

## **NOTICE OF SPECIAL MEETING OF THE FAIRFAX COUNTY REDEVELOPMENT AND HOUSING AUTHORITY**

**Thursday, April 10, 2025, 5:00 p.m.**

I, Lenore Stanton, Chair of the Fairfax County Redevelopment and Housing Authority (FCRHA) hereby deem it expedient, in accordance with Article III, Section 3 of the By-Laws of the FCRHA, to call a Special Meeting of the FCRHA to conduct business.

This Special Meeting will be an all-virtual public meeting held via Microsoft Teams.

**Members of the public may attend this meeting using the following link:**



**Meeting ID: 237 806 220 390; Passcode: vF27Kz22**

**To join by phone dial: 1-571-429-5982 and enter Phone Conference ID: 1753778#.**

Meeting materials will be posted online at <https://www.fcra.org/meeting-materials>. For further information, call 703-877-5696.

A handwritten signature in cursive script that reads "Lenore J. Stanton".

---

Lenore Stanton  
Chair

Attachment: Agenda

*Fairfax County is committed to a policy of nondiscrimination in all County programs, services and activities and will provide reasonable accommodations upon request. To request special accommodations call 703-246-5000 (select menu option 8), or TTY 711.*

## **SPECIAL MEETING AGENDA**

### **FAIRFAX COUNTY REDEVELOPMENT AND HOUSING AUTHORITY**

**Thursday, April 10, 2025**

[All-Virtual Meeting](#) | MS Teams Meeting ID:237 806 220 390 Passcode: vF27Kz22

Dial in by phone: 1-571-429-5982, Phone Conference ID: 1753778#

**5:00 p.m. – CALL TO ORDER**

#### **ACTION ITEMS**

1. Resolution Number 08-25                      Authorization to Increase the Total Amount of FCRHA Loans to be made to Wesley Lamb LLC by up to \$1,206,887 to Finance the Beacon Landing Project at 9640 Fairfax Boulevard, Fairfax City, Virginia

**CLOSED SESSION**

**ADJOURNMENT**

*Fairfax County is committed to a policy of nondiscrimination in all County programs, services and activities and will provide reasonable accommodations upon request. To request special accommodations call 703-246-5000 (select menu option 8), or TTY 711.*

FCRHA Agenda Item  
April 10, 2025

ACTION – 1

RESOLUTION NUMBER 08-25: Authorization to Increase the Total Amount of FCRHA Loans to be made to Wesley Lamb LLC by up to \$1,206,887 to Finance the Beacon Landing Project at 9640 Fairfax Boulevard, Fairfax City, Virginia

ISSUE:

The Fairfax County Redevelopment and Housing Authority (FCRHA) approved an initial loan of \$5,600,000 for the Beacon Landing project (the Project) at its February 23, 2023 Special Meeting. This item requests FCRHA authorization to increase to the approved loans in an amount of up to \$1,206,887 to Wesley Lamb LLC, an affiliate of Wesley Housing Development Corporation (Wesley Housing). Wesley Housing is requesting this additional financing for the Project due to construction cost escalations and financing costs associated with the revised financing plan and partners.

RECOMMENDATION:

It is recommended that the FCRHA authorize an increase in the total amount of FCRHA loans by up to \$1,206,887 for the Project, for total financing of \$6,806,887.

TIMING:

Immediate. The Project anticipates closing on all financing in June 2025. There is a placed-in-service deadline of December 2026 in connection with the 9% Low Income Housing Tax Credit (LIHTC) awarded to the Project. The Project has an estimated 15-month construction schedule, with demolition already underway. The Project construction would proceed immediately following the anticipated June 2025 financial closing.

RELATION TO FCRHA STRATEGIC PLAN:

This action supports the FCRHA's overarching goal to preserve, expand, and facilitate affordable housing opportunities in the greater Fairfax Community. In addition, this action directly supports the FCRHA mission of providing affordable housing opportunities for low- and moderate-income households. Specifically, the creation of new permanent supportive housing units compliments other efforts of the FCRHA to increase rental assistance and supportive services for individuals with serious mental illness and other barriers to housing stability. The new homes will help to prevent the experience of homelessness and to rapidly rehouse households who are experiencing homelessness.

FCRHA Agenda Item  
April 10, 2025

BACKGROUND:

*Developer:*

Wesley Housing is a Virginia-based 501(c)(3) nonprofit corporation established in 1974 for the purpose of creating and operating affordable housing communities. Wesley Housing serves low- and moderate-income individuals and families in the greater Washington, D.C. region and has extensive experience in Fairfax County. Examples of projects include: The Arden, a 126-unit multifamily community in Alexandria; Madison Ridge, a 98-unit multifamily community in Centreville; and Wexford Manor, a 74-unit multifamily community in Falls Church.

*Project Description:*

Wesley Housing and The Lamb Center, a supportive services provider, are partnering to develop the Beacon Landing Project, which will include 54 Permanent Supportive Housing (PSH) units, case management, and other wrap-around supportive services to people who were formerly homeless or at-risk of becoming homeless. This will be the first supportive housing facility in the City of Fairfax. PSH is a program shown to be effective in reducing chronic homelessness in many studies across the nation. Fairfax County, and most other DC area jurisdictions, do not have enough PSH to meet the need. Most tenants of the Project will be referred by the local Continuum of Care, the community partnership of local homeless assistance providers. The Project will aid in fighting homelessness by both housing formerly homeless individuals, and with its wraparound services, helping them to become self-sufficient. The Project will also include a community space on the first floor which is planned to be used as an employment center.

The Project obtained zoning approval from the City of Fairfax on December 13, 2022. The Lamb Center, Wesley Housing's development partner and also the services provider for the Project, acquired the site on January 17, 2023, through an affiliate entity, and will deed it to the borrower entity, Wesley Lamb LLC, at the financial closing. Construction is anticipated to commence in July 2025 and will take approximately 15 months to complete. Notable Project features include:

- a) Five-story building with 54 units (42 studios, 10 one-bedroom, and 2 two-bedroom) of permanent supportive housing. See Unit Mix by AMI level in Attachment 2.
- b) An affordability covenant for at least 30-years.
- c) Location within a bus transit corridor with a bus stop at the property.
- d) High walkability location where most errands can be accomplished on foot.
- e) A job center offering career services to residents and guests.
- f) Property amenities include a business center, central laundry, and clubhouse.

FCRHA Agenda Item  
April 10, 2025

- g) Onsite case managers to provide supportive services including adult education, coordination of care, skills training to manage medication, budget, and employment, and assisting the residents with accessing community resources and social support.
- h) Universal Design in all units, with nine Americans with Disabilities Act (ADA) compliant units.
- i) Pursuing National Green Building Standard Silver Certification.
- j) Will use 48 Project-Based Vouchers.

**FINANCING:**

*Anticipated Additional Project Financing:*

In addition to the previously approved \$5.6 million in FCRHA subordinate loans, the Project has made significant progress in securing other financing commitments. It has been awarded nine percent LIHTC, a Community Project Funding grant, a Corporation for Supportive Housing grant, a Housing Trust Fund grant awarded by the City of Fairfax, a Federal Home Loan Bank grant, and the Virginia Department of Housing and Community Development (VADHCD) Affordable and Special Needs Housing Loans. The Project financing plan is detailed in Attachment 2.

In FY 2024, Wesley Housing identified a financing gap while continuing to develop the construction budget for the Project due to significant cost escalations mainly in construction costs, financing costs, and architecture and engineering costs (see Attachment 2). The biggest drivers of the cost escalations are the following: a) market conditions reflecting inflation, b) redesign in the mechanical systems and units to comply with the updated code requirements for new refrigerants, c) increased construction loan interest, and d) upgraded windows, insulation, and other elements to be in line with the latest energy efficiency guidance as the Project has been awarded Housing Innovation in Energy Efficiency Funds.

Wesley Housing has made an effort to leverage a substantial number of other sources in the financing plan for the Project with an intent to not heavily depend on FCRHA funding. Several non-FCRHA sources were applied for and awarded since Wesley Housing identified the financing gap, but they are still not sufficient to completely close the gap.

Wesley Housing applied for an increase to their previously awarded subordinate loan amount through the FY 2024 Notice of Funding Availability (NOFA). The Selection Advisory Committee (SAC) reviewed the NOFA application submitted by Wesley Housing and approved making a recommendation to the FCRHA to commit additional funding of up to \$1,206,887 for the Project at its March 3, 2025 meeting.

FCRHA Agenda Item  
April 10, 2025

Wesley Housing also submitted an application for grant funding from the U.S. Department of Housing and Urban Development (HUD) Continuum of Care Builds (CoC Builds) Funds, which was moved forward by the Fairfax County Department of Housing and Community Development (HCD) Office to Prevent and End Homelessness to HUD for review. Wesley Housing is currently awaiting an award announcement which is anticipated to occur in the summer of 2025. If Wesley is successful in receiving CoC Builds funds from HUD, FCRHA will require, as part of our loan terms, that the Project repay the portion of the FCRHA loans funded by FCRHA Operating Funds. The actual amount of repayment required will be based on staff underwriting of the additional funds received by the Project and the availability of resources.

*Closing:*

The anticipated timeframe to close on all financing is June 2025. Requirements for the closing include, but are not limited to, completion of the following:

- a) First mortgage loan and gap financing loan approval, and approval of other subordinate sources of financing
- b) Commitment and disbursement from tax credit investor
- c) Final underwriting by HCD Staff
- d) Satisfactory appraisal of the property that fully collateralizes the loan
- e) Receipt and approval of all third-party reports by HCD staff
- f) Other factors as deemed necessary to protect the interests of the FCRHA and Fairfax County

*Risks and Concerns:*

1. **Interest rate risk on the first mortgage:** The interest rate will not be fixed until closing. Should interest rates increase before closing, above the currently estimated interest rate of 6.57 percent, Wesley Housing will have to seek additional sources of funds or identify cost savings in the development budget.
2. **Construction Schedule:** LIHTC regulations require that the Project be placed in service by the end of 2026. If the Project fails to do so, it would face severe penalties from Virginia Housing and its LIHTC equity investors. Currently, the Project is targeting June 2025 to close with expected completion by September 2026.
3. **HOME Regulatory Compliance:** A portion of the FCRHA loans is anticipated to be funded by HOME funds, and the HOME-assisted units will be subject to HOME regulations. If the HOME-assisted units are not occupied by eligible tenants within six months following the date of project completion, HUD will require the participating jurisdiction to submit marketing information and, if appropriate, submit a marketing plan. Also, HUD will require the participating jurisdiction to repay HOME funds

FCRHA Agenda Item  
April 10, 2025

invested in any HOME-assisted units that have not been rented to eligible tenants 18 months after the date of project completion.

4. **HOME-American Rescue Plan (HOME-ARP) Regulatory Compliance:** The portion of the subordinate loan funded by HOME-ARP funds for the Project would be the first HOME-ARP loan made by the FCRHA. Wesley Housing and HCD staff have endeavored to address all aspects of regulatory compliance for use of the HOME-ARP funds.

**STAFF IMPACT:**

HCD Staff and the Office of the County Attorney continue to spend a considerable amount of time underwriting the transaction and working directly with Wesley Housing to achieve closing.

**FISCAL IMPACT:**

It is anticipated that Wesley Housing's revised financing request for the Project for up to \$6,806,887, inclusive of the original \$5.6 million approved in FY 2023 and the additional financing of approximately \$1.2 million being requested in this item, will be funded from the following sources:

- HOME: up to \$2,076,353
- HOME-ARP: up to \$2,693,894
- The balance of the up to \$6,806,887 will be funded by reserves in Fund 81000, FCRHA General Operating Fund.

The FCRHA will receive an ongoing monitoring fee of \$7,500, escalating at three percent annually for the subordinate financing loan(s). The monitoring fee will go into Fund 81000, FCRHA General Operating Fund.

**ENCLOSED DOCUMENTS:**

Attachment 1 – Resolution Number 08-25  
Attachment 2 – Project Information and Financing Plan  
Attachment 3 – FCRHA Loan Term Sheet  
Attachment 4 – Location Map

**STAFF:**

Thomas Fleetwood, Director, Department of Housing and Community Development (HCD)  
Anna Shapiro, Deputy Director, Real Estate Finance and Development, HCD  
Callahan Seltzer, Division Director, Real Estate and Community Development Finance (RECDF), HCD

FCRHA Agenda Item  
April 10, 2025

Julie Chen, Senior Real Estate Finance Manager, RECDF, HCD

ASSIGNED COUNSEL:

Susan Timoner, Assistant County Attorney



RESOLUTION NUMBER 08-25

Authorization to Increase the Total Amount of FCRHA Loans to be made to Wesley Lamb LLC by up to \$1,206,887 to Finance the Beacon Landing Project at 9640 Fairfax Boulevard, Fairfax City, Virginia

**WHEREAS**, Wesley Housing Development Corporation (Wesley Housing), a nonprofit corporation, submitted an initial request for \$5.6 million of subordinate financing through the Fiscal Year 2023 Notice of Funding Availability process as a source of financing for the development of 54 permanent supportive housing units known as the Beacon Landing Project, located at 9640 Fairfax Boulevard, Fairfax City, Virginia (Project), which funding was approved by the FCRHA at its February 23, 2023 Special Meeting; and

**WHEREAS**, Wesley Housing has submitted an additional request through the Fiscal Year 2024 Notice of Funding Availability for an increase in the loan to the Project; and

**WHEREAS**, the Fairfax County Redevelopment and Housing Authority (FCRHA) wishes to support the development of 54 permanent supportive housing units within the City of Fairfax by bringing in federal funding sources and increasing the total amount of the FCRHA loans to be made to Wesley Housing's subsidiary borrower, Wesley Lamb LLC, by up to \$1,206,887, for a total funding of \$6,806,887.

**NOW, THEREFORE, BE IT RESOLVED** that the FCRHA hereby authorizes making an increase to the loan to Wesley Lamb LLC for the Project in an amount of up to \$1,206,887, for a total funding of \$6,806,887, as described in the Action Item presented to the FCRHA on April 10, 2025; and

**BE IT FURTHER RESOLVED** that the FCRHA authorizes Thomas E. Fleetwood, Assistant Secretary, or any other Assistant Secretary, to negotiate all loan terms on behalf of the FCRHA and authorizes its Chairman, Vice Chairman or any Assistant Secretary to execute all documents, agreements, and instruments necessary or appropriate in connection with the making of the supplemental loan for the Project.

Project Information and Financing Plan:

Appraised Value:

The independent appraiser, Novogradac, confirmed that the appraised value of the property fully collateralizes the FCRHA subordinate loans. According to the appraisal dated July 17, 2024, the appraised value assuming restricted operations is \$13,400,000. The Department of Tax Administration (DTA) has reviewed the appraisal for approved values as well as the methodology used to determine those values and has found the methodology to be appropriate and the values to be reasonable.

Proposed Rents

The project contains multiple rent rate structures: Low-Income Housing Tax Credits (LIHTC) rents set by Virginia Housing, Project-Based Voucher rents established by the FCRHA, and HOME Investment Partnerships Program and HOME-American Rescue Plan, determined by the U.S. Department of Housing and Urban Development.

<b>Unit Type</b>	<b>30% AMI</b>	<b>50% AMI</b>	<b>Total</b>
	LIHTC	PBV	
Efficiency	3	39	<b>42</b>
1 Bedroom - 1 Bath	2	8	<b>10</b>
2 Bedroom - 1.5 Bath	1	1	<b>2</b>
<b>Total</b>	<b>6</b>	<b>48</b>	<b>54</b>

\* HOME units will be designated consistent with HOME rent requirements

Financing Plan:

Wesley Housing is developing the Beacon Landing Project with a complex capital stack. As of today's date, roughly 96% of the permanent financing is committed or expected for the development. The amount of supplemental subordinate financing being requested from the FCRHA is \$1,206,887, for a total amount of \$6,806,887 of FCRHA loans to be funded from HOME, HOME-ARP and FCRHA Operating Funds.

**Sources and Uses:**

	<b>March 2025</b>	<b>February 2023</b>	<b>Difference</b>
<b>Permanent Sources</b>			
FCRHA Loans**	\$6,806,887	\$5,600,000	1,206,887
Fairfax City Funds	\$700,000	\$825,000	(125,000)
Projected 9% LIHTC Equity	\$11,716,828	\$12,088,791	(371,963)
Projected First Mortgage	\$4,450,000	\$3,000,000	1,450,000
DHCD ASNH - National Housing Trust Fund	\$900,000	\$900,000	0
DHCD ASNH - Virginia Housing Trust Fund	\$900,000	\$900,000	0
DHCD ANSH - HIEE	\$2,000,000	\$2,000,000	0
DHCD ASNH - HOME	\$600,000	\$500,000	100,000
FHL Bank AHP Grant	\$1,000,000	\$0	1,000,000
CSH Grant	\$300,000	\$300,000	0
FY 23 EDI Grant - CPF	\$1,900,000	\$1,900,000	0
Deferred Developer Fee	\$1,250,000	\$1,250,000	0
Sponsor Equity / Grant	\$279,245	\$0	279,245
<b>Total Permanent Sources</b>	<b>\$32,802,960</b>	<b>\$29,263,791</b>	<b>\$3,539,169</b>
**FCRHA Loans include funding from FCRHA Operating, HOME and HOME-ARP			
<b>Permanent Uses</b>			
Acquisition Costs	\$2,597,942	\$2,670,550	(72,608)
Construction Costs	\$19,274,632	\$18,220,942	1,053,690
Architecture and Engineering	\$1,564,162	\$1,002,941	561,222
Owner's Construction Costs	\$2,051,285	\$2,203,022	(151,737)
Professional Services	\$474,744	\$478,719	(3,975)
Financing Costs	\$2,335,397	\$1,093,268	1,242,129
Partnership Costs	\$85,900	\$125,000	(39,100)
Operating and Carrying Costs	\$181,825	\$134,289	47,535
Reserves and Escrows	\$511,914	\$424,424	87,490
Resident Services Reserve	\$700,000	\$0	700,000
Soft Cost Contingency	\$525,158	\$410,636	114,523
Developer's Fee	\$2,500,000	\$2,500,000	0
<b>Total Permanent Uses</b>	<b>\$32,802,960</b>	<b>\$29,263,791</b>	<b>\$3,539,169</b>

Beacon Landing Project  
FCRHA Loan Term Sheet

**Borrower:** Wesley Lamb LLC, a venture between Wesley Housing and The Lamb Center.

**Developer:** Wesley Housing Development Corporation.

**Project Address:** 9640 Fairfax Boulevard, Fairfax, VA 22031.

**Amount:** An aggregate total of \$6,806,887 using HOME, HOME-American Rescue Plan (Home-ARP), and FCRHA Operating Funds. If the Project receives funding from multiple sources, the FCRHA reserves the right to have each source comprise a separate loan.

If there are savings in the development budget upon project completion, then at the discretion of the FCRHA such savings may be used to reduce the amount of the FCRHA loan(s), so long as such reduction would not impact the project’s basis under the LIHTC program.

**Interest Rate:** 2% simple interest per annum. Interest will accrue on funds as they are disbursed.

**Repayment:** Loan will be repaid from annual net cash flow (NCF). NCF includes cash flow remaining after payment of must-pay debt service, operating expenses, operating reserves, deferred developer fee, and such other expenses as the FCRHA may reasonably approve. Payments made will be applied first to accrued interest, then to principal. All outstanding principal and accrued but unpaid interest will be due on the maturity date.

Payments will go first to amounts owed on the FCRHA Operating Fund Loan; once FCRHA Operating Fund loan is fully repaid, payments will go to amounts owed under the other loans.

**Term:** Will be coterminous with term of first-position permanent loan.

**Security:** FCRHA loans will be secured by a deed of trust and will be subordinate only to the first-position deed of trust. However, one or more FCRHA loans may be in lower priority lien position if acceptable to the FCRHA in its sole discretion. (If the project is funded with multiple FCRHA funds, then the FCRHA Operating Fund loan will be in second position, followed by other FCRHA loans in third position, fourth position, etc.) At Loan Closing (and not as an ongoing requirement to release loan proceeds), the value

of the property, as determined by an appraisal acceptable to the FCRHA must exceed the aggregate debt of the FCRHA loan(s) together with all higher priority loans.

**Affordability:** Borrower will rent approximately 6 units to households with an initial household income of no more than 30% of the area median income (AMI), and approximately 48 units to households with an initial household income of no more than 50% of AMI.

Borrower must comply with all applicable affordability and rent requirements, including HOME, HOME-ARP, and LIHTC requirements during the LIHTC compliance period. Affordability and rent restrictions related to FCRHA loans will appear in one or more agreements recorded in the land records for the property and will run with the land for the greater of the term of the loan(s) and 30 years.

**Option & Right of First Refusal/Offer:** Borrower will provide FCRHA with an option to purchase the property and a right of first refusal/offer (ROFR/O) for the property. The FCRHA's option and ROFR/O rights will be subject to – and otherwise on the same terms as – the option and ROFR/O rights of Borrower's developer and/or investor, as set forth in Borrower's partnership/operating agreement, subject to the approval of the FCRHA.

**Developer Fee:** Borrower may pay a developer fee to Developer, the total and deferred amounts of which are subject to the approval of the FCRHA. Borrower may recoup its deferred developer fee in full before making payments on FCRHA loans, subject to terms to be finalized between FCRHA and Borrower.

Borrower will make no other payments to Developer (or affiliates of Developer) without the prior consent of the FCRHA.

**Monitoring Fee:** Borrower will pay to the FCRHA a total annual monitoring fee of \$7,500, escalating at 3% annually for monitoring project compliance with the affordability requirements detailed in the loan documents. The fee is must-pay.

**Reserves:** At funding, Borrower will establish a repair and replacement reserve. Such amount may be consistent with the first position lender's or investor's requirements, as approved by the FCRHA.

**Transfers:** Borrower may not transfer the property, in whole or in part, by

operation of law or otherwise, without the prior approval of the FCRHA, not to be unreasonably withheld. Borrower may, however, transfer the property to an affiliate under common control, as further described in the loan documents to be negotiated for the project, provided that Borrower must notify the FCRHA in advance and the transferee must assume the loan(s).

No interests in the Borrower may be transferred without the prior approval of the FCRHA, not to be unreasonably withheld, except (i) for cause, as set forth in Borrower’s partnership/operating agreement; and (ii) for transfers of the investor’s interests in the Borrower to Borrower’s general partner / managing member (or to a commonly controlled affiliate) after the end of the LIHTC compliance period.

Senior Loan: The first position loan must have a fixed interest rate, provided that the FCRHA may approve a variable rate senior construction loan in its sole discretion. The permanent first position loan must amortize fully.

First position lender must enter into intercreditor or subordination agreement with the FCRHA on terms reasonably acceptable to the FCRHA including, without limitation, the survival of the FCRHA loan affordability, the right to cure defaults, to acquire the senior debt, and to acquire ownership of the property.

Other Loans: Other than the loans represented in the application for the Project, Borrower may not subject the property to any deed of trust or other lien, whether senior or subordinate to the FCRHA loan(s), without the prior approval of the FCRHA.

Borrower may not obtain any unsecured loans without the prior approval of the FCRHA, except for an unsecured loan that is cash flow dependent and the repayment of which would come after annual payment of the FCRHA loan(s) in priority of payment from NCF.

Refinancing: Borrower may not refinance senior debt on the Project without the FCRHA’s consent. FCRHA loans will become due upon any refinancing of the senior permanent loan. The FCRHA, in its sole discretion, may agree to resubordinate one or more of the FCRHA loans upon such refinancing.

Non-County Funding Terms: Terms of HOME and HOME-ARP funds will be detailed in the loan documents to be negotiated for the Project.

Termination: The FCRHA may terminate this commitment if the project does not close by August 2025, subject to extension upon mutual agreement.

Closing Conditions: Borrower will execute the FCRHA loan documents concurrently with Borrower's construction loan closing (Closing). Unless waived by the FCRHA in its sole discretion, the following conditions must be met before Closing:

- Fully executed construction loan documents and construction contract.
- Fully executed partnership/operating agreement of Borrower, with admission of investor.
- Fully executed loan commitment for permanent loan, and all necessary approvals for any other permanent and/or ongoing funding sources.
- A satisfactory appraisal, dated no earlier than 6 months before Closing, showing a property value that exceeds the aggregate debt on the property.
- ALTA survey and Lender's title insurance policy for the benefit of the FCRHA, from a title company acceptable to the FCRHA.
- Zoning letter from the Fairfax County Department of Planning and Zoning, site plan, building permits, etc.
- Borrower organizational documents (including good standing certificate and authorizing resolutions)
- Legal opinion of Borrower's counsel.
- Final underwriting acceptable to the FCRHA, including sources and uses, development budget, annual operating expenses, 30-year cash flow analysis, and a development schedule.
- Such other documents and information as the FCRHA may reasonably require.

Disbursement: FCRHA loan funds shall be disbursed at construction completion or earlier as may be permitted under the loan documents. Conditions precedent to funding the FCRHA loan(s) shall be detailed in the loan documents, and shall include the following:

Fundings Prior to Completion:

- Certification of architect that at least the applicable amount of the construction contract price has been expended, as detailed in the loan agreements.
- Payment and performance bond specifying the FCRHA as a named insured.
- No outstanding defaults under any loan, construction, or other project-related agreement.
- Such other items and information as the FCRHA may reasonably require.

Funding at completion of construction:

- Certificate of substantial completion from project architect
- Final construction lien releases, all occupancy permits, and a set of as-built drawings for the project.
- Such other items and information as the FCRHA may reasonably require.

Use of Insurance Proceeds After Casualty:

After a casualty event, Borrower must restore so long as restoration is reasonably practicable. Borrower's first-position lender may not have unilateral ability to repay itself from casualty insurance proceeds after all casualty events.

The FCRHA may permit full or partial exceptions to any provision in this term sheet in its sole discretion. In the event of any conflict between this term sheet and any fully executed FCRHA loan document, the terms of the FCRHA loan document will control. No third party may rely on the contents of this term sheet.

**FCRHA:**

FAIRFAX COUNTY REDEVELOPMENT AND HOUSING AUTHORITY

By: \_\_\_\_\_  
Name:  
Title:



**BORROWER:**

[Entity Name]

By: \_\_\_\_\_  
Name:  
Title:

Location Map – Beacon Landing Project

Attachment 4



