

VIRGINIA HOUSING DEVELOPMENT AUTHORITY

Multifamily Division: Multifamily Development – December 2025

Multifamily Policy & Procedures Manual

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Multifamily Development Operating Guide

Preface

Manual use

This manual is a first step to:

- Documenting the Multifamily Development Department's policies, processes and procedures
- Housing this information in a central source and location
- Expediting and evaluating systems when developing and modifying loan products
- Complying with federal and state regulations and
- Improving quality for our stakeholders and VHDA.

Chapter 1 About the Multifamily Development Department

1.1) Overview

Background VHDA has been financing, servicing, and managing affordable multifamily housing since 1972.

The primary departments are:

Field	Contact*	Title	Phone
Rental Housing	<u>J.D. Bondurant</u>	Managing Director of Rental Housing	(804) 343-5725
Multifamily Development	<u>David Glassman</u>	Director of Rental Housing Programs	(804) 343-5771
Program Compliance & Asset Mgmt	<u>Monica Jefferson</u>	Director of Rental Housing Operations	(804) 343-5650
Tax Credit	<u>Stephanie Flanders</u>	Director of Low-Income Housing Tax Credit Programs	(804) 343-5939

Legal basis for issuing bonds and tax credits The legal basis of VHDA's issuance of bonds is Chapter 1.2 of Title 36 of the Code of Virginia (1950, as amended) and, in particular, §36-55.40 through §36-55.43.

Organizational chart The VHDA Organizational Chart appears in **Appendix A** of this manual.

1.2) VHDA Multifamily Financing Programs

Background VHDA's multifamily loan programs are designed to provide financing for the:

- development of new rental housing units or
- preservation of existing rental units or
- financing of mixed-use, mixed-income properties.

The rental units financed by VHDA are intended to be occupied by low and moderate-income and other tenants.

For all VHDA loans on Elderly properties to be financed using the HUD Risk Sharing Program, elderly properties for HUD Risk Share Program properties are defined as "Projects or parts of projects specifically designed for the use and occupancy by elderly families, where the term "elderly families" means any household where the head or spouse is 62 years of age or older, and also any single person who is 62 years of age or older.

Eligible uses of loans Eligible uses for the loans include:

- new construction
- adaptive reuse
- acquisition with and without rehabilitation
- refinancing with and without rehabilitation and
- rehabilitation only.

Eligible applicants Eligible applicants include for-profit and non-profit developers.

Application selection Applications may be submitted at any time. VHDA, however, will endeavor to achieve the optimum combination of public purpose, efficiency and risk. If funds are limited, VHDA will exercise the discretion to choose among eligible proposals.

Bond Funded Loan Programs Most of VHDA's multifamily lending is funded principally by the issuance of:

- Tax-exempt (new money) bonds
- Taxable bonds

Loan parameters The loan parameters are generally the same regardless of the bond fund source. Some variation occurs in terms of interest costs and permitted uses of funds.

VHDA Multifamily Financing Programs, *Continued*

Tax Exempt Bond loan parameters

Tax Exempt bonds loan parameters are as follows:

- **Occupancy requirements:** The developer has the option of choosing to satisfy one of the following income limits 20% @ 50% or 40% @ 60% area median income. VHDA requires that the balance of the units be occupied by tenants whose incomes are less than 150% of area median income or MUMI income limits
- **Loan-to-value ratio:**
 - For Profit Developers: Loans may not exceed 90% of value as determined by VHDA
 - Non-profit Developers: Loans may not exceed 100% of value, as determined by VHDA.
- **Loan term:** The loan term may not exceed 35 years without approval. The term generally should not exceed 30 years for existing properties ten years or older.
- **Debt service coverage:** The minimum DSC ratio is 115%.

Some terms may vary with underwriting.

Taxable bonds

Taxable bonds carry market interest rates. Loans funded with taxable bonds can be used to finance acquisition, rehabilitation, new construction and mixed income, mixed-use properties. These bonds are used to finance developments utilizing 9% tax credits, as well as non tax credit developments.

Income limits: 100% of all available units must be leased by tenants with incomes of less than 150% of area median (unless MUMI). Properties utilizing 9% tax credits must use the tax credit income limits, the VHDA limits underlying.

Tax-exempt Refunding Bonds

Tax-exempt Refunding Bonds are tax-exempt bonds issued to generate proceeds which will be used to redeem outstanding tax-exempt bonds issued either by VHDA or by a local housing bond issuer in conjunction with the origination or refinancing of a VHDA mortgage loan with a term of 20 to 30 years. The tax-exempt bonds being refunded were either used to finance what became known as 20/80 projects prior to January 1, 1987 or more recently private activity bonds which were either subject to the AMT until mid-2008 or were non-AMT if issued later. The 20/80 projects were subject to income limits that require 20% of the units in a project to be occupied by tenants with income less than 80% of the area median income. Many of these projects were financed by bonds issued by local bond issuers such as redevelopment and housing authorities and industrial development authorities.

Most of these bonds featured short-term credit enhancement by banks or other financial institutions. Such refundings will generally include some moderate rehabilitation. The existing 20/80 income limits remain in place with an additional income limit of 150% of median on the remaining units.

The private activity bonds issued on or after January 1, 1987, whether subject to the AMT or not, were subject to income limits that require either 40% of the units at 60% of the area median income or 20% of the units at 50% of the area median income.

VHDA Multifamily Financing Programs, *Continued*

Mixed Use/Mixed Income & Mixed Income Only

Below is the new revised Mixed Use/Mixed Income and Mixed Income Only requirements.

Mixed Use/Mixed Income:

A: Developments 15,000 square feet or larger:

1. Must be in a revitalization area determined by the locality, and
2. At least 60% of its income must be derived from the residential portion of the development, and
3. Units and incomes must meet the following minimum criteria:
 - a. 20% of the units must target households earning income of 80% or less of area median income, and
 - b. Up to 80% of the units may have no income restriction

B: Developments under 15,000 square feet:

1. Percent of incomes targeted will be determined on a case-by-case basis with a minimum target of 20% of the units to households with incomes 150% of area median income
2. Must be in a revitalization area determined by the locality, and

C: MU/MI developments requesting REACH must comply with the following minimum unit and income requirements:

1. 30% of the units must target household earning income of 80% or less of area median income, and
- 2.
3. Up to 70% of the units may have no income restrictions

Mixed Income Only:

Income limits: Same and MU/MI program.

See **Appendix C** for instructions for Compliance for Mixed Use, Mixed Income Developments.

See **Appendix C.1** for resolution for mixed income in blighted revitalization area.

See **Appendix C.2** for resolution for mixed income that will benefit from industrial, commercial or other economic development,

See **Appendix C.3** for resolution for mixed income development not located in revitalization area and units are not for low and moderate income persons.

See **Appendix C.4** for mixed income not located in revitalization area and the surrounding area is or is expected to be inhabited by lower income persons

See **Appendix C.5** for a letter if mixed income development is located in a redevelopment project, conservation project or rehab district

See **Appendix C.6** for a letter if mixed income, mixed use is to be located in a qualified census tract or targeted area and if the nonhousing builder or portion thereof is NOT deemed by VHDA to be incidental to the housing development.

Appendix C.7 for the definition of housing revitalization areas.

VHDA Multifamily Financing Programs, *Continued*

New Construction/ Permanent Forward loan option

- All Tax-Exempt loans require VHDA to finance the new construction, adaptive reuse or rehabilitation.
 - Taxable loans may finance construction or rehabilitation under a special pricing.
 - Taxable loans allow VHDA to issue forward permanent loan commitments that permit borrowers to obtain construction loans from other sources.
-

REACH Guidelines

Since 2005, Virginia Housing (then VHDA) has used internally generated resources to address critical housing needs to supplement core programs. These resources have been used to:

- Subsidize and supplement existing lending programs through rate buy-downs and grants.
- Establish targeted loan programs.

Multifamily lending REACH policies are updated from time to time, based on market conditions and program needs. A copy of the current REACH rate subsidy policy, updated as of October 2023, is included in Appendix D.

Chapter 2 Origination of Multifamily Loans

Purpose

The Multifamily Loan Origination Process is the main process in the Multifamily Development Department. All other processes that follow this one are sub-processes of loan origination.

The purpose of the Multifamily Loan Origination Process is to evaluate loan applications and recommend loans that enhance VHDA's loan security, while being mindful of stakeholder needs and satisfaction.

Principal participants

The principal participants in the Multifamily Loan Origination process are:

- Stakeholder/borrower/mortgage banker/broker
 - Multifamily development staff
 - Capital Markets Division
 - Legal Division
 - Executive Leadership Team and
 - Board of Commissioners.
-

Forms and documents

The forms and documents are outlined in the sub-processes. However, the key ones are:

- The loan application
- Executive Director Approval Request (E.D.A.R)
- Tax Equity and Fiscal Responsibility Act (TEFRA) documents (for Tax Exempt loans only)
- Market Analysis Findings
- Appraisal
- Written Architectural and Engineering (A & E) comments on preliminary plans and specifications and scope of work
- Architectural and Engineering (A&E) Reports
- Commitment Authorization Request (C.A.R)
- Information for Legal Template
- Commitment
- Confirmation of Lock-in Date and Final Interest Rates
- Loan closing documents.

2.1) Receipt and Acceptance of the Loan Application

Purpose

- The purpose of the receipt and tracking process is to:
- enter the application information into ProLink system
 - collect and process application fees
 - track the status of the loan application
 - alert other departments for staff assignment
-

Principal participants

- The principal participants in the receipt and acceptance of the loan application are:
- Stakeholder/Borrower or Mortgage Banker/Broker
 - Rental Housing Analyst
 - Lending Group Manager
 - Development Officer (DO).
-

Application receipt

A pre-application meeting must be held as a pre-requisite to submitting a loan application. The purpose of the pre-application meeting is to assess project readiness and identify potential underwriting or other concerns. Applications are generally submitted by the borrower or the borrower's mortgage banker/broker. When a loan application is received by the Multifamily Development Department, the Rental Housing Analyst intakes the new deal in the ProLink system.
(See Appendix E for a sample Conventional Loan Application.)

Project assignment

The application is first reviewed by a Lending Group Manager. If appropriate, the Lending Group Manager assigns the application to a Development Officer (DO)

Completeness review

The DO reviews the application package for completeness and decides whether or not to schedule a site inspection. If not, the DO contacts the project sponsor to acquire missing information or correct other deficiencies. In some instances, the application may be returned to the borrower or the originating mortgage banker/broker.

Preliminary analysis

- The DO performs a preliminary analysis before the E.D.A.R of the:
- site suitability
 - development feasibility and
 - the project sponsor's qualifications

Receipt and Acceptance of the Loan Application, *Continued*

Elements of site suitability

The elements of site suitability are:

- compatibility of adjacent property uses and conditions of existing adjacent structures
 - accessibility to shopping and employment
 - topography
 - availability of required utilities
 - zoning classification
 - ingress and egress
 - configuration
 - site layout and
 - evidence not in a flood way/zone
 - evidence of the developer's site control by option, deed, or purchase contract
-

Elements of feasibility

The elements of feasibility are:

- construction costs
 - soft costs
 - operating expenses
 - market demand
 - projected income and
 - projected debt service
 - loan to value and loan to cost
-

Project sponsor qualifications

The DO relies on the project sponsor's qualification including the:

- borrower's financial statements and
 - contractor's financial statements and
 - resumes of the development team.
-

Acceptance for processing

The DO will decide whether or not to accept the proposal for processing based on:

- findings of physical site inspections or photographs
 - initial market information and
 - receipt of sufficient information to continue processing
 - receipt of application fee
-

Receipt and Acceptance of the Loan Application, *Continued*

Team Meeting

If the DO decides to further process the loan application, a team meeting is scheduled to present the application and solicit input from other key functional areas, including:

- Development Leadership
- Tax Credits (if appropriate)
- Asset Management & Compliance
- Rental Servicing
- Legal
- Capital Markets
- Design & Construction

Following the Team Meeting, the DO will seek additional information if necessary, before proceeding with the EDAR approval process for approval to underwrite (see section 3.3).

2.2) Receipt of and Accounting for Fees

Fees Fees generally consist of a combination of cash and/or an irrevocable, unconditional letter of credit (LOC).

- **Application fee:**
 - The borrower is generally required to submit a non-refundable fee with the application. Effective January 2007, for VHDA Conventional Products the minimum fee is the greater of \$5,000 or 0.5% of the loan request up to \$10,000 and is paid in full at application submission.
 - For REACH/SPARC products, an application fee may be waived unless a Tax-Exempt and/or Taxable loan is involved.
 - For an application fee that is going to be waived, a note must be put in the Notes section of the Fee and the Director of Rental Housing must input a *waived date in ProLink*.
- **Processing fee:**

½% processing fee is charged on all loans. The application fee is applied to the processing fee. Processing fee is paid when the executed commitment is returned to Virginia Housing.
- **Financing fee:**
 - Taxable Products:
 - ½% on Taxable Permanent loan products
 - 1 ½% on Taxable Construction/Permanent products up to \$7.5M, 5/8% on the remaining balance above \$7.5M.
 - Tax Exempt Products:
 - 1 ½% on all Tax-Exempt products (including Short-Term Tax-Exempt Gap Loans) products up to \$7.5M, 5/8% on the remaining balance above \$7.5M
 - Financing fees are paid with return of the executed commitment.
- **Standby fee:**
 - Prior to Rate-lock, a total of 3% of bonded products must be at risk.
 - The Standby fee is the total of 3%, less Processing and Financing Fees.
 - The standby fee can be satisfied by a letter of credit.

Standby fees are paid with return of the commitment. The purpose of the standby fee is to ensure that the sponsor will close the loan. If the borrower fails to close the loan, Virginia Housing will retain the fees as compensation to offset expenses and possible bond redemption costs.

Upon closing and receipt of all recorded documents and legal requirements the standby fees or LOC will be released to the sponsor.

Note: Fees shall remain on the loan as committed, unless waived by the Development Officer for extraordinary circumstances and clearly communicated to Legal via written memo/e-mail.

Chapter 3 Underwriting of the Loans

3.1) Overview

Purpose The purpose of the underwriting process is to evaluate loan applications to determine the likelihood the loan will be repaid to VHDA. This is commonly referred to as assessing and assigning the risk.

Description Development officers are assigned to underwrite the loan. Underwriting entails evaluating the application and reviewing or ordering reports needed to assess the risk, reports such as appraisals, structural studies, soil tests, and environmental reports and Lead Based Paint Assessment (Effective February 2, 2001).

Two Financing Sources The Multifamily Development Division underwrites loans for the following two primary financing sources:

- Taxable
- Tax-Exempt

Inputs The inputs for the loan underwriting process are:

- the loan application
- professional services from appraisers, engineers, surveyors, others
- Local Staff Determinations from local governments or building permits
- mortgage capital.

Outputs The outputs for the loan underwriting process are:

- construction loans
- permanent loans

3.2) Development Cost Analysis (DCA)

Purpose The purpose of the Development Cost Analysis is to identify the sources and uses and summarize the financial aspects for the development. There are usually multiple copies of the DCA in the underwriting stage as costs, interest rates, income and expenses change.

Description The Development Cost Analysis includes:

- Loan information
- Terms
- Contract Cost (Hard Costs)
- Owner Costs (Soft Costs)
- Total Development Cost
- Equity Investment
- Income
- Operating Expenses
- Cash Flow
- Estimated Appraised Value
- Vacancy Rates
- Debt Service Coverage Ratio
- Loan to Value Ratio
- Loan to Cost Ratio
- Sources and Uses of Funds

See Appendix F for a sample of the DCA. (Click “OK” when message box pops up)

Business rules

- In the “Name of Property” section do not use an apostrophe in the name. Also in the “Name of Property” section do not use “The” in front of the property name.
- Do not use hyphens (-) in the “Name of Property” section.
- If the property has Phases, in the “Name of Property” section use the roman numeral of the phase. Example – ABC Apartments II, instead of ABC Apartments Phase II.
- A **Contingency** line item should **not** be put in the **Contract** or hard cost section of the DCA. A contingency line item **can** be put in the **Owner cost section**.
- Other Income needs to be verified and documented during the underwriting process. Documentation can include a note/memo to the file on how the Other Income was determined.

3.3) **Executive Director Approval Request (E.D.A.R) / f.k.a. Board Approval Request (B.A.R)**

Purpose New procedure as of December 9, 2008, to obtain authorization from the Executive Director of VHDA to proceed with the underwriting process.

Description The E.D.A.R includes a description of the following:

- Loan Purpose
- Developer Name
- Site Description/Location
- Proposed Unit Mix, Unit Sizes, Rents
- Financing Summary, to include a maximum loan amount, loan term
- Estimated Total Development Costs
- Estimated loan to Value
- VHDA Loan Fees

Appendix G shows a sample E.D.A.R

Distribution Following presentation by the DO to the Loan Review Committee (Chief of Programs, Chief Counsel, Chief Financial Officer, Managing Director of Rental Housing, Managing Director of Community Outreach, and Director of Rental Housing) and approval by the LRC, the EDAR form is routed for signature to the Director of Rental Housing, Managing Director of Rental Housing, and Executive Director.

Authorization If approval is given by the Executive Director of VHDA and the Managing Director of Development Programs, the Development Officer or Analyst will upload a signed version of the EDAR into the ProLink system, change the Stage to B/ED Approval Request and Status to Completed and enter a B/ED Approved Date. The B/ED Approved Date will generate a ProLink alert and send to the assigned deal persons. At the end of the month the Construction Loan Coordinator will scan and send the E.D.A.R's to the Office Manager to go out to the Board members.

3.4) TEFRA (Tax Equity and Fiscal Responsibility Act)

Overview The Tax Equity and Fiscal Responsibility Act of 1982 (“TEFRA”) requires that VHDA’s tax-exempt multifamily bonds must be approved by the Governor prior to issuance of the bonds.

Process TEFRA Process

- Draft the TEFRA form, then upload the TEFRA into ProLink and provide to VHDA Special Tax Counsel. The TEFRA form should be completed and given to the Special Tax Counsel as soon as the development officer is aware of a tax exempt deal.
- TEFRA ad is approved by the VHDA Special Tax Counsel
- If approved, the TEFRA ad is published in five major newspapers with circulation in Virginia.
- Next, a public hearing, known as the “TEFRA hearing”, is held at VHDA.
- The minutes of the hearing and a request for approval are sent to the Governor.
- Upon approval from the Governor of the issuance of the bonds, VHDA is now able to proceed with the bond sale.
- The proceeds of the sale of the bonds are used to finance VHDA projects.

Refer to *Appendix H* for a sample TEFRA ad.

3.5) Appraisal Report

Purpose The appraisal assists the Development Officer in determining the property's fair market value. Value is essential, because in all VHDA loans, value is one variable considered to determine the borrower's loan amount. There is a limitation of 90% loan to value for for-profit developers and 100% loan to value for non-profit developers are the applicable limits.

The Multifamily Development staff reviews the appraisals and performs their own economic valuation to determine the final "Loan to Value Ratio" and final loan amount to recommend for commitment.

When to use Generally, an appraisal is required for all loans underwritten by VHDA. However, in some instances a current Real Estate Assessment may be used.

Qualified Appraiser The appraiser must hold one of the following designations:

- MAI: Member of Appraiser's Institute
- SRPA: Senior Real Property Analyst
- SREA: Senior Real Estate Analyst
- SRA: *for single family residences only
- For all VHDA loans to be financed using the HUD Risk Sharing Program, all appraisal functions must be completed by Certified General Appraisers, licensed in the State of Virginia. All appraisal functions for VHDA loans to be financed with the HUD Risk Sharing Program must also be completed in accordance with the Uniform Standards of Professional Appraisal Practice.

Outputs The appraiser must submit a written and certified report to the development officer. All reports must be addressed to VHDA or name VHDA as an authorized user. If the report is not addressed to VHDA or VHDA is not named as an authorized user, then a reliance letter is required.

3.6) VHDA Minimum Environmental Assessment

Requirement The Development Officer should discuss environmental concern findings with their supervisor and document these decisions on how to deal with reported environmental concerns with a file memo.

VHDA MINIMUM Environmental Assessment Guidance – effective date 03-01-2013

1.0 Environmental Requirements

1.1 The Applicant will retain a qualified Environmental Professional (EP) for completion of required environmental due diligence studies. Required studies are as follows:

Small Deals (<1 million): Environmental Transaction Screen Process (TSP)

Large Deals (>1 million): Phase I Environmental Site Assessment (ESA)

1.2 The report must indicate the inspection date, and to whom the study is addressed. VHDA must be an addressee. Reports must be submitted within 180-days after the inspection date.

2.0 Small Deal* Environmental Due Diligence *Deal means Total Development Cost

The Environmental Transaction Screen Process (TSP) is designed for rapid turnaround, small capitalization projects utilizing the ASTM E1528-06 for Limited Environmental Due Diligence: Transaction Screen Process to provide an acceptable degree of confidence about a property's environmental concerns. Users must be aware that TSP reports are limited in nature and do not meet the requirements of CERCLA's "Landowner Liability Protections."

2.1 Transaction Screen Process (TSP) reports are at a minimum required to:

2.1.1 Demonstrate compliance with ASTM E1528-06, and include a completed Environmental Transaction Screen Questionnaire

2.1.2 Include an environmental database review of standard environmental record sources

2.1.3 Contain a limited historical review (1 source)

2.1.4 Include a site reconnaissance, documented via photographs and a site diagram

2.2 The TSP report is to include a conclusion section that summarizes potential environmental concerns connected with the Property, their impact on the Property, and any recommended additional studies.

3.0 Large Deal* Environmental Due Diligence *Deal means Total Development Cost

Due diligence reporting utilizing the ASTM E-1527-05 Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Process is intended to constitute "all appropriate inquiry" into the previous ownership and uses of a property, consistent with good commercial or customary practice.

3.1 Phase I Environmental Site Assessment (ESA) reports are at a minimum required to:

3.1.1 Demonstrate compliance with ASTM E-1527-05, as amended

3.1.2 Demonstrate compliance with the EPA All Appropriate Inquiry (AAI)

3.1.4 Include an environmental database review of standard environmental record sources

3.1.5 Contain historical review and documentation to either the property's first developed use or minimum of 50 years, with data-gaps discussed for non-compliance

3.6)

VHDA Minimum Environmental Assessment (cont'd)

- 3.1.6 Include site reconnaissance, documented via photographs and site diagram
- 3.1.7 Conduct interviews with past and present owners, occupants, and government officials
- 3.1.8 Address common housing-related “*Non-Scope Considerations*” as discussed in Section 13 of the ASTM standard. All testing must be conducted in accordance with applicable local, state and federal regulations and licensing requirements. Out of scope items must include the following:
 - 3.1.8.1 Asbestos-Containing Materials (ACM)

The environmental consultant must either render a professional opinion that the Property contains no ACM, or an asbestos inspection is required. Identified or presumed ACM must be managed under an operations and maintenance (O&M) plan. Renovation and demolition activities are to comply with Virginia Uniform Statewide Building Code provisions for asbestos.
 - 3.1.8.2 Radon Gas

The environmental consultant must evaluate the EPA Map of Radon Zones or other similar state/local published material to render a professional opinion that the Property either presents low risk for Radon exposure, or the environmental consultant must collect samples. Typically, buildings located in EPA Radon Zone 1 and 2 require additional evaluation (testing), unless the construction features intrinsically safe design.
 - 3.1.8.3 Lead Based Paint (LPB)

The Environmental Professional is to adhere to the requirements of the Lead Safe Housing Rule (24CFR35) for all pre-1978 “target housing” and perform testing and/or risk assessment as required by the Rule. Assumed or documented LBP must be managed under a site-specific O&M plan, to include abatement during disturbance, renovation or demolition.
 - 3.1.8.4 Lead in Water Concerns

The environmental consultant is to comment on the potential for lead-in-water based upon date of construction, age of plumbing systems, municipal records, and other sources. Testing should be considered if a risk is identified.
- 3.1.9 Address common development-related “*Non-Scope Considerations*” to include:
 - 3.1.9.1 Flood Plains / Floodways
 - 3.1.9.2 Wetlands, to include State waters/streams/buffers
 - 3.1.9.3 Noise
 - 3.1.9.4 Endangered Species
 - 3.1.9.5 Historic Designation
 - 3.1.9.6 Coastal Zone Management (CZM)
 - 3.1.9.7 Vapor Encroachment Tier 1 Screening

3.6) **VHDA Minimum Environmental Assessment (cont'd)**

- 3.2 The Phase I ESA must include a conclusions section that summarizes all Recognized Environmental Conditions (RECs) connected with the Property and the Environmental Professional's opinion of the impact on the Property. The environmental consultant shall provide an analysis of the completeness of the research and supporting documentation. If additional investigations are recommended, follow Section 4.0 guidance.
- 3.3 Reporting must include the inspector and preparer's professional qualifications, documentation of Environmental Professional (EP) credentials, and evidence of Errors and Omission (E&O) insurance with a minimum \$1m in coverage.

4.0 Phase II ESA Intrusive Investigations

The purpose of the Phase II is to ascertain by sampling, testing and intrusive investigations whether Recognized Environmental Conditions (RECs) identified in the Phase I ESA have resulted in adverse site conditions. A Phase II ESA is required if:

- a. The Phase I ESA comes to no definite conclusion regarding the presence of a REC
- b. The Phase I ESA indicates that there is a REC, and corrective action is potentially feasible
- c. The Lender requires a Phase II ESA for reasons that are described to the borrower

It is recommended that the ASTM E1903-11 Environmental Site Assessment: Phase II Environmental Site Assessment Process standard be followed, as well as applicable Virginia Department of Environmental Quality (VDEQ) regulations.

5.0 Properties with Existing Environmental Conditions or Remediation

Properties with environmental remediation as an element or condition of proposed construction must be covered under a site-specific remediation plan(s) with approval from the VDEQ. If provided, the environmental consultant will review any remediation documentation to treat, contain, or abate all such identified environmental conditions, as necessary to render the property acceptable. The environmental consultant is required to classify each remedial action as either a complete removal of contamination, or incomplete removal of contamination. In instances of incomplete removal, institutional controls may be required (e.g. O&M Plans, land use agreements, soil capping etc.). All remediation plans are required to be in compliance with applicable state and federal regulations.

Should the Environmental Professional (EP) identify actionable RECs during the course of an Environmental Site Assessment, all recommended remedial methods must be in accordance with applicable State and Federal Regulations.¹

¹

Chapter 4 Architectural & Engineering Review (A & E)

4.1) Overview

Purpose The architectural and engineering (A&E) review process mitigates risk to the Authority's uninsured loan portfolio. Reviews begin at the time of loan application and continue through underwriting. Multifamily developments are reviewed to:

- ensure a marketable product
- determine project costs feasibility
- evaluate the project's construction quality
- assess completion of plans and specifications
- check compliance with various building codes.
- determine compliance with the Authority's Minimum Design and Construction Requirements (MDCR)

In addition, all 4% LIHTC developments undergo an A&E review to ensure compliance with the Authority's MDCR and inclusion of developer selected tax credit enhancements.

Principal participants The principal staff for the A&E review process are the:

- Development Officer (DO)
- Tax Credit Allocation Officer (TCAO)
- Design and Construction Group Manager (DCGM)
- Design Control Manager (DCM)
- Design and Construction Officer (DCO)
- Construction Control Manager (CCM)
- Construction Control Officer (CCO)
- Borrower/Developer/Architect of Record

Roles Below is an overview of the principal roles in the A&E review process:

Staff	Role
Development Officer (DO) and Tax Credit Allocation Officer (TCAO)	Serves as final decision maker in the process including: <ul style="list-style-type: none">• when to consult the DCGM (primarily for technical issues)• the final scope of work
Design and Construction Group Manager	<ul style="list-style-type: none">• Serves as liaison between the Design and Construction Group and all other Virginia Housing Rental Housing departments for technical guidance• Directs both the Design Control Manager and the Construction Control Manager• Advises on construction contract and owner/architect agreement change requests, and reviews stored material supplements.• Authors the MDCR and leads waiver request review team• Creates processes and policies affecting the department, and Virginia Housing stakeholders and partners
Design Control Manager (DCM)	In addition to DCO duties, directs a team of DCOs, and manages team workflow. Implements Design and Construction Group policies

Design and Construction Officer (DCO)	<ul style="list-style-type: none"> • Performs A&E reviews, prepares advisory comments, and serves as technical counsel to DO, CCO, and/or Asset Managers. • Performs site visits to various existing/rehab projects. • Provides cursory cost analysis and GC qualification review
Construction Control Manager (CCM)	In addition to CCO duties, directs a team of CCOs, and manages team workflow. Implements Design and Construction Group policies
Construction Control Officer (CCO)	<p>Serves as field representatives for Virginia Housing by:</p> <ul style="list-style-type: none"> • ensuring construction work conforms to Virginia Housing contract documents • informing Borrower/Developers of key A&E issues at the pre-construction conference and ensuring essential documents are at the site • overseeing implementation of A&E decisions. • documenting issues discovered during construction • serving as technical counsel to DO, and Asset Managers • communicating progress and concerns to DOs and DCD <p>• approving monthly construction draw amounts (work in place) Ensuring construction work conforms to the Virginia Housing contract documents</p>
Borrower/Developer/Architect of Record	Receives, negotiates, and implements A&E advisory comments and provides plans, specifications, work write-ups in response to Virginia Housing A&E memos.

4.2) Architectural and Engineering Process

Forms and documents

The forms and documents for the process are:

- Minimum Design and Construction Requirements
 - Cabinet Review Form
 - Waiver Request Form
 - A&E memo
 - Prolink Plan Review Log
 - Procorem Plan Review Work Center
 - Signed Virginia Housing Contract Set of plans and specifications.
-

Process

The process is described in the chart below.

Stage	Description
1	Prolink alerts Design Control Manager of new loan application
2	Design Control Manager assigns Design and Construction Officer to deal in Prolink
3	Development Officer: <ul style="list-style-type: none"> • Creates Procorem Plan Review work center • Invites the DCO, developer and architect of record to join the work center • Sends welcome email with process instructions
4	Borrower/Developer/Architect of Record submits required A&E documents through Procorem
5	Design and Construction Officer: <ul style="list-style-type: none"> • Downloads documents from Procorem • Verifies submission is complete <ul style="list-style-type: none"> • If incomplete DCO creates list of missing items and submits list to DO, developer and architect. • If complete DCO performs an initial A&E Review and creates A&E memo. Reviews A&E memo with DO and revises as needed • Uploads A&E memo to Procorem
6	Architect of Record: <ul style="list-style-type: none"> • Downloads A&E memo • Modifies documents according to A&E memo • Responds to memo • Uploads revised documents and updated A&E memo to Procorem
7	Process continues until memo is closed. A closed memo is needed for commitment

8	<p>Architect of Record:</p> <ul style="list-style-type: none"> Once A&E memo is closed, Architect creates a final contract set of plans and specifications
9	<p>Development Team:</p> <ul style="list-style-type: none"> Architect, Developer and General Contractor sign Virginia Housing signature block on drawings and specifications establishing final contract set of documents
10	<p>Architect of Record: Uploads signed contract set to Procorem</p>
11	A&E review concluded. A&E portion of bond inclusion requirements satisfied
12	Prolink alerts Construction Control Manager of deal rate lock
13	Construction Control Manager assigns Construction Control Officer to deal in Prolink
14 END	Construction Control Officer schedules and conducts pre-construction conference. See Section 8.2

Chapter 5 Intentionally Deleted

Chapter 6 Market Analysis

6.1) Overview

Purpose The purpose of the market analysis is to provide an objective review of the elements affecting a property's market standing.

Principal Staff The principal staff for this function are:

- the Rental Analyst
- the Associate Development Officer, Development Officer and/or Senior Development Officer.

Staff role and responsibilities The staff role and responsibilities are to:

- define primary market area
- identify significant market influences and long-term consequences
- be attentive to issues affecting the market and the subject's competitive standing
- substantiate market issues with facts or the best available information
- conduct physical inspections of the market as needed

Reports generated Reports generated for the master file are:

- Rent Adjustment Tables by floor plan
- Property Features Report
- Third-party report such as CoStar or similar

Chapter 7 Approval of Loan

7.1) Commitment Authorization Request (C.A.R)

Purpose The Commitment Authorization Request, commonly referred to as a C.A.R, is a document submitted by the Development Officer to the Director of Multifamily Development Programs, Director of Development and the Executive Director requesting approval to issue a loan commitment.

Description The E.D.A.R includes a description of the following:

- Loan Purpose
- Developer Name
- Site Description/Location
- Proposed Unit Mix, Unit Sizes, Rents
- Financing Summary, to include a maximum loan amount, loan term
- Estimated Total Development Costs
- Estimated loan to Value
- VHDA Loan Fees

Appendix I shows a sample C.A.R

Distribution Following presentation by the DO to the Loan Review Committee (Chief of Programs, Chief Counsel, Chief Financial Officer, Managing Director of Rental Housing, Managing Director of Community Outreach, and Director of Rental Housing) and approval by the LRC, the EDAR form is routed for signature to the Development Officer, Director of Rental Housing, Managing Director of Rental Housing, and Executive Director.

Authorization If approval is given by the Executive Director of VHDA and the Managing Director of Development Programs, the Development Officer or Analyst will upload a signed version of the CAR into the ProLink system, change the Stage to CAR Approval Request and Status to Completed and enter a CAR Approved Date. The CAR Approved Date will generate a ProLink alert and send to the assigned deal persons.

7.2)

Information for Legal Form

Purpose The mortgage loan commitment binds the agreement of terms and conditions established by VHDA. Legal uses this data to prepare the Commitment.

When to issue The loan commitment is issued upon approval of the Commitment Authorization Request by the Executive Director. An information for Legal Form is prepared by the Development Officer. **See Appendix J for a sample Information for Legal Form.**

Issuance responsibility After C.A.R approval, the mortgage loan commitment is:

- prepared by the assigned legal representative based on the C.A.R and C.A.R.D.
- reviewed and executed by the DO and
- sent to the borrower/mortgage banker by the Legal division.

7.3) Acceptance of the Commitment

Development Officer's Responsibility

Once the Development Officer signs the Commitment, they must input the following information in ProLink:

- Commitment Date
- Commitment Expiration Date
- Change the Stage to Commitment and the Status to Completed.

Borrower's responsibility

The borrower:

- must accept the commitment within the time period specified in the commitment
- must return the required balance of Processing, Financing and Standby Fees

7.4) **Changes in Terms of the Transaction after Issuance of the Commitment**

Terms of the transaction has changed and result in changes to the loan documents

- If the terms of the transaction have changed after the issuance of the Mortgage Loan Commitment and will result in changes to the loan documents should be clearly communicated to the Legal Department.
 - Legal will give the Development Officer's the final versions of the construction loan documents to review and confirm that all numbers are accurate.
 - The Development Officer will notify legal of changes in the terms of the transaction that occur after issuance of the Mortgage Loan Commitment by memo/e-mail.
 - The final signed loan documents constitute the Borrower's acceptance of these changes.
-

Chapter 8 Administration of Multifamily Loans

8.1) Overview

Processing the loan commitment

- Commitments are returned to the designated Paralegal.
 - Paralegal reviews the commitment for accuracy and emails it to the Development Officer (DO), Business Analyst, DevCLA, and Servicing.
 - DO reviews the commitment for accuracy and uploads a copy of the fully executed commitment into the Files Section of ProLink.
 - CLA processes the related fees when received and inputs the information into ProLink.
 - CLA enters Commitment Effective Date into ProLink; this is the date the signed commitment and all fees are received by VHDA.
-

Distribution of loan commitment

The Commitment is uploaded into ProLink and an alert is sent to the following:

- Loan Servicing Officers, RH Servicing
 - Sr. Accountant/Data Reporting Officer, RH Servicing
 - Escrow Administration Supervisor, RH Servicing
 - RH Insurance Administrators, RH Servicing
 - Senior Insurance Administrator, RH Servicing
 - Manger of Rental Housing Servicing, RH Servicing
 - RH Business Support
 - Asset Manager, Compliance & Asset Management
 - Program Compliance Officer, Compliance & Asset Management
 - Assigned Attorney
 - Assigned Paralegal
 - Construction Control Manager, Construction Control
 - Construction Control Officer, Construction Control
 - Construction Control Coordinator, Construction Control
 - A&E Plan Reviewer, Construction Control
 - Senior Finance Manager, Capital Markets
 - Finance Manager, Capital Markets
 - Construction Loan Accountant, RH Development
 - DevCLA, RH Development
 - Development Officer, RH Development
 - Business Analyst, RH Development
 - Tax Credit Allocation Coordinator, RH Tax Credit Allocation
-

8.2) Pre-Construction Conference Requirement

Background The pre-construction conference is part of the Construction Loan Draw-Disbursement Process and a condition of loan commitment.

The conference is *generally* held:

- after all owner, contractor, and owner-architect agreements are signed
 - before or as close to initial closing as possible
 - before the first construction draw request and
 - before any construction starts.
-

Purpose The purpose of the conference is to:

- identify key staff
- review VHDA operating procedures such as the draw-disbursement process
- review Minimum Design and Construction Requirements
- clarify roles and responsibilities and
- review documents essential to the process
- review LIHTC enhancement point items, if applicable.
- Identify recurring on-site meeting time

Documents essential to discuss The following are documents to review during the conference: . (Click “No” when message box pops up)

- Pre-Construction Conference Record
- Application for Disbursement
- Change Order Disbursement Form
- Change Order Transmittal Form
- AIA G701
- Contractor Requisition Form
- Trade Payment Breakdown
- Unit-by-unit survey
- Minimum Design and Construction Requirements

Conference coordinator The conference is scheduled by the Construction Control Coordinator after receiving Prolink rate lock alert

Conference participants

The following should attend the conference:

- Virginia Housing Construction Control Officer
- Design and Construction Officer (when needed)
- Virginia Housing Development Officer assigned to the project
- Construction Control Accountant
- Owner/Developer
- General Contractor
- Major subcontractors as needed
- Project Representative or Construction Manager and
- Architect of Record (and supervising architect if different from Architect of Record)

8.3) Pre-Construction Conference Agenda

Model agenda The agenda is established by the Construction Control Officer or Design and Construction Officer. The following is the recommended agenda:

- Identification of key staff
- Review of owner's chain-of-command
- List of subcontractors for the job/project
- Verification of start-up and completion date
- Review and receipt of construction progress schedule
- Review of Construction Loan Draw Disbursement Process
- Review documents:
 - Application for Disbursement
 - Contractor's Requisition
 - Trade Payment Breakdown
 - Construction Interest
 - Retainage
 - Escrow
- Process for handling:
 - Field changes
 - Change orders
 - Substitution of materials
 - Provision of test reports
 - Provision of shop drawings
- Discussion of Construction Issues:
 - Scope of work
 - Quality control
 - Punch list
 - LIHTC Amenities selected for points
 - A&E Review
 - Minimum Design and Construction Requirements (The minimum design requirements can be found on www.virginiahousing.com)
 - Minimum cabinet requirements
- Loan Closing Issues:
 - Pre-closing review
 - LD LOC review
 - Retainage release
 - Escrow
- Establishment of:
 - dates
 - times and
 - places of on-site observations.

8.4) Construction Changes Approval Process

Purpose The Construction Changes Approval Process is designed to promote quality developments and protect the Authority’s security and reduce exposure to excessive cost increases. Virginia Housing requires the Owners and/or General Contractor to:

- inform Virginia Housing of all construction changes, as required per Virginia Housing closing documents;
- file the appropriate forms and discuss all changes with the Construction Control Officer and/or Design and Construction Officer; and
- request and receive approval prior to the changes taking place.

Change order definition A change order is a written order to the General Contractor, signed by the owner and the supervising architect, and approved in writing by Virginia Housing. Change orders often result from unforeseen conditions, which arise during the course of construction and were not considered in the original plans and specifications. They are only appropriate when there is a change in the scope of work as specified by the plans and specifications. An approved change order can result in a revised subcontract amount for the specific trade item and ultimately will cause an increase or decrease in the total contract sum at final closing. **VHDA does not fund or allow changes in the contract amount prior to closing; changes after closing are documented by properly executed change orders approved by a Virginia Housing Authorized Officer (Development Officer). Virginia Housing does not allow the owner to contract for labor or material outside of the Virginia Housing construction contract.**

Field order definition A field order is a written order to the General Contractor, signed by the owner and the supervising architect, and copied to Virginia Housing. Field orders are minor changes in the scope of construction that will not involve an adjustment in the Contract Sum or an extension of the contract time.

Forms Virginia Housing requires two forms for submitting change orders and field orders.

Form	Description
Construction Change Orders Transmittal Form	This is the Virginia Housing form for approving and filing the request for construction changes.
American Institute of Architects (AIA)	Appropriate AIA forms include: <ul style="list-style-type: none">• AIA Form G701• AIA Form G709 and• AIA Form G810.

Business rule Changes may **not** be made to the Trade Payment Breakdown after initial closing, unless approved by the Director of Multifamily Development Programs.

Construction Changes Approval Process (continued):

Step	Action
1	The Owner/General Contractor discusses the construction changes with the Construction Control Officer (CCO) or Design and Construction Officer (DCO).
2	The Owner/General Contractor emails one copy of the: <ul style="list-style-type: none"> • VHDA Construction Changes Transmittal Form and • the appropriate American Institute of Architects (AIA G701) form • to changeorder@virginiahousing.com
3	The Construction Control Coordinator logs-in the construction change request in ProLink and sends to the CCO.
4	CCO/DCO receives and reviews the change request. The CCO/DCO discusses the change with the Owner/General Contractor, if not done while at the site. <i>Note:</i> If an issue develops about the change, the CCO/DCO discusses the change with the Design and Construction Group Manager
5	CCO/DCO approves or rejects the change order in Prolink
6	If CCO approves, Development Officer reviews, then approves or rejects in Prolink
7	Construction Control Coordinator:: <ul style="list-style-type: none"> • receives alert from Prolink indicating a change order has been either approved or rejected • creates change order notification form • saves notification to Prolink • sends notification to GC, owner, and architect of record

Chapter 9 Construction Loan Draw Disbursement

9.1) Overview

Purpose

The purpose of the Construction Loan Draw Disbursement Process is:

- to process and disburse the Owner's request for loan funds in a timely and accurate manner and
- to protect the security for VHDA-financed projects by:
 - verifying the quantity of construction at each draw point and
 - ensuring the quality of that construction

Principal participants

Principal participants in the process are:

- Construction Control Officer (CCO)/Design and Construction Officer (DCO)
- Construction Loan Accountant (CLA)
- Development Officer (DO)
- MF Accounting Department
- Treasury
- Owner/Contractor
- Disbursement Agent/Title Company

9.2) Construction Draw Disbursement Process

Process The Construction Loan Draw Disbursement Process is outlined below:

Stage	Description
1	<p>Owner, General Contractor and VHDA Construction Control Officer (CCO) or Design and Construction Officer (DCO) schedule site inspection. This generally occurs at the pre-construction conference and/or site visit.</p> <p>NOTE: CCO/DCO maintains the schedule for draw inspections on his/her Microsoft Outlook Calendar.</p>
2	<p>CCO/DCO reviews draw at the site to determine that the work-in-place justifies the amount of the draw. Line items may be adjusted at the discretion of the CCO/DCO. If CCO/DCO determines that requested work-in-place is not ready, he may reject the application and reschedule the draw.</p> <p><u>Accepted draw:</u> If the CCO/DCO accepts the draw request, the CCO/DCO amends the Contractor's Requisition form, if needed, onsite and approves it after the Architect approves the form on Procorem.</p> <p><u>Rejected draw:</u> If the CCO/DCO rejects the draw request, the CCO/DCO reschedules the site inspection and informs the D.O of the decision. This is rare as usually the CCO/DCO, Contractor, and Architect agree at the site visit how much has been completed, and adjustments are made in real time with the online form through Procorem/Budget Pro.</p>
3	<p>A fully executed copy of the draw (with CCO' s/DCO's signature will then be submitted by either the owner or General Contractor into Procorem/Budget Pro online and the CLA receives a notice they are ready to upload. .</p> <p>Fully executed copy of draw or revised draw includes:</p> <ul style="list-style-type: none"> • Application for Disbursement • Contractor's Requisition • Invoice Cover Sheet • Invoices for soft costs • Change Order Request Form (if requesting change orders) • G702 and G703 (if requesting change orders) <p>Required signatures on a fully executed draw include the (which may be provided in multiple parts):</p> <ul style="list-style-type: none"> • Owner • Contractor • CCO/DCO and • Supervising Architect • Development Officer

4	<p>The CLA reviews the draw packet for completeness and accuracy and will input the fully executed draw in the ProLink draw system. If errors are present, the CLA will work with the submitter to make corrections, and new corrected documents may be submitted.</p> <p>The CLA will prepare the draw request for approval by the Development Officer (DO). An alert will be sent to the Assigned DO for approval. The DO enters the approval date after verifying the draw data. See. DO approval is required for all draws.</p> <p><u>Title Endorsements:</u> Draws will be disbursed based upon the title run-down performed by the title insurance company, and reported to Multi-Family, and the issuance of an endorsement to the title insurance policy based upon that run-down even if the actual disbursement takes place later in the day or indeed on the following day or the day after. We would have insurance coverage for that draw good through the date and time of that endorsement, which is normally 8:00 a.m. or 8:30 a.m. the day of the title run-down, and up to the dollar amount of that endorsement (which must match the total of all draws for Virginia Housing funds).</p>
5	<p>All regular construction draws are disbursed by wire. The CLA wires these funds from the Online Treasury Manger with Truist. These wires are seconded by another CLA. If a draw is disbursing funds from an account other than the normal Rental Housing Bonds Checking account, Treasury will take over wiring the funds.</p>

9.3) Maintenance of Project Letters of Credit

Background The following letters of credit are kept and maintained by the Construction Loan Accountant (CLA) during the construction period to avoid a lapse in the expiration date:

- Completion Assurance Letter of Credit or cash
- Other forms of Letters of Credit or cash

Policy VHDA requires letters of credit or cash and insurance policies as collateral during the construction period. The Construction Loan Accountant is responsible for the maintaining the documents.

Letter of Credits:

The required amounts for Completion Assurance and Latent Defect letters of credit (“LOC”) are set forth in the Mortgage Loan Commitment. These amounts are based on the Total Contract Sum as it exists at the time the Commitment is prepared. These amounts are binding on the Mortgagor absent an agreement by the Authority.

The Development Officer can decide whether to make changes to the LOC amounts when there are changes (both increases and decreases) to the Total Contract Sum.

If the Total Contract Sum decreases, it is within the DO’s discretion to have the LOC amounts remain the same. In fact, frequently the Mortgagor prefers this course because of the difficulty in obtaining an amendment to a LOC that is already issued.

If the Total Contract Sum increases, the DO has discretion to increase the letter of credit or leave it at the same amount.

If the LOC requirement is not changed, the DO should prepare a note to the file to memorialize their decision and basis for that decision. If the LOC amount is changed, it may simply be reflected in the final Completion Assurance Agreement.

Monitoring procedure

The monitoring procedure is outlined below.

Step	Action
1	The Construction Loan Accountant (CLA) enters the following information into ProLink: <ul style="list-style-type: none">• all Letters of Credit and cash Securities• the amounts• the expiration dates, issuing institution, date of issuance, and ID number for all LOCs.

2	<p>The ProLink Draw Alert 5.00 will notify the various recipients <u>at</u> 30, 60 or 90days prior to expiration for each Letter of Credit.</p> <p>It is the responsibility of the DO to notify the clients of any expiring Letters of Credit. It is also the DO's responsibility to permit release or reduction of the Letter (s) of Credit.</p> <p>When releasing letter of credits, an email or some form of documentation needs to be sent to the Construction Loan Accountant with the Development Officer's decision whether to release the letter of credit or not. An attorney's authorization is also needed to return a standby LOC. The CCO's authorization is also needed to return a latent defect LOC.</p>
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Chapter 10 Closing of the Loan

10.1) Loan Closing Process

Process The initial/permanent loan closing process is outlined in the table below.

Stage	Description
1	Construction Loan Accountant receives signed commitment and fees from borrower and follows Section 8.1- Administration of Multifamily Loans.
2	At receipt of commitment the VHDA attorney and the borrower's attorney work together to set the date of Closing.
3	DO schedules the Construction Control Officer (CCO) or Design and Construction Officer (DCO) at the appropriate time to perform final inspection.
4	For a permanent loan closing, the DO and/or Attorney requests Closing Memo from RH Servicing Department.
5	VHDA attorneys will: <ul style="list-style-type: none">• schedule actual loan closing date and• notify the Development Officer
6	The Construction Loan Accountant changes the Stage and Status in ProLink. The Closing Date, the date in which the Deed of Trust Note is dated, is added in ProLink by the Paralegal.

10.2) Final Closing Determination Review

Definition Final Closing Determination is the stage before the final loan disbursement when the Development Officer checks for compliance with the Code of Virginia statute.

Statute requirement The statute is § 36-55.33:1 of Chapter 1.2 Virginia Housing Development Authority Act which states that VHDA cannot loan in excess of:

- Ninety-five (95%) of the total approved development costs to a for-profit sponsor and
- One hundred (100%) of the total approved development costs to a non-profit sponsor.

Review The Final Closing Determination Review occurs after construction of the development and the certification of the costs. The review includes the Development Officer reviewing the:

- Mortgagor's and Contractor's Cost Certifications
- Servicing Department escrow memo for accuracy
- Total of previous disbursements
- Balance of available funds
- Development Officer authorizing the final disbursement.
- Prepares final Closing Determinations form
- Coordinates between the Legal Department and CLC for 24 hour notice for wiring of funds.
- If Tax-Exempt, prepares Final Good Money/Bad Money form and supply to Legal Department.

Chapter 11 Records Management

Storing Final Plans and Specifications

Background Virginia Housing has transitioned to electronic storage of loan underwriting and A&E files, storing all documents in ProLink as the repository and following the appropriate file retention Policy.

Where possible, Virginia Housing is working to make digital copies of legacy documents and materials that require retention.

VIRGINIA HOUSING DEVELOPMENT AUTHORITY

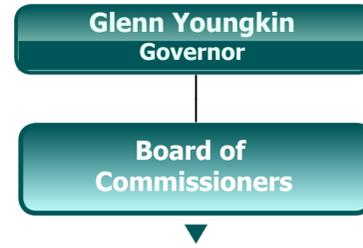
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Multifamily Policy
& Procedures Manual

Appendix A



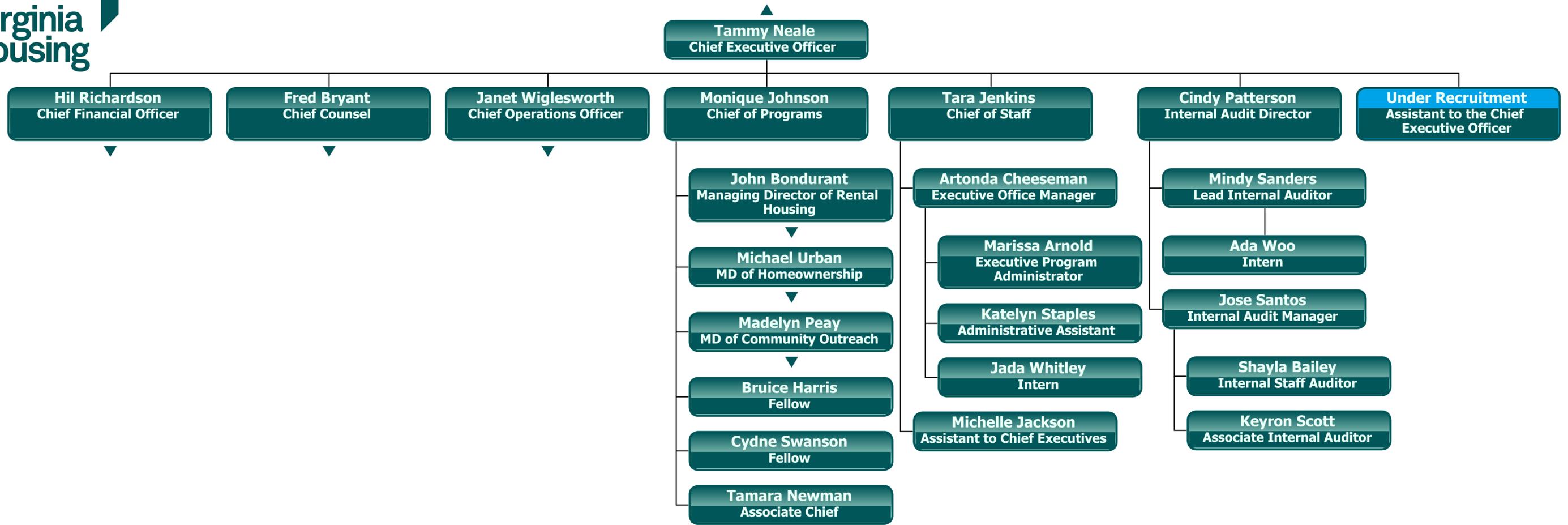
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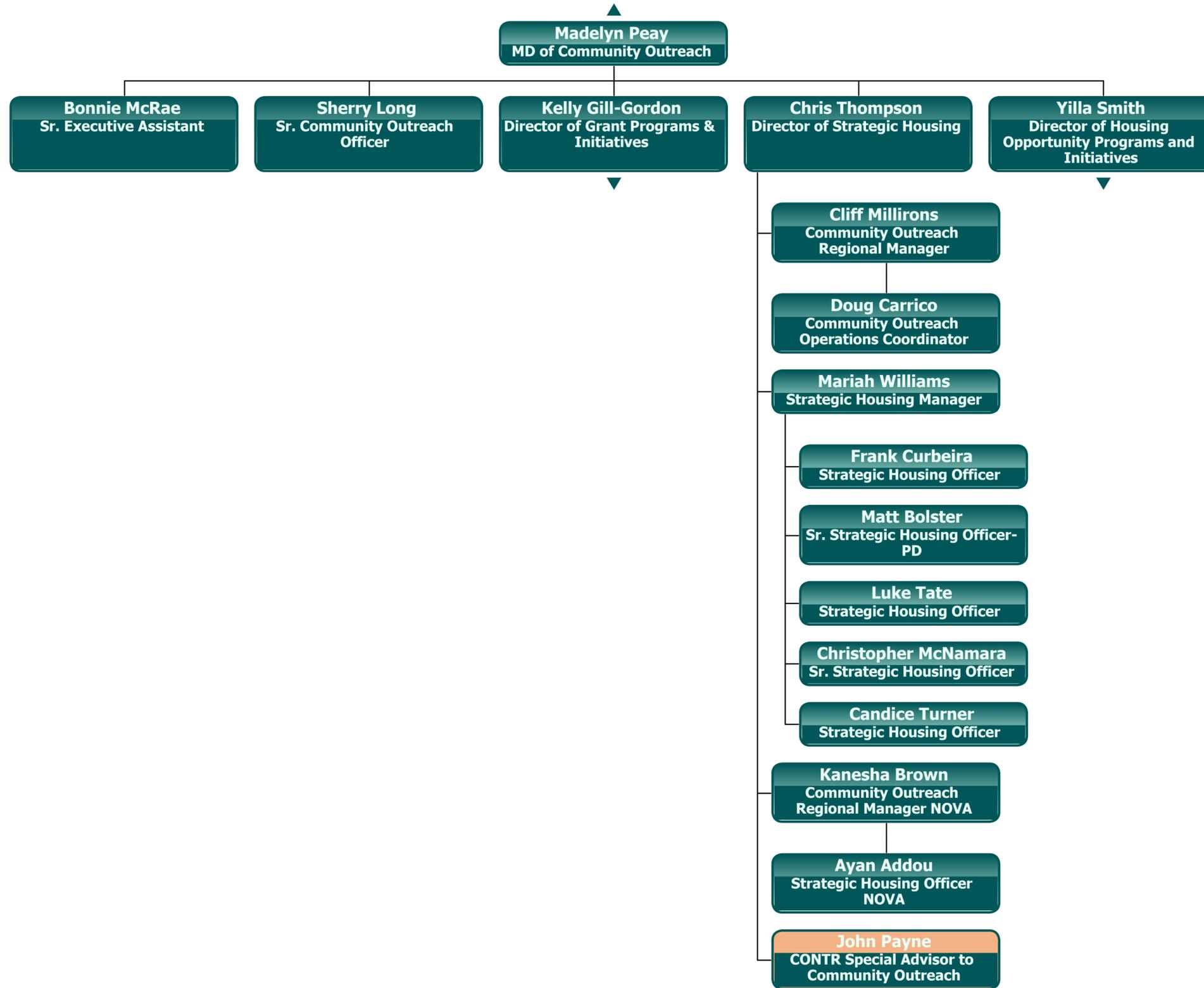




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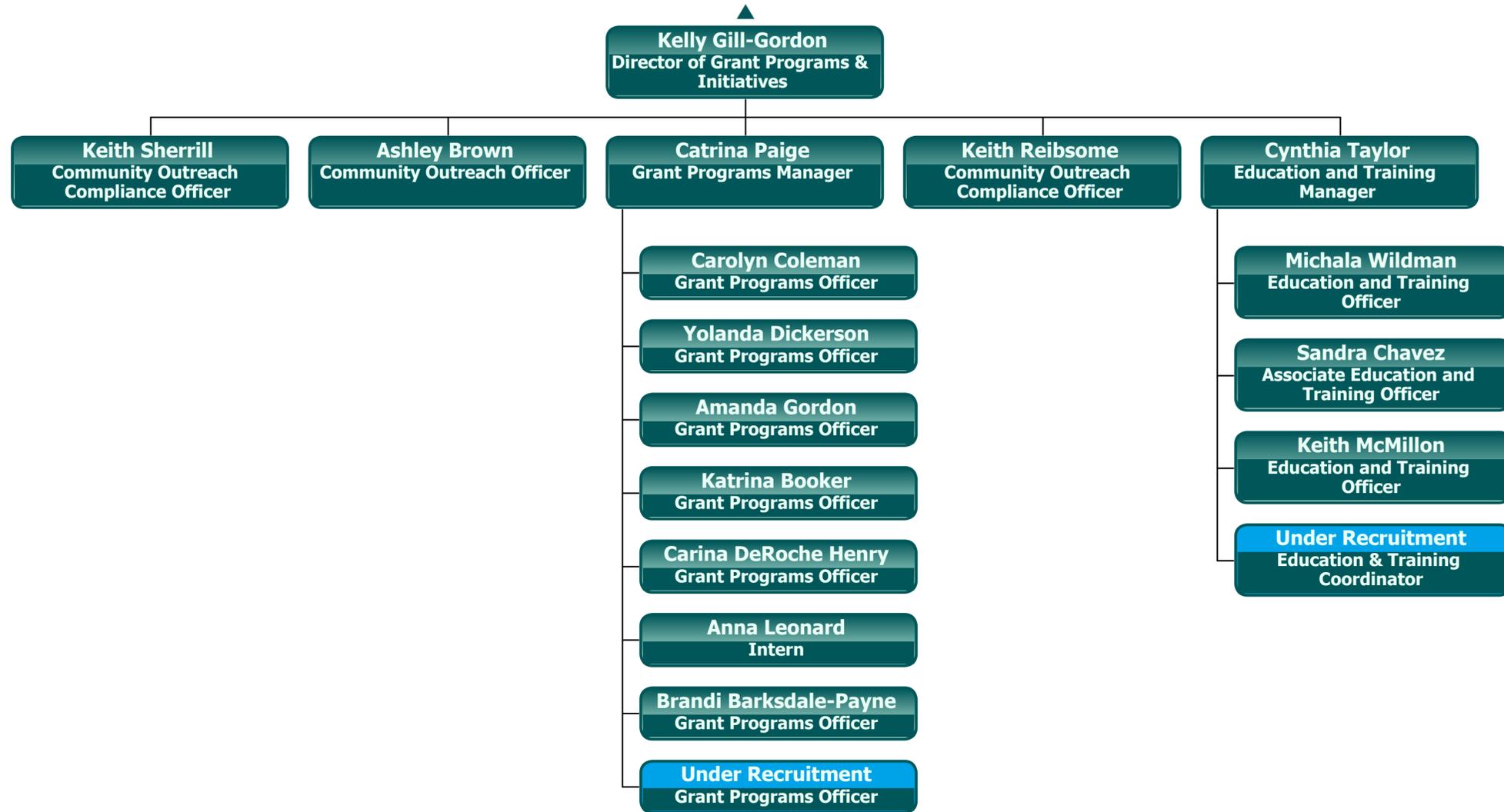


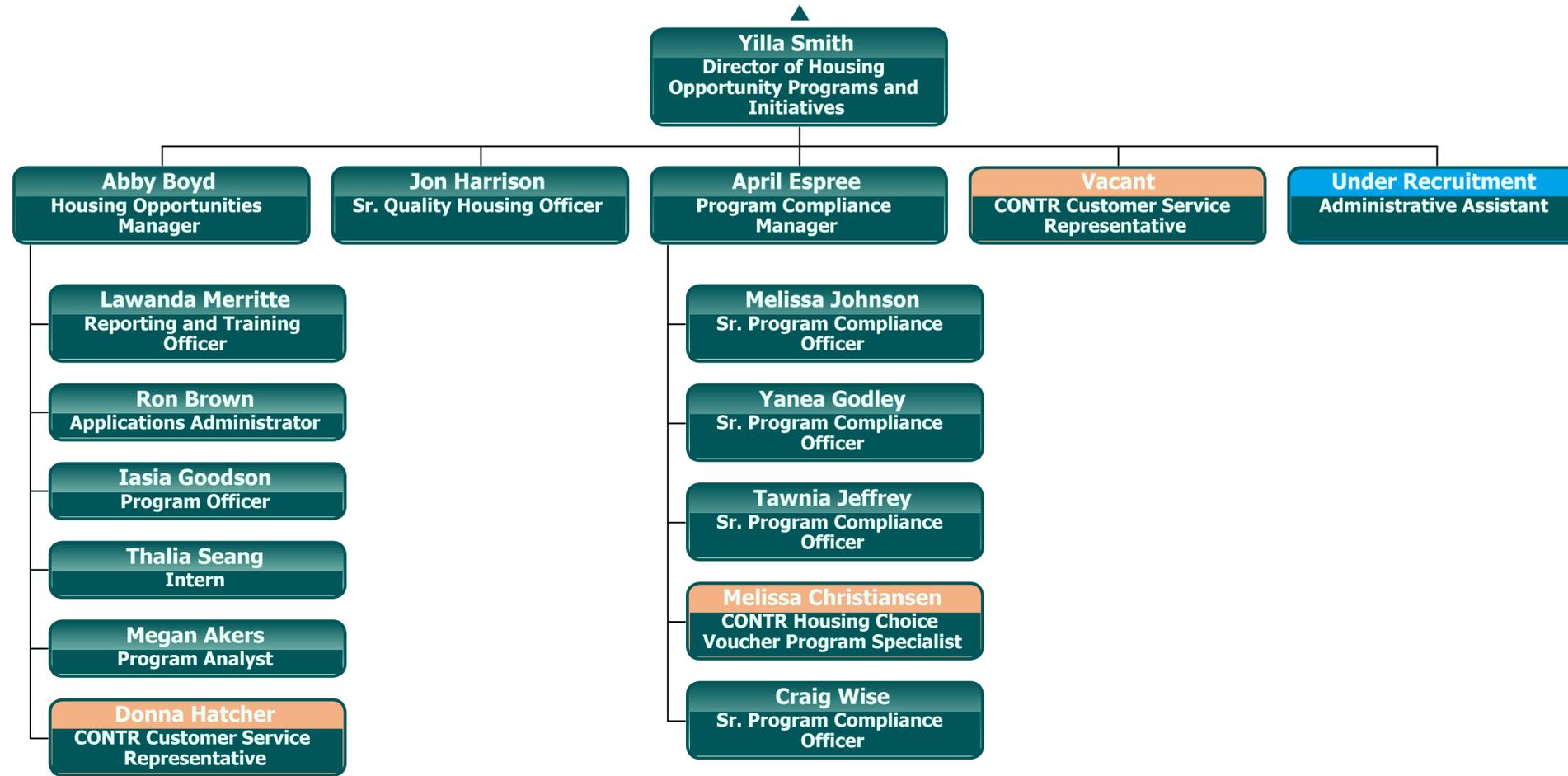


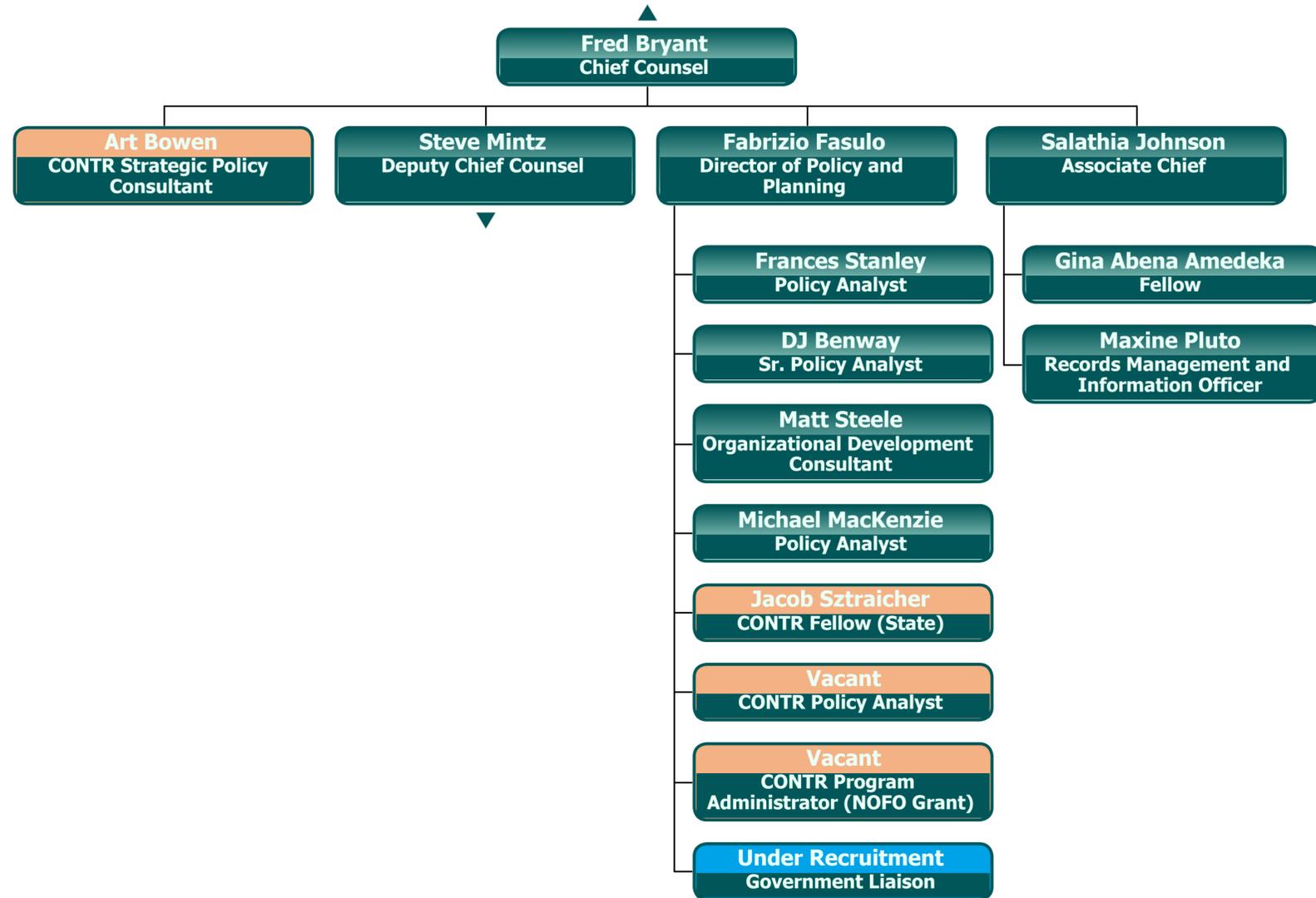


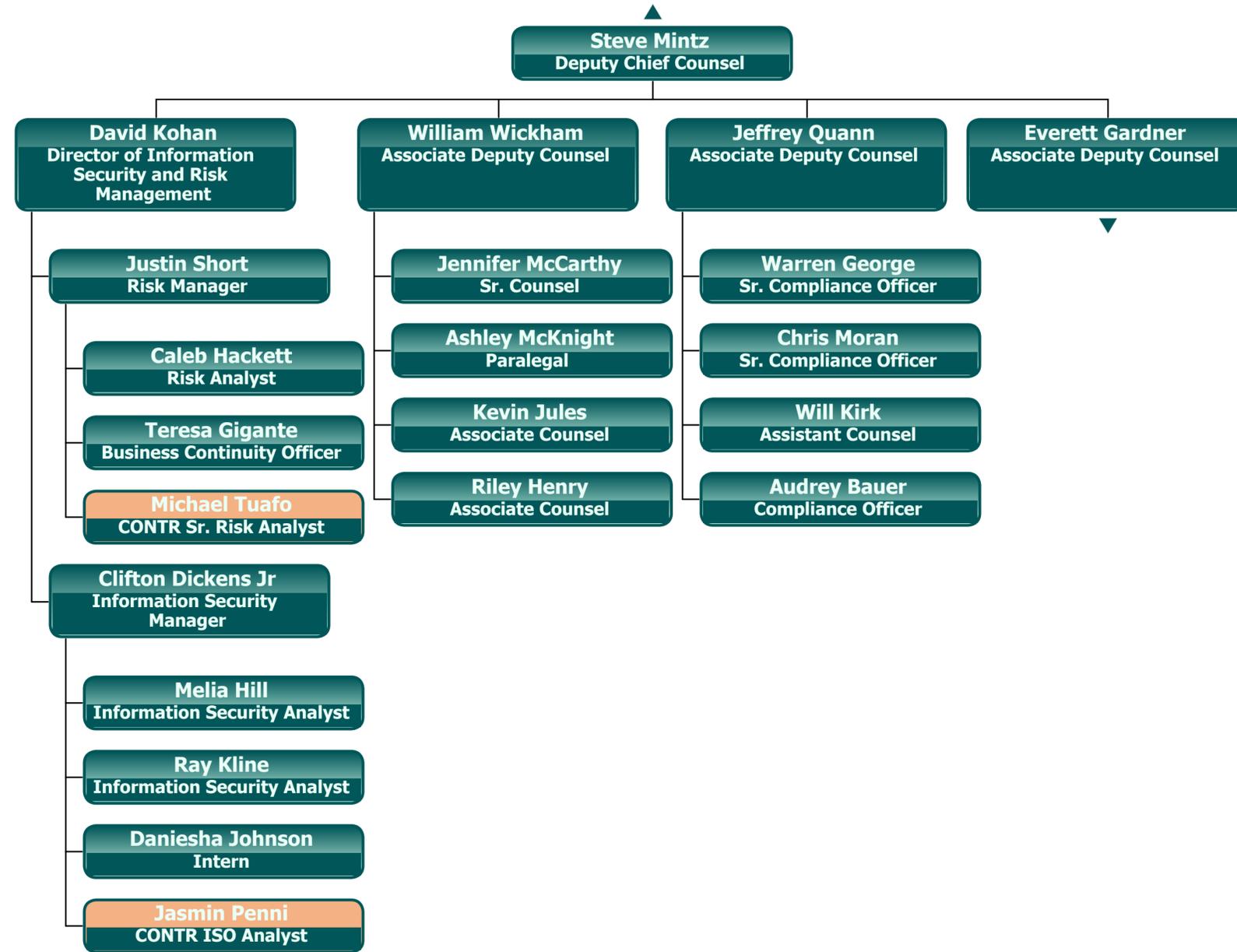


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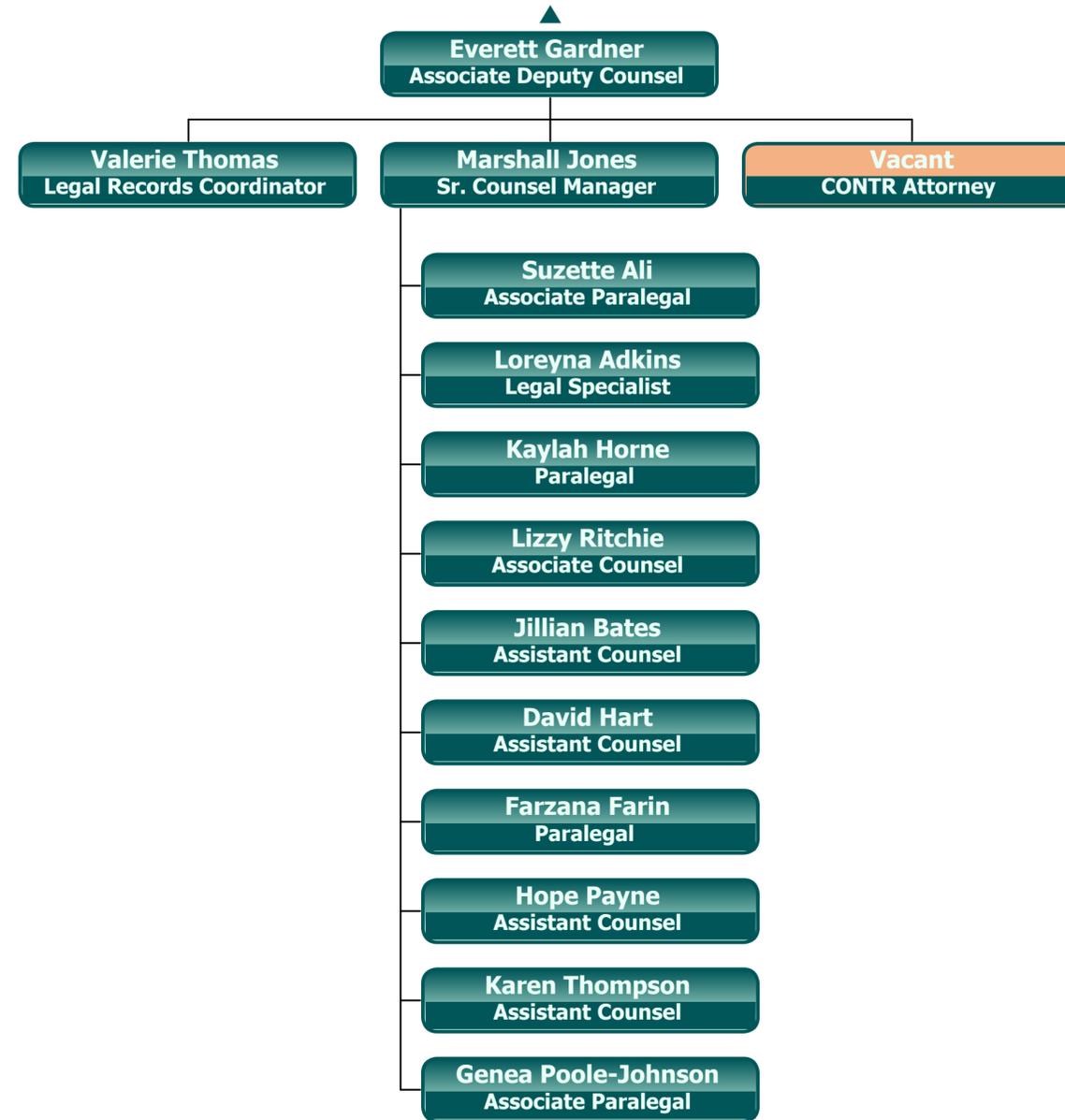






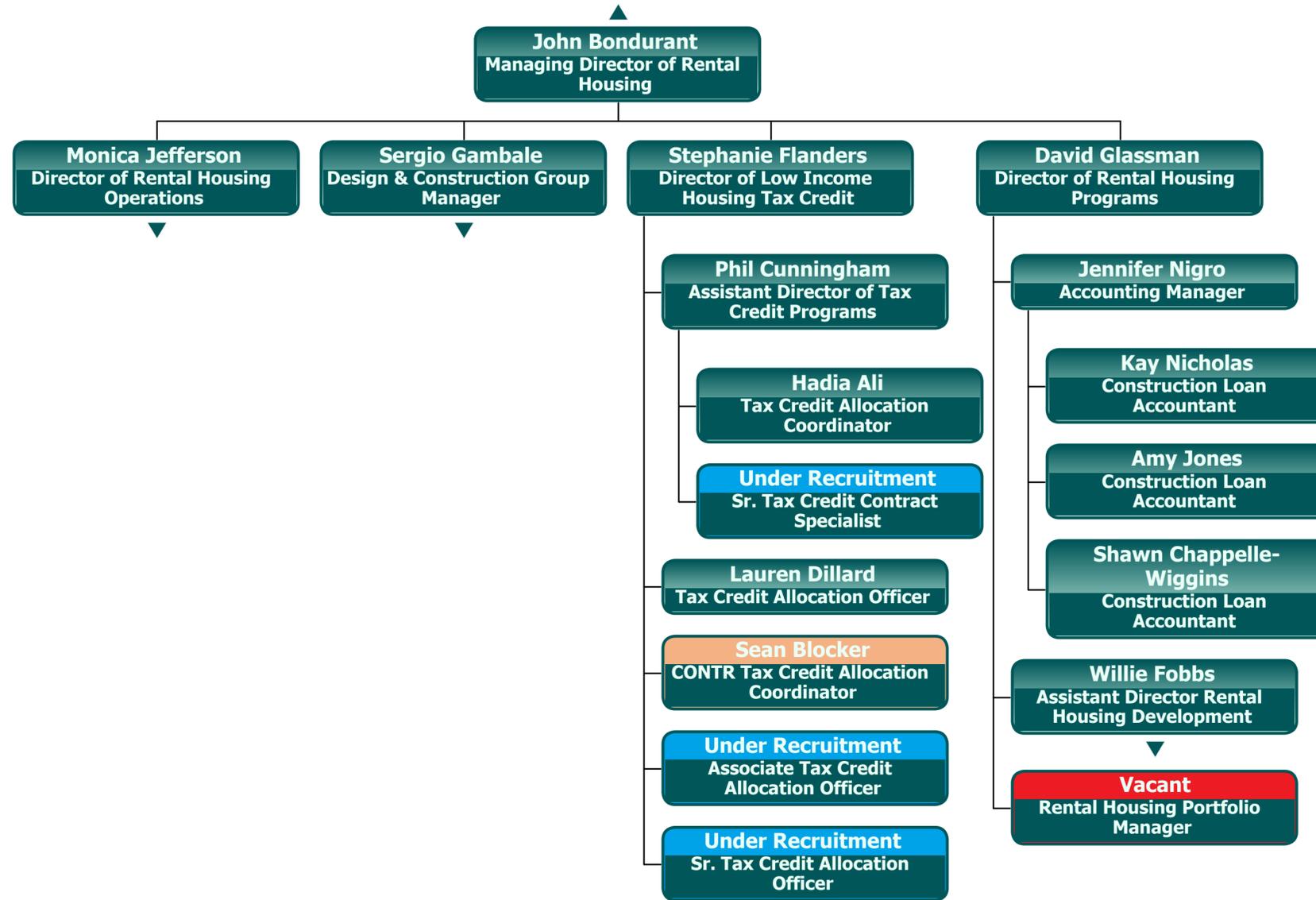


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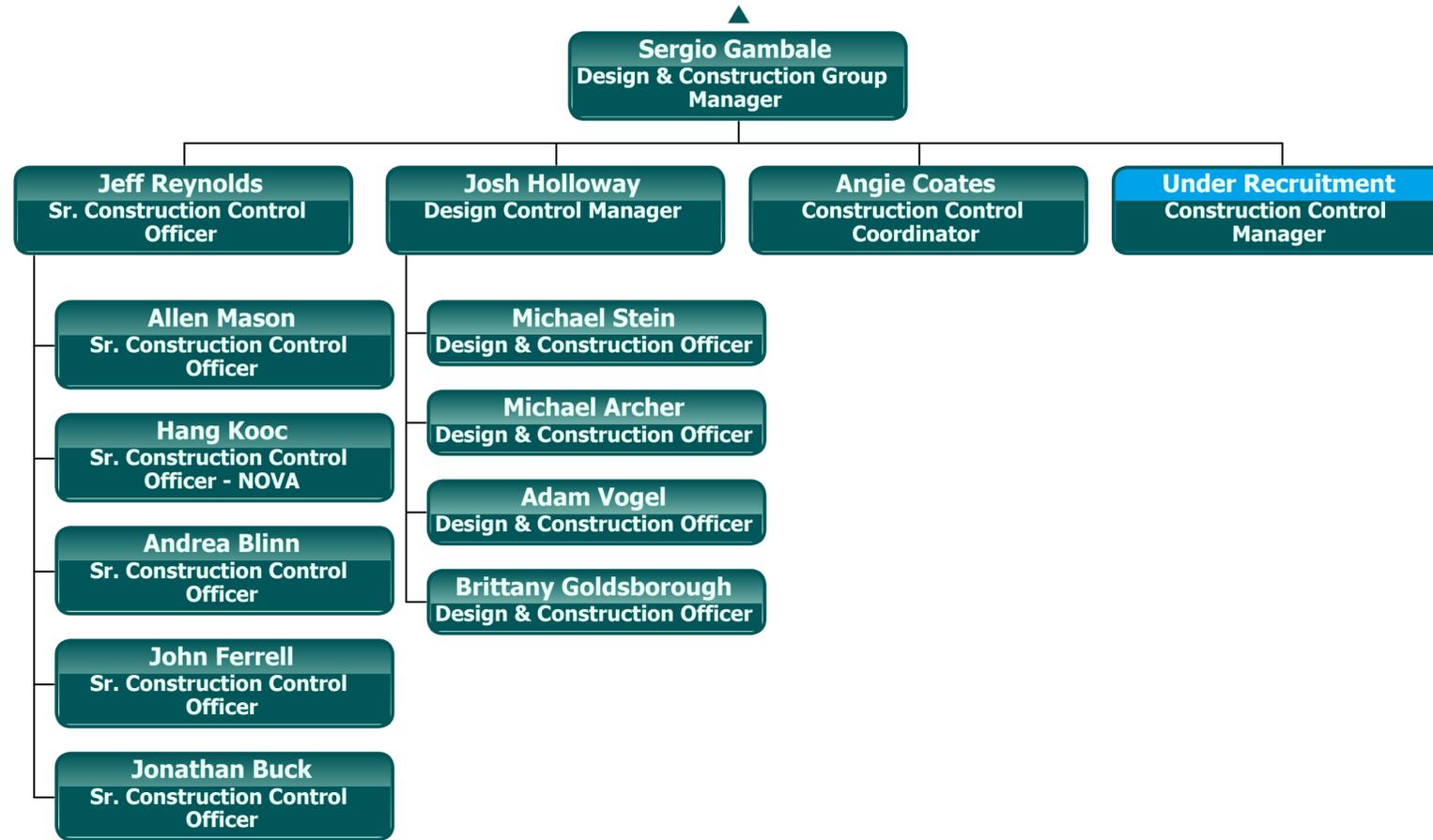


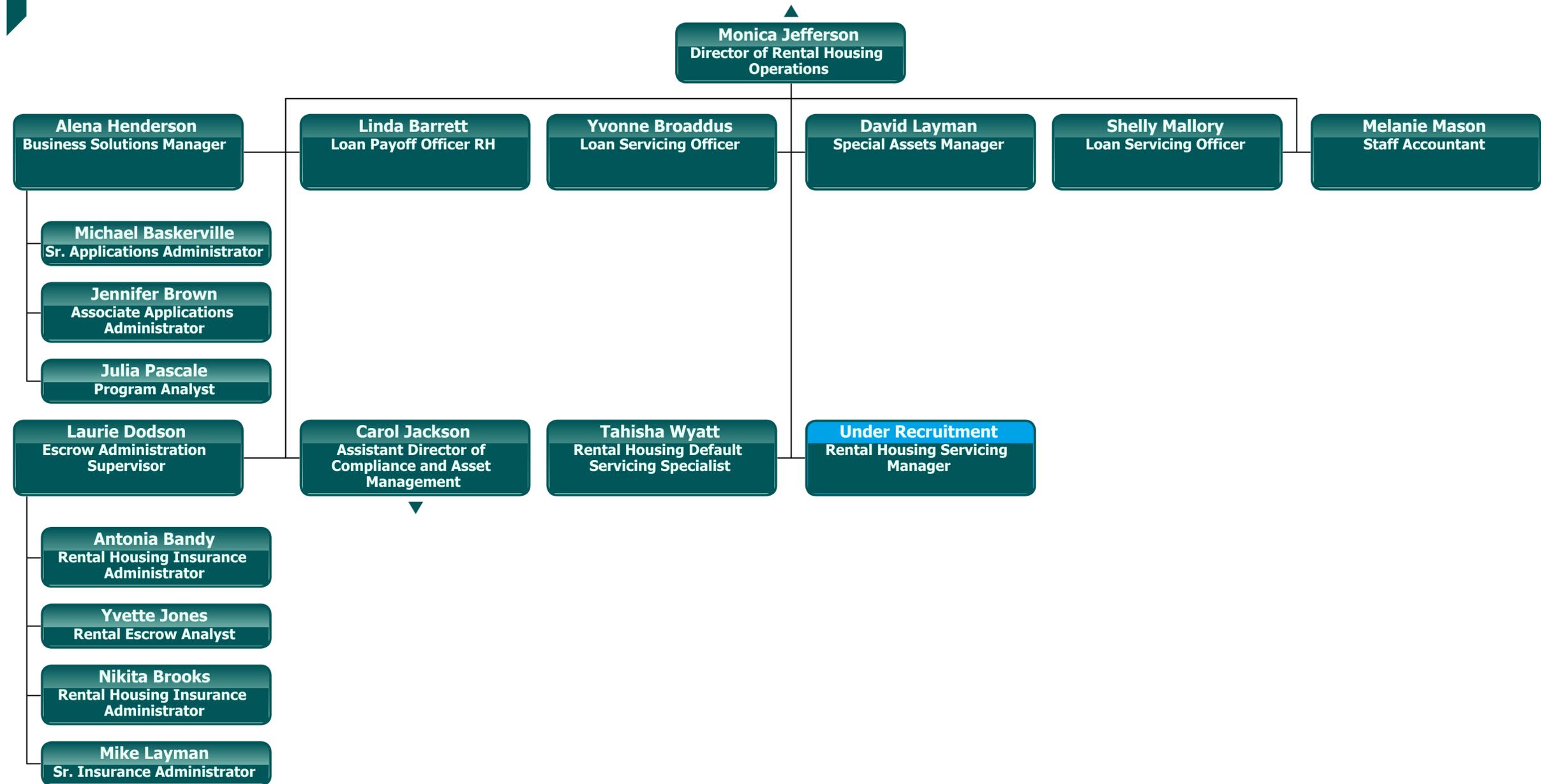


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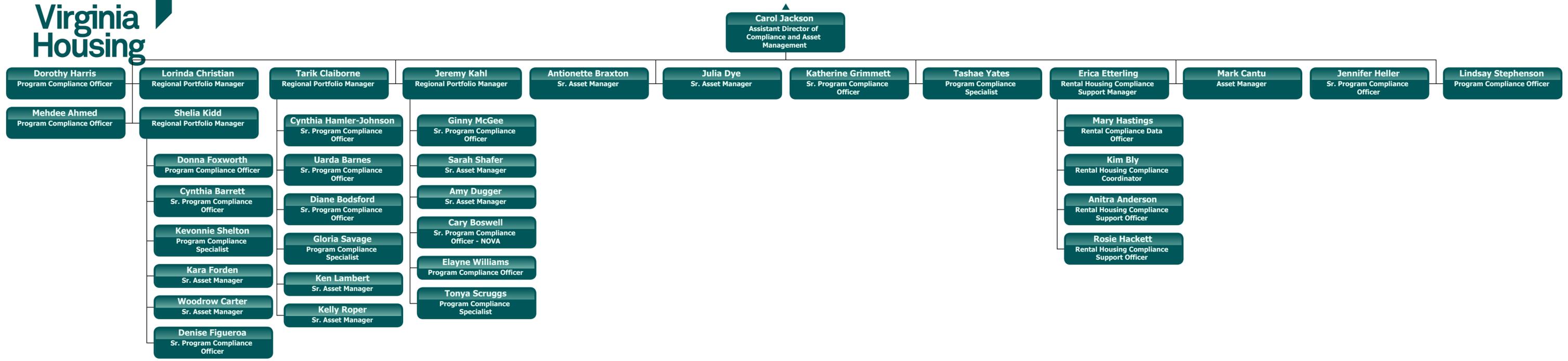


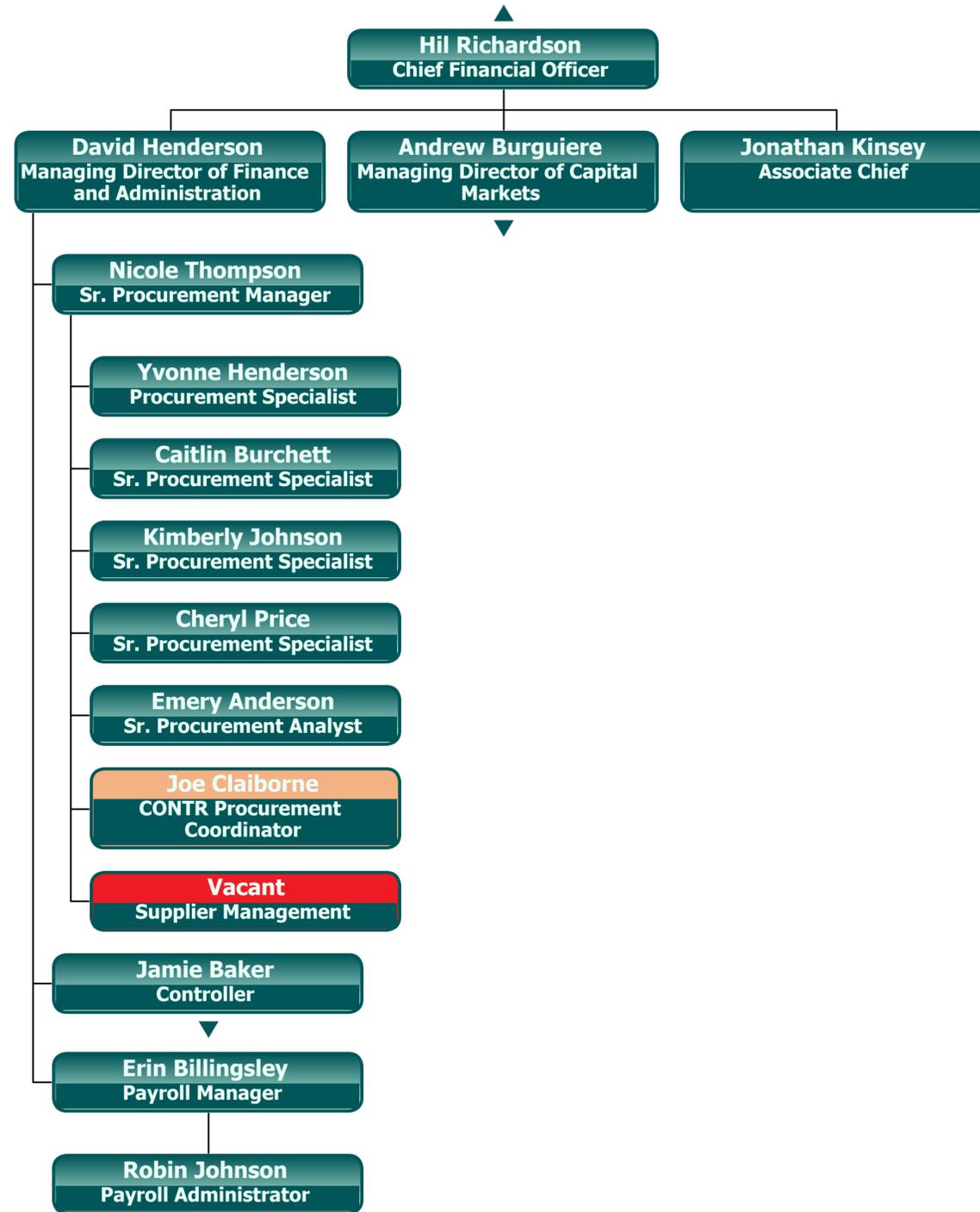


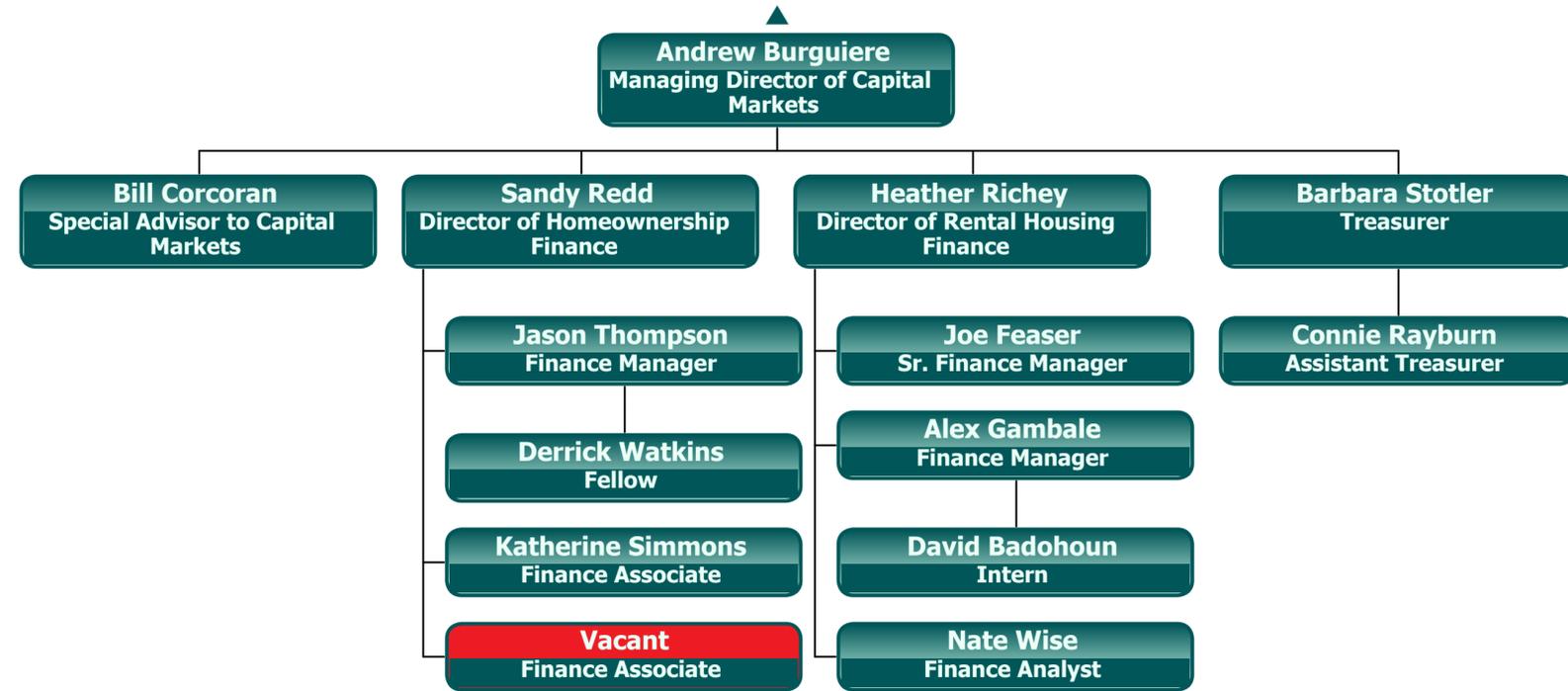


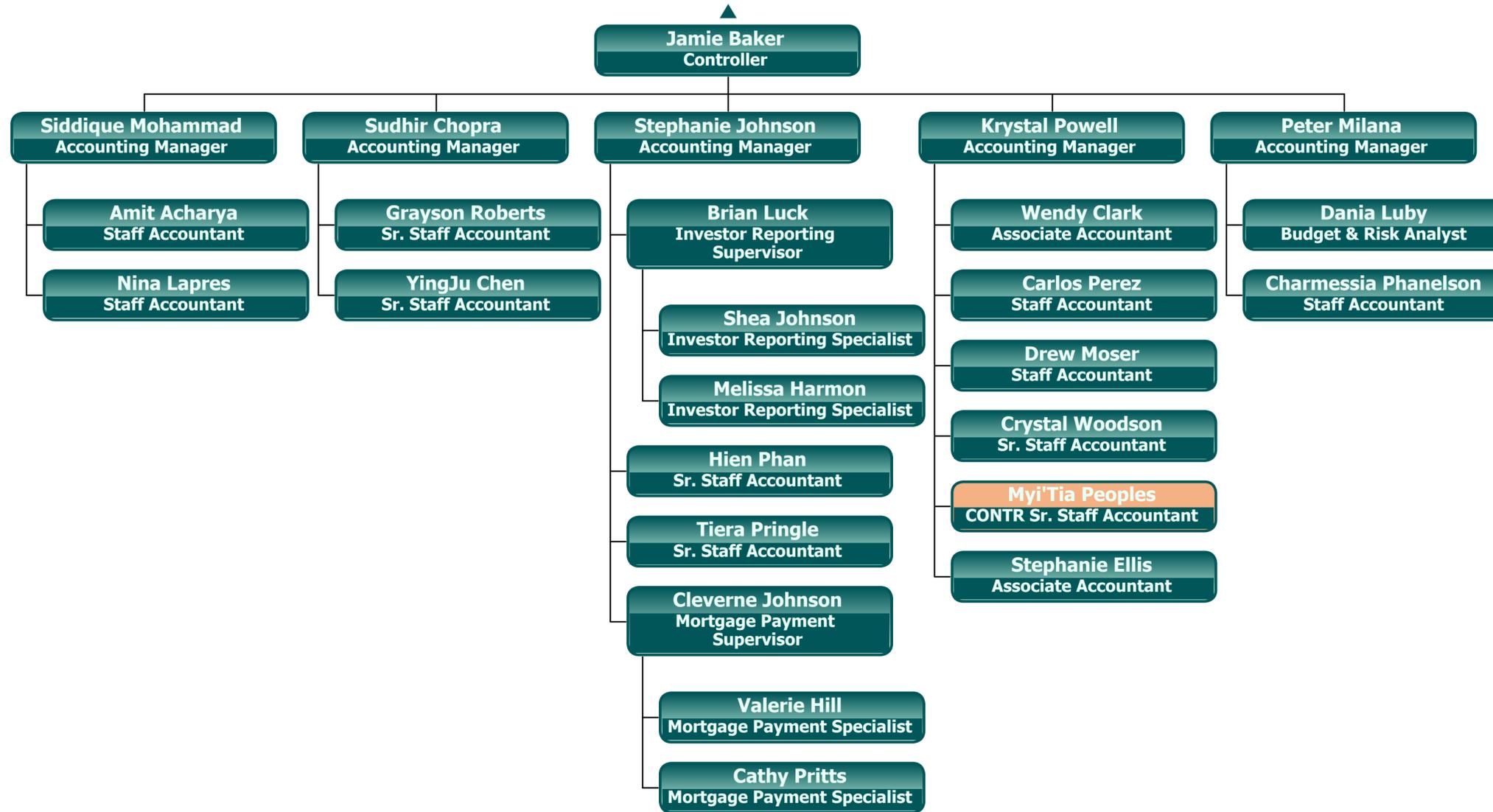


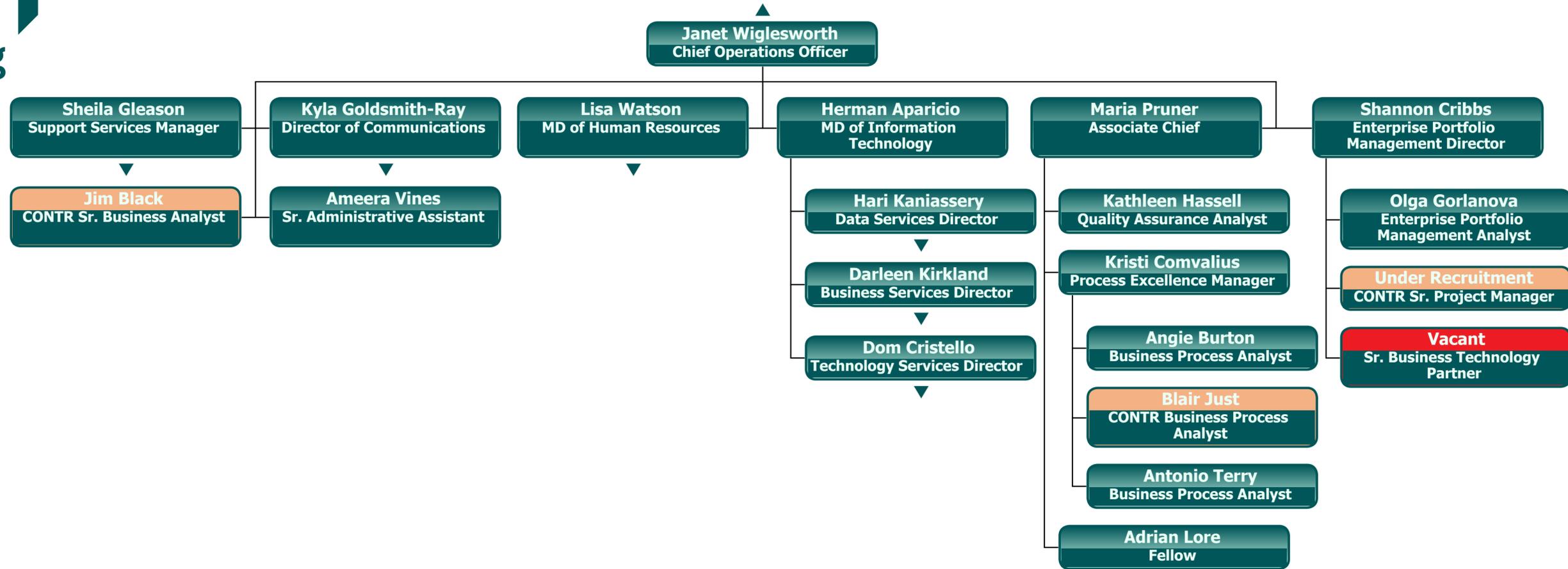
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Under Recruitment
Vacant





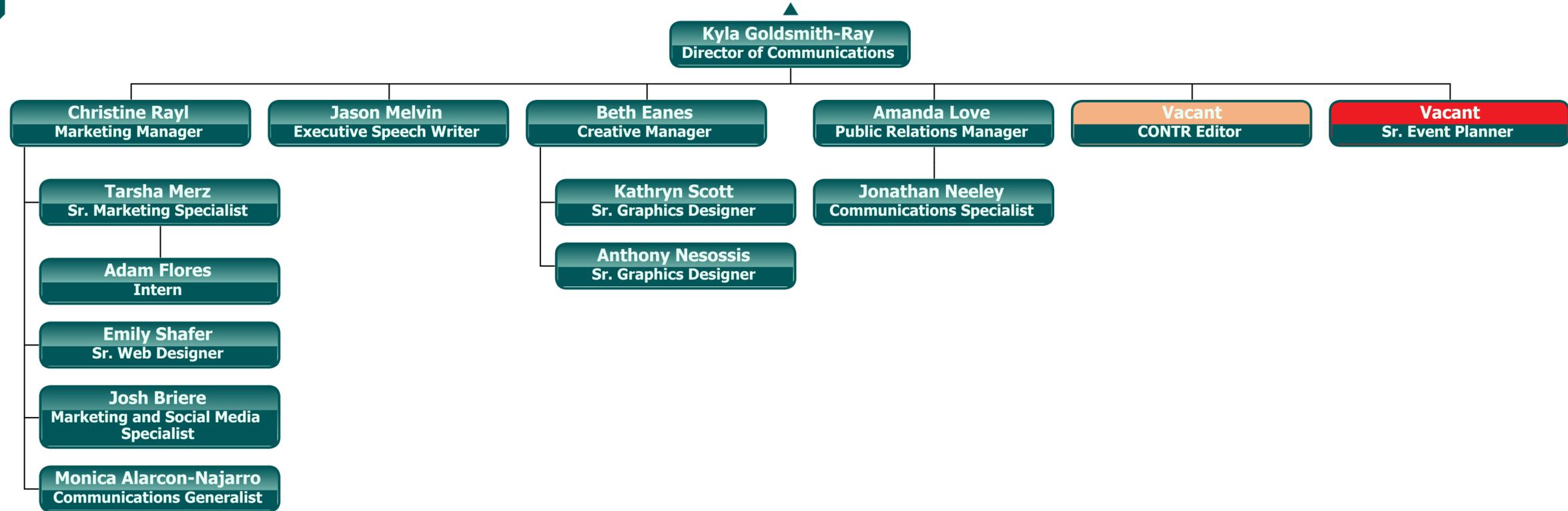




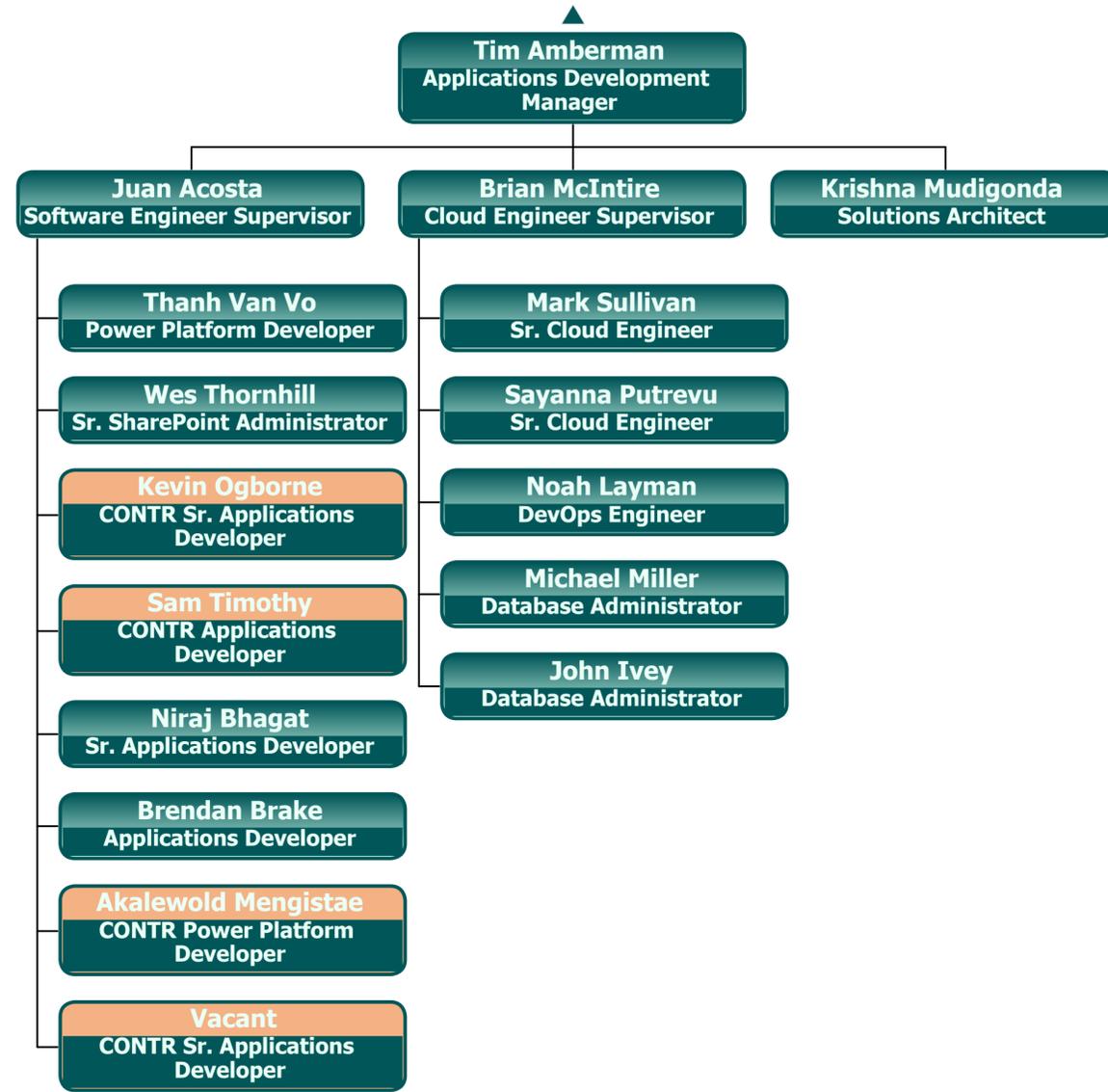


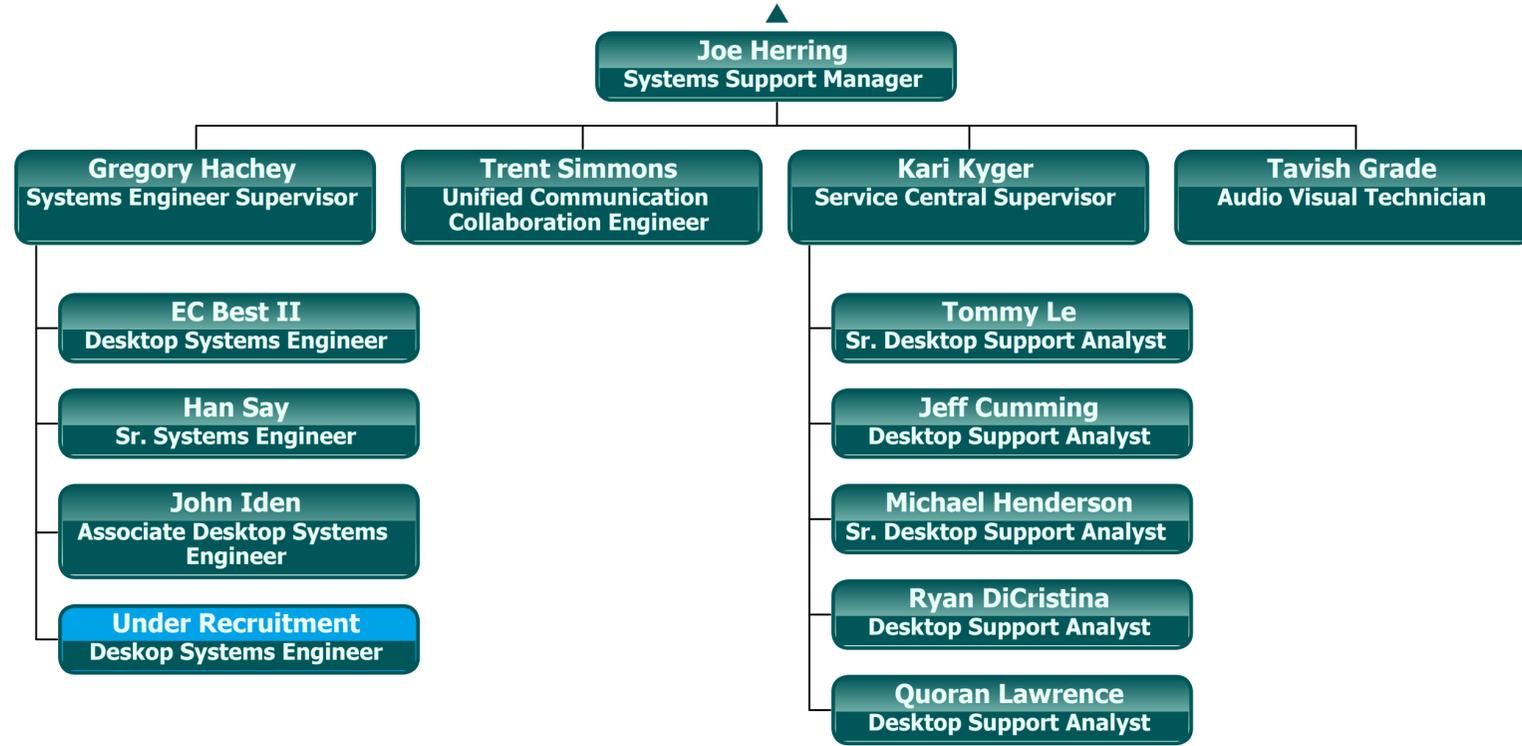


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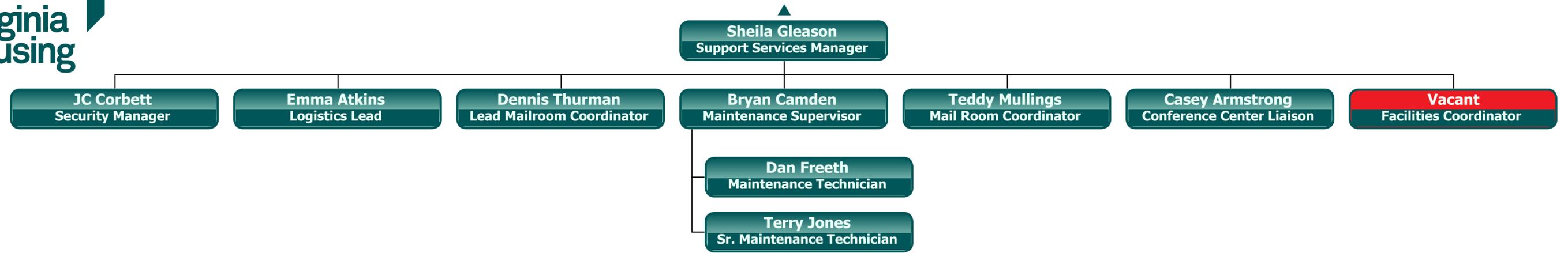


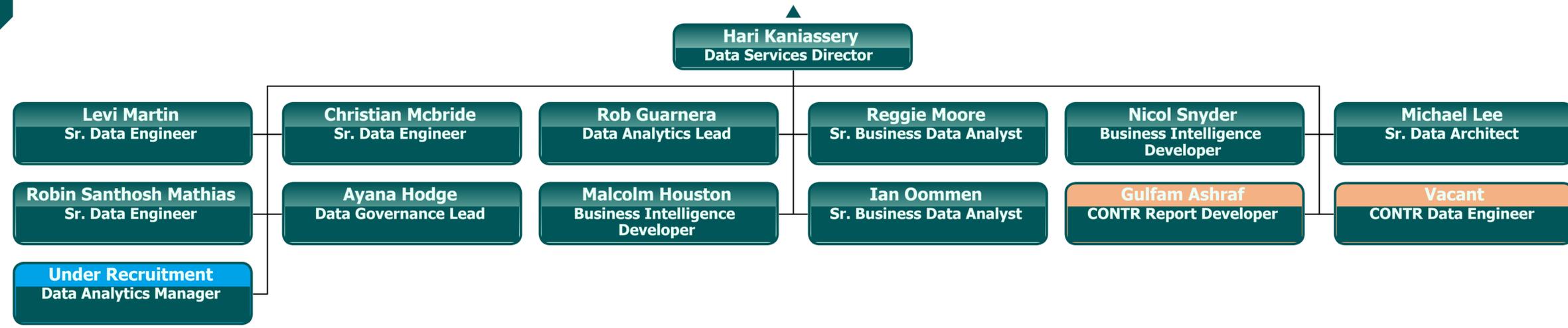


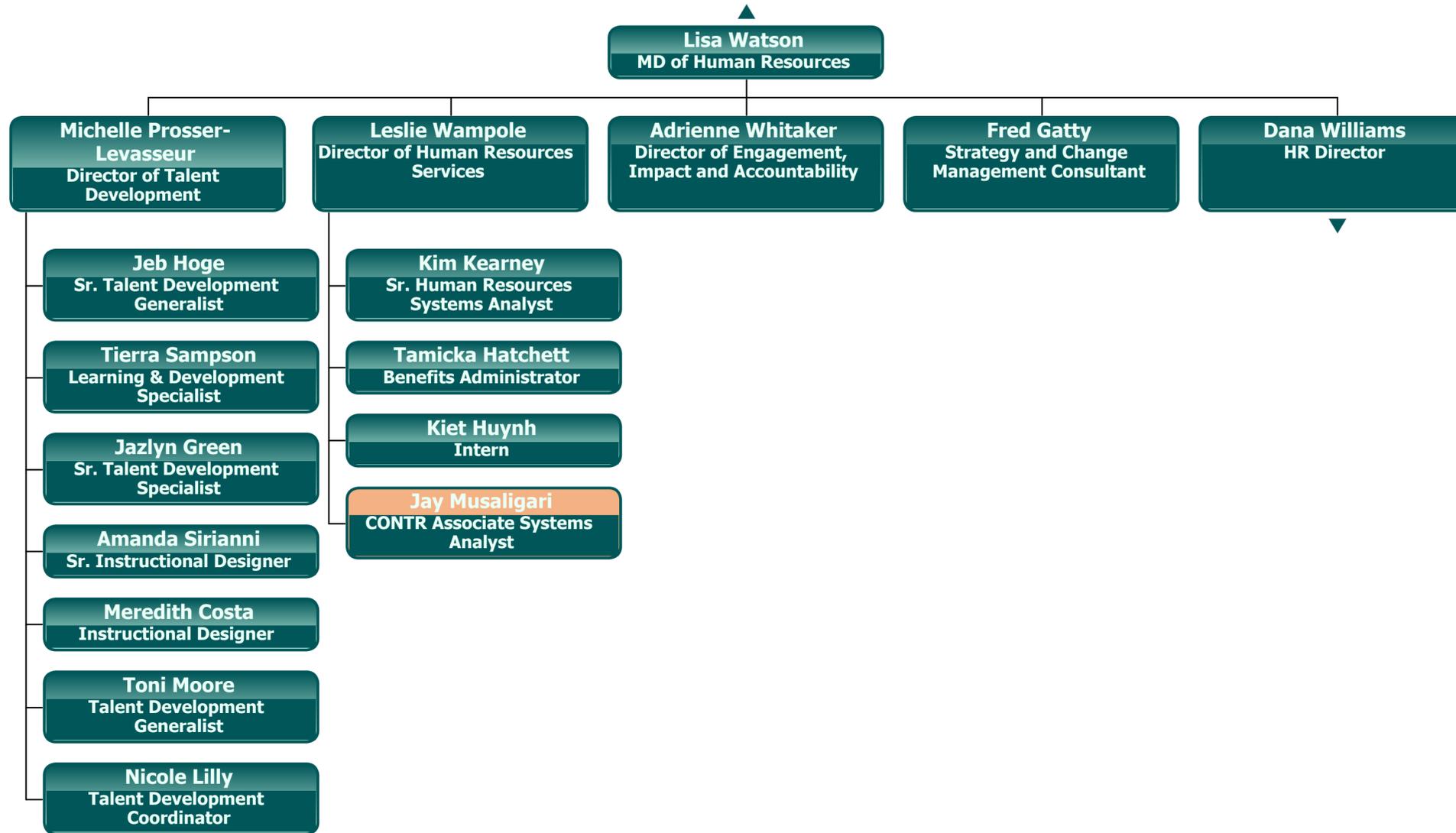


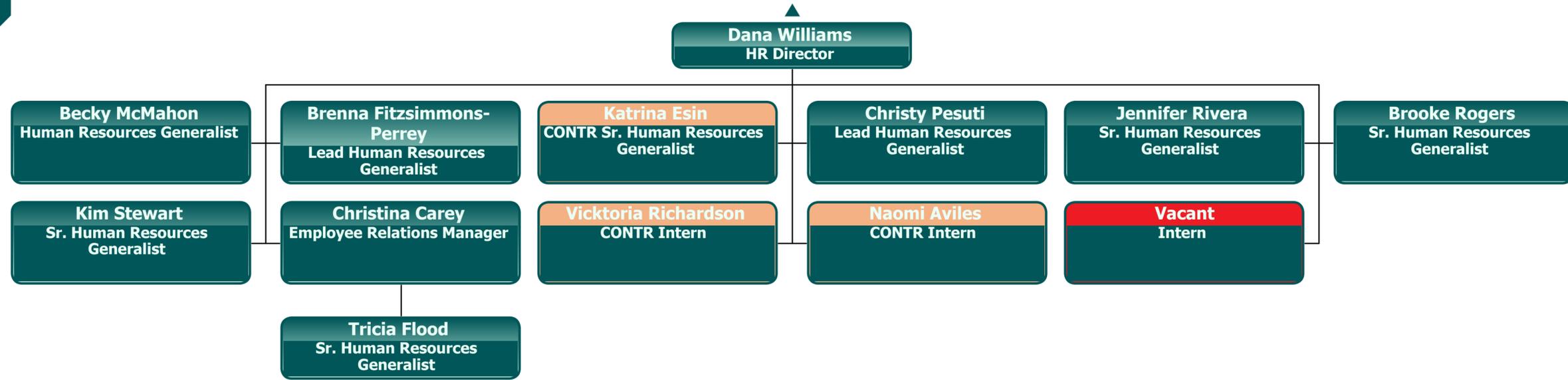


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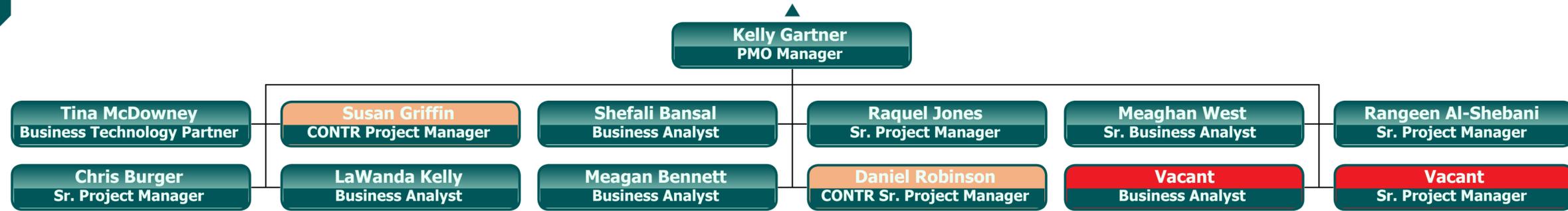


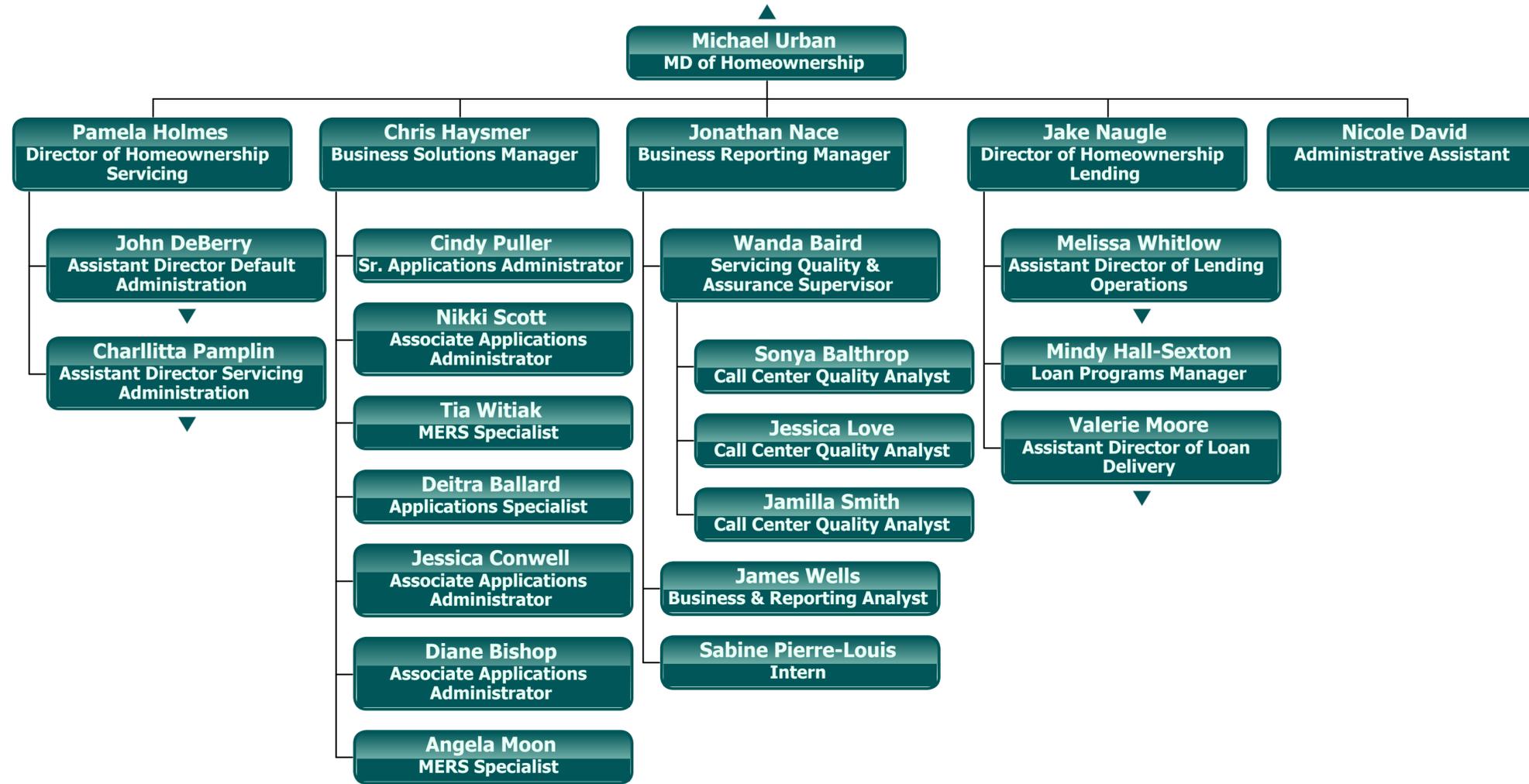




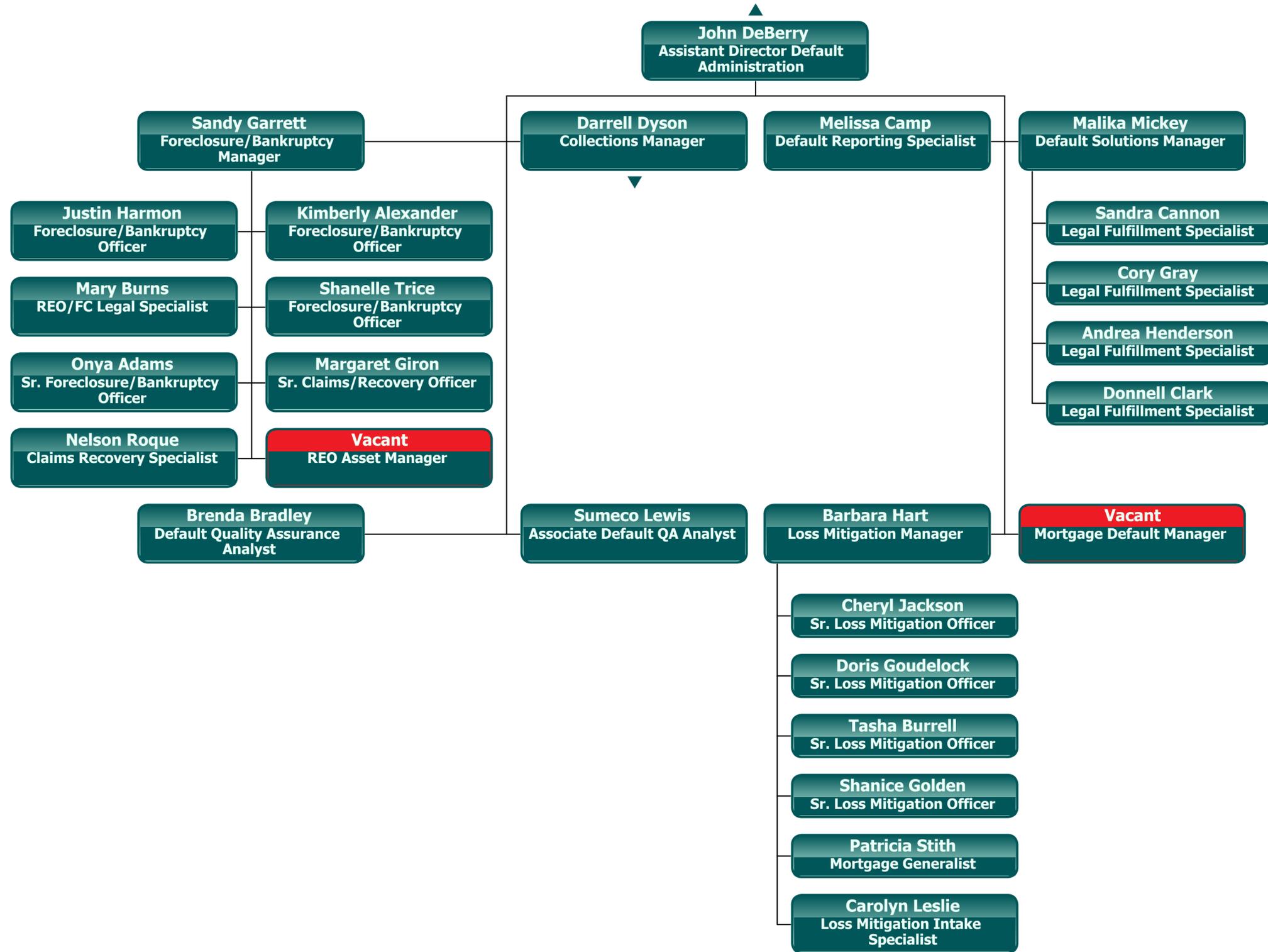


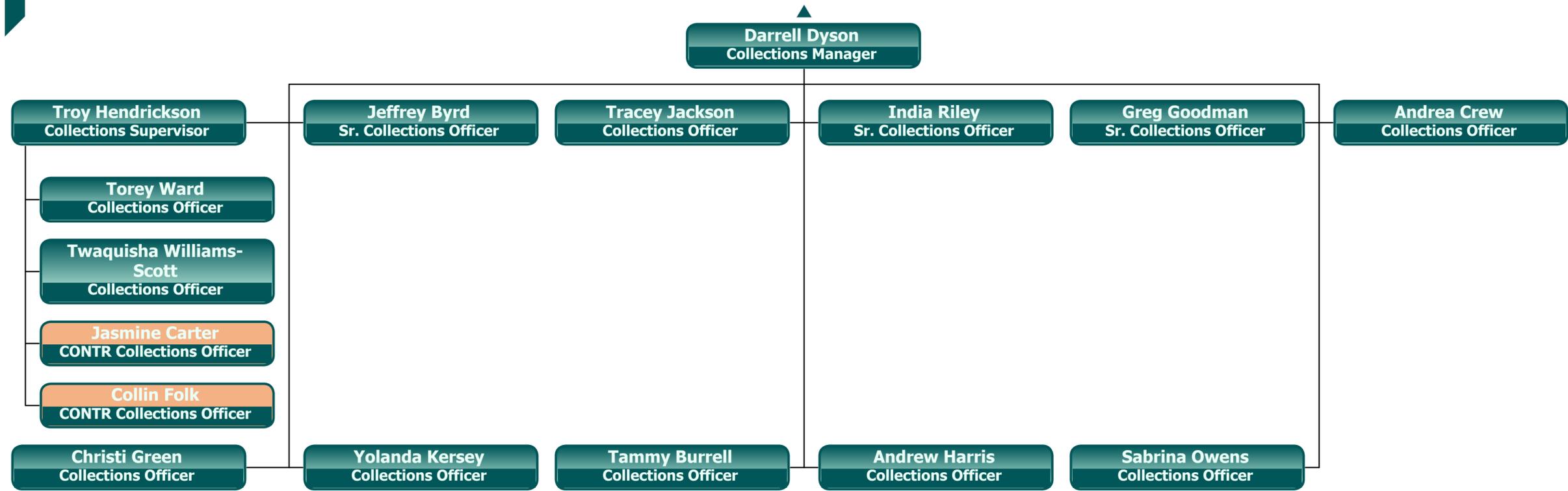
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Under Recruitment
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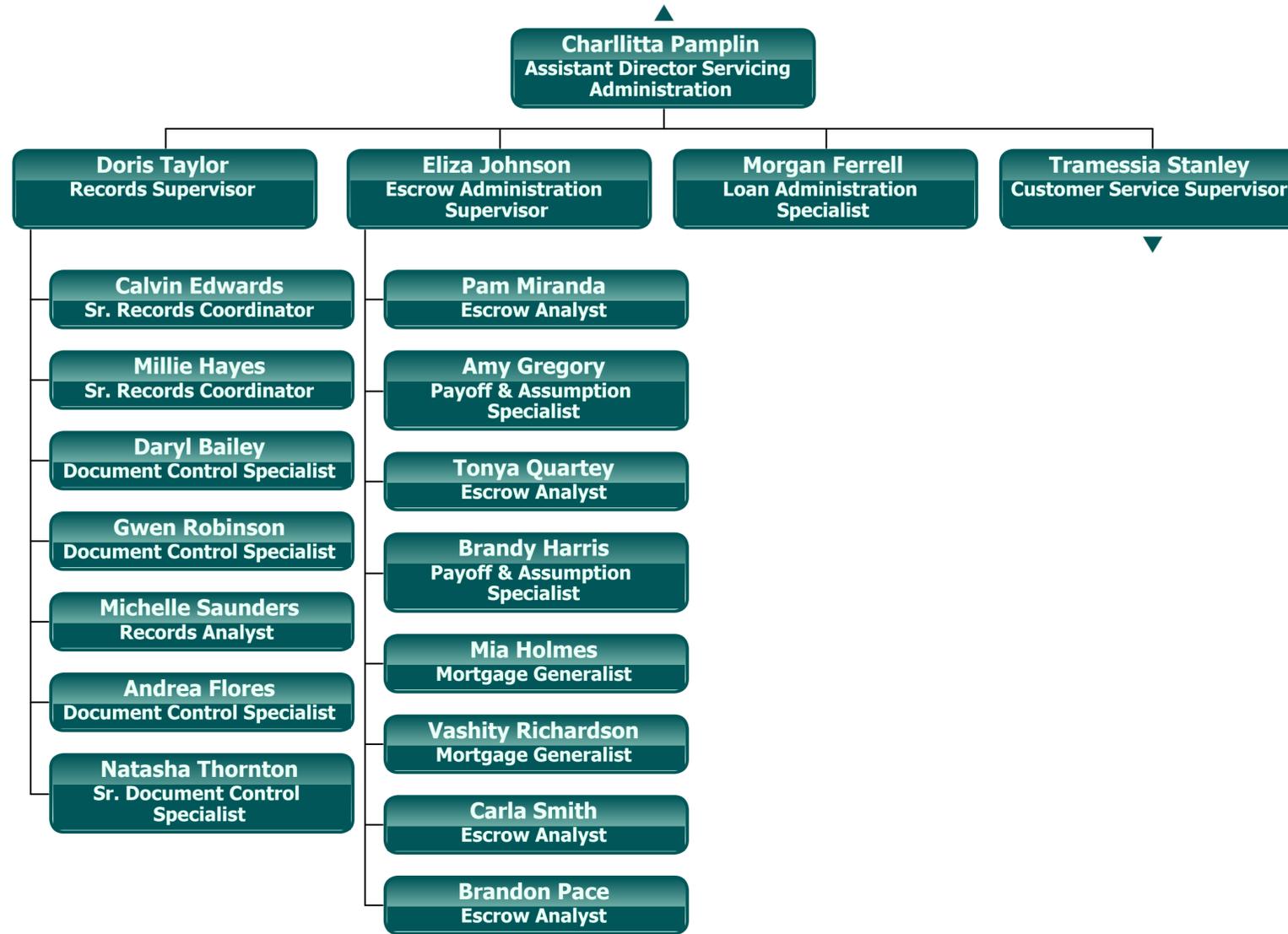






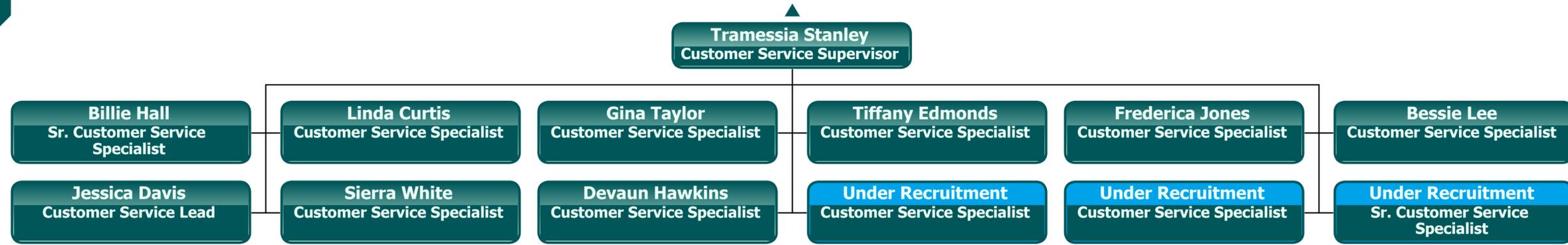


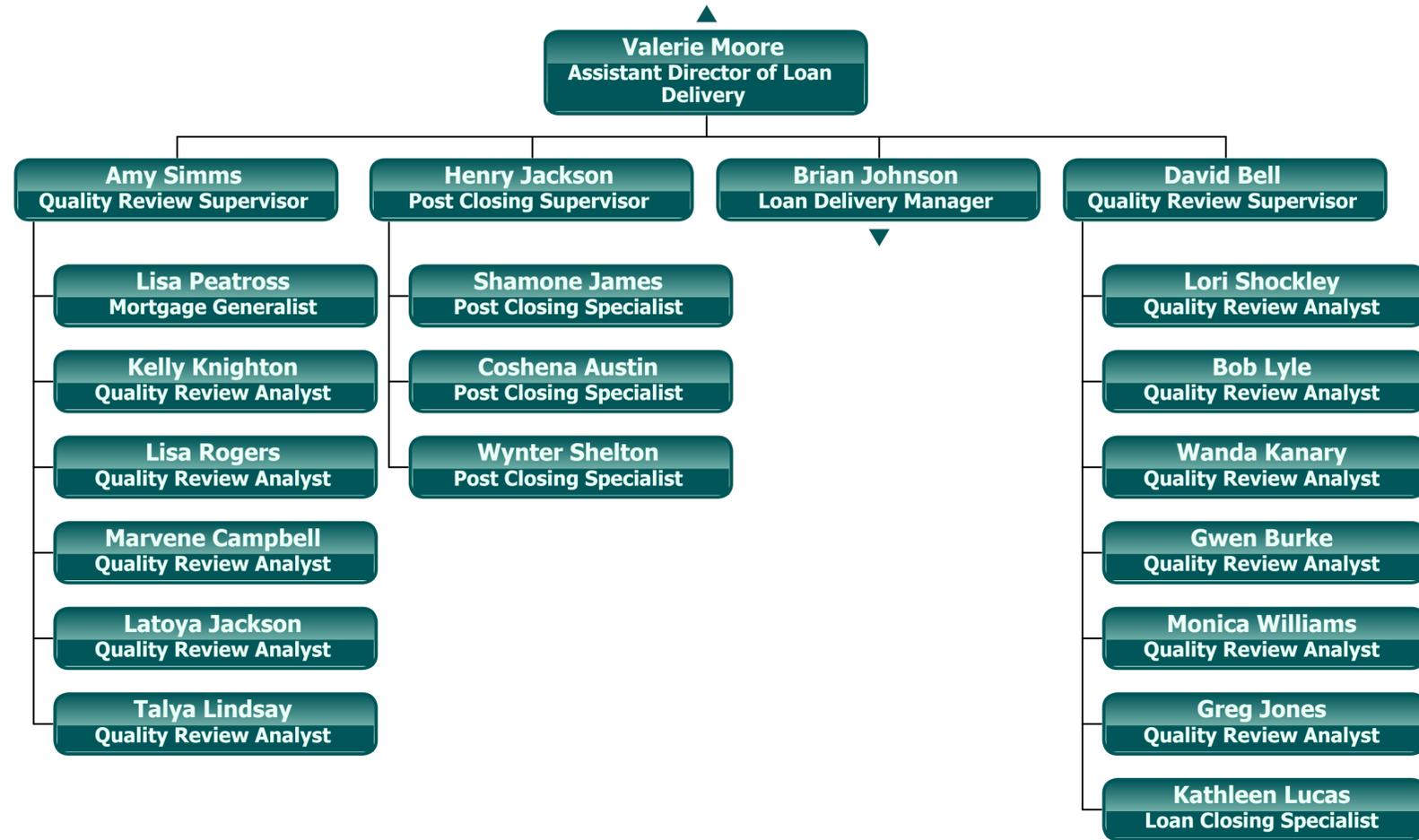






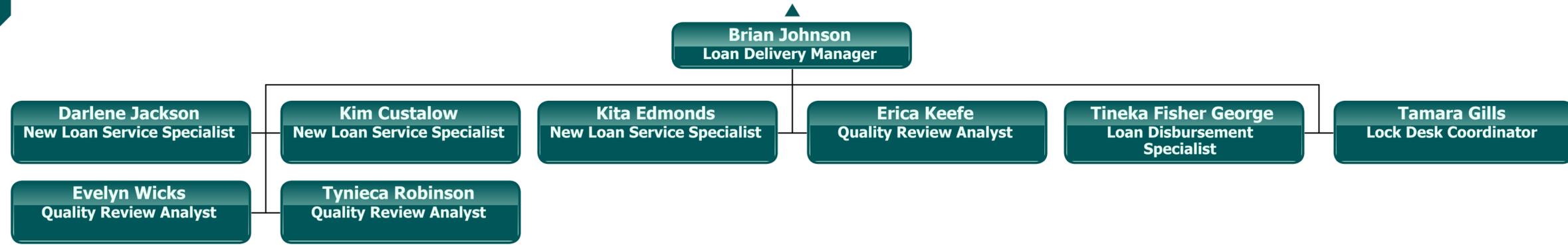
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VIRGINIA HOUSING DEVELOPMENT AUTHORITY

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Appendix C

INSTRUCTIONS FOR COMPLIANCE WITH STATUTORY REQUIREMENTS FOR MIXED USE, MIXED INCOME DEVELOPMENTS

Included in the folder Legal/General/Master/Mixed Income, Mixed Use Documents are the following forms of resolutions and letters that are required under VHDA's Act (Virginia Code § 36-55.30:2) for mixed income developments or mixed use, mixed income developments. The statutory requirements are as follows:

I. Mixed Income Developments Only (no Mixed Use Component).

A. Located in Revitalization Areas

One of the following must be satisfied for Mixed Income developments with no Mixed Use component that is located in a revitalization area:

a. A resolution by the city or county designating area as revitalization area because of blight or deterioration and determining that private enterprise and investment are not reasonably expected, without assistance, to produce desired housing and create desired economic mix of residents [Use form b. and do not include second Now, Therefore clause];

b. A resolution by the city or county designating area as revitalization area because the industrial, commercial or other economic development of the area will benefit the locality but the area lacks housing needed to induce such development to locate or remain in the area and determining that private enterprise and investment are not reasonably expected, without assistance, to produce desired housing and create desired economic mix of residents [Use form c. and do not include second Now, Therefore clause];

c. A letter from a duly authorized officer of the city or county confirming that development is in a redevelopment area, conservation area, or rehabilitation area previously created or designated by the city or county pursuant to Chapter 1 of Title 36 of the Code of Virginia (Section 36-1 et seq.) [Use form d. and do not insert bracketed second paragraph];

d. Evidence in the file that the development is located in a current qualified census tract or targeted area (no resolution or letter from locality required); OR

e. Copy of an ordinance passed by the city, county, or town establishing a housing rehabilitation zone pursuant to Virginia Code § 36-55.64 that encompasses the development.

B. Located Outside Revitalization Area

Either of the following must be satisfied for a Mixed Income development with no Mixed Use component that is not located in a revitalization area:

a. A resolution by the city or county determining that the units that are not for low and moderate income households will enhance the ability to provide housing for low and moderate income households and determining that private enterprise and investment are not reasonably expected, without assistance, to produce desired housing and create desired economic mix of residents [Use form g.]; OR

b. A resolution by city or county determining that the area is or will be predominantly low income and will benefit from an economic mix of residents and determining that private enterprise and investment are not reasonably expected, without assistance, to produce desired housing and create desired economic mix of residents [Use form h.].

II. Mixed Income Developments with Mixed Use Component.

A. Located in Revitalization Areas

One of the following must be satisfied for a Mixed Income Development with a Mixed Use Component located in a revitalization area:

a. A resolution by the city or county (i) designating area as revitalization area because of blight or deterioration and determining that private enterprise and investment are not reasonably expected, without assistance, to produce desired housing and create desired economic mix of residents, and (ii) determining that the non-housing building(s) or portion(s) of building(s) are necessary or appropriate for revitalization of the area [Use form b. and include second Now, Therefore clause];

b. A resolution by the city or county (i) designating area as revitalization area because the industrial, commercial or other economic development of the area will benefit the locality but the area lacks housing needed to induce such development to locate or remain in the area and determining that private enterprise and investment are not reasonably expected, without assistance, to produce desired housing and create desired economic mix of residents, and (ii) determining that the non-housing building(s) or portion(s) of building(s) are necessary or appropriate for industrial, commercial or other economic development of the area [Use form c. and include second Now, Therefore clause];

c. A letter from a duly authorized officer of the city or county confirming that (i) development is in a redevelopment area, conservation area, or rehabilitation area previously created or designated by the city or county pursuant to Chapter 1 of Title 36 of the Code of Virginia (Section 36-1 et seq.), and (ii) confirming that the governing body has determined that the non-housing building(s) or portion(s) of building(s) are necessary or appropriate for either revitalization or for industrial, commercial or other economic development [Use form "d. Letter from Locality" and insert bracketed second paragraph] **[Note that the determination (ii) by the governing body of the locality that the non-housing building(s) or portion(s) of buildings are necessary or appropriate will not be included in the letter if VHDA determines that the non-housing building(s) or portion(s) of buildings are "incidental" to the development (see form of determination [form f.] in above referenced folder)];**

d. (i) Evidence in the file that the development is located in a current qualified census tract or targeted area (no resolution or letter from locality required), and (ii) a letter from a duly authorized officer of the city or county confirming that the governing body has determined that such non-housing building(s) or portion(s) of building(s) are necessary or appropriate for either revitalization or for industrial, commercial or other economic development. [For (ii) use form "e. Letter from Locality] **[Note that this letter described in (ii) is not necessary if VHDA determines that the non-housing building(s) or portion(s) of buildings are "incidental" to the development (see form of determination [form f.] in above referenced folder)];** OR

e. Copy of an ordinance passed by the city, county, or town establishing a housing rehabilitation zone pursuant to Virginia Code § 36-55.64 that encompasses the development.

B. Located Outside Revitalization Areas. Not applicable, mixed use component may be financed only in a revitalization area.

III. Mixed Use Only (no Mixed Income). Not applicable, mixed use may be financed only in conjunction with mixed income.

This resolution is applicable if the mixed income development is to be located in a revitalization area that is blighted, deteriorated, deteriorating or, if not rehabilitated, is likely to deteriorate.

RESOLUTION

WHEREAS, pursuant to Section 36-55.30:2.A of the Code of Virginia of 1950, as amended, the [Board of Supervisors or City Council] of the [City or County] of _____, Virginia, desire to designate the area (the "Area") described on Exhibit A attached hereto as a revitalization area;

NOW, THEREFORE, BE IT HEREBY DETERMINED as follows:

(1) the Area is blighted, deteriorated, deteriorating or, if not rehabilitated, likely to deteriorate by reason that the buildings, improvements or other facilities in the Area are subject to one or more of the following conditions: dilapidation; obsolescence; overcrowding; inadequate ventilation, light or sanitation; excessive land coverage; deleterious land use; or faulty or inadequate design, quality or condition; and

(2) private enterprise and investment are not reasonably expected, without assistance, to produce the construction or rehabilitation of decent, safe and sanitary housing and supporting facilities that will meet the needs of low and moderate income persons and families in the Area and will induce other persons and families to live within the Area and thereby create a desirable economic mix of residents in the Area.

NOW, THEREFORE, BE IT HEREBY RESOLVED that pursuant to Section 36-55.30:2.A of the Code of Virginia of 1950, as amended, the Area is hereby designated as a revitalization area.

[Include the following paragraph if any nonhousing building or buildings (or nonhousing portion or portions of the building or buildings) are to be financed by VHDA.]

NOW, THEREFORE, BE IT HEREBY FURTHER DETERMINED that the following nonhousing building or buildings (or nonhousing portion or portions of the building or buildings) located or to be located in the Area are necessary or appropriate for the revitalization of the Area:

[Describe nonhousing building(s) or portion(s) to be financed by VHDA]

EXHIBIT A

[Insert description or plat of the area designated as a revitalization area]

This resolution is applicable if the mixed income development is to be located in a revitalization area that will benefit from industrial, commercial or other economic development but lacks the housing needed to induce enterprises or undertakings to locate or remain in such area.

RESOLUTION

WHEREAS, pursuant to Section 36-55.30:2.A of the Code of Virginia of 1950, as amended, the [Board of Supervisors or City Council] of the [City or County] of _____, Virginia, desire to designate the area (the “Area”) described on Exhibit A attached hereto as a revitalization area;

NOW, THEREFORE, BE IT HEREBY DETERMINED as follows:

(1) the industrial, commercial or other economic development of the Area will benefit the [City or County] but the Area lacks the housing needed to induce manufacturing, industrial, commercial, governmental, educational, entertainment, community development, healthcare or nonprofit enterprises or undertakings to locate or remain in the Area; and

(2) private enterprise and investment are not reasonably expected, without assistance, to produce the construction or rehabilitation of decent, safe and sanitary housing and supporting facilities that will meet the needs of low and moderate income persons and families in the Area and will induce other persons and families to live within the Area and thereby create a desirable economic mix of residents in the Area.

NOW, THEREFORE, BE IT HEREBY RESOLVED that pursuant to Section 36-55.30:2.A of the Code of Virginia of 1950, as amended, the Area is hereby designated as a revitalization area.

[Include the following paragraph if any nonhousing building or buildings (or nonhousing portion or portions of the building or buildings) are to be financed by VHDA.]

NOW, THEREFORE, BE IT HEREBY FURTHER DETERMINED that the following nonhousing building or buildings (or nonhousing portion or portions of the building or buildings) located or to be located in the Area are necessary or appropriate for the industrial, commercial or other economic development of the Area:

[Describe nonhousing building(s) or portion(s) to be financed by VHDA]

EXHIBIT A

[Insert description or plat of the area designated as a revitalization area]

This resolution is applicable if (1) the mixed income development is not located in a revitalization area and (2) the units that are not for low and moderate income persons will enhance the ability to provide the housing and facilities for the low and moderate income persons.

RESOLUTION

WHEREAS, the [Board of Supervisors or City Council] of the [City or County] of _____, Virginia, desire to make the determination required by Section 36-55.30:2.B of the Code of Virginia of 1950, as amended, in order for the Virginia Housing Development Authority to finance the economically mixed project (the "Project") described on Exhibit A attached hereto;

NOW, THEREFORE, BE IT HEREBY DETERMINED as follows:

(1) the ability to provide residential housing and supporting facilities that serve persons or families of lower or moderate income will be enhanced if a portion of the units in the Project are occupied or held available for occupancy by persons and families who are not of low and moderate income; and

(2) private enterprise and investment are not reasonably expected, without assistance, to produce the construction or rehabilitation of decent, safe and sanitary housing and supporting facilities that will meet the needs of low and moderate income persons and families in the surrounding area of the Project and will induce other persons and families to live within such area and thereby create a desirable economic mix of residents in such area.

EXHIBIT A

[Insert description of the economically mixed project]

This resolution is applicable if (1) the mixed income development is not located in a revitalization area and (2) the surrounding area is or is expected to be inhabited predominantly by lower income persons and families and will benefit from an economic mix of residents in the development.

RESOLUTION

WHEREAS, the [Board of Supervisors or City Council] of the [City or County] of _____, Virginia, desire to make the determination required by Section 36-55.30:2.B of the Code of Virginia of 1950, as amended, in order for the Virginia Housing Development Authority to finance the economically mixed project (the "Project") described on Exhibit A attached hereto;

NOW, THEREFORE, BE IT HEREBY DETERMINED that (1) the surrounding area of the Project is, or is expected in the future to be, inhabited predominantly by lower income persons and families and will benefit from an economic mix of residents in the Project; and (2) private enterprise and investment are not reasonably expected, without assistance, to produce the construction or rehabilitation of decent, safe and sanitary housing and supporting facilities that will meet the needs of low and moderate income persons and families in such area and will induce other persons and families to live within such area and thereby create a desirable economic mix of residents in such area.

EXHIBIT A

[Insert description of the economically mixed project]

This letter is applicable if the mixed income development is to be located in a redevelopment area, conservation area or rehabilitation area established by the city or county pursuant to Chapter 1 (§36-1 et seq.) of Title 36 of the Code of Virginia.

[Date]

Mr. Dale Wittie
Director of Rental Housing
Virginia Housing Development Authority
601 South Belvidere Street
Richmond, Virginia 23220

Dear Mr. Wittie:

This is to advise you that the development known or to be known as _____ and located or to be located at _____ is or will be in an area within a _____ [insert one of the following: redevelopment area, conservation area or rehabilitation area] created or designated by the _____ [insert either City or County] of _____, Virginia, pursuant to Chapter 1 (§36-1 et seq.) of Title 36 of the Code of Virginia of 1950, as amended.

[For Mixed Use Developments, insert the following sentence unless the nonhousing building(s) or portion(s) thereof is deemed by VHDA to be incidental to the housing development] This is to further advise you that the _____ [insert either City Council or Board of Supervisors] of _____, Virginia, has determined that the nonhousing building or buildings (or nonhousing portion or portions of the building or buildings) located or to be located in such development are necessary or appropriate for [select one of the following two clauses: the revitalization OR the industrial, commercial or other economic development] of such [insert one of the following: redevelopment area, conservation area or rehabilitation area]

Sincerely,

This letter is applicable if the mixed income, mixed use development is to be located in a qualified census tract or targeted area and if the nonhousing building(s) or portion(s) thereof is NOT deemed by VHDA to be incidental to the housing development.

[Date]

Mr. Dale Wittie
Director of Rental Housing
Virginia Housing Development Authority
601 South Belvidere Street
Richmond, Virginia 23220

Dear Mr. Wittie:

This is to advise you that the _____ **[insert either City Council or Board of Supervisors]** of _____, Virginia, has determined that the nonhousing building or buildings (or nonhousing portion or portions of the building or buildings) located or to be located in the development known or to be known as _____ and located or to be located at _____ are necessary or appropriate for **[select one of the following two clauses: the revitalization OR the industrial, commercial or other economic development]** of the census tract in which such development is or is to be located.

Sincerely,

Definition of housing revitalization areas; economically mixed projects.

A. For the sole purpose of empowering VHDA to provide financing in accordance with this chapter, the governing body of any city or county may by resolution designate an area within such city or county as a revitalization area if such governing body shall in such resolution make the following determinations with respect to such area:

(i) either

(a) the area is blighted, deteriorated, deteriorating or, if not rehabilitated, likely to deteriorate by reason that the buildings, improvements or other facilities in such area are subject to one or more of the following conditions: dilapidation; obsolescence; overcrowding; inadequate ventilation, light or sanitation; excessive land coverage; deleterious land use; or faulty or inadequate design, quality or condition;

or

(b) the industrial, commercial or other economic development of such area will benefit the city or county but such area lacks the housing needed to induce manufacturing, industrial, commercial, governmental, educational, entertainment, community development, healthcare or nonprofit enterprises or undertakings to locate or remain in such area;

and

(ii) private enterprise and investment are not reasonably expected, without assistance, to produce the construction or rehabilitation of decent, safe and sanitary housing and supporting facilities that will meet the needs of low and moderate income persons and families in such area and will induce other persons and families to live within such area and thereby create a desirable economic mix of residents in such area.

The following shall be deemed to be designated as a revitalization area without adoption of the above described resolution of the city or county:

- Any redevelopment area, conservation area, or rehabilitation area created or designated by the city or county pursuant to Chapter 1 (36-1 et seq.) of this title
- Any census tract in which 70 percent or more of the families have incomes which are 80 percent or less of the statewide median income as determined by the federal government pursuant to Section 143 of the United States Internal Revenue Code or any successor code provision on the basis of the most recent decennial census for which data are available

- Any census tract which is designated by the United States Department of Housing and Urban Development and, for the most recent year for which census data are available on household income in such tract, either in which 50 percent or more of the households have an income which is less than 60 percent of the area median gross income for such year or which has a poverty rate of at least 25 percent.

In any revitalization area, VHDA may provide financing for one or more economically mixed projects and, in conjunction therewith, any nonhousing buildings that are incidental to such project or projects or are determined by the governing body of the city or county to be necessary or appropriate for the revitalization of such area or for the industrial, commercial or other economic development thereof.

B. VHDA may finance an economically mixed project that is not within a revitalization area if the governing body of the city or county in which such project is or will be located shall by resolution determine:

(i) either

(a) that the ability to provide residential housing and supporting facilities that serve persons or families of lower or moderate income will be enhanced if a portion of the units therein are occupied or held available for occupancy by persons and families who are not of low and moderate income

or

(b) that the surrounding area of such project is, or is expected in the future to be, inhabited predominantly by lower income persons and families and will benefit from an economic mix of residents in such project

and

(ii) private enterprise and investment are not reasonably expected, without assistance, to produce the construction or rehabilitation of decent, safe and sanitary housing and supporting facilities that will meet the needs of low and moderate income persons and families in such area and will induce other persons and families to live within such area and thereby create a desirable economic mix of residents in such area.

VIRGINIA HOUSING DEVELOPMENT AUTHORITY

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Appendix D

VIRGINIA HOUSING RENTAL LENDING REACH Allocation Policy

REACH loan funds are available for projects receiving Low Income Housing Tax Credits. These funds are made available at a below market rate, currently 3.95%, that is subject to review and change. The REACH funds are blended with the regular program loan funds to create a single, blended rate.

The maximum REACH loan will be the greater of two measures, with an overall per deal maximum of \$12M:

1. \$40,000 per unit, or
2. Percent of loan based on permanent loan size:
 - a. Loans < \$5M – up to 50% of permanent loan
 - b. Loans \$5M to \$25M – up to 35% of permanent loan
 - c. Loans > \$25M – up to 25% of permanent loan

Additionally, Virginia Housing reserves the right to limit REACH to an amount required to achieve an acceptable debt service coverage ratio (DSCR), generally 1.15 to 1.20. This is done to avoid over-subsidizing projects.

Locality Matching REACH (L-Match) funds will continue to be available, whereby Virginia Housing will match locally provided funding dollar-for-dollar up to \$3M of loan funds but will now be offered at the standard REACH rate in effect at the time. When using the percentage of loan to calculate the maximum, the L-Match is included in the total loan amount (denominator), but not REACH total. This is to continue to encourage locality contributions.

Locality contributions eligible for L-Match include donations of land/buildings, grants, below market financing, and waived permit or tap fees. Tax abatements, PILOTs, and other similar programs are NOT eligible for L-Match funding, but can be factored into Virginia Housing's underwriting under certain conditions.

With the exception of Locality Matching REACH funds, mixed use, mixed income (MUMI) deals will not be eligible for REACH at this time.

Additional may be made, case by case, for deals that previously qualified for the Strategic Markets lending group.

NOTE: Although Virginia Housing endeavors to maintain consistency, REACH limits and other policies are subject to review and revision.

Exceptions will be made for developments which received 2022 or 2023 housing opportunity tax credit (HOTC) awards. The REACH rate will remain 2.95% for those developments.

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Appendix E

Rental Housing Loan Application

Deal Name: 0



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



Instructions for Rental Housing Loan Application

All documents should be submitted using our secure fileshare site Procorem at no cost to you. To gain access to Procorem, contact Bennett.Atwill@vhda.com or your Multifamily analyst referencing your deal name. An email invitation to join will be sent to you.

An electronic copy of your completed application is a mandatory submission item.

Disclaimer:

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

Entering Data:

Virginia Housing utilizes this application to capture data for our analysis and is mapped to our internal systems. Each page of the application is a separate sheet/tab within this spreadsheet. 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 . You may use links to other cells or other documents but do not paste data from one document or field to another.
- ▶ In fields where text is required, take care to enter text on each line appropriately so value does not extend beyond the right margin of the page.
- ▶ 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 because many 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!” before you begin. These warnings will disappear as the numbers necessary for the calculation are entered.
- ▶ Red triangles on the top right of a field indicate comments added to clarify information needed.

Assistance:

If you have any questions, please contact the Virginia Housing Rental Housing Development Department.

Directory is available at [MULTIFAMILY DEVELOPMENT STAFF DIRECTORY](#)

Please note that we cannot release the copy protection password.

Virginia Housing Rental Housing Loan Application

Along with completing this application, please include the following items. The assigned Development Officer may request additional information not listed below. All documents should be submitted using our secure Procorem site. Please see our website for instructions. Your assistance in organizing the submission by filing items in a subfolder corresponding with the tab will facilitate review of your application.

<input checked="" type="checkbox"/>		Excel Copy of this application
<input type="checkbox"/>		PDF version of Application with applicable signatures
	Submit in Subfolders	
<input type="checkbox"/>		Developer's Proposal
<input type="checkbox"/>	Sources Tab	Other Lender Term Sheets and Commitments
<input type="checkbox"/>	Borrower Tab	Organizational Information (see Borrower Tab for full list)
<input type="checkbox"/>	Team Tab	Contractor's Resume and Financial Statements
<input type="checkbox"/>	Team Tab	Architect's Resume
<input type="checkbox"/>	Team Tab	Engineer's Resume
<input type="checkbox"/>	Team Tab	Resume (s) of Other Party (s)
<input type="checkbox"/>	Site Tab	Neighborhood Information (see Site Tab for full list)
<input type="checkbox"/>	Site Tab	Site Information (see Site Tab for full list)
<input type="checkbox"/>	Site Tab	Proffers documentation (if applicable)
<input type="checkbox"/>	Site Tab	Homeowner's Association Documents (if applicable)
<input type="checkbox"/>	Site Tab	Condominium Regime documentation (if applicable)
<input type="checkbox"/>	Site Tab	Shared Parking Agreement (if applicable)
<input type="checkbox"/>	Site Tab	Ground Lease Documents (if applicable)
<input type="checkbox"/>	Site Tab	Flood Insurance and FEMA flood map Documentation (if applicable)
<input type="checkbox"/>	Bldg Tab	Utility Company Expense Letters
<input type="checkbox"/>	Marketing Tab	Marketing Information (include Excel active version(s) of the Rental Comparable form)
<input type="checkbox"/>	Marketing Tab	Property Management Information
<input type="checkbox"/>	Arch. Tab	New Construction Information (if applicable) - See Arch tab for full list
<input type="checkbox"/>	Arch. Tab	Rehabilitation Information (if applicable) - see Arch tab for full list
<input type="checkbox"/>	Exhibits	Signed State of Mortgagor
<input type="checkbox"/>	Exhibits	Previous Participation Certification
<input type="checkbox"/>		Appraisal (prior to commitment)
<input type="checkbox"/>		Market Study
<input type="checkbox"/>		Phase I Environmental

GUIDELINES

<p>1 Loan to Value Ratio For Loan Amounts less than \$25M Loan to Cost Debt Coverage Ratio For Loan Amounts between \$25M - \$50M Loan to Cost Debt Coverage Ratio For Loan Amounts between Greater than \$50M Loan to Cost Debt Coverage Ratio</p>	<p>Not to exceed 90%. Not to exceed 90%. Not less than 1.15 for Virginia Housing Permanent Debt Not to exceed 87%. Not less than 1.15 for Virginia Housing Permanent Debt Not to exceed 85%. Not less than 1.20 for Virginia Housing Permanent Debt</p>
<p>2 Loan Term</p>	<p>Between 25 - 35 years.</p>
<p>Prepayment Lockout</p>	<p>Taxable debt restricts prepayment for 10 years. Tax Exempt debt restricts prepayment for 15 years.</p>
<p>3 Application Fee</p>	<p>A non-refundable application fee in the amount of \$10,000 is due with the application. This fee will be applied to the 1/2% processing fee.</p>
<p>4 Processing Fee</p>	<p>1/2% for processing fee [all loans] due prior to commitment.</p>
<p>5 Financing Fee</p>	<p>Financing Fees are due upon acceptance of commitment. 1/2% for permanent or forward or participation financing fee. 1 1/2% for construction/permanent and gap financing up to 7.5 million 5/8% for remaining balance of construction/permanent loans over 7.5 million</p>
<p>6 Stand by Fees</p>	<p>Stand by fees due upon acceptance of Commitment and held until loan post-closing items have been submitted. Stand By fees are calculated as 3% of the loan amount less the sum of processing and financing fees.</p>
<p>Gap Loan Fees</p>	<p>The portion of the gap loan that is not secured by a Letter of Credit will be subject to a 2% fee.</p>
<p>7 Cash flow Distribution</p>	<p>None to be taken until permanent loan conversion, then not limited by Virginia Housing.</p>
<p>8 Equity Funding</p>	<p>Project owners will be required to demonstrate the availability of required equity prior to rate lock. Additional owner equity may be required as a result of actual costs exceeding budgeted costs during construction phase.</p>
<p>9 Performance and Completion Assurance</p>	<p>A letter of credit in the amount of 7.5% of the construction contract (12.5% if funding stored materials on site) is required at closing.</p>
<p>10 Loan Rates</p>	<p>Estimates Quoted daily, committed to at time of rate lock (Click here for access to Today's Rate Sheet)</p>
<p>11 Appraisal</p>	<p>Qualified MAI or SRPA appraiser that is acceptable to the Authority where Virginia Housing must be an intended user.</p>

GUIDELINES

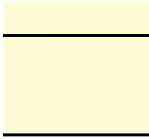
<p>12 Loan Origination</p>	<p>Proposals accepted only if submitted through an approved mortgage broker. (Click here for Approved Broker List)</p>
<p>13 Property Management</p>	<p>Virginia Housing approved management entity required. (Click here for Certified Management details)</p>
<p>14 Cost Certification</p>	<p>All construction loans require a contractor prepared cost certification. Tax Exempt loans require third-party audited cost certifications. For Taxable loans, a mortgagor cost certification is allowed. (Click here for Cost Certification guide)</p>
<p>15 Occupancy Requirements</p>	<p>See Tenant tab for details</p>
<p>16 A&E</p>	<p>Plans and specifications are required to meet Virginia Housing's definitions of 85% complete at application submission. Plans should be submitted electronically via Procorem. (Click here for Architectural Design Requirements)</p>
<p>17 Environmental</p>	<p>Projects with loans <\$1.0 M require Transaction Screen Process (TSP); Projects with loans >\$1M require Environmental Site Assessment (ESA) (Click here for Environmental Guidelines)</p>
<p>18 Contingency</p>	<p>All construction/permanent loans require an owner's contingency: 5% of hard costs for new construction; 8% of hard costs for acq/rehab or adaptive use.</p>

22. Will this property have Federal Rental Assistance? FALSE
if True, What type?
If PBV, State Assistance or Other, describe:
- # of units receiving assistance
of years in rental assistance contract
23. If the property is converting from public housing, please select program:
Who is the public housing authority partner?
24. How did you hear about the Rental Housing Lending Program at Virginia Housing?
If Other, please describe:

xempt Units

_____ 0

_____ 0



B. Funding Information

In this section, provide information on funding related to this development

I. Virginia Housing Funding: What type of funding is being requested from Virginia Housing?

- a. Is this a new deal/property to Virginia Housing? FALSE
- b. Type of Loan: ▶
 - i. If Perm Forward, how many months from rate lock? 0
 - ii. If Const/Perm, contract period in months? 0
- c. Purpose of Financing: ▶
- d. Does this deal have a Pre Development Loan from Virginia Housing currently? FALSE

II. DURING CONSTRUCTION

[Skip this section](#)

1. Virginia Housing Funds Required for Construction

Funding Type	Requested Loan Amount	Interest rate	Term of loan (months)
VHDA Taxable			
VHDA Tax Exempt			
REACH			
REACH			
REACH			
Existing VHDA Mortgage			
Short Term Financing			
Total Virginia Housing Construction Funding	\$0		
Total Per Unit	#DIV/0!		

2. Funding from any other lender during construction : provide detail

Fill in Funding Source below	Requested Loan Amount	Interest rate	Term of loan (months)
Total Other Sources	\$0		

3. Tax Credit Proceeds: List all proceeds expected from Tax Credit Programs (include any deferred portion of Developer Fee)

Tax Credit Type	Syndicator Proceeds
Low Income Housing Tax Credits	
Any other Tax Credits	
Total Proceeds	\$0

4. Any other Equity Funding Sources Used during Construction

Equity Funds	Amount	Source Of Equity
Owner Equity		
Local Funding		
Seller Note		
Sponsor Loan		
Total Equity	\$0	

5. TOTAL SOURCES DURING CONSTRUCTION

Total Virginia Housing Funding	\$0
Total Other Lender	\$0
Total Tax Credit Proceeds	\$0
Equity	\$0
Total Sources	\$0

B. Funding Information

II. Total Permanent Funds

1. Total Virginia Housing Funds at Closing

Funding Type	Requested Loan Amount	Interest rate	Term of loan (months)	Annual Debt Service (edit if needed)	Funding Loan Type
VHDA Taxable					
VHDA Tax Exempt					
REACH					
REACH					
REACH					
Total Permanent Virginia Housing Funding	\$0			\$0	

2. Non Virginia Housing Permanent Debt

Funding Type	Requested Loan Amount	Interest rate	Term of loan (months)	Annual Debt Service (edit if needed)	Funding Loan Type
Total Non Virginia Housing Debt	\$0				

Rural Development?

Will any funding above be provided by Rural Development?

FALSE

3. Equity

Equity Funds	Amount
LIHTC Proceeds	
Federal Historic Tax Credit Proceeds	
State Historic Tax Credit Proceeds	
Owner Equity	
AHIF	
Seller Note	
Sponsor Loan	
Total Equity	\$0

4. Total Permanent Funds

Total Virginia Housing Funding	\$0
Total Other Funding	\$0
Equity	\$0
Total Sources	\$0

Please provide other lender term sheets and commitments

5. Virginia Housing Fees Expected

Is this deal using REACH Funds Only?

FALSE

Fee Type	% of Fee	Loan Funded Amount	Fee Amount
Application Fee	Flat Rate	\$0	\$10,000
Processing Fee	0.50%	\$0	-\$10,000
Financing Fee (Permanent)	0.50%	\$0	\$0
Financing Fee (Construction/Gap)	1.50%		\$0
Financing Fee (Construction/Gap) over 7.5M	0.625%		\$0
Other Fee		\$0	\$0
Total Expected Fees			\$0

Fee Calculations are subject to change at any time. Please contact VHDA Rental Housing for current fee structure.

Application Fee	A non-refundable application fee in the amount of \$10,000 is due with the application. This fee will be applied to the 1/2% processing fee.
Processing Fee	1/2% for processing fee [all loans]
Financing Fee	0.5% on Permanent Forward of Permanent Immediate 1.5% on Construction/Permanent and Gap Financing up to 7.5 million

B. Funding Information

	.625% on remainder of Construction/Permanent loan funds over 7.5 million
--	--

C. Borrower Detail

1. Borrowing Entity Legal Name _____

2. Type of Entity ▶ _____

3. Federal Tax ID Number (TIN) _____ *(Leave TIN blank if not available. Must be provided prior to Closing)*
 State Organized _____
 Date Organized 00/00/0000

4. Contact Person ▶ _____
 M/M (First) (Last)

5. Address: _____
 City _____ State _____ Zip _____

Phone: _____ Email: _____

Organization Information to include with your application:

- a. Organizational History and Chart
- b. List of resumes of GPs, managing members and members with ownership of 25% or more, stockholders have a 25% or more interest, etc.
- c. Partnership Agreement
- d. If non- profit, 501c3 documentation, list of board members and bios
- e. Financial Statements - year to date and prior 2 years - and previous 2 years tax returns
- f. EIN/TIN Confirmation (provide by Closing, if not available at application)

6. Principal(s) involved (e.g. general partners, LLC members, controlling shareholders, etc.):

Name	Title	Percent Involved
		0.00%
		0.00%
		0.00%
		0.00%
		0.00%
		0.00%
		0.00%
		0.00%

****** These should be the names of individuals who comprise the GP or LLC members, not simply the names of separate partnerships or corporations which may comprise those components.

7. List authorized signers and what entity they represent

Name	Entity

8. Is there an identity of interest with seller? FALSE

If True, please explain:

D. Development Team

Provide resumes of Team Firms and/or Contacts and Contractor Financial Statements prior to Commitment

<p>1. Mortgage Banker Firm</p> <p>Contact _____</p> <p>Address: _____</p> <p>City _____ State _____ Zip _____</p> <p>Phone: _____ Email: _____</p>	<p>This is a Related Entity?.... <u>FALSE</u></p>
<p>2. General Contractor Firm</p> <p>Contact: _____</p> <p>Address: _____</p> <p>City _____ State _____ Zip _____</p> <p>Phone: _____ Email: _____</p>	<p>This is a Related Entity?.... <u>FALSE</u></p>
<p>3. Real Estate Attorney Firm</p> <p>Contact: _____</p> <p>Address: _____</p> <p>City _____ State _____ Zip _____</p> <p>Phone: _____ Email: _____</p>	<p>This is a Related Entity?.... <u>FALSE</u></p>
<p>4. Design Architect Firm</p> <p>Contact: _____</p> <p>Address: _____</p> <p>City _____ State _____ Zip _____</p> <p>Phone: _____ Email: _____</p>	<p>This is a Related Entity?.... <u>FALSE</u></p>
<p>5. Supervisory Architect Firm</p> <p>Contact: _____</p> <p>Address: _____</p> <p>City _____ State _____ Zip _____</p> <p>Phone: _____ Email: _____</p>	<p>This is a Related Entity?.... <u>FALSE</u></p>
<p>6. Engineer Firm</p> <p>Contact: _____</p> <p>Address: _____</p> <p>City _____ State _____ Zip _____</p> <p>Phone: _____ Email: _____</p>	<p>This is a Related Entity?.... <u>FALSE</u></p>
<p>7. Property Management Co</p> <p>Contact Name _____</p> <p>Address: _____</p> <p>City _____ State _____ Zip _____</p> <p>Phone: _____ Email: _____</p>	<p>This is a Related Entity?.... <u>FALSE</u></p>
<p>8. Other Party</p> <p>Contact: _____</p> <p>Address: _____</p> <p>City _____ State _____ Zip _____</p> <p>Phone: _____ Email: _____</p>	<p>This is a Related Entity?.... <u>FALSE</u></p>

E. Neighborhood Description

Provide the following Neighborhood Information with your application:

1. Neighborhood map locating site, supporting area businesses and amenities
2. City map (show primary market area (PMA))
3. Detail major roadways and identify as commuter, highway, etc.
4. Describe surrounding land uses, note condition and identify any unusual or undesirable land uses
5. Site and improvement photographs (close views from all sides)
6. Ingress/egress street view photographs
7. Neighborhood photographs
8. Aerial Photographs (if available)

F. Site Summary

Provide the following Site Information with your application:

1. Layout, shape, topo, unusual features, utilities, frontage, entrance sign location, size, etc.
2. Description of utilities available to site (include distance from site if not presently available and easements required)
3. If new construction, letters from utility companies verifying availability
4. Current zoning certificates
5. Letter from local government verifying property meets zoning requirements after completion. (if available. Must be provided at commitment)
6. Purchase Contract/Option/Deed (including Exhibits, Attachments, Descriptions)
7. Include any documents related to Condominium or Homeowners Association or PUD.

G. Site Features

1.	# of Parking Spaces to be provided	<input type="text" value=""/>	
	Minimum number of spaces required by locality or zoning ordinance?	<input type="text" value=""/>	
2.	Parking Shared ? (if true, provide documentation)	<input type="text" value="FALSE"/>	
3.	OffSite Parking?	<input type="text" value="FALSE"/>	
4.	Access to Public Transportation?	<input type="text" value=""/>	If true, what type? <input type="text" value=""/>
5.	Acreage	<input type="text" value="0.00"/>	
6.	What type of Ground Lease is the Property subject to? Provide documentation if applicable.	<input type="text" value=""/>	Error: Please provide Ground Lease Type.
7.	Property has direct access from a Public Road. If private access, indicate who is responsible for maintenance	<input type="text" value="FALSE"/>	<input type="text" value=""/>
8.	Property located in a flood zone (If true, flood insurance will be required.)	<input type="text" value="FALSE"/>	
9.	Property subject to Condominium regime (if true, provide documentation.)	<input type="text" value="FALSE"/>	
10.	Property subject to Homeowners Association or a Planned Unit Development (PUD) - (if true, provide documentation.)	<input type="text" value="FALSE"/>	
11.	Property subject to any access or cross easements?	<input type="text" value="FALSE"/>	if true, please describe: <input type="text" value=""/>
12.	Do any of the following apply to this property's location?		
	Local Historic District?	<input type="text" value="FALSE"/>	Other? <input type="text" value="FALSE"/>
	Design Overlay District?	<input type="text" value="FALSE"/>	If other, describe:
	High Tension Wires?	<input type="text" value="FALSE"/>	
	Unusual ingress/egress?	<input type="text" value="FALSE"/>	
13.	Does this property have any of the following environmental conditions?		
	Asbestos?	<input type="text" value="FALSE"/>	Wetlands? <input type="text" value="FALSE"/>
	Lead Paint?	<input type="text" value="FALSE"/>	Rock? <input type="text" value="FALSE"/>
	Fill/cut?	<input type="text" value="FALSE"/>	Underground Storage Tank? <input type="text" value="FALSE"/>
	Other?		

Virginia Housing Rental Housing Loan Application

14. Appraised value as completed and stabilized \$890,890

15. Site Control:

Purchase/Option Date 00/00/0000
 Price Paid \$0
 Option Deposit \$0
 Option Date 00/00/0000

Provide Sales contract or deed and settlement from purchase of site

16. Real Estate Tax Information

Tax Map Parcel Number _____
 Current Assessment \$0.00
 Current Tax Rate \$0.00 per \$100
 Proposed Assessment \$0.00
 Proposed Tax Rate \$0.00 per \$100
 Special Assessment \$0.00

Describe Extension Provisions (if applicable):

17. How will the local notification requirements be met (must be completed prior to closing)? _____

Virginia Housing will not close a loan without proof of this requirement. Must notify Development Officer of how this requirement will be met prior to pricing.

18. Will the development be subject to Proffers? FALSE If true, please provide documentation.

19. Will development receive any tax abatements? FALSE if so, describe: _____

H. Improvement Summary

1. Total Floor Area For The Entire Development.....				0.00
2. Unheated Floor Area (ie. Breezeways, Balconies, Storage).....				0.00
3. Total Usable Residential Heated Area.....				0.00
4. Number of Buildings	0	7. Building Type:	▶	
5. Avg Number of Stories	0	8. Residential Apt Type:	▶	
		9. Roof Type:	▶	
6. Number of Elevators	0	10. Construction Type	▶	
Elevator Type (if known)		11. Primary Exterior Finish	▶	
▶		12. Secondary Exterior Finish	▶	

13. Describe number, construction and uses of non residential buildings:

14. Describe any income producing space or equipment not for exclusive use of the residents:

15. Does this development have scattered sites? **FALSE** If True, describe below:

16. Services included in Rent (as proposed)

Water?	FALSE
Sewer?	FALSE
Trash Removal?	FALSE
Electricity?	FALSE
Air Conditioning?	FALSE
Hot Water?	FALSE
Heat?	FALSE
Cooking?	FALSE
Cable?	FALSE
Other ?	

17. Utility Types

Heating Type	▶	
Cooking Type	▶	
Air Conditioning Type	▶	
Hot Water Type	▶	

17a If Utilities vary by Unit (explain):

Provide Utility Company Expense Letters with your application.

18. Utility Providers

	Name	Existing?	Metered?
Electric		FALSE	
Gas		FALSE	
Water/Sewer		FALSE	
Sewer (if separate)		FALSE	

19. If property will have congregate services, indicate type:

Provide more detail if possible:

I. Tenant Selection Plan

Total Units 0

Income Limits

# of Units	% of Units	% of Area Median Income
0	#DIV/0!	30%
0	#DIV/0!	40%
0	#DIV/0!	50%
0	#DIV/0!	60%
0	#DIV/0!	70%
0	#DIV/0!	80%
0	#DIV/0!	100%
0	#DIV/0!	150%
0	#DIV/0!	Market/Unrestricted
0	#DIV/0!	

LIHTC Rent Limits (if applicable)

# of Units	% of Units	% of Area Median Income
0	#DIV/0!	30%
0	#DIV/0!	40%
0	#DIV/0!	50%
0	#DIV/0!	60%
0	#DIV/0!	70%
0	#DIV/0!	80%
0	#DIV/0!	Market/Unrestricted
0	#DIV/0!	

Will you be income averaging under the LIHTC program?

The above states that the % of units listed will be occupied by or held available for occupancy by individuals or families whose Adjusted Family Incomes, as determined in accordance with Virginia Housing's Rules and Regulations in effect on the date of such determination, do not exceed the % of area median gross income as then determined by Virginia Housing as of the date of their initial occupancy of such units.

After initial occupancy, a waiting list of eligible applicants will be maintained. As vacancies occur, applicants on the waiting list will be notified and, if approved, will be accepted on a first-come, first-served basis, subject to the above income limits.

The Owner shall obtain and verify annual gross income and other criteria of eligibility upon move-in/initial certification from each tenant of the Development. Owners are required to recertify the households annual income annually or every three years depending on the Virginia Housing loan or applicable program guidelines.

A person or family may be disapproved for admission to the development if it is found that they willfully falsified information to gain admission as well as for any reason related to such person's or family ability or willingness to comply with the terms of the lease and/or applicable law. In the event that any application is disapproved, the applicant will be notified in writing by the manager as to the reasons why the application was disapproved.

Will the property remain under any extended use restrictions related to the LIHTC program? FALSE

Income Restrictions Requested:

Select applicable income limits (% of units at % of Adj. Median Income (AMI)) - additional requirements may apply

VHDA Taxable		FALSE	(a) 100% of units at 150% AMI
Virginia Housing Mixed Income Programs		FALSE	(a) 10% of units at 30% AMI, 90% of units unrestricted
		FALSE	(b) 20% of units at 80% AMI, 80% of units unrestricted
		FALSE	(c) 30% of units at 80% AMI, 70% of units unrestricted
		FALSE	(d) 40% of units at 100% AMI, 60% of units unrestricted
VHDA Tax Exempt*		FALSE	(a) 20% at 50% AMI AFS, 80% at 150% AMI
		FALSE	(b) 40% at 60% AMI AFS, 60% at 150% AMI
REACH Only		FALSE	(a) 50% of units at 50% AMI, 50% of units at 150% of AMI
		FALSE	(b) 100% of units at 150% AMI (in defined Rural areas)

(if REACH is additional funding, income limits are determined by the bond funds used)

Special Selection FALSE

Explain Special Selection:

J. Amenities

1. Unit Amenities available in property (indicate all proposed) - will apply to all units unless indicated otherwise on Income Tab - Unit Mix :

a. AC-Central	FALSE	i. Pull Cords (elderly or PWD units)	FALSE
b. AC – Window Units	FALSE	j. Security System	FALSE
c. Dishwasher	FALSE	k. Vaulted Ceilings	FALSE
d. Disposal	FALSE	l. Wall To Wall carpet	FALSE
e. Fireplace	FALSE	m. WD Hookup	FALSE
f. Ice Maker	FALSE	n. WD In Unit	FALSE
g. Microwave	FALSE		
h. Patio/Balcony	FALSE		

2. Indicate any additional unit amenities that would apply to your property - will apply to all units unless indicated otherwise on Income Tab - Unit Mix:

a. <input type="text"/>	d. <input type="text"/>
b. <input type="text"/>	e. <input type="text"/>
c. <input type="text"/>	

3. Primary Unit Floor Material:

4. Site Amenities (indicate all proposed):

a. Business Center	FALSE	k. Controlled Access	FALSE
b. Clubhouse/Community Room	FALSE	l. Playground	FALSE
c. Covered or Garage Parking	FALSE	m. Pool	FALSE
d. Exercise Room	FALSE	n. Leasing Office	FALSE
e. Fitness Trail	FALSE	p. Sports Activity Court	FALSE
f. Garage	FALSE	q. Theatre Room	FALSE
If true, select Garage Type <input type="text"/>		r. Waterview/Lake	FALSE
g. Gated Access to Site	FALSE	s. Describe any other Amenities?	1. <input type="text"/>
h. Internet Access	FALSE		2. <input type="text"/>
i. Laundry Facilities	FALSE		<input type="text"/>
			<input type="text"/>
			<input type="text"/>

K. Market

- Provide the following Market Information with your application:
1. Rental comparable form (and map) - complete form for each comparable property. [Form available on VirginiaHousing.org](#)
 2. Map showing location of subject property and all comparable properties
 3. Current Rent roll (for rehab only) -- include unit number, type, family size, annual income, current rent, lease expiration and any subsidy.

L. Property Management

- Provide the following Property Management Information with your application:
1. Tenant Selection Plan
 2. Marketing plan as stated in Exhibit 3 (prepared by property manager)
 3. Operating History (year-to-date and previous two years audited operating income and expense statements)
 4. Relocation plan and budget (for rehabilitation properties)

Management Firm Indicated on #6 of Team tab..... 0

5. Virginia Housing Certified Management Agent? # of units currently managed by this agent?

6. There is an identity of interest between Mortgagor and Property Manager.

M. Income Summary

(If development has more than 50 unit type mixes, contact Virginia Housing for an extended form.)

DO NOT COPY AND PASTE!!!! Fill tool is allowed.

	Unit Type	# of Units	Sq Feet	Includes Den, Loft or Sunroom?	Base Monthly Rent	Income Limits Set Aside	Est.Tenant Paid Utilities	Gross Rent	Rent/Sq Feet	Annual Income	Apartment Type
1								\$0.00	#DIV/0!	\$0.00	
2								\$0.00	#DIV/0!	\$0.00	
3								\$0.00	#DIV/0!	\$0.00	
4								\$0.00	#DIV/0!	\$0.00	
5								\$0.00	#DIV/0!	\$0.00	
6								\$0.00	#DIV/0!	\$0.00	
7								\$0.00	#DIV/0!	\$0.00	
8								\$0.00	#DIV/0!	\$0.00	
9								\$0.00	#DIV/0!	\$0.00	
10								\$0.00	#DIV/0!	\$0.00	
11								\$0.00	#DIV/0!	\$0.00	
12								\$0.00	#DIV/0!	\$0.00	
13								\$0.00	#DIV/0!	\$0.00	
14								\$0.00	#DIV/0!	\$0.00	
15								\$0.00	#DIV/0!	\$0.00	
16								\$0.00	#DIV/0!	\$0.00	
17								\$0.00	#DIV/0!	\$0.00	
18								\$0.00	#DIV/0!	\$0.00	
19								\$0.00	#DIV/0!	\$0.00	
20								\$0.00	#DIV/0!	\$0.00	
21								\$0.00	#DIV/0!	\$0.00	
22								\$0.00	#DIV/0!	\$0.00	
23								\$0.00	#DIV/0!	\$0.00	
24								\$0.00	#DIV/0!	\$0.00	
25								\$0.00	#DIV/0!	\$0.00	
26								\$0.00	#DIV/0!	\$0.00	
27								\$0.00	#DIV/0!	\$0.00	
28								\$0.00	#DIV/0!	\$0.00	
29								\$0.00	#DIV/0!	\$0.00	
30								\$0.00	#DIV/0!	\$0.00	
31								\$0.00	#DIV/0!	\$0.00	
32								\$0.00	#DIV/0!	\$0.00	
33								\$0.00	#DIV/0!	\$0.00	
34								\$0.00	#DIV/0!	\$0.00	
35								\$0.00	#DIV/0!	\$0.00	
36								\$0.00	#DIV/0!	\$0.00	
37								\$0.00	#DIV/0!	\$0.00	
38								\$0.00	#DIV/0!	\$0.00	
39								\$0.00	#DIV/0!	\$0.00	
40								\$0.00	#DIV/0!	\$0.00	

M. Income Summary

(If development has more than 50 unit type mixes, contact Virginia Housing for an extended form.)

DO NOT COPY AND PASTE!!!! Fill tool is allowed.

41							\$0.00	#DIV/0!	\$0.00	
42							\$0.00	#DIV/0!	\$0.00	
43							\$0.00	#DIV/0!	\$0.00	
44							\$0.00	#DIV/0!	\$0.00	
45							\$0.00	#DIV/0!	\$0.00	
46							\$0.00	#DIV/0!	\$0.00	
47							\$0.00	#DIV/0!	\$0.00	
48							\$0.00	#DIV/0!	\$0.00	
49							\$0.00	#DIV/0!	\$0.00	
50							\$0.00	#DIV/0!	\$0.00	

Total Units

0

Rental Income

\$0

Net Rentable Area: 0.00

Other Income:

Type of Income	Est. Quantity per Month	Amount per Type	Monthly Income	Annual Income
1			\$0.00	\$0.00
2			\$0.00	\$0.00
3			\$0.00	\$0.00
4			\$0.00	\$0.00
5			\$0.00	\$0.00
6			\$0.00	\$0.00
7			\$0.00	\$0.00
8			\$0.00	\$0.00

Total Annual Other

\$0

Summary

Rental Income	\$0
Other Income	\$0
Gross Income	\$0
Less Vacancy %	\$0
Less Credit Loss %	\$0
Effective Gross Income	\$0.00

N. Expense Summary

Use Whole Numbers only

TAXES & INSURANCE

Real Estate Taxes	#DIV/0!	
Payroll Taxes	#DIV/0!	
Miscellaneous Taxes/Licenses/Permits	#DIV/0!	
Property & Liability Insurance	#DIV/0!	
Fidelity Bond	#DIV/0!	
Workman's Compensation	#DIV/0!	
Health Insurance & Employee Benefits	#DIV/0!	
Other Insurance	#DIV/0!	
Other Insurance	#DIV/0!	
Total Taxes & Insurance	#DIV/0!	\$0
 Total Operating Expenses	#DIV/0!	\$0
REPLACEMENT RESERVES		
 TOTAL EXPENSES WITH REPLACEMENT RESERVES	#DIV/0!	\$0

O. Uses

Use Whole Numbers Only

Contractor's Costs

1	Structures (estimate)		
2	CSI02 Existing Conditions/Demolition		
	Total Structures		\$0

1	CSI31 Earthwork		
2	CSI32 Exterior Improvements (Site Improvements)		
3	CSI33 Site Utilities		
	Total Land Improvements		\$0

Total Structures & Land \$0

1	General Requirements	#DIV/0!	
2	Overhead	#DIV/0!	
3	Profit	#DIV/0!	
4	Bond Premiums		
5	Building Permits paid by GC		
	Total Contractor's Costs		\$0

Owner Costs

1	Building Permits		
2	Design Engineering		
3	Design Architect		
4	Architect Supervision		
5	Tap Fees		
6	Environmental		
7	Construction Interest		
8	Taxes		
9	Insurance (Hazard)		
10	Insurance (Builders Risk & Liability)		
11	Virginia Housing Processing Fee		
12	Virginia Housing Finance Fee		
13	Certification		
14	Title & Recording		
15	Legal		
16	Mortgage Banker		
17	Tax Credit Fee		
18	Soil Borings		
19	Appraisal		
20	Market Study		
21	Fixtures, Furniture and Equipment		
22	Accounting		
23	Construction Management		
24	Consultants		

O. Uses

Use Whole Numbers Only

25	Development Management		
26	Green Building Certification		
27	Equity Financed		
28	Geotechnical Engineer		
29	Letters of Credit / Bond Premiums		
30	Loan Prepayment Fee		
31	Marketing and General Lease up		
32	Monitoring/Lease up Res.		
33	Organizational Costs		
34	Proffers		
35	RR funding		
36	Security		
37	Site Engineering/Survey		
38	Tenant Relocation		
39	Utilities		
40	Miscellaneous (From Other Costs not funded by Virginia Housing below)		\$0
41	Contingency	#DIV/0!	
42	Estimated Remaining Equity		
43	Other Costs 1, specify		
44	Other Costs 2, specify		
45	Other Costs 3, specify		
46	Other Costs 4, specify		
47	Other Costs 5, specify		
48	Other Costs 6, specify		
49	Other Costs 7, specify		
50	Other Costs 8, specify		
51	Other Costs 9, specify		
52	Other Costs 10, specify		
	Total Owner Costs		\$0
	Land/Acquisition Costs (must be the lesser of the "as is" value or purchase price)		
	Land		
	Existing Improvements		

Total Development Costs less
Dev Fees & Other Costs not funded by Virginia Housing \$0

P. Construction Interest Calculation Tool

Instructions for Use:

You may use the table below to help calculate your construction interest. The interest will continue to calculate up to the month that you have filled in an interest rate. If your property produces income, this may not be necessary.

	<u>Month 1</u>	<u>Month 2</u>	<u>Month 3</u>	<u>Month 4</u>	<u>Month 5</u>	<u>Month 6</u>	<u>Month 7</u>
Monthly Draw	-						
Cumulative Construction Loan Balance	-	-	-	-	-	-	-
Interest Rate (annual)	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
Monthly Estimated Construction Interest	-	-	-	-	-	-	-
Cumulative Estimated Construction Interest	-	-	-	-	-	-	-

	<u>Month 8</u>	<u>Month 9</u>	<u>Month 10</u>	<u>Month 11</u>	<u>Month 12</u>	<u>Month 13</u>	<u>Month 14</u>
Monthly Draw							
Cumulative Construction Loan Balance	-	-	-	-	-	-	-
Interest Rate (annual)	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
Monthly Estimated Construction Interest	-	-	-	-	-	-	-
Cumulative Estimated Construction Interest	-	-	-	-	-	-	-

	<u>Month 15</u>	<u>Month 16</u>	<u>Month 17</u>	<u>Month 18</u>	<u>Month 19</u>	<u>Month 20</u>	<u>Month 21</u>
Monthly Draw							
Cumulative Construction Loan Balance	-	-	-	-	-	-	-
Interest Rate (annual)	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
Monthly Estimated Construction Interest	-	-	-	-	-	-	-
Cumulative Estimated Construction Interest	-	-	-	-	-	-	-

	<u>Month 22</u>	<u>Month 23</u>	<u>Month 24</u>	<u>Month 25</u>	<u>Month 26</u>
Monthly Draw					
Cumulative Construction Loan Balance	-	-	-	-	-
Interest Rate (annual)	0.000%	0.000%	0.000%	0.000%	0.000%
Monthly Estimated Construction Interest	-	-	-	-	-
Cumulative Estimated Construction Interest	-	-	-	-	-

Q. Architectural Drawings

All properties receiving Virginia Housing Financing must conform to Virginia Housing's current Minimum Design and Construction Requirements. Specific documentation is posted to the virginiahousing.com website.

1. New Construction -- Submission Requirements:

The initial site and building plan submissions may be schematic. Design the development drawings and final working drawings to incorporate VHDA requirements and review comments. The construction contract documents for initial closing must include final site and engineering, architectural, structural, mechanical and electrical drawings and specifications. The schematic drawings should include the following:

Tab I: Provide the following New Construction Information (Please indicate if the following items are included with your application by putting an 'X' in the appropriate boxes.)

	a. Schematic site plan to show type and number of parking spaces, location of building types, number and types of various apartments, location of community rooms, laundry, swimming pool, tot lots, play area, dumpster pads, site's topo, drainage, proposed landscape and lighting.
	b. Show zoning requirements, including set-backs, heights, number of units per acre, soil and environmental conditions.
	c. Geotechnical report
	d. Soil Borings
	e. Schematic floor plans to show elevations and sections for various building types, minimum scale 1/8" per foot. Show overall dimensions, gross square feet areas, and compliance with ADA and Fair Housing requirements.
	f. Typical unit layouts, minimum scale 1/4" per foot. Show dimensions, gross square feet areas, and furnishability layouts.
	g. Outline specifications for various materials including walls, floors, roofs, insulation, doors, windows, kitchen cabinets, appliances, mechanical plumbing, electrical, paving and landscaping.
	h. Owner cost breakdown (soft costs)
	i. Contract cost breakdown and scope of work

2. Renovations to Existing Properties -- Submission Requirements

Tab J Provide the following Rehabilitation Information (Please indicate if the following items are included with your application by putting an 'X' in the appropriate boxes.)

	a. Contract cost breakdown and scope of work
	b. Owner cost breakdown (soft costs)
	c. Component specifications and "cut sheets"
	d. Site plan- both existing and proposed
	e. Floor plans- both existing and proposed
	f. Show proposed changes including demolition, revision of unit plans, building elevations, and site work, community room, laundry room, swimming pool, tot lots and dumpster pads.
	g. List age and condition of various building components such as roofs, walls, doors, windows, kitchen cabinets, plumbing and mechanical equipment, carpet, appliances, insulation, etc. (i.e., unit survey)
	h. Structural and termite reports
	i. Environmental report (Phase I FNMA minimum)
	j. Component replacement schedule including replacement date, quantities and reserve fund calculations)
	k. Outline any A & E items that do not meet the VHDA's Design and Construction requirements



Development Cost Analysis

Deal Name _____

Construction Funding

Funding Source	Amount	Per Unit	Rate	Term	Per Sq Ft
VHDA Taxable		#DIV/0!			#DIV/0!
VHDA Tax Exempt		#DIV/0!			#DIV/0!
VHDA REACH		#DIV/0!			#DIV/0!
VHDA REACH		#DIV/0!			#DIV/0!
VHDA REACH		#DIV/0!			#DIV/0!
Existing VHDA Mortgage		#DIV/0!			#DIV/0!
Short Term VHDA Debt		#DIV/0!			#DIV/0!
Total Other Lender Debt		#DIV/0!			#DIV/0!
LITHC Proceeds		#DIV/0!			#DIV/0!
Total Equity		#DIV/0!			#DIV/0!
TOTAL SOURCES		#DIV/0!			#DIV/0!

Permanent Funding

Funding Source	Amount	Per Unit	Rate	Term	Debt Service	Per Sq Ft
VHDA Taxable		#DIV/0!				#DIV/0!
VHDA Tax Exempt		#DIV/0!				#DIV/0!
VHDA REACH		#DIV/0!				#DIV/0!
VHDA REACH		#DIV/0!				#DIV/0!
VHDA REACH		#DIV/0!				#DIV/0!
Total Other Funding		#DIV/0!				#DIV/0!
Total Other Funding		#DIV/0!				#DIV/0!
Total Other Funding		#DIV/0!				#DIV/0!
Total Equity		#DIV/0!				#DIV/0!
TOTAL SOURCES		#DIV/0!				#DIV/0!

USES OF FUNDS

	Cost	Per Unit	Per Sq Ft
Structures		#DIV/0!	#DIV/0!
Land Improvements		#DIV/0!	#DIV/0!
General Requirements, Overhead & Profit		#DIV/0!	#DIV/0!
Contractor's Indirect Costs			
Owner Soft Costs		#DIV/0!	#DIV/0!
Acquisition		#DIV/0!	#DIV/0!
TOTAL USES		#DIV/0!	#DIV/0!

SUMMARY

Total Units	
Gross Square Footage	
Estimated Value	\$890,890
Expected Fees	
Avg Sq Ft Per Unit	#DIV/0!
Debt Per Unit	#DIV/0!
Construction Funding	
Existing Mortgages (not incl. in Sources)	

EQUITY INVESTMENT

Virginia Housing Debt Only Coverage Ratio	#DIV/0!
All Permanent Debt Coverage Ratio	#DIV/0!
Total Development Costs	
Permanent Debt (VHDA)	
Permanent Debt (Other)	
Equity Required	#DIV/0!
Equity Sources	
Additional Equity Required	

CONTRACTOR HARD COSTS

Structures	\$	-	
Existing Conditions/Demo	\$	-	
Total Structures	\$	-	
CS131 Earthwork	\$	-	
CS132 Exterior Improvements (Site Improvements)	\$	-	
CS133 Site Utilities	\$	-	
Total Land Improvements	\$	-	
General Requirements	#DIV/0!	\$	-
Overhead	#DIV/0!	\$	-
Profit	#DIV/0!	\$	-
Indirect Costs		\$	-
Total Contractor's Hard Costs	\$	-	

INCOME

UNIT TYPE(BR)	# of Units	
Efficiency		
1BR		
2BR		
3BR		
4+BR		
Annual Rental Income		
Other Income		
Total Income		
Vacancy		
Credit Loss		
Estimated Gross Income		

*Details on
Income Tab*

OWNER SOFT COSTS	
Building Permits	\$ -
Design Engineering	\$ -
Design Architect	\$ -
Architect Supervision	\$ -
Tap Fees	\$ -
Environmental	\$ -
Construction Interest	\$ -
Taxes	\$ -
Insurance (Hazard)	\$ -
Insurance (Builders Risk & Liability)	\$ -
Virginia Housing Processing Fee	\$ -
Virginia Housing Finance Fee	\$ -
Certification	\$ -
Title & Recording	\$ -
Legal	\$ -
Mortgage Banker	\$ -
Tax Credit Fee	\$ -
Soil Borings	\$ -
Appraisal	\$ -
Market Study	\$ -
Fixtures, Furniture and Equipment	\$ -
Accounting	\$ -
Construction Management	\$ -
Consultants	\$ -
Development Management	\$ -
Green Building Certification	\$ -
Equity Financed	\$ -
Geotechnical Engineer	\$ -
Letters of Credit / Bond Premiums	\$ -
Loan Prepayment Fee	\$ -
Marketing and General Lease up	\$ -
Monitoring/Lease up Res.	\$ -
Organizational Costs	\$ -
Proffers	\$ -
RR funding	\$ -
Security	\$ -
Site Engineering/Survey	\$ -
Tenant Relocation	\$ -
Utilities	\$ -
Miscellaneous (Other Costs not funded by VH)	\$ -
Est. Remaining Equity	\$ -
Contingency #DIV/0! of Hard Costs	\$ -
Other Costs 1, specify	\$ -
Other Costs 2, specify	\$ -
Other Costs 3, specify	\$ -
Other Costs 4, specify	\$ -
Other Costs 5, specify	\$ -
Other Costs 6, specify	\$ -
Other Costs 7, specify	\$ -
Other Costs 8, specify	\$ -
Other Costs 9, specify	\$ -
Other Costs 10, specify	\$ -
Total Owner's Costs	\$ -

OPERATING EXPENSES	
	Per Unit
Administrative	#DIV/0!
Utilities	#DIV/0!
Operating & Maintenance	#DIV/0!
Taxes & Insurance	#DIV/0!
Total Operating Expenses	#DIV/0!
Replacement Reserves	#DIV/0!
Total Expenses	#DIV/0!

CASH FLOW	
Estimated Gross Income (EGI)	
Operating Expenses	
Net Income	
Virginia Housing Debt Service	
Cash Distribution	
Loan to Cost	#DIV/0!
Loan to Value	

Other Costs Not Funded by Virginia Housing	
Developer Fee	\$ -
1	\$ -
2	\$ -
3	\$ -
4	\$ -
5	\$ -
6	\$ -
7	\$ -
8	\$ -
9	\$ -
10	\$ -
	\$ -

TOTAL DEVELOPMENT COST	
Total Contractor's Hard Costs	\$ -
Existing Improvement Acquisition	\$ -
Land Acquisition	\$ -
Owner Soft Costs	\$ -
Total Development Cost	\$ -

Statement of Mortgagor

- 1 The undersigned Mortgagor hereby makes application to the Virginia Housing Development Authority (VHDA), for a mortgage loan described in this application pursuant to the Virginia Housing Development Authority Act, for housing described in this application, its supplements and all supporting schedule and exhibits. The loan will be secured by a valid first mortgage of the property herein described.
- 2 The Mortgagor represents that it is a qualified entity under the relevant statutes and has been formed to undertake the construction/rehabilitation and operation of the Development for which the loan is made.
- 3 The Mortgagor agrees, as a condition of said loan, to comply with all applicable Federal and State laws regarding unlawful discrimination.
- 4 The Mortgagor represents that it has not employed any person or firm to solicit or secure the loan applied for upon any agreement for a commission, percentage, brokerage, or contingent fee; that it has not paid, delivered, or furnished, or agreed to pay, deliver, or furnish to any person any moneys, funds, compensation, gratuities, loans or other form of consideration in connection with this application, or the granting of the loan, if granted, or any disbursements therefrom, except as shown in this application.
- 5 The Mortgagor hereby certifies that no relationship exists between the Mortgagor and the seller of the site of the Development, except as shown in this application.
- 6 The Mortgagor represents that it will furnish promptly such supporting information and documents as may be requested by VHDA and that, in carrying out the construction and operation of the Development, it will abide by all rules and regulations prescribed by VHDA.
- 7 The Mortgagor hereby certifies that the Development can be completed within the construction budget and can operate the Development within the operating budget set forth in this application.
- 8 The Mortgagor hereby certifies that the information set forth in this application is true, correct, and complete.
- 9 The Mortgagor hereby authorizes VHDA to order credit report and/or D & B reports; or verify any account balances for which the Mortgagor is a principal; and, contact business and banking references that the Mortgagor has provided.
- 10 The Mortgagor paid an application fee in the amount of \$10,000, which may be non refundable at the discretion of VHDA. This fee may be applied to offset any appraisal, marketing or any other fees incurred by VHDA.
- 11 By execution of this application, the Mortgagor understands and agrees 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 Virginia Privacy Protection Act. The Applicant may refuse to supply the information requested, however, such refusal will result in VHDA's inability to process the application. The original or copy of this application may be retained by VHDA, even if the loan is not made.
- 12 By execution of this application, the Mortgagor understands and agrees that VHDA may conduct its own independent review and analysis of the information contained herein and in the attachments hereto, that any such review and analysis will be made for the sole and exclusive benefit and protection of VHDA and that the Mortgagor and Contractor shall not be entitled to rely upon such review and analysis or upon the results therefrom. It is further understood and agreed by the Mortgagor that, for the purpose of determining and establishing the terms and conditions under which the loan may be made, VHDA may request or require adjustments or changes in the information contained herein (including attachments hereto) or in any documentation or material now or hereafter submitted in connection with this application. The Mortgagor also understands and agrees that no liability or obligation for cost overruns, operating deficits, deficiencies in the Development or other matters relating to the construction (or rehabilitation) and operation of the Development shall be imposed on VHDA by reason of any such adjustments or changes requested or required by VHDA or by reason of any approval by VHDA of any part of this application (including attachments) or of any other documentation or materials now or hereafter submitted in connection with this application is approved by VHDA and the initial closing of the loan is held and completed, all rights, responsibilities, liabilities and obligations of the Mortgagor, Contractor and VHDA shall be governed by the terms of the loan documents executed at that time, and such documents shall supersede all discussions, negotiations and agreements with respect to this application.

IN WITNESS WHEREOF the Mortgagor has caused this application to be executed in its name on this

_____ day of _____, 20 ____.

Approved Mortgage Banker/Broker

Legal Name of Mortgagor

By: _____

By: _____

Title: _____

Title: _____

EXHIBIT 2: Previous Participation Certification

Development Name:		0
Applicant:	0	
Controlling General Partner		

For the purpose of this Certification, the following definitions shall apply:

“Development” means the proposed multi-family rental housing development identified above.

“Participants” shall mean the Principals who will participate in the ownership of the Development.

“Principal” shall mean any person (including any individual, joint venture, partnership, limited liability company, corporation, nonprofit organization, trust, or any other public or private entity) that (i) with respect to the Development, will own or participate in the ownership of the Development or (ii) with respect to an existing multi-family rental project, has owned or participated in the ownership of such project, all as more fully described hereinbelow. The person who is the owner of the Development or multi-family rental project is considered a Principal. In determining whether any other person is a Principal, the following guidelines shall govern:

- (1) in the case of a partnership which is a Principal (whether as the owner or otherwise), all general partners are also considered Principals, regardless of the percentage interest of the general partner;
- (2) in the case of a public or private corporation or organization or governmental entity which is a Principal (whether as the owner or otherwise), Principals also include the president, vice president, secretary, and treasurer and other officers who are directly responsible to the board of directors or any equivalent governing body, as well as all directors or other members of the governing body and any stockholder having a 25 percent or more interest;
- (3) in the case of a limited liability company which is a Principal (whether as the owner or otherwise), all members are also considered Principals, regardless of the percentage interest of the member;
- (4) in the case of a trust which is a Principal (whether as the owner or otherwise), all persons having a 25% or more beneficial ownership interest in the assets of such trust; (whether as the owner or otherwise), all persons having a 25% or more beneficial ownership interest in the assets of such trust;
- (5) in the case of any other person which is a Principal (whether as the owner or otherwise), all persons having a 25 percent or more ownership interest in such other person are also considered Principals;
- and (6) any person that directly or indirectly controls, or has the power to control, a Principal shall also be considered a Principal.

This certification must be completed and personally signed and dated by an individual who is, or is authorized to act on behalf of, the applicant as designated in the application. The date of this certification must be no more than 30 days prior to submission of the application.

Certifications: I hereby certify that all the statements made by me are true, complete and correct to the best of my knowledge and belief and are made in good faith, including any statements attached to this certification.

- 1. I further certify that for the period beginning 10 years prior to the date of this certification:
 - a. During any time that any of the Participants were Principals in any multi-family rental project, no mortgage on the project has been in default, assigned to the mortgage insurer (governmental or private) or foreclosed, nor has mortgage relief by the mortgagee been given;
 - b. During any time that any of the Participants were Principals in any multi-family rental project, there has not been any breach by the owner of any agreements relating to the construction or rehabilitation, use, operation, management or disposition of the project;
 - c. To the best of my knowledge, there are no unresolved findings raised as a result of state or federal audits, management reviews or other governmental investigations concerning any multi-family rental project in which any of the Participants were Principals;

EXHIBIT 2: Previous Participation Certification

- d. During any time that any of the Participants were Principals in any multi-family rental project, there has not been a suspension or termination of payments under any state or federal assistance contract for the project;
 - e. None of the Participants has been convicted of a felony and is not presently, to my knowledge, the subject of a complaint or 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);
 - f. None of the Participants has been suspended, debarred or otherwise restricted by any federal or state governmental entity from doing business with such governmental entity; and
 - g. None of the Participants has 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.
- 2. I further certify that none of the Participants is a Virginia Housing Development Authority employee or a member of the immediate household of any of its employees.
 - 3. I further certify that none of the Participants is participating in the ownership of a multi-family rental housing project as of this date on which construction has stopped for a period in excess of 20 days or (in the case of a multi-family rental housing project 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.
 - 4. I further certify that none of the Participants has 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.
 - 5. I further certify that none of the Participants was a Principal in any multi-family rental project 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 in such project.
 - 6. **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.**

WARNING: IF THIS CERTIFICATION CONTAINS ANY MISREPRESENTATION OF A MATERIAL FACT, THE AUTHORITY MAY REJECT THE LOAN APPLICATION AND MAY PROHIBIT THE SUBMISSION BY THE APPLICANT OF LOAN APPLICATIONS IN THE FUTURE.

Signature: _____

Print Name of Signatory: _____

Date: _____

(Note: Date must be no more than 30 days prior to submission of the application.)

Exhibit 3: Marketing Plan Outline

This plan should ensure compliance with all appropriate occupancy regulations and restrictions specific to the development. If you have something that addresses all of these areas, you may submit it instead of completing the following outline. This plan should be property specific.

1. Description of the Target Population

- a. Identify the market area to be served by the development.
- b. Identify that part of the target population felt to be applicable to the income restrictions for this development.
- c. Indicate what apartment communities would be considered competition to this development.

2. Marketing Procedures to be Used in Initial Rent-up

- a. Describe all marketing tools to be used and, if applicable, frequency of use (i.e., model apartment, advertising mediums, signs, brochures, community contacts, etc.).
- b. Indicate how the development will be marketed to attract a sufficient number of persons subject to the income restrictions to this development.
- c. What marketing techniques will be employed to inform the minority population of the availability of the housing?
- d. Explain how information and rental applications are to be made available to the public prior to the opening of the development (or once this existing development becomes subject to the applicable Virginia Housing income restrictions).

3. Occupancy Procedures and Requirements

- a. Provide a breakdown of the number of dwelling units to be leased to families and individuals applicable to the income restrictions of the financing of this development.
- b. Indicate what procedures will be utilized during and after rent-up to ensure that the applicable percent of the dwelling units are leased to families or individuals at appropriate income levels.

Exhibit 4: REACH Program Requirements for Strategic Markets Lending

The Rental Housing Resources Enabling Affordable Community Housing (REACH) program is designed to address permanent mortgage financing for a variety of rental housing opportunities and provides financing at a below market interest rate.

This program is a permanent mortgage financing initiative intended to bring new affordable rental units into service or to preserve existing subsidized rental units. Rental Housing REACH is not intended to serve as a product for the refinancing of existing rental housing units nor is it intended to provide construction or interim acquisition/rehabilitation financing for rental units. Applicants seeking resources to refinance existing rental units or seeking construction/permanent financing should refer to Virginia Housing Rental Programs financed with Taxable Bonds outlined on www.virginiahousing.com. Virginia Housing is committed to quality rental housing opportunities and has created construction standards which must be addressed by applicants. Therefore, it is critical that applicants consult with Virginia Housing prior to initiation of unit construction or rehabilitation to ensure that the units meet the specified standards in order to ultimately receive permanent mortgage financing.

Virginia Housing reserves the right to waive any defined requirement contained in this document in the event that the Executive Director determines the proposed housing initiative supports Virginia Housing's intent.

HOMELESSNESS

Virginia Housing is committed to finding a permanent solution to ending homelessness. Rental Housing REACH provides affordable financing options for housing that targets "chronically homeless" people or **persons who are at risk of becoming chronically homeless** such as persons with dual diagnosis of addiction and mental health issues, children aging out of foster care and homeless veterans. Chronically homeless individuals are defined as "an unaccompanied homeless individual with a disabling condition who has either been continuously homeless for a year or more, or has had at least four episodes of homelessness in the past three years."

The following eligibility requirements were structured to support non-profit and governmental entities with a history and capacity for serving the homeless. The Service/Care Providers must demonstrate proper licensing, partnering, planning and locality backing to address this critical housing need with an emphasis on permanent supportive housing.

Exhibit 4: REACH Program Requirements for Strategic Markets Lending

HOUSING FOR THE PHYSICALLY DISABLED COMMUNITIES

Virginia Housing is committed to designing programs and products that provide developers the means to build accessible, affordable places for people with disabilities to live. More importantly Virginia Housing is committed to offering products that encourage a variety of housing alternatives that provide for choice and self-determination for people with disabilities while integrating housing into livable communities with diversity and appropriate community supports to allow people with disabilities to live as independently as is possible. The Authority has adopted the definition of Disability from The Americans with Disabilities Act (ADA): An individual is considered to have a "disability" if he or she has a physical or mental impairment that substantially limits one or more major life activities, has a record of such an impairment, or is regarded as having such an impairment. Persons discriminated against because they have a known association or relationships with an individual with a disability are also protected. Units must be independent living apartments with at least 25% of the units serve individuals with physical disabilities and are accessible using Universal Design (UD) features. If the facility provides supportive services, either appropriate license or provisional license is required.

REVITALIZATION

Revitalization is a planned process that strengthens economically impacted communities through local public and private partnerships which stimulate investment in sustainable community development. Such local partnerships can best identify and develop local solutions to address local challenges and opportunities. These partnerships typically leverage investment and support from the State and Federal government. As part of the local revitalization planning process, a specific area is identified and mapped in order to establish the targeted investment boundaries. In the Commonwealth of Virginia, several designations address local revitalization aspirations:

1. Redevelopment Area, Conservation District, and Rehabilitation Areas as prescribed in Title 36 of the Code of Virginia
2. State Enterprise Zone (DHCD)
3. Virginia Main Street Designation (DHCD)
4. Neighborhood Revitalization Strategy Area (NRSA) as prescribed by the HUD CDBG Program

While this is not an exhaustive list of revitalization related designations, this list illustrates a diverse array of approaches to addressing local needs.

The Rental Housing REACH program is designed to support local revitalization efforts in cases where there exists a clearly defined area established by the locality to focus investment as part of community restoration efforts. The size of such defined areas typically reflects unique local needs.

ELIGIBILITY REQUIREMENTS

The Rental Housing REACH program is designed to support the revitalization investment aspirations related to affordable rental housing in both rural and non-rural communities. Non-entitled communities typically include unincorporated places in counties as well as incorporated towns and small cities. Entitled communities typically include the urbanized metropolitan areas, larger cities, and suburban jurisdictions including counties. The non-entitled communities generally access such HUD resources through the Virginia Department of Housing and Community Development (DHCD). The entitled communities often receive community development and housing funds through a direct relationship with HUD involving programs such as CDBG and HOME.

Exhibit 4: REACH Program Requirements for Strategic Markets Lending

Non - Entitled Communities

Projects located in non-entitled communities must meet the following criteria:

1. Located in a locally designated revitalization area. Eligible areas include (but not necessarily limited to) those prescribed under Title 36 of the Code of Virginia as well as State Enterprise Zone and Virginia Main Street designations. Such local designations shall include areas identified by incorporated towns, independent cities, or counties.
2. Contain four or more units in the same locally designated revitalization area.

Entitled Communities

Projects located in non-rural communities must meet the following criteria:

1. Located in a locally designated revitalization area. Eligible areas include those prescribed under Title 36 of the Code of Virginia as well as State Enterprise Zone, Virginia Main Street, and HUD NRSA designations. Such local designations shall include areas identified by incorporated towns, independent cities, or counties.
2. Located in a Census Tract area where the population does **not** exceed a poverty level of 40% in order to mitigate the concentration of poverty in a community.
3. The project must be receiving leveraged funds from CDBG, HOME, RHA or other local financial support. Local tax abatement will not be considered eligible as “other local financial support.” Such leveraged financial support should directly support the development budget of the proposed project and average at least \$1,000 per unit in a REACH-assisted project.
4. Contain 6 or more units in the same locally-designated revitalization area.

VIRGINIA HOUSING DEVELOPMENT AUTHORITY

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Appendix F

OWNER SOFT COSTS	
Building Permits	
Design Engineering	
Design Architect	
Architect Supervision	
Tap Fees	
Environmental	
Construction Interest	
Taxes	
Insurance (Hazard)	
Insurance (Builders Risk & Liability)	
VHDA Processing Fee	
VHDA Financing Fee	
Certification	
Title & Recording	
Legal	
Mortgage Banker	
Tax Credit Fee	
Soil Borings	
Appraisal	
Market Study	
Fixtures, Furniture & Equipment	
Accounting	
Construction Management	
Consultants	
Development Management	
Green Building Certification	
Equity Financed	
Geotechnical Engineer	
Letter of Credit/ Bond Premiums	
Loan Prepayment Fee	
Marketing and General Lease up	
Monitoring/Lease up Res.	
Organizational Costs	
Proffers	
RR funding	
Security	
Site Engineering/Survey	
Tenant Relocation	
Utilities	
Miscellaneous (From Other Costs not funded by VH)	
Est. Remaining Equity	
Contingency	#DIV/0! of Hard Costs
Other Costs 1, specify	
Other Costs 2, specify	
Other Costs 3, specify	
Other Costs 4, specify	
Other Costs 5, specify	
Other Costs 6, specify	
Other Costs 7, specify	
Other Costs 8, specify	
Other Costs 9, specify	
Other Costs 10, specify	
Total Owner Soft Costs	

OPERATING EXPENSES		
	Per Unit	
Administrative		\$ -
Utilities		\$ -
Operating & Maintenance		\$ -
Taxes & Insurance		\$ -
Total Operating Expenses		\$ -
Replacement Reserves		\$ -
Total Expenses		\$ -

CASH FLOW	
Estimated Gross Income (EGI)	\$ -
Operating Expenses	\$ -
Net Income	\$ -
Virginia Housing Debt Service	\$ -
Cash Distribution	\$ -

Loan to Cost

Loan to Value

VHDA Fees Expected Is this REACH Funds Only?

Fee Type	% of Fee	Loan Amt	Fee Amount
Application Fee		\$ -	\$ 10,000
Processing Fee	0.50%	\$ -	\$ (10,000)
Financing Fee (Permanent)	0.50%	\$ -	\$ -
Fin. Fee (Construction/Gap)	1.50%	\$ -	\$ -
Fin. Fee Const (over 7.5 Million)	0.625%	\$ -	\$ -
Unsecured Gap Loan Fee		\$ -	\$ -
Out of Balance Fee		\$ -	\$ -
Other Fee		\$ -	\$ -
Total Expected Fees			

Current Exp. Fees:

Other Costs Not Funded by Virginia Housing		
	Developer Fee	
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		

TOTAL DEVELOPMENT COST	
Total Contractor's Hard Costs	\$ -
Existing Improvement Acquisition	\$ -
Land Acquisition	\$ -
Owner Soft Costs	\$ -
Total Development Cost	\$ -

VIRGINIA HOUSING DEVELOPMENT AUTHORITY

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Appendix G

**“CONFIDENTIAL WORKING PAPERS OF THE
EXECUTIVE DIRECTOR”**

DATE: 00/00/0000
TO: Tammy Neale
FROM: David Glassman
RE: Executive Director Authorization Request
DEAL NAME: <Name is copied from EDAR>

Development Officer Comments:

DO to fill in comments

Strategic Priority served by REACH:

<input type="checkbox"/> Rural	<input type="checkbox"/> Special Initiatives Pool - IDD
<input type="checkbox"/> MUMI	<input type="checkbox"/> Special Initiatives Pool - IDD
<input type="checkbox"/> Homeless	<input type="checkbox"/> Strategic (Tax Credit or Other)
<input type="checkbox"/> Disability	<input type="checkbox"/> LMATCH

Director of Rental Housing Development Notes

{{*largeField2_es_:signer1:multiline(7)}}

Managing Director of Rental Housing Notes

{{*largeField3_es_:signer2:multiline(7)}}

Development Summary

Summary Information

Deal Name: 0 **Deal#** 0

Total Units: 0 # of Strategic Units: 0 Jurisdiction: 0

Project Gross Sq Ft: 0 Target population: 0

Sources of Funds		
Funding Source	Amount	VHDA Monies?

Total Finance Fees Expected
--

Total Sources \$0

Uses of Funds			
Type of Uses	Amount	Per Unit	Per Sq Ft
Structures	\$0	#DIV/0!	#DIV/0!
Land Improvements	\$0	#DIV/0!	#DIV/0!
General Req/Overhead/Profit*	\$0	#DIV/0!	#DIV/0!
Owner Costs	\$0	#DIV/0!	#DIV/0!
Acquisition	\$0	#DIV/0!	#DIV/0!
Total Uses	\$0	#DIV/0!	

Total Development Costs	
Total Improvements	\$0
Land Acquisition	\$0
Bldg Acquisition	\$0
Total Development Costs	\$0

Income	
Rental Income	\$0
Other Income	\$0
Gross Income	\$0
Less Vacancy %	\$0
Less Credit %	\$0
Effective Gross Income:	\$0

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

Expenses		
Category	Per Unit	Total
Administrative	#DIV/0!	\$0
Utilities	#DIV/0!	\$0
Operating & Maintenance	#DIV/0!	\$0
Taxes & Insurance	#DIV/0!	\$0
Total Operating Expenses	#DIV/0!	\$0
Replacement Reserves	#DIV/0!	\$0
Total Expenses	#DIV/0!	\$0

Cash Flow	
EGI	\$0
Total Expenses	\$0
Net Income	\$0

Debt Service \$0
Cash Flow \$0

* may include Bond or Building Permits

VIRGINIA HOUSING DEVELOPMENT AUTHORITY

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Appendix H

**NOTICE OF PUBLIC HEARING ON PROPOSED
BOND FINANCING OF MULTI-FAMILY DEVELOPMENTS**

NOTICE IS HEREBY GIVEN, pursuant to the provisions of the Internal Revenue Code of 1986, as amended (the "Code"), that the Virginia Housing Development Authority ("VHDA") is considering the issuance of one or more series of bonds, pursuant to a common plan of financing, in an aggregate amount not to exceed \$227,288,185 to retire and refund certain multi-family notes and bonds and to provide additional funds to purchase or finance multi-family rental housing developments for low and moderate income persons and families, including in some cases group facilities for persons with physical or mental disabilities. The issuance of such bonds is expected (1) to refinance, in whole or in part, one or more of such developments hereinafter set forth, (2) to finance the construction or rehabilitation and/or the ownership of one or more of such developments hereinafter set forth which may include one or more of said developments to be owned by governmental entities or charitable organizations exempt from federal income taxation under Section 501(c)(3) of the Code and (3) to finance reserve funds and costs of issuance related to the bonds. The bonds will not constitute a debt or obligation of the Commonwealth of Virginia. VHDA will conduct a hearing to receive comments from the general public on the proposed bonds and multi-family housing developments and will provide for a question and answer period. In addition, persons will have an opportunity to make brief statements on the bonds and the purpose for which they are to be issued. Written comments may also be submitted prior to or at the hearing. This hearing will be conducted on June 2, 2006, at 10:00 a.m. in the offices of the Virginia Housing Development Authority, 601 South Belvidere Street, Richmond, Virginia. Further information with respect to the bonds and their purpose will be available at the hearing or upon written request prior thereto addressed to the Legal Division, VHDA, 601 South Belvidere Street, Richmond, Virginia 23220. The names of the existing or proposed developments, the existing or estimated number of units or other property description, the owner-developers, the existing or approximate locations (in certain cases the on-site rental offices) of the developments, and the existing or proposed mortgage loan amounts are as listed below (although VHDA may not, and is not required to, finance or refinance any or all such developments):

Beaufont Oaks Apartments, 343 units, Beaufont Oaks Apartments, LP, a Virginia limited partnership, 6839 Carnation Road, Richmond, Virginia, \$20,520,000.

Bent Creek Apartments, 60 units, Bent Creek II Limited Partnership, a Virginia limited partnership, 6525 Greenway Drive, Roanoke, Virginia, \$1,079,000.

Beverly Park Apartments, 45 units, Wesley Notabene Limited Partnership, a Virginia limited partnership, 613, 625, 627 and 641 Notabene Drive, Alexandria, Virginia, \$3,365,000.

Brook Run Seniors Apartments, 132 units, Brook Run Somerset, LLC, a Virginia limited liability company, located on the western line of Brook Road approximately 150 yards south of Hilliard Road, Henrico County, Virginia, \$9,720,000

Cedar Ridge, 140 units, Cedar Ridge Associates L.P., a Virginia limited partnership, 214 Kings Mill Court, Fredericksburg, Virginia, \$3,850,940.

Chippenham Place Apartments, 158 units, Chippenham Place Apartments, LP, a Virginia limited partnership, 5833 Orcutt Lane, Richmond, Virginia, \$5,520,000.

Colonial Arms, 216 units, Colonial Arms Associates, L.L.C., a Virginia limited liability corporation, 1800 #4A Colonial Arms Circle, Virginia Beach, Virginia, \$5,000,000.

Fields at Westover (formerly known as Cambridge Apartments), 305 units, Willston Commons L.P., a Virginia limited partnership, 2913 A Peyton Randolph Drive, Falls Church, Virginia, \$14,500,000.

Fields of Falls Church (formerly known as Westbrook Commons), 96 units, Westbrook Falls Church L.P., a Virginia limited partnership, 912 Ellison Street, Falls Church, Virginia, \$4,500,000.

Hearthwood, 200 units, Cannon/Hearthwood Limited Partnership, a Virginia limited partnership, 2111 Michie Drive #50A, Charlottesville, Virginia, \$7,500,000.

Heritage Pointe, 111 units, Heritage Court Limited Partnership, a Virginia limited partnership, 2788 Goolsby Avenue, Chesterfield County, Virginia, \$2,000,000.

Janna Lee Village Phase I, 264 units, JVP Partners I, LP, a Virginia limited partnership, 7986 Janna Lee Avenue, Fairfax County, Virginia, \$12,348,000

Janna Lee Village Phase II, 119 units, JVP Partners II, LP, a Virginia limited partnership, 7986 Janna Lee Avenue, Fairfax County, Virginia, \$11,660,000.

Jefferson Townhouses, 240 units, Jefferson Townhouses, LLC, a Virginia limited liability company, 1901 Venable Street, Richmond, Virginia, \$11,340,000.

Kings Grant, 90 units, Kings Grant Associates, L.P., a Virginia limited partnership, 2300 Grant Circle, Henrico County, Virginia, \$3,500,000.

Laurel Pines, 120 units, Laurel Pines Limited Partnership, a Virginia limited partnership, 4123 East Wood Harbor Court, Henrico County, Virginia, \$4,216,861.

Madison Ridge Apartments, 108 units, Wesley Rydell Housing Corporation, a Virginia corporation, 14806 Rydell Road, Fairfax County, Virginia, \$10,920,000.

Merrifield Commons, 124 units, Merrifield Commons L.P., a Virginia limited partnership, 2929 Stillwood Circle, Falls Church, Virginia, \$8,000,000.

Oaks of Woodlawn, 175 units, Oaks of Woodlawn Limited Dividend Housing Association, L.P., a Virginia limited partnership, 8799 Old Colony Way, Fairfax County, Virginia, \$8,500,000.

Old Manchester Plaza I, 55 units, Old Manchester Plaza, LP, a Virginia limited partnership, located in the southwest quadrant of the intersection of Hull Street and East 11th Street, Richmond, Virginia, \$3,360,000.

Peppertree I Apartments, 100 units, Peppertree Limited Partnership, a Virginia limited partnership, 221 Peppertree Lane, Winchester, Virginia, \$2,500,000.

Peppertree II Apartments, 60 units, Peppertree II Limited Partnership, a Virginia limited partnership, 221 Peppertree Lane, Winchester, Virginia, \$2,045,384.

Peppertree III Apartments, 36 units, Peppertree II Limited Partnership, a Virginia limited partnership, 221 Peppertree Lane, Winchester, Virginia, \$1,100,000.

River Mews Apartments-Phase II, 290 units, H and S Associates, a Virginia general partnership, 100 J Mews Lane, Newport News, Virginia, \$8,000,000.

Rosslyn Ridge Apartments, 262 units, Rosslyn Ridge Apartments Limited Partnership, a Virginia limited partnership, located in the southeast quadrant of the intersection of 16th Street and North Pierce Street, Arlington County, Virginia, \$50,025,000.

Sherwood Crossing, 132 units, Sherwood Crossing Associates L.P., a Virginia limited partnership, 7477 Sherwood Crossing Place, Hanover County, Virginia, \$3,500,000.

Westover Apartments, 152 units, Westover Housing Associates, Inc., a Virginia corporation, 1649 North Longfellow Street, Arlington County, Virginia, \$4,500,000.

Woodman West Apartments, 217 units, Woodman West Apartments, LP, a Virginia limited partnership, 1812 Blackburn Road, Henrico County, Virginia, \$12,180,000.

Woods of Jefferson, 108 units, Woods of Jefferson Associates, a Virginia general partnership, 205 Rotunda Circle, Newport News, Virginia, \$3,000,000.

VHDA does not discriminate on the basis of race, color, religion, sex, age, national origin or disability.

VIRGINIA HOUSING DEVELOPMENT AUTHORITY
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Appendix I

Request for Executive Director Approval

For Executive Use Only

Identifying Number _____

Complete one form per request

Requestor Information

Date 00/00/0000
Name 0 Extension:
Requested completion date 00/00/0000
Enter Department/Division Rental Housing

Request Information

Select the Type of Request

<input checked="" type="checkbox"/> CARS/EDARS	<input type="checkbox"/> Commonwealth of Virginia Documents
<input type="checkbox"/> Constituent Documents	<input type="checkbox"/> HR Documents
<input type="checkbox"/> Legal Documents	<input type="checkbox"/> MF Legal Documents
<input type="checkbox"/> Purchase Contracts	<input type="checkbox"/> REO Contracts
<input type="checkbox"/> SF Loan Documents	<input type="checkbox"/> Other

Provide a description for your request

DO to fill in description

Approver Section

Approval must be obtained by the appropriate supporting management team. If additional signatures are required outside of approving management team, please use the "additional signature" lines.

Manager: _____ (signature) _____

Director: {{*N_es_:signer2:Text Input5}} (signature) {{Sig_es_:signer2:signature}}

MD: {{*N_es_:signer3:Text Input6}} (signature) {{Sig_es_:signer3:signature}}

Chief {{*N_es_:signer4:Text Input6}} (signature) {{Sig_es_:signer4:signature}}

Additional Approval (print) _____ (signature) _____

Executive Director {{*N_es_:signer5:Text Input8}} (signature) {{Sig_es_:signer5:signature}}

**“CONFIDENTIAL WORKING PAPERS OF THE
EXECUTIVE DIRECTOR”**

DATE: 00/00/0000
TO: Tammy Neale
FROM: David Glassman
RE: Commitment Authorization Request
DEAL NAME: <Name is copied from CAR>

Development Officer Comments:

DO to fill in comments

Strategic Priority served by REACH:

<input type="checkbox"/> Rural	<input type="checkbox"/> Special Initiatives Pool - IDD
<input type="checkbox"/> MUMI	<input type="checkbox"/> Special Initiatives Pool - IDD
<input type="checkbox"/> Homeless	<input type="checkbox"/> Strategic (Tax Credit or Other)
<input type="checkbox"/> Disability	<input type="checkbox"/> LMATCH

Director of Rental Housing Development Notes

{{*largeField2_es_:signer2:multiline(7)}}

Managing Director of Rental Housing Notes

{{*largeField3_es_:signer3:multiline(7)}}



VIRGINIA HOUSING Commitment Authorization Request

Deal Name: _____ City: _____ Jurisdiction: _____ Developer: _____ Total Units: _____ Strategic Units: _____ Property Use: _____ Type of Loan: _____ Loan Purpose: _____ Tax Credits: _____ Development Officer: _____	Deal #: _____ VHDA#: _____ Commercial Space Sq Footage: _____ Strategic Qualifier: _____ Loan Category: _____ Target Population: _____
--	---

DEVELOPMENT PROPOSAL

Site Description / Location

From UW workbook

Need Finding:

Based on a market analysis and review of the occupancy levels of comparable properties in the market area, it is projected that the property will rent up at approximately **XX** units per month and be fully leased within approximately **XX** months. **XX%** of renters earning less than **\$XX.XXX** per year pay greater than **XX%** of income for rent.

FUNDING SUMMARY

Funding Source Name	Deal Purpose	Amount	Per Unit	Interest Rate	Term
				@	months
				@	months
				@	months
				@	months
				@	months
				@	months
				@	months
				@	months
				@	months
				@	months

TOTAL FUNDING: _____ **#DIV/0!**

Estimated Total Development Cost: _____

Estimated VHDA Loan to Value: _____ **Loan to Cost** **#DIV/0!**

Stand By Fees _____ **LRC PRE-CAR APPROVED DATE:** **00/00/0000**

If this is an RD Deal, indicate which parameters below are met in accordance policy exception:

LTV is at or below 50%
 Loan Amount is at or below \$1,000,000

Development Summary

Summary Information

Deal Name:	0	Deal#	0
-------------------	----------	--------------	----------

Total Units: 0 # of Strategic Units: 0 Jurisdiction: 0

Project Gross Sq Ft: 0 Target population: 0

Sources of Funds		
Funding Source	Amount	VHDA Monies?

Total Finance Fees Expected
--

Total Sources \$0

Uses of Funds			
Type of Uses	Amount	Per Unit	Per Sq Ft
Structures	\$0	#DIV/0!	#DIV/0!
Land Improvements	\$0	#DIV/0!	#DIV/0!
General Req/Overhead/Profit*	\$0	#DIV/0!	#DIV/0!
Owner Costs	\$0	#DIV/0!	#DIV/0!
Acquisition	\$0	#DIV/0!	#DIV/0!
Total Uses	\$0	#DIV/0!	

Total Development Costs	
Total Improvements	\$0
Land Acquisition	\$0
Bldg Acquisition	\$0
Total Development Costs	\$0

Income		
Rental Income		\$0
Other Income		\$0
Gross Income		\$0
Less Vacancy %	7.00%	\$0
Less Credit %	5.00%	\$0
Effective Gross Income:		\$0

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

Expenses		
Category	Per Unit	Total
Administrative	#DIV/0!	\$0
Utilities	#DIV/0!	\$0
Operating & Maintenance	#DIV/0!	\$0
Taxes & Insurance	#DIV/0!	\$0
Total Operating Expenses	#DIV/0!	\$0
Replacement Reserves	#DIV/0!	\$0
Total Expenses	#DIV/0!	\$0

Cash Flow	
EGI	\$0
Total Expenses	\$0
Net Income	\$0
Debt Service	\$0
Cash Flow	\$0

* may include Bond or Building Permits

VIRGINIA HOUSING DEVELOPMENT AUTHORITY

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Appendix J



Information for Legal

Assigned DO: _____
Assigned Analyst: _____
Assigned CLA: _____

MUST ENSURE THIS FORM IS REVIEWED BY THE DO PRIOR TO SUBMISSION TO LEGAL

Please include the most current version of the DCA when you give this to Legal

I. Development Information

1	Development Name	_____		
2	VHDA #	_____		
3	DEV Deal #	_____		
4	Brief Property Description for property location for Commitment and Note	_____		
5	Total Units:	_____		
6	Jurisdiction:	_____		
7	Appraisal Company Name:	_____		
8	Appraisal Date:	1/1/1900		
9	Appraised Value:	\$	_____	-

II. Mortgagor Information

1	Mortgagor/Borrower Name	_____			
2	Name of Commitment Addressee	_____			
3	Email of Addressee	_____			
4	Borrower Contact Person	_____	_____	_____	
		Sal.	First	Last	
5	Borrower Address	_____			
	Borrower City	_____	ST.	_____	Zip _____
6	Borrower Entity Type:	_____			
7	Formation State:	_____			
8	Attorney Name	_____			
9	Attorney Email	_____			

III. Loan Amount/Type of Loan/Source of Funding

1	Principal Amount of Mortgage Loan		\$	-
a	Standard Program amount of mortgage loan		\$	-
b	REACH Amount of Mortgage Loan	Program:		\$ -
		Program:		\$ -
		Program:		\$ -
	GAP Loan Amount		\$	-
c	Grants	Program:		\$ -
		Program:		\$ -
		Program:		\$ -
	Is grant to be secured by deed of trust?	NO		
2	Type of Financing:			
3	% of TDC to determine max mortgage:			
4	Will our Borrower lease property from fee simple owner?			
	If yes, provide name of Lessor:			
5	Will Virginia Housing lien be a first lien?	YES		
6	Source of Financing (choose only one):			
a	Tax Exempt (with/without Taxable or REACH)	NO		
b	TE Financing to refund other issuer's bonds	NO		
c	Taxable only – No REACH or Tax Exempt	NO		
d	Taxable – REACH, No Tax Exempt	NO		
e	REACH only	NO		
7	Is there multiple REACH?	NO		

IV. Interest Rate(s)

1	Max Interest Rate "Standard Program" Portion		0.00%
2	Interest Rate(s) REACH portion(s)	(1)	0.00%
		(2)	0.00%
3	Different Interest Rate during Construction?		NO
4	Gap Financing?	NO	

a	Gap Loan Amount	\$	-
b	Maximum Gap Loan Rate		0.00%
c	Gap Loan Maturity (# of months)		0
d	Prepayment Date of GAP Loan (# of months)		0
e	Amount of Gap Fee	\$	-
f	Will Gap loan be secured by Letter of Credit or Cash?		
	Provide Amount of security	\$	-
g	Is the Gap Loan being fully disbursed at Closing?		NO
h	GAP Special Conditions?		

V. Repayment Information

1	Virginia Housing requires Non Recourse	Non Recourse	
2	Amortization begins on the 1 st day of this numbered Month after closing		0
	(Construction Period + Buffer + Interest-only Period + 1 is calculated in the above formula)		
	Construction Period		
	Buffer		
	Interest only period		
3	Loan Amortization (in months)		
4	# of Loan Payments		

VI. Fees & Replacement Reserves (rounded to the nearest dollars)

1	Amount of Virginia Housing Financing Fee	\$ -
2	Portion of Virginia Housing Financing Fee paid prior to commitment	\$ -
3	Amount of Virginia Housing Processing Fee	\$ -
4	Portion of Virginia Housing Processing Fee paid prior to commitment (include App Fee)	\$ -
5	Balance of Processing/Financing Fees due at Commitment Acceptance	\$ -
6	Amount of Standby Security/ Good Faith Letter of Credit	\$ -
7	<u>Monthly</u> Amount Deposit Replacement Reserve Fund	\$ -
8	Amount of Out of Balance Fee	\$ -
9	Amount of Extended Perm/Forward Fee (for Perm/Forwards with delivery Period greater than 18 months)	\$ -
10	Amount of Extended Construction Perm Premium (for construction terms in excess of 24 months)	\$ -

VII. Construction Contract Information

1	Name of Contractor	
2	Plans or work write up?	Plans - Drawings & Specs
3	Total Contract sum	\$ 200,000.00
	Are they billing for Stored Materials?	NO
	If YES or BOTH, total fee for Stored Materials?	\$ -
4	Amount of Builder's Profit	\$ -
5	Amount of Completion assurance letter of credit	\$ 15,000.00
6	Amount of Latent Defect Letter of Credit	\$ 5,000.00
7	# of months for completion of construction	
8	Type of Hazard Insurance during Construction:	
9	Addendum to construction contract – if contractor to receive payments in excess of total contract sum?	NO

VIII. Architect

1	Design & Supervisory Services	
2	Owner – Arch agreement for both Design & Supervisory	
3	Separate Agreements for Design and Supervisory Services	NO
4	Design Architecture Firm Name	
5	Supervisory Architecture Firm Name	
6	Amount of Architect’s Total Fee	\$ -
7	Design Fees paid to Architect (paid at Closing)	\$ -
8	Supervisory Fees paid to Architect (balance remaining to bepaid after Closing)	\$ -

IX. Management Agent

1	Name of Management Agent	
2	Percent of monthly gross rent collections as Agent Fee	0.00%
3	Is Management Agent a Certified Agent?	
	If not certified, explain conditions:	
4	Management Agent Expenditure Limit	\$ -

X. Income Limits and Population Targets

1	LIHTC Tax Credit Limits (if applicable)	
2	Virginia Housing Loan Income Limits	
3	Other Restrictions of Occupancy?	
4	Population Target:	
5	Property Use:	
6	If Property Use is Supportive Housing, what is subtype?	

XI. Commitment Deadlines

1	Date on which Commitment, Standby Fees and financing fees are due	1/1/1900
2	Number of days for Mortgagor to request lock in date following return of commitment	0
3	Number of days to close loan following Virginia Housing notice of rate lock	0
4	Commitment Termination Date (for perm/REACH loans)	1/1/1900

XII. MISC.

1	Flood Insurance Coverage?	NO	(if no, please provide proof.)
2	Phase I Environmental?	YES	(always required)
3	Lease up requirement?		

If Required:

Loan amount > =\$2,000,000	Minimum Annual Income to meet:	\$	-
Loan amount < \$2,000,000	Est. Annual Oper Exp/Debt Service	\$	-
	# of units to be leased prior to closing		0

4	Initial Equity Escrow Agreement?	NO	
5	Residential Tenants Status?	Tenants Not in Units at Closing	
6	Early Start Agreement?	NO	
7	Cross Default & Cross Collateralization rider to Deed of Trust (if loan to be collateralized with another Virginia Housing loan)?		NO
8	Escrow agreement for off-site improvements?		NO
9	Latent Defect Letter Credit Amount for Perm Forward Loans	\$	-
10	Minimum number of parking spaces required		0
11	Construction required to be completed before closing? (Perm Forward only)		NO
12	Will Priority Fund finance the development?		NO
13	REACH clawback Language?		

XIII. Disbursement Agreements

1	Disbursement Agreement Required?	YES
2	Require Completion assurance LOC	
3	Require Latent Defect LOC	
4	Require Trade Payment Breakdown	
5	Require builders risk insurance?	
6	Draws will be based on:	
7	General Contractor?	
8	Construction required to be completed before closing?	
9	Lease up Required before closing?	
10	Interest Bearing?	
11	Amount of disbursement escrow	\$ -
12	Number of month for completion of construction?	

XIV. Mixed Use

1	Mixed Income Only?	NO
2	Mixed Income and Mixed Use?	NO
	See legal for selection of Special Conditions:	
3	MUMI Commercial Tenant Status	
4	MUMI - Is property in QCT?	NO
5	Lease up of Commercial Space Required before closing?	NO
6	Amount of Required Annual Income	\$ -

XV. Special Conditions

Attachment A – Special Conditions – if any

a	Offsite Access or easement required	a	NO
b	Cross-default/Cross-Collateralization	b	NO
c	Cross Easements	c	NO

If Cross Easement, Name/ VHDA# of other development having common space:

d	Evidence of Resources for Equity	d	NO
e	Work write up	e	NO
f	Structural Report	f	NO
g	Is there an Out of Balance Fee?	g	NO
h	Is there lease up reserve?	h	NO
i	Is there a property owner's association (HOA, Condo Assn.)	i	NO
j	Is the property subject to proffers?	j	NO
k	Are there income limits that survive foreclosure?	k	NO
l	Will property be subdivided or condoed out?	l	NO
m	Are there historic tax credits?	m	NO
n	If loan is tax exempt, is the development a scattered site?	n	NO

o	Is there an existing HAP Contract?	NO
	Will there be a new HAP Contract?	NO
	Name of HAP contract administrator (HUD, name of PHA):	
	What is the length of the HAP contract?	0
	# of HAP units in the contract	0

p	See attached page for additional details and special conditions?	p	NO
---	--	---	----

XVI. Documents to Attach

- 1 Attach current DCA.
- 2 Attach tenant selection plan.

MUST ENSURE THIS FORM IS REVIEWED BY THE DO PRIOR TO SUBMISSION TO LEGAL
reviewed by Dev. Officer: 0

EXHIBIT B



Development Fee Invoice

As of: December 12,2025

Deal #:	
Deal Name:	
Development Officer:	

This invoice summary displays the current fees due as well as any past due invoices .

Invoice #	Description	Amount due
Total Amount Due:		\$0.00

Invoices appear in the portal the day following issuance. Please allow time for processing.

Please pay by invoice # via our secure Rental Housing Invoice Portal: www.VirginiaHousing.com/RHInvoice

Or access from www.VirginiaHousing.com via Login options.

- If you are new to the portal, register with code **863**. Creating an account is for contact purposes only.
No banking information is stored within our systems.
For instructions on this process go to: www.VirginiaHousing.com/RHInvoiceInstructions

By check: Include a copy of the invoice and send to:

Virginia Housing
 CLA Department - Amy Jones
 601 S. Belvidere St
 Richmond, VA 23220

**All previous banking information has changed.
 Please do not wire funds using prior year's information*

	Invoice#	Descrip	Amount	DEV#	ID	Payee Invoice	Received Date	Waived Date	ArrayTest
fee1	-								FALSE
fee2	-								FALSE
fee3	-								FALSE
fee4	-								FALSE
fee5	-								FALSE
fee6	-								FALSE
fee7	-								FALSE
fee8	-								FALSE
fee9	-								FALSE
fee10	-								FALSE
fee11	-								FALSE
fee12	-								FALSE
fee13	-								FALSE
fee14	-								FALSE
fee15	-								FALSE
fee16	-								FALSE
fee17	-								FALSE
fee18	-								FALSE
fee19	-								FALSE
fee20	-								FALSE

ArrayValue	TRUE
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TO RESET ARRAY - at the end of the formula on Invoice, hit CTRL+SHIFT+ENTER