

MINUTES OF A REGULAR MEETING OF THE COMMISSIONERS
OF THE
CITY OF ROANOKE REDEVELOPMENT AND HOUSING AUTHORITY

The Commissioners of the City of Roanoke Redevelopment and Housing Authority met for a regular session on Monday, February 23, 2015, in the offices of the City of Roanoke Redevelopment and Housing Authority, 2624 Salem Turnpike, NW, in the City of Roanoke, Virginia.

I. CALL TO ORDER – ROLL CALL

Chair Witten called the meeting to order at 3:01 p.m. and declared that a quorum was present.

PRESENT: Commissioners Anguiano, Butler, Garner, Karnes, Smith and Witten

ABSENT: Commissioner Burruss

OFFICER PRESENT: Glenda Edwards Goh, Secretary-Treasurer

ALSO PRESENT: Jackie Austin, VP of Finance/CFO; Christina Back, Human Resources and Executive Office Administrator; David Bustamante, VP of Housing; Nick Conte, Legal Counsel; Jessica Farmer, HCV Manager; Crystal Hall, Community Support Services Director; Betty Mace, Executive Assistant; John Prillaman, General Counsel; Marlene Starkey, Family Self-Sufficiency Coordinator; Desi Wynter, Director of Redevelopment and Modernization

Chair Witten welcomed everyone to today's meeting.

II. REPORTS

1. Financial Report

Chair Witten stated that Mrs. Austin provided a Financial Narrative along with the Financial Report and asked if there were any comments or questions. There were none.

2. Executive Director's Report

Chair Witten asked for the Executive Director's report.

Mrs. Goh reported that the U. S. Department of Housing and Urban Development (HUD) released the President's Proposed FY 2016 HUD Budget on February 2, 2015. The proposal includes sufficient funding for approximately 86% proration of formula funding for Public Housing Operating Subsidy and approximately 90% proration of formula funding for Housing Choice Voucher (HCV) Administration Fees. Mrs. Goh stated that, should final funding reflect this proposal, this would be a higher proration for administrative fees than in the past few years. Housing Assistance Payments in the HCV program is proposed at 100% for voucher renewal, in addition to funding for 67,000 new vouchers. The new vouchers will serve specific populations, including those who are homeless and victims of domestic or dating violence, as well as family unification vouchers. The proposed amount of \$1.97 billion for the Public Housing Capital Fund Program is essentially unchanged from the current year.

Mrs. Goh stated that the budget proposal also includes \$250 million for the Choice Neighborhoods Program, \$100 million for Jobs-Plus, and \$85 million for the Family Self-Sufficiency Program. The budget proposed elimination of the cap for the Rental Assistance Demonstration program as well as expanding the Moving to Work

program by allowing an additional 15 public housing authorities to participate in the program.

Mrs. Goh stated that Mr. Wynter would update the Board a little later in the meeting regarding the Choice Neighborhoods Implementation Grant application which has been submitted.

Mrs. Goh advised that the HUD Real Estate Assessment Center (REAC) annual physical inspections were completed at Hunt Manor, Scattered Sites, Jamestown Place, Morningside Manor, and Lansdowne Park during the week of January 26, 2015. She stated that, although scores received from these inspections are lower than the most recent previous REAC inspections scores for these properties, she believes RRHA should retain its high performer designation. Mrs. Goh asked Mr. Bustamante to elaborate on the scores received from the inspections.

Mr. Bustamante stated that it was difficult having five properties with over 500 units undergo inspection in one week and he felt staff did an excellent job in preparing for the inspections. He advised that the scores reflected points deducted for items directly related to modernization work underway at two sites during the time of the inspections. Mr. Bustamante gave examples of two situations where work was in progress with the contractor present. The contractor explained that the work was in progress, and the inspector stated that he still must mark the issues as deficiencies but RRHA could apply for a database adjustment. Mr. Bustamante stated that HUD regulations allow restoration of points deducted when the housing authority submits documentation showing that contracted modernization work was underway at sites during the inspection. RRHA has submitted the required supporting documentation

and has requested that the 13 points deducted from the inspection score for Hunt Manor and Bluestone Park be restored.

Commissioner Anguiano asked Mrs. Goh to explain the calculations that go into determining if an authority retains high performer designation.

Mrs. Goh explained that the total Public Housing Assessment System (PHAS) score is comprised of a management score, a financial score, a physical score and a capital fund score. If RRHA's total score in all areas is 90 or above, RRHA would retain the high performer designation. Mrs. Goh stated that a lower score in one area may be offset by a higher score in another area.

3. Staff Reports

Chair Witten asked if there were any staff reports.

Mr. Wynter stated that the City of Roanoke and RRHA submitted an application on February 9, 2015 for \$20 million under the 2014-2015 Choice Neighborhoods Implementation Grant Program. He stated that the City of Roanoke is the lead applicant, and RRHA is the co-applicant on the grant application. There will be several partners and team members involved in fulfilling the various requirements of the grant. Mr. Wynter noted that the United Way will be the lead team member responsible for implementation of the education component. He stated that funding for several projects that are currently planned or under construction such as the Growing Goodwill Garden, the Melrose Library, and the proposed community center provided leverage for the grant application. Goodwill was designated as an anchor institution because of Goodwill's central location in the community and the array of employment-related services Goodwill provides. Mr. Wynter stated that HUD should announce a short list of

applications under serious consideration in the next few months, followed by a review process that will include site visits to those communities. The grant awards are anticipated to be announced in September 2015.

Commissioner Garner inquired as to whether the Henry Street properties would be impacted by this project and Mrs. Goh stated that they would not. Mrs. Goh stated that those properties are not in the target neighborhood and were conveyed to the City of Roanoke in April 2014.

4. Committee Reports

Chair Witten asked if there were any committee reports.

Commissioner Karnes stated that the Personnel Committee had met to discuss the Personnel Policies and will continue to review and recommend revisions as necessary.

5. Commissioner Comments

Chair Witten asked if there were any Commissioner comments. There were none.

6. Residents or other community members to address the Board.

Chair Witten asked if there were any residents or other community members who would like to address the Board. There were none.

III. CONSENT AGENDA

C-1 Minutes of the Regular Meeting of the Board of Commissioners held

Monday, January 26, 2015.

RECOMMENDED ACTION: Dispense with the reading thereof and approve as recorded.

C-2 Monthly Operations Report for the month of January, 2015.

RECOMMENDED ACTION: File as submitted

Commissioner Garner introduced a motion to approve the Consent Agenda.

The motion was seconded by Vice-Chair Butler and upon roll call the following vote was recorded:

AYES: Commissioners Anguiano, Butler, Garner, Karnes, Smith, Witten

NAYS: None

Chair Witten thereupon declared said motion carried as introduced.

IV. **REGULAR AGENDA**

1. Resolution No. 3830

Mrs. Back requested adoption of Resolution No. 3830 approving revised Personnel Policies regarding overtime and on-call time and compensation for temporary assignments. She stated that the Personnel Committee had reviewed these policies and determined that certain revisions are necessary to ensure they are relevant, meet agency needs and are legally compliant. Mrs. Back stated that the overtime and on-call time had been reviewed by legal counsel.

Chair Witten asked if there were any other comments or questions. There were none.

Commissioner Smith introduced Resolution No. 3830 and moved its adoption as introduced:

RESOLUTION OF THE CITY OF ROANOKE REDEVELOPMENT AND HOUSING AUTHORITY APPROVING REVISED PERSONNEL POLICIES REGARDING OVERTIME AND ON-CALL TIME AND COMPENSATION FOR TEMPORARY ASSIGNMENTS

WHEREAS, the City of Roanoke Redevelopment & Housing Authority (RRHA)

has undertaken a review of its personnel policies to ensure they are relevant, meet the needs of the agency and are legally compliant; and

WHEREAS, RRHA has reviewed and is proposing revisions to Personnel Policy No. 213 regarding the Overtime and On-Call Time, dated December 20, 1996, which was last revised May 23, 2011; and Personnel Policy No. 214 regarding Compensation for Temporary Assignments, dated December 20, 1996, which was last revised October 20, 2008, to better reflect current requirements and practices; and

WHEREAS, the proposed revised policy No. 213 regarding Overtime and On-Call Time has been reviewed by RRHA's legal counsel and determined to be in compliance with legal requirements applicable to RRHA; and

WHEREAS, the Personnel Committee of the RRHA Board of Commissioners supports and recommends approval of these revised policies.

NOW, THEREFORE, BE IT RESOLVED by the Commissioners of the City of Roanoke Redevelopment and Housing Authority that the attached revised Personnel Policies No. 213, Overtime and On-Call Time and No. 214 Compensation for Temporary Assignments, is approved effective March 1, 2015.

The motion was seconded by Commissioner Garner and upon roll call the following vote was recorded:

AYES: Commissioners Anguiano, Butler, Garner, Karnes, Smith, Witten

NAYS: None

Chair Witten thereupon declared said motion carried and Resolution No. 3830 adopted as introduced.

2. Resolution No. 3831

Mr. Wynter requested adoption of a resolution ratifying and confirming execution of an Option Agreement for acquisition of certain property in conjunction with the Choice Neighborhoods Implementation Grant application.

Mrs. Goh and Mr. Wynter explained that the Choice Neighborhoods Implementation Grant application submitted to HUD on February 9, 2015 by the City of Roanoke and RRHA required that one-for-one replacement of all public housing units

that would be demolished at Lansdowne Park be addressed, and that RRHA demonstrate site control of any property proposed for replacement housing. On January 26, 2015, the RRHA Board of Commissioners adopted a Resolution authorizing negotiation and execution of option agreements with owners of certain properties, including property located at 4301 Old Spanish Trail, NW. It was determined during the option negotiations that the access road to this parcel of property had a separate tax map number and address and that it is in the best interest of RRHA to have site control of the access road located at 0 Shenandoah Avenue, NW. An Option Agreement related to these properties was executed between RRHA and the Virginia Housing Development Authority on February 9, 2015 and, since the access road was included in the Agreement, ratification and confirmation by the Commissioners is needed.

Chair Witten asked if there were any other comments or questions. There were none.

Commissioner Smith introduced Resolution No. 3831 and moved its adoption as introduced:

RESOLUTION OF THE CITY OF ROANOKE REDEVELOPMENT AND HOUSING AUTHORITY RATIFYING AND CONFIRMING EXECUTION OF AN OPTION AGREEMENT FOR ACQUISITION OF CERTAIN PROPERTY IN CONJUNCTION WITH THE CHOICE NEIGHBORHOODS IMPLEMENTATION GRANT APPLICATION

WHEREAS, the City of Roanoke Redevelopment and Housing Authority (RRHA) has developed, with residents and other stakeholders in the Loudon-Melrose / Shenandoah West neighborhood, a Transformation Plan for the neighborhood, addressing housing, people, and neighborhood needs and goals; and

WHEREAS, on November 6, 2014, the U.S. Department of Housing and Urban Development (HUD) issued a Notice of Funding Availability for Choice Neighborhoods Implementation Grants; and

WHEREAS, Choice Neighborhoods Implementation Grant applications must

present a plan to revitalize a severely distressed public and/or HUD-assisted multifamily housing project located in a distressed neighborhood into a viable, mixed-income community; and

WHEREAS, the City of Roanoke and RRHA submitted a Choice Neighborhoods Implementation Grant application by the submission deadline of February 9, 2015; and

WHEREAS, the Choice Neighborhoods Implementation Grant application was required to address one-for-one replacement of all Public Housing units that would be demolished at Lansdowne Park, as well as foster development of mixed-income neighborhoods; and

WHEREAS, RRHA was required to demonstrate site control of any property proposed for replacement housing in order to meet HUD's requirements for the Choice Neighborhoods Implementation Grant application; and

WHEREAS, on January 26, 2015, the RRHA Board of Commissioners, by Resolution No. 3827, authorized negotiation and execution of option agreements with owners of certain properties, including property located at 4301 Old Spanish Trail, NW, Tax Map No. 6030101; and

WHEREAS, it was subsequently determined that the access road to this parcel has a separate tax map number and address; and

WHEREAS, it was determined to be in the best interest of RRHA to have site control of the access road, Tax Map No. 6030104, located at 0 Shenandoah Avenue, NW; and

WHEREAS, an Option Agreement related to properties with Tax Map Numbers 6030101 and 6030104 was executed between RRHA and the Virginia Housing Development Authority (VHDA) on February 9, 2015.

NOW, THEREFORE, BE IT RESOLVED by the Commissioners of the City of Roanoke Redevelopment and Housing Authority that the attached Option Agreement executed between RRHA and VHDA related to properties with Tax Map Numbers 6030101 and 6030104 is hereby ratified and confirmed.

The motion was seconded by Commissioner Anguiano and upon roll call the following vote was recorded:

AYES: Commissioners Anguiano, Butler, Garner, Karnes, Smith, Witten

NAYS: None

Chair Witten thereupon declared said motion carried and Resolution No. 3831

adopted as introduced.

1. Executive Session

Commissioner Garner moved that the Commissioners enter into Executive Session for the purpose of discussion of specific personnel matters of the RRHA in accordance with Virginia Code Section 2.2-3711 (A)(1).

The motion was seconded by Vice-Chair Butler and upon roll call the following vote was recorded:

AYES: Commissioners Anguiano, Butler, Garner, Karnes, Smith, Witten

NAYS: None

The Board of Commissioners entered into Executive Session at 3:26 p.m.

The Board reconvened into open session at 3:49 p.m.

Commissioner Garner introduced a motion stating that the members of the Board of Commissioners hereby certify to the best of their knowledge that only public business matters lawfully exempted from open meeting requirements and only such public business matters as were identified in the motion by which the closed meeting was convened were heard, discussed or considered by the Board in the immediately preceding Executive Session.

The motion was seconded by Vice-Chair Butler and upon roll call the following vote was recorded:

AYES: Commissioners Anguiano, Butler, Garner, Karnes, Smith, Witten

NAYS: None

V. ADJOURNMENT

There being no further business to come before the Board, Commissioner

Garner moved that the meeting be adjourned.

The motion was seconded by Commissioner Smith and upon roll call the following vote was recorded:

AYES: Commissioners Anguiano, Butler, Garner, Karnes, Smith, Witten

NAYS: None

Chair Witten declared the meeting adjourned at 3:55 p.m.

Timothy Witten, Chair

Glenda Edwards Goh, Secretary-Treasurer

DRAFT

Policy No. 213
 Date: December 20, 1996
 Page 1 of 2
 Revised: 5/10/01
 Revised: 10/20/08
 Revised: 4/16/11
 Revised: 05/23/11, Effective July 1, 2011
 Revised: 3/01/2015

OVERTIME AND ON-CALL TIME**I. PURPOSE**

To recognize the need to properly identify, authorize, and compensate those employees whose work related activities extend beyond the regularly established work hours.

II. SCOPE

This policy applies to all non-exempt employees.

III. POLICY

It is the policy of RRHA to fairly compensate employees for all time worked when the work-related activities exceed RRHA's established regular work hours. This policy will be administered in accordance with all applicable laws, and in particular, the Fair Labor Standards Act (FLSA).

The Board of Commissioners has established this policy and delegates responsibility for establishing or modifying procedures for implementation of the policy to the Executive Director. Current procedures are detailed below.

IV. PROCEDURESOvertime Pay:

Overtime pay is applicable to those employees considered non-exempt under RRHA's classification and compensation plan. To the extent practical, overtime shall be scheduled and approved in advance by an employee's supervisor. Overtime not approved in advance will be limited to critical or emergency situations and requires post-approval of the employee's supervisor and the Division VP, except in the case of on-call employees. Overtime incurred without advance approval which does not meet the critical or emergency situation criteria may result in disciplinary action in accordance with RRHA's Standards of Conduct.

Non-exempt employees will be compensated at their regular rate of pay for all hours worked up to 40 hours in any given work week. Non-exempt employees will be compensated at the rate of 1 ½ times their regular rate of pay for all hours worked in excess of 40 hours per work week. Compensated Personal time off, funeral leave, court leave, military leave, workers' compensation leave, FMLA, STD/LTD leave and paid holidays shall not be counted as hours worked in the calculation of overtime pay.

On-Call Pay:

A non-exempt employee designated as on-call will be compensated for the actual time worked responding to calls, including travel time when travel to a RRHA site to perform work in response to a call is necessary. An employee is free to enjoy his/her own pursuits, but not consume alcohol or other drugs that may impair the employee's ability to perform the duties as required, while on-call, and it is not RRHA's intention to limit the employee from having the ability to

reasonably engage in non-work related activities while on-call. The employee agrees that the on-call responsibility is one of importance and will make every effort to respond consistent with the expectations set forth by his or her supervisor. Under all circumstances the employee when reporting to work will be subject to all of the rules and policies as set forth in RRHA's employee handbook or otherwise. Failure to respond to on-call alerts may result in disciplinary action according to RRHA policy.

In cases in which circumstances arise that will impact an employee's availability to adhere to the on-call rotation schedule, the employee may switch the assigned on-call rotation with another employee who is on the on-call schedule. Any changes to the on-call rotation schedule must be reported to his or her supervisor immediately.

VI. EXECUTIVE REVIEW

Any exception, determination, or decision based on extenuating circumstances will require approval by the Executive Director in addition to Division VP approval.

ORIGINAL

Policy No. 213
Date: December 20, 1996
Page 1 of 1
Revised: 5/10/01
Revised: 10/20/08
Revised: 4/16/11
Revised: 05/23/11 Effective July 1, 2011

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Non-exempt employees will be compensated at their regular rate of pay for all hours worked up to 40 in any given work week. Non-exempt employees will be compensated at the rate of 1 ½ times their regular rate of pay for all hours worked in excess of 40 hours per week. Personal time off, funeral leave, court leave, military leave, workers' compensation leave, FMLA, STD/LTD leave and paid holidays shall not be counted as hours worked in the calculation of overtime pay. With prior approval by the Division VP, compensatory time off at a rate of one and one-half time instead of overtime pay may be authorized in situations where that alternative best meets RRHA's business needs.

V. ON-CALL PAY

A non-exempt employee designated as on-call will be compensated for the actual time worked responding to calls, including travel time when travel to a RRHA site to perform work in response to a call is necessary.

VI. EXECUTIVE REVIEW

Any exception, determination, or decision based on extenuating circumstances will require approval by the Executive Director in addition to Division VP approval.

Policy No. 214
 Date: December 20, 1996
 Revised: 10/20/08
 Revised: 03/01/2015

COMPENSATION FOR TEMPORARY ASSIGNMENTS

I. PURPOSE

To establish a policy on compensation of employees temporarily assigned to perform a higher job classification.

II. SCOPE

This policy applies to all regular employees who are temporarily assigned to perform a higher job classification where such tasks or duties are necessary for continuity of operations.

III. POLICY

It is the policy of RRHA to justly compensate its employees who may be required from time to time to perform a higher classification on the basis of temporary assignment.

The Board of Commissioners has established this policy and delegates responsibility for establishing or modifying procedures for implementation of the policy to the Executive Director. Current procedures are detailed below.

IV. PROCEDURES

V. DEFINITIONS

Continuity of Operations. This refers to the necessity of providing services on an uninterrupted basis.

Higher Job Classification. This refers to any job classification for which a higher pay grade is prescribed.

Implementation. Employees who are placed on an approved temporary assignment may or may not receive additional compensation for the length of the temporary assignment.

- a. Employees, whose current rate of pay falls below the minimum of the pay grade of the position necessitating a temporary assignment, shall have their rate of pay adjusted to the minimum of the pay range associated with the temporary assignment. An employee will receive the additional compensation effective the first day of the pay period for temporary assignments that exceed ten (10) consecutive work days.
- b. Employees, whose current rate of pay falls within the pay grade of the position necessitating a temporary assignment, shall not have their rate of pay adjusted.

Determination of Temporary Assignments. The determination of temporary assignments as necessary for the continuity of operations is an exclusive management right and as such shall not be subject to the Grievance Procedure.

Duration of Temporary Assignments. Temporary assignments shall not be for less than 10 consecutive working days and generally no more than six (6) consecutive months. Temporary assignments anticipated to be greater than six (6) months in duration require advance review and approval of the Executive Director.

ORIGINAL

Policy No. 214
 Date: December 20, 1996
 Revised: 10/20/08

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- a. Employees, whose current rate of pay falls below the minimum of the pay grade of the position necessitating a temporary assignment, shall have their rate of pay adjusted to the minimum of the pay range associated with the temporary assignment. An employee will receive the additional compensation effective the first day of the pay period following ten (10) consecutive work days on temporary assignment.

- b. Employees, whose current rate of pay falls within the pay grade of the position necessitating a temporary assignment, shall not have their rate of pay adjusted.

Determination of Temporary Assignments. The determination of temporary assignments as necessary for the continuity of operations is an exclusive management right and as such shall not be subject to the Grievance Procedure.

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Approved by the Board of Commissioners: (10/20/08)

Executive Director: _____

Prepared by: Virginia Housing Development Authority
601 S. Belvidere Street
Richmond, VA 23220

Tax Map Nos.: 6030101 and 6030104

Return to:

OPTION AGREEMENT

THIS OPTION AGREEMENT, made and entered into as of the 9th day of February, 2015, by and between VIRGINIA HOUSING DEVELOPMENT AUTHORITY, a political subdivision of the Commonwealth of Virginia, Grantor, hereinafter referred to as "Seller" and CITY OF ROANOKE REDEVELOPMENT AND HOUSING AUTHORITY, a political subdivision of the Commonwealth of Virginia, Grantee, hereinafter referred to as "Purchaser" (the Seller and the Purchaser shall sometimes be referred to collectively as the "Parties").

WITNESSETH:

WHEREAS, the Seller is the owner in fee simple absolute of the following real property, together with any improvements thereon and all rights and appurtenances thereunto pertaining, all of which is hereinafter referred to as the "Property":

See Exhibit A

WHEREAS, the Purchaser intends to apply for a Choice Neighborhoods Implementation Grant (the "Grant") from the U.S. Department of Housing and Urban Development ("HUD").

WHEREAS, to further the Purchaser's application for the Grant, the Seller and Purchaser desire to enter into an option agreement for the sale and purchase of the Property.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein and other good and valuable consideration, the receipt of all of which is hereby acknowledged by the Parties, the Parties agree and covenant as follows:

1. Granting of Option. The Seller grants to the Purchaser, on and subject to the terms and conditions set forth below, the sole and exclusive option (the "Option") to purchase the Property.
2. Option Fee. The Purchaser shall pay to the Seller the sum of Five Thousand Dollars (\$5,000) (the "Option Fee") for such Option. The Option Fee shall be paid on the effective date of this agreement set forth above in certified funds or by wire transfer. Such Option Fee shall be retained by Seller whether the Purchaser exercises such Option (including if such Option is

terminated pursuant to Section 4 hereof), unless the return of the Option Fee is expressly provided for herein in Section 10.3, 11.1 or 12.6.

3. Purchase Price. The Purchase Price shall be payable in certified funds or by wire transfer at the Closing (as hereafter defined). The Purchase Price of the Property shall be its fair market value, to be determined as follows: Purchaser and Seller shall each obtain, at their own cost, an MAI appraisal performed by an appraiser licensed in Virginia. The Purchase Price shall be the average of the two (2) appraisals, provided, however, that in no event shall the Purchase Price be less than the current real estate tax assessed value of Six Hundred Twenty-Four Thousand Three Hundred Dollars (\$624,300). Both appraisals shall determine the fair market value of the Property as zoned as of the date hereof, at maximum permitted density and with unrestricted rents. Such appraisals will be ordered by the Purchaser and the Seller no later than ten (10) business days after the Exercise Date, as defined below, and requested to be completed within thirty (30) days thereafter.

4. Period to Exercise Option. Purchaser shall have the right to exercise this Option not later than 5:00 PM (Local time) on the tenth (10th) business day after HUD announces the award of the Grant (anticipated to be in September, 2015); provided, however, in no event shall the period to exercise this option extend beyond December 30, 2015. However, if the application for the HUD Program is not successful, the Option shall terminate immediately upon such notice from HUD, which the Purchaser shall forward to Seller immediately upon receipt.

5. Procedure for Exercise of Option. Purchaser shall exercise the Option by giving Seller written notice of exercise in the manner described in Section 13.5 hereof. The date that notice is delivered to the Seller is referred to herein as the "Exercise Date". If Purchaser does not exercise this Option Agreement by the date described in Section 4 above or if the application for the HUD Program is not successful, this Option Agreement shall be considered null, void and of no effect and if, requested by Seller, Purchaser agrees to promptly and properly execute and deliver a recordable release of contract quitclaiming, granting and conveying to Seller any and all rights Purchaser may have in the Property pursuant to this Option Agreement.

6. Closing. The closing of the purchase of the Property (the "Closing") shall take place on (i) any date within one hundred twenty (120) days after the Exercise Date, (ii) such later date, if any, as shall be necessary for the Seller to elect and effect a cure of any Title Objections in accordance with Section 12.6 hereof or (iii) such other date that is mutually acceptable to the Seller and the Purchaser. Such date of the Closing is referred to herein as the "Closing Date." Closing shall occur at the offices of Purchaser's counsel, or at such other location as may be mutually acceptable to the Seller and the Purchaser.

7. Reports and Inspections. During the period from and including the Exercise Date and through 5:00 p.m. EST on the sixtieth (60) day after the Exercise Date (the "Inspection Period"), the Purchaser and its agents and representatives shall have the right to enter upon the Property for the purpose of performing such examinations and tests, including without limitation soil tests, environmental inspections, title examination, surveys, and determination of compliance with laws, all as the Purchaser may deem appropriate for determining the feasibility of the Property for the Purchaser's intended use (collectively, the "Inspections"). The Purchaser covenants to

repair any damage to the Property caused by such Inspections and to indemnify and hold harmless the Seller from any loss, cost, expense or liability incurred or sustained by the claim of any person made by reason of the Purchaser's activities as permitted pursuant to this Section 7, save and except for any reduction of value of the Property resulting from the discovery of any hazardous or toxic wastes and substances on, or defects to, the Property. The foregoing covenant shall survive any termination of this Agreement. If the Purchaser determines the Property is unacceptable to the Purchaser for any reason, as determined by the Purchaser in its sole and absolute discretion, the Purchaser may terminate this Agreement by giving the Seller written notice of such termination in accordance with the requirements of Section 13.5 prior to the expiration of the Inspection Period. If Purchaser so terminates this Agreement for any reason, Purchaser agrees to furnish Seller with copies of all engineering and environmental reports and studies that Purchaser has had prepared concerning the Property, its status, and its possible uses, including but not limited to any site plans and any Phase I Report. Upon such termination by the Purchaser, neither party hereto shall have a claim against the other under this Agreement.

8. Condemnation. If prior to Closing the Property is subjected to actual or threatened condemnation or eminent domain proceedings, the Seller will promptly notify the Purchaser of such event, and the Purchaser shall have the option of either: (i) terminating this Agreement; or (ii) proceeding to Closing, in which event the Seller shall pay or assign, as applicable to the Purchaser at Closing all of the proceeds or any right thereto from any such condemnation.

9. Damage or Destruction Prior to Closing. The Seller shall bear the risk of all loss or damage to the Property from all causes through the time of recordation of the Deed (defined in Section 12.1.1). In the event any of the Property should be damaged or destroyed as a result of fire or other casualty or any other cause whatsoever which occurs prior to the Closing Date, the Seller shall promptly give the Purchaser written notice of such destruction or damage. The Purchaser shall have the option of either (a) affirming this Agreement, in which event Seller will pay to the Purchaser any insurance proceeds payable to the Seller therefor or assign to Purchaser all of Seller's rights under any policy or policies of insurance on the Property, as applicable, and proceed to Closing hereunder; or (b) terminate this Agreement, in which event both Seller and Purchaser shall be released from all further obligations and liabilities under this Agreement, except as otherwise expressly set forth in this Agreement.

10. Representations and Warranties.

10.1 Representations and Warranties of the Seller. In addition to any other covenants, indemnities, warranties and representations made by the Seller herein, the Seller makes and agrees with the Purchaser to the following representations and warranties, all of which are true and correct as to the matters set forth therein as of the date hereof and, except as otherwise disclosed to the Purchaser in writing and agreed to by the Purchaser, shall be true and correct on the Closing Date:

10.1.1 Authority. The Seller has the capacity and authority, and all requisite actions have been taken and approvals obtained by the Seller to fully authorize and empower the Seller to execute this Agreement and consummate the transactions contemplated hereby. The Seller shall furnish to the Purchaser any documents reasonably requested by the Purchaser which

evidence the capacity and authority of the Seller (and the signatories acting on behalf of the Seller) to consummate the transactions contemplated hereby.

10.1.2 No Conflict. The authorization, execution and delivery of this Agreement and the consummation of the transactions contemplated hereby, will not, with or without the giving of notice or passage of time or both: (i) violate, conflict with or result in the breach of any terms or provisions of or require any notice, filing, registration or further consent, approval or authorization under: (a) the Virginia Housing Development Act or the bylaws or resolutions of the Seller; or (b) any statutes, laws, rules or regulations of any governmental body applicable to the Seller, or its properties or assets; or (c) any judgment, decree, writ, injunction, order or award of any arbitrator, court or governmental authority binding upon the Seller or any of its respective properties or assets; or (d) any instrument or agreement to which the Seller or its properties may be bound or relating to or affecting all or any portion of the Property; or (ii) result in any lien, claim, encumbrance or restriction on the proceeds of the sale of all or any portion of the Property or on any of the respective properties or assets of the Seller.

10.1.3 No Property Interests. No person, firm or entity has any rights to acquire or to lease all or any portion of the Property or otherwise to obtain any interest therein and there are no outstanding options, rights of first refusal or negotiation, rights of reverter or rights of first offer relating to all or any portion of the Property or any interest therein.

10.1.4 No Violations. The Seller has received no notice of, nor does the Seller have any knowledge of, any violations (collectively, "Violations", and individually, a "Violation") of any applicable local, state or federal law, ordinances, regulations, or orders of any federal, state or local government department or agency having jurisdiction over or affecting the Property or the construction, management, ownership, maintenance, operation, use, improvement, acquisition or sale thereof, including, without limitation, building, health and environmental laws, regulations and ordinances, and equal access opportunity laws, regulations and ordinances (whether or not officially noted or issued). The Seller shall provide the Purchaser with notice of any Violations of which the Seller obtains notice or knowledge between the date hereof and the Closing Date.

10.1.5 No Foreign Person. The Seller is not a foreign person within the meaning of Section 1445 of the Internal Revenue Code, as amended.

10.1.6 No Special Proceedings. There are no pending or, to the knowledge of the Seller, contemplated: (i) annexation or condemnation proceedings affecting, or which may affect, all or any portion of the Property; (ii) proceedings to change or redefine the zoning classification applicable to any portion of the Property; or (iii) changes in road patterns or grades which may adversely affect access to any roads providing a means of ingress to or egress from the Property.

10.1.7 Pending Actions or Investigations. There are no actions, suits, proceedings, claims, orders, decrees or judgments affecting the Property, or any portion thereof, or relating to or arising out of the ownership, management, operation, use or occupancy of the Property or any portion thereof which are pending or have been prosecuted for a period of thirty (30) days or more or, to the knowledge of the Seller, are pending or have been prosecuted for less than thirty (30) days, in any court or by or before any federal, state, or local government department,

commission, board, bureau or agency or other governmental instrumentality; and, to the knowledge of the Seller, no such actions, suits, proceedings, claims, orders, decrees or judgments have been threatened or asserted. The Seller is not a party to or subject to any judgment, writ, decree, injunction or order enjoining or restraining it from conducting any business in respect of the Property. There are no outstanding unpaid judgments that are liens against the Property. In the event that any action, suit, proceeding, claim, order, decree or judgment described in this Section 10.1.7 exists or is pending as of the Closing Date, the parties shall deposit into an escrow account with the Escrow Agent at Closing a portion of the Purchase Price sufficient to provide for the timely payment of any and all claims, losses, costs and expenses (including reasonable attorneys' fees) arising in connection therewith, which amount shall be determined by Purchaser in its reasonable discretion.

10.1.8 Environmental. The Seller represents and warrants that, to the best of its knowledge, there are no hazardous or toxic wastes and substances on, about or affecting (directly or indirectly) the Property. For the purposes of this Agreement, "hazardous or toxic wastes and substances" are defined as those substances, materials, and wastes, including but not limited to, those substances, materials and wastes listed in the United States Department of Transportation Hazardous Materials Table (49 CFR 172.101) or by the Environmental Protection Agency as hazardous substances (40 CFR Part 302) and amendments thereto, or such substances, materials and wastes which are regulated under any applicable local, state or federal law, including, without limitation, any material, waste or substance which is (i) petroleum, (ii) asbestos, (iii) polychlorinated biphenyls, (iv) designated as a Hazardous Substance pursuant to Section 331 of the Clean Water Act, 33 U.S.C. Sec. 1251, et. seq. (33 U.S.C. 1321) or listed pursuant to Section 307 of the Clean Water Act (33 U.S.C. Sec. 1371), (v) defined as a hazardous waste pursuant to Section 1004 of the Resource Conservation and Recovery Act, 42 U.S.C. Sec. 6901, et. seq. (42 U.S.C. Sec. 6903), or (vi) defined as hazardous substance pursuant to Section 101 of the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Sec 9601, et. seq. (42 U.S.C. 9601).

10.2 Representations and Warranties of the Purchaser. In addition to any other covenants, indemnities, warranties and representations made by the Purchaser herein, the Purchaser makes and agrees with the Seller to the following representations and warranties, all of which are true and correct as to the matters set forth therein as of the date hereof, except as otherwise disclosed in writing to the Seller and agreed to by the Seller, shall be true and correct on the Closing Date:

10.2.1 Authority. The Purchaser has the capacity and authority, and all requisite actions have been taken and approvals obtained by the Purchaser to fully authorize and empower the Purchaser, to execute this Agreement and consummate the transactions contemplated hereby. The Purchaser shall furnish to the Seller any documents reasonably requested by the Seller which evidence the capacity and authority of the Purchaser (and the signatories acting on behalf of the Purchaser) to consummate the transactions contemplated hereby.

10.2.2 No Conflict. The authorization, execution and delivery of this Agreement and the consummation of the transactions contemplated hereby, will not, with or without the giving of notice or passage of time or both, violate, conflict with or result in the breach of any terms or

provisions of or require any notice, filing, registration or further consent, approval or authorization under: (a) the operative documents by which the Purchaser is governed, including without limitation any and all articles of incorporation, partnership agreements, operating agreements, bylaws, resolutions and other instruments or documents; (b) any statutes, laws, rules or regulations of any governmental body applicable to the Purchaser, or its properties or assets; or (c) any judgment, decree, writ, injunction, order or award of any arbitrator, court or governmental authority binding upon the Purchaser or any of its respective properties or assets; or (d) any instrument or agreement to which the Purchaser or its properties may be bound.

10.2.3 Housing for Homeless Veterans. Prior to Closing, Purchaser shall use its best efforts to consult with the U.S. Department of Veterans Affairs (the "VA") and implement policies or guidelines designed to promote housing homeless veterans in the residential rental housing to be constructed on the Property that are acceptable to the VA and HUD, as provider of the Grant. However, failure of Purchaser to implement any such policies or guidelines shall not entitle Seller to terminate this Option.

10.3 Effect of Change in Representations. For the period from and including the date hereof to and through the Closing Date, the Seller and the Purchaser shall each be obligated to advise the other party, as applicable, of any change which renders any representation made by such party in this Agreement untrue or materially misleading. In the event that such notice is delivered from one party to the other, and if such circumstances as are set forth in such notice materially and adversely affect the rights and obligations of the party receiving such notice, the party receiving such notice shall have the option, at its election, to terminate this Agreement, and if so terminated by the Purchaser, the Option Fee shall be returned to the Purchaser, and the parties shall be released from all future obligations and liabilities under this Agreement, except as otherwise expressly set forth in this Agreement. If the circumstances that render a representation untrue or materially misleading have resulted from the willful acts or gross negligence of the party which gave the representation, then in addition to the termination rights set forth in the previous sentence, the party that receives notice of such change of circumstances shall have all rights available to it at law or in equity for a breach of this Agreement by the party that gave notice of such circumstances, and such rights shall survive the termination of this Agreement.

11. Conditions Precedent.

11.1 Conditions Precedent to Obligation of the Purchaser. The obligation of the Purchaser to close the purchase of the Property in accordance with this Agreement shall be subject to the fulfillment of the following conditions precedent, the failure of any of which shall entitle the Purchaser either to waive such condition or to terminate this Agreement in accordance with the terms hereof. If Purchaser elects to terminate this Agreement due to the failure of any condition listed herein, Purchaser shall so notify Seller in writing prior the Closing, in which event, the Option Fee shall be returned to the Purchaser, and neither party hereto shall have a claim against the other under this Agreement, except as otherwise expressly set forth in this Agreement. If no such notice is given before the Closing, all conditions set forth herein shall be considered to have been satisfied or waived by Purchaser. Regardless of whether any such conditions are deemed to be so waived, Seller shall not, without the prior written consent of

Purchaser, take any action or fail to take any action prior to the Closing that would adversely affect the satisfaction of any of such conditions as of the Closing Date. The conditions are as follows:

11.1.1 Condition of Title. Title to the Property shall be in such a condition as is consistent with the requirements of Section 12.6 hereof, and the Purchaser shall be able to obtain a title policy, at regular rates, for the Property from a title company as described in Section 12.6 hereof, and containing such usual and customary endorsements as may be reasonably requested by the Purchaser.

11.1.2 Access. All direct access (through permitted curb cuts) to public rights-of-way in effect on the date hereof shall not have been altered or diminished.

11.1.3 Utilities. The Property shall be served with potable water, public sewer, electricity, natural gas, telephone, cable and other utilities provided to the Property as of the date hereof without necessity of obtaining easements across property not owned by the Seller.

11.1.4 Environmental Contamination. The Property shall be free of hazardous or toxic wastes and substances.

11.2 Conditions Precedent to Obligation of the Seller. The obligation of the Seller to close the sale of the Property in accordance with this Agreement shall be subject to the fulfillment of the following conditions precedent, the failure of any of which shall entitle the Seller either to waive such condition or to terminate this Agreement in accordance with the terms hereof. If Seller elects to terminate this Agreement due to the failure of any condition listed herein, Seller shall so notify Purchaser in writing prior to the Closing, in which event, neither party hereto shall have a claim against the other under this Agreement, except as otherwise expressly set forth in this Agreement. If no such notice is given before the Closing, all conditions set forth herein shall be considered to have been satisfied or waived by Seller. Regardless of whether any such conditions are deemed to be so waived, Purchaser shall not, without the prior written consent of Seller, take any action or fail to take any action prior to the Closing Date that would adversely affect the satisfaction of any of such conditions as of the Closing Date. The conditions are as follows: None.

12. Closing Mechanics. Should all conditions set forth in Section 11 either be met or be waived by the Purchaser and Seller, as applicable, the following provisions shall govern the Closing:

12.1 The Seller's Obligations at Closing. At or prior to Closing, the Seller shall comply with the following obligations:

12.1.1 Conveyance Deed. The Seller shall deliver to the Purchaser or its designee a good and sufficient special warranty deed (the "Deed") for the Land, Improvements and Appurtenances, in form for recording, duly executed and acknowledged by the Seller, so as to convey title in such Property free and clear of any matters other than Permitted Exceptions (as defined in Section 12.6). The form of deed is attached hereto as Exhibit B.

12.1.2 Owner's Affidavit. The Seller shall deliver to the Purchaser a standard owner's affidavit sufficient for the Purchaser to obtain title insurance for the Property free from all exceptions other than Permitted Exceptions.

12.1.3 Cancellation of Existing Indebtedness. The Seller shall deliver a satisfaction of mortgage, cancellation or reconveyance of deed of trust or partial release, as the case may be, in recordable form and executed by the holder of any existing indebtedness which is secured in whole or in part by all or any portion of the Property, in a form as shall be sufficient to satisfy of record the existing indebtedness with respect to such Property, together with UCC-3 termination statements or other terminations acceptable and effective to release of record the lien of any security interest which may encumber any of such Property.

12.1.4 Possession. The Seller shall vacate the Property and any Improvements thereon, if any, and deliver to the Purchaser exclusive possession of the Property, subject only to the Permitted Exceptions.

12.1.5 Affidavit of Nonforeign Seller Status. The Seller shall deliver to the Purchaser a certificate or affidavit duly completed and executed by the Seller as required under Treasury Regulation 1.1445-2(b)(2)(iii).

12.1.6 Other Documents. The Seller shall deliver to the Purchaser such other documents as may reasonably be required to consummate the Closing in accordance with the terms of this Agreement.

12.2 The Purchaser's Obligations at Closing. At Closing, the Purchaser shall pay or deliver, or shall cause its designee or assignee to pay or deliver, to the Seller, upon delivery of the documents enumerated in Section 12.1, the Purchase Price and such documents as may reasonably be required to consummate the Closing in accordance with the terms of this Agreement.

12.3 Prorations and Adjustments. In addition to any other costs, expenses and fees traditionally prorated between buyers and sellers of real property in the Commonwealth of Virginia, and subject to the terms of this Agreement, the following items shall be adjusted between the Seller and the Purchaser and shall be prorated as of the Closing Date:

12.3.1 Taxes. A proportionate share of any real estate taxes, payments in lieu of real estate taxes, ad valorem and personal property taxes, and any other state, county and municipal taxes, charges and assessments (special or otherwise), on the basis of the calendar or tax year for which the same are levied, imposed or assessed, and regardless of when the same become a lien or are payable. If the rate of any such taxes, charges or assessments shall not be fixed prior to the Closing Date, the adjustment thereof at the Closing shall be upon the basis of the rate for the preceding calendar year applied to the latest assessed valuation (or other basis of valuation).

12.3.2 Charges for Utilities. Prior to Closing, the Purchaser shall pay all deposits necessary to continue water, electricity, gas, heating oil and other utilities applicable to the

Property, and the Seller shall be entitled to apply for and receive such deposits as the Seller has paid to such utilities upon the Closing of this Agreement. At the Closing, the Purchaser shall reimburse the Seller for the cost of any heating oil in tanks on the Property at the then current price of heating oil based on the estimated volume in such tanks.

12.3.3 Operating Expenses. [Not applicable.]

12.4 Costs. The costs of canceling any existing indebtedness and the costs for the preparation of the Deed and any other documents delivered by the Seller to the Purchaser at Closing shall be paid by the Seller at Closing. Costs for the reports and inspections under Section 7 hereof, the owner's and lender's policies of title insurance and any special title insurance endorsements, survey, and all recording taxes and fees shall be paid by the Purchaser at Closing. The Seller and the Purchaser shall each pay their respective attorneys' fees.

12.5 Brokers. The Seller and the Purchaser represent to each other that neither party has engaged the services of a real estate broker or agent in negotiating or consummating the sale and conveyance of the Property as set forth herein, and each party hereby (to the extent permitted by applicable law) indemnifies and holds the other harmless from and against any claims for commissions together with any costs and reasonable attorney's fees incurred by such party in defending against such claims, resulting from any breach of the representations set forth herein. Such indemnification obligations shall survive any termination of this Agreement and the Closing.

12.6 Title. During the Inspection Period, the Purchaser shall obtain from a title company selected by Purchaser a preliminary title commitment for the Property (along with legible copies of all documents creating exceptions thereunder), and the Purchaser shall promptly examine the preliminary title commitment and documents relating thereto. Within the Inspection Period, the Purchaser shall notify the Seller of any defects in title in such commitment to which the Purchaser objects; provided, however, that the Purchaser shall have no obligation to object to defects relating to deeds of trust, mechanics' liens, judgments or any other defect which may be cured by the application of proceeds of the Purchase Price at Closing ("Lien Defects"); provided further, that in the case of defects which arise after the effective date of the Purchaser's title commitment for the Property ("Post-Commitment Defects") and to which the Purchaser objects, the Purchaser shall notify the Seller of such objections prior to the Closing (any defect in title to which the Purchaser objects under this Section 12.6 is referred to herein as "Title Objections"). It is the intention of the parties that Lien Defects shall automatically qualify as objections to title, and the Purchaser shall apply all or any portion of the Purchase Price at Closing in the amount necessary to cure Lien Defects. For any Title Objections (other than Lien Defects) wherein the Purchaser has delivered notice to the Seller of the Purchaser's objection thereto, the Seller shall have fifteen (15) days from the receipt of such notice or notices within which to notify the Purchaser as to whether the Seller elects to cure all or any of such Title Objections raised by the Purchaser. If the Seller does not so notify the Purchaser within such 15 day period, the Seller shall be deemed to have elected not to cure such Title Objections. All exceptions to title which are not Lien Defects and as to which the Purchaser has not objected pursuant to this Section 12.6 shall be deemed "Permitted Exceptions." In the event the Seller has given such notice to the Purchaser electing to cure any Title Objections, the Seller shall be obligated to effect such cure

on or before the Closing Date or such later date as shall be necessary to effect such cure, which date shall not be later than sixty (60) days after the date in (i) of Section 6 hereof. In the event the Seller elects not to cure all or any of the Title Objections, or elects to cure but fails to successfully cure any Title Objections prior to Closing, the Purchaser shall have the right, exercisable at any time prior to Closing by giving notice to the Seller, to either: (i) terminate this Agreement and receive a refund of the entire Option Fee, in which event, neither party shall have a claim against the other under this Agreement, except as otherwise expressly set forth in this Agreement; or (ii) waive the uncured Title Objections and close under the terms of this Agreement.

13. Miscellaneous Provisions.

13.1 Assignment. This Option may not be assigned by either party without the written consent of the non-assigning party.

13.2 Binding Effect. This Agreement and all covenants, terms, conditions, warranties, and undertakings contained herein, and all amendments, modifications and extensions hereof, as applicable, shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, executors, administrators, personal representatives, successors and permitted assigns.

13.3 Final Agreement. This Agreement contains the final and entire agreement between the parties, and they shall not be bound by any terms, conditions, statements, warranties or representations, oral or written, not herein contained.

13.4 Amendment. This Agreement shall not be modified except by instrument in writing executed by the parties hereto.

13.5 Notices. All notices, demands and request which may be given or which are required to be given by either party to the other must be in writing. All notices, demands and requests by the Purchaser or the Seller shall be sent either by e-mail, with a copy by certified mail, return receipt requested, postage prepaid, or by delivery through a nationally-recognized overnight carrier (the "Carrier") that can provide written proof of delivery, and addressed as follows, or to such other address as a party may specify by duly given notice:

IF TO SELLER:	Virginia Housing Development Authority 601 Belvidere Street Richmond, Virginia 23220 Attn: Mr. Scott Charnock E-mail address: scott.charnock@vhda.com
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IF TO PURCHASER:	City of Roanoke Redevelopment and Housing Authority 2624 Salem Turnpike Roanoke VA 24017
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Attn: Glenda Edwards Goh
E-mail address: executiveoffice@rkehousing.org

Notices, demands and requests, if delivered in the manner aforesaid (unless otherwise specifically provided herein), will be deemed received for all purposes hereunder: (i) if sent by e-mail, on the date of delivery; and (ii) if sent by overnight carrier, on the date which is the confirmed date of delivery.

13.6 Governing Law. This Agreement shall be governed by, and construed and interpreted under, the laws and judicial decisions of the Commonwealth of Virginia.

13.7 Waiver. Failure to insist upon strict compliance with any of the terms, covenants, or conditions hereof will not be deemed a waiver of the term, covenant, or condition, nor will any waiver or relinquishment of any right or power at any one time or more times be deemed a waiver or relinquishment of the right or power at any other time or times.

13.8 Severability. This Agreement will be construed in its entirety and will not be divisible, except that the invalidity or unenforceability of any provision hereof will in no way affect the validity or enforceability of any other provision.

13.9 Time. Time is of the essence in the performance of this Agreement.

13.10 Captions. Captions are used in this Agreement for convenience only and will not be used to interpret this Agreement or any part of it.

13.11 Counterparts. This Agreement may be executed in two or more counterparts and shall be deemed to have become effective when and only when one or more of such counterparts shall have been signed by or on behalf of each of the parties hereto (although it shall not be necessary that any single counterpart be signed by or on behalf of each of the parties hereto, and all such counterparts shall be deemed to constitute but one and the same instrument), and shall have been delivered by each of the parties to each other.

13.12 Facsimile Signatures. Facsimile signatures will be considered original signatures for the purpose of execution and enforcement of the rights delineated in this Agreement.

13.13 Construction; Advice Of Counsel. The parties agree that each has consulted with an attorney who has actively participated in the drafting and negotiation of this Agreement and that the provisions of this Agreement will not be construed in favor of either party.

13.14 Recordation. Purchaser, at its expense, may record this Option Agreement. If requested by Purchaser, Seller shall execute a Memorandum of Option in a form reasonably acceptable to the Seller and Purchaser, at its expense, may record such memorandum.

[Signatures on following pages]

IN WITNESS WHEREOF, the parties have caused this instrument to be duly executed, under seal, by authority duly given, as of the date first written above.

SELLER:
VIRGINIA HOUSING DEVELOPMENT AUTHORITY,
a political subdivision of the Commonwealth of Virginia

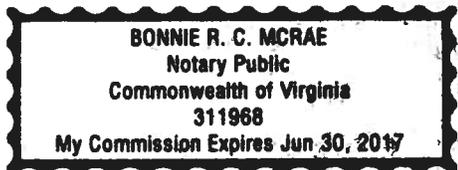
By: Susan Dewey
Name: Susan F. Dewey
Title: Executive Director

COMMONWEALTH OF VIRGINIA
City of Richmond; to-wit:

I, the undersigned, a Notary Public in and for the jurisdiction aforesaid, hereby certify that Susan F. Dewey, Executive Director of the Virginia Housing Development Authority, a political subdivision of the Commonwealth of Virginia, whose name is signed to the foregoing instrument as Grantor has acknowledged the same before me in the jurisdiction aforesaid, this 5th day of February, 2015, on behalf of Virginia Housing Development Authority.

My notary seal is affixed below:

Bonnie R. C. McRae
Notary Public



My commission expires: _____

My notary registration number is: _____

PURCHASER:

CITY OF ROANOKE REDEVELOPMENT AND HOUSING AUTHORITY,
a political subdivision of the Commonwealth of Virginia

By: Glenda Edwards Goh
Name: Glenda Edwards Goh
Title: Executive Director

COMMONWEALTH OF VIRGINIA
_____ of _____; to-wit:

I, the undersigned, a Notary Public in and for the jurisdiction aforesaid, hereby certify that Glenda Edwards Goh, the Executive Director of the City of Roanoke Redevelopment and Housing Authority, a political subdivision of the Commonwealth of Virginia, whose name is signed to the foregoing instrument as Grantee has acknowledged the same before me in the jurisdiction aforesaid, this 9th day of February, 2015, on behalf of City of Roanoke Redevelopment and Housing Authority.

My notary seal is affixed below:

Christina H. Back
Notary Public

My commission expires: November 30, 2018

My notary registration number is: 7596434

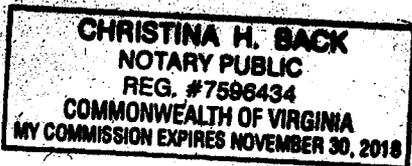


Exhibit A

Description of Real Estate

All that certain lot, piece or parcel of land with improvements thereon and appurtenances thereto belonging, lying and being in the City of Roanoke, Virginia, designated as Sections I, II, III, IV and V on a plat of survey (the "Plat") dated March 30, 1988, revised May 16, 1988, made by T. P. Parker & Son, Engineers & Surveyors, Ltd, entitled "Alta Survey For United Dominion Realty Trust showing Section I (4.741 Ac.), Section II (7.595 Ac.), Section III (0.749 Ac.), Section IV (0.786 Ac.), & Section V (0.853 Ac.) Tract Situate On Shenandoah Avenue, N.W. and Being Known as Spanish Trace Apartments, Roanoke, Virginia", a copy of the Plat being recorded on May 18, 1988, in Map Book 1, page 733 in the Clerk's Office of the Circuit Court for the City of Roanoke, Virginia. With reference being made to the Plat, the real estate is more particularly described as follows:

BEGINNING at a point marked by a pin on the northern right-of-way line of Shenandoah Avenue, N.W. (formerly Veterans Facility Road), which point is the intersection of the eastern property line of Suttie & Annie U. Economy, D.B. 891, Pg. 218, Tax No. 604-0311 with the northern right-of-way line of Shenandoah Avenue, N.W. (formerly Veterans Facility Road); thence leaving the northern right-of-way line of Shenandoah Avenue, N.W. and along the eastern property line of Suttie & Annie U. Economy N.12° 03' 30" W. 325.65 feet to a point marked by a concrete monument; thence N. 13° 32' 47" W. 331.00 feet to a point marked by a pin on the southern property line of Perry Lee Smith, Jr., et ux; thence along the southern property line of Perry Lee Smith, Jr., et ux, N. 76° 02' 45" E. 851.65 feet to a point marked by a pin on the western property line of City of Roanoke "Strauss Park"; thence along the western property line of City of Roanoke "Strauss Park" S. 14° 51' 30" E. 911.42 feet to a point marked by a pin on the northern property line of Ivan M. Green; thence along the northern property line of Ivan M. Green S. 74° 58' W. 73.53 feet to a point marked by a pin on the northern property line of Ban-Bar Associates; thence along the northern property line of Ban-Bar Associates N. 68° 40' 30" W. 545.87 feet to a point marked by a pin; thence leaving the northern property line of Ban-Bar Associates S. 24° 02' 45" W. 38.41 feet to a point marked by a pin; thence along a curve to the left having a radius of 500.00 feet, a chord bearing and distance of S. 16° 27' 13" W. 132.12 feet and an arc length of 132.51 feet to a point marked by a pin; thence along a curve to the left having a radius of 25.00 feet, a chord bearing and distance of S. 33° 24' 44" E. 33.63 feet and an arc distance of 36.89 feet to a point marked by a pin on the northern right-of-way line of Shenandoah Avenue, N.W. (formerly Veterans Facility Road); thence with the northern right-of-way line of Shenandoah Avenue, N.W. (formerly Veterans Facility Road), and along a curve to the left having a radius of 1332.18 feet, a chord bearing and distance of N. 76° 55' 05" W. 98.76 feet and an arc distance of 98.78 feet to a point marked by a pin; thence along a curve to the left having a radius of 1332.18 feet, a chord bearing and distance of N. 83° 28' 19" W. 205.75 feet and an arc distance of 205.96 feet to a point marked by a pin, which point is the point and place of BEGINNING and containing 14.724 acres.

LESS AND EXCEPT all that certain land conveyed to the Commonwealth Transportation Commissioner of Virginia by that certain Certificate of Take dated September 12, 1994 for the widening of Shenandoah Avenue, N.W. (formerly Veterans Facility Road) and Peters Creek

Road, recorded in Deed book 1722, page 244 on September 21, 1994 in the Circuit Court for the City of Roanoke, Virginia.

LESS AND EXCEPT that certain piece or parcel of land designated as Section V on a plat of survey (the "Plat") dated March 30, 1988, revised May 16, 1988, made by T. P. Parker & Son, Engineers & Surveyors, Ltd, entitled "Alta Survey For United Dominion Realty Trust Showing Section I (4.741 Ac.), Section II (7.595 Ac.), Section III (0.749 Ac.), Section IV (0.786 Ac.), & Section V (0.853 Ac.) Tract Situate On Shenandoah Avenue, N.W. And Being Known as Spanish Trace Apartments, Roanoke, Virginia", a copy of the Plat being recorded on May 18, 1988, in Map Book 1, page 733 in the Clerk's Office of the Circuit Court for the City of Roanoke, Virginia.

Subject to those certain perpetual rights and easements of ingress and egress as contained in Deed dated May 16, 1988 from Curtis L. Rudolph and Alice M. Rudolph to United Dominion Realty Trust, Inc. and recorded on May 18, 1988, in the Circuit Court for the City of Roanoke, Virginia, in Deed Book 1581, page 1504.

BEING the same real estate conveyed to Virginia Housing Development Authority by deed from Paul S. Bliley, Jr., Substitute Trustee, dated September 14, 2006, recorded September 14, 2006, in the Clerk's Office, Circuit Court, City of Roanoke, Virginia, as Instrument No. 060015189.

Exhibit B
Form of Deed

NOTE: THE GRANTOR IS EXEMPT FROM GRANTOR'S AND REAL ESTATE TAXES PURSUANT TO VIRGINIA CODE SECTIONS 58.1-811C4 AND 36-55.37(2).

Prepared by: Virginia Housing Development Authority
601 S. Belvidere Street
Richmond, VA 23220

Tax Map No.
Title Insurer:

THIS DEED, made this _____ day of _____, _____, by and between **VIRGINIA HOUSING DEVELOPMENT AUTHORITY**, a political subdivision of the Commonwealth of Virginia, whose address is 601 South Belvidere Street, Richmond, VA 23220-6500 (the "Grantor") and _____, a _____, whose address is _____ (the "Grantee"), provides as follows:

W I T N E S S E T H:

NOW, THEREFORE, for and in consideration of \$10.00, and other good and valuable consideration, paid by the Grantee, the receipt whereof is hereby acknowledged, the Grantor, does grant, bargain, sell and convey, with SPECIAL WARRANTY OF TITLE, unto said Grantee in fee simple, the following described real estate, to-wit:

All that certain real estate situate in the ___ of _____, Virginia, described as follows:

BEING the same property conveyed to the Grantor by deed from _____, Substitute Trustee, dated _____, recorded _____, in the Clerk's Office, Circuit Court, ___ of _____, as Instrument Number _____.

This conveyance is made subject to any easements, conditions, and restrictions of record with respect to the real estate described above to the extent that the same are applicable thereto.

WITNESS the following signature as of the day, month and year first above written.

Virginia Housing Development Authority,
a political subdivision of the Commonwealth of Virginia

By: _____

Susan F. Dewey

Its: Executive Director

COMMONWEALTH OF VIRGINIA
City of Richmond; to-wit:

I, the undersigned, a Notary Public in and for the jurisdiction aforesaid, hereby certify that Susan F. Dewey, Executive Director of the Virginia Housing Development Authority, a political subdivision of the Commonwealth of Virginia, whose name is signed to the foregoing instrument as Grantor has acknowledged the same before me in the jurisdiction aforesaid, this _____ day of _____, 20__, on behalf of Virginia Housing Development Authority.

My notary seal is affixed below:

Notary Public

My commission expires: _____

My notary registration number is: _____

The City of Roanoke, VA



SUMMARY:

Parcel Id: 6030104

Zoning: RMF

Property Address:

Property Acreage: 0.6942

0 SHENANDOAH AV NW

Property Sq. Footage: 30239

ROANOKE, VA

Property Frontage: 50

Legal Description: 0.726 ACRES

WEBB FARM

Property Depth: 999.00

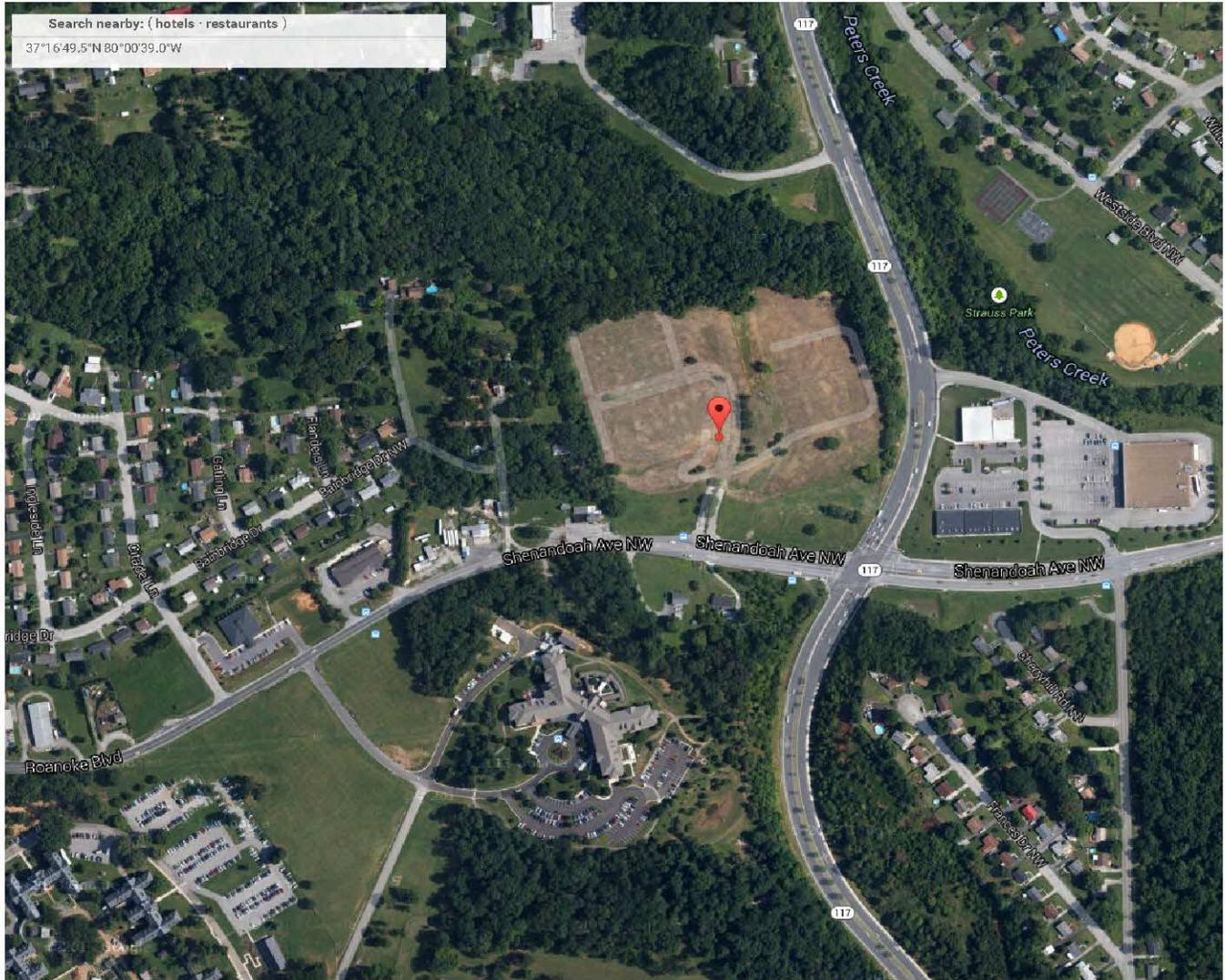
LAST SALE:

Sale Date	Sale Amount	Grantee	Grantor	Document Number
2006-09-14	\$0.00	VIRGINIA HOUSING DEVELOPMENT AUTHORI	BLILEY PAUL S JR S/TR (Inactive)	060015189

LAST ASSESSMENT:

Valuation Date	Land Value	Improvement Value	Total Value
2015-01-01	\$0.00	\$0.00	\$0.00

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<https://www.google.com/maps/place/37%C2%B016'49.5%22N+80%C2%B000'39.0%22...> 2/13/2015