial Ridge Preservation Limited Partnership	310-896-2938	N	292	292	12/27/2017	2/26/2021	N
25.	Coventry Court I & II	Spokane, WA	Spokane 2 Preservation Limited Partnership	310-896-2938	N	169	169	12/11/2017	7/2/2019	N
26.	Allen Hills	Atlanta, GA	Allen Hills Preservation Limited Partnership	310-896-2938	N	458	458	3/1/2018	7/16/2021	N
27.	Rolling Bends I	Atlanta, GA	Rolling Bends I Preservation Limited Partnership	310-896-2938	N	164	164	3/1/2018	2/12/2021	N
28.	Southpark	Columbus, OH	Southpark Preservation Limited Partnership	310-896-2938	N	352	348	11/26/2018	10/30/2020	N
29.	Azalea Woods	Valdosta, GA	Azalea Woods Preservation Limited Partnership	310-896-2938	N	80	80	5/30/2019	2/12/2021	N

30.	Bay Country	Cambridge, MD	Bay Preservation Limited Partnership	310-896-2938	N	144	144	2/19/2019	3/2/2021	N
31.	Bryn Mawr	Chicago, IL	Bryn Mawr Preservation Limited Partnership	310-896-2938	N	100	99	11/25/2019	11/3/2022	N
32.	Headen House	St. Charles, MD	Headen Preservation Limited Partnership	310-896-2938	N	136	136	7/31/2018	3/2/2021	N
33.	Huntington MD	St. Charles, MD	Huntington Preservation Limited Partnership	310-896-2938	N	204	204	7/31/2018	3/23/2021	N
34.	Rolling Bends II	Atlanta, GA	Rolling Bends II Preservation Limited Partnership	310-896-2938	N	190	190	1/3/2019	6/22/2021	N
35.	Athens Gardens	Athens, GA	Athens Gardens Preservation Limited Partnership	310-896-2938	N	100	100	2/28/2020	4/14/2022	N

*** Must have the ability to bind the LIHTC entity; document with Partnership/operating agreements and one 8609 (per entity/development) for a total of 6.**

Development Name: Pinecrest Apartments

Name of Applicant: TTG Pinecrest Limited Partnership

Principals' Name: Charles Treatch (PAGE 2)

#	Development Name	Location	Ownership Entity	Ownership Entity Phone	CGP or "Named" Managing Member at the time of deal?	Total Develop-ment Units	Total Low Income Units	Placed in Service Date	8609 Issued Date	Uncorrected 8823s? If Y, Explain at Tab D
1.	Calhoun Gardens	Calhoun, GA	Calhoun Gardens Preservation Limited Partnership	310-896-2938	N	76	76	2/28/2020	4/14/2022	N
2.	Cartersville	Cartersville, GA	Cartersville Gardens Preservation Limited Partnership	310-896-2938	N	100	100	2/28/2020	4/14/2022	N
3.	Catoosa Gardens	Catoosa, GA	Catoosa Gardens Preservation Limited Partnership	310-896-2938	N	101	101	2/28/2020	4/14/2022	N
4.	Clarke Gardens	Athens, GA	Clarke Gardens Preservation Limited Partnership	310-896-2938	N	100	100	2/28/2020	4/14/2022	N
5.	Forsyth Gardens	Forsyth, GA	Forsyth Gardens Preservation Limited Partnership	310-896-2938	N	78	78	2/28/2020	4/14/2022	N
6.	Lancaster Apartments	Lancaster, OH	Lancaster Club Preservation Limited Partnership	310-896-2938	N	92	92	7/23/2021	4/5/2024	N
7.	Jackson Manor	Chicago, IL	TTG Lawndale 72 Limited Partnership	310-896-2938	Y	72	72	7/22/2022	8/20/2024	N
8.	Oakwood	Milford, OH	Oakwood Preservation Limited Partnership	310-896-2938	N	65	65	9/9/2021	2/21/2025	N
9.	Place One	Henrico, VA	SP Place One Preservation Limited Partnership	310-896-2938	N	114	114	5/27/2021	2/13/2025	N
10.	South Lawndale	Chicago, IL	TTG Lawndale 154 Limited Partnership	310-896-2938	Y	154	154	7/19/2022	9/23/2024	N
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Development Name: Pinecrest Apartments

Name of Applicant: TTG Pinecrest Limited Partnership

Principals' Name: Nicholas Tufano

#	Development Name	Location	Ownership Entity	Ownership Entity Phone	CGP or "Named" Managing Member at the time of deal?	Total Development Units	Total Low Income Units	Placed in Service Date	8609 Issued Date	Uncorrected 8823s? If Y, Explain at Tab D
1.	Lyn-Roc Senior Apartments	Rocklin, CA	Lynroc Preservation Limited Partnership	310-896-2938	N	67	67	8/30/2014	10/31/2017	N
2.	Academy Square Apartments	Chicago, IL	Academy Square Preservation Limited Partnership	310-896-2938	N	200	200	1/29/2015	7/18/2016	N
3.	Marine Plaza Apartments	Port Townsend, WA	Marion Preservation Limited Partnership	310-896-2938	N	41	40	12/31/2015	12/31/2017	N
4.	Marion Court Apartments	Bremerton, WA	Marion Preservation Limited Partnership	310-896-2938	N	35	35	12/31/2015	12/31/2017	N
5.	Olympian Apartments	Olympia, WA	Marion Preservation Limited Partnership	310-896-2938	N	50	50	12/31/2015	12/31/2017	N
6.	Casa Del Pueblo Apartments	San Jose, CA	Casa Del Pueblo Preservation Limited Partnership	310-896-2938	N	165	165	12/31/2016	6/30/2018	N
7.	Daniel Flood Tower Apartments	Kingston, PA	Daniel Flood Preservation Limited Partnership	310-896-2938	N	210	210	12/31/2016	6/30/2018	N
8.	Groves at Manzanita	Carmichael, CA	Sac4 Preservation Limited Partnership	310-896-2938	N	89	89	12/31/2016	6/30/2018	N
9.	Kenneth Park	Carmichael, CA	Sac4 Preservation Limited Partnership	310-896-2938	N	97	97	12/31/2016	6/30/2018	N
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33.	Lancaster Apartments	Lancaster, OH	Lancaster Club Preservation Limited Partnership	310-896-2938	N	92	92	7/23/2021	4/5/2024	N
34.	Jackson Manor	Chicago, IL	TTG Lawndale 72 Limited Partnership	310-896-2938	Y	72	72	7/22/2022	8/20/2024	N
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Development Name: Pinecrest Apartments

Name of Applicant: TTG Pinecrest Limited Partnership

Principals' Name: Nicholas Tufano (PAGE 2)

#	Development Name	Location	Ownership Entity	Ownership Entity Phone	CGP or "Named" Managing Member at the time of deal?	Total Develop-ment Units	Total Low Income Units	Placed in Service Date	8609 Issued Date	Uncorrected 8823s? If Y, Explain at Tab D
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Tab E:

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

ASSIGNMENT OF PURCHASE AND SALE AGREEMENT

THIS ASSIGNMENT OF PURCHASE AND SALE AGREEMENT (this "Amendment") is made as of May 1, 2025, by and between **TRANSCEND GROUP LLC**, a California limited liability company ("Assignor") and **TTG PINECREST LIMITED PARTNERSHIP**, a Virginia limited partnership ("Assignee").

WHEREAS, Pinecrest Brunswick, LLC, a Virginia limited liability company (the "Brunswick Seller"), BBF Associates LP, a Virginia limited liability company (the "BBF Seller"), and Assignor executed that certain Purchase and Sale Agreement dated as of March 7, 2025 (the "Agreement") with respect to the purchase and sale of two properties located in Lawrenceville, VA.

WHEREAS, the property currently owned the Brunswick Seller is commonly known as 27 Crestview Road, Lawrenceville, VA, described in the Agreement as the real property in Exhibit A-1 of the Agreement (the "**Property A-1**") and legally described on Exhibit A attached hereto.

WHEREAS, Assignor desires to assign all of its rights, interests, duties and obligations as to Property A-1 under the Agreement to Assignee, a single-purpose entity that is an affiliate of Assignor.

NOW THEREFORE, for and in consideration of the recitals set forth above and other good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, the parties hereto agree that Assignor hereby assigns in full, all of its rights, interests, duties and obligations under the Agreement to Assignee, effective as of the date hereof. Nothing herein shall release Assignor from any liability to Brunswick Seller under the Agreement.

IN WITNESS WHEREOF, Assignor and Assignee have respectively executed this Assignment to be effective as of the date first above written.





ASSIGNOR: Transcend Group LLC, a California limited liability company By:  Name: Charles Treatch Title: Manager By:  Name: Nicholas J. Tufano Title: Manager	ASSIGNEE: TTG Pinecrest Limited Partnership, an Virginia limited partnership By: TTG Pinecrest GP LLC, an Virginia limited liability company, its general partner By:  Name: Charles Treatch Title: Manager By:  Name: Nicholas J. Tufano Title: Manager
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EXHIBIT A

27 Crestview Road in Lawrenceville, Virginia

ALL that certain tract or parcel of land situate and being in Totaro Magisterial District, Brunswick County, Virginia, containing 15 acres, more or less, being shown and designated as follows by metes and bounds on a plat entitled "ALTA/ACSM Land Title Survey On 14.989 Acres Of Land Located On The North Line Of State Route 750 And On The West Line Of Service Road F650, Industrial Park Drive", made by Youngblood, Tyler & Associates P.C., Consulting Engineers, Planners & Surveyors, dated October 1, 2012:

BEGINNING AT A POINT ON the north line of State Route No. 750, said point being 695.61' east from the east line of Service Road F650 (Industrial Park Drive); thence continuing along the north line of State Route No. 750 S 72° 06' 35" W, a distance of 695.61' to a point on the east line of Service Road F650 (Industrial Park Drive); thence leaving the north line of State Route No. 750 and continuing along the east line of Service Road F650 (Industrial Park Drive) N 51° 09' 05" W, a distance of 29.43' to a point; thence along a curve to the left having a delta of 00° 45' 57", a radius of 1940.46', a length of 25.94', a chord distance of 25.94' and a chord bearing of N 19° 09' 04" W to a point; thence leaving the east line of Service Road F650 (Industrial Park Drive) N 04° 24' 24" E, a distance of 340.99' to a point; thence N 87° 00' 27" W, a distance of 184.53' to a point on the east line of Service Road F650 (Industrial Park Drive); thence continuing along the east line of Service Road F650 (Industrial Park Drive) along a curve to the right having a delta of 51° 10' 26", a radius of 298.11', a length of 266.26', a chord distance of 257.50' and a chord bearing of N 10° 02' 47" E to a point; thence N 35° 38' 00" E, a distance of 160.16' to a point; thence S 85° 57' 00" E, a distance of 35.52' to a point; thence N 06° 48' 00" E, a distance of 62.74' to a point; thence N 35° 38' 00" E, a distance of 263.66' to a point; thence leaving the east line of Service Road F650 (Industrial Park Drive) S 85° 23' 59" E, a distance of 366.57' to a point; thence S 86° 56' 36" E, a distance of 112.84' to a point; thence S 02° 46' 00" E, a distance of 802.22' to the point and place of beginning containing 14.989 acres of land.

BEING part of the same real estate conveyed to Pinecrest Brunswick, LLC, a Virginia limited liability company, by deed from The Virginia Nonprofit Housing Coalition, a Virginia nonstock, nonprofit corporation, dated as of October 1, 2000, and recorded in the Clerk's Office of the Circuit Court of Brunswick County, Virginia, in Deed Book 346, page 338.

PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT (this "Agreement") is made to be effective as of March 7, 2025 (the "Effective Date") by and among PINECREST BRUNSWICK, LLC, a Virginia limited liability company ("Seller"), BBF ASSOCIATES LP, a Virginia limited partnership ("Seller II", and collectively with Seller, the "Sellers"), and TRANSCEND GROUP, LLC, a California limited liability company ("Buyer").

WITNESSETH:

In consideration of the mutual covenants and agreements set forth herein the parties hereto do hereby agree as follows:

ARTICLE 1 - CERTAIN DEFINITIONS

In addition to terms defined elsewhere in this Agreement, as used herein, the following terms shall have the following meanings:

"Business Day" shall mean any day other than Saturday, Sunday, any Federal holiday, or any holiday in the State in which the Real Property is located. If any period expires or action is to be taken on a day which is not a Business Day, the time frame for the same shall be extended until the next Business Day.

"Buyer's Representatives" shall mean Buyer and any officers, directors, employees, agents, consultants, representatives and attorneys of Buyer or any direct or indirect owner of any beneficial interest in Buyer, but only if the same conduct due diligence or are otherwise involved in the Transaction.

"Closing" shall mean the closing of the Transaction.

"Closing Date" shall mean the day that the Transaction closes, which shall not be later than the Scheduled Closing Date.

"Closing Documents" shall mean all documents executed and delivered by Sellers or Buyer as required by Section 6.2 and Section 6.3 or as otherwise executed and delivered by Sellers or Buyer as part of the Closing.

"Contracts" shall mean the contracts, equipment leases, and other agreements relating to the Real Property and/or Parcel II that are described in Exhibit B attached hereto, together with any additional contracts, equipment leases and agreements and any modifications of any of the foregoing that are entered into in accordance with the terms of Section 8.1.

"deemed to know" (or words of similar import) shall have the following meaning: Buyer and the Buyer's Representatives shall be "deemed to know" any fact, circumstance or information or shall have "deemed knowledge" of the same to the extent (a) any Buyer's Representative has actual knowledge of a particular fact or circumstance or information that is inconsistent with any Sellers' Warranty, or (b) this Agreement, the Closing Documents executed by either Seller, the documents and materials with respect to the Property delivered or made available to any Buyer's Representative in connection with the Transaction, or any reports prepared or obtained by any

Buyer's Representatives in connection with Buyer's due diligence discloses a particular fact or circumstance or contains information which is inconsistent with any Sellers' Warranty.

"Deposit" shall mean collectively, (a) the sum of One Hundred Thousand and No/100 Dollars (\$100,000.00), to the extent Buyer deposits the same in accordance with the terms of Section 2.1, together with any interest earned thereon (the "Initial Deposit") and (b) any Extension of Closing Deposit(s) deposited by Buyer pursuant to Section 6.1(d).

"Due Diligence Period" shall mean the period commencing prior to the execution of this Agreement and expiring at 5:00 p.m. Eastern Time on the date that is sixty (60) days after the Effective Date.

"Escrow Agent" shall mean Safe Harbor Title Company, in its capacity as escrow agent, whose mailing address is 4900 Augusta Avenue, Suite 150, Richmond, VA 23230.

"HAP Contract" shall mean the existing Housing Assistance Payment contract affecting the Property and administered by HUD, identified by HUD under Project No. 36-H027-201 and covering all units of the Property.

"HUD" shall mean the United States Department of Housing and Urban Development.

"Laws" shall mean all municipal, county, State or Federal statutes, codes, ordinances, laws, rules or regulations.

"Leases" shall mean all leases, licenses or other occupancy agreements between Seller and any tenant or occupant that are in effect with respect to any portion of the Real Property as of the Closing (including, without limitation, all amendments to or modifications of the foregoing and all new Leases entered after the Effective Date in accordance with Section 8.1), together with all security deposits, guarantees and other items given as security therefor.

"Liabilities" shall mean, collectively, any and all conditions, losses, costs, damages, claims, liabilities, expenses, demands or obligations of any kind or nature whatsoever.

"Owner's Title Policy" shall mean an ALTA owner's title insurance policy issued by the Title Company in the amount of the Purchase Price.

"Parcel II" shall mean the real estate legally described in Exhibit A-2 attached hereto, together with all improvements and fixtures located thereon and owned by Seller II as of the Closing and any rights, privileges and appurtenances pertaining thereto, any licenses, permits, leases or warranties related thereto, and any equipment and other tangible personal property located thereon.

"Permitted Exceptions" shall mean and include all of the following, subject to the rights of Buyer to object to title and survey matters pursuant to Article 3: (a) applicable zoning, building and land use Laws, (b) such state of facts disclosed by the Survey or any updates thereto (other than such matters that first appear on any update to the Survey issued after the expiration of the Due Diligence Period), (c) the lien of taxes, assessments and other governmental charges or fees not yet due and payable, (d) any exceptions caused by any Buyer's Representative, (e) any exceptions that are Removed without any premium or charge to Buyer, (f) the rights of the tenants

under the Leases excluding any purchase rights or rights of first refusal or first offer, (g) any matters which Buyer is deemed to know about prior to the expiration of the Due Diligence Period unless the applicable Seller has agreed to Remove the same pursuant to Section 3.1, (h) any matters deemed to constitute additional Permitted Exceptions under Section 3.1, and (i) any instrument affecting title to the Real Property that is approved or deemed approved by Buyer in accordance with the terms of Section 8.1. Permitted Exceptions shall not include any matters of record created by Seller in violation of Section 8.1 or any other Required Removal Exceptions. Notwithstanding any provision to the contrary contained in this Agreement or any of the Closing Documents, any or all of the Permitted Exceptions may be omitted by Sellers in the Deeds (as hereinafter defined) without giving rise to any liability of Sellers, irrespective of any covenant or warranty of Sellers that may be contained in the Deeds (which provisions shall survive the Closing and not be merged therein).

“Property” shall mean, collectively, (a) the Real Property, (b) the “Personal Property” as defined in the Bill of Sale attached hereto as Exhibit E, (c) the Leases, (d) the “Intangible Property” as defined in the Assignment Agreement attached hereto as Exhibit F, and (e) the HAP Contract.

“Properties” shall mean, collectively, the Property and Parcel II.

“Protected Information” shall mean any books, records or files (whether in a printed or electronic format) that consist of or contain any of the following: Seller’s organizational documents or files or records relating thereto, except to the extent such materials may be reasonably required by applicable local or state agencies or authorities, Virginia Housing, HUD, or the Title Company; appraisals; strategic plans for the Properties; internal analyses; information regarding the marketing of the Properties for sale; submissions relating to obtaining internal authorization for the sale of the Properties by Sellers or any direct or indirect owner of any beneficial interest in Sellers; attorney and accountant work product; attorney-client privileged documents; internal correspondence among any direct or indirect owner of any beneficial interest in Sellers, or any of their respective affiliates and correspondence between or among such parties; or other information in the possession or control of Sellers, Seller’s Property Manager or any direct or indirect owner of any beneficial interest in Seller which such party reasonably deems proprietary or privileged.

“Real Property” shall mean the real estate legally described in Exhibit A-1 attached hereto, together with all improvements and fixtures located thereon and owned by Seller as of the Closing and any rights, privileges and appurtenances pertaining thereto.

“Remove” with respect to any exception to title shall mean that Sellers cause the Title Company to remove of record or affirmatively insure over the same, without any additional cost to Buyer, whether such removal or insurance is made available in consideration of payment, bonding, indemnity of Sellers or otherwise; provided, however, (i) Seller shall only be permitted to cause the Title Company to insure over the following title exceptions with respect to the Real Property: (a) any liens evidencing monetary encumbrances, and (b) other title exceptions to the extent that Buyer consents thereto (which consent shall not be unreasonably withheld, conditioned or delayed) and (ii) Seller II shall only be permitted to cause the Title Company to insure over the following title exceptions with respect to Parcel II: (a) any liens evidencing monetary

encumbrances, and (b) other title exceptions to the extent that Buyer consents thereto (which consent shall not be unreasonably withheld, conditioned or delayed).

“Required Removal Exceptions” shall mean, collectively, (a) any liens evidencing monetary encumbrances (other than liens for non-delinquent real estate taxes, and other than liens created as a result of the acts or omissions of Buyer, its agents or affiliates), including any mortgage, deed of trust or other financing instrument securing indebtedness of Seller (with respect to the Real Property) and Seller II (with respect to Parcel II); (b) title matters created by Seller, its agents or affiliates with respect to the Real Property in violation of the terms of this Agreement and title matters created by Seller II, its agents or affiliates with respect to Parcel II; and (c) any exception to title that Seller and/or Seller II, as applicable, have specifically agreed in writing to Remove pursuant to the terms of Section 3.1(b).

“Scheduled Closing Date” shall mean a date to be mutually determined by Buyer and Sellers but which in no event is more than two hundred seventy (270) days after the Effective Date (except as the same may be extended as permitted herein).

“Seller Parties” shall mean and include, collectively, (a) Sellers; (b) their counsel; (c) Seller’s Property Manager; (d) any direct or indirect owner of any beneficial interest in Sellers; (e) any officer, director, employee, or agent of Sellers, its counsel, Seller’s Property Manager or any direct or indirect owner of any beneficial interest in Sellers; and (f) any other entity or individual affiliated or related in any way to any of the foregoing.

“Seller’s Broker” shall mean CBRE, Inc.

“Seller’s Knowledge” or words of similar import shall refer only to the current actual knowledge of Robert W. Schaberg and Samuel A. Jones (collectively, the “Designated Representatives”) and shall not be construed to impose upon the Designated Representatives any duty to investigate the matters to which such knowledge, or the absence thereof, pertains. There shall be no personal liability on the part of the Designated Representatives arising out of any of the Sellers’ Warranties.

“Seller II’s Knowledge” or words of similar import shall refer only to the current actual knowledge of the Designated Representatives and shall not be construed to impose upon the Designated Representatives any duty to investigate the matters to which such knowledge, or the absence thereof, pertains. There shall be no personal liability on the part of the Designated Representatives arising out of any of the Sellers’ Warranties.

“Seller’s Property Manager” shall mean the current manager of the Property, Amurcon Realty Company, whose mailing address is 919 East Main Street, Suite 1400, Richmond, Virginia 23219, Attention: Samuel A. Jones.

“Sellers’ Warranties” shall mean Seller’s and Seller II’s representations and warranties expressly set forth in this Agreement and the Closing Documents executed by Seller and/or Seller II, as applicable, for the benefit of Buyer, as such representations and warranties may be deemed modified or waived by Buyer pursuant to the terms of this Agreement.

“Survey” shall mean an ALTA survey of the Property and Parcel II prepared by a surveyor licensed in the State in which the Real Property is located.

“Title Commitment” shall mean a commitment to issue an owner’s policy of title insurance with respect to the Property and Parcel II issued by the Title Company.

“Title Company” shall mean Safe Harbor Title Company, in its capacity as the Buyer’s title company, whose mailing address is 4900 Augusta Avenue, Suite 150, Richmond, VA 23230.

“Title Objections Deadline” shall mean 5:00 p.m. Eastern Time on the last day of the Due Diligence Period.

“Transaction” shall mean the transaction contemplated by this Agreement.

“Virginia Housing” shall mean the Virginia Housing Development Authority.

ARTICLE 2 - SALE OF PROPERTY

Subject to the terms of this Agreement and the Closing Documents, Seller agrees to sell and Buyer agrees to purchase all of Seller’s right, title and interest in and to the Property, and Seller II agrees to sell and Buyer agrees to purchase all of Seller II’s right, title and interest in and to Parcel II. In consideration therefor, Buyer shall pay to Seller the sum of One Million Eight Hundred Fifty-Six Thousand Two Hundred Dollars (\$1,856,200.00) and shall pay to Seller II Forty-Three Thousand Eight Hundred Dollars (\$43,800.00, collectively, the “Purchase Price”). Buyer shall have the right, in its sole discretion, to obtain an updated appraisal for the Properties, and may, based upon and consistent with the results of such appraisal, reallocate the Purchase Price between the Property and Parcel II upon (i) Buyer’s receipt of such appraisal and (ii) written notice to Sellers; however, notwithstanding the results of such appraisal(s), in no event shall the Purchase Price be reallocated by more than five percent (5%) of the original Purchase Price set forth above. The Purchase Price shall be paid as follows:

2.1 Payment of Deposit. No later than three (3) Business Days after the execution of this Agreement by both Buyer and Sellers and as a condition precedent to the effectiveness of this Agreement, Buyer shall pay the Initial Deposit to Escrow Agent. Fifty Thousand and No/100 Dollars (\$50,000.00) of the Initial Deposit shall be released to Seller three (3) days after Buyer’s receipt of approval by HUD of the transfer of the HAP Contract with Buyer’s Requested Rent Levels (as hereinafter defined) from Seller to Buyer, and shall at such time become non-refundable for any reason other than a default by Seller or Seller II which is not cured within the applicable period provided in this Agreement or as otherwise expressly set forth in this Agreement. The remaining Fifty Thousand and No/100 Dollars (\$50,000.00) of the Initial Deposit shall be released to Seller three (3) days after the receipt of the award of federal 4% tax credits and tax-exempt bonds from Virginia Housing, and shall at such time become non-refundable for any reason other than a default by Seller or Seller II which is not cured within the applicable period provided in this Agreement or as otherwise expressly set forth in this Agreement.

2.1.1 Deliveries. Sellers hereby agree to make the following items available to Buyer within five (5) Business Days after the Effective Date (i) by delivery of copies to Buyer, (ii) for inspection by the Buyer at the Properties, or the offices of the Sellers or Seller’s property manager, or (iii) by providing Buyer with access to a website containing the materials (but in each case only to the extent such materials are in Seller’s possession) all of the documents referenced in Exhibit A (Due Diligence Checklist) attached to the letter of intent from Buyer to Joey Padon and CBRE Affordable Housing on November 26, 2024. The foregoing documents, as well as any

other documents or information provided by Sellers to Buyer, is collectively referred to herein as the “Property Documents”. In addition, Sellers will, at no cost to Sellers (excluding Sellers’ overhead costs and attorneys’ costs and fees), use reasonable efforts to provide any other information as Buyer may reasonably request prior to the expiration of the Due Diligence Period concerning Sellers and the Properties.

2.2 Applicable Terms; Failure to Make Deposit. The Deposit shall be paid to Escrow Agent in immediately available funds. Except as expressly otherwise set forth herein, the Deposit shall be applied against the Purchase Price at the Closing and shall otherwise be held and delivered by Escrow Agent in accordance with this Agreement and the provisions of Exhibit C.

2.3 Cash at Closing. On the Scheduled Closing Date, Buyer shall (a) deposit into escrow with the Escrow Agent the balance of the Purchase Price (less the Deposit paid to Seller), which shall be paid by immediately available funds as more particularly set forth in Section 6.1, as prorated and adjusted as set forth in Article 5, Section 6.1, or as otherwise provided under this Agreement, and (b) authorize and direct the Escrow Agent to simultaneously pay the Deposit into such escrow.

ARTICLE 3 - TITLE MATTERS

3.1 Title Defects.

(a) Prior to the Title Objections Deadline, Buyer shall have the right to object in writing to any title matters that appear on the Title Commitment, the Survey, and any updates thereto (whether or not such matters constitute Permitted Exceptions). In addition, after expiration of the Due Diligence Period, Buyer shall have the right to object in writing to any title matters which are not Permitted Exceptions and which materially adversely affect Buyer’s title to the Real Property or Parcel II (as reasonably determined by Buyer in good faith) if (i) such matters first appear on any update to the Title Commitment or Survey issued after the expiration of the Due Diligence Period, and (ii) such objection is made by Buyer within ten (10) Business Days after such updated Title Commitment or Survey is received by Buyer (but, in any event, prior to the Scheduled Closing Date). Unless Buyer is entitled to and timely objects to such title matters, all such title matters shall be deemed to constitute additional Permitted Exceptions.

(b) With respect to any title objections that are not Required Removal Exceptions, Seller may elect to Remove any such exceptions to title with respect to the Real Property and may notify Buyer in writing within five (5) Business Days after receipt of Buyer’s notice of Buyer’s title objections (but, in any event, prior to the Scheduled Closing Date) whether Seller elects to Remove the same. Failure of Seller to respond in writing within such period shall be deemed an election by Seller not to Remove Buyer’s title objections. If Seller elects or is deemed to have elected not to Remove one or more of Buyer’s title objections, then, within five (5) Business Days after Seller’s election or deemed election (but, in any event, prior to the Scheduled Closing Date), Buyer may elect in writing to either (i) terminate this Agreement, in which event the Deposit shall be paid to Buyer (irrespective of whether the Due Diligence Period has expired or not) and, thereafter, the parties shall have no further rights or obligations hereunder except for obligations which expressly survive the termination of this Agreement, or (ii) waive such title objections and proceed to Closing without any reduction of or credit against the Purchase Price. With respect to any title objections that are not Required Removal Exceptions, Seller II may elect to Remove any such exceptions to title with respect to Parcel II and may notify Buyer in

writing within five (5) Business Days after receipt of Buyer's notice of Buyer's title objections (but, in any event, prior to the Scheduled Closing Date) whether Seller II elects to Remove the same. Failure of Seller II to respond in writing within such period shall be deemed an election by Seller II not to Remove Buyer's title objections. If Seller II elects or is deemed to have elected not to Remove one or more of Buyer's title objections, then, within five (5) Business Days after Seller II's election or deemed election (but, in any event, prior to the Scheduled Closing Date), Buyer may elect in writing to either (iii) terminate this Agreement, in which event the Deposit shall be paid to Buyer (irrespective of whether the Due Diligence Period has expired or not) and, thereafter, the parties shall have no further rights or obligations hereunder except for obligations which expressly survive the termination of this Agreement, or (iv) waive such title objections and proceed to Closing without any reduction of or credit against the Purchase Price. Failure of Buyer to respond in writing to Seller and/or Seller II, as applicable, within such period shall be deemed an election by Buyer to waive such title objections and proceed to Closing. Any such title objection so waived (or deemed waived) by Buyer shall constitute a Permitted Exception.

(c) If this Agreement is not terminated by Buyer in accordance with the provisions hereof, Seller shall, at Closing, Remove all Required Removal Exceptions with respect to the Real Property, and Seller II shall, at Closing, Remove all Required Removal Exceptions with respect to Parcel II. If Sellers are unable to Remove any Required Removal Exceptions prior to the Closing (as extended as provided in Section 3.1(d)), Buyer may at Closing elect to either (i) exercise Buyer's rights under Section 9.2, or (ii) accept such exceptions to title and the Closing shall occur as herein provided without any reduction of or credit against the Purchase Price.

(d) Sellers shall be entitled to one or more extensions of the Scheduled Closing Date (not to exceed thirty (30) days in the aggregate) to allow additional time for Sellers to Remove any exceptions to title. Sellers shall have the right to replace the Title Company with another nationally recognized title insurance company reasonably satisfactory to Buyer if the Title Company fails or refuses to Remove any exceptions to title that Sellers elect or are required to Remove.

3.2 Title Insurance. At Closing, the Title Company shall issue (or be irrevocably committed to issuing) the Owner's Title Policy to Buyer, insuring that title to the Real Property is vested in Buyer subject only to the Permitted Exceptions. Buyer may request that the Title Company provide endorsements to the Owner's Title Policy, provided that (a) such endorsements shall be at no cost to, and shall impose no additional liability on, Sellers, (b) Buyer's obligations under this Agreement shall not be conditioned upon Buyer's ability to obtain such endorsements, and (c) the Closing shall not be delayed as a result of Buyer's request.

ARTICLE 4 - BUYER'S DUE DILIGENCE/AS-IS SALE

4.1 Buyer's Due Diligence.

4.1.1 Access. During the term of this Agreement, Buyer and Buyer's Representatives shall be entitled to enter upon the Properties from time to time during normal business hours (as coordinated through Seller's Property Manager), including all leased areas (subject to the rights of tenants under the Leases), upon reasonable prior notice to Sellers (Buyer and Sellers hereby agree that twenty-four (24) hours' prior notice shall be deemed reasonable), to perform inspections and tests of the Property, including surveys, environmental studies, examinations and tests of all structural and mechanical systems within the Improvements, and to

examine the books and records of Sellers and Seller's Property Manager relating to the Properties. Before entering upon the Properties, Buyer shall furnish to Seller evidence of commercial general liability insurance coverage insuring against liability arising out of its activities upon the Real Property in an amount of not less than \$1,000,000. Notwithstanding the foregoing, Buyer shall not be permitted to interfere unreasonably with Seller's operations at the Property or disturb or interfere with any tenant's rights or occupancy at the Property, and the scheduling of any inspections shall take into account the timing and availability of access to tenants' premises, subject to tenants' rights under the Leases or otherwise. Seller shall have the right to have a representative of Seller present at any tenant interviews or inspections. No Phase II environmental inspections or other invasive inspections or sampling of soil or materials, including without limitation construction materials shall be performed without the prior written consent of Seller or Seller II, as applicable, as to the type of inspections and the proposed scope of work therefor, which may be withheld in Sellers' reasonable discretion, and if consented to by Sellers, the party who will perform the work shall be subject to Seller's or Seller II's review and approval, as applicable, not to be unreasonably withheld, conditioned or delayed. Without limiting the foregoing, Buyer will not enter any tenant premises, or contact any tenants of the Property, without coordination with Seller. Buyer shall repair any damage to the Properties caused by any such tests or investigations, and indemnify, defend and hold harmless Sellers, their respective partners and affiliates and their respective directors, officers, managers, employees, agents, successors and assigns from any and all liabilities, claims, losses, suits, demands, costs and expenses resulting therefrom, except to the extent any such liabilities, claims, losses, suits, demands, costs or expenses are caused by the negligence or willful misconduct of Seller or Seller II or their respective partners or affiliates or their respective directors, officers, managers, employees or agents; provided, however, Buyer shall have no liability with respect to any existing environmental contamination or condition on the Real Property or Parcel II not caused by Buyer, its agents or consultants, or other deficiencies or conditions in the Real Property or Parcel II, that may be discovered by Buyer as a result of its investigations of the Real Property or Parcel II provided that, following the discovery of any such condition, Buyer takes no actions which would exacerbate any such condition. The foregoing indemnification shall survive Closing or the termination of this Agreement.

4.1.2 Buyer's Termination Rights. During the Due Diligence Period, Buyer may elect, by written notice to Sellers prior to the expiration of the Due Diligence Period to terminate this Agreement in its sole and absolute discretion, in which event the Deposit shall be returned forthwith to Buyer and Buyer shall deliver to Sellers copies of all title commitments (without representation or warranty by Buyer) in connection with the Properties at no cost to Sellers, and Sellers shall, in their sole election, request and receive from Buyer, and reimburse Buyer for the cost of, copies of any surveys, engineering reports, environmental audits and other third party studies and reports generated by or for Buyer (without representation or warranty by Buyer) in connection with the Properties, and, except as expressly set forth herein, no party shall have any further liability or obligation to the others hereunder. If Buyer does not give Sellers written notice of its election prior to the expiration of the Due Diligence Period that Buyer will consummate the purchase of the Property, Buyer shall be deemed to have waived its rights to terminate this Agreement in accordance with this section, provided it shall retain its right to terminate the Agreement and be returned the Deposit as otherwise explicitly set forth in this Agreement.

4.1.3 Buyer's Parcel II Termination Right. Notwithstanding anything else contained in this Agreement to the contrary, if Buyer determines prior to the expiration of the Due

Diligence Period in its reasonable discretion that Parcel II is in violation of any Environmental Law, or an Environmental Activity is present on Parcel II, or Parcel II is encumbered by a material title defect or is otherwise affected by a monetary liability attached to it greater than \$10,000, or is not otherwise conducive to Buyer's future development of the Property, as determined in Buyer's sole discretion, or prior to or after the expiration of the Due Diligence Period, Parcel II is subject to a casualty or condemnation action under Section 10 hereof, Buyer shall have the option to remove Parcel II and Seller II from the Agreement by providing written notice to Sellers of such election prior to the expiration of the Due Diligence Period, and the Agreement shall remain in full force and effect between Seller and Buyer with respect to the Property. To the extent this Agreement provides Buyer with a termination right subsequent to the expiration of the Due Diligence Period, if such termination right relates to Seller II or Parcel II, Buyer, in addition to any termination right provided for in this Agreement, shall have the right to remove Parcel II and Seller II from the Agreement by providing written notice to Sellers of such election, and the Agreement shall remain in full force and effect between Seller and Buyer with respect to the Property.

If Buyer elects not to purchase Parcel II in accordance with the paragraph above, the Purchase Price will be decreased by the amount of the Purchase Price allocated to Parcel II.

4.1.4 Approval of Transfer of HAP Contract and Buyer's Requested Rent Levels. No later than thirty (30) days following the expiration of the Due Diligence Period, Buyer shall make application to HUD for HUD's approval of the transfer of the HAP Contract to Buyer with the rent levels shown on Exhibit Q, attached hereto and made a part hereof (collectively, "Buyer's Requested Rent Levels") and shall thereafter keep Seller reasonably informed of the status of such application. Buyer shall be responsible for paying any fees or charges in connection with the transfer of the HAP Contract, including but not limited to application charges and attorneys' costs and fees, provided that such charges and transfer fees (excluding Buyer's own attorneys' costs and fees) shall be credited against the Purchase Price in an amount not exceeding Twenty-Five Thousand and 00/100 Dollars (\$25,000.00). Seller agrees, at no cost or expense to Seller (provided Seller shall in all cases pay its own attorneys' costs and fees), to assist Buyer in obtaining HUD's approval of the transfer of the HAP Contract with Buyer's Requested Rent Levels to Buyer.

4.2 As-Is Provisions.

4.2.1 As-Is Sale. Buyer acknowledges and agrees that:

(a) Buyer has conducted and shall continue to conduct during the Due Diligence Period, or waive its right to conduct, such due diligence as Buyer has deemed or shall deem necessary or appropriate.

(b) The Properties shall be sold, and Buyer shall accept possession of the Properties as of the Closing, "AS IS, WHERE IS, WITH ALL FAULTS", with no right of setoff or reduction in the Purchase Price, except as expressly set forth to the contrary in this Agreement and the Closing Documents.

(c) Except for Sellers' Warranties, none of the Seller Parties shall be deemed to have made any verbal or written representations, warranties, promises or guarantees (whether express, implied, statutory or otherwise) to Buyer with respect to the Properties, any matter set forth, contained or addressed in the materials delivered or made available to Buyer's

Representatives, including, but not limited to, the accuracy and completeness thereof, or the results of Buyer's due diligence.

(d) Buyer shall independently confirm to its satisfaction all information that it considers material to its purchase of the Properties or the Transaction.

4.2.2 Release. By accepting the Deeds and closing the Transaction, Buyer, on behalf of itself and its successors and assigns, shall thereby release each of the Seller Parties from, and waive any and all Liabilities against each of the Seller Parties for, attributable to, or in connection with the Properties, whether arising or accruing before, on or after the Closing and whether attributable to events or circumstances which arise or occur before, on or after the Closing, including, without limitation, the following: (a) any and all statements or opinions heretofore or hereafter made, or information furnished, by any Seller Parties to any Buyer's Representatives; and (b) any and all Liabilities with respect to the structural, physical, or environmental condition of the Properties, whether such Liabilities are latent or patent, including, without limitation, all Liabilities relating to the release, presence, discovery or removal of any hazardous or regulated substance, chemical, waste or material (collectively, "Hazardous Materials") that may be located in, at, about or under the Properties, or connected with or arising out of any and all claims or causes of action based upon CERCLA (Comprehensive Environmental Response, Compensation, and Liability Act of 1980, 42 U.S.C. §§9601 *et seq.*, as amended by SARA (Superfund Amendment and Reauthorization Act of 1986) and as may be further amended from time to time), the Resource Conservation and Recovery Act of 1976, 42 U.S.C. §§6901 *et seq.*, or any other Federal, State or municipal Laws relating to environmental contamination, or any other related claims or causes of action (collectively, "Environmental Liabilities"); and (c) any implied or statutory warranties or guaranties of fitness, merchantability or any other statutory or implied warranty or guaranty of any kind or nature regarding or relating to any portion of the Properties. Notwithstanding the foregoing, the foregoing release and waiver is not intended and shall not be construed as affecting or impairing any rights or remedies that Buyer may have against Sellers with respect to (i) the Retained Liabilities set forth in Section 4.2.3 below, (ii) a breach of any of Sellers' Warranties, (iii) any of the obligations of Sellers under this Agreement that expressly survive the Closing, or (iv) any acts constituting fraud by Sellers.

4.2.3 Allocation of Liability.

(a) Seller hereby agrees that after Closing Seller shall continue to be responsible and liable with respect to the following (collectively, the "Seller's Retained Liabilities"):

(i) any claims made or causes of action under any Contract entered into between Seller and any such claimant alleging a default or breach by Seller which is alleged to have occurred prior to the Closing, unless Buyer knows or is deemed to know about such claim or cause of action on or before the Closing; and

(ii) any tort claims which arise from any injury that occurred during the time that Seller owned fee title to the Property unless the same are caused by the acts or omissions of any Buyer's Representatives; and

(iii) any claims made or causes of action brought by any governmental authority with respect to Hazardous Materials deposited or placed in, at, or under

the Property by Seller during the time that Seller owned fee title to the Property, unless: (A) any Buyer's Representative is deemed to know about such Hazardous Materials or any claim or cause of action related to the same on or before the Closing; or (B) Buyer has the right to seek recovery from any tenants or previous tenants of the Property with respect to such Hazardous Materials, claims or causes of action.

(b) Seller II hereby agrees that after Closing Seller II shall continue to be responsible and liable with respect to the following (collectively, the "Seller II's Retained Liabilities," and together with Seller's Retained Liabilities, the "Retained Liabilities"):

(i) any claims made or causes of action under any Contract entered into between Seller II and any such claimant alleging a default or breach by Seller II which is alleged to have occurred prior to the Closing, unless Buyer knows or is deemed to know about such claim or cause of action on or before the Closing; and

(ii) any tort claims which arise from any injury that occurred during the time that Seller II owned fee title to Parcel II unless the same are caused by the acts or omissions of any Buyer's Representatives; and

(iii) any claims made or causes of action brought by any governmental authority with respect to Hazardous Materials deposited or placed in, at, or under Parcel II by Seller II during the time that Seller II owned fee title to Parcel II, unless: (A) any Buyer's Representative is deemed to know about such Hazardous Materials or any claim or cause of action related to the same on or before the Closing; or (B) Buyer has the right to seek recovery from any tenants or previous tenants of the Property with respect to such Hazardous Materials, claims or causes of action.

(c) By accepting the Deed and closing the Transaction, Buyer shall thereby assume and take responsibility and liability for the following:

(i) any and all Liabilities attributable to the Properties to the extent that the same arise or accrue on or after the Closing and are attributable to events or circumstances which arise or occur on or after the Closing; and

(ii) any and all Liabilities with respect to the structural, physical or environmental condition of the Properties, whether such Liabilities are latent or patent, whether the same arise or accrue before, on or after the Closing, and whether the same are attributable to events or circumstances which may arise or occur before, on or after the Closing, including, without limitation, all Environmental Liabilities (but specifically excluding the Retained Liabilities to be retained by Sellers as described in clause (iii) of paragraph (a) above); and

(iii) any and all Liabilities that arose or accrued prior to the Closing or are attributable to events which arose or occurred prior to the Closing, but only if Buyer is deemed to know about the same on or before the Closing; and

(iv) any and all Liabilities with respect to which Buyer receives a credit at Closing.

Buyer acknowledges and agrees that the Liabilities to be assumed by Buyer pursuant to each of the foregoing clauses are intended to be independent of one another, so Buyer shall assume Liabilities described in each of the clauses even though some of those Liabilities may be read to be excluded by another clause. Notwithstanding the foregoing terms of this paragraph (b), the foregoing assumption of liability by Buyer is not intended and shall not be construed as requiring Buyer to assume (1) any Retained Liabilities, (2) any of the obligations of Sellers under this Agreement that expressly survive the Closing, or (3) any acts constituting fraud by Sellers.

4.2.4 No Indemnification. Notwithstanding any provision in this Section 4.2 to the contrary, the releases, waivers and assumptions set forth in this Section 4.2 shall not be construed as an indemnification by Sellers or Buyer for the benefit of the other party.

4.2.5 Successors and Assigns. The provisions of this Section 4.2 shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns.

4.2.6 Reaffirmation and Survival. The provisions of this Section 4.2 shall be deemed reaffirmed by Sellers and Buyer by delivery and acceptance of the Deed and shall survive the Closing.

4.3 Limitation on Seller's Liability.

4.3.1 Maximum Aggregate Liability. Notwithstanding any provision to the contrary contained in this Agreement or the Closing Documents, the maximum aggregate liability of the Seller Parties, and the maximum aggregate amount which may be awarded to and collected by Buyer, in connection with the Transaction, the Property, under this Agreement, and under all Closing Documents (including, without limitation, in connection with the breach of any of Sellers' Warranties for which a claim is timely made by Buyer) shall not exceed Two Hundred Fifty Thousand and No/100 Dollars (\$250,000); provided, however, that the foregoing cap on the liability of Sellers shall not be applicable to any liability that Sellers may have with respect to the indemnity by Seller regarding the payment of the commission to any brokers engaged by Seller pursuant to Section 8.3.

4.3.2 Incorporation into Closing Documents. Buyer acknowledges and agrees that the limitation on the liability of the Seller Parties set forth in this Section 4.3 shall be applicable to any claim, liability or cause of action under the Closing Documents or any of the other documents executed by the Seller Parties in connection with the Transaction regardless of whether such limitation is expressly stated in such documents or instruments.

4.3.3 Survival. The provisions of this Section 4.3 shall survive the Closing (and not be merged therein) or any earlier termination of this Agreement.

4.4 Further Limitations on Liability of the Parties. Each of Buyer, Seller and Seller II, for itself and on behalf of its agents, members, partners, employees, representatives, related and affiliated entities, successors and assigns, hereby agrees that in no event shall any of the officers, directors, employees, agents, consultants, representatives or attorneys of the other party or any direct or indirect owner of any beneficial interest of the other party have any personal liability under this Agreement or under any of the Closing Documents and each of Buyer, Seller and Seller II hereby expressly release and waive all such liability. In addition, neither Seller, Seller II nor

Buyer shall be entitled to recover from the other party any punitive, consequential, special or speculative damages. Buyer, Seller and Seller II acknowledge and agree that the limitation on the liability of the parties set forth in this Section 4.4 shall be applicable to any claim, liability or cause of action under the Closing Documents or any of the other documents executed in connection with the Transaction regardless of whether such limitation is expressly stated in such documents or instruments. The provisions of this Section 4.4 shall survive the Closing (and not be merged therein) or any earlier termination of this Agreement.

ARTICLE 5 - ADJUSTMENTS AND PRORATIONS

5.1 Proration of Income.

5.1.1 Rents. For purposes of this Agreement, “Rents” shall mean all base rents, percentage rents, additional rent and any tax and operating expense reimbursements and escalations due from the tenants of the Property under the Leases. All collected Rents and other income from Property operations shall be prorated between Seller and Buyer as of 12:01 a.m. on the Closing Date. Rents or other income from Property operations not collected as of the Closing shall not be prorated at the time of Closing. Percentage rent due from any tenant shall be prorated as herein provided at such time as Buyer collects the same in accordance with Section 5.1.2.

5.1.2 Post-Closing Collections. After Closing, Buyer shall make a good faith effort to collect any Rents or other revenues not collected as of the Closing on Seller’s behalf and to tender the same to Seller upon receipt. Seller shall not institute collection efforts after the Closing against any tenants for any pre-Closing delinquent rents under any of the Leases. All Rents collected by Buyer after the Closing shall first be applied as follows: (a) first, to Buyer, for any calendar month or months following the calendar month in which the Closing occurred until such tenant is current on post-Closing rents, (b) second, to Buyer, for Buyer’s prorated portion of the rent for the calendar month in which Closing occurred, (c) third, to Seller, for Seller’s prorated portion of the rent for the calendar month in which Closing occurred and (d) fourth, to Seller, for the three-month period preceding the Closing Date until such tenant is current on pre-Closing rents for the three-month period that preceded Closing.

5.1.3 Cash Security Deposits. At Closing, Seller shall give Buyer a credit against the Purchase Price in the aggregate amount of any cash security deposits then required to be held by Seller under the Leases. In addition, at Closing Seller shall give Buyer a credit in the aggregate amount of any unapplied refundable deposits collected from tenants. Seller shall retain (and Buyer will not receive a credit for) any fees collected from tenants.

5.1.4 No Proration of Upfront Fees. Seller shall retain (and Buyer shall not receive a credit for) any upfront payments or incentives for long-term service or utility contracts at the Property. To Seller’s knowledge, there are no upfront payments or incentives for long-term service or utility contracts at the Property, and to Seller II’s knowledge, there are no upfront payments or incentives for long-term service or utility contracts at Parcel II.

5.2 Proration of Taxes and Other Property Expenses.

5.2.1 Proration of *Ad Valorem* Taxes. All general real estate and *ad valorem* taxes and other state, county or municipal taxes, charges and assessments affecting the Properties will be prorated as of 12:01 a.m. on the Closing Date, based on (if applicable) the maximum discount

available for early payment. In the event final, current bills for such taxes are not available at Closing, such taxes will be prorated on the basis of the taxes for most recent year for which final bills are available. For clarity, assuming the Closing occurs in 2025, Seller would be responsible (with respect to the Property) and Seller II would be responsible (with respect to Parcel II) for paying all ad valorem taxes assessed or levied against the Property or Parcel II, as applicable, for any calendar year, fiscal year or other taxing period that ends before Closing (and give Buyer a credit therefor if not paid prior to or at Closing by Seller and/or Seller II, as applicable) and Sellers' share of ad valorem taxes for the period of January 1, 2025 through the day prior to the Closing Date based on the taxes which are payable during calendar year 2025, and any taxes related to 2024.

5.2.2 Special Assessments. Sellers shall pay all installments of special assessments due and payable prior to the Closing Date and Buyer shall pay all installments of special assessments due and payable after the Closing Date; provided, however, (a) if the owners of the Properties have the election to pay any special assessment over time, Sellers may elect to do so, which election shall be binding on Buyer and (b) Sellers shall not be required by the foregoing to pay any installments of special assessments which have not been confirmed as of the Effective Date.

5.2.3 Other Property Operating Expenses. Operating expenses for the Properties shall be prorated as of 12:01 a.m. on the Closing Date. To the extent that the amount of actual consumption of any utility services is not determined prior to the Closing Date, a proration shall be made at Closing based on the last available reading and post-closing adjustments between Buyer and Sellers shall be made within twenty (20) days of the date that actual consumption for such pre-closing period is determined, which obligation shall survive the Closing and not be merged therein. Sellers shall not assign to Buyer any deposits which Sellers have with any of the utility services or companies servicing the Property or Parcel II, as applicable. Buyer shall arrange with such services and companies to have accounts opened in Buyer's name beginning at 12:01 a.m. on the Closing Date.

5.3 Replacement Reserve Balance. At Closing, the Property's replacement reserves account shall be released to the Seller, or Seller shall receive a credit at Closing in the amount of the replacement reserves.

5.4 Closing Costs. Closing costs shall be allocated between Buyer and Sellers in accordance with local custom. For the avoidance of doubt:

(a) Buyer shall pay the following closing costs: (i) all premiums and charges of the Title Company for the Title Commitment and the Owner's Title Policy (including any endorsements requested by Buyer), (ii) the cost of the Survey, (iii) the grantee's taxes applicable to the Deeds and all recording and filing charges in connection therewith, other than fees for which Sellers are expressly responsible, (iv) all escrow or closing charges, (v) the commission due any broker representing Buyer, (vi) all fees due its attorneys and all costs of Buyer's due diligence, including fees due its consultants, and (vii) all lenders' fees, documentary stamp fees, mortgage taxes, and similar charges, if any, related to any financing to be obtained by Buyer.

(b) Seller and/or Seller II, as applicable, shall pay the following closing costs: (i) the grantor's taxes applicable to the Deeds, the Regional Congestion Relief Fees payable

pursuant to Virginia Code § 58.1-802.2 and the Regional Washington Metropolitan Area Transit Authority Capital Fee, payable pursuant to Virginia Code § 58.1-802.3, to the extent applicable on the Closing Date, (ii) the preparation of the Deeds, (iii) all fees due their attorneys, (iv) all costs incurred in connection with causing the Title Company to Remove any Required Removal Exceptions, and (v) any prepayment penalty, defeasance costs, review and/or transfer fees or taxes with respect to the current loans on the Property being paid off or terminated.

The obligations of the parties under this section shall survive the Closing (and not be merged therein) or any earlier termination of this Agreement.

ARTICLE 6 - CLOSING

6.1 Closing Mechanics.

(a) The parties shall conduct an escrow-style closing through the Escrow Agent so that it will not be necessary for any party to attend the Closing.

(b) Provided all conditions precedent to Sellers' obligations hereunder have been satisfied, Seller agrees to convey the Property, and Seller II agrees to convey Parcel II, to Buyer upon confirmation of receipt of the Purchase Price by the Escrow Agent as set forth below. Provided all conditions precedent to Buyer's obligations hereunder have been satisfied, Buyer agrees to pay the amount specified in Section 2.3 by timely delivering the same to the Escrow Agent on the Scheduled Closing Date and unconditionally authorizing and directing the Escrow Agent no later than 5:00 p.m. Eastern Time on the Scheduled Closing Date to deposit the same in Seller's designated account. In addition, for each full or partial day after 5:00 p.m. Eastern Time on the Scheduled Closing Date that Buyer fails to comply with the foregoing, then, at Seller and/or Seller II's election (and in addition to any rights that Seller and/or Seller II may have pursuant to Section 9.1), the prorations between the parties shall be calculated as of the next Business Day.

(c) The items to be delivered by Sellers or Buyer in accordance with the terms of Section 6.2 or Section 6.3 shall be delivered to Escrow Agent no later than 5:00 p.m. Eastern Time on the last Business Day prior to the Scheduled Closing Date except that (i) the items in the paragraph entitled "Keys and Original Documents" shall be delivered by Seller at the Property or made available for pick-up from Seller's Property Manager on the Closing Date, and (ii) the Purchase Price shall be delivered by Buyer in accordance with the terms of Section 6.1(b).

(d) Buyer shall have the right to extend the Scheduled Closing Date for two (2) consecutive periods of up to forty-five (45) days each by delivering, at least three (3) days prior to the original Scheduled Closing Date or expiration of the first extension period, as applicable, written notice to Seller and an additional Deposit to Escrow Agent of Twenty Five Thousand and no/100 Dollars (\$25,000.00) (each, an "Extension of Closing Deposit"). Such Extension of Closing Deposit(s) shall, upon delivery to Escrow Agent, be non-refundable to Buyer for any reason other than a default by Seller or Seller II which is not cured within the applicable period provided in this Agreement or as otherwise expressly set forth in this Agreement and shall be applicable to the Purchase Price.

6.2 Sellers' Closing Deliveries. At Closing, Seller and/or Seller II, as applicable, shall deliver the following:

(a) Deed. A deed in the form of Exhibit D attached hereto ("Deed"), executed and acknowledged by Seller with respect to the Real Property and a separate deed executed and acknowledged by Seller II with respect to Parcel II (collectively, the "Deeds").

(b) Bill of Sale. A bill of sale in the form of Exhibit E attached hereto, executed by Seller.

(c) Assignment Agreement. An assignment and assumption of the Leases and Intangible Property, in the form of Exhibit F attached hereto ("Assignment Agreement"), executed by Seller and, if applicable, a separate instrument executed by Seller II.

(d) Assignment of HAP Contract. The HUD form of assignment and assumption of the Section 8 HAP contract benefitting the Property.

(e) Notice to Tenants. A single form letter in the form of Exhibit G attached hereto, executed by Seller, duplicate copies of which shall be sent by Buyer after Closing to each tenant under the Leases.

(f) Non-Foreign Status Affidavit. A non-foreign status affidavit in the form of Exhibit H attached hereto, as required by Section 1445 of the Internal Revenue Code, executed by Seller and Seller II.

(g) Evidence of Authority. Documentation to establish to the Title Company's reasonable satisfaction the due authorization of Seller's and Seller II's consummation of the Transaction, including Seller's and Seller II's execution of this Agreement and the Closing Documents required to be delivered by Seller and Seller II.

(h) Other Documents. An owner's affidavit as to mechanics' liens and possession in a form reasonably approved by Sellers and reasonably acceptable to the Title Company and applicable transfer or sales tax filings and such other documents as may be reasonably required by the Title Company or may be agreed upon by Sellers and Buyer to consummate the Transaction.

(i) Rent Roll. An updated Rent Roll that is certified by Seller.

(j) Representation Certificate. A certificate confirming and updating Sellers' Warranties as of the Closing Date in the form of Exhibit J-1 attached hereto, executed by Sellers.

(k) Closing Statement. A mutually acceptable form of a joint closing statement, setting forth the prorations and adjustments to the Purchase Price respecting the Property to be made pursuant to this Agreement (the "Closing Statement"), executed by Sellers.

(l) Keys and Original Documents. Keys to all locks on the Real Property in Seller's, Seller II's and/or Seller's Property Manager's possession and originals or, if

originals are not available, copies, of all of the Leases, Contracts, and other Property documents, to the extent not previously delivered to Buyer.

(m) [Intentionally Deleted.]

6.3 Buyer's Closing Deliveries. At the Closing, Buyer shall deliver the following:

(a) Purchase Price. The Purchase Price, as adjusted for apportionments and other adjustments required under this Agreement, plus any other amounts required to be paid by Buyer at Closing.

(b) Assignment Agreement. The Assignment Agreement, executed by Buyer.

(c) Assignment of HAP Contract. The HUD form of assignment and assumption of the Section 8 HAP contract benefitting the Property.

(d) Representation Certificate. A certificate confirming and updating Buyer's representations and warranties set forth in this Agreement as of the Closing Date in the form of Exhibit J-2 attached hereto, executed by Buyer.

(e) Evidence of Authority. Documentation to establish to Seller's reasonable satisfaction the due authorization of Buyer's consummation of the Transaction, including Buyer's execution of this Agreement and the Closing Documents required to be delivered by Buyer.

(f) Other Documents. Applicable transfer or sales tax filings and such other documents as may be reasonably required by the Title Company or may be agreed upon by Seller and Buyer to consummate the Transaction.

(g) Closing Statement. The Closing Statement, executed by Buyer.

6.4 Conditions to Buyer's Obligations. Buyer's obligation to close the Transaction is conditioned on all of the following:

(a) Representations True. Sellers' Warranties in this Agreement, as the same may be deemed modified as provided in Section 7.4, are, in the aggregate, true, accurate and correct in all material respects as of the Closing Date, as if made on and as of such date except to the extent that they expressly relate to an earlier date.

(b) Legal Proceedings. No court order, injunction, legal action, suit or other legal proceeding shall be pending against Seller or Seller II as of the Closing Date (i) seeking to restrain or prohibit in any material respect the purchase and sale of the Property or Parcel II, as applicable, or the consummation of the Transaction, or (ii) seeking material damages with respect to such purchase and sale or the consummation of the Transaction.

(c) Title Conditions Satisfied. At the time of the Closing, title to the Properties shall be as provided in Article 3 of this Agreement.

(d) Seller's Deliveries Complete. Sellers shall have delivered all of the documents and other items required pursuant to Section 6.2 and shall have performed all other material obligations to be performed by Sellers at or prior to the Closing.

6.5 Conditions to Sellers' Obligations. Sellers' obligation to close the Transaction is conditioned on all of the following:

(a) Representations True. The representations and warranties made by Buyer in this Agreement are, in the aggregate, true, accurate and correct in all material respects as of the Closing Date, as if made on and as of such date except to the extent that they expressly relate to an earlier date.

(b) Legal Proceedings. No court order, injunction, legal action, suit or other legal proceeding shall be pending against Buyer as of the Closing Date (i) seeking to restrain or prohibit in any material respect the purchase and sale of the Properties or the consummation of the Transaction, or (ii) seeking material damages with respect to such purchase and sale or the consummation of the Transaction.

(c) Buyer's Deliveries Complete. Buyer shall have delivered the funds required hereunder and all of the documents to be executed by Buyer set forth in Section 6.3 and shall have performed all other material obligations to be performed by Buyer at or prior to the Closing.

6.6 Waiver of Failure of Conditions Precedent. At any time on or before the date specified for the satisfaction of any condition, Sellers or Buyer may elect in writing to waive the benefit of any such condition to its obligations hereunder. By closing the Transaction, Sellers and Buyer shall be conclusively deemed to have waived the benefit of any remaining unfulfilled conditions set forth in this Article 6, except to the extent that the same expressly survive Closing. In the event any of the conditions set forth in this Article 6 are neither waived nor fulfilled, the party for whose benefit the applicable condition exists may terminate this Agreement (subject to the notice and cure rights set forth in Article 9 and elsewhere in this Agreement) and exercise such rights and remedies, if any, that such party may have pursuant to the terms of Article 9. If this Agreement is terminated as a result of the failure of any condition set forth in this Article 6 that is not also a default hereunder, then the Deposit shall be returned to Buyer and, thereafter, neither party shall have any further rights or obligations hereunder except for obligations which expressly survive termination of this Agreement.

ARTICLE 7 - REPRESENTATIONS AND WARRANTIES

7.1 Buyer's Representations. Buyer represents and warrants to Sellers as follows:

7.1.1 Buyer's Authorization. Buyer (a) is duly organized (or formed), validly existing and in good standing under the Laws of its State of organization and, to the extent required by applicable Laws, the State in which the Real Property is located, and (b) is authorized to execute this Agreement and consummate the Transaction and fulfill all of its obligations hereunder and under all Closing Documents to be executed by Buyer and such instruments, obligations and actions are valid and legally binding upon Buyer, enforceable in accordance with their respective terms. The execution and delivery of this Agreement and all Closing Documents to be executed by Buyer and the performance of the obligations of Buyer hereunder or thereunder will not

(x) result in the violation of any Law or any provision of Buyer's organizational documents, (y) conflict with any order of any court or governmental instrumentality binding upon Buyer, or (z) conflict or be inconsistent with, or result in any default under, any contract, agreement or commitment to which Buyer is bound.

7.1.2 Buyer's Financial Condition. No petition has been filed by or against Buyer under the Federal Bankruptcy Code or any similar Laws.

7.1.3 Patriot Act Compliance. Buyer is not acting, directly or indirectly for, or on behalf of, any person, group, entity or nation named by any Executive Order (including the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism) or the United States Treasury Department as a terrorist, "Specially Designated National and Blocked Person," or other banned or blocked person, group, entity, or nation pursuant to any Law that is enforced or administered by the Office of Foreign Assets Control, and Buyer is not engaging in this Transaction, directly or indirectly, on behalf of, or instigating or facilitating this Transaction, directly or indirectly, on behalf of, any such person, group, entity or nation. Buyer is not engaging in this Transaction, directly or indirectly, in violation of any Laws relating to drug trafficking, money laundering or predicate crimes to money laundering. None of the funds of Buyer have been or will be derived from any unlawful activity with the result that the investment of direct or indirect equity owners in Buyer is prohibited by Law or that the Transaction or this Agreement is or will be in violation of Law. Buyer has and will continue to implement procedures and has consistently and will continue to consistently apply those procedures, to ensure the foregoing representations and warranties remain true and correct at all times prior to Closing. Notwithstanding the foregoing, in no event shall Buyer's representations and warranties under this Section 7.1.3 apply to any person or entity which owns, has owned, or may hereafter own any publicly traded stock or other publicly traded securities of (a) Buyer (if any), or (b) any entity which directly or indirectly owns an interest in Buyer.

7.1.4 ERISA. Buyer is not and is not using plan assets of a plan or entity that is subject to (a) Title I of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), (b) Section 4975 of the Internal Revenue Code of 1986, as amended (the "Code") or (c) any laws regulating investments of and fiduciary obligations with respect to any other plan or entity, including governmental plans and church plans, that are similar to those described under Section 406 of ERISA or 4975 of the Code.

Buyer's representations and warranties in this section shall survive the Closing and not be merged therein.

7.2 Seller's Representations. Seller represents and warrants to Buyer as follows:

7.2.1 Seller's Authorization. Seller (a) is duly organized (or formed), validly existing and in good standing under the Laws of its State of organization and, to the extent required by applicable Laws, the State in which the Real Property is located, (b) holds marketable fee simple title to the Real Property, and (c) is authorized to execute this Agreement, consummate the Transaction and fulfill all of its obligations hereunder and under all Closing Documents to be executed by Seller and such instruments, obligations and actions are valid and legally binding upon Seller, enforceable in accordance with their respective terms. The execution and delivery of this Agreement and all Closing Documents to be executed by Seller and the performance of the

obligations of Seller hereunder or thereunder will not (x) result in the violation of any Law or any provision of Seller's organizational documents, (y) conflict with any order of any court or governmental instrumentality binding upon Seller, or (z) conflict or be inconsistent with, or result in any default under, any contract, agreement or commitment to which Seller is bound.

7.2.2 Seller's Financial Condition. No petition has been filed by Seller, nor has Seller received written notice of any petition filed against Seller under the Federal Bankruptcy Code or any similar Laws.

7.2.3 Patriot Act Compliance. Seller is not acting, directly or indirectly for, or on behalf of, any person, group, entity or nation named by any Executive Order (including the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism) or the United States Treasury Department as a terrorist, "Specially Designated National and Blocked Person," or other banned or blocked person, group, entity, or nation pursuant to any Law that is enforced or administered by the Office of Foreign Assets Control and Seller is not engaging in this Transaction, directly or indirectly, on behalf of, or instigating or facilitating this Transaction, directly or indirectly, on behalf of, any such person, group, entity or nation. Seller is not engaging in this Transaction, directly or indirectly, in violation of any Laws relating to drug trafficking, money laundering or predicate crimes to money laundering. None of the funds of Seller have been or will be derived from any unlawful activity with the result that the investment of direct or indirect equity owners in Seller is prohibited by Law or that the Transaction or this Agreement is or will be in violation of Law. Seller has and will continue to implement procedures and has consistently and will continue to consistently apply those procedures, to ensure the foregoing representations and warranties remain true and correct at all times prior to Closing. Notwithstanding the foregoing, in no event shall Seller's representations and warranties under this Section 7.2.3 apply to any person or entity which owns, has owned, or may hereafter own any publicly traded stock or other publicly traded securities of (a) Seller (if any), or (b) any entity which directly or indirectly owns an interest in Seller.

7.2.4 ERISA. Seller is not and is not using plan assets of a plan or entity that is subject to (a) Title I of ERISA, (b) Section 4975 of the Code or (c) any laws regulating investments of and fiduciary obligations with respect to any other plan or entity, including governmental plans and church plans, that are similar to those described under Section 406 of ERISA or 4975 of the Code.

7.2.5 Delivery of Documents. Seller has requested that Seller's Property Manager deliver or otherwise make available to Buyer's Representatives all books, records, and other writings in Seller's Property Manager's possession related in any material way to the use, ownership or operation of the Property (including but not limited to updated leasing status reports and the Property Documents), other than Protected Information. To Seller's Knowledge, the documents heretofore or hereafter delivered or otherwise made available to Buyer's Representatives prior to Closing (a) include the documents (other than the Protected Information) that are used by Seller in the day-to-day operation and management of the Property, and (b) include the documents (other than the Protected Information) that are prepared and reviewed by Seller's Property Manager for reporting to Seller in connection with (i) the performance by Seller of its fiduciary obligations to its clients and investors, and (ii) the preparation of financial statements and reports submitted to the clients and investors of Seller.

7.2.6 Designated Representatives. The Designated Representatives include those individuals who are currently responsible for the asset management of the Property and the Transaction on behalf of Seller.

7.2.7 Tenants of the Property. Attached hereto as Exhibit L is the rent roll for the Property used by Seller in the ordinary course of business as of the date set forth on such rent roll (the "Rent Roll"). For purposes of this Agreement, the Rent Roll shall only be deemed to be materially inaccurate or incorrect if it is inaccurate or incorrect by more than 5% of the gross monthly income for the Property as set forth therein.

7.2.8 Personal Property. Except as set forth in Exhibit M attached hereto, the personal property to be transferred to Buyer is free and clear of liens, security interests and other encumbrances arising by, through or under Seller, except as a result of instruments securing a loan that shall be paid in full by Seller at or prior to Closing.

7.2.9 Rents. No Rents or Leases have been assigned, transferred or hypothecated by Seller, except by virtue of instruments securing a loan that shall be paid in full by Seller at or prior to Closing.

7.2.10 Third-Party Rights. Seller has not entered into any agreements currently in effect pursuant to which Seller has granted any rights of first refusal to purchase all or any part of the Property, options to purchase all or any part of the Property or other rights whereby any individual or entity has the right to purchase all or any part of the Property.

7.2.11 Litigation. To Seller's Knowledge, as of the Effective Date, except as listed in Exhibit M attached hereto, Seller has not received any written notice of, nor does Seller have actual knowledge of, any current or pending litigation against Seller or relating to the Property (including, without limitation, any condemnation proceedings and any building code violations) which would, in the reasonable judgment of Seller, adversely affect the Property.

7.2.12 Contracts. As of the Effective Date, Seller has not entered into or assumed any contracts, equipment leases or other agreements affecting the Property which will be binding upon Buyer after the Closing other than (a) the Contracts listed in Exhibit B attached hereto, (b) the Leases, and (c) liens, encumbrances, covenants, conditions, restrictions, easements and other matters of record.

7.2.13 Contract Defaults. To Seller's Knowledge, as of the Effective Date, except for defaults cured on or before the Effective Date and except as listed in Exhibit M attached hereto, Seller has not received any written notice of, nor does Seller have actual knowledge of, a default by Seller under the terms of any of the Contracts.

7.2.14 Legal Violations. To Seller's Knowledge, as of the Effective Date, except for violations cured or remedied on or before the Effective Date and except as listed in Exhibit M attached hereto, Seller has not received any written notice from, nor does Seller have actual knowledge of, any governmental authority of any violation of any Law applicable to the Property (including, without limitation, any Law related to the environmental condition of the Real Property).

7.2.15 Leasing Commission Agreements. As of the Effective Date, except as set forth in Exhibit B attached hereto, Seller has not entered into or assumed any currently effective leasing commission agreements with respect to the Property that will be binding upon Buyer after Closing.

7.2.16 Special Assessments. To Seller's Knowledge, as of the Effective Date, except as disclosed in the Title Commitment and except as listed in Exhibit M attached hereto, Seller has not received any written notice from, nor does Seller have actual knowledge of, any governmental agency that any special assessments are pending, noted or levied against the Property.

7.2.17 Eminent Domain. To Seller's Knowledge, there is no pending condemnation, eminent domain, or similar proceeding affecting all or any portion of the Property, and Seller has not received any written notice of any of the same.

7.2.18 Environmental Conditions. To Seller's Knowledge, (i) the Property has not been used for the storage or disposal of Hazardous Materials and (ii) there are no underground storage tanks or other storage tanks on, in or under the Property that contain, or were designed or used to store, Hazardous Materials. Seller has made available to Buyer true and complete copies of all reports, analyses, test results and other materials prepared for the Seller or that are in the Seller's possession or control related to Hazardous Materials located on, at, or under the Property.

7.2.19 Tenant Income Levels. As of the Effective Date, each tenant under a Lease at the Property has an annual household income less than 60% of the Area Media Income in Brunswick County, Virginia.

7.2.20 Miscellaneous. To Seller's Knowledge, (i) Seller has held record title to the Property since October 1, 2000, (ii) the Property has continuously received project-based rental assistance under Section 8 of the United States Housing Act of 1937, as amended, with respect to all of the units therein beginning effective April 28, 1981, (iii) neither Seller nor any of its partners, members, and/or shareholders nor any brothers, sisters, spouses or other related persons to such beneficial owners own, either directly or indirectly, greater than 50% of capital or profits interest in Buyer, and (iv) Seller has no tax credit investors as of the Effective Date.

7.3 Seller II's Representations. Seller II represents and warrants to Buyer as follows:

7.3.1 Seller II's Authorization. Seller II (a) is duly organized (or formed), validly existing and in good standing under the Laws of its State of organization and, to the extent required by applicable Laws, the State in which Parcel II is located, (b) holds marketable fee simple title to Parcel II, and (c) is authorized to execute this Agreement, consummate the Transaction and fulfill all of its obligations hereunder and under all Closing Documents to be executed by Seller II and such instruments, obligations and actions are valid and legally binding upon Seller II, enforceable in accordance with their respective terms. The execution and delivery of this Agreement and all Closing Documents to be executed by Seller II and the performance of the obligations of Seller II hereunder or thereunder will not (x) result in the violation of any Law or any provision of Seller II's organizational documents, (y) conflict with any order of any court or governmental instrumentality binding upon Seller II, or (z) conflict or be inconsistent with, or result in any default under, any contract, agreement or commitment to which Seller II is bound.

7.3.2 Seller II's Financial Condition. No petition has been filed by Seller II, nor has Seller II received written notice of any petition filed against Seller II under the Federal Bankruptcy Code or any similar Laws.

7.3.3 Patriot Act Compliance. Seller II is not acting, directly or indirectly for, or on behalf of, any person, group, entity or nation named by any Executive Order (including the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism) or the United States Treasury Department as a terrorist, "Specially Designated National and Blocked Person," or other banned or blocked person, group, entity, or nation pursuant to any Law that is enforced or administered by the Office of Foreign Assets Control and Seller II is not engaging in this Transaction, directly or indirectly, on behalf of, or instigating or facilitating this Transaction, directly or indirectly, on behalf of, any such person, group, entity or nation. Seller II is not engaging in this Transaction, directly or indirectly, in violation of any Laws relating to drug trafficking, money laundering or predicate crimes to money laundering. None of the funds of Seller II have been or will be derived from any unlawful activity with the result that the investment of direct or indirect equity owners in Seller II is prohibited by Law or that the Transaction or this Agreement is or will be in violation of Law. Seller II has and will continue to implement procedures and has consistently and will continue to consistently apply those procedures, to ensure the foregoing representations and warranties remain true and correct at all times prior to Closing. Notwithstanding the foregoing, in no event shall Seller II's representations and warranties under this Section 7.2.3 apply to any person or entity which owns, has owned, or may hereafter own any publicly traded stock or other publicly traded securities of (a) Seller II (if any), or (b) any entity which directly or indirectly owns an interest in Seller.

7.3.4 ERISA. Seller II is not and is not using plan assets of a plan or entity that is subject to (a) Title I of ERISA, (b) Section 4975 of the Code or (c) any laws regulating investments of and fiduciary obligations with respect to any other plan or entity, including governmental plans and church plans, that are similar to those described under Section 406 of ERISA or 4975 of the Code.

7.3.5 Delivery of Documents. Seller II has requested that Seller's Property Manager deliver or otherwise make available to Buyer's Representatives all books, records, and other writings in Seller's Property Manager's possession related in any material way to the use, ownership or operation of Parcel II (including but not limited to updated leasing status reports and the Property Documents), other than Protected Information. To Seller II's Knowledge, the documents heretofore or hereafter delivered or otherwise made available to Buyer's Representatives prior to Closing (a) include the documents (other than the Protected Information) that are used by Seller II in the day-to-day operation and management of Parcel II, and (b) include the documents (other than the Protected Information) that are prepared and reviewed by Seller's Property Manager for reporting to Seller II in connection with (i) the performance by Seller II of its fiduciary obligations to its clients and investors, and (ii) the preparation of financial statements and reports submitted to the clients and investors of Seller II.

7.3.6 Designated Representatives. The Designated Representatives include those individuals who are currently responsible for the asset management of Parcel II and the Transaction on behalf of Seller II.

7.3.7 [Intentionally Deleted.]

7.3.8 [Intentionally Deleted.]

7.3.9 Rents. No Rents or Leases have been assigned, transferred or hypothecated by Seller II, except by virtue of instruments securing a loan that shall be paid in full by Seller II at or prior to Closing.

7.3.10 Third-Party Rights. Seller II has not entered into any agreements currently in effect pursuant to which Seller II has granted any rights of first refusal to purchase all or any part of Parcel II, options to purchase all or any part of Parcel II or other rights whereby any individual or entity has the right to purchase all or any part of Parcel II.

7.3.11 Litigation. To Seller II's Knowledge, as of the Effective Date, except as listed in Exhibit M attached hereto, Seller II has not received any written notice of, nor does Seller II have actual knowledge of, any current or pending litigation against Seller II or relating to Parcel II (including, without limitation, any condemnation proceedings and any building code violations) which would, in the reasonable judgment of Seller II, adversely affect Parcel II.

7.3.12 Contracts. As of the Effective Date, Seller II has not entered into or assumed any contracts, equipment leases or other agreements affecting Parcel II which will be binding upon Buyer after the Closing other than (a) the Contracts listed in Exhibit B attached hereto, (b) the Leases, and (c) liens, encumbrances, covenants, conditions, restrictions, easements and other matters of record.

7.3.13 Contract Defaults. To Seller II's Knowledge, as of the Effective Date, except for defaults cured on or before the Effective Date and except as listed in Exhibit M attached hereto, Seller II has not received any written notice of, nor does Seller II have actual knowledge of, a default by Seller II under the terms of any of the Contracts.

7.3.14 Legal Violations. To Seller II's Knowledge, as of the Effective Date, except for violations cured or remedied on or before the Effective Date and except as listed in Exhibit M attached hereto, Seller II has not received any written notice from, nor does Seller II have actual knowledge of, any governmental authority of any violation of any Law applicable to Parcel II (including, without limitation, any Law related to the environmental condition of Parcel II).

7.3.15 Leasing Commission Agreements. As of the Effective Date, except as set forth in Exhibit B attached hereto, Seller II has not entered into or assumed any currently effective leasing commission agreements with respect to Parcel II that will be binding upon Buyer after Closing.

7.3.16 Special Assessments. To Seller II's Knowledge, as of the Effective Date, except as disclosed in the Title Commitment and except as listed in Exhibit M attached hereto, Seller II has not received any written notice from, nor does Seller II have actual knowledge of, any governmental agency that any special assessments are pending, noted or levied against Parcel II.

7.3.17 Eminent Domain. To Seller II's Knowledge, there is no pending condemnation, eminent domain, or similar proceeding affecting all or any portion of Parcel II, and Seller II has not received any written notice of any of the same.

7.3.18 Environmental Conditions. To Seller II's Knowledge, (i) Parcel II has not been used for the storage or disposal of Hazardous Materials and (ii) there are no underground storage tanks or other storage tanks on, in or under Parcel II that contain, or were designed or used to store, Hazardous Materials. Seller II has made available to Buyer true and complete copies of all reports, analyses, test results and other materials prepared for Seller II or that are in Seller II's possession or control related to Hazardous Materials located on, at, or under Parcel II.

7.3.19 [Intentionally Deleted.]

7.3.20 Miscellaneous. To Seller II's Knowledge, Seller II has no tax credit investors as of the Effective Date.

7.4 General Provisions.

7.4.1 Breach of Warranties prior to Closing. If prior to the Closing, either Buyer or Sellers obtain actual knowledge that any of the representations or warranties made herein are untrue, inaccurate or incorrect in any material respect, such party shall give the other party written notice thereof within five (5) Business Days of obtaining such knowledge (but, in any event, prior to the Closing). In the event of any breach of a Sellers' Warranty, Sellers shall have the right to cure such misrepresentation or breach and shall be entitled to a reasonable extension of the Scheduled Closing Date (not to exceed thirty (30) days) for purposes of such cure. The untruth, inaccuracy or incorrectness of Sellers' Warranties shall be deemed material for all purposes of this Agreement only if Buyer's aggregate damages resulting from the untruth, inaccuracy or incorrectness of Sellers' Warranties are reasonably estimated to exceed \$10,000, or inhibits Buyer's or Seller's or Seller II's ability to close the transaction described herein. If any of Sellers' Warranties are untrue, inaccurate or incorrect but are not, in the aggregate, untrue, inaccurate or incorrect in any material respect as set forth herein, Buyer shall be deemed to waive such misrepresentation or breach of warranty, and Buyer shall be required to consummate the Transaction without any reduction of or credit against the Purchase Price.

7.4.2 Survival; Limitation on Seller's Liability. Sellers' Warranties shall survive the Closing and not be merged therein for a period of one hundred eighty (180) days following Closing and Sellers shall only be liable to Buyer hereunder for a breach of a Sellers' Warranty with respect to which Seller or Seller II receives a written notice of a claim from Buyer on or before the one hundred eightieth (180th) day following the Closing Date. Notwithstanding the foregoing, however, if the Closing occurs, Buyer hereby expressly waives, relinquishes and releases any rights or remedies available to it at law, in equity, under this Agreement or otherwise, including any claim against Sellers for damages that Buyer may incur, as the result of any of Sellers' Warranties being untrue, inaccurate or incorrect if (a) Buyer's aggregate damages resulting from the untruth, inaccuracy or incorrectness of Sellers' Warranties are reasonably estimated to be less than \$10,000, (b) Buyer fails to deliver to Sellers a written notice of any alleged inaccuracy or breach of any Sellers' Warranty (which notice, to be effective for purposes of this provision, must set forth the specific Sellers' Warranty allegedly breached and a reasonable description of the factual basis upon which Buyer asserts such breach) on or before the expiration of the foregoing survival period, or (c) within one hundred twenty (120) days after the expiration of the time frame provided in clause (b), Buyer fails to commence legal proceedings against Seller(s) with respect to any claim timely made pursuant to clause (b).

7.4.3 Survival. The provisions of this Section 7.3 shall survive the Closing (and not be merged therein) or any earlier termination of this Agreement.

ARTICLE 8 - COVENANTS

8.1 Contracts, Title Instruments, and Leases.

(a) Without Buyer's prior consent, between the Effective Date and the Closing Sellers shall not (i) extend, renew, replace or otherwise modify any Contract or enter into any new service contract or agreement, or (ii) execute any instrument which affects title to the Properties. Sellers shall furnish Buyer with a copy of the proposed agreement which shall contain such information reasonably necessary to enable Buyer to make informed decisions with respect to the advisability of the proposed transaction. If Buyer fails to object in writing to any such agreement within ten (10) Business Days after receipt thereof, Buyer shall be deemed to have rejected the terms of the proposed transaction. Buyer's consent shall not be unreasonably withheld, conditioned or delayed with respect to any such transaction that is proposed prior to the expiration of the Due Diligence Period. Buyer, in its sole and absolute discretion, shall be entitled to grant or withhold its consent with respect to any such transaction that is proposed between the expiration of the Due Diligence Period and the Closing. Any notice from Buyer rejecting the proposed transaction shall include a description of the reasons for Buyer's rejection.

(b) Notwithstanding the foregoing terms of this section, if any Lease requires that the landlord's consent be given under the applicable circumstances (or not be unreasonably withheld, conditioned or delayed), then Buyer shall be held to the same standard of approval. Between the Effective Date and the Closing, Seller shall not change its current leasing or management practices without the prior written approval of Buyer, which approval shall not be unreasonably withheld, conditioned or delayed. Seller shall provide Buyer with information outlining any such proposed changes to such leasing or management practices, and Buyer shall have ten (10) Business Days to provide written approval or disapproval of such proposed changes; provided, however, failure of Buyer to respond within such ten (10) Business Day period shall be deemed to constitute rejection of such proposed changes.

(c) Seller shall have the right, but not the obligation, to enforce the rights and remedies of the landlord under any Lease in a manner consistent with its past practices, including without limitation, to apply all or any portion of any security deposits then held by Seller toward any loss or damage incurred by Seller by reason of any defaults by tenants in accordance with the applicable Leases, and the exercise of any such rights or remedies shall not affect the obligations of Buyer under this Agreement or entitle Buyer to a reduction in, or credit or allowance against, the Purchase Price or give rise to any other claim on the part of Buyer.

(d) On or before the Closing, upon Buyer's written notification of its election to terminate, Seller shall terminate any management agreements currently in effect with respect to the Property at the sole cost and expense of Seller. In addition, if Buyer requests in writing prior to the expiration of the Due Diligence Period to have any other Contracts terminated, Sellers shall use commercially reasonable efforts to terminate such Contracts effective as of the Closing Date. If Buyer does not request such termination or Sellers are unable to so terminate the aforementioned Contracts effective as of the Closing Date, then Sellers shall assign and Buyer shall assume the same at Closing in accordance with the terms of this Agreement and the

Assignment Agreement. Sellers shall pay all expenses associated with the termination of any Contracts that Buyer desires to have terminated pursuant hereto.

8.2 Maintenance of Property.

(a) Except to the extent Sellers are relieved of such obligations by Article 10, between the Effective Date and the Closing, Seller shall maintain the Property, and Seller II shall maintain Parcel II, in a manner consistent with Sellers' respective past practices with respect to the Property or Parcel II, as applicable, and Seller shall operate the Property and Seller II shall operate Parcel II in a manner that is consistent with the operation of such property as of the Effective Date, unless such operation becomes prohibited or restricted by a change in any applicable Laws; provided, however, Sellers shall not be obligated to perform any capital improvements unless such capital improvements are required by a governmental agency prior to the Closing Date, in which case notice and scope of work shall be provided to Buyer. Buyer hereby agrees that, except for breaches of this Section 8.2(a), Buyer shall accept the Properties subject to, and Sellers shall have no obligation to cure, (i) any violations of Laws, or (ii) any physical conditions which would give rise to violations of Laws, whether the same now exist or arise prior to Closing.

(b) Between the Effective Date and the Closing, Seller will advise Buyer of (i) any written notice Seller receives after the Effective Date from any governmental authority of the violation of any Laws regarding the Property, and (ii) any written notice of any current or pending litigation against Seller or relating to the Property (including, without limitation, any condemnation proceedings) which would, in the reasonable judgment of Seller, adversely affect the Property. Between the Effective Date and the Closing, Seller II will advise Buyer of (i) any written notice Seller II receives after the Effective Date from any governmental authority of the violation of any Laws regarding Parcel II, and (ii) any written notice of any current or pending litigation against Seller II or relating to Parcel II (including, without limitation, any condemnation proceedings) which would, in the reasonable judgment of Seller II, adversely affect Parcel II.

(c) Seller shall keep the Property free of deferred maintenance conditions in excess of the current conditions at the Property as of the Effective Date (the "Existing Conditions"), which Existing Conditions are attached as Exhibit K hereto and made a part hereof, provided that Buyer shall, subject to Seller's approval, update Exhibit K during the Due Diligence Period based on the results of Buyer's preliminary inspection of the Property.

(d) Seller shall place all vacant and vacated rental units in "rent-ready condition" in accordance with its regular practice and schedule and shall use commercially reasonable efforts to lease any vacant rental units according to its regular practice. Not more than forty-eight (48) hours prior to Closing, a representative of Buyer and Seller shall conduct an onsite walk-through of the then unoccupied rental units on the Property to determine whether any of such unoccupied rental units are in "rent-ready" condition. With respect to any rental unit which is vacated on or before five (5) Business Days prior to the Closing, Seller shall, at Seller's option, either (i) make such unoccupied rental unit into a "rent-ready" condition, or (ii) provide Buyer with a credit against the Purchase Price due Seller at Closing, which credit shall be sufficient to make such unit "rent-ready", up to Fifteen Thousand Dollars (\$15,000.00) per unoccupied rental

unit. "Rent-ready" condition shall mean Seller's current practice of placing units in "rent-ready" condition, and shall at a minimum meet HUD's Housing Quality Standards.

8.3 Brokers. Sellers and Buyer expressly acknowledge that Sellers' Broker has acted as the exclusive broker with respect to the Transaction and with respect to this Agreement. Sellers shall pay any brokerage commission due to Sellers' Broker in accordance with the separate agreement between Sellers and Sellers' Broker. Sellers agrees to hold Buyer harmless and indemnify Buyer from and against any and all Liabilities (including reasonable attorneys' fees, expenses and disbursements) suffered or incurred by Buyer as a result of any claims by any broker or any other party claiming to have represented Seller or Sellers as broker in connection with the Transaction. Buyer agrees to hold Sellers harmless and indemnify Sellers from and against any and all Liabilities (including reasonable attorneys' fees, expenses and disbursements) suffered or incurred by Sellers as a result of any claims by any party claiming to have represented Buyer as broker in connection with the Transaction. The provisions of this section shall survive the Closing (and not be merged therein) or the earlier termination of this Agreement.

8.4 Tax Protests; Tax Refunds and Credits. Sellers shall have the right to control the progress of and to make all decisions with respect to any contest of the real estate taxes and personal property taxes for the Properties due and payable during the tax year in which Closing occurs (the "Closing Tax Year") and all tax years prior to the Closing Tax Year, provided Sellers shall keep Buyer reasonably informed regarding the status of any contest with respect to the taxes attributable to the Closing Tax Year. Buyer shall have the right to control the progress of and to make all decisions with respect to any contest of the real estate taxes and personal property taxes for the Properties due and payable during all years subsequent to the Closing Tax Year. To the extent any real estate or personal property tax refunds or credits are received after Closing with respect to the Properties and such refunds or credits are attributable to real estate and personal property taxes paid for any tax year prior to the Closing Tax Year, Sellers shall be entitled to the entirety of such refunds and credits (except to the extent due to any past or present tenant of the Property). To the extent any such refunds or credits are attributable to real estate and personal property taxes paid during the Closing Tax Year, such amounts shall be prorated between the parties in the manner provided in Section 5.2, less costs incurred in obtaining such refund or credit and any amounts due to any past or present tenant of the Property. The provisions of this section shall survive the Closing (and not be merged therein).

8.5 Publicity. Sellers and Buyer each hereby covenant and agree that (a) prior to the Closing neither Sellers nor Buyer shall issue any press release or similar public statement with respect to the Transaction or this Agreement (a "Press Release") without the prior consent of the other, except to the extent required by applicable Law, and (b) after the Closing, any Press Release issued by either Sellers or Buyer shall be subject to the review and approval of both parties (which approval shall not be unreasonably withheld, conditioned or delayed and such response shall be provided within two (2) Business Days after submission of a draft of the Press Release to the other party for review), except to the extent required by applicable Law. If either Sellers or Buyer is required by applicable Law to issue a Press Release, such party shall, at least two (2) Business Days prior to the issuance of the same, deliver a copy of the proposed Press Release to the other party for its review. The provisions of this section shall survive the Closing (and not be merged therein) or the earlier termination of this Agreement.

8.6 Confidentiality.

(a) Buyer shall hold, and shall cause the other Buyer's Representatives and any prospective investors in Buyer to hold in strict confidence and not disclose to any other person without the prior written consent of Sellers: (i) the terms of this Agreement, (ii) unless and until the Closing occurs, any of the information in respect of the Property and/or Parcel II delivered or made available to any Buyer's Representatives, and (iii) the identity of any direct or indirect owner of any beneficial interest in Sellers. In the event the Closing does not occur or this Agreement is terminated, Buyer shall promptly return to Sellers all copies of documents containing any of such information without retaining any copy thereof or extract therefrom.

(b) Sellers shall hold, and shall cause the officers, directors, employees, agents and representatives of Sellers to hold, in strict confidence and not disclose to any other person without the prior written consent of Buyer, (i) the terms of this Agreement, and (ii) the identity of Buyer and any direct or indirect owner of any beneficial interest in Buyer.

(c) Notwithstanding anything to the contrary hereinabove set forth, each party may disclose information which is otherwise required by the foregoing to be kept confidential (i) on a need-to-know basis to its affiliates, the employees of such party or its affiliates, or members of professional firms serving such party or its affiliates, or (ii) as any governmental agency may require in order to comply with applicable Laws or a court order, or (iii) to the extent that such information is a matter of public record, or (iv) in connection with any dispute or litigation between the parties.

(d) The provisions of this section shall survive the Closing (and not be merged therein) or earlier termination of this Agreement.

ARTICLE 9 - DEFAULTS

9.1 Sellers' Remedies for Buyer Defaults. If, (i) on the Scheduled Closing Date Buyer fails to deliver the balance of the Purchase Price in accordance with Sections 2.3 and 6.1 or fails to deliver any of the documents and instruments required by the terms of Section 6.3, and fails to cure the same within five (5) Business Days after the Scheduled Closing Date, or (ii) on or before the Scheduled Closing Date Buyer is in default of any of its other material obligations hereunder or any of Buyer's representations or warranties are, in the aggregate, untrue, inaccurate or incorrect in any material respect, and any such circumstance described in this clause (ii) continues for five (5) Business Days after written notice (which written notice shall detail such default or breach), then Sellers shall have the right to elect as their sole and exclusive remedy, to (a) terminate this Agreement by written notice to Buyer, promptly after which the Deposit shall be paid to Seller as liquidated damages and, thereafter, the parties shall have no further rights or obligations hereunder except for obligations which expressly survive the termination of this Agreement, or (b) waive the default or breach and proceed to close the Transaction. Sellers and Buyer have discussed the possible consequences to Sellers in the event that the Closing does not occur by reason of any of the events described in this section. The parties agree that it would be impractical or extremely difficult to determine the actual damages to Sellers in such event and that a reasonable estimate of such damages is an amount equal to the Deposit.

9.2 Buyer's Remedies for Sellers Defaults. If, (i) on the Scheduled Closing Date Seller or Seller II fails to deliver any of the documents and instruments required by the terms of

Section 6.2 and fails to cure the same within two (2) Business Days after the Scheduled Closing Date, or (ii) on or before the Scheduled Closing Date, Seller or Seller II is in default of any of its material obligations hereunder, or any of Sellers' Warranties are, in the aggregate, untrue, inaccurate or incorrect in any material respect, and any such circumstance described in this clause (ii) continues for five (5) Business Days after written notice (which written notice shall detail such default or breach), then Buyer shall have the right to elect, as its sole and exclusive remedy, to (a) terminate this Agreement by written notice to Sellers, promptly after which the Deposit shall be returned to Buyer and, thereafter, the parties shall have no further rights or obligations hereunder except for obligations which expressly survive the termination of this Agreement, or (b) waive the default or breach and proceed to close the Transaction, or (c) seek specific performance of this Agreement by Sellers. As a condition precedent to Buyer exercising any right it may have to bring an action for specific performance hereunder, Buyer must commence such an action within ninety (90) days after the occurrence of Seller's or Seller II's default. Buyer agrees that its failure to timely commence such an action for specific performance within such ninety (90) day period shall be deemed a waiver by it of its right to commence an action for specific performance as well as a waiver by it of any right it may have to file or record a notice of *lis pendens* or notice of pendency of action or similar notice against any portion of the Property. Exercising an action for specific performance shall not preclude the termination remedy in subclause (a) above in the event the specific performance remedy is not available or the claim is withdrawn or otherwise not successful. In the event Buyer terminates this Agreement in accordance with subclause (a) above, Seller shall, in addition to returning the Deposit to Buyer, compensate Buyer for Buyer's third party costs and expenses in connection with this Agreement and proposed rehabilitation, in an amount not to exceed Two Hundred Fifty Thousand Dollars (\$250,000).

9.3 Indemnity Obligations. Notwithstanding any provision in this Agreement to the contrary, in no event shall the provisions of this Article 9 limit the rights of either party against the other party due to the other party's obligation to indemnify such party in accordance with this Agreement or the damages recoverable pursuant to such indemnification obligations. This section shall survive the Closing (and not be merged therein) or the earlier termination of this Agreement.

ARTICLE 10 - CASUALTY/CONDEMNATION

10.1 Right to Terminate. If, after the Effective Date, (a) any portion of the Property or Parcel II is taken by condemnation or eminent domain (or is the subject of a pending taking), or (b) any portion of the Property is damaged or destroyed (excluding routine wear and tear and damage caused by any Buyer's Representative), Seller or Seller II, as applicable, shall notify Buyer in writing of such fact promptly after obtaining knowledge thereof. If the Property or Parcel II is the subject of a Major Casualty/Condemnation (as hereinafter defined) that occurs after the Effective Date, Buyer shall have the right to terminate this Agreement by giving written notice to Sellers no later than twenty (20) Business Days after the giving of Seller's or Seller II's notice, and the Scheduled Closing Date shall be extended, if necessary, to provide sufficient time for Buyer to make such election. The failure by Buyer to terminate this Agreement within such twenty (20) Business Day period shall be deemed an election not to terminate this Agreement. If this Agreement is terminated pursuant to this section, the Deposit shall be returned to Buyer and, thereafter, the parties shall have no further rights or obligations hereunder except for obligations which expressly survive the termination of this Agreement. For the purposes of this Agreement, "Major Casualty/Condemnation" shall mean any casualty, condemnation proceedings, or eminent

domain proceedings if (i) the portion of the Properties that is the subject of such casualty or such condemnation or eminent domain proceedings has a value in excess of One Hundred Thousand Dollars (\$100,000.00), as reasonably determined by Buyer, or (ii) any casualty is an uninsured casualty and Seller or Seller II, in its sole and absolute discretion, does not elect to cause the damage to be repaired or restored or give Buyer a credit at Closing for such repair or restoration.

10.2 Allocation of Proceeds and Awards. If a condemnation or casualty occurs after the Effective Date and this Agreement is not terminated as permitted pursuant to the terms of Section 10.1, then this Agreement shall remain in full force and effect, Buyer shall acquire the remainder of the Properties upon the terms set forth herein, provided Buyer may also elect to exclude Parcel II and Seller II from the transaction pursuant to Section 4.1.3. Any awards or proceeds from the condemning authority or Seller's or Seller II's insurance company, as the case may be (the "Casualty/Condemnation Proceeds") shall be allocated between Buyer and Sellers as follows: (a) Seller or Seller II as applicable shall be entitled to be reimbursed from the Casualty/Condemnation Proceeds for (i) all reasonable out-of-pocket costs, expenses and fees, including reasonable attorneys' fees, expenses and disbursements, incurred by Seller or Seller II as applicable in connection with negotiating the settlement of such award or proceeds, (ii) proceeds of any rental loss, business interruption or similar insurance, or other compensation for loss of use or income, that are allocable to the period prior to the Closing Date, and (iii) the reasonable and actual costs incurred by Seller in physically stabilizing the Property following a casualty; and (b) Buyer shall be entitled to (i) the balance of the Casualty/Condemnation Proceeds, and (ii) a credit from Seller or Seller II, as applicable, equal to Seller's or Seller II's deductible with respect to a casualty, if the same is an insured casualty.

10.3 Insurance. Seller shall maintain the property insurance coverage currently in effect for the Property, and Seller II shall maintain the property insurance coverage currently in effect for Parcel II, or comparable coverage, through the Closing Date. For the avoidance of doubt, such property insurance coverage for the Property and Parcel II (to the extent applicable), shall include, but not be limited to, casualty insurance, worker's compensation and employers' liability insurance, commercial general liability insurance, and automobile liability insurance, each in compliance with applicable Laws, requirements of HUD, and consistent with general industry practices for similar properties to the Property and/or Parcel II, as applicable.

10.4 Waiver. The provisions of this Article 10 supersede the provisions of any applicable Laws with respect to the subject matter of this Article 10.

ARTICLE 11 - MISCELLANEOUS

11.1 Buyer's Assignment.

(a) Buyer shall not assign this Agreement or its rights hereunder without the prior written consent of Sellers, which consent Sellers may grant or withhold in its sole and absolute discretion, and any such attempted assignment shall be null and void *ab initio*. Any transfer, directly or indirectly, of any stock, partnership interest or other ownership interest in Buyer shall constitute an assignment of this Agreement; provided, however, the foregoing shall not be construed to prohibit the transfer of stock in a publicly traded company. Notwithstanding the foregoing terms of this paragraph (a), Buyer shall have the right to assign this Agreement to one or more entities that directly or indirectly controls, is controlled by, or is under common control with Buyer, without Sellers' prior consent, provided that such assignment complies with the terms

of paragraph (b) of this section, and specifically, may elect to transfer the Property and Parcel II to separate entities that directly or indirectly control, are controlled by, or are under common control with Buyer.

(b) In the event Buyer intends to assign its rights hereunder, Buyer shall send Sellers written notice of its request at least three (3) days prior to the Scheduled Closing Date, which notice shall include the legal name and structure of the proposed assignee and Buyer shall provide Sellers any other information that Sellers may reasonably request with respect to the proposed assignee. Notwithstanding any provision in this Agreement to the contrary:

(i) Any permitted assignment by Buyer shall not relieve Buyer of any of its obligations and liabilities hereunder, nor shall any such assignment alter, impair or relieve such assignee from the waivers, acknowledgements and agreements of Buyer set forth herein, including those set forth in Section 4.2, Article 7 and Article 8, all of which will be binding upon any assignee of Buyer.

(ii) No transfer by Buyer of any interest in this Agreement and no transfers of direct or indirect interests in Buyer shall be permitted if the same would cause the representations and warranties made in Section 7.1 to be untrue, inaccurate or incomplete and Buyer covenants to cooperate with Sellers' requests to provide the information and other documentation reasonably necessary or desirable for Sellers to verify that such representations and warranties are true, accurate and complete at all times prior to Closing. If Buyer fails to provide the requested documentation to Sellers at least three (3) days prior to the Scheduled Closing Date, then Sellers shall have the right, at its election, to postpone the Scheduled Closing Date for a reasonable period until such verification has been made.

11.2 Survival/Merger. Except for the provisions of this Agreement which are explicitly stated to survive the Closing, (a) none of the terms of this Agreement shall survive the Closing, and (b) the delivery of the Purchase Price, the Deed and the other Closing Documents and the acceptance thereof shall effect a merger, and be deemed the full performance and discharge of every obligation on the part of Buyer and Sellers to be performed hereunder.

11.3 Integration; Waiver. This Agreement embodies and constitutes the entire understanding between the parties with respect to the Transaction and all prior agreements, understandings, representations and statements, oral or written, are merged into this Agreement. Neither this Agreement nor any provision hereof may be waived, modified, amended, discharged or terminated except by an instrument signed by the party against whom the enforcement of such waiver, modification, amendment, discharge or termination is sought, and then only to the extent set forth in such instrument. No waiver by either party hereto of any failure or refusal by the other party to comply with its obligations hereunder shall be deemed a waiver of any other or subsequent failure or refusal to so comply.

11.4 Governing Law. This Agreement shall be governed by, and construed in accordance with, the law of the State in which the Real Property is located.

11.5 Captions Not Binding; Exhibits. The captions in this Agreement are inserted for reference only and in no way limit the scope or intent of this Agreement or of any of the provisions hereof. All Exhibits attached hereto shall be incorporated by reference as if set out herein in full.

11.6 Binding Effect. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns.

11.7 Severability. If any term or provision of this Agreement or the application thereof to any persons or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this Agreement or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby, and each term and provision of this Agreement shall be valid and enforced to the fullest extent permitted by law.

11.8 Notices. Any notices or other communications under this Agreement must be in writing and shall be deemed duly given or made at the time and on the date when received by e-mail transmittal of .pdf files or similar electronic means or when personally delivered as shown on a receipt therefor (which shall include delivery by a nationally recognized overnight delivery service) to the address for each party set forth below. Attorneys for each party may give notices on behalf of the party that they represent. Any party, by written notice to the other in the manner herein provided, may designate an address different from that set forth below.

If to Buyer:

c/o The Transcend Group
4216 Pacific Coast Highway
Torrance, California 90505
703-408-3024
Attn: Peter Wallace
Email: peter@thetranscendgrp.com

With a copy to:

Applegate & Thorne-Thomsen, P.C.
425 S. Financial Place, Suite 1900
Chicago, Illinois 60605
Attn: Daniel J. Kraft
Email: dkraft@att-law.com

If to Sellers:

Pinecrest Brunswick, LLC
919 E. Main Street, Suite 1400
Richmond, Virginia 23219
Attn: Samuel A. Jones
Email: sajones@amurcon.com

With a copy to:

Troutman Pepper Locke LLP
1001 Haxall Point, 15th Floor
Richmond, Virginia 23219
Attn: William G. Homiller
Email: will.homiller@troutman.com

11.9 Counterparts; Electronic Signatures. This Agreement may be executed in counterparts, each of which shall be an original and all of which counterparts taken together shall constitute one and the same agreement. Signatures to this Agreement transmitted by electronic means shall be valid and effective to bind the party so signing. Each party agrees to promptly deliver an execution original to this Agreement with its actual signature to the other party, but a failure to do so shall not affect the enforceability of this Agreement.

11.10 No Recordation. Sellers and Buyer each agrees that neither this Agreement nor any memorandum or notice hereof shall be recorded and Buyer agrees not to file any notice of pendency or other instrument against the Properties or any portion thereof in connection herewith. Notwithstanding the foregoing, if the same is permitted pursuant to applicable Laws, Buyer shall be entitled to record a notice of *lis pendens* if Buyer is entitled to seek (and is actually seeking) specific performance of this Agreement by Sellers in accordance with the terms of Section 9.2. Buyer agrees to indemnify Sellers against all Liabilities (including reasonable attorneys' fees, expenses and disbursements) incurred by Sellers by reason of the filing by Buyer of such notice

of pendency or other instrument (including any *lis pendens*) if any such notice or *lis pendens* is not expressly permitted to be filed by the foregoing or if Sellers prevail in the underlying litigation for which any notice or *lis pendens* is filed, regardless of whether such notice or *lis pendens* is permitted to be filed. This section shall survive the Closing (and not be merged therein) or the earlier termination of this Agreement.

11.11 Additional Agreements; Further Assurances. Each of the parties hereto shall execute and deliver such documents as the other party shall reasonably request in order to consummate and make effective the Transaction; provided, however, the execution and delivery of such documents shall not result in any additional liability or cost to the executing party.

11.12 Construction. The parties acknowledge that each party and its counsel have reviewed and revised this Agreement and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement, any modification hereof or any of the Closing Documents.

11.13 Time of Essence. Time is of the essence with respect to the Closing and all of the provisions of this Agreement.

11.14 WAIVER OF JURY TRIAL. EACH PARTY HEREBY WAIVES TRIAL BY JURY IN ANY PROCEEDINGS BROUGHT BY THE OTHER PARTY IN CONNECTION WITH ANY MATTER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE TRANSACTION, THIS AGREEMENT, THE PROPERTY OR THE RELATIONSHIP OF BUYER AND SELLER HEREUNDER. THE PROVISIONS OF THIS SECTION SHALL SURVIVE THE CLOSING (AND NOT BE MERGED THEREIN) OR ANY EARLIER TERMINATION OF THIS AGREEMENT.


11.15 RELEASES. WITH RESPECT TO ANY RELEASE SET FORTH IN THIS AGREEMENT RELATING TO UNKNOWN AND UNSUSPECTED CLAIMS, THE PARTIES HERETO HEREBY ACKNOWLEDGE THAT SUCH WAIVER AND RELEASE IS MADE WITH THE ADVICE OF COUNSEL AND, WITH FULL KNOWLEDGE AND UNDERSTANDING OF THE CONSEQUENCES AND EFFECTS OF SUCH RELEASE.

[Remainder of page intentionally blank]

IN WITNESS WHEREOF, each party hereto has caused this Agreement to be duly executed to be effective as of the day and year first above written.


SELLER:

PINECREST BRUNSWICK, LLC,
a Virginia limited liability company

By: 
Name: Samuel A. Jones
Title: Treasurer of Managing Member


SELLER II:

BBF ASSOCIATES LP,
a Virginia limited partnership

By: 
Name: Samuel A. Jones
Title: Authorized Signatory

BUYER:

TRANSCEND GROUP, LLC,
a California limited liability company

By: 
Name: Charles Trench
Title: Co-Manager

AGREEMENT OF ESCROW AGENT

The undersigned has executed this Agreement solely to confirm its agreement to hold the Escrow Deposits in escrow in accordance with the provisions and otherwise comply with the provisions of **Exhibit C** to this Agreement.

In witness whereof, the undersigned has executed this Agreement as of _____, 2025.

By: _____

Name: _____

Title: _____

EXHIBIT A-1

LEGAL DESCRIPTION

Real Property

27 Crestview Road in Lawrenceville, Virginia

ALL that certain tract or parcel of land situate and being in Totaro Magisterial District, Brunswick County, Virginia, containing 15 acres, more or less, being shown and designated as follows by metes and bounds on a plat entitled "ALTA/ACSM Land Title Survey On 14.989 Acres Of Land Located On The North Line Of State Route 750 And On The West Line Of Service Road F650, Industrial Park Drive", made by Youngblood, Tyler & Associates P.C., Consulting Engineers, Planners & Surveyors, dated October 1, 2012:

BEGINNING AT A POINT ON the north line of State Route No. 750, said point being 695.61' east from the east line of Service Road F650 (Industrial Park Drive); thence continuing along the north line of State Route No. 750 S 72° 06' 35" W, a distance of 695.61' to a point on the east line of Service Road F650 (Industrial Park Drive); thence leaving the north line of State Route No. 750 and continuing along the east line of Service Road F650 (Industrial Park Drive) N 51° 09' 05" W, a distance of 29.43' to a point; thence along a curve to the left having a delta of 00° 45' 57", a radius of 1940.46', a length of 25.94', a chord distance of 25.94' and a chord bearing of N 19° 09' 04" W to a point; thence leaving the east line of Service Road F650 (Industrial Park Drive) N 04° 24' 24" E, a distance of 340.99' to a point; thence N 87° 00' 27" W, a distance of 184.53' to a point on the east line of Service Road F650 (Industrial Park Drive); thence continuing along the east line of Service Road F650 (Industrial Park Drive) along a curve to the right having a delta of 51° 10' 26", a radius of 298.11', a length of 266.26', a chord distance of 257.50' and a chord bearing of N 10° 02' 47" E to a point; thence N 35° 38' 00" E, a distance of 160.16' to a point; thence S 85° 57' 00" E, a distance of 35.52' to a point; thence N 06° 48' 00" E, a distance of 62.74' to a point; thence N 35° 38' 00" E, a distance of 263.66' to a point; thence leaving the east line of Service Road F650 (Industrial Park Drive) S 85° 23' 59" E, a distance of 366.57' to a point; thence S 86° 56' 36" E, a distance of 112.84' to a point; thence S 02° 46' 00" E, a distance of 802.22' to the point and place of beginning containing 14.989 acres of land.

BEING part of the same real estate conveyed to Pinecrest Brunswick, LLC, a Virginia limited liability company, by deed from The Virginia Nonprofit Housing Coalition, a Virginia nonstock, nonprofit corporation, dated as of October 1, 2000, and recorded in the Clerk's Office of the Circuit Court of Brunswick County, Virginia, in Deed Book 346, page 338.

A-2

Parcel II

[Legal description to be added]

BEING part of the same real estate conveyed to BBF ASSOCIATES LP, a Virginia limited partnership, by deed from [____], dated as of [____] and recorded in the Clerk's Office of the Circuit Court of Brunswick County, Virginia, in Deed Book [308], page [266].

Map Number: 53-102

EXHIBIT B
LIST OF CONTRACTS

[insert here]

EXHIBIT C

ESCROW PROVISIONS

The Deposit and any other sums (including, without limitation, any interest earned thereon) which the parties agree shall be held in escrow (herein collectively called the "Escrow Deposits"), shall be held by the Escrow Agent, in trust, and disposed of only in accordance with the following provisions:

1. The Escrow Agent shall invest the Escrow Deposits in government insured interest-bearing instruments reasonably satisfactory to both Buyer and Seller and shall promptly provide Buyer and Seller with confirmation of the investments made. Because Escrow Agent is not itself a bank, it may commingle the Escrow Deposits with other escrow deposits in a trust account in order to facilitate placing the Escrow Deposits in a segregated interest-bearing account and to disburse the Escrow Deposits once they have been removed from said segregated interest-bearing account in accordance with the terms of this Agreement, but shall not otherwise commingle the Escrow Deposits with any funds of the Escrow Agent or others.

2. Notwithstanding any provision herein to the contrary, if Buyer terminates this Agreement at any time during the Due Diligence Period, Escrow Agent shall deliver the Escrow Deposits to Buyer upon the unilateral direction of Buyer, without the consent of Seller, provided that Escrow Agent shall notify Seller in the event of such disbursement.

3. After the expiration of the Due Diligence Period, if for any reason the Closing does not occur and either party makes a written demand upon the Escrow Agent for payment of the Escrow Deposits, the Escrow Agent shall give written notice to the other party of such demand. If the Escrow Agent does not receive a written objection from the other party to the proposed payment within ten (10) Business Days after the giving of such notice, the Escrow Agent is hereby authorized to make such payment. If the Escrow Agent receives such written objection within such period, the Escrow Agent shall continue to hold such amount until otherwise directed by written instructions signed by Seller and Buyer or a final judgment of a court.

4. If the Closing occurs, the Escrow Agent shall deliver the Escrow Deposits to, or upon the instructions of, Seller on the Closing Date.

5. The parties acknowledge that the Escrow Agent is acting solely as a stakeholder at their request and for their convenience, that the Escrow Agent shall not be deemed to be the agent of either of the parties, and that the Escrow Agent shall not be liable to either of the parties for any action or omission on its part taken or made in good faith, and not in disregard of this Agreement, but shall be liable for any Liabilities (including reasonable attorneys' fees, expenses and disbursements) incurred by Seller or Buyer resulting from actions or omissions taken or made by the Escrow Agent in bad faith, in disregard of this Agreement or involving negligence on the part of the Escrow Agent. Seller and Buyer shall each severally, but not jointly, indemnify and hold the Escrow Agent harmless from and against all Liabilities (including reasonable attorneys' fees, expenses and disbursements) incurred in connection with the performance of the Escrow Agent's duties hereunder, except with respect to actions or omissions taken or made by the Escrow Agent in bad faith, in disregard of this Agreement or involving negligence on the part of the Escrow Agent.

6. Buyer shall pay any income taxes on any interest earned on the Escrow Deposits. Buyer represents and warrants to the Escrow Agent that its taxpayer identification number is _____.

7. Section 6045(e) of the United States Internal Revenue Code and the regulations promulgated thereunder (herein collectively called the “Reporting Requirements”) require an information return to be made to the United States Internal Revenue Service, and a statement to be furnished to Seller, in connection with the Transaction. Escrow Agent is either (x) the person responsible for closing the Transaction (as described in the Reporting Requirements) or (y) the disbursing title or escrow company that is most significant in terms of gross proceeds disbursed in connection with the Transaction (as described in the Reporting Requirements). Accordingly:

(a) Escrow Agent is hereby designated as the “Reporting Person” (as defined in the Reporting Requirements) for the Transaction. Escrow Agent shall perform all duties that are required by the Reporting Requirements to be performed by the Reporting Person for the Transaction.

(b) Seller and Buyer shall furnish to Escrow Agent, in a timely manner, any information requested by Escrow Agent and necessary for Escrow Agent to perform its duties as Reporting Person for the Transaction.

(c) Escrow Agent hereby requests Seller to furnish to Escrow Agent Seller’s correct taxpayer identification number. Seller acknowledges that any failure by Seller to provide Escrow Agent with Seller’s correct taxpayer identification number may subject Seller to civil or criminal penalties imposed by Law. Accordingly, Seller hereby certifies to Escrow Agent, under penalties of perjury, that Seller’s correct taxpayer identification number is _____.

(d) Each of the parties hereto shall retain this Agreement for a period of four (4) years following the calendar year during which Closing occurs.

8. The provisions of this Exhibit C shall survive the Closing (and not be merged therein) or earlier termination of this Agreement.

[Remainder of page intentionally blank]

EXHIBIT D

FORM OF SPECIAL WARRANTY DEED

Prepared By:
William G. Homiller, Esq.
VSB #48391
Troutman Pepper Locke LLP
1001 Haxall Point
Richmond, Virginia 23219
Tax Parcel ID Number:
Consideration: \$ _____
Assessed Value: \$ _____

SPECIAL WARRANTY DEED

THIS DEED is made as of this _____ day of _____, 202_, by and between **[PINECREST BRUNSWICK, LLC]**, a Virginia limited liability company, to be indexed as a grantor ("Grantor"), and _____, a _____, to be indexed as a grantee ("Grantee").

WITNESSETH:

THAT for and in consideration of the sum of Ten Dollars (\$10.00), cash in hand paid, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor does hereby grant and convey unto Grantee, in fee simple, with Special Warranty of Title, subject to such matters as are set forth herein, certain real estate commonly known as 27 Crestview Road in Lawrenceville, Virginia, and more particularly described on Exhibit A, attached hereto as a part hereof (the "Property").

This conveyance is made subject to all easements, conditions and restrictions of record, insofar as they may lawfully affect title to the Property.

WITNESS the following signature.

[PINECREST BRUNSWICK, LLC],
a Virginia limited liability company

By: _____
Name: _____
Title: _____

COMMONWEALTH OF VIRGINIA

COUNTY/CITY OF _____, To-wit:

The foregoing instrument was acknowledged before me in the above-stated jurisdiction this ____ day of _____, 202_, by _____, who is _____ of Pinecrest Brunswick, LLC, a Virginia limited liability company, on behalf of the company.

(Affix Notary Seal)

Notary Public

My commission expires: _____
Notary Registration No. _____

Grantee's Address:

Exhibit A
to Special Warranty Deed

[Update Legal for Parcel II Deed]

27 Crestview Road in Lawrenceville, Virginia

ALL that certain tract or parcel of land situate and being in Totaro Magisterial District, Brunswick County, Virginia, containing 15 acres, more or less, being shown and designated as follows by metes and bounds on a plat entitled "ALTA/ACSM Land Title Survey On 14.989 Acres Of Land Located On The North Line Of State Route 750 And On The West Line Of Service Road F650, Industrial Park Drive", made by Youngblood, Tyler & Associates P.C., Consulting Engineers, Planners & Surveyors, dated October 1, 2012:

BEGINNING AT A POINT ON the north line of State Route No. 750, said point being 695.61' east from the east line of Service Road F650 (Industrial Park Drive); thence continuing along the north line of State Route No. 750 S 72° 06' 35" W, a distance of 695.61' to a point on the east line of Service Road F650 (Industrial Park Drive); thence leaving the north line of State Route No. 750 and continuing along the east line of Service Road F650 (Industrial Park Drive) N 51° 09' 05" W, a distance of 29.43' to a point; thence along a curve to the left having a delta of 00° 45' 57", a radius of 1940.46', a length of 25.94', a chord distance of 25.94' and a chord bearing of N 19° 09' 04" W to a point; thence leaving the east line of Service Road F650 (Industrial Park Drive) N 04° 24' 24" E, a distance of 340.99' to a point; thence N 87° 00' 27" W, a distance of 184.53' to a point on the east line of Service Road F650 (Industrial Park Drive); thence continuing along the east line of Service Road F650 (Industrial Park Drive) along a curve to the right having a delta of 51° 10' 26", a radius of 298.11', a length of 266.26', a chord distance of 257.50' and a chord bearing of N 10° 02' 47" E to a point; thence N 35° 38' 00" E, a distance of 160.16' to a point; thence S 85° 57' 00" E, a distance of 35.52' to a point; thence N 06° 48' 00" E, a distance of 62.74' to a point; thence N 35° 38' 00" E, a distance of 263.66' to a point; thence leaving the east line of Service Road F650 (Industrial Park Drive) S 85° 23' 59" E, a distance of 366.57' to a point; thence S 86° 56' 36" E, a distance of 112.84' to a point; thence S 02° 46' 00" E, a distance of 802.22' to the point and place of beginning containing 14.989 acres of land.

BEING part of the same real estate conveyed to Pinecrest Brunswick, LLC, a Virginia limited liability company, by deed from The Virginia Nonprofit Housing Coalition, a Virginia nonstock, nonprofit corporation, dated as of October 1, 2000, and recorded in the Clerk's Office of the Circuit Court of Brunswick County, Virginia, in Deed Book 346, page 338.

EXHIBIT E

FORM OF BILL OF SALE

THIS BILL OF SALE (this "Bill of Sale"), is executed as of _____, 202_, by **PINECREST BRUNSWICK, LLC**, a Virginia limited liability company ("Seller") for the benefit of _____, a _____ ("Buyer").

WITNESSETH:

WHEREAS, pursuant to the terms of that certain Purchase and Sale Agreement, dated as of _____, 202_, by and between Buyer and Seller (as the same may have been amended, modified or assigned, the "Sale Agreement"), Seller agreed to sell to Buyer, *inter alia*, certain real property, the improvements located thereon and certain rights appurtenant thereto, all as more particularly described in the Sale Agreement (collectively, the "Real Property"). Initially capitalized terms not otherwise defined herein shall have the respective meanings ascribed to such terms in the Sale Agreement; and

WHEREAS, by deed of even date herewith, Seller conveyed the Real Property to Buyer; and

WHEREAS, in connection with the above-described conveyance Seller desires to sell, transfer and convey to Buyer certain items of tangible personal property as hereinafter described.

NOW, THEREFORE, in consideration of the receipt of TEN AND NO/100 DOLLARS (\$10.00) and other good and valuable consideration paid in hand by Buyer to Seller, the receipt and sufficiency of which are hereby acknowledged, Seller has SOLD, TRANSFERRED, and CONVEYED and by these presents does hereby SELL, TRANSFER, and CONVEY to Buyer and Buyer hereby accepts all right, title and interest in and to all tangible personal property owned by Seller that is located on the Real Property and used in the ownership, operation and maintenance of the Real Property, including all books, records and files of Seller relating to the Real Property and including the right to use the current names, logos, trademarks, trade names, website domain name and telephone listings of the Real Property, but excluding the property of tenants and the property manager, and excluding any Protected Information and any computer software that is licensed to Seller, and including without limitation the items listed on Exhibit A attached hereto (herein collectively called the "Personal Property").

This Bill of Sale is made without any covenant, warranty or representation by, or recourse against, Seller other than Sellers' Warranties (as defined in the Sale Agreement).

Seller's liability under this Bill of Sale shall be limited as set forth in Section 4.3 of the Sale Agreement.

[Remainder of page intentionally blank]

IN WITNESS WHEREOF, the undersigned has executed this Bill of Sale to be effective as of the date first set forth hereinabove.

SELLER:

PINECREST BRUNSWICK, LLC,
a Virginia limited liability company

By: _____

Name: _____

Title: _____

Exhibit A to Bill of Sale
Inventory of Personal Property

EXHIBIT F

FORM OF ASSIGNMENT OF LEASES AND INTANGIBLE PROPERTY

THIS ASSIGNMENT OF LEASES AND INTANGIBLE PROPERTY (this "Assignment"), is made as of _____, 202 by and between **PINECREST BRUNSWICK, LLC**, a Virginia limited liability company ("Assignor"), and _____, a _____ ("Assignee").

WITNESSETH:

WHEREAS, pursuant to the terms of that certain Purchase and Sale Agreement, dated as of _____, 202, by and between Assignee and Assignor (as the same may have been amended, modified or assigned, the "Sale Agreement"), Assignor agreed to sell to Assignee, *inter alia*, certain real property, the improvements located thereon and certain rights appurtenant thereto, all as more particularly described in the Sale Agreement (collectively, the "Real Property"). Initially capitalized terms not otherwise defined herein shall have the respective meanings ascribed to such terms in the Sale Agreement; and

WHEREAS, the Sale Agreement provides, *inter alia*, that Assignor shall assign to Assignee certain leases and rights to certain intangible property and that Assignor and Assignee shall enter into this Assignment.

NOW, THEREFORE, in consideration of the premises and the mutual covenants herein contained, the parties hereto hereby agree as follows:

1. Assignment of Leases. Assignor hereby assigns, sets over and transfers to Assignee all of Assignor's right, title and interest in, to and under the leases ("Leases") with the tenants of the Real Property identified on Exhibit A attached hereto. Assignee hereby accepts the foregoing assignment of the Leases and assumes the obligations with respect thereto as and to the extent provided in Section 4.2.3 of the Sale Agreement.

2. Assignment of Intangible Property. Assignor hereby assigns, sets over and transfers to Assignee all of Assignor's right, title and interest in, to and under the following:

(a) the contracts, equipment leases, and other agreements relating to the Real Property that are described in Exhibit B attached hereto; and

(b) all use, occupancy, building and operating permits, licenses, or approvals, if any, in effect with respect to the Real Property as of the date hereof; and

(c) all books, records, and tenant or leasing files relating to the Real Property or the operation thereof, but specifically excluding any Protected Information; and

(d) any guaranties and warranties in effect as of the date hereof with respect to any portion of the Real Property or the personal property conveyed to Assignee by Assignor concurrently herewith; and

(e) any plans and specifications for the Real Property, including without limitation construction drawings, blueprints, design schematics and shop drawings.

Assignee hereby accepts the foregoing assignment of the interests described in this Section 2 (collectively, the “Intangible Property”) and assumes the obligations with respect thereto as and to the extent provided in Section 4.2.3 of the Sale Agreement.

3. Reservation of Benefits. Notwithstanding anything to the contrary in this Assignment, to the extent that Assignor continues to have liability after the date hereof with respect to the Property, Assignor reserves and retains such benefits under the Leases and the Intangible Property as are necessary or desirable for Assignor to defend or protect itself with respect to or to assert any rights relating to any matter for which Assignor may continue to have liability from and after the date hereof; provided, however, said benefits reserved and retained by Assignor pursuant to this section shall exist jointly with Assignee’s benefits under the Leases and Intangible Property, and such benefits may be enforceable by each of Assignor and Assignee to the extent of their respective liability or damages for any matters relating thereto. Assignee and Assignor agree to cooperate with the reasonable requests of the other party in enforcing their respective benefits under the Leases and the Intangible Property to the extent such benefits are reserved by Assignor pursuant to the terms of this section.

4. Limitation on Liability. Assignor’s liability under this Assignment shall be limited as set forth in Section 4.3 of the Sale Agreement.

5. Miscellaneous. This Assignment and the obligations of the parties hereunder shall be binding upon and inure to the benefit of the parties hereto, their respective legal representatives, successors and assigns, shall be governed by and construed in accordance with the laws of the State in which the Real Property is located applicable to agreements made and to be wholly performed within said State and may not be modified or amended in any manner other than by a written agreement signed by the party to be charged therewith.

6. Severability. If any term or provision of this Assignment or the application thereof to any persons or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this Assignment or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby, and each term and provision of this Assignment shall be valid and enforced to the fullest extent permitted by law.

7. Counterparts. This Assignment may be executed in counterparts, each of which shall be an original and all of which counterparts taken together shall constitute one and the same agreement.

[Remainder of page intentionally blank]

IN WITNESS WHEREOF, the undersigned have executed this Assignment to be effective as of the date first set forth hereinabove.

ASSIGNOR:

PINECREST BRUNSWICK, LLC,
a Virginia limited liability company

By: _____
Name: _____
Title: _____

ASSIGNEE:

_____,
a

By: _____
Name: _____
Title: _____

Exhibit A to
Assignment of Leases and Intangible Property

Leases

Exhibit B to
Assignment of Leases and Intangible Property

Contracts, equipment leases, and other agreements

EXHIBIT G
FORM OF NOTICE TO TENANTS

, 202__

Re: Notice of Change of Ownership of
27 Crestview Road

Ladies and Gentlemen:

You are hereby notified as follows:

That as of the date hereof, **PINECREST BRUNSWICK, LLC** has transferred, sold, assigned, and conveyed all of its interest in and to the above-described property (the "Property"), including all right, title and interest of the landlord under your lease, to _____ (the "New Owner").

Future notices and rental payments with respect to your leased premises at the Property should be made to the New Owner in accordance with the terms of your lease at the following address:

If there is a security deposit with respect to your lease, it has been transferred to the New Owner and the New Owner shall be responsible for holding your security deposit in accordance with the terms of your lease and applicable laws.

We expect that New Owner or its property management agent will contact you shortly with respect to other information regarding New Owner, the Property and your lease.

Sincerely,

PINECREST BRUNSWICK, LLC,
a Virginia limited liability company

By: _____
Name: _____
Title: _____

EXHIBIT H

FORM OF FIRPTA AFFIDAVIT

Section 1445 of the Internal Revenue Code provides that a transferee of a United States real property interest must withhold tax if the transferor is a foreign person. For U.S. tax purposes (including Section 1445), the owner of a disregarded entity (which has legal title to a U.S. real property interest under local law) will be the transferor of the property and not the disregarded entity. To inform the transferee that withholding of tax is not required upon the disposition of a United States real property interest by PINECREST BRUNSWICK, LLC, a Virginia limited liability company ("Seller"), Seller hereby certifies the following:

1. Seller is a not disregarded entity as defined in §1.1445-2(b)(2)(iii) of the Internal Revenue Code.
2. Seller is not a foreign corporation, foreign partnership, foreign trust, or foreign estate (as those terms are defined in the Internal Revenue Code and Income Tax Regulations).
3. Seller's U.S. employer taxpayer identification number is _____.
4. Seller's office address is _____.

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

Dated: _____, 202 .

PINECREST BRUNSWICK, LLC,
a Virginia limited liability company

By: _____
Name: _____
Title: _____

[INSERT NOTARY BLOCK]

EXHIBIT I

[Reserved]

EXHIBIT J-1

FORM OF SELLER'S CERTIFICATE OF REPRESENTATIONS AND WARRANTIES

Pursuant to that certain Purchase and Sale Agreement, dated as of _____, 202__ (as the same may have been amended, modified or assigned, the "Sale Agreement"), by and between the undersigned ("Seller") and _____, a ("Buyer"), respecting the property described in the Sale Agreement, Seller hereby certifies to Buyer that all of Sellers' Warranties (as such term is defined in the Sale Agreement) set forth in the Sale Agreement, as the same may be amended or modified as provided by Section 7.3 of the Sale Agreement, are true and correct in all material respects as if made on and as of the date hereof, except as set forth on Exhibit A attached hereto.

Seller's liability under this Certificate shall be limited as set forth in Section 4.3 of the Sale Agreement.

IN WITNESS WHEREOF, Seller has executed this Certificate as of _____, 202__.

PINECREST BRUNSWICK, LLC,
a Virginia limited liability company

By: _____
Name: _____
Title: _____

EXHIBIT J-2

FORM OF BUYER'S CERTIFICATE OF REPRESENTATIONS AND WARRANTIES

Pursuant to that certain Purchase and Sale Agreement, dated as of _____, 202__ (as the same may have been amended, modified or assigned, the "Sale Agreement"), by and between the undersigned ("Buyer") and Pinecrest Brunswick, LLC, a Virginia limited liability company ("Seller"), respecting the property described in the Sale Agreement, Buyer hereby certifies to Seller that all of Buyer's representations and warranties set forth in the Sale Agreement are true and correct in all material respects as if made on and as of the date hereof, except as set forth on Exhibit A attached hereto.

IN WITNESS WHEREOF, Buyer has executed this Certificate as of _____, 202__.

_____,
a _____

By: _____
Name: _____
Title: _____

EXHIBIT K
EXISTING DEFERRED MAINTENANCE

[To be inserted]

EXHIBIT L
RENT ROLL

[Attached]

EXHIBIT M

EXCEPTIONS TO SELLERS' WARRANTIES

Liens on Personal Property

None

Notices of Litigation

None

Notices of Contract Defaults

None

Notices of Governmental Violations

None

Notices of Lease Defaults

None

EXHIBIT N

[Intentionally Deleted]

EXHIBIT O

BUYER'S REQUESTED RENT LEVELS

2BR units: \$1,120

3BR units: \$1,315

4BR units: \$1,415

Property Identification Card

Previous

Property Address

27 CREST VIEW RD

Owner Name/Address

PINECREST BRUNSWICK LLC

P O BOX 5127

% VHDA

Map ID: 53 90 RICHMOND, VA 23220

Acct No: 6991-1

Legal Description: SANDY BRANCH 15 AC

DB 346/ 338

Deed Book/Page: 346 / 338

Occupancy: COMMERCIAL

Dwelling Type: OFFICE

Use/Class: MULTI-FAM RESIDENTIAL

Acreage: 15.000

Effective Date: Invalid Date

Year Built: 1981

Land Use:

Zoning:

Year Remodeled:

Total Mineral: \$0

District: 08 TOTARO

Year Effective: 1981

Total Land: \$471,000

MH/Type:

On Site Date: 12/14/2023 **Total Improvements:** \$3,763,500

Condition: GOOD

Review Date:

Total Value: \$4,234,500

----- Improvement Description -----														
Exterior			Interior			Site								
EXTR-BRICK VENEER			FLOOR-CARPET			NBGH-COMMERCIAL/IN								
FNMT-BRICK			FLOOR-VINYL			STRTP-PAVED								
RFMT-COMP SHINGLE			WALL-DRYWALL			TOPO-LEVEL								
RFTY-GABLE						UTIL-ELECTRIC								
						UTIL-ALL PUBLIC								
									+-----51-----+					
									:					
----- Commercial Valuation -----														
Cls	Grad	YEff	Description	Str/#	Size	Rate	Pct	Value	:					
067M		1981	PAVING ASPHALT					40000	:					
064M	C+10	1981	OFFICE	1.0	1377	92.50	.43	79862	:					
Total Market Value								119862	:					
									27					
----- Other Improvements Valuation -----														
Desc	Length	Width	Size	Grade	Rate	FV/Pct	Value	:						
DRAWING #2							387300	:						
DRAWING #3							3221500	:						
PAVING-BL							30000	:OF						
LIGHTING							4000	+-----51-----+						
STG MTL							800							
Total Imp Value							3643600							
----- Land Valuation -----														
M	Cls	Desc	G	Size	Dpth	Rate	FV/Pct	Value	Sec	Type	Str/Ht	Description	Area	
A	71	COMMERCIAL I		15.00		31400.00		471000	OF	OFFICE	1.0	N27E51S27W51	1377	
Total Land Value								471000	Total Square Feet					
----- Comments -----														
OFFICE								Cur. Value	Prev. Value	%Inc.				
PINECREST APTS-SUSAN COREY 848-3175								Land	471000	235500				
32-2 BEDROOM 1 BATH-478 SQ FT, 32-3 BEDROOM, 2 BATH								Improvements	3763500	2139600				
571 SQ FT, 6 4 BEDROOM 2 BATH. 606 SQ FT								Total	4234500	2375100				
FR PINECREST LTD DIV HOUSING ASSO DB346/333								Average Price Per Acre		31400				
FR THE VA NONPROFIT HOUSING COALITION DB346/338								Sale Date/Amount	10/2000	917191				
7 ADDITIONAL APTS SAME AS SKETCH #3														
01/2017 COMPUTER ROUNDING ISSUE - VALUE CHANGED														
01/2018 COMMERCIAL CLASS CHANGED														

Total Property Value								4234500						

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

Grant Warner	Digitally signed by Grant Warner Date: 2025.04.24 14:29:16 -04'00'	Grant Warner	4/24/2025
RESNET Rater Signature		Printed Name	Date
Southern Energy Management		Laurie Colwander	
RESNET Provider Agency		Provider Contact Name	
Laurie Colwander	Digitally signed by Laurie Colwander Date: 2025.04.24 14:28:00 -04'00'	laurie@southern-energy.com	(919) 538-7837
Contact Signature		Email	Phone

Home Energy Rating Certificate

Projected Report

Based on Plans

Rating Date: 2025-04-28

Registry ID:

Ekotrope ID: vpOzZEyd

HERS® Index Score:

79

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

\$591

*Relative to an average U.S. home

Home:

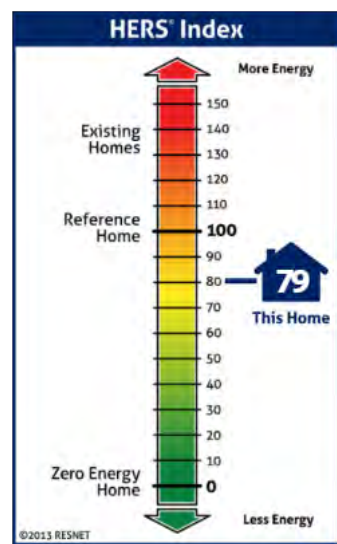
27 Crestview Rd
Lawrenceville, VA 23868

Builder:

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	9.3	\$297
Cooling	3.7	\$121
Hot Water	5.7	\$183
Lights/Appliances	11.8	\$380
Service Charges		\$91
Generation (e.g. Solar)	0.0	\$0
Total:	30.6	\$1,072

This home meets or exceeds the criteria of the following:



Home Feature Summary:

Home Type:	Apartment, end unit
Model:	2 BR_Post-Rehab
Community:	Pinecrest
Conditioned Floor Area:	927 ft ²
Number of Bedrooms:	2
Primary Heating System:	Air Source Heat Pump • Electric • 8.5 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 14.5 SEER
Primary Water Heating:	Residential Water Heater • Electric • 0.95 Energy Factor
House Tightness:	10 ACH50 (Adjusted Infiltration: 10.00 ACH50)
Ventilation:	None
Duct Leakage to Outside:	Untested Forced Air
Above Grade Walls:	R-13
Ceiling:	Attic, R-38
Window Type:	U-Value: 0.3, SHGC: 0.49
Foundation Walls:	N/A
Framed Floor:	R-11

Rating Completed by:

Energy Rater: Owen Burwell

RESNET ID: 6409954

Rating Company: Southern Energy Management MES
5908 Triangle Drive

Rating Provider: Southern Energy Management
5908 Triangle Drive, Raleigh, NC 27617
919-836-0330

Owen Burwell, Certified Energy Rater
Digitally signed: 4/28/25 at 4:23 PM



Ekotrope RATER - Version:4.2.3.3619

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: 2025-04-28

Registry ID:

Ekotrope ID: dNB1eXnd

HERS® Index Score:

71

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

\$730

*Relative to an average U.S. home

Home:

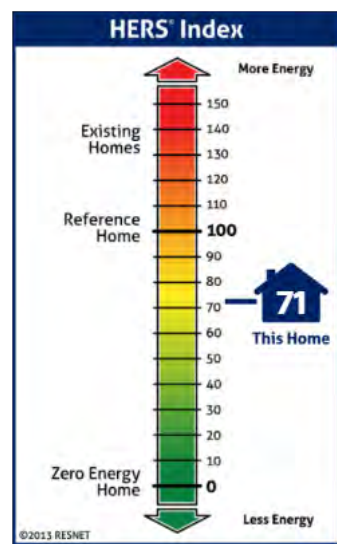
27 Crestview Rd
Lawrenceville, VA 23868

Builder:

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	7.2	\$229
Cooling	2.9	\$95
Hot Water	7.6	\$244
Lights/Appliances	13.3	\$429
Service Charges		\$91
Generation (e.g. Solar)	0.0	\$0
Total:	31.1	\$1,089

This home meets or exceeds the criteria of the following:



Home Feature Summary:

Home Type:	Apartment, end unit
Model:	3 BR_Post-Rehab
Community:	Pinecrest
Conditioned Floor Area:	1,072 ft ²
Number of Bedrooms:	3
Primary Heating System:	Air Source Heat Pump • Electric • 8.5 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 14.5 SEER
Primary Water Heating:	Residential Water Heater • Electric • 0.92 UEF
House Tightness:	10 ACH50 (Adjusted Infiltration: 10.00 ACH50)
Ventilation:	None
Duct Leakage to Outside:	Untested Forced Air
Above Grade Walls:	R-13
Ceiling:	Adiabatic, R-38
Window Type:	U-Value: 0.3, SHGC: 0.49
Foundation Walls:	N/A
Framed Floor:	N/A

Rating Completed by:

Energy Rater: Owen Burwell

RESNET ID: 6409954

Rating Company: Southern Energy Management MES
5908 Triangle Drive

Rating Provider: Southern Energy Management
5908 Triangle Drive, Raleigh, NC 27617
919-836-0330

Owen Burwell, Certified Energy Rater
Digitally signed: 4/28/25 at 4:23 PM



Ekotrope RATER - Version:4.2.3.3619

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: 2025-04-28

Registry ID:

Ekotrope ID: dxmWPERv

HERS® Index Score:

69

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

\$912

*Relative to an average U.S. home

Home:

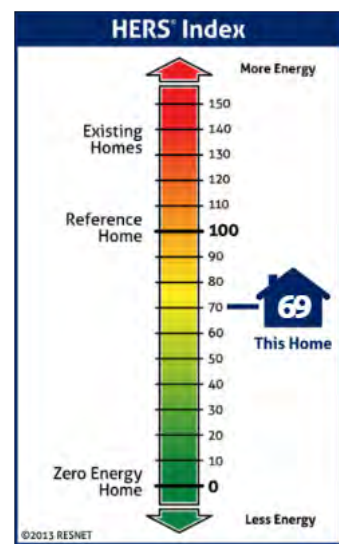
27 Crestview Rd
Lawrenceville, VA 23868

Builder:

Your Home's Estimated Energy Use:

	Use [MBtu]	Annual Cost
Heating	9.5	\$299
Cooling	3.1	\$100
Hot Water	8.5	\$272
Lights/Appliances	15.8	\$506
Service Charges		\$91
Generation (e.g. Solar)	0.0	\$0
Total:	36.8	\$1,268

This home meets or exceeds the criteria of the following:



Home Feature Summary:

Home Type:	Townhouse, end unit
Model:	4BR Int TH_Post-Rehab
Community:	Pinecrest
Conditioned Floor Area:	1,459 ft ²
Number of Bedrooms:	4
Primary Heating System:	Air Source Heat Pump • Electric • 8.5 HSPF
Primary Cooling System:	Air Source Heat Pump • Electric • 14.5 SEER
Primary Water Heating:	Residential Water Heater • Electric • 0.92 UEF
House Tightness:	10 ACH50 (Adjusted Infiltration: 10.00 ACH50)
Ventilation:	None
Duct Leakage to Outside:	Untested Forced Air
Above Grade Walls:	R-13
Ceiling:	Attic, R-38
Window Type:	U-Value: 0.3, SHGC: 0.49
Foundation Walls:	N/A
Framed Floor:	N/A

Rating Completed by:

Energy Rater: Owen Burwell

RESNET ID: 6409954

Rating Company: Southern Energy Management MES
5908 Triangle Drive

Rating Provider: Southern Energy Management
5908 Triangle Drive, Raleigh, NC 27617
919-836-0330

Owen Burwell, Certified Energy Rater
Digitally signed: 4/28/25 at 4:23 PM



Ekotrope RATER - Version:4.2.3.3619

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

DATE: April 28, 2025

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

RE: ZONING CERTIFICATION

Name of Development: Pinecrest Apartments
Name of Owner/Applicant: TTG Pinecrest Limited Partnership
Name of Seller/Current Owner: Pinecrest Brunswick, LLC

The above-referenced Owner/Applicant has asked this office to complete this form letter regarding the zoning of the proposed Development (more fully described below). This certification is rendered solely to confirm proper zoning for the site of the Development. It is understood that this letter will be used by the Virginia Housing Development Authority solely to determine whether the Development qualifies for points available under VHDA's Qualified Allocation Plan for housing tax credit.

DEVELOPMENT DESCRIPTION:

Development Address:

27 Crestview Road, Lawrenceville, VA 23868

Leal Description:

See Exhibit A-1

Proposed Improvements:

Construction

New Construction:	# Units		# Buildings		Total Floor Area	
Adaptive Reuse	# Units		# Buildings		Total Floor Area	
Rehabilitation:	# Units	10	# Buildings	70	Total Floor Area	70,561

Zoning Certification, cont'd

Current Zoning: Residential, R-2 allowing a density of _____ units per
acre, and the following other applicable conditions: _____

Other Descriptive Information:

LOCAL CERTIFICATION:


Check one of the following a appropriate:

☐

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

☒

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



Signature

Deborah K. Givens

Printed Name

Planning and Building Services Technician

Title of Local Official or Civil Engineer

(434) 848-0882

Phone

April 28, 2025

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-1

LEGAL DESCRIPTION

Real Property

27 Crestview Road in Lawrenceville, Virginia

ALL that certain tract or parcel of land situate and being in Totaro Magisterial District, Brunswick County, Virginia, containing 15 acres, more or less, being shown and designated as follows by metes and bounds on a plat entitled "ALTA/ACSM Land Title Survey On 14.989 Acres Of Land Located On The North Line Of State Route 750 And On The West Line Of Service Road F650, Industrial Park Drive", made by Youngblood, Tyler & Associates P.C., Consulting Engineers, Planners & Surveyors, dated October 1, 2012:

BEGINNING AT A POINT ON the north line of State Route No. 750, said point being 695.61' east from the east line of Service Road F650 (Industrial Park Drive); thence continuing along the north line of State Route No. 750 S 72° 06' 35" W, a distance of 695.61' to a point on the east line of Service Road F650 (Industrial Park Drive); thence leaving the north line of State Route No. 750 and continuing along the east line of Service Road F650 (Industrial Park Drive) N 51° 09' 05" W, a distance of 29.43' to a point; thence along a curve to the left having a delta of 00° 45' 57", a radius of 1940.46', a length of 25.94', a chord distance of 25.94' and a chord bearing of N 19° 09' 04" W to a point; thence leaving the east line of Service Road F650 (Industrial Park Drive) N 04° 24' 24" E, a distance of 340.99' to a point; thence N 87° 00' 27" W, a distance of 184.53' to a point on the east line of Service Road F650 (Industrial Park Drive); thence continuing along the east line of Service Road F650 (Industrial Park Drive) along a curve to the right having a delta of 51° 10' 26", a radius of 298.11', a length of 266.26', a chord distance of 257.50' and a chord bearing of N 10° 02' 47" E to a point; thence N 35° 38' 00" E, a distance of 160.16' to a point; thence S 85° 57' 00" E, a distance of 35.52' to a point; thence N 06° 48' 00" E, a distance of 62.74' to a point; thence N 35° 38' 00" E, a distance of 263.66' to a point; thence leaving the east line of Service Road F650 (Industrial Park Drive) S 85° 23' 59" E, a distance of 366.57' to a point; thence S 86° 56' 36" E, a distance of 112.84' to a point; thence S 02° 46' 00" E, a distance of 802.22' to the point and place of beginning containing 14.989 acres of land.

BEING part of the same real estate conveyed to Pinecrest Brunswick, LLC, a Virginia limited liability company, by deed from The Virginia Nonprofit Housing Coalition, a Virginia nonstock, nonprofit corporation, dated as of October 1, 2000, and recorded in the Clerk's Office of the Circuit Court of Brunswick County, Virginia, in Deed Book 346, page 338.

Tab H:

Attorney's Opinion (MANDATORY)

April 28, 2025

To Virginia Housing

601 South Belvidere Street

Richmond, Virginia 23220

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

Name of Development: Pinecrest Apartments, Lawrenceville, VA

Name of Owner: TTG Pinecrest Limited Partnership

Dear Virginia Housing:

This undersigned firm represents the above-referenced Owner as its counsel. It has received a copy of and has reviewed the completed application package dated May 1, 2025 (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.

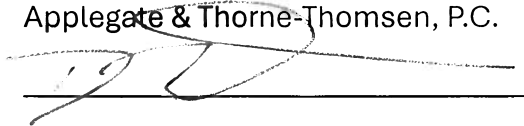
2. Assuming that you designate the buildings in the Development as being in a difficult development area pursuant to Code Section 42(d)(5)(B)(v), the calculations (a) of the Maximum Allowable Credit available under the Code with respect to the Development and (b) of the Estimated Qualified Basis of each building in the Development comply with all applicable requirements of the Code and regulations, including the selection of credit type implicit in such calculations.
3. The 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. [Intentionally omitted].
6. [Intentionally omitted].
7. 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.
8. 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: Applegate & Thorne-Thomsen, P.C.

A handwritten signature in dark ink, appearing to read 'DK', is written over a horizontal line.

By: Daniel Kraft

Its: Vice President

~~unchanged, upon compliance by the Owner with the requirements of Code Section 42(h)(1)(E), the Owner would be eligible under the applicable provisions of the Code and the Regulations to an allocation of Credits in the amount(s) requested in the Application.~~

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

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

Firm Name _____ By _____
Title

Attorney's Opinion Letter – TAX EXEMPT
VERSION

(This Form Must Be Included With Application)

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

Date _____

To Virginia Housing
601 South Belvidere Street
Richmond, Virginia 23220

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

Name of Development: [Pinecrest Apartments, Lawrenceville, VA](#)

Name of Owner : TTG Pinecrest Limited Partnership

Dear Virginia Housing:

This undersigned firm represents the above-referenced Owner as its counsel. It has received a copy of and has reviewed the completed application package dated May 1, 2025 (of which this opinion is a part) (the "Application") submitted to you for the purpose of requesting, in connection with the captioned Development, a reservation of low-income housing tax credits ("Credits") available under Section 42 of the Internal Revenue Code of 1986, as amended (the "Code"). It has also reviewed Section 42 of the Code, the regulations issued pursuant thereto and such other binding authority as it believes to be applicable to the issuance hereof (the regulations and binding authority hereinafter collectively referred to as the "Regulations").

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

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

~~2.[Select One]~~

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

~~OR~~

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

~~3.[Select One]~~

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

~~OR~~

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. ~~[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.~~ Intentionally omitted.

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

7. ~~[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.

8. ~~[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_ :[Applegate & Thorne-Thomsen, P.C.](#)

By: [Daniel Kraft](#)

Its_ : [Vice President](#)

~~Title~~

Tab I:

Nonprofit Questionnaire (MANDATORY for points or pool)

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

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

This deal does not require
information behind this tab.

Tab J:

Relocation Plan and Unit Delivery Schedule
(MANDATORY-Rehab)

RELOCATION PLAN

FOR

**PINECREST
APARTMENTS**

Lawrenceville, VA

**Address:
27 Crestview Road**

***Prepared by
Transcend Development
Group LLC***

April 2025

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Attachments:

Exhibit A	Your Rights and Benefits as a Displaced Person Under the Federal Relocation Assistance Program
Exhibit B	Temporary Relocation Budget
Exhibit C	Notices
Exhibit D	Grievance Procedures
Exhibit E	Implementation Plan
Exhibit E1	Sample Tenant Notification Inspection and Claim Tracking
Exhibit E2	Sample Tenant Housing Interview Matrix
Exhibit E3	Sample Tenant Mover Tracking Sheet
Exhibit E4	Scope of Work

INTRODUCTION

When it becomes necessary to acquire and develop existing properties and to permit the completion of major property improvements, the temporary relocation of current residents often become necessary. This Relocation Plan describes the method of relocation implementation procedures for the fair, uniform and equitable treatment of persons temporarily displaced from their homes when development occurs. It identifies the administrative requirements for conducting temporary relocation and sets forth standards, occupancy standards, methods for obtaining temporary housing and related assistance, and counseling, and other related provisions of relocation practices in accordance with applicable State and Federal relocation guidelines and regulations.

Transcend Development Group LLC (hereinafter referred to as “Developer”) has entered into a purchase and sale agreement to acquire the real property located at 27 Crestview Road for rehabilitation and preservation of affordable housing units. The Developer plans to submit a LIHTC 4% Bond Application to Virginia Housing to finance the redevelopment of the project.

Relocation point of contact: Amanda Treatch, The Transcend Group,
(424) 271-0942, amanda@thetranscendgrp.com

PROJECT SUMMARY

Property:	Pinecrest Apartments
Address:	27 Crestview Road
	70 Total Units
	32 – 2BD/1.0BA
	32 – 3BD/1.5BA
	6 – 4BD/2.0BA
Units:	
Acquisition Rehab:	Existing 70-unit property built in 1981.
No. of Buildings:	10
Location:	The Subject is located in Lawrenceville, Brunswick County in a mixed-use residential and commercial neighborhood.

ACQUISITION/REHAB SOURCES FOR PURPOSES OF URA

The Property's acquisition and subsequent rehabilitation will be funded by the issuance of private activity bonds and equity derived via the Low Income Housing Tax Credit Program (LIHTC).

We also have budgeted approximately \$698,377 in construction mobilization for the relocation of all residents that will be funded from a tax exempt bond proceeds and LIHTC equity to cover the costs of relocation.

The Properties benefits from a Housing Assistance Payment Contract (HAP) that will be renewed for 20 years at closing with rents that have been Marked Up to Market; therefore, the Uniform Relocation Act (URA) requirements apply to the project. No involuntary displacement shall occur, and all terms and conditions of the temporary relocation shall be fair and reasonable.

The Developer will have a "Project", for Notice purposes, as defined under the URA once it has received an allocation of LIHTCs or becomes the Assignee of the new 20 Year HAP Contract, whichever comes first.

The Developer will perform extensive rehabilitation which will include new kitchen and bathroom cabinetry, appliances, electrical fixtures, paint and roofing. The Developer will continue to provide affordable housing that will be restricted to households within the income criteria as defined by the Department of Housing and Urban Development and the Low Income Housing Tax Credit Program.

PROJECTED DATES OF DISPLACEMENT

The rehabilitation activities for this project are anticipated to begin in 2025 and will necessitate the temporary relocation of all on-site tenants for a period not to exceed 30 days. The temporary relocation will be scheduled in phases as designated by the rehabilitation plan and in conjunction with the general contractor's work plan.

There are 70 housing units, of which all tenants will be affected by the rehabilitation activities. All of the tenants will be required to relocate to temporary housing until rehabilitation is completed; upon completion, they will be allowed to reoccupy their original units.

This plan is addressed primarily toward temporary relocation activities along with potential permanent dislocation activities. Whereas the project consists of a rehab of an existing and outdated property, we are including a section related to emergency relocation should an unforeseen event occur at the property that would require residents to be moved from their units.

ESTIMATED RELOCATION COST AND FUNDING

The total estimated relocation cost for this project is \$698,377.

Source of Funds - Financing of this project involves commitment of the Developer's private financing, including but not limited to tax-exempt bonds and 4% Low Income Housing Tax Credits ("LIHTC").

The Developer will insure that adequate funds to relocate all the residential households will be provided to ensure that temporary relocation does not result in different or separate treatment of household based on race, nationality, color religion, national origin, sex, marital status, family status, disability or any other basis protected by the Federal Fair Housing Amendment Act, California State Landlord / Tenant Act, the Americans with Disabilities Act, Title VI of the Civil Rights act of 1964, Title VIII of the Civil Rights Act of 1968 and the Unruh Act, as well as any other arbitrary or unlawful discrimination."

The Developer will use proceeds from a tax-exempt bond loan and LIHTC equity to cover the costs of relocation.

ADMINISTRATIVE ORGANIZATION

The Developer will be responsible for providing relocation assistance and payments to on-site tenants temporarily and permanently displaced by the project rehabilitation activities. The Developer will meet its responsibilities through the use of its staff, supplemented by assistance from consultants, local realtors, social service agencies and bodies, as enumerated in various sections of this plan.

The Developer is committed to complying with the rules and regulations of this Plan and the Real Property Acquisition Guidelines and Uniform Relocation Assistance and Real Property Acquisition Policy Act of 1970, as amended (URA) which covers all HUD-assisted programs/projects, including Community Development Block Grant (CBDG) Entitlement Programs.

Developer Assurances

The Developer will not proceed with any approval of the project or other activities that will directly result in the temporary relocation and/or displacement of any person until it makes the following assurances:

- Fair and reasonable relocation payments will be provided to eligible persons as required by applicable relocation guidelines.
- A relocation assistance advisory program offering relocation services will be established.

- Eligible persons will be adequately informed of the assistance, benefits, policies, practices and procedures, including grievance procedures, provided for by URA guidelines.
- Suitable temporary housing will be available within a reasonable period of time prior to temporary relocation. Temporary housing will be units that are sufficient in number, size and cost for the eligible persons who require them.
- Adequate provisions will be made to assure that orderly, timely and efficient relocation of eligible tenants to suitable replacement housing is available without regard to race, color, religion, sex, marital status or national origin and with a minimum hardship to those affected.
- No person will be temporarily relocated or displaced until the Developer has fulfilled the obligations imposed by the applicable relocation regulations.
- No persons of low and moderate income will be relocated until there is a suitable housing unit available and ready for occupancy by such tenant at rents comparable to that at the time of their displacement. Such housing will be suitable to the needs of such displaced person and will be decent, safe, sanitary and an otherwise standard dwelling.
- **No Federal funds will be used for the relocation of persons (1) engaging in criminal activity or undocumented immigrants as defined by HUD in Section 49 CFR Part 24.**
- **Tenants that move into the property after the Developer has provided the General Information Notice will receive a Move-In Notice providing information as to the Project and that they do not qualify for relocation benefits.**

Staff

The Developer recognizes the process of relocation may be very disturbing to individuals. Therefore, Management, will assure that the relocation is well organized and well documented with adequate staff to manage tenant moves and coordination with the general contractor.

Staff Functions:

The role of the relocation staff will be:

- Inform eligible persons of eligibility for relocation assistance as soon as feasible following the award of LIHTCs or the HUD 20 Year MU2M.

- Determine the extent of the need of each eligible person.
- Provide current and continuing information on the availability of suitable temporary relocation units and to discuss the process for paying security deposits, transferring mail (if applicable), and other items related to the temporary move.
- Management will maintain a folder for each resident that includes the details of the temporary move, the counseling that was provided, and the date that the resident received each Notice.
- Management will assist each eligible person to complete relocation claims for payments and benefits.
- Coordinate with HUD, if applicable, to inspect temporary housing to determine that such housing meets relocation housing standards of decent, safe, and sanitary conditions prior to move in.
- Management will assist eligible households in returning to the Property post rehab and will coordinate these moves with the general contractor. Management will coordinate with HUD to verify that the permanent unit in the Property meets HUD's requirements for suitability and is decent, safe and sanitary. Where applicable, Management will address issues of under housed or over housed families as part of the return to the project; as a result, households may not be returned to their original unit.
- Provide any services required to ensure that the relocation process does not result in different or separate treatment on account of race, color, religion, national origin, sex, marital status or other arbitrary circumstances.

Households identified as being over income will receive the 90 Day Notice as soon as they are identified. These households are presently occupying market rate, non-Section 8 units, and are not required to provide yearly household income information to the Owner. At this time, it is unknown how many of these households have incomes in excess of the maximum LIHTC income and will qualify for permanent relocation benefit. The 90 Day Notice will inform displaced persons of the earliest date by which they will be required to move. This notice will not be issued until a comparable replacement dwelling is available and the displaced person is informed of its location and has sufficient time to lease or purchase the property.

RESIDENT PARTICIPATION

The Developer actively encourages the involvement of residents by fostering a high degree of participation in the proposed Project and in the hearing and planning stages of the relocation process. For this purpose, the Developer plans to:

- Holding informational meetings at locations and times convenient to tenants.

- Prepare and distribute all information and materials in the language most easily understood by the tenants.

RELOCATION STANDARDS

It is the Developer's objective that all temporarily relocated tenants return to the Property with a minimum amount of disruption:

- Tenants will be returned to units at the Property that are decent, safe, sanitary and comparable according to household size;
- Be in an area not subject to adverse environmental conditions;
- Be available to the displaced person without regard to race, color, sex, religion or national origin;
- At affordability standards as set forth by HUD through the Housing Assistance Payment Contract executed with the Developer (new Owner) as part of the acquisition of the project.

The following standards apply in measuring the quality and suitability of the temporary housing to be offered by the staff to an eligible person or that which a self-relocate has selected on his own initiative. All temporary units will be inspected to ensure decent, safe, and sanitary conditions.

Physical Standards

- Be structurally sound; weather tight and in good repair.
- Contain a safe electrical wiring system adequate for lighting and electrical appliances.
- Contain a heating system capable of sustaining a healthful temperature (of approximately 70 degrees) except in those areas where local climatic conditions do not require such a system,
- Be adequate in size with respect to the number of rooms and area of living space to accommodate the temporarily displaced person(s).
- Contain a well-lighted and ventilated bathroom providing privacy to the user and containing a sink, bathtub or shower stall, and a toilet, all in good working order and properly connected to appropriate sources of water and sewage drainage system.

- Contain a kitchen area with a fully usable sink, properly connected to potable hot and cold water and to a sewage drainage system with adequate space and utility connections for a stove and refrigerator.
- Have unobstructed egress to safe, open space at ground level.
- Be free of any barriers that prevent reasonable ingress, egress or use of the dwelling in case of a handicapped displaced person.
- Every dwelling unit shall comply with the Residential Lead-Based Paint Hazard Reduction Act of 1992.

Standard Occupancy

The state does not set guidelines for housing occupancy restrictions. Instead, a landlord must make a reasonable determination of suitable occupancy, keeping in mind the federal guidance on fair housing.

The standard occupancy limit that California courts typically allow when these cases are brought before the court is two people per bedroom plus one person. This allows for each bedroom to hold two to three people, depending on the configuration. For instance, a family of five -- a husband, wife and three children -- can be allowed to move into a two-bedroom apartment. The husband and wife would share a room and the three children could feasibly share the other room.

Number of Bedrooms	Minimum Number of Occupants	Maximum Number of Occupants
1	1	3
2	2	5
3	4	7

The URA does not require that tenants be returned to their original unit. Management will assure that all tenants returning to the Property are housed in a suitably sized unit to address any under-housed or over-housed that may be discovered.

Emergency Temporary Housing Standards

The following standards will apply:

- Housing not meeting the Developer's established standards for relocation would not be used for emergency temporary housing.
- In no event will the emergency temporary housing offered by the relocation staff be of a less desirable character than that from which the displaced person is being moved, and such temporary housing shall be in safe and habitable condition.

- Emergency temporary relocations made by the Developer will not diminish its obligation with respect to the displaced person's temporary relocation. The necessary costs incurred in temporary moves made at the direction of the Developer will be paid in accordance with applicable relocation guidelines and directives, as appropriate.
- If a self-relocate moves into substandard housing and declines, without satisfactory reason, to accept standard housing to which he or she is referred, it may be considered that the Developer's responsibility to the displaced person has been discharged.

In addition to being required by law, relocation advisory services are the single most important part of a successful relocation program. Relocation advisory services are required will be provided to all eligible displaced persons.

Management will meet with residents that are subject to permanent relocation to discuss, minimally, the following:

- Their need for and requirements of advisory services.
- Determine the needs and preferences of displaced persons as it relates to replacement housing; such as, proximity to schools, work, recreational activity, public transportation, medical services, etc...
- Explain available relocation assistance and distribute the Federal Highway Administrations URA Guide: Your Rights and Benefits as a Displaced Person under the Federal Relocation Assistance Program. Included as Exhibit A.
- Explain a person's right to appeal if they are not satisfied with offered relocation assistance.
- Offer and provide transportation to locate replacement housing.
- Offer other assistance (e.g. social services or financial referrals, housing inspection, etc.).
- Provide current and ongoing listings of comparable dwellings for residential displacement.
- Supply information on other federal and state programs offering assistance.
- Provide counseling and other assistance to minimize hardship in adjusting to relocation.
- And other required and appropriate assistance.

INFORMATIONAL PROGRAM

The Developer will and shall continue to distribute informational materials to all persons eligible for relocation benefits and assistance. In addition, Management staff will:

- Conduct personal interviews and maintain personal contacts with all households to the maximum extent practicable.
- Through the use of meetings, newsletters, e-mail, text messaging and other media, all eligible persons will be kept informed on a continuing basis of Project activities.
- Provide each eligible person a written notification of his or her relocation eligibility status.

OBTAINING RELOCATION HOUSING

Private Housing

The Developer's principals have facilitated the temporary relocation of more than 5,200 tenants and has a history of successful cooperation from hotels, property owners, realtors, multiple listing bureaus, property management firms and others offering a wide variety of decent, safe and sanitary housing for rent and sale. Based principally on this relationship over a period of time there has been an available supply of housing and this relationship has been continually strengthened throughout the years.

Management will develop a list of temporary and permanent housing alternatives for tenants that will take into consideration the distance from the Property, the neighborhoods, amenities, and access to public transportation. Tenants will be notified in advance that the temporary move and will be provided information specific to the temporary housing. Management staff will meet with the resident to assure that temporary housing will meet the needs of the resident and to discuss the documentation that must be provided in order to be reimbursed for expenses or to claim the daily per diem and the receive permanent relocation benefits, if applicable.

Special Rehousing Problems

Management will interview tenants to obtain information pertinent to special rehousing and social needs of the individual or family household. Particular efforts will be made to anticipate and aggressively seek solutions for problems of individuals or groups of tenants among the elderly, low income, large families, physically handicapped and unemployed.

Management will work cooperatively with other groups and agencies make appropriate referrals and other wise obtain for tenants the assistance essential their successful rehousing.

RELATIONSHIPS WITH SITE OCCUPANTS

Informational Programs

The Developer will use personal interviews and contacts, general mailings, distribution of informational material and group and public meetings to provide information and answer questions and provide staff attendance at meetings of various groups, etc. All these efforts will be continued throughout the project period to ensure that each site occupant is fully informed as to the time schedules, relocation program, and opportunities for such benefits.

Interviews with Site Occupants

Within a reasonable time following the “initiation of negotiations”, for this project, the acceptance of the LIHTC bond application, all project tenants will be informed as to availability of relocation benefits and assistance and the eligibility requirements therefor, as well as the procedures for obtaining such benefits. The Developer and Management will discuss and explain the contents of the Informational Statement and the minimum standards for temporary housing.

The Developer will also update any information obtained in prior interviews with tenants and ascertain precise relocation needs and problems. On this basis, tenants will be assisted in formulating and carrying out a relocation plan. This is the beginning of personalized relocation services and, as necessary, a tenant may be referred to appropriate agencies or resources for special services.

Housing Referral Services

The procedure for the referral to decent, safe and sanitary housing, along with permanent replacement housing, will be essentially one of personal contact, liaison and assistance by the Developer and Management. Staff will work closely with tenants until they complete their permanent return to the Project or other replacement housing.

Inspection of Relocation Housing

All temporary housing will be decent, safe and sanitary and suitable. The Developer and Management will perform a full unit inspection to verify that temporary housing meets the applicable standards.

Self-Relocates

Tenants finding their own housing will be urged to notify the Developer in advance so that the selected housing may be inspected prior to the move. However, should the displacee move without giving notice or leaving a forwarding address, every effort will be made to locate the displacee promptly to determine the quality of relocation housing and to assure an understanding of the relocation assistance entitlement. Tracing efforts will not be abandoned until appropriate contacts with the post office, utility companies, schools, employers, etc., have been made without success. The Developer will keep a record of all contacts attempted.

If, upon inspection, the housing occupied by a self-relocatee is found to not meet the criteria for decent, safe and sanitary, then such relocation will be considered *substandard* and the tenant will be advised accordingly and referred to standard housing. If the displaced household refuses to move to decent, safe and sanitary housing, then the obligations of the Developer will be considered satisfied and no further relocation assistance may be offered.

ANALYSIS OF RELOCATION RESOURCES

The Developer will engage in preliminary investigations to determine the general adequacy of the housing supply that will be called upon during the temporary relocation of residents from project sites. The intent of this study is to confirm that the City of Cincinnati does have a continuing and adequate supply of housing that should be available when relocation occurs.

The Developer will maintain current listings of rental dwellings to ensure that tenants are provided access to suitable temporary housing. However, at the time of the temporary move, the Developer will again engage in an exhaustive effort to find as many referrals as needed to properly temporarily house tenants. Whereas the period of temporary relocation is short (less than 30 days), Management or the Developer may execute a 6 month lease for several rental homes and use this stock of rental housing until all temporary relocation has been completed.

Permanently dislocated residents will be counseled as to their URA benefits and may choose to move into available rental housing or choose to use permanent dislocation benefits as a down payment on a home, if eligible. Residents of 90 days or more may be eligible for a rental assistance payment. The Assistance Payment is designed to enable dislocated residents to rent a comparable decent, safe and sanitary replacement dwelling for a 42 month period. URA eligible tenants that choose to rent may be compensated based upon the formula provided under the Act. Permanently dislocated tenants must rent and occupy a DSS replacement dwelling within one year to be eligible. The calculation of URA benefits is based on the difference between the displacement rent/utilities and the replacement rent/utilities or comparable rent/utilities, whichever is lower. Residents will not get benefits if they find a rental unit at a lower expense than the unit occupied at the property.

Residents that choose to rent a more expensive unit may be eligible for a rental assistance payment that is paid in one lump sum. The Developer conducted a Rent Comp Study (RCS) to determine average market rents as part of the Mark Up to Market of the Section 8 Housing Assistance Payment Contract that covers 70 of the 70 units at the property (100%). The results of the RCS are included as Exhibit B.

Based on previous experience with family populations, it is expected that 75% of the residents may prefer to house themselves with family or friends. Tenants will not be compensated for staying with relatives unless there is an actual cost to the tenant and proof is provided. Compensation will be provided only up to the amount that would have been provided for if residents have stayed at a hotel.

RELOCATION ADVISORY ASSISTANCE AND BENEFITS

In the development of this Relocation Plan, the Developer relied upon information received from the Seller as it relates to household income and household size. This information is preliminary and subject to verification as the process of relocation progresses. However, current indication is that all of the Section 8 tenants have low to moderate income.

The predominant language spoken by most of the tenants in the project is English. All relevant information and materials will be prepared in the language most easily understood by the tenants.

Tenants who are determined eligible for continued occupancy will be reimbursed for all reasonable out-of-pocket expenses incurred in connection with the temporary relocation, including the cost of moving to and from the temporarily occupied housing and any increase in monthly rent/utility costs at such housing; appropriate advisory services, including reasonable advance written notice of the date and duration of their temporary relocation; the address of a decent, safe and sanitary dwelling to be made available for the temporary period and terms and conditions of continued occupancy at the project site in accordance with applicable relocation regulations.

For those tenants who will be required to move temporarily because of rehabilitation activities will not be displaced from the Property for more than 12 months. The estimated relocation period is 7 days. There will be only one temporary relocation move necessary. All conditions of temporary relocation will be reasonable and at a minimum, the tenants will be provided with the following relocation assistance and services:

Reimbursement of all reasonable out-of-pocket expenses incurred in connection with temporary relocation including:

- The actual cost incurred in moving to and from the project site.
- Any increased housing and utility costs at the temporary housing location.

Advisory services including:

- Advance written notice of the date and approximate duration of the temporary relocation;
- The address of the suitable, decent, safe, and sanitary dwelling to be made available for the temporary period;
- Terms and conditions under which the tenant may lease and occupy a decent, safe, and sanitary dwelling in the building upon completion of the rehabilitation.

Upon completion of the rehabilitation, tenants will be able to lease and occupy a rehabilitated unit. The estimated monthly rent and average utility cost may increase, but the new rent and estimated average utility costs will not exceed thirty percent (30%) of the adjusted gross income of all adult members of the household, in accordance with rental assistance contract that governs the Project. All rent increases will meet the reasonableness requirements of the URA. The newly rehabilitated Project will meet Federal and State standards for decent, safe and sanitary housing.

Notices

- **General Informational Notice, will be sent out 60 days prior to closing via Certified Mail with Return and Receipt Request**

As soon as feasible each head of household of each unit in the Project shall be issued an appropriate Notice indicating the following:

Advise the tenant and occupants of the household that the rehabilitation project has been proposed and caution the tenant not to move.

Advise the person that they **will not** be displaced.

- **Notice of Non Displacement** - As soon as feasible after the *initiation of negotiations* or earlier and/or once awarded the contract, each occupant of the property shall be issued an appropriate advisory notice, as follows:

- a) The date and approximate duration of the temporary relocation;
- b) The address of the suitable decent, safe and sanitary dwelling to be made available for the temporary period;
- c) The terms and conditions under which the tenant may lease and occupy a suitable decent, safe and sanitary dwelling in the building upon completion of the project; and that
- d) All conditions of temporary relocation will be reasonable.

All households will be given as much Notice as possible prior to the temporary move date.

- **Move- In Notice**

This notice will inform residents the following information before entering into any lease agreement and/or occupying the property:

- a) You may be displaced by the project
- b) You may be required to relocate temporarily

- c) You may be subject to a rent increase
- d) You will not be entitled to any relocation payments or assistance provided under the URA [and/or section 104(d)]. If you have to move or your rent is increased as a result of the above project, you will not be reimbursed for any such rent increase or for any costs or expenses you incur in connection with a move as a result of the project.

- **Notice of Temporary Dwelling**

This notice will explain the reasonable terms and conditions under which the person may lease and occupy a unit in the project upon completion of the project.

- **90 Day Notice** - Informs displaced persons of the earliest date by which they will be required to move. This notice may not be issued unless a comparable replacement dwelling is available and the displaced person is informed of its location and has sufficient time to lease or purchase the property.

Only over income households will receive the 90 Day Notice.

Relocation Payment

Reimbursement of all reasonable out-of-pocket expenses incurred in connection with temporary relocation including:

- Reimbursement for all reasonable out-of-pocket expenses incurred in connection with the temporary relocation, including the cost of moving to and from the site temporarily occupied housing and any increase in monthly rent/utility costs at such housing.

Filing claims for relocation payment

In order to obtain a relocation payment, a tenant will be required to submit a written claim form and supported documentation in accordance with applicable relocation regulations and as prescribed by the Developer. By prearrangement between the Developer and the mover/contractor, each household's arrangements shall be confirmed in writing. The Developer may pay the mover/contractor directly.

Proration of payment

For the purpose of calculating a moving expenses or replacement housing payment where two or more occupants are living together (whether they are members of one family or not) and displaced from a single dwelling they shall be regarded as one displaced tenant. If two or more such occupants submit more than one claim, an eligible tenant may be paid only his reasonable prorated share (as determined by the Developer) of the total payment applicable to a single displaced tenant. The total of the payment made to all such claimants moving from the dwelling unit shall not exceed the total payment allowable to a displaced tenant.

Documentation of Claims

Documentation as may be reasonably required to support expenses incurred or other evidence of such expense must be submitted to Management to support a relocation claim. A tenant will be provided reasonable assistance necessary to complete and file any required claim for payment. Such as:

- If for moving expenses, except in the case of a Fixed Payment, an itemized receipted bill or other evidence of such cost incurred.
- Replacement housing payment shall require income verification for all adult household members, occupancy and responsibility of rent and utilities at the displacement dwelling, as well as the replacement dwelling.

All claims for relocation payment must be submitted to the Management on behalf of the Developer within six (6) months of the temporary relocation. In the case of permanent relocation, households must rent or purchase replacement housing within 12 months.

Advance Payments

A tenant may be paid their anticipated moving or replacement housing expenses in advance of the actual move. Developer will provide an advance payment whenever later payment would result in financial hardship; with particular consideration to the financial limitations and difficulties of low-income persons.

Relocation Payments Not Considered As Income

No relocation payment received by a displaced tenant person shall be considered as income for the purpose of the Internal Revenue Code of 1954, which has been re-designated as the Internal Revenue Code of 1986 or for the purpose of determining the eligibility or the extent of eligibility of any person for assistance under the Social Security Act or any other Federal Law, except for any Federal Law Providing low-income housing assistance (Title 24 of the Code of Federal).

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INTRODUCTION


Government programs designed to benefit the public as a whole often result in acquisition of private property, and sometimes in the displacement of people from their residences, businesses, nonprofit organizations, or farms.

To provide uniform and equitable treatment for persons displaced, Congress passed the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, and amended it in 1987. This law, called the Uniform Act, is the foundation for the information discussed in this brochure.

Acquisition and relocation policies and provisions for all Federal and federally assisted programs and projects are contained in the government-wide rule published in the Federal Register on January 4, 2005. The rules are reprinted each year in the Code of Federal Regulations (CFR), Title 49, Part 24. All Federal, State, local government agencies, and others receiving Federal financial assistance for public programs and projects that require the acquisition of real property must comply with the policies and provisions set forth in the Uniform Act and the regulation.

The acquisition itself does not need to be federally funded for the rules to apply. If Federal funds are used in any phase of the program or project, the rules of the Uniform Act apply.

Section 1 of this brochure provides information about relocation assistance advisory service. Section 2 contains information important to you if you are being displaced from a residence. Section 3 contains information for displaced businesses, farms, and nonprofit organizations.



If you are required to move as a result of a Federal or federally assisted program or project, a relocation counselor will contact you. The counselor will answer your specific questions and provide additional information you may need. If you have a disability that prevents you from reading or understanding this brochure, you will be provided appropriate assistance. You should notify the sponsoring Agency if you have special requirements for assistance.

This brochure explains your rights as an owner of real property to be acquired for a federally funded program or project. The requirements for acquisition of property are explained in a brochure entitled Acquisition, Acquiring Real Property for Federal and Federal-aid Programs and Projects. Acquisition and relocation information can be found on the Federal Highway Administration Office of Real Estate Services website www.fhwa.dot.gov/realestate

IMPORTANT TERMS USED IN THIS BROCHURE

Agency

Relocation assistance advisory services and payments are administered at the local level by an Agency responsible for the acquisition of real property and/or the displacement of people from property to be used for a federally funded program or project. The Agency may be a Federal agency, a State agency, a local agency, such as a county or a city, or a person carrying out a program or project with Federal financial assistance. The Agency may contract with a qualified individual or firm to administer the relocation program. However, the Agency remains responsible for the program.



Alien Not Lawfully Present

The law provides that if a displaced person is an alien not lawfully present in the United States such person is not eligible for relocation payments or assistance under the Uniform Relocation Assistance and Real Property Acquisition Policies Act, unless ineligibility would result in exceptional and extremely unusual hardship to the alien's spouse, parent or child, and such spouse, parent or child is a citizen or an alien lawfully admitted for permanent residence.

Business

Any lawful activity, with the exception of a farm operation, conducted primarily for the purchase, sale, lease, and rental of personal or real property; or for the manufacture, processing, and/or marketing of products, commodities, or any other personal property; or for the sale of services to the public; or solely for the purpose of the Uniform Act, an outdoor advertising display or displays, when the display(s) must be moved as a result of the project.

Displaced Person

Any person (individual, family, partnership, association or corporation) who moves from real property, or moves personal property from real property as a direct result of (1) the acquisition of the real property, in whole or in part, (2) a written notice from the Agency of its intent to acquire, (3) the initiation of negotiations for the purchase of the real property by the Agency, or (4) a written notice requiring a person to vacate real property for the purpose of rehabilitation or demolition of improvements, provided the displacement is permanent and the property is needed for a Federal or federally assisted program or project.

Farm

Any activity conducted solely or primarily for the production of one or more agricultural products or commodities, including timber, for sale and home use, and customarily producing such products or commodities in sufficient quantity to be capable of contributing materially to the operator's support.

Nonprofit Organization

A public or private entity that has established its nonprofit status under applicable Federal or State law.



Program or Project

An activity or series of activities undertaken by a Federal agency, or an activity undertaken by a State or local agency with Federal financial assistance in any phase of the activity.

Small Business

A business having not more than 500 employees working at a site which is the location of economic activity and which will be acquired for a program or project, or is displaced by a program or project. A site occupied solely by an outdoor advertising sign(s) does not qualify for purposes of the reestablishment expense benefit.

SECTION 1 - RELOCATION ADVISORY SERVICES

A relocation counselor will contact you and offer relocation assistance service.

Any individual, family, business or farm displaced by a Federal or federally assisted program shall be offered relocation assistance services for the purpose of locating a suitable replacement property. Relocation services are provided by qualified personnel employed by the Agency. It is their goal and desire to be of service to you, and assist in any way possible to help you successfully relocate.


Remember, your relocation counselor is there to **help** and **advise** you, so please be sure to make full use of the counselor's services. Do not hesitate to ask questions and be sure you fully understand all your rights and benefits.

An individual with a disability will be provided the assistance needed to locate and move to a replacement dwelling or site. The individual should notify the Agency of any special requirements for assistance.

RESIDENTIAL ASSISTANCE

A relocation counselor from the Agency will contact and interview you to find out your needs. Relocation services and payments will be explained in accordance with your eligibility. During the initial interview your housing needs and desires will be determined as well as your need for assistance.

The counselor will offer assistance and provide a current listing of comparable properties. You will be provided a written determination of the amount of replacement housing



payment for which you qualify. The counselor can supply information on other Federal and State programs in your area.

Transportation will be offered to inspect housing referrals. The Agency will provide counseling or help you get assistance from other sources as a means of minimizing hardships in adjusting to your new location.

You cannot be required to move unless at least one comparable decent, safe, and sanitary (DSS) replacement dwelling is made available to you.

Please let your counselor know if you locate a replacement dwelling so that it can be inspected to assure that it meets DSS standards.

BUSINESS, FARM, AND NONPROFIT ORGANIZATION ASSISTANCE

A relocation counselor from the Agency will contact and interview you to find out your needs and replacement site requirements and estimate the time needed to accomplish the move. Relocation services and payments will be explained in accordance with your eligibility. It is important to explain to the counselor any anticipated problems. During the initial interview the relocation counselor will ask many questions to determine your financial ability to accomplish the move, including lease terms and other obligations.

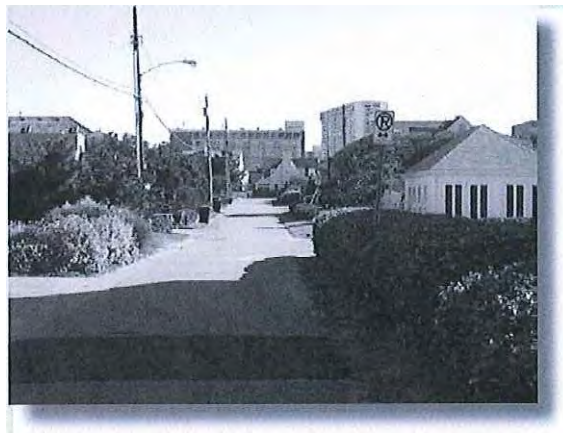
The counselor will help determine the need for outside specialists to plan, move, and reinstall personal property. The counselor will identify and resolve any issues regarding

what is real estate and what is personal property to be relocated. The counselor will explore and provide advice as to possible sources of funding and assistance from other local, State, and Federal agencies. In addition, as needed, the relocation counselor will maintain listings of commercial properties and farms.

The goal is to achieve a successful relocation back into the community.

Social Services Provided By Other Agencies

Your relocation counselor will be familiar with the services provided by other public and private agencies in your community. If you have special problems, the counselor will make every effort to secure the services of those agencies with trained personnel who have the expertise to help you. Make your needs known in order that you may receive the help you need.



SECTION 2 - INDIVIDUALS AND FAMILIES

MOVING COSTS

If you qualify as a displaced person, you are entitled to reimbursement of your moving costs and certain related moving expenses. Displaced individuals and families may choose to be paid either on the basis of actual, reasonable moving costs and related expenses, **or** according to a fixed moving cost schedule. To assure your eligibility and prompt payment of moving expenses, you should contact the relocation counselor from the Agency before you move.

Actual, Reasonable Moving Costs

You may be paid for your actual, reasonable moving costs by a professional mover plus related expenses, **or** you may move yourself. Reimbursement will be limited to a 50-mile distance in most cases. Related expenses involved in the move may include:

- Packing and unpacking personal property.
- Disconnecting and reconnecting household appliances.
- Temporary storage of personal property.
- Insurance while property is in storage or transit.
- Transfer of telephone service and other similar utility reconnections.
- Other expenses considered eligible by the Agency.

All expenses must be considered necessary and reasonable by the Agency and supported by paid receipts or other evidence of expenses incurred.

Fixed Moving Cost Schedule

You may choose to be paid on the basis of a fixed moving cost schedule established for your State of residence. The amount of the payment is based on the number of rooms in your dwelling. Your relocation counselor will be able to tell you the exact amount you will be eligible to receive if you select this option. The schedule is designed to include all of the expenses incurred in moving, including those services that must be purchased from others.

If you are the owner of a displaced mobile home, you may be entitled to a payment for the cost of moving the mobile home to a replacement site on an actual cost basis. Displaced mobile home occupants (owners or tenants) may also be eligible for a payment for moving personal property from the mobile home such as furniture, appliances and clothing on an actual cost basis, or on the basis of a moving cost schedule. For a complete explanation of all moving cost options involving a mobile home, please discuss the matter with your relocation counselor.

REPLACEMENT HOUSING

There are three types of replacement housing payments: purchase supplement, rental assistance, and downpayment. To understand replacement housing payments you first need to become familiar with the terms **Comparable; Financial Means; Decent, Safe, and Sanitary (DSS); and Last Resort Housing**.




Comparable

A comparable replacement dwelling must be DSS and functionally equivalent to your present dwelling. While not necessarily identical to your present dwelling, a comparable replacement dwelling should provide for the same utility and function as the dwelling from which you are being displaced. In addition, a comparable replacement dwelling should be:

- Adequate in size to accommodate the occupants (e.g., you and your family).
- Located in an area that is not subject to unreasonable adverse environmental conditions.
- Located in an area that is not less desirable than your present location with respect to public utilities and commercial and public facilities.
- Reasonably accessible to your place of employment.
- Located on a site that is typical in size for residential development with normal site improvements.
- Currently available on the private market.
- Within your financial means.

Financial Means

For a homeowner, if a purchase supplement is needed and provided, in addition to the acquisition price for your dwelling, then the replacement dwelling is considered to be within your financial means.



For a tenant, the monthly rent and estimated average monthly utility (electricity, gas, other heating and cooking fuels, water and sewer) cost for a comparable replacement dwelling is considered to be within financial means if, after receiving rental assistance, this amount does not exceed the base monthly rent (including average monthly utility cost) for the dwelling from which the tenant is displaced.

The Agency may need to calculate the base monthly rent using 30% of the displaced tenant's total monthly gross household income, if that income qualifies as low income in accordance with established low income amounts determined by the U.S. Department of Housing and Urban Development (**HUD**).


The Agency will also evaluate the amounts designated for shelter and utilities for a tenant that receives government assistance.

The rental assistance payment will be computed using the lesser of the three (rent and average monthly utility cost; 30% of the total monthly gross household income for a qualified low income tenant; or the total amount designated for shelter and utilities for a tenant receiving government assistance). To ensure the maximum benefit, it is important to provide the Agency appropriate evidence of total monthly household income when asked. There are some amounts that are not included as monthly household income, including income earned by dependents. The Agency will explain this procedure in greater detail.

Decent, Safe, and Sanitary

The DSS standard means the replacement dwelling meets the minimum requirements established by Federal regulations and conforms to applicable local housing and occupancy codes. The dwelling shall:

- Be structurally sound, weathertight and in good repair.
- Contain a safe electrical wiring system adequate for lighting and other devices.
- Contain a heating system capable of sustaining a healthful temperature (approximately 70 degrees Fahrenheit) except in those areas where local climatic conditions do not require such a system.
- Be adequate in size with respect to the number of rooms and area of living space to accommodate the displaced person.
- Contain a well-lighted and ventilated bathroom providing privacy to the user and containing a sink, bathtub or shower stall, and a toilet, all in good working order and properly connected to appropriate sources of water and sewage drainage system.
- Contain a kitchen area with a fully usable sink, properly connected to potable hot and cold water and to a sewage drainage system, with adequate space and utility connections for a stove and refrigerator.
- Have unobstructed egress to safe, open space at ground level.


- 
- Be free of any barriers which prevent reasonable ingress, egress or, in the case of a handicapped displaced person, use of the dwelling.

IMPORTANT NOTICE

Please understand that the replacement dwelling inspection for decent, safe, and sanitary requirements is conducted by Agency personnel for the sole purpose of determining your eligibility for a relocation payment. Therefore, you must not interpret the Agency's approval of a dwelling to provide any assurance or guarantee that there are no deficiencies in the dwelling or in its fixtures and equipment that may be discovered at a later date. It is your responsibility to protect your best interest and investment in the purchase or rental of your replacement property and you must clearly understand that the Agency will assume no responsibility if structural, mechanical, legal, or other unforeseen problems are discovered after the inspection has been conducted.

Last Resort Housing

The term Last Resort Housing is an administrative procedure authorized by law to address those times when comparable replacement housing is not available under statutory limits specified in law. The law and regulation allow the Agency to provide a replacement housing payment in excess of the statutory maximums of \$5,250 and \$22,500. Because this provision is commonly used, the statutory maximums will not be restated throughout this brochure.



The Agency must provide comparable replacement housing, that is DSS and within your financial means, before you are required to move. The Agency may provide the necessary housing in a number of ways, such as:

- Making a replacement housing payment in excess of the maximum \$5,250 or \$22,500 statutory limits.
- Purchasing an existing comparable residential dwelling and making it available to you in exchange for your dwelling.
- Moving and rehabilitating a dwelling and making it available to you in exchange for your property.
- Purchasing, rehabilitating or reconstructing an existing dwelling to make it comparable to your property.
- Purchasing land and constructing a new replacement dwelling comparable to your dwelling when comparables are not otherwise available.
- Purchasing an existing dwelling, removing barriers or rehabilitating the structure to accommodate a handicapped displaced person when a suitable comparable replacement dwelling is not available.
- Providing a direct loan which will enable you to construct or contract for the construction of a decent, safe, and sanitary replacement dwelling.



Freedom of Choice

All eligible displaced persons have the freedom of choice in the selection of a replacement dwelling. The Agency will not require you, without your written consent, to accept a replacement dwelling provided by the Agency. If you decide not to accept the replacement housing offered by the Agency, you may secure a replacement dwelling of your choice but it must meet the DSS standard.

If you are eligible for Last Resort Housing, your relocation counselor will thoroughly explain the program to you.

Length of Occupancy - Basic Occupancy Requirements

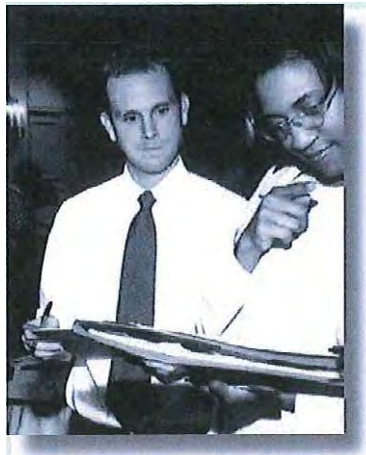
The type of payment you are eligible for depends on whether you are an owner or a tenant, and how long you have lived in the property being acquired prior to the initiation of negotiations. "Length of occupancy" simply means counting the number of days that you occupied the dwelling before the date of initiation of negotiations by the Agency for the purchase of the property.

The term "initiation of negotiations" is usually the date the Agency makes the first personal contact with the owner of real property, or his/her representative, to provide a written offer to purchase the property being acquired.

Owners who were in occupancy 180 days or more prior to the initiation of negotiations may be eligible for a purchase supplement or a rental assistance payment.

Tenants who were in occupancy 90 days or more prior to the initiation of negotiations may be eligible for a rental assistance payment or a downpayment.

Owners who were in occupancy 90 days to 179 days prior to the initiation of negotiations, may be eligible for a rental assistance payment or a downpayment, however, the downpayment cannot exceed the amount you would have received if you had been a 180-day owner.



If you were in occupancy at the time of the initiation of negotiations, but less than 90 days prior to that date, you are considered a displaced person entitled to relocation assistance advisory services and moving payments. You may be entitled to a rental assistance payment if comparable replacement rental housing is not available within your financial means. The Agency will use the financial means test described earlier in this brochure. This involves checking to see if you qualify as low income using the HUD definition. If so, and you are required to pay rent and utilities in excess of 30% of your average monthly gross household income for a comparable replacement dwelling unit, you may be eligible for a rental assistance payment under Last Resort Housing because comparable replacement housing is not available within your financial means. You should meet with your relocation counselor for an explanation of the relocation benefits that you may be eligible to receive.

REPLACEMENT HOUSING - PURCHASE SUPPLEMENT

For Owner Occupants of 180 Days or More

If you are an owner and occupied your home for 180 days or more immediately prior to the initiation of negotiations for your property, you may be eligible - in addition to the fair market value of your property - for a supplemental payment for costs necessary to purchase a comparable DSS replacement dwelling. The Agency will compute the maximum payment you are eligible to receive. You must purchase and occupy a DSS replacement dwelling within one year. A purchase supplement has three components: a price differential, an amount for increased mortgage interest and incidental expenses. The purchase supplement is in addition to the acquisition price paid for your property.

Price Differential

The price differential payment is the amount by which the cost of a replacement dwelling exceeds the acquisition cost of the displacement dwelling.

Increased Mortgage Interest

You may be reimbursed for increased mortgage interest costs if the interest rate on your new mortgage exceeds that of your present mortgage. To be eligible your acquired dwelling must have been encumbered by a bona fide mortgage which was a valid lien for at least 180 days prior to the initiation of negotiations.

Incidental Expenses

You may be reimbursed for other expenses such as reasonable costs incurred for title search, recording fees, and certain other closing costs, but not for prepaid expenses such as real estate taxes and property insurance.

Example of a Price Differential Computation

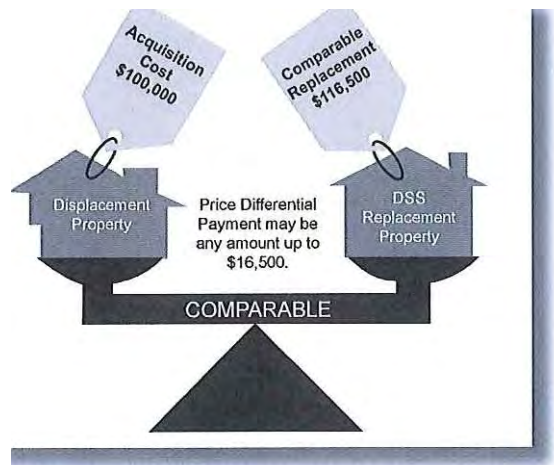
Example A: Assume the Agency purchases your property for \$100,000. After a thorough study of available comparable residential properties on the open market, the Agency determines that a comparable replacement property will cost \$116,500. If you purchase a DSS replacement property for \$116,500, you will be eligible for a price differential payment of \$16,500.

Example B: If you purchase a DSS replacement property costing more than \$116,500, you pay the difference as shown in Example B.

Example C: If your purchase price is less than \$116,500, the price differential payment will be based on your actual cost.



Agency Computation of Maximum Price Differential Payment	Cost of Comparable Replacement Acquisition Price of Your Property Maximum Price Differential Payment	\$116,500 -100,000 \$ 16,500
Example A	Actual Cost of Replacement Property (Same Purchase Price as Comparable) Acquisition Price of Your Property Price Differential Payment	\$116,500 - 100,000 \$ 16,500
Example B	Actual Cost of Replacement Property Acquisition Price of Your Property Difference	\$125,000 -100,000 \$ 25,000
	Price Differential Payment You Are Responsible for This Amount	\$16,500 \$8,500
Example C	Actual Cost of Replacement Property Acquisition Price of Your Property Price Differential Payment Payment is Based on Actual Cost	\$114,000 -100,000 \$ 14,000



REPLACEMENT HOUSING - RENTAL ASSISTANCE

180-Day Owners Who Elect to Rent

A rental computation will be computed based on a determination of the fair market rent for the acquired dwelling compared to a comparable rental dwelling available on the market. The difference will be multiplied by 42. In no circumstances will the rental assistance payment exceed the amount the owner would have received as a price differential described previously.

For Owner Occupants and Tenants of 90 Days or More

Owner occupants and tenants of 90 days or more may be eligible for a rental assistance payment. To be eligible for a rental assistance payment, tenants and owners must have been in occupancy at least 90 days immediately preceding the initiation of negotiations for the acquisition of the property.

This payment is designed to enable you to rent a comparable decent, safe, and sanitary replacement dwelling for a 42-month period. If you choose to rent a replacement dwelling and the cost of rent and utilities are higher than you were paying, you may be eligible for a rental assistance payment. The Agency will determine the maximum payment you may be eligible to receive in accordance with established procedures.

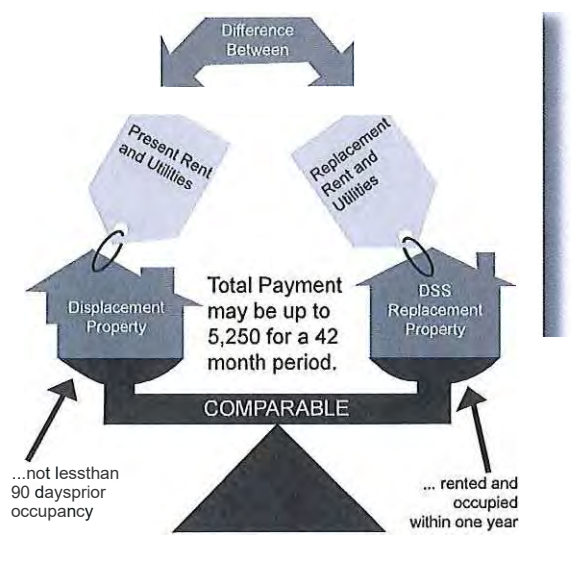
The rental assistance payment will be paid in a lump sum unless the Agency determines that the payment should be paid in installments. You must rent and occupy a DSS replacement dwelling within one year to be eligible.

Example

Assume you have been paying \$500 per month rent for the dwelling unit occupied by you and purchased by the Agency. You also pay \$150 per month for utilities (electricity, gas, other heating and cooking fuels, water, and sewer). The rental assistance payment computation always includes the cost of basic utilities (electricity, gas, other heating and cooking fuels, water, and sewer), as well as the cost of rent. If rent includes utilities, a separate computation is not necessary.

After a study of the rental market, the Agency determines that replacement rental unit, that is DSS and comparable to your unit, is available for \$600 per month. It is estimated that average monthly utility costs for the replacement unit will be \$175 per month. The maximum rental assistance payment you can receive is \$125 per month for a 42-month period, or a total of \$5,250.

Example A: If you select a DSS replacement dwelling unit that rents for \$650 per month plus \$175 for utilities, despite the availability of comparable DSS replacement rental units that rent for \$600 per month plus \$175 for utilities, you will receive the maximum amount computed by the Agency, or \$5,250. You will be required to pay the additional \$50 per month yourself.



Example B: If you select a DSS replacement dwelling unit that rents for more than your present unit, but less than amount determined by the Agency as necessary to rent a comparable unit, your payment will be based on actual cost. For example, assume you select a replacement dwelling unit that rents for \$575 per month plus \$165 for utilities. On the basis of actual cost, you will be eligible for a payment of \$90 per month for 42 months, or \$3,780.

Agency Computation of Maximum Rental Assistance Payment	Rent You are Currently Paying	\$500
	Plus Cost for Utilities You are Paying	+150
		\$650
	Rent for a Comparable DSS Dwelling	\$600
	Estimated Cost for Utilities	+175
		\$775
	Difference (\$775-650=\$125) x 42 months	\$5250
	Maximum Rental Assistance Payment	\$5250
Example A	Actual Rent for DSS Replacement Property	\$650
	Plus Estimated Cost for Utilities	+175
		\$825
	Difference (\$825-650=\$175) x 42 months	\$7350
	Rental Assistance Payment	\$5250
Example B	Actual Rent for DSS Replacement Property	\$575
	Plus Estimated Cost for Utilities	+165
		\$740
	Difference (\$740-650=\$90) x 42 months	\$3780
	Rental Assistance Payment	\$3780



REPLACEMENT HOUSING - DOWNPAYMENT

Owner Occupants of 90 to 179 Days and Tenants of 90 Days or More

Owner occupants of 90 to 179 days and tenants of 90 days or more may be eligible for a downpayment and incidental expenses. The Agency will determine the maximum downpayment you may be eligible to receive based on its computation for a rental assistance payment. However, the payment for a displaced owner occupant shall not exceed the amount that would have been received by a 180-day owner for the same property.

To be eligible for the full amount of the downpayment assistance payment, the entire payment must be used to purchase a DSS replacement dwelling. The payment may be utilized for a downpayment toward the purchase price and/or eligible incidental expenses. Incidental expenses include the reasonable costs of title search, recording fees, and certain other closing costs but do not include prepaid expenses such as real estate taxes and property insurance. You may be eligible for the reimbursement of loan origination or loan assumption fees if such fees are normal to real estate transactions in your area and do not represent prepaid interest. The combined amount of the downpayment and incidental expenses cannot exceed the amount the Agency computed as your maximum rental assistance payment.

The relocation counselor will explain how the Agency determines the maximum downpayment assistance payment.

DSS REMINDER

It is very important to remember that the replacement dwelling you select must meet the basic DSS standard. Do not execute a sales contract or a lease agreement until a representative from the Agency has inspected and certified in writing that the dwelling you propose to purchase or rent meets the DSS standard. Please do not jeopardize your right to receive a replacement housing payment by moving into a substandard dwelling.

FAIR HOUSING LAWS

Title VI of the Civil Rights Act of 1964 and Title VIII of the Civil Rights Act of 1968 set forth the policy of the United States to provide, within constitutional limitations, for fair housing throughout the United States. These Acts and Executive Order 11063 make discriminatory practices in the purchase and rental of residential units illegal if based on race, color, religion, sex, or national origin.

Whenever possible, a minority person shall be given reasonable opportunity to relocate to a DSS replacement dwelling which is not located in an area of minority concentration, that is within their financial means. This policy does not require an Agency to provide a displaced person with a larger payment than is necessary to enable the person to relocate to a comparable replacement dwelling.

SECTION 3 - BUSINESS FARM AND NONPROFIT ORGANIZATIONS

MOVING COST REIMBURSEMENT


Owners or tenants may be paid on the basis of actual, reasonable moving costs and related expenses or, under certain circumstances, a fixed payment. Actual, reasonable moving expenses may be paid when the move is performed by a professional mover or if you move yourself. Related expenses, such as personal property losses, expenses in finding a replacement site, and reestablishment expenses may also be reimbursable.

You must provide the Agency with an inventory of the personal property to be moved and advance notice of the approximate date of the move, unless the Agency specifically tells you these notices are not necessary.

The Agency has the right to inspect the personal property at the displacement and replacement sites, and to monitor the move.

Actual Cost Move

You may be paid the actual, reasonable and necessary cost of your move when the move is performed by a professional mover or when you elect to move yourself, however, all your moving costs must be supported by paid receipts or other evidence of expenses incurred. In addition to the transportation costs of your personal property, certain other expenses may be reimbursable, such as packing, crating, unpacking and uncrating, and the disconnecting, dismantling, removing, reassembling, and reinstalling relocated machinery, equipment and other personal property.



Other expenses such as professional services necessary for planning and carrying out the move, temporary storage costs, and the cost of licenses, permits and certifications may also be reimbursable. This is not an inclusive list of moving related expenses. Your relocation counselor will provide you with a complete explanation of reimbursable expenses.

Estimated Cost Move

If you agree to take full responsibility for all or part of the move of your operation, the Agency may approve a payment not to exceed the lower of two acceptable bids or estimates obtained by the Agency from qualified moving firms, moving consultants, or a qualified Agency staff employee. A low cost or uncomplicated move may be based on a single bid or estimate at the Agency's discretion. The advantage of this moving option is that it relieves you from documenting all moving expenses because the payment is limited to the amount of the lowest acceptable bid or estimate. The Agency may make the payment without additional documentation.

Direct Loss of Tangible Personal Property

Displaced businesses, farms, and nonprofit organizations may be eligible for a payment for the actual direct loss of tangible personal property which is incurred as a result of the move or discontinuance of the operation. This payment is based on the lesser of the value of the item for continued use at the displacement site less the proceeds from its sale, or the estimated cost of moving the item. Your relocation counselor will explain this procedure in detail if this is a consideration for you.



Low Value High Bulk Property

If an Agency considers a personal property item to be of low value and high bulk, and moving costs are disproportionate to its value (such as minerals, metals, rock, or topsoil), the allowable moving cost payment shall not exceed the lesser of the amount which would be received if the property were sold at the site, or, the replacement cost of a comparable quantity delivered to the new business location.

Searching Expenses for Replacement Property

Displaced businesses, farms, and nonprofit organizations are entitled to reimbursement for actual, reasonable expenses incurred in searching for a replacement property, not to exceed \$2,500. Expenses may include transportation, meals, and lodging when away from home; the reasonable value of the time spent during the search; and other expenses determined to be reasonable and necessary by the Agency.

Fees paid to real estate agents or brokers to locate a replacement site may be reimbursed, exclusive of any commissions or fees related to the purchase of the site. Commissions and fees related to the purchase of a replacement site are not eligible relocation expenses and will not be reimbursed.

RELATED ELIGIBLE EXPENSES

In addition to the moving expenses listed above, costs for these items may be reimbursed if the Agency determines they are actual, reasonable, and necessary:

- Connection to available nearby utilities from the right-of-way to improvements at the replacement site.
- Professional services to determine a sites' suitability for the displaced person's operation.
- Impact fees or one time assessments for heavy utility usage as determined necessary by the Agency.

Please discuss this with your relocation counselor before incurring these costs to assure that they are reimbursable.

REESTABLISHMENT EXPENSES

A small business, farm, or nonprofit organization may be eligible for a payment, not to exceed \$10,000, for expenses actually incurred in relocating and reestablishing the enterprise at a replacement site. To qualify, the business, farm, or nonprofit organization must have not more than 500 employees working at the site who will be displaced by a program or project.

Reestablishment expenses may include, but are not limited to:

- Repairs or improvements to the replacement real property required by Federal, State, and local laws, codes or ordinances.

- Modifications to the replacement real property to make the structure(s) suitable for the operation.
- Construction and installation costs of exterior advertising signs.
- Redecoration or replacement such as painting, wallpapering, paneling, and carpeting when required by the condition of the replacement site.
- Advertising the replacement location.
- Estimated increased costs of operation at the replacement site during the first two years for items such as: lease or rental charges; personal or real property taxes; insurance premiums; utility charges (excluding impact fees).
- Other items that the Agency considers essential for reestablishment.



FIXED PAYMENT FOR ACTUAL MOVING EXPENSES (IN LIEU PAYMENT)

Displaced businesses, farms, and nonprofit organizations may be eligible for a fixed payment in lieu of (in place of) actual moving expenses, personal property losses, searching expense, and reestablishment expenses. The fixed payment may not be less than \$1,000 nor more than \$20,000.

For a business to be eligible for a fixed payment, the Agency must determine the following:

- Business owns or rents personal property that must be moved due to the displacement.
- Business cannot be relocated without a substantial loss of its existing patronage.
- Business is not part of a commercial enterprise having more than three other businesses engaged in the same or similar activity which are under the same ownership and are not being displaced by the Agency.
- Business contributed materially to the income of the displaced business operator during the two taxable years prior to displacement.

Any business operation that is engaged solely in the rental of space to others is not eligible for a fixed payment. This includes the rental of space for residential or business purposes. Eligibility requirements for farms and nonprofit organizations are slightly different than business requirements. The computation for nonprofit organizations differs in that the payment is

computed on the basis of average annual gross revenues less administrative expenses for the two year period specified. If you are interested in a fixed payment, please consult your relocation counselor for additional information.

Computation of Your Fixed Payment

The fixed payment for a displaced business or farm is based upon the average annual net earnings of the operation for the two taxable years immediately preceding the taxable year in which it was displaced, or a two-year period deemed more representative by the Agency. You must provide the Agency with proof of net earnings to support your claim. Proof of net earnings can be documented by income tax returns, certified financial statements, or other reasonable evidence acceptable to the Agency.

Fixed Payment Example

2003	2004	2005
Annual Net Earnings \$16,500	Annual Net Earnings \$18,500	Year Displaced
Average annual net earnings $\$16,500 + \$18,500 = \$35,000 / 2 = \$17,500$ Fixed Payment= \$17,500		



PROJECT OFFICE

The Agency may establish a relocation office near the project. Project relocation offices are usually open during hours convenient to persons being displaced, including evening hours when necessary. If the Agency opens a project office, the staff will be happy to assist you, answer questions, and will maintain various types of information.


RELOCATION PAYMENTS ARE NOT CONSIDERED TO BE INCOME

No relocation payment received will be considered as income for the purpose of the Internal Revenue Code. No relocation payment received will be considered income for the purposes of determining eligibility or the extent of eligibility of any person for assistance under the Social Security Act or any other Federal law (except for any Federal law providing low-income housing assistance).

RIGHT TO APPEAL

Any aggrieved person may file a written appeal with the head of the Agency if the person believes the Agency has failed to properly determine his or her eligibility for relocation assistance advisory services, or the amount of a relocation payment.

If you have a grievance, you will be given a prompt and full opportunity to be heard. You will also have the right to be represented by legal counsel or other representative in connection with the appeal, but solely at your own expense.



The Agency will promptly review your appeal and consider all pertinent justification and information available to ensure a fair and full review. The Agency will provide you with a written determination as well as an explanation of the decision. If you are still dissatisfied with the relief granted, the Agency will advise you of your right to seek judicial review of the Agency decision.

An alien not lawfully present in the United States shall not be eligible to receive relocation payments or any other assistance provided under 49 CFR Part 24.

This brochure is provided to assist you in understanding your rights and benefits. If you have questions regarding your relocation please contact your sponsoring Agency representative.

Additional information on Federal relocation and acquisition requirements, the law, and the regulation can be found at www.fhwa.dot.gov/realestate

NOTES

Exhibit B
Relocation Budget

The Project, Pinecrest Apartments, is an existing apartment complex and includes a total of 70 units.

The project is covered by a Section 8 Housing Assistance Payments contract. The HUD 50059s indicate that all of the current residents have income levels that will qualify them for continuing residence in the Project. The Applicant believes that 100% of the residents will therefore be income eligible at closing. At this time, we believe that no tenants will need to be offered benefits for optional, voluntary, or permanent relocation. No tenants will be relocated involuntarily.

Only temporary relocation will be required to perform the rehabilitation; all relocation expenses will be paid by the applicant and have been budgeted as follows:

Temporary Relocation Budget

	<u>Number of nights</u>	<u>Cost per night</u>	<u>Units</u>	<u>Per Unit</u>	<u>Total</u>
Studio, 1BR & 2BR					
Hotel Budget	21 nights	\$ 140	25 units	\$ 2,948	\$ 73,710
Meal Allocation	21 nights	\$ 50	25 units	\$ 1,050	\$ 26,250
Total - Studio, 1BR & 2BR	21 nights	\$ 190	25 units	\$ 3,998	\$ 99,960
Large Families (3BR+)					
Hotel Budget	21 nights	\$ 281	38 units	\$ 5,897	\$ 224,078
Meal Allocation	21 nights	\$ 75	38 units	\$ 1,575	\$ 59,850
Total - Large Families (3BR+)	21 nights	\$ 356	38 units	\$ 7,472	\$ 283,928
ADA Units					
Hotel Budget - ADA	21 nights	\$ 140	7 units	\$ 2,948	\$ 20,639
Meal Allocation - ADA	21 nights	\$ 50	7 units	\$ 1,050	\$ 7,350
Total - ADA Units	21 nights	\$ 190	7 units	\$ 3,998	\$ 27,989
Total Hotel & Meal Cost			70 units	\$ 5,884	\$ 411,877
Other Relocation Costs					
Boxes, etc. (misc)			63 units	\$ 500.00	\$ 31,500.00
ADA moving & storage			7 units	\$ 5,000.00	\$ 35,000.00
Consultant			70 units	\$ 1,000.00	\$ 70,000.00
Contingency - Mobilization Cost			70 units	\$ 2,142.86	\$ 150,000.00
Total Other Relocation Costs			70 units	\$ 4,093	\$ 286,500.00
Total Mobilization Cost			70 units	\$ 9,976.81	\$ 698,377

Relocation Plan for Pinecrest Apartments
Exhibit C – Notices

**GENERAL INFORMATION NOTICE -- RESIDENTIAL TENANT
THAT WILL NOT BE DISPLACED**

DATE

NAME
ADDRESS
CITY, STATE, ZIP CODE

Dear:

On _____, TTG Pinecrest Limited Partnership submitted an application to Virginia Housing for financial assistance to rehabilitate the PINECREST APARTMENTS building that you occupy at _____.

This notice is to inform you that, if the assistance is provided and the building is rehabilitated, you will not be displaced. Therefore, we urge you not to move anywhere at this time. (If you do elect to move for reasons of your choice, you will not be provided relocation assistance.)

If the application is approved and Federal assistance is provided for 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) upon completion of the rehabilitation. Of course, you must comply with standard lease terms and conditions.

After the rehabilitation, your initial rent, including the estimated average monthly utility costs, will not exceed the greater of (a) your current rent/average utility costs, or (b) 30 percent of your average monthly gross household income. If you must move temporarily so that the rehabilitation can be completed, suitable housing will be made available to you for the temporary period, and you will be reimbursed for all reasonable extra expenses, including all moving costs and any increase in housing costs.

Again, we urge you not to move. If the project is approved, you can be sure that we will make every effort to accommodate your needs. However, under certain relocation regulations, you may be required to certify that you and your household are either citizens or nationals of the United States, or aliens who are lawfully present in the United States before you can receive relocation benefits or assistance.

This letter is important and should be retained. You will be contacted soon. In the meantime, if you have any questions about our plans, please contact our relocation representative, **Amanda Trectch at (424) 271-0942.**

Sincerely,

TTG Pinecrest Limited Partnership

Relocation Plan for Pinecrest Apartments

Exhibit C – Notices

TEMPORARY MOVE NOTICE

DATE

NAME

ADDRESS

CITY, STATE, ZIP CODE

Dear:

On _____ we notified you that we would make extensive repairs to the building. We also told you that, if possible, we would make arrangements to move you within the building during the construction phases of the rehabilitation. However, it now appears that construction cannot be accomplished with the residents in occupancy and you will need to move off site for a temporary period of time.

This notices guarantees you the following:

1. You will move temporarily for a period of not more than twelve months(12).
2. You will continue to pay your current rent and you will be reimbursed for some of your extra expenses, including the cost of moving to and from the temporarily occupied unit and any additional rent and utility costs.
3. The temporary unit will be decent, safe and sanitary and will accommodate the number of rooms for your family size according to Federal standards. This means that the temporary unit may be a larger unit than one you are currently living in, however, you will continue to pay your current rent while living in the larger unit.

The address of your temporary apartment is:

_____. This apartment will be available for you from _____ until _____. **Your rent at this unit will be _____. The rent charged to us for this unit will be _____. However, we will pay the additional rental and utility costs at this unit. If you choose to move to another apartment your temporary relocation benefit will not exceed the amount that you would receive if you moved to the unit listed above.**

Upon completion of the rehabilitation, you will be able to lease and occupy another suitable, decent, safe and sanitary apartment in Pinecrest Apartments buildings. Your monthly rent will either remain the "same as it is currently, or, if increased, your new rent and estimated average utility costs will not exceed thirty percent (30%) of the adjusted gross income of all adult members of your household. The newly rehabilitated apartment will be decent, safe and sanitary and accommodate the number of rooms for your family size according to Federal standards. Of course, you must comply with the reasonable terms and conditions of your lease.

Since you will have the opportunity to occupy a newly rehabilitated apartment, I urge you not to move. If you elect to move for your own reasons, you will not receive any relocation assistance. If you choose not to return to Pinecrest Apartments after completion of construction, you will not qualify as a displaced person, nor will you be eligible for any further relocation benefits.

If you have any questions, please contact **Amanda Treatch** at **(424) 271-0942**. Remember, do not move before we have a chance to discuss your eligibility for assistance. This letter is important to you and should be retained.

Sincerely,

TTG Pinecrest Limited Partnership

Relocation Plan for Pinecrest Apartments
Exhibit C – Notices

NOTICE OF NONDISPLACEMENT TO RESIDENTIAL TENANT

DATE

NAME

ADDRESS

CITY, STATE, ZIP CODE

Dear:

On _____, we notified you that TTG Pinecrest Limited Partnership had applied for assistance to make extensive rehabilitation repairs to the building. On _____, our request was approved, and the repairs will begin soon.

This is a Notice of Nondisplacement. You will not be required to move permanently as a result of the rehabilitation. This Notice guarantees you the following:

1. You will be able to lease and occupy your present apartment [or another suitable decent, safe and sanitary apartment in the same building/complex] upon completion of the rehabilitation. Your monthly rent will remain the same or, if increased, your new rent and estimated average utility costs will not exceed 30% of the gross income of all adult members of your household. Of course, you must comply with the reasonable terms and conditions of your lease.
2. If you must move temporarily so that the repairs can be completed, you will be reimbursed for all of your extra expenses, including the cost of moving to and from the temporarily occupied unit and any additional housing costs. The temporary unit will be decent, safe and sanitary and all other conditions of the temporary move will be reasonable.

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.

If you have any questions, please contact **Amanda Treatch** at **(424) 271-0942**.

Sincerely,

TTG Pinecrest Limited Partnership

Relocation Plan for Pinecrest Apartments

Exhibit D – Grievance Procedures

Purpose

The purpose of these Grievance Procedures is to attempt to resolve disputes between the claimant and TTG Pinecrest Limited Partnership (hereinafter referred as “Developer”) at the lowest possible administrative level while affording the claimant an opportunity to have a full and fair review of his or her case. Therefore, all relevant evidence should be presented at the lowest level of these proceedings. In any case where such evidence could have been presented at a lower level and the claimant failed to do so, the Relocation Appeals Board may refer the matter back to the lower level for consideration and determination prior to their considering such evidence.

Right of Review

Any displaced person who is not satisfied with a determination as to eligibility, amount of payment, and failure by the *Developer* to provide comparable permanent or adequate temporary replacement housing or the *Developer* property management practices, or not properly applying appropriate regulations, at his or her election may have his or her claim reviewed and reconsidered in accordance with the following procedures.

Request for Further Written Information

A claimant shall first request the *Developer* designated representative to provide him with a full written explanation of the determination and the basis therefor, which explanation shall be provided to the claimant within three weeks from the date of receipt of the request.

Informal Oral Presentation

If the claimant feels that the written explanation is incorrect or inadequate, he or she may request an informal hearing with the Director. All such requests shall be in writing and shall be accompanied by a relocation complaint form if required by the *Developer*. Claimant shall have the burden of determining whether the *Developer* requires submittal of a complaint form. The request for an informal hearing must be submitted to the Director within the same 18 month period.

Within fifteen (15) days from the date of receipt of claimant’s written request, claimant shall be afforded an opportunity to make an oral presentation to the Director to enable the claimant to discuss the claim with the Director. The claimant may be represented by an attorney or other person of his or her choosing at the oral hearing (at the cost of the claimant).

The Director shall prepare a summary of the matters discussed and determinations made during the informal oral hearing, place a copy of the summary in claimant’s file, and serve a copy thereof upon the claimant.

Written Request for Review and Reconsideration

At any time within the period described in *Paragraph I*, a claimant may file a written request for formal review and reconsideration. The claimant may include in the request for

Relocation Plan for Pinecrest Apartments
Exhibit D – Grievance Procedures

review any statement of fact within the claimant's knowledge or belief or other material which may have a bearing on the appeal. If the claimant requests more time to gather and prepare additional material for consideration or review and demonstrates a reasonable basis therefor, the claimant's request shall be granted.

Formal Review and Reconsideration by *TTG Pinecrest Limited Partnership*
Director

1. The Director of the *Developer* shall consider the request for review and shall decide whether a modification of the initial determinations necessary. The Director shall have the authority to revise the initial determination or the determination of a previous oral presentation. The Director shall consider every aggrieved person's compliant regardless of form, and shall if necessary provide assistance to the claimant in preparing the written claim. When a claimant seeks review, the Director shall inform claimant he or she has the right to be represented by an attorney, to present his or her case by oral or documentary evidence, to submit rebuttal evidence, and to conduct such cross-examination, as may be required, for a full and true disclosure of facts, and to seek judicial review once claimant has exhausted administrative appeal.
2. The Director shall review and consider the initial determination of the claimant's case in light of:
 - a. All material upon which the Developer based its original determination including all applicable rules and regulations, except that no evidence shall be relied upon where a claimant has been improperly denied an opportunity to controvert the evidence or cross-examine the witness.
 - b. The reasons given by the claimant for requesting review and reconsideration of his or her claim.
 - c. Any additional written or relevant documentary material submitted by the claimant.
 - d. Any further information which the Director may, in his or her discretion, obtain by request, investigation or research, to insure fair and full review of the claim.
3. The determination on review by the Director shall include, but is not limited to:
 - a. The Director's decision on reconsideration of the claim.
 - b. The factual and legal basis upon which the decision is based, including any pertinent explanation or rationale.

Relocation Plan for Pinecrest Apartments
Exhibit D – Grievance Procedures

- c. A statement of claimant's right to seek further review of his or her claim by the Relocation Appeals Board and an explanation of the steps the claimant must take to obtain this review.

The Director shall issue his or her determination of review as soon as possible but no later than forty-five (45) days from receipt of the last material submitted for consideration by the claimant or the date of the hearing, whichever is later.

In case of complaints dismissed for untimeliness or for any other reason not based on the merits of the claim, the Director shall furnish a written statement to claimant stating the reason for the dismissal of the claim as soon as possible but not later than fifteen (15) days from receipt of the last material submitted by the claimant or the date of the hearing, whichever is later.

Appeals Board Review

If the claimant feels that the Director's determination following the informal oral hearing or written review by the Director is incorrect or inadequate, he or she may request a formal hearing before a Relocation Appeals Board.

To obtain a formal hearing before a Relocation Appeals Board the claimant must request in writing that the Director schedule such a hearing. Such request shall be made within the period described in *Paragraph I*.

1. Within fifteen (15) days from the date of receipt of claimant's written request, he or she will be notified of the formal hearing date. If the claimant requests additional time to prepare material for consideration and shows good cause therefor, the hearing date shall be continued to another date.
2. The Relocation Appeals Board shall have the authority to revise the prior determination of the Director.
3. The Relocation Appeals Board shall, at the time it gives notice of the formal hearing date, notify the claimant that he or she has the right to be represented by an attorney or others at his or her own expense, to present his or her case by oral or documentary evidence; the right to submit oral or documentary evidence; the right to submit rebuttal evidence to conduct such cross examination as may be required for a full and true disclosure of facts; and the right to seek judicial review once claimant has exhausted administrative appeal.
4. The Relocation Appeals Board shall review the initial determination or the determination made at an informal hearing taking into consideration all material upon which the challenged determination was made, all applicable rules and regulations, the reasons given by the claimant for requesting review, any additional relevant evidence, oral or documentary, submitted by either the claimant or the Director's representatives. No

Relocation Plan for Pinecrest Apartments

Exhibit D – Grievance Procedures

evidence may be relied upon by the Relocation Appeals Board where the claimant has been improperly denied an opportunity to rebut evidence or cross-examine a witness.

5. The Relocation Appeals Board shall make its recommendation within six weeks from the date on which the formal hearing is concluded or the date of receipt of the last material submitted, whichever is later.
6. The Relocation Appeals Board's recommendation shall be made in writing and shall contain its recommendation, the factual and legal basis upon which the recommendation is made and a statement informing the claimant of his or her right to seek judicial review.
7. The claimant and the Director governing body shall be promptly served with a copy of the Relocation Appeals Board's recommendation.

Review of Files by Claimant

The claimant may inspect all files and records bearing upon his or her claim or the prosecution of the claimant's grievance, except to the extent the confidentiality of the material sought or the disclosure thereof is protected or prohibited by law.

Effect of Determination

Determinations made by the Developer regarding acquisition and relocation policies and procedures shall be applicable to all eligible persons in similar situations regardless of whether any such eligible person seeks a review. All written determinations shall be filed in the records of the Developer and available for public inspection.

Right to Counsel

Any claimant has the right to be represented by an attorney at his or her expense at any and all stages of the proceedings set forth in this Article.

Further Review

If the Developer as set forth in *Paragraph H*, denies the eligibility of a claimant for a payment, or disapproves the full amount claimed, or refuses to consider the claim on its merits because of untimely filing, or any other ground, the Developer's notification to the claimant of its determination shall inform the claimant of its reasons therefor, and shall also inform the claimant of the applicable procedures for obtaining further review of this determination.

Joint Complainants

Where more than one person is aggrieved by the failure of the Developer to refer them to comparable permanent or adequate temporary replacement housing, the complainants may join

Relocation Plan for Pinecrest Apartments
Exhibit D – Grievance Procedures

in filing a single written request for review. A determination shall be made as herein provided for each of the complainants.

Judicial Review

Nothing in this section shall in any way preclude or limit a claimant from seeking judicial review of a claim upon exhaustion of such administrative remedies as are available under these Rules and Regulations.

TENANG NOTIFICATION AND CLAIM TRACKING

[illegible]

[illegible]

HOUSING INTERVIEW MATRIX

PROPERTY: _____

Key: ADA unit
Vacant unit

#	Unit #	Phase	# of Bdrms.	HH Size	Interview Date	Car	Pets	Disabled/ Elderly	Moving Assistance Needed	Special Needs /Notes	Resident Feedback
1	100										
2	101										
3	102										
4	104										
5	106										
6	108										
7	112										
8	114										
9	116										
10	117										
11	118										
12	119										
13	120										
14	122										
15	124										
16	128										
17	130										
18	132										
19	133										
20	134										
21	200										
22	201										
23	202										
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36	215										
37	216										
38	217										
39	218										
40	219										
41	220										
42	221										
43	222										
44	223										
45	224										
46	225										
47	226										
48	227										
49	228										
50	229										
51	230										
52	231										

HOUSING INTERVIEW MATRIX

#	Unit #	Phase	# of Bdrms.	HH Size	Interview Date	Car	Pets	Disabled/ Elderly	Moving Assistance Needed	Special Needs /Notes	Resident Feedback
53	232										
54	233										
55	234										
56	300										
57	301										
58	302										
59	303										
60	304										
61	305										
62	306										
63	307										
64	308										
65	309										
66	310										
67	311										
68	312										
69	313										
70	314										
71	315										
72	316										
73	317										
74	318										
75	319										
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82	326										
83	327										
84	328										
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87	331										
88	332										
89	333										
90	334										
91	335										
92	336										
93	337										
94	338										
95	339										
96	340										
97	341										
98	342										
99	343										
100	344										

HOUSING INTERVIEW MATRIX

[illegible]

[illegible]

MOVER TRACKING

Key:

ADA unit

Vacant unit

PROPERTY:

				MOVING SCHEDULE							
Unit	Tenant Name	Packing Assistance Needed	Special Accommodation	Pre-Inspection (by Management)	Work Start (Mover)	Work Finish (Mover)	Tenant Vacate	Mover Schedule (for ADA units or special needs)	# of Boxes delivered to management for exterior storage	Management sign or Initial in agreement of having received # of boxes stated in previous column)recep of boxes	Resident sign or Initial in agreement of having received returned # of boxes as stated in Column O
							8am-5pm				
							8am-5pm				
							8am-5pm				
							8am-5pm				
							8am-5pm				
							8am-5pm				
							8am-5pm				
							8am-5pm				
							8am-5pm				
							8am-5pm				
							8am-5pm				
							8am-5pm				
							8am-5pm				

MOVER TRACKING

Key:

ADA unit

Vacant unit

PROPERTY:

				MOVING SCHEDULE							
Unit	Tenant Name	Packing Assistance Needed	Special Accommodation	Pre-Inspection (by Management)	Work Start (Mover)	Work Finish (Mover)	Tenant Vacate	Mover Schedule (for ADA units or special needs)	# of Boxes delivered to management for exterior storage	Management sign or Initial in agreement of having received # of boxes stated in previous column)receip of boxes	Resident sign or Initial in agreement of having received returned # of boxes as stated in Column O
							8am-5pm				
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							8am-5pm				
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							8am-5pm				
							8am-5pm				
							8am-5pm				
							8am-5pm				
							8am-5pm				
							8am-5pm				

MOVER TRACKING

Key: ADA unit
Vacant unit

PROPERTY:

[illegible]

MOVER TRACKING

PROPERTY:

Key:

ADA unit

Vacant unit

				MOVING SCHEDULE					# of Boxes delivered to management for exterior storage	Management sign or Initial in agreement of having received # of boxes stated in previous column)receip of boxes	Resident sign or Initial in agreement of having received returned # of boxes as stated in Column O
Unit	Tenant Name	Packing Assistance Needed	Special Accommodation	Pre-Inspection (by Management)	Work Start (Mover)	Work Finish (Mover)	Tenant Vacate	Mover Schedule (for ADA units or special needs)			
							8am-5pm				
							8am-5pm				
							8am-5pm				

MOVER TRACKING

PROPERTY:

Key:

ADA unit

Vacant unit

				MOVING SCHEDULE							
Unit	Tenant Name	Packing Assistance Needed	Special Accommodation	Pre-Inspection (by Management)	Work Start (Mover)	Work Finish (Mover)	Tenant Vacate	Mover Schedule (for ADA units or special needs)	# of Boxes delivered to management for exterior storage	Management sign or Initial in agreement of having received # of boxes stated in previous column)receip of boxes	Resident sign or Initial in agreement of having received returned # of boxes as stated in Column O

Tab K:

Documentation of Development Location:

This deal does not require
information behind this tab.

Tab K.1

Revitalization Area Certification

This deal does not require
information behind this tab.

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: April 28, 2025

TO: Virginia Housing
601 South Belvidere Street
Richmond, Virginia 23220 2025 Tax Credit Reservation Request
Name of Development Pinecrest Apartments
Name of Owner TTG Pinecrest Limited Partnership (Applicant)

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 1/2 mile of the nearest access point to an existing commuter rail, light rail or subway station; OR
- ☒ 1,320 feet or 1/4 mile of the nearest access point to an existing public bus stop or a public bus stop to be built in accordance with existing proffers. If the public bus stop is proffered, include copy of executed proffers with this form.

Firm Name First Order, LLC
By Jack W. Shoemaker
Its President
Title



Tab L:

PHA / Section 8 Notification Letter

This deal does not require
information behind this tab.

Tab M:

Intentionally Blank

This deal does not require
information behind this tab.

This deal does not require
information behind this tab.

Tab N:

Homeownership Plan

This deal does not require
information behind this tab.

Tab O:

Plan of Development Certification Letter

Plan of Development Certification

DATE: April 28, 2025

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

RE: PLAN OF DEVELOPMENT CERTIFICATION

Name of Development: Pinecrest Apartments
Name of Owner/Applicant: TTG Pinecrest Limited Partnership
Name of Seller/Current Owner: Pinecrest Brunswick, LLC

The above-referenced Owner/Applicant has asked this office to complete this form letter regarding the site plan of the proposed Development (more fully described below). This certification is rendered solely for the purpose of confirming the status of plan of development or site plan approval of the Development. It is understood that this letter will be used by the Virginia Housing Development Authority solely for the purpose of determining whether the Development qualifies for points available under Virginia Housing's Qualified Allocation Plan for housing tax credits.

DEVELOPMENT DESCRIPTION:

Development Address:

27 Crestview Road, Lawrenceville, VA 23868

Legal Description:

See Exhibit A-1

Plan of Development Number: _____

Proposed Improvements:

New Construction:	# Units	_____	# Buildings	_____	Total Floor Area	_____
Adaptive Reuse	# Units	_____	# Buildings	_____	Total Floor Area	_____
Rehabilitation:	# Units	<u>70</u>	# Buildings	<u>10</u>	Total Floor Area	<u>70,561</u>

Other Descriptive Information:

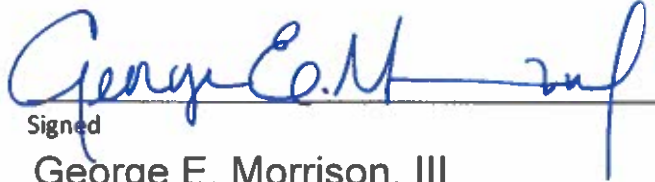
Pinecrest Apartments is an existing affordable housing community located in Lawrenceville, Brunswick County, VA

The Applicant intends to use LIHTC financing to acquire and renovate the property, preserving it as affordable housing for future generations.

LOCAL CERTIFICATION:

- ☐ The proposed development described above has an approved final plan of development or site plan (as applicable to the site). No further plan of development or site plan approval is required before issuance of a building permit.
- ☒ The proposed development is an existing development with proposed renovations and no additional plan of development approval is needed.

The above plan of development approval is in effect until: January 31, 2026


Signed

George E. Morrison, III

Printed Name

Director of Planning

Title

434.848.0882

Phone

April 28, 2025

Date

NOTES TO LOCALITY:

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

Tab P:

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

This deal does not require
information behind this tab.

Tab Q:

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

Rent Schedule Low Rent Housing

U.S. Department of Housing and Urban Development Office of Housing Federal Housing Commissioner

OMB Approval No. 2502-0012
(exp.11/30/2020)

See page 3 for Instructions, Public Burden Statement and Privacy Act requirements.

Project Name PINECREST APTS	FHA Project Number N/A	Date Rents Will Be Effective (mm/dd/yyyy) 03/02/2025
--------------------------------	---------------------------	---

Part A — Apartment Rents

Show the actual rents you intend to charge, even if the total of these rents is less than the Maximum Allowable Monthly Rent Potential.

Col. 1 Unit Type (Include Non-revenue Producing Units)	Col. 2 Number of Units	Contract Rents		Col. 5 Utility Allowances (Effective Date (mm/dd/yyyy) 03/02/2025	Col. 6 Gross Rent (Col. 3 + Col. 5)	Market Rents (Sec. 236 Projects Only)	
		Col. 3 Rent Per Unit	Col. 4 Monthly Contract Rent Potential (Col. 2 x Col. 3)			Col. 7 Rent Per Unit	Col. 8 Monthly Market Rent Potential (Col. 2 x Col. 7)
2 Bedroom	32	716	22,912	109	825	0	0
3 Bedroom 2 Bath	28	860	24,080	125	985	0	0
3 Bedroom Handicap	4	881	3,524	176	1,057	0	0
4 Bedroom	6	1,021	6,126	165	1,186	0	0
		0	0	0	0	0	0
		0	0	0	0	0	0
		0	0	0	0	0	0
		0	0	0	0	0	0
		0	0	0	0	0	0
		0	0	0	0	0	0
		0	0	0	0	0	0
		0	0	0	0	0	0
		0	0	0	0	0	0
Total Units	70	Monthly Contract Rent Potential (Add Col. 4)* \$56,642				Monthly Market Rent Potential (Add Col. 8)* \$0	
		Yearly Contract Rent Potential (Col. 4 Sum x 12)* \$679,704				Yearly Market Rent Potential (Col. 8 Sum x 12)* \$0	

* These amounts may not exceed the Maximum Allowable Monthly Rent Potential approved on the last Rent Computation Worksheet or requested on the Worksheet you are now submitting. Market Rent Potential applies only to Section 236 Projects.

Part B — Items Included in Rent

Equipment/Furnishings in Unit (Check those included in rent.)

<input checked="" type="checkbox"/> Range	<input type="checkbox"/> Dishwasher	<input type="checkbox"/>
<input checked="" type="checkbox"/> Refrigerator	<input checked="" type="checkbox"/> Carpet	<input type="checkbox"/>
<input checked="" type="checkbox"/> Air Conditioner	<input type="checkbox"/> Drapes	<input type="checkbox"/>
<input checked="" type="checkbox"/> Disposal	<input checked="" type="checkbox"/> Blinds	<input type="checkbox"/>

Utilities (Check those included in rent. For each item, (even those not included in rent), enter E, F, or G on line beside that item)
E=electric; G=gas; F=fuel oil or coal.

<input type="checkbox"/> Heating	E	<input type="checkbox"/> Hot Water	E	<input type="checkbox"/> Lights, etc.	E
<input type="checkbox"/> Cooling	E	<input type="checkbox"/> Cooking	E	<input type="checkbox"/>	

Services/Facilities (check those included in rent)

<input checked="" type="checkbox"/> Parking	<input checked="" type="checkbox"/> Playgrounds	<input type="checkbox"/> Nursing Care
<input checked="" type="checkbox"/> Laundry	<input type="checkbox"/>	<input type="checkbox"/> Linen/Maid Service
<input type="checkbox"/> Swimming Pool	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Tennis Courts	<input type="checkbox"/>	<input type="checkbox"/>

Part C — Charges in Addition to Rent (e.g., parking, cable TV, meals)

Purpose	Monthly Charge
	\$0.00
	\$0.00
	\$0.00
	\$0.00
	\$0.00
	\$0.00

Part D — Non-Revenue Producing Space

Col. 1 Use	Col. 2 Unit Type	Col. 3 Contract Rent
		0
		0
		0
		0
		0
Total Rent Loss Due to Non-Revenue Units		\$ 0

Part E — Commercial Space (retail, offices, garages, etc.)

Col. 1 Use	Col. 2 Monthly Rent Potential	Col. 3 Square Footage	Col. 4 Rental Rate Per Sq. Ft (Col. 2 divided by Col. 3)
			0
			0
			0
			0
			0
			0
	\$0	Total Commercial Rent Potential	

Part F — Maximum Allowable Rent Potential

Enter Maximum Allowable Monthly Rent Potential From Rent Computation		\$56,642
Worksheet (to be completed by HUD or lender)		

Part G – Information on Mortgagor Entity

Name of Entity

Pinecrest Brunswick LLC

Type of Entity

☐ Individual ☐ General Partnership ☐ Joint Tenancy/Tenants in Common ☒ Other (specify) LLC
☐ Corporation ☐ Limited Partnership ☐ Trust

List all Principals Comprising Mortgagor Entity: provide name and title of each principal. Use extra sheets, if needed. If mortgagor is a:

- corporation, list: (1) all officers; (2) all directors; and (3) each stockholder having a 10% or more interest.
- partnership, list: (1) all general partners; and (2) limited partners having a 25% or more interest in the partnership.
- trust, list: (1) all managers, directors or trustees and (2) each beneficiary having at least a 10% beneficial interest in the trust.

Name and Title

Samuel A. Jones

President/COO

Name and Title

Name and Title

Name and Title

Name and Title

Name and Title

Name and Title

Name and Title

Name and Title

Name and Title

Name and Title

Part H – Owner Certification

To the best of my knowledge, all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate.

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Name and Title

Samuel A. Jones
President/COO

Authorized Official's Signature

Date (mm/dd/yyyy)
01/02/2025**Part I – HUD/Lender Approval**

Addendum Number

HAP Contract Number

VA36H027201

Exhibit Number

Loan Servicer Signature

Date (mm/dd/yyyy)

Branch Chief/Lender Official Signature

02/05/2025
Date (mm/dd/yyyy)

Director, Housing Management Division Signature

Date (mm/dd/yyyy)

NOTIFICATION OF SECTION 8 CONTRACT FUNDING

(X)Renewal ()Amend Rent/BA Only

Section 8 Contract No: VA36H027201 Expires on: 03/31/2012
Owner Name: Pinecrest Brunswick, LLC
Project Name: Pinecrest Apartments
Project Location: 27 CRESTVIEW ROAD LAWRENCEVILLE, VA 23868-3313
FHA Project Number: _____

FUNDING

BUDGET AUTHORITY INCREASE: \$494,128.00
Contract/Amendment Effective Date: 03/02/2012 Expiration Date: 03/01/2032

For HUD Use Only

VA36H027201-12I

PBR

\$494,128.00

HUD Notice to Owner executed by:
U.S. DEPARTMENT OF HOUSING AND URBAN
DEVELOPMENT

By:


(Signature)

Charles C. Famuliner

(Printed Name)

Authorized Agent

(Official Title)


(Date)

NOTIFICATION OF SECTION 8 GROSS RENTS

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

Section 8 Number: VA36H027201

Rent Effective Date: 04/01/2012

Project Number:

Number of Contract Units	Number of Bedrooms	Contract Rent	Utility Allowance	Gross Rent
32	2	\$532.00	\$85.00	\$617.00
28	3	\$640.00	\$105.00	\$745.00
4	3	\$655.00	\$114.00	\$769.00
6	4	\$760.00	\$135.00	\$895.00

SIGNATURES

OWNER


Contract Administrator
United States of America
Department of Housing and
Urban Development (HUD)


(Signature)

Charles C. Famuliner
(Printed Name)

Authorized Agent
(Official Title)

2/8/12
(Date)


(Signature)

Robert W. Schaberg, Director
(Printed Name)

Virginia Nonprofit Housing Coalition,
(Official Title) Managing Member

3/2/2012
(Date)

NOTE: Amend rents are affected by Contract Administrator notice to the Owner on Revised Exhibit A to specify adjusted contract rent amounts in accordance with Section 6b of the Renewal Contract.

Owner/Agent signature on this Notification is confirmation to the Contract Administrator that revised rents have been received.

U.S. Department of Housing and Urban Development

Office of Housing

Project-based Section 8

HOUSING ASSISTANCE PAYMENTS

BASIC RENEWAL CONTRACT

MULTI-YEAR TERM

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 Basic Renewal Contract.
The instructions are not part of the Renewal Contract.

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

Project-based Section 8

HOUSING ASSISTANCE PAYMENTS

BASIC RENEWAL CONTRACT¹

MULTI-YEAR TERM

1 CONTRACT INFORMATION²

PROJECT

Section 8 Project Number VA36H027201

Section 8 Project Number of Expiring Contract

1 2

FHA Project Number(if applicable)

Project Name Pinecrest Apartments

Project Description³

27 CRESTVIEW ROAD LAWRENCEVILLE, VA 23868-3313

TYPE OF RENEWAL

☐ Check this box for a project renewed under Section 524(a) of MAHRA (not including a Mark-Up-To-Market renewal).

☒ Check this box for a project renewed at exception rents under Section 524(b)(1) of MAHRA.

PARTIES TO RENEWAL CONTRACT

Name of Contract Administrator⁴

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

Address of Contract Administrator

600 East Broad Street

3rd Floor

Richmond, VA 23219

Name of Owner⁵

Pinecrest Brunswick, LLC

Address of Owner

1111 East Main Street, Suite 1100

Richmond, VA 23219-3520

2 TERM AND FUNDING OF RENEWAL CONTRACT

- a The Renewal Contract begins on 03/02/2012⁶
and shall run for a period of 20⁷ years.
- b Execution of the Renewal Contract is an obligation by HUD of
\$494,128.00⁸, an amount sufficient to
provide housing assistance payments for approximately 12⁹
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 DEFINITIONS

ACC. Annual contributions contract.

Anniversary. The annual recurrence of the date of the first day of the term of the Renewal Contract.

Contract rent. The total monthly rent to owner for a contract unit, including the tenant rent (the portion of rent to owner paid by the assisted family).

Contract units. The units in the Project which are identified in Exhibit A by size and applicable contract rents.

Fifth year anniversary. The Renewal Contract annual anniversary that falls at expiration of each 5-year period of the Renewal Contract term.

Fifth year comparability adjustment. An adjustment of contract rents by the contract administrator at the Fifth Year Anniversary. The contract rent for each unit size is set at comparable rent as shown by comparability analysis.

HAP contract. A housing assistance payments contract between the Contract Administrator and the Owner.

HUD. The United States Department of Housing and Urban Development.

HUD requirements. HUD regulations and other requirements, including changes in HUD regulations and other requirements during the term of the Renewal Contract.

MAHRA. The Multifamily Assisted Housing Reform and Affordability Act of 1997 (Title V of Public Law No.105-65, October 27, 1997, 111 Stat. 1384), as amended.

Mid-term comparability adjustment. An adjustment of contract rents by the contract administrator within each 5-year period of the Renewal Contract term (in addition to the comparability analysis and adjustment at the Fifth Year Anniversary). The contract rent for each unit size is set at comparable rent as shown by comparability analysis.

OCAF. An operating cost adjustment factor established by HUD.

PHA. Public housing agency (as defined and qualified in accordance with the United States Housing Act of 1937, 42 U.S.C. 1437 et seq.).

Project. The housing described in section 1 of the Renewal Contract.

Renewal Contract. This contract, including applicable provisions of the Expiring Contract (as determined in accordance with section 5 of the Renewal Contract).

Section 8. Section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f).

4 RENEWAL CONTRACT

a Parties

- (1) The Renewal Contract is a housing assistance payments contract ("HAP Contract") between the Contract Administrator and the Owner of the Project (see section 1).
- (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 (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 9 (HUD requirements), Section 10 (statutory changes during term) 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 (42 U.S.C 1437f), and Section 524 of MAHRA.

c Expiring Contract

Previously, the Contract Administrator and the Owner had entered into a HAP Contract ("expiring contract") to make Section 8 housing assistance payments to the Owner for eligible families living in the Project. The term of the expiring contract will expire prior to the beginning of the term of the Renewal Contract.

d Purpose of Renewal Contract

- (1) 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 shall make housing assistance payments to the Owner in accordance with the provisions of the Renewal Contract.
- (2) Housing assistance payments shall only be paid to the Owner for contract units occupied by eligible families leasing decent, safe and sanitary units from the Owner in accordance with statutory requirements, and with all HUD regulations and other requirements. If the Contract Administrator determines that the Owner has failed to maintain one or more contract units in decent, safe and sanitary condition, and has abated housing assistance payments to the Owner for such units, the Contract Administrator may use amounts otherwise payable to the Owner pursuant to the Renewal Contract for the purpose of relocating or rehousing assisted residents in other housing.

e Contract units

The Renewal Contract applies to the Contract units.

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

- (1) Identification of contract units by size and applicable contract rents;
 - (2) The amount of the monthly contract rents;
 - (3) Contract rent adjustments; and
 - (4) 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.

6 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 6b, the contract rent for each bedroom size (number of bedrooms) shall be the initial contract rent amount listed in Exhibit A of the Renewal Contract.

b Contract rent adjustments

(1) OCAF or Budget-Based Rent Adjustments

- (a) Except as provided in section 6b(2) below (concerning comparability adjustments at each Fifth Year Anniversary and discretionary comparability adjustments within each five-year term), 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 by either of the following methods (as determined by the Contract Administrator in accordance with HUD requirements):

- (i) Using an OCAF; or

- (ii) At the request of the owner, based on the budget for the Project, as approved by the Contract Administrator in accordance with HUD requirements.
- (b) 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 adjustment of rent at each Fifth Year Anniversary (as determined in accordance with section 6b(2)(b) below).

(2) **Comparability adjustments**

- (a) **Applicability.** This section 6b(2) is applicable only if the contract has been renewed pursuant to Section 524(a) of MAHRA. This section 6b(2) does not apply to a project renewed at exception rents under Section 524(b)(1) of MAHRA (See section 1 of the Renewal Contract).
- (b) **Fifth year adjustment (comparability adjustment at expiration of each 5-year period, if applicable)**
 - (i) This section 6b(2)(b) 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).
 - (ii) At the expiration of each 5-year period of the Renewal Contract term ("Fifth Year Anniversary"), the Contract Administrator shall conduct a comparability analysis of existing contract rents. At such Fifth Year 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 rent for each unit size at comparable market rent. Such adjustment may result in a negative adjustment (decrease) or positive adjustment (increase) of the contract rents for one or more unit sizes.
 - (iii) To assist in the redetermination of contract rents at each Fifth Year Anniversary, 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.

(c) Mid-term adjustment (discretionary comparability adjustment within 5-year term)

In addition to the comparability analysis and adjustment of contract rents at the Fifth Year Anniversary, HUD may, at HUD's discretion, require or permit the Contract Administrator to conduct a comparability analysis and adjustment of contract rents ("mid-term adjustment"), one more time within each 5-year period of the Renewal Contract term.

(d) Adjusting contract rent

At the time of a fifth year or mid-term comparability adjustment, 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 rent for each unit size at comparable rent. Such adjustment may result in a negative adjustment (decrease) or positive adjustment (increase) of the contract rents for one or more unit sizes.

(3) Procedure for rent adjustments during renewal term

- (a)** To adjust contract rents during the term of the Renewal Contract (including an OCAF or budget-based adjustment in accordance with section 6b(1), or a fifth year or midterm adjustment in accordance with section 6b(2)), the Contract Administrator shall give the Owner notice with a revised Exhibit A that specifies the adjusted contract rent amounts.
- (b)** The revised Exhibit A shall specify the adjusted contract rent amount for each bedroom size as determined by the Contract Administrator in accordance with this section. The adjustment notice by the Contract Administrator to the Owner shall specify when the adjustment of contract rent is effective.
- (c)** Notice of rent adjustment by the Contract Administrator to the Owner shall automatically constitute an amendment of the Renewal Contract.

(4) No other adjustments

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

7 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 and determined in accordance with HUD regulations and procedures), and shall be maintained in such condition during the term of the Renewal Contract.

8 OWNER TERMINATION 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 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.

9 HUD REQUIREMENTS

The Renewal Contract shall be construed and administered in accordance with all statutory requirements, and with all HUD regulations and other requirements, including changes in HUD regulations and other requirements during the term of the Renewal Contract. However, any changes in HUD requirements that are inconsistent with the provisions of the Renewal Contract, including the provisions of Section 6 (contract rent), shall not be applicable.

10 STATUTORY CHANGES DURING TERM

If any statutory change during the term of the Renewal Contract is inconsistent with section 6 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 6 because of such statutory change, then the Contract Administrator or the Owner may terminate the Renewal Contract upon notice to the other party.

11 PHA DEFAULT

- a** This section 11 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 shall take any action HUD determines necessary for the continuation of housing assistance payments to the Owner in accordance with the Renewal Contract.

12 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.

13 WRITTEN NOTICES

- a** Any notice by the Contract Administrator or the Owner to the other party pursuant to the Renewal Contract shall be given 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 a 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.

SIGNATURES

Contract Administrator

Name of Contract Administrator (HUD or PHA)

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

By: _____

Signature of authorized representative

Charles C. Famullner, Authorized Agent

Name and official title (Print)

Date: _____

U.S. Department of Housing and Urban Development

By: _____

Signature of authorized representative

Charles C. Famullner, Authorized Agent

Name and official title (Print)

Date: _____

Owner

Name of Owner (Print)

Pinecrest Brunswick, LLC

By: _____

Signature of authorized representative

Robert W. Schaberg, Director, Virginia Nonprofit Housing
Coalition, Managing Member

Date: _____

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

Section 8 Number: VA36H027201

Rent Effective Date: 04/01/2012

Project Number:

Number of Contract Units	Number of Bedrooms	Contract Rent	Utility Allowance	Gross Rent
32	2	\$532.00	\$85.00	\$617.00
28	3	\$640.00	\$105.00	\$745.00
4	3	\$655.00	\$114.00	\$769.00
6	4	\$760.00	\$135.00	\$895.00

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 section 6b of the Renewal Contract.

Comments:



U. S. Department of Housing & Urban Development

Richmond Field Office
600 E. Broad Street
3rd Floor
Richmond, VA 23219
1-800-842-2610

February 9, 2012

Pinecrest Brunswick, LLC
C/O Ms. Joyce Martin
Regional Manager
Amucron Realty Company
1111 East Main Street, Suite 1100
Richmond, VA 23219-3520

RECEIVED

FEB 13 2012

AMURCON REALTY CO.

Dear Ms. Martin:

SUBJECT: Section 8 Housing Assistance Payments Contract
Heritage Towers – VA36H027201

Enclosed is an executed copy of the subject Section 8 Housing Assistance Payments Renewal Contract for the period March 2, 2012 to March 1, 2032 for your records.

If you have any questions please contact Blanca Romero, Project Manager at 804-822-4874.

Sincerely,

A handwritten signature in dark ink that reads "Yolanda P. Webster".

Yolanda P. Webster
Funding Specialist
Multifamily Program Center

Enclosure

Tab R:

Documentation of Utility Allowance calculation

Rent Schedule Low Rent Housing

U.S. Department of Housing
and Urban Development
Office of Housing
Federal Housing Commissioner

OMB Approval No. 2502-0012
(exp.11/30/2020)

See page 3 for Instructions, Public Burden Statement and Privacy Act requirements.

Project Name PINECREST APTS	FHA Project Number N/A	Date Rents Will Be Effective (mm/dd/yyyy) 03/02/2025
--------------------------------	---------------------------	---

Part A — Apartment Rents

Show the actual rents you intend to charge, even if the total of these rents is less than the Maximum Allowable Monthly Rent Potential.

Col. 1 Unit Type (Include Non-revenue Producing Units)	Col. 2 Number of Units	Contract Rents		Col. 5 Utility Allowances (Effective Date (mm/dd/yyyy) 03/02/2025	Col. 6 Gross Rent (Col. 3 + Col. 5)	Market Rents (Sec. 236 Projects Only)	
		Col. 3 Rent Per Unit	Col. 4 Monthly Contract Rent Potential (Col. 2 x Col. 3)			Col. 7 Rent Per Unit	Col. 8 Monthly Market Rent Potential (Col. 2 x Col. 7)
2 Bedroom	32	716	22,912	109	825	0	0
3 Bedroom 2 Bath	28	860	24,080	125	985	0	0
3 Bedroom Handicap	4	881	3,524	176	1,057	0	0
4 Bedroom	6	1,021	6,126	165	1,186	0	0
		0	0	0	0	0	0
		0	0	0	0	0	0
		0	0	0	0	0	0
		0	0	0	0	0	0
		0	0	0	0	0	0
		0	0	0	0	0	0
		0	0	0	0	0	0
		0	0	0	0	0	0
		0	0	0	0	0	0
Total Units	70	Monthly Contract Rent Potential (Add Col. 4)* \$56,642				Monthly Market Rent Potential (Add Col. 8)* \$0	
		Yearly Contract Rent Potential (Col. 4 Sum x 12)* \$679,704				Yearly Market Rent Potential (Col. 8 Sum x 12)* \$0	

* These amounts may not exceed the Maximum Allowable Monthly Rent Potential approved on the last Rent Computation Worksheet or requested on the Worksheet you are now submitting. Market Rent Potential applies only to Section 236 Projects.

Part B — Items Included in Rent

Equipment/Furnishings in Unit (Check those included in rent.)

<input checked="" type="checkbox"/> Range	<input type="checkbox"/> Dishwasher	<input type="checkbox"/>
<input checked="" type="checkbox"/> Refrigerator	<input checked="" type="checkbox"/> Carpet	<input type="checkbox"/>
<input checked="" type="checkbox"/> Air Conditioner	<input type="checkbox"/> Drapes	<input type="checkbox"/>
<input checked="" type="checkbox"/> Disposal	<input checked="" type="checkbox"/> Blinds	<input type="checkbox"/>

Utilities (Check those included in rent. For each item, (even those not included in rent), enter E, F, or G on line beside that item)
E=electric; G=gas; F=fuel oil or coal.

<input type="checkbox"/> Heating	E	<input type="checkbox"/> Hot Water	E	<input type="checkbox"/> Lights, etc.	E
<input type="checkbox"/> Cooling	E	<input type="checkbox"/> Cooking	E	<input type="checkbox"/>	

Services/Facilities (check those included in rent)

<input checked="" type="checkbox"/> Parking	<input checked="" type="checkbox"/> Playgrounds	<input type="checkbox"/> Nursing Care
<input checked="" type="checkbox"/> Laundry	<input type="checkbox"/>	<input type="checkbox"/> Linen/Maid Service
<input type="checkbox"/> Swimming Pool	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Tennis Courts	<input type="checkbox"/>	<input type="checkbox"/>

Part C — Charges in Addition to Rent (e.g., parking, cable TV, meals)

Purpose	Monthly Charge
	\$0.00
	\$0.00
	\$0.00
	\$0.00
	\$0.00
	\$0.00

Part D — Non-Revenue Producing Space

Col. 1 Use	Col. 2 Unit Type	Col. 3 Contract Rent
		0
		0
		0
		0
		0
Total Rent Loss Due to Non-Revenue Units		\$ 0

Part E — Commercial Space (retail, offices, garages, etc.)

Col. 1 Use	Col. 2 Monthly Rent Potential	Col. 3 Square Footage	Col. 4 Rental Rate Per Sq. Ft (Col. 2 divided by Col. 3)
			0
			0
			0
			0
			0
			0
	\$0	Total Commercial Rent Potential	

Part F — Maximum Allowable Rent Potential

Enter Maximum Allowable Monthly Rent Potential From Rent Computation		\$56,642
Worksheet (to be completed by HUD or lender)		

Part G – Information on Mortgagor Entity

Name of Entity

Pinecrest Brunswick LLC

Type of Entity

☐ Individual ☐ General Partnership ☐ Joint Tenancy/Tenants in Common ☒ Other (specify) LLC
☐ Corporation ☐ Limited Partnership ☐ Trust

List all Principals Comprising Mortgagor Entity: provide name and title of each principal. Use extra sheets, if needed. If mortgagor is a:

- corporation, list: (1) all officers; (2) all directors; and (3) each stockholder having a 10% or more interest.
- partnership, list: (1) all general partners; and (2) limited partners having a 25% or more interest in the partnership.
- trust, list: (1) all managers, directors or trustees and (2) each beneficiary having at least a 10% beneficial interest in the trust.

Name and Title

Samuel A. Jones

President/COO

Name and Title

Name and Title

Name and Title

Name and Title

Name and Title

Name and Title

Name and Title

Name and Title

Name and Title

Name and Title

Part H – Owner Certification

To the best of my knowledge, all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate.

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Name and Title

Samuel A. Jones
President/COO

Authorized Official's Signature

Date (mm/dd/yyyy)
01/02/2025**Part I – HUD/Lender Approval**

Addendum Number

HAP Contract Number

VA36H027201

Exhibit Number

Loan Servicer Signature

Date (mm/dd/yyyy)

Branch Chief/Lender Official Signature

02/05/2025
Date (mm/dd/yyyy)

Director, Housing Management Division Signature

Date (mm/dd/yyyy)

Tab S:

Supportive House Mandatory
Certification and Documentation

This deal does not require
information behind this tab.

Tab T:

Funding Documentation

This deal does not require
information behind this tab.

Tab U:

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



601 Cypress Ave, Suite 301
Hermosa Beach CA 90254
Thetranscendgrp.com

Virginia Housing Free Housing Education Acknowledgement

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

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

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

Resident Name: _____

Resident Signature: _____

Date: _____

Tab V:

Nonprofit or LHA Purchase Option or Right of First
Refusal

This deal does not require
information behind this tab.

Tab W:

Internet Safety Plan and Resident Information Form

The Pinecrest Apartment Internet Guidelines Acknowledgement

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

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

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

Resident Name: _____

Resident Signature: _____

Date: _____

Pinecrest Apartments

INTERNET SECURITY PLAN

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

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



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

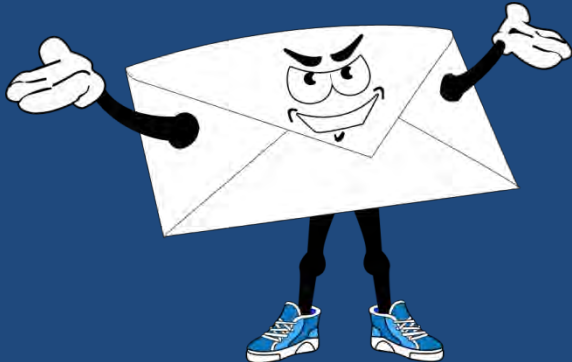
Spam



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/>



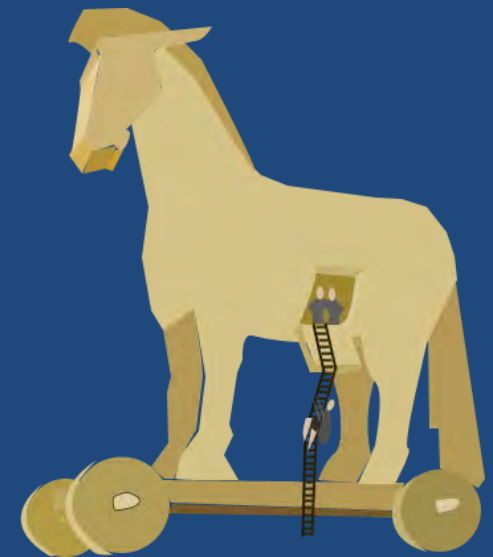
Trojan Horse

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

This deal does not require
information behind this tab.

Tab Y:

Inducement Resolution for Tax Exempt Bonds

This deal does not require
information behind this tab.

Tab Z:

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

This deal does not require
information behind this tab.

Tab AA:

Priority Letter from Rural Development

This deal does not require
information behind this tab.

TAB AB:

Social Disadvantage Certification or Veteran
Owned Small Business Certification

This deal does not require
information behind this tab.