



**Economic Development Authority of the City of Richmond
Meeting Notice January 25, 2024**

WHAT: The City of Richmond's Economic Development Authority will hold its **January Board Meeting.**

WHEN: Thursday, January 25, 2024, at 5:00 P.M.

WHERE: Main Street Station, 1500 East Main Street, 3rd floor Conference Room

CONTACT: Glenna Chung at (804) 646-1507 or Glenna.chung@rva.gov.

For more information about The City of Richmond's Economic Development Authority (EDA),
Visit: <http://www.richmondeda.com>

Agenda

ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF RICHMOND
BOARD MEETING JANUARY 25, 2024
AGENDA

- I. Call to Order
 - A. Public Meeting Disclosure
- II. Comment (Maximum of Three Minutes Per Person)
- III. Meeting Minutes
 - A. Meeting Minutes – December Special Called Meeting
- IV. Committee Reports
 - A. Audit and Finance Committee
 - a. November Financial Report
 - b. December Financial Report
- V. New Business
 - A. Amendment and Restated Declaration of Westhampton Condominiums
 - B. Updated Estoppel Certificate for Westhampton Project
 - C. Performance Agreement between the City, Alacer Corp. (Haleon), and the EDA
 - D. EDA Credit Card
- VI. Discussion Items
 - A. Update on 2401 West Leigh Street Facility Operations and Maintenance
- VII. Report of the Officers
 - A. Report of the Chairman
 - B. Report of the Secretary
- VIII. Other Business
- IX. Adjournment

Upcoming Meetings

EDA Board Committee Meeting – February 22, 2024

EDA Audit and Finance Committee Meeting– February 22, 2024

Meeting Minutes

**Economic Development Authority (EDA) of the City of Richmond, Virginia
Special Called Board Meeting
Thursday, December 21, 2023 Minutes**

Members present:

John Molster, Chairperson
Nupa Agarwal, Vice-Chairperson
Jer'Mykeal McCoy
Jéron Crooks
Nathan Hughes

Others present:

Bonnie Ashley – City of Richmond, City Attorney's Office
Lincoln Saunders—City of Richmond, Chief Administrative Officer's Office
Chris Frelke—City of Richmond, Parks, Recreation and Community Facilities
Leonard Sledge – Department of Economic Development
Katie McConnell – Department of Economic Development
Beth D'Arcy—BHD Agency LLC
Glenn Major—ASM Global
Lisa Jones – A. G. Reese & Associates
Rick Winston – Department of Economic Development
Glenna Chung – Department of Economic Development
Jonathan Spiers – BizSense

Call to Order:

Mr. Molster called the meeting to order at 4:08pm and Ms. Chung recorded the meeting.

Public Comments:

No public comments were received via email, phone, or otherwise by staff. Mr. Sledge read the public disclaimer.

Approval of Minutes of the Previous Meeting:

Mr. Molster requested a motion to adopt the minutes of the November 16, 2023, Board Meeting as stated. Mr. Hughes moved to accept the minutes. Mr. McCoy seconded the motion. The Motion passed unanimously.

Report of the Officers:

Report of the Chairman – Mr. John Molster

Mr. Molster shared his sentiments on how much has been accomplished this year, under the

leadership of Mr. Sledge. Mr. Molster thanked Mr. Major on the work he has done with the Training Center.

Report of the Secretary – Mr. Leonard Sledge

Mr. Sledge thanked the EDA for the consistent and ongoing support. The 2023 Annual Report has been completed and uploaded to the website. Mr. Sledge mentioned that the Celebration of Business was a success with over 200 RSVPs. Mr. Sledge announced that the Economic Development team welcomes Robert Cappellanti as Marketing Manager in January.

Executive Session:

Mr. Sledge asked the Board to consider a motion to go into a closed meeting (1) pursuant to sections 2.2-3711 (A)(29) of the Virginia Freedom of Information Act to discuss the award of a contract or contracts involving the expenditure of public funds relating to the Diamond District development project and the terms and scope of such contract or contracts, because discussion in open session would adversely affect the bargaining position or negotiating strategy of the Economic Development Authority; and (2) pursuant to sections 2.2-3711(A)(3) and (A)(8) of the Virginia Freedom of Information Act to discuss the disposition of publicly held real property located at 2401 West Leigh Street and to consult with the Authority's legal counsel regarding such property and its disposition because such discussion in open session would adversely affect the bargaining position or negotiating strategy of the Economic Development Authority. Ms. Agarwal made the motion. Mr. Hughes seconded the motion. The motion passed unanimously.

Closed session began at 4:17pm and Ms. Chung paused recording.

Closed session ended at 4:54pm and Ms. Chung resumed recording.

Section 2.2-3712 of the Code of Virginia requires certification by the Board that a closed meeting is conducted in conformity with Virginia law. Following the closed meeting, the Board certified that to the best of each member's knowledge (i) only public matters lawfully exempt from open meeting requirements by Virginia law were discussed in the closed meeting; and (ii) only such public business matters as were identified in the motion convening the closed meeting were heard, discussed or considered by the Board. The certification passed unanimously and was witnessed and recorded by Mr. Sledge.

New Business

EDA Financial Report – October – Ms. Lisa Jones

Ms. Jones reviewed the EDA Financial Report for October 2023.

First, Ms. Jones reviewed the EDA Operations account which had a net income of \$307,881 for the month of October; net income of \$955,285 year-to-date. Most expenses were in line with the budget.

Next, Ms. Jones reviewed the Stone Brewery account which had a net income of -\$18,714 for the month of October, due to an extra month of interest being paid. The net income year-to-date was

\$96,192. Most expenses were below budget.

Lastly, Ms. Jones reviewed the Leigh Street Operations account which had a net income of \$2,877 for the month of October; net income of \$23,810 year-to-date. Expenses are ahead of budget.

There was no unusual loan activity.

Mr. Sledge requested a motion to approve the October 2023, financial statements for the Economic Development Authority of the City of Richmond, Virginia. Mr. Hughes moved to accept the financial statements. Mr. McCoy seconded the motion. The Motion passed unanimously.

ASM Financial Report Updates – Mr. Glenn Major

Mr. Major reported that The Training Center ended the month of November with a net income of \$63,555. The month was budgeted at a net income of \$15,535, which left a positive variance of \$48,020. The net income year-to-date was \$189,260, which left a positive variance of \$77,179 against the budgeted income of \$112,081. As of November's financials, it is anticipated that the stub fiscal year's budget of \$108,544 will be met. Accounts receivable was \$54k and accounts payable was \$29k. No deposits being held. No large variances to report for expenses in the month of November.

EDA Procurement Policy Updates – Ms. Katie McConnell

Ms. McConnell presented proposed changes to the EDA Procurement Policy that would increase administrative efficiency and align the EDA's policy with recent updates to the City's purchasing thresholds.

Mr. Sledge requested a motion to approve the proposed updates to the Procurement Policy for the Economic Development Authority of the City of Richmond, Virginia. Ms. Agarwal made the motion. Mr. McCoy seconded the motion. The motion passed unanimously.

2401 West Leigh Street Facility Operations and Maintenance – Mr. Leonard Sledge

Mr. Sledge requested a motion to approve that the Economic Development Authority (EDA) assume responsibility for the operations and maintenance of the publicly held real property located at 2401 West Leigh Street, and to authorize the Executive Director to, on behalf of the EDA, enter into any necessary contracts to operate and maintain the real property located at 2401 West Leigh Street in accordance with the EDA's procurement policies. Mr. Crooks made the motion. Mr. Molster seconded the motion. The motion passed unanimously.

First Amendment to Stone Brewery Cooperation Agreement – Mr. Leonard Sledge

Mr. Sledge requested a motion to authorize the Board Chair to execute a First Amendment to Stone Brewery Cooperation Agreement between the City of Richmond and the Economic Development Authority for the purpose of facilitating the use of excess revenues for economic development activities and projects in the City of Richmond. Mr. Hughes made the motion. Mr. Crooks seconded the motion. The motion passed unanimously.

Diamond District Contract – Mr. Leonard Sledge

Mr. Sledge requested a motion to authorize the Board Chair, in consultation with the Executive Director and Legal Counsel to enter into an agreement with Navigators Baseball LP for the purpose

of spending \$1 million in EDA funds for the design and development of a new minor league baseball stadium in the Diamond District. Ms. Agarwal made the motion. Mr. McCoy seconded the motion. The motion passed unanimously.

Other Business

There was no other business reported.

Adjournment

The meeting adjourned at 5:13pm.

Respectfully submitted:

Secretary to the meeting

Approved:

John Molster, Chair

EDA November Financial Report

EDA City of Richmond-Stone Brewery
Balance Sheet Prev Year Comparison
As of November 30, 2023

| | <u>Nov 30, 23</u> | <u>Nov 30, 22</u> |
|--|----------------------|----------------------|
| ASSETS | | |
| Current Assets | | |
| Checking/Savings | | |
| 10100 · Wells Fargo #2828 | 2,788,653.92 | 2,463,580.14 |
| 11000 · Accounts Receivable | 17,000.19 | 17,000.19 |
| 14000 · Prepaid Expenses | 1,948.45 | 2,011.91 |
| Total Current Assets | 2,807,602.56 | 2,482,592.24 |
| Fixed Assets | | |
| 15602 · CIP- Ston Brewery | 0.00 | 34,410.86 |
| 15603 · Building Improvements | 83,625.00 | 83,625.00 |
| 16900 · Land | 621,644.51 | 621,644.51 |
| 17000 · Accumulated Depreciation | -3,135.78 | -1,045.26 |
| Total Fixed Assets | 702,133.73 | 738,635.11 |
| Other Assets | | |
| 19000 · Net Invest-Cap Lease Rec-Curret | | |
| 19000.1 · Current-Capital Lease Receivabl | 1,015,155.33 | 1,015,155.33 |
| 19000.2 · Current Portion Unearned int | -565,549.90 | -681,579.01 |
| Total 19000 · Net Invest-Cap Lease Rec-Curret | 449,605.43 | 333,576.32 |
| 19500 · Net Investment on Capital Lease | | |
| 19500.1 · Capital Lease Receivable | 29,584,526.97 | 31,324,793.25 |
| 19500.2 · Unearned Int on Capital Lease | -11,178,170.48 | -12,318,376.65 |
| Total 19500 · Net Investment on Capital Lease | 18,406,356.49 | 19,006,416.60 |
| Total Other Assets | 18,855,961.92 | 19,339,992.92 |
| TOTAL ASSETS | 22,365,698.21 | 22,561,220.27 |
| LIABILITIES & EQUITY | | |
| Liabilities | | |
| Current Liabilities | | |
| 2000 · Accounts Payable | 2,072.00 | 0.00 |
| 23100 · Accrued Interest Payable | 0.00 | 0.00 |
| 25000 · Current Portion of Rec. Grant | 750,000.00 | 730,000.00 |
| Total Current Liabilities | 752,072.00 | 730,000.00 |
| Long Term Liabilities | | |
| 27200.1 · Recoverable Grant Payable | 17,635,000.00 | 18,385,000.00 |
| Total Liabilities | 18,387,072.00 | 19,115,000.00 |
| Equity | | |
| 32000 · Retained Earnings | 3,786,883.62 | 3,246,256.90 |
| Net Income | 191,742.59 | 199,963.37 |
| Total Equity | 3,978,626.21 | 3,446,220.27 |
| TOTAL LIABILITIES & EQUITY | 22,365,698.21 | 22,561,220.27 |

2023

**EDA City of Richmond-Stone Brewery
Profit & Loss Budget Performance
November 2023**

| | Nov 23 | Nov 22 | YTD 24 | YTD Budget | \$ Over Budget | Annual Budget |
|-----------------------------------|------------------|------------------|-------------------|-------------------|-------------------|---------------------|
| Ordinary Income/Expense | | | | | | |
| Income | | | | | | |
| 42800 · Interest Income | 2,463.07 | 1,005.69 | 10,837.83 | 6,250.00 | 4,587.83 | 15,000.00 |
| 43000 · Interest on Capital Lease | 95,151.11 | 98,325.45 | 478,259.49 | 475,085.90 | 3,173.59 | 1,140,206.17 |
| Total Income | 97,614.18 | 99,331.14 | 489,097.32 | 481,335.90 | 7,761.42 | 1,155,206.17 |
| Expense | | | | | | |
| 62400 · Depreciation Expense | 174.21 | 174.21 | 871.05 | 871.05 | 0.00 | 2,090.52 |
| 63300 · Insurance Expense | 389.08 | 402.38 | 1,945.40 | 2,916.67 | -971.27 | 7,000.00 |
| 63500 · Bank Fees | 0.00 | 0.00 | 0.00 | 41.67 | -41.67 | 100.00 |
| 66100 · Interest Expense-Bond | 0.00 | 58,840.26 | 285,127.88 | 286,755.21 | -1,627.33 | 688,212.50 |
| 66700 · Professional Fees | 0.00 | 0.00 | 0.00 | 8,333.33 | -8,333.33 | 20,000.00 |
| 67200 · Repairs and Maintenance | 0.00 | 0.00 | 1,710.40 | 12,500.00 | -10,789.60 | 30,000.00 |
| 67500 · Roof Expense | 1,500.00 | 0.00 | 7,700.00 | 12,500.00 | -4,800.00 | 30,000.00 |
| Total Expense | 2,063.29 | 59,416.85 | 297,354.73 | 323,917.93 | -26,563.20 | 777,403.02 |
| Net Ordinary Income | 95,550.89 | 39,914.29 | 191,742.59 | 157,417.98 | 34,324.61 | 377,803.15 |
| Other Income/Expense | | | | | | |
| Other Income | | | | | | |
| 70200 · Miscellaneous Income | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total Other Income | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Net Other Income | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Net Income | 95,550.89 | 39,914.29 | 191,742.59 | 157,417.98 | 34,324.61 | 377,803.15 |



Economic Development Authority-Operations
Balance Sheet Prev Year Comparison
As of November 30, 2023

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| | <u>Nov 30, 23</u> | <u>Nov 30, 22</u> |
|---|-----------------------------|----------------------------|
| ASSETS | | |
| Current Assets | | |
| Checking/Savings | | |
| 10200 · FCB #7709 Savings | 1,148,107.41 | 1,211,022.62 |
| 10300 · Towne Bank Savings | 50,793.03 | 50,767.64 |
| 10450 · Well Fargo #7155 Checking | 173,515.42 | 267,486.62 |
| 10500 · Restricted Checking/Savings | | |
| 10501 · FCB 8381 -Stone (GOF | 0.00 | 1,032,247.41 |
| 10501.1 · FCB 8605 Facade/Vent | 89,082.66 | 136,422.05 |
| 10502 · C&F Bank #3929 Tobacco Rowe | 140,233.12 | 117,684.16 |
| 10505 · Wells Fargo #0731 Grants | 565,922.11 | 806,155.66 |
| 10509 · EDA-Hull Street Facade Program | 250,063.02 | 0.00 |
| 10510 · EDA Triple A Grant Program | 224,683.02 | 0.00 |
| 10511 · Enterprise Zone Program | 359,027.75 | 0.00 |
| Total 10500 · Restricted Checking/Savings | <u>1,629,011.68</u> | <u>2,092,509.28</u> |
| Total Checking/Savings | <u>3,001,427.54</u> | <u>3,621,786.16</u> |
| Accounts Receivable | | |
| 11000 · Accounts Receivable | 504,162.00 | 6,942.00 |
| 112000 · Due from City of Richmond | 119,692.23 | 119,692.23 |
| 14000 · Prepaid Expenses | 0.00 | 4,965.18 |
| Total Current Assets | <u>3,625,281.77</u> | <u>3,753,385.57</u> |
| Fixed Assets | | |
| 15000 · Furniture and Equipment | 3,168.47 | 3,168.47 |
| 17000 · Accumulated Depreciation | -897.60 | -264.00 |
| Total Fixed Assets | <u>2,270.87</u> | <u>2,904.47</u> |
| Other Assets | | |
| 17500 · Website | 108,430.00 | 0.00 |
| 18000 · Investment City Center | 13,173,606.89 | 0.00 |
| 19100 · Net Invest.-Cap Lease Rec-Curre | | |
| 19100.1 · Current-Capital Lease Rec | 22,000.00 | 22,000.00 |
| 19100.2 · Current Portion Unearned Int | -12,841.08 | -13,134.00 |
| Total 19100 · Net Invest.-Cap Lease Rec-Curre | <u>9,158.92</u> | <u>8,866.00</u> |
| 19500 · Net Investment on Capital Lease | | |
| 19500.1 · Capital Lease Receivable | 550,000.00 | 594,000.00 |
| 19500.2 · Unearned Int on Capital Lease | -191,899.92 | -226,741.00 |
| Total 19500 · Net Investment on Capital Lease | <u>358,100.08</u> | <u>367,259.00</u> |
| Total Other Assets | <u>13,649,295.89</u> | <u>376,125.00</u> |
| TOTAL ASSETS | <u><u>17,276,848.53</u></u> | <u><u>4,132,415.04</u></u> |
| LIABILITIES & EQUITY | | |
| Liabilities | | |
| Current Liabilities | | |
| Accounts Payable | | |
| 27000 · Accounts Payable | 9,539.00 | 0.00 |
| 20000 · Other Accounts Payable | 3,470.75 | 1,638.60 |

Economic Development Authority-Operations
Balance Sheet Prev Year Comparison
As of November 30, 2023

| | <u>Nov 30, 23</u> | <u>Nov 30, 22</u> |
|-------------------------------|-------------------|-------------------|
| Total Current Liabilities | 13,009.75 | 1,638.60 |
| Total Liabilities | 13,009.75 | 1,638.60 |
| Equity | | |
| 39002 · Intercompany Transfer | 0.00 | -372,626.00 |
| 39005 · Retained Earnings | 16,229,102.30 | 4,189,882.35 |
| Net Income | 1,034,736.48 | 313,520.09 |
| Total Equity | 17,263,838.78 | 4,130,776.44 |
| TOTAL LIABILITIES & EQUITY | 17,276,848.53 | 4,132,415.04 |

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**Economic Development Authority-Operations
Profit & Loss Budget Performance
November 2023**

| | Nov 23 | Nov 22 | \$ Over PY | YTD 24 | YTD Budget | \$ Over Budget | Annual Budget |
|--|-------------------|-----------------|-------------------|---------------------|-------------------|---------------------|---------------------|
| Ordinary Income/Expense | | | | | | | |
| Income | | | | | | | |
| 40800 · Restricted Interest Income | 62.83 | 1,098.36 | 251.96 | 314.79 | 12,500.00 | -12,185.21 | 30,000.00 |
| 41200 · Grants | 100,000.00 | 0.00 | 100,000.00 | 1,551,514.59 | 515,984.17 | 1,035,530.42 | 1,238,362.00 |
| 41220 · Grants (non-city) | 0.00 | 0.00 | 0.00 | 700,000.00 | 291,666.67 | 408,333.33 | 700,000.00 |
| 41225 · Grants-Façade Program | 0.00 | 0.00 | 0.00 | 0.00 | 83,333.33 | -83,333.33 | 200,000.00 |
| 41400 · Contributed Asset | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 41700 · Administrative Fee | 24,000.00 | 0.00 | 24,000.00 | 24,000.00 | 18,750.00 | 5,250.00 | 45,000.00 |
| 42000 · Administrative Loan Fee Income | 3,000.00 | 3,000.00 | 0.00 | 15,000.00 | 15,000.00 | 0.00 | 36,000.00 |
| 42300 · Annual Bond Administrative Fee | 0.00 | 0.00 | 0.00 | 0.00 | 8,333.33 | -8,333.33 | 20,000.00 |
| 42800 · Interest Income | 1,488.77 | 598.50 | 890.27 | 5,839.84 | 12,500.00 | -6,660.16 | 30,000.00 |
| 43000 · Parking Lot Rental Income | 0.00 | 0.00 | 0.00 | 0.00 | 22,000.00 | -22,000.00 | 22,000.00 |
| 43100 · Interest on Capital Lease | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total Income | 128,551.60 | 4,696.86 | 123,854.74 | 2,296,669.22 | 980,067.50 | 1,316,601.72 | 2,321,362.00 |
| Expense | | | | | | | |
| 60100 · Grants-Econ Dev Incentives | 0.00 | 0.00 | 0.00 | 663,152.60 | 515,984.17 | 147,168.43 | 1,238,362.00 |
| 60115 · Grants Triple A | 0.00 | 0.00 | 0.00 | 475,295.00 | 291,666.67 | 183,628.33 | 700,000.00 |
| 60200 · Grants-Façade | 0.00 | 0.00 | 0.00 | 0.00 | 83,333.33 | -83,333.33 | 200,000.00 |
| 60400 · Bank Service Charges | 284.75 | 151.75 | 133.00 | 1,325.86 | 2,083.33 | -757.47 | 5,000.00 |
| 60500 · Grants-Enterprise Zone | 8,972.25 | 0.00 | 8,972.25 | 8,972.25 | 0.00 | 8,972.25 | 0.00 |
| 60600 · Grants-Infrastructure | 30,000.00 | 0.00 | 30,000.00 | 30,000.00 | 0.00 | 30,000.00 | 0.00 |
| 61700 · Computer & Internet Expenses | 0.00 | 0.00 | 0.00 | 549.00 | 833.33 | -284.33 | 2,000.00 |
| 61900 · Contingency fund | 0.00 | 0.00 | 0.00 | 0.00 | 2,083.33 | -2,083.33 | 5,000.00 |
| 6240 · Depreciation | 52.80 | 52.80 | 0.00 | 264.00 | 416.67 | -152.67 | 1,000.00 |
| 6250 · Due & Memberships | 0.00 | 0.00 | 0.00 | 0.00 | 2,083.33 | -2,083.33 | 5,000.00 |
| 62550 · Accounting Services | 3,000.00 | 2,800.00 | 200.00 | 15,000.00 | 16,666.67 | -1,666.67 | 40,000.00 |
| 62552 · Audit Services | 0.00 | 0.00 | 0.00 | 34,908.00 | 17,500.00 | 17,408.00 | 42,000.00 |
| 63300 · Insurance Expense | | | | | | | |
| 63300.1 · Board Insurance | 206.16 | 215.34 | -9.18 | 1,030.80 | 1,041.67 | -10.87 | 2,500.00 |
| 63300.2 · Insurance-Laurel /Stoney Point | 429.33 | 429.33 | 0.00 | 2,146.65 | 2,083.33 | 63.32 | 5,000.00 |
| Total 63300 · Insurance Expense | 635.49 | 644.67 | -9.18 | 3,177.45 | 3,125.00 | 52.45 | 7,500.00 |
| 64100 · Legal Expense | 0.00 | 0.00 | 0.00 | 0.00 | 5,208.33 | -5,208.33 | 12,500.00 |
| 64200 · Marketing | | | | | | | |
| 64200.1 · Web Hosting | 1,299.00 | 20.00 | 1,279.00 | 6,495.00 | 8,333.33 | -1,838.33 | 20,000.00 |
| 64200 · Marketing - Other | 3,693.00 | 0.00 | 3,693.00 | 18,465.00 | 4,166.67 | 14,298.33 | 10,000.00 |
| Total 64200 · Marketing | 4,992.00 | 20.00 | 4,972.00 | 24,960.00 | 12,500.00 | 12,460.00 | 30,000.00 |
| 64300 · Meals and Entertainment | 0.00 | 193.86 | -193.86 | 0.00 | 4,166.67 | -4,166.67 | 10,000.00 |
| 64400 · Miscellaneous Expense | 0.00 | 0.00 | 0.00 | 0.00 | 625.00 | -625.00 | 1,500.00 |
| 64900 · Office Supplies | 0.00 | 0.00 | 0.00 | 0.00 | 208.33 | -208.33 | 500.00 |
| 66700 · Professional Fees | 0.00 | 0.00 | 0.00 | 0.00 | 5,208.33 | -5,208.33 | 12,500.00 |
| 67200 · Repairs and Maintenance | 0.00 | 0.00 | 0.00 | 535.00 | 0.00 | 535.00 | 0.00 |
| 67800.7 · Workmans Comp Insurance | 58.66 | 80.40 | -21.74 | 293.30 | 416.67 | -123.37 | 1,000.00 |
| 68400 · Meetings expense | 1,060.18 | 0.00 | 1,060.18 | 2,828.61 | 0.00 | 2,828.61 | 5,000.00 |
| 68500 · Travel | 0.00 | 0.00 | 0.00 | 0.00 | 833.33 | -833.33 | 2,000.00 |
| 68600 · Utilities | 0.00 | 0.00 | 0.00 | 451.67 | 0.00 | 451.67 | 0.00 |
| 68600.1 · Internet Service | 44.00 | 44.00 | 0.00 | 220.00 | 208.33 | 11.67 | 500.00 |
| Total Expense | 49,100.13 | 3,987.48 | 45,112.65 | 1,261,932.74 | 965,150.83 | 296,781.91 | 2,321,362.00 |
| Net Ordinary Income | 79,451.47 | 709.38 | 78,742.09 | 1,034,736.48 | 14,916.67 | 1,019,819.81 | 0.00 |
| Net Income | 79,451.47 | 709.38 | 78,742.09 | 1,034,736.48 | 14,916.67 | 1,019,819.81 | 0.00 |

ECONOMIC DEVELOPMENT AUTHORITY-LEIGH ST OPERATING ACCT
Balance Sheet Prev Year Comparison
As of November 30, 2023

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| | Nov 30, 23 | Nov 30, 22 |
|---|----------------------|----------------------|
| ASSETS | | |
| Current Assets | | |
| Checking/Savings | | |
| Truist #5122 | | |
| 10200 · Operating Funds | 4,099.94 | 36,057.66 |
| 10200.1 · Reserve Funds | 137,356.76 | 148,065.89 |
| 10200.2 · Westhampton Funds | 33,834.55 | 28,834.55 |
| Truist #5122 - Other | -334.23 | -81.11 |
| Total Truist #5122 | 174,957.02 | 212,876.99 |
| 11000 · Accounts Receivable | 12,247.50 | 0.00 |
| 11400 · ASM Escrow | 183,951.59 | 219,273.29 |
| 11200 · Interest Receivable | 77.21 | 687.63 |
| Total Current Assets | 371,233.32 | 432,837.91 |
| Fixed Assets | | |
| 15000 · Furniture and Fixtures | 49,999.59 | 39,706.59 |
| 15100 · Equipment | 95,357.04 | 95,357.04 |
| 15300 · Other Depreciable Property | 94,788.00 | 94,788.00 |
| 15350 · Improvement- Training Fields | 74,434.50 | 62,187.00 |
| 15500 · Building Improvements | 10,779,715.64 | 10,779,715.64 |
| 15501 · Construction in Progress | 20,240.00 | 20,240.00 |
| 15550 · Building Improvements-2nd Floor | 1,330,696.31 | 1,330,696.31 |
| 15600 · Building-Westhampton | 3,135,228.00 | 3,135,228.00 |
| 16900 · Land-Westhampton | 848,578.00 | 848,578.00 |
| 16990 · Leased capital assets | | |
| 16990.1 · Leased capital asset--Museum | 1,505,819.00 | 1,505,819.00 |
| 16990.2 · Accumulated amortization | -70,661.20 | -41,422.00 |
| Total 16990 · Leased capital assets | 1,435,157.80 | 1,464,397.00 |
| 17000 · Accumulated Depreciation | -136,051.94 | -133,060.15 |
| 17300 · Accum Depr-Other | -69,348.20 | -75,187.40 |
| 17500 · Accum Depr- Building | -3,135,228.00 | -3,135,228.00 |
| 17600 · Accum Depr-Building Improvement | -3,039,068.66 | -2,736,308.36 |
| Total Fixed Assets | 11,484,498.08 | 11,791,109.67 |
| Other Assets | | |
| 19000 · Net Invest Lease Rec-Current | | |
| 19000.1 · Current Lease Rec-Training Cent | 0.00 | 196,946.98 |
| Total 19000 · Net Invest Lease Rec-Current | 0.00 | 196,946.98 |
| 19500 · Net Invest Leas Rec-Long Term | | |
| 19500.1 · Lease Asset-Long Term Lease Rec | 0.00 | 56,959.00 |
| Total 19500 · Net Invest Leas Rec-Long Term | 0.00 | 56,959.00 |
| Total Other Assets | 0.00 | 253,905.98 |
| TOTAL ASSETS | 11,855,731.40 | 12,477,853.56 |
| LIABILITIES & EQUITY | | |
| Liabilities | | |
| Current Liabilities | | |

ECONOMIC DEVELOPMENT AUTHORITY-LEIGH ST OPERATING ACCT

Balance Sheet Prev Year Comparison

As of November 30, 2023

DRAFT

| | Nov 30, 23 | Nov 30, 22 |
|---|----------------------|----------------------|
| 20000 · Accounts Payable | 433.15 | 142.00 |
| 23100 · Interest Payable | 35,607.08 | 27,469.88 |
| 24800 · Deferred Revenue | 2,916.85 | 2,916.85 |
| 25000 · Maintenance Reserve-Westhampton | 137,356.76 | 148,065.89 |
| Total Current Liabilities | 176,313.84 | 178,594.62 |
| Long Term Liabilities | | |
| 27100 · Recoverable Grant-City of Rich | 6,000,000.00 | 6,500,000.00 |
| 27500 · LT Lease Liability | | |
| 27500.1 · LT Lease Liability-Museum | 1,469,283.00 | 1,469,283.00 |
| Total 27500 · LT Lease Liability | 1,469,283.00 | 1,469,283.00 |
| Total Long Term Liabilities | 7,469,283.00 | 7,969,283.00 |
| Total Liabilities | 7,645,596.84 | 8,147,877.62 |
| Equity | | |
| Intercompany Transfer | 0.00 | 380,065.00 |
| 30001 · Deferred Inflow of Resources-Le | -54,295.24 | -135,737.40 |
| 39005 · Net Position | 4,207,203.09 | 4,155,251.28 |
| Net Income | 57,226.71 | -69,602.94 |
| Total Equity | 4,210,134.56 | 4,329,975.94 |
| TOTAL LIABILITIES & EQUITY | 11,855,731.40 | 12,477,853.56 |

DRAFT

ECONOMIC DEVELOPMENT AUTHORITY-LEIGH ST OPERATING ACCT
Profit & Loss Budget Performance
November 2023

| | Nov 23 | Nov 22 | YTD 24 | YTD Budget | \$ Over/Budget | Annual Budget |
|--|-------------------|-------------------|--------------------|--------------------|-------------------|--------------------|
| Ordinary Income/Expense | | | | | | |
| Income | | | | | | |
| 40000 · Event Income | 17,491.00 | 10,897.00 | 124,116.00 | 19,947.92 | 104,168.08 | 47,875.00 |
| 41500 · Advertising & Other Income | 10,816.00 | 0.00 | 13,133.00 | 1,312.50 | 11,820.50 | 3,150.00 |
| 41600.1 · Building Rent-1st Floor | 25,484.00 | 24,723.95 | 124,679.22 | 127,420.00 | -2,740.78 | 305,808.00 |
| 41600.2 · Building Rent-2nd Floor | 13,448.00 | 13,448.00 | 67,240.00 | 67,240.00 | 0.00 | 161,376.00 |
| 41600.3 · 1st Floor Ground Rent | 1,767.00 | 1,767.00 | 8,835.00 | 8,835.00 | 0.00 | 21,204.00 |
| 41600.4 · 2nd Floor Ground Rent | 563.00 | 563.00 | 2,815.00 | 2,815.00 | 0.00 | 6,756.00 |
| 41600.5 · 1st Floor CAM | 16,625.00 | 16,625.00 | 83,125.00 | 83,333.33 | -208.33 | 200,000.00 |
| 41600.6 · 2nd Floor CAM | 7,695.00 | 7,695.00 | 38,475.00 | 41,666.67 | -3,191.67 | 100,000.00 |
| 41650 · Rental Income- Westhampton | 416.63 | 416.63 | 2,083.15 | 2,083.33 | -0.18 | 5,000.00 |
| 41660 · Westhampton Maintenance Res | 0.00 | 1,032.46 | 30,655.80 | 5,000.00 | 25,655.80 | 12,000.00 |
| Total Income | 94,305.63 | 77,168.04 | 495,157.17 | 359,653.75 | 135,503.42 | 863,169.00 |
| Expense | | | | | | |
| 60100 · Amortization Expense | 2,436.60 | 2,436.60 | 12,183.00 | 12,183.00 | 0.00 | 29,239.20 |
| 60500 · Staffing | 2,775.00 | 14,011.00 | 74,018.00 | 66,575.00 | 7,443.00 | 159,780.00 |
| 60510 · Payroll Expenses | 3,696.00 | 174.00 | 5,751.00 | 2,916.67 | 2,834.33 | 7,000.00 |
| 61000 · General and Administrative | 1,219.00 | 5,795.00 | 13,775.00 | 17,545.42 | -3,770.42 | 42,109.00 |
| 61500 · Security Service | 644.00 | 838.00 | 4,742.00 | 4,166.67 | 575.33 | 10,000.00 |
| 63400 · Interest Exp-lease | 4,099.31 | 4,088.40 | 20,430.23 | 20,833.33 | -403.10 | 50,000.00 |
| 63500 · Bank Service Charges | 21.40 | 21.80 | 110.70 | 208.33 | -97.63 | 500.00 |
| 63700 · Landscaping and Groundskeeping | 0.00 | 950.00 | 6,150.00 | 5,000.00 | 1,150.00 | 12,000.00 |
| 65500 · Telephone Expense | 605.00 | 605.00 | 3,025.00 | 3,333.33 | -308.33 | 8,000.00 |
| 66670 · Insurance Expense | -1,767.00 | 2,329.00 | 7,324.00 | 10,416.67 | -3,092.67 | 25,000.00 |
| 66700 · Professional Fees | 0.00 | 0.00 | 0.00 | 2,083.33 | -2,083.33 | 5,000.00 |
| 67100 · Ground Rent Expense | 0.00 | 0.00 | 0.00 | 16,900.00 | -16,900.00 | 40,560.00 |
| 67700 · Real estate taxes | 0.00 | 0.00 | 4,930.72 | 4,166.67 | 764.05 | 10,000.00 |
| 68400 · Grounds Maintenance | 9,709.00 | 6,005.00 | 48,545.00 | 41,666.67 | 6,878.33 | 100,000.00 |
| 68500 · Maintenance Expense | -1,045.00 | 17,240.00 | 17,986.00 | 25,000.00 | -7,014.00 | 60,000.00 |
| 68510 · Janitorial Service Supplies | 1,463.00 | 1,463.00 | 7,465.00 | 7,083.33 | 381.67 | 17,000.00 |
| 69000 · Base Management Expense | 1,205.00 | 1,057.00 | 7,523.00 | 3,875.00 | 3,648.00 | 9,300.00 |
| 69001 · Incentive Management Fee | 0.00 | 557.00 | 4,486.00 | 2,500.00 | 1,986.00 | 6,000.00 |
| 69500 · Operations | 1,011.00 | 2,488.00 | 21,176.00 | 8,333.33 | 12,842.67 | 20,000.00 |
| 78000 · Utilities | 7,439.00 | 8,507.46 | 46,043.18 | 45,833.33 | 209.85 | 110,000.00 |
| Total Expense | 33,511.31 | 68,566.26 | 305,663.83 | 300,620.08 | 5,043.75 | 721,488.20 |
| Net Ordinary Income | 60,794.32 | 8,601.78 | 189,493.34 | 59,033.67 | 130,459.67 | 141,680.80 |
| Other Income/Expense | | | | | | |
| Other Income | | | | | | |
| 42800 · Interest Income-Cking | 1.45 | 1.76 | 7.99 | 20.00 | -12.01 | 30.00 |
| Total Other Income | 1.45 | 1.76 | 7.99 | 20.00 | -12.01 | 30.00 |
| Other Expense | | | | | | |
| 72500 · Depreciation Expense | 27,378.97 | 26,433.38 | 132,274.62 | 130,784.16 | 1,490.46 | 313,881.99 |
| Total Other Expense | 27,378.97 | 26,433.38 | 132,274.62 | 130,784.16 | 1,490.46 | 313,881.99 |
| Net Other Income | -27,377.52 | -26,431.62 | -132,266.63 | -130,764.16 | -1,502.47 | -313,851.99 |
| Net Income | 33,416.80 | -17,829.84 | 57,226.71 | -71,730.50 | 128,957.21 | -172,171.19 |

**ECONOMIC DEVELOPMENT AUTHORITY
OF THE CITY OF RICHMOND**
(A Component Unit of the City of Richmond, Virginia)
Statement of Net Position
Enterprise Funds
November 30, 2023

DRAFT

| | CARE | EZIL | CAP | CRLF | EDHLF | OPERATIONS | TOTAL |
|---|--------------|------------|-------------|--------------|---------------|------------|---------------|
| ASSETS | | | | | | | |
| Peoples Bank | 982,444.32 | | 756,346.89 | 390,164.67 | | 67,080.25 | 1,213,591.81 |
| Wells Fargo Checking | 105,250.15 | | | | | | 982,444.32 |
| Wells Fargo Money Market | | | | 181,174.22 | | | 105,250.15 |
| Community Capital Bank | | 244,367.62 | | | | | 181,174.22 |
| Atlantic Union Bank | | | | | | | 244,367.62 |
| Community Capital Bank GLFIA | | | | | 461,080.87 | | 461,080.87 |
| Peoples Bank LRA | | | | | 1,629,729.05 | | 1,629,729.05 |
| Peoples Bank GLFIA | | | | | 1,028,248.17 | | 1,028,248.17 |
| Peoples Bank GLFIA-2 | | | | | 357,371.67 | | 357,371.67 |
| Total Cash | 1,087,694.47 | 244,367.62 | 756,346.89 | 571,338.89 | 3,476,429.76 | 67,080.25 | 6,203,257.88 |
| Prepaid/Accounts Receivable | 800.00 | | | 1,598.36 | | | 2,398.36 |
| Total Current Assets | 1,088,494.47 | 244,367.62 | 756,346.89 | 572,937.25 | 3,476,429.76 | 67,080.25 | 6,205,656.24 |
| Long Term Assets | | | | | | | |
| Note/Grant Receivable | 24,306.73 | | 143,239.34 | 1,021,109.85 | 7,802,675.28 | | 8,991,331.20 |
| Unused LOC | | | | | | | - |
| Accrued Interest Receivable | 10,032.67 | | 54,554.08 | 120,961.95 | 1,500,256.34 | | 1,685,805.04 |
| Loan Loss Reserve | (12,155.68) | | (87,326.39) | (230,962.00) | (159,898.36) | | (490,342.43) |
| Total Long Term Assets | 22,183.72 | | 110,467.03 | 911,109.80 | 9,143,033.26 | | 10,186,793.81 |
| Total Assets | 1,110,678.19 | 244,367.62 | 866,813.92 | 1,484,047.05 | 12,619,463.02 | 67,080.25 | 16,392,450.05 |
| Accounts Payable | 4,200.00 | | 3,750.00 | | | | 16,200.00 |
| Due to City of Richmond | | | | 6,000.00 | | 2,250.00 | 61,538.46 |
| Net Position | 1,106,478.19 | 244,367.62 | 863,063.92 | 1,478,047.05 | 12,619,463.02 | 3,291.79 | 16,314,711.59 |
| Total Liabilities & Net Position | 1,110,678.19 | 244,367.62 | 866,813.92 | 1,484,047.05 | 12,619,463.02 | 67,080.25 | 16,392,450.05 |

**ECONOMIC DEVELOPMENT AUTHORITY
OF THE CITY OF RICHMOND, VIRGINIA**
(A Component Unit of the City of Richmond, Virginia)
Statement of Revenues, Expenses and Changes in Net Position
For the Five Months Ending November 30, 2023

DRAFT

| | CARE | EZIL | CAP | CRLF | EDHLF | OPERATIONS | TOTAL |
|--|---------------------|-------------------|-------------------|---------------------|----------------------|-----------------|----------------------|
| Operating Revenues | | | | | | | |
| Program Income-Interest | 660.82 | | 5,292.81 | 21,567.44 | 150,365.99 | | 177,887.06 |
| Loan origination fee | | | | | | | - |
| Application fees | | | | | | | - |
| Loan Document Fees | | | | | | | - |
| Capital Contributions | 300,000.00 | | | | | | 300,000.00 |
| Late fees , etc. | | | | | | | - |
| Total Revenues | 300,660.82 | - | 5,292.81 | 21,567.44 | 150,365.99 | - | 477,887.06 |
| Expenses | | | | | | | |
| Bank Charges/Late Fees | 116.20 | | | 93.58 | | 11.87 | 221.65 |
| Loan Fund Grants | 57,971.16 | | | | | | 57,971.16 |
| Loan Fund Expenses | | | | | | | - |
| ECD/FSG Administration | 24,000.00 | | | | | | 24,000.00 |
| Marketing | | | | | | | - |
| Training/Seminars/Conference | | | | | | | - |
| Loan loss reserve | | | | | | | - |
| EDA Administration | 5,250.00 | | 3,750.00 | 6,000.00 | | | 15,000.00 |
| Total Expenses | 87,337.36 | - | 3,750.00 | 6,093.58 | | 11.87 | 97,192.81 |
| Net Increase (Decrease) From Operations | 213,323.46 | - | 1,542.81 | 15,473.86 | 150,365.99 | (11.87) | 380,694.25 |
| Other Income & Expenses | | | | | | | |
| Bank Interest Earned | 3,689.24 | 255.91 | 59.48 | 1,166.74 | 4,093.54 | 5.08 | 9,269.99 |
| Recoveries | | | | | | | - |
| Total Other Income & Expenses | 3,689.24 | 255.91 | 59.48 | 1,166.74 | 4,093.54 | 5.08 | 9,269.99 |
| Net Increase (Decrease) in Funds | 217,012.70 | 255.91 | 1,602.29 | 16,640.60 | 154,459.53 | (6.79) | 389,964.24 |
| Net Position, Beg of Year | 889,465.49 | 244,111.71 | 861,461.63 | 1,461,406.45 | 12,465,003.49 | 3,298.58 | 15,924,747.35 |
| Net Position, End of Period | <u>1,106,478.19</u> | <u>244,367.62</u> | <u>863,063.92</u> | <u>1,478,047.05</u> | <u>12,619,463.02</u> | <u>3,291.79</u> | <u>16,314,711.59</u> |

EDA December Financial Report

EDA City of Richmond-Stone Brewery
Balance Sheet Prev Year Comparison
As of December 31, 2023

DRAFT

| | <u>Dec 31, 23</u> | <u>Dec 31, 22</u> |
|--|-----------------------------|-----------------------------|
| ASSETS | | |
| Current Assets | | |
| Checking/Savings | | |
| 10100 · Wells Fargo #2828 | 2,933,879.06 | 2,754,842.96 |
| 11000 · Accounts Receivable | 17,000.19 | -128,022.00 |
| 14000 · Prepaid Expenses | 1,559.37 | 1,609.53 |
| Total Current Assets | <u>2,952,438.62</u> | <u>2,628,430.49</u> |
| Fixed Assets | | |
| 15602 · CIP- Ston Brewery | 0.00 | 34,410.86 |
| 15603 · Building Improvements | 83,625.00 | 83,625.00 |
| 16900 · Land | 621,644.51 | 621,644.51 |
| 17000 · Accumulated Depreciation | -3,309.99 | -1,219.47 |
| Total Fixed Assets | <u>701,959.52</u> | <u>738,460.90</u> |
| Other Assets | | |
| 19000 · Net Invest-Cap Lease Rec-Curret | | |
| 19000.1 · Current-Capital Lease Receivabl | 870,133.14 | 870,133.14 |
| 19000.2 · Current Portion Unearned int | -470,651.72 | -583,490.40 |
| Total 19000 · Net Invest-Cap Lease Rec-Curret | <u>399,481.42</u> | <u>286,642.74</u> |
| 19500 · Net Investment on Capital Lease | | |
| 19500.1 · Capital Lease Receivable | 29,584,526.97 | 31,324,793.25 |
| 19500.2 · Unearned Int on Capital Lease | -11,178,170.48 | -12,318,376.65 |
| Total 19500 · Net Investment on Capital Lease | <u>18,406,356.49</u> | <u>19,006,416.60</u> |
| Total Other Assets | <u>18,805,837.91</u> | <u>19,293,059.34</u> |
| TOTAL ASSETS | <u><u>22,460,236.05</u></u> | <u><u>22,659,950.73</u></u> |
| LIABILITIES & EQUITY | | |
| Liabilities | | |
| Current Liabilities | | |
| Other Current Liabilities | | |
| 23100 · Accrued Interest Payable | 57,025.57 | 58,840.21 |
| 25000 · Current Portion of Rec. Grant | 750,000.00 | 730,000.00 |
| Total Current Liabilities | <u>807,025.57</u> | <u>788,840.21</u> |
| Long Term Liabilities | | |
| 27200.1 · Recoverable Grant Payable | 17,635,000.00 | 18,385,000.00 |
| Total Liabilities | <u>18,442,025.57</u> | <u>19,173,840.21</u> |
| Equity | | |
| 32000 · Retained Earnings | 3,786,883.62 | 3,246,256.90 |
| Net Income | 231,326.86 | 239,853.62 |
| Total Equity | <u>4,018,210.48</u> | <u>3,486,110.52</u> |
| TOTAL LIABILITIES & EQUITY | <u><u>22,460,236.05</u></u> | <u><u>22,659,950.73</u></u> |

**EDA City of Richmond-Stone Brewery
Profit & Loss Budget Performance
December 2023**

| | Dec 23 | Dec 22 | YTD 24 | YTD Budget | \$ Over Budget | Annual Budget |
|-----------------------------------|------------------|------------------|-------------------|-------------------|-------------------|---------------------|
| Ordinary Income/Expense | | | | | | |
| Income | | | | | | |
| 42800 · Interest Income | 2,274.95 | 1,218.44 | 13,112.78 | 7,500.00 | 5,612.78 | 15,000.00 |
| 43000 · Interest on Capital Lease | 94,898.18 | 98,088.61 | 573,157.67 | 570,103.09 | 3,054.59 | 1,140,206.17 |
| Total Income | 97,173.13 | 99,307.05 | 586,270.45 | 577,603.09 | 8,667.37 | 1,155,206.17 |
| Expense | | | | | | |
| 62400 · Depreciation Expense | 174.21 | 174.21 | 1,045.26 | 1,045.26 | 0.00 | 2,090.52 |
| 63300 · Insurance Expense | 389.08 | 402.38 | 2,334.48 | 3,500.00 | -1,165.52 | 7,000.00 |
| 63500 · Bank Fees | 0.00 | 0.00 | 0.00 | 50.00 | -50.00 | 100.00 |
| 66100 · Interest Expense-Bond | 57,025.57 | 58,840.21 | 342,153.45 | 344,106.25 | -1,952.80 | 688,212.50 |
| 66700 · Professional Fees | 0.00 | 0.00 | 0.00 | 10,000.00 | -10,000.00 | 20,000.00 |
| 67200 · Repairs and Maintenance | 0.00 | 0.00 | 1,710.40 | 15,000.00 | -13,289.60 | 30,000.00 |
| 67500 · Roof Expense | 0.00 | 0.00 | 7,700.00 | 15,000.00 | -7,300.00 | 30,000.00 |
| Total Expense | 57,588.86 | 59,416.80 | 354,943.59 | 388,701.51 | -33,757.92 | 777,403.02 |
| Net Ordinary Income | 39,584.27 | 39,890.25 | 231,326.86 | 188,901.58 | 42,425.28 | 377,803.15 |
| Other Income/Expense | | | | | | |
| Other Income | | | | | | |
| 70200 · Miscellaneous Income | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total Other Income | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Net Other Income | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Net Income | 39,584.27 | 39,890.25 | 231,326.86 | 188,901.58 | 42,425.28 | 377,803.15 |

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Economic Development Authority-Operations
Balance Sheet Prev Year Comparison
As of December 31, 2023

DRAFT

| | Dec 31, 23 | Dec 31, 22 |
|---|-----------------------------|----------------------------|
| ASSETS | | |
| Current Assets | | |
| Checking/Savings | | |
| 10200 · FCB #7709 Savings | 1,148,472.52 | 1,243,790.96 |
| 10300 · Towne Bank Savings | 50,795.19 | 50,769.80 |
| 10450 · Well Fargo #7155 Checking | 318,487.42 | 252,897.75 |
| 10500 · Restricted Checking/Savings | | |
| 10501.1 · FCB 8605 Facade/Vent | 63,502.88 | 103,954.23 |
| 10502 · C&F Bank #3929 Tobacco Rowe | 140,283.26 | 117,718.01 |
| 10505 · Wells Fargo #0731 Grants | 564,755.20 | 558,980.30 |
| 10509 · EDA-Hull Street Facade Program | 250,073.64 | 0.00 |
| 10510 · EDA Triple A Grant Program | 224,686.83 | 0.00 |
| 10511 · Enterprise Zone Program | 269,074.29 | 0.00 |
| Total 10500 · Restricted Checking/Savings | <u>1,512,376.10</u> | <u>780,652.54</u> |
| Total Checking/Savings | <u>3,030,131.23</u> | <u>2,328,111.05</u> |
| Accounts Receivable | | |
| 11000 · Accounts Receivable | 20,300.00 | 109,942.00 |
| Total Accounts Receivable | <u>20,300.00</u> | <u>109,942.00</u> |
| Other Current Assets | | |
| 112000 · Due from City of Richmond | 119,692.23 | 119,692.23 |
| 14000 · Prepaid Expenses | 2,267.84 | 7,560.38 |
| Total Other Current Assets | <u>121,960.07</u> | <u>127,252.61</u> |
| Total Current Assets | <u>3,172,391.30</u> | <u>2,565,305.66</u> |
| Fixed Assets | | |
| 15000 · Furniture and Equipment | 3,168.47 | 3,168.47 |
| 17000 · Accumulated Depreciation | -950.40 | -316.80 |
| Total Fixed Assets | <u>2,218.07</u> | <u>2,851.67</u> |
| Other Assets | | |
| 17500 · Website | 104,737.00 | 0.00 |
| 18000 · Investment City Center | 13,173,606.89 | 0.00 |
| 19100 · Net Invest.-Cap Lease Rec-Curre | | |
| 19100.1 · Current-Capital Lease Rec | 22,000.00 | 22,000.00 |
| 19100.2 · Current Portion Unearned Int | -12,841.08 | -13,134.00 |
| Total 19100 · Net Invest.-Cap Lease Rec-Curre | <u>9,158.92</u> | <u>8,866.00</u> |
| 19500 · Net Investment on Capital Lease | | |
| 19500.1 · Capital Lease Receivable | 550,000.00 | 594,000.00 |
| 19500.2 · Unearned Int on Capital Lease | -191,899.92 | -226,741.00 |
| Total 19500 · Net Investment on Capital Lease | <u>358,100.08</u> | <u>367,259.00</u> |
| Total Other Assets | <u>13,645,602.89</u> | <u>376,125.00</u> |
| TOTAL ASSETS | <u><u>16,820,212.26</u></u> | <u><u>2,944,282.33</u></u> |
| LIABILITIES & EQUITY | | |
| Liabilities | | |
| Current Liabilities | | |
| Accounts Payable | | |
| 27000 · Accounts Payable | 11,089.19 | 0.00 |

Economic Development Authority-Operations
Balance Sheet Prev Year Comparison
As of December 31, 2023

DRAFT

| | <u>Dec 31, 23</u> | <u>Dec 31, 22</u> |
|---------------------------------|----------------------|---------------------|
| Total Accounts Payable | 11,089.19 | 0.00 |
| Other Current Liabilities | | |
| 20000 · Other Accounts Payable | 3,958.74 | 1,638.60 |
| Total Other Current Liabilities | <u>3,958.74</u> | <u>1,638.60</u> |
| Total Current Liabilities | <u>15,047.93</u> | <u>1,638.60</u> |
| Total Liabilities | 15,047.93 | 1,638.60 |
| Equity | | |
| 39002 · Intercompany Transfer | 0.00 | -372,626.00 |
| 39005 · Retained Earnings | 16,229,102.30 | 4,189,882.35 |
| Net Income | 576,062.03 | -874,612.62 |
| Total Equity | <u>16,805,164.33</u> | <u>2,942,643.73</u> |
| TOTAL LIABILITIES & EQUITY | <u>16,820,212.26</u> | <u>2,944,282.33</u> |

Economic Development Authority-Operations
 Profit & Loss Budget Performance
 December 2023

CRAFT

| | Dec 23 | Dec 22 | \$ Over/ PY | YTD 24 | YTD Budget | \$ Over Budget | Annual Budget |
|--|--------------------|----------------------|--------------------|---------------------|---------------------|---------------------|---------------------|
| Ordinary Income/Expense | | | | | | | |
| Income | | | | | | | |
| 40800 - Restricted Interest Income | 66.96 | 60.59 | 251.96 | 388.08 | 15,000.00 | -14,611.92 | 30,000.00 |
| 41200 - Grants | 0.00 | 100,000.00 | -100,000.00 | 1,551,514.59 | 619,181.00 | 932,333.59 | 1,238,362.00 |
| 41220 - Grants (non-city) | 0.00 | 0.00 | 0.00 | 700,000.00 | 350,000.00 | 350,000.00 | 700,000.00 |
| 41225 - Grants-Façade Program | 0.00 | 0.00 | 0.00 | 0.00 | 100,000.00 | -100,000.00 | 200,000.00 |
| 41400 - Contributed Asset | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 41700 - Administrative Fee | 52,000.00 | 0.00 | 52,000.00 | 76,000.00 | 22,500.00 | 53,500.00 | 45,000.00 |
| 42000 - Administrative Loan Fee Income | 3,000.00 | 3,000.00 | 0.00 | 18,000.00 | 18,000.00 | 0.00 | 36,000.00 |
| 42300 - Annual Bond Administrative Fee | 20,000.00 | 0.00 | 20,000.00 | 20,000.00 | 10,000.00 | 10,000.00 | 20,000.00 |
| 42400 - Grant Management Fee | 1,500.00 | 0.00 | 1,500.00 | 1,500.00 | 0.00 | 1,500.00 | 0.00 |
| 42800 - Interest Income | 878.39 | 882.10 | -3.71 | 6,718.23 | 15,000.00 | -8,281.77 | 30,000.00 |
| 43000 - Parking Lot Rental Income | 0.00 | 0.00 | 0.00 | 0.00 | 22,000.00 | -22,000.00 | 22,000.00 |
| 43100 - Interest on Capital Lease | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total Income | 77,445.35 | 103,942.69 | -26,497.34 | 2,374,120.90 | 1,171,681.00 | 1,202,439.90 | 2,321,362.00 |
| Expense | | | | | | | |
| 60100 - Grants-Econ Dev Incentives | 388,362.00 | 429,394.37 | -41,032.37 | 1,051,514.60 | 619,181.00 | 432,333.60 | 1,238,362.00 |
| 60199 - Grant Repayment to Grantors | 0.00 | 818,125.00 | -818,125.00 | | | | |
| 60115-Grants Triple A | 0.00 | 0.00 | 0.00 | 475,295.00 | 350,000.00 | 125,295.00 | 700,000.00 |
| 60200-Grants-Façade | 25,590.81 | 32,494.56 | -6,903.75 | 25,590.81 | 100,000.00 | -74,409.19 | 200,000.00 |
| 60400 - Bank Service Charges | 213.04 | 38.38 | 174.66 | 1,538.90 | 2,500.00 | -961.10 | 5,000.00 |
| 60500 - Grants-Enterprise Zone | 89,936.68 | 0.00 | 89,936.68 | 98,908.93 | 0.00 | 98,908.93 | 0.00 |
| 60600 - Grants-Infrastructure | 0.00 | 0.00 | 0.00 | 30,000.00 | 0.00 | 30,000.00 | 0.00 |
| 61700 - Computer & Internet Expenses | 0.00 | 0.00 | 0.00 | 549.00 | 1,000.00 | -451.00 | 2,000.00 |
| 61900 - Contingency fund | 0.00 | 0.00 | 0.00 | 0.00 | 2,500.00 | -2,500.00 | 5,000.00 |
| 6240- Depreciation | 52.80 | 52.80 | 0.00 | 316.80 | 500.00 | -183.20 | 1,000.00 |
| 6250 - Due & Memberships | 0.00 | 1,621.25 | -1,621.25 | 0.00 | 2,500.00 | -2,500.00 | 5,000.00 |
| 62550 - Accounting Services | 3,000.00 | 2,800.00 | 200.00 | 18,000.00 | 20,000.00 | -2,000.00 | 40,000.00 |
| 62552 - Audit Services | 0.00 | 0.00 | 0.00 | 34,908.00 | 21,000.00 | 13,908.00 | 42,000.00 |
| 63300 - Insurance Expense | | | | | | | |
| 63300.1 - Board Insurance | 206.16 | 206.16 | 0.00 | 1,236.96 | 1,250.00 | -13.04 | 2,500.00 |
| 63300.2 - Insurance-Laurel /Stoney Point | 429.33 | 429.33 | 0.00 | 2,575.98 | 2,500.00 | 75.98 | 5,000.00 |
| Total 63300 - Insurance Expense | 635.49 | 635.49 | 0.00 | 3,812.94 | 3,750.00 | 62.94 | 7,500.00 |
| 64100 - Legal Expense | 0.00 | 0.00 | 0.00 | 0.00 | 6,250.00 | -6,250.00 | 12,500.00 |
| 64200 - Marketing | | | | | | | |
| 64200.1 - Web Hosting | 1,299.00 | 20.00 | 1,279.00 | 7,794.00 | 10,000.00 | -2,206.00 | 20,000.00 |
| 64200.2 - Marketing - Other | 7,042.16 | 0.00 | 7,042.16 | 25,507.16 | 5,000.00 | 20,507.16 | 10,000.00 |
| Total 64200 - Marketing | 8,341.16 | 20.00 | 8,321.16 | 33,301.16 | 15,000.00 | 18,301.16 | 30,000.00 |
| 64300 - Meals and Entertainment | 9,962.17 | 3,588.77 | 6,373.40 | 9,962.17 | 5,000.00 | 4,962.17 | 10,000.00 |
| 64400 - Miscellaneous Expense | 0.00 | 0.00 | 0.00 | 0.00 | 750.00 | -750.00 | 1,500.00 |
| 64900 - Office Supplies | 110.23 | 430.38 | -320.15 | 139.13 | 250.00 | -110.87 | 500.00 |
| 66700 - Professional Fees | 0.00 | 2,750.00 | -2,750.00 | 0.00 | 6,250.00 | -6,250.00 | 12,500.00 |
| 67200 - Repairs and Maintenance | 0.00 | 0.00 | 0.00 | 535.00 | 0.00 | 535.00 | 0.00 |
| 67800.7 - Workmans Comp Insurance | 58.56 | 80.40 | -21.74 | 351.96 | 500.00 | -148.04 | 1,000.00 |
| 68400 - Meetings expense | 0.00 | 0.00 | 0.00 | 2,828.61 | 0.00 | 2,828.61 | 5,000.00 |
| 68500 - Travel | 0.00 | 0.00 | 0.00 | 0.00 | 1,000.00 | -1,000.00 | 2,000.00 |
| 68600 - Utilities | 9,790.19 | 0.00 | 9,790.19 | 10,241.86 | 0.00 | 10,241.86 | 0.00 |
| 68600.1 - Internet Service | 44.00 | 44.00 | 0.00 | 264.00 | 250.00 | 14.00 | 500.00 |
| Total Expense | 536,097.23 | 1,292,075.40 | -755,978.17 | 1,798,058.87 | 1,158,181.00 | 639,877.87 | 2,321,362.00 |
| Net Ordinary Income | -458,651.88 | -1,188,132.71 | 729,480.83 | 576,062.03 | 13,500.00 | 562,562.03 | 0.00 |
| Net Income | -458,651.88 | -1,188,132.71 | 729,480.83 | 576,062.03 | 13,500.00 | 562,562.03 | 0.00 |

ECONOMIC DEVELOPMENT AUTHORITY-LEIGH ST OPERATING ACCT
Balance Sheet Prev Year Comparison
As of December 31, 2023

DRAFT

| | Dec 31, 23 | Dec 31, 22 |
|--|----------------------|----------------------|
| ASSETS | | |
| Current Assets | | |
| Checking/Savings | | |
| Truist #5122 | | |
| 10200 · Operating Funds | 153,746.49 | 35,956.35 |
| 10200.1 · Reserve Funds | 137,006.76 | 146,811.83 |
| 10200.2 · Westhampton Funds | 33,834.55 | 28,834.55 |
| Total Truist #5122 | 324,587.80 | 211,602.73 |
| Total Checking/Savings | 324,587.80 | 211,602.73 |
| Accounts Receivable | | |
| 11000 · Accounts Receivable | 12,247.50 | 0.00 |
| 11400 · ASM Escrow | 61,534.59 | 230,034.29 |
| Total Accounts Receivable | 73,782.09 | 230,034.29 |
| Other Current Assets | | |
| 11200 · Interest Receivable | 77.21 | 612.05 |
| Total Other Current Assets | 77.21 | 612.05 |
| Total Current Assets | 398,447.10 | 442,249.07 |
| Fixed Assets | | |
| 15000 · Furniture and Fixtures | 49,999.59 | 39,706.59 |
| 15100 · Equipment | 95,357.04 | 95,357.04 |
| 15300 · Other Depreciable Property | 94,788.00 | 94,788.00 |
| 15350 · Improvement- Training Fields | 74,434.50 | 62,187.00 |
| 15500 · Building Improvements | 10,779,715.64 | 10,779,715.64 |
| 15501 · Construction in Progress | 20,240.00 | 20,240.00 |
| 15550 · Building Improvements-2nd Floor | 1,330,696.31 | 1,330,696.31 |
| 15600 · Building-Westhampton | 3,135,228.00 | 3,135,228.00 |
| 16900 · Land-Westhampton | 848,578.00 | 848,578.00 |
| 16990 · Leased capital assets | | |
| 16990.1 · Leased capital asset--Museum | 1,505,819.00 | 1,505,819.00 |
| 16990.2 · Accumulated amortization | -73,097.80 | -43,858.60 |
| Total 16990 · Leased capital assets | 1,432,721.20 | 1,461,960.40 |
| 17000 · Accumulated Depreciation | -137,345.54 | -133,391.43 |
| 17300 · Accum Depr-Other | -70,220.28 | -76,059.48 |
| 17500 · Accum Depr- Building | -3,135,228.00 | -3,135,228.00 |
| 17600 · Accum Depr-Building Improvement | -3,064,281.95 | -2,761,538.38 |
| Total Fixed Assets | 11,454,682.51 | 11,762,239.69 |
| Other Assets | | |
| 19000 · Net Invest Lease Rec-Current | | |
| 19000.1 · Current Lease Rec-Training Cent | 0.00 | 169,039.45 |
| Total 19000 · Net Invest Lease Rec-Current | 0.00 | 169,039.45 |
| 19500 · Net Invest Leas Rec-Long Term | | |
| 19500.1 · Lease Asset-Long Term Lease Rec | 0.00 | 56,959.00 |
| Total 19500 · Net Invest Leas Rec-Long Term | 0.00 | 56,959.00 |
| Total Other Assets | 0.00 | 225,998.45 |

ECONOMIC DEVELOPMENT AUTHORITY-LEIGH ST OPERATING ACCT
Balance Sheet Prev Year Comparison
As of December 31, 2023

DRAFT

| | Dec 31, 23 | Dec 31, 22 |
|---|----------------------|----------------------|
| TOTAL ASSETS | 11,853,129.61 | 12,430,487.21 |
| LIABILITIES & EQUITY | | |
| Liabilities | | |
| Current Liabilities | | |
| Accounts Payable | | |
| 20000 · Accounts Payable | 1,613.11 | 142.00 |
| Total Accounts Payable | 1,613.11 | 142.00 |
| Other Current Liabilities | | |
| 23100 · Interest Payable | 36,326.39 | 28,189.36 |
| 24800 · Deferred Revenue | 2,500.22 | 2,500.22 |
| 25000 · Maintenance Reserve-Westhampton | 137,006.76 | 146,811.83 |
| Total Other Current Liabilities | 175,833.37 | 177,501.41 |
| Total Current Liabilities | 177,446.48 | 177,643.41 |
| Long Term Liabilities | | |
| 27100 · Recoverable Grant-City of Rich | 6,000,000.00 | 6,500,000.00 |
| 27500 · LT Lease Liability | | |
| 27500.1 · LT Lease Liability-Museum | 1,469,283.00 | 1,469,283.00 |
| Total 27500 · LT Lease Liability | 1,469,283.00 | 1,469,283.00 |
| Total Long Term Liabilities | 7,469,283.00 | 7,969,283.00 |
| Total Liabilities | 7,646,729.48 | 8,146,926.41 |
| Equity | | |
| Intercompany Transfer | 0.00 | 380,065.00 |
| 30001 · Deferred Inflow of Resources-Le | -54,295.24 | -162,884.88 |
| 39005 · Net Position | 4,207,203.09 | 4,155,251.28 |
| Net Income | 53,492.28 | -88,870.60 |
| Total Equity | 4,206,400.13 | 4,283,560.80 |
| TOTAL LIABILITIES & EQUITY | 11,853,129.61 | 12,430,487.21 |

**ECONOMIC DEVELOPMENT AUTHORITY-LEIGH ST OPERATING ACCT
Profit & Loss Budget Performance
December 2023**

DRAFT

| | Dec 23 | Dec 22 | YTD 24 | YTD Budget | \$ Over Budget | Annual Budget |
|--|-------------------|-------------------|--------------------|--------------------|-------------------|--------------------|
| Ordinary Income/Expense | | | | | | |
| Income | | | | | | |
| 40000 · Event Income | 17,803.00 | 6,178.00 | 141,919.00 | 23,937.50 | 117,981.50 | 47,875.00 |
| 41500 · Advertising & Other Income | 0.00 | 0.00 | 13,133.00 | 1,575.00 | 11,558.00 | 3,150.00 |
| 41600.1 · Building Rent-1st Floor | 25,484.00 | 24,648.37 | 150,163.22 | 152,904.00 | -2,740.78 | 305,808.00 |
| 41600.2 · Building Rent-2nd Floor | 13,448.00 | 13,448.00 | 80,688.00 | 80,688.00 | 0.00 | 161,376.00 |
| 41600.3 · 1st Floor Ground Rent | 1,767.00 | 1,767.00 | 10,602.00 | 10,602.00 | 0.00 | 21,204.00 |
| 41600.4 · 2nd Floor Ground Rent | 563.00 | 563.00 | 3,378.00 | 3,378.00 | 0.00 | 6,756.00 |
| 41600.5 · 1st Floor CAM | 16,625.00 | 7,695.00 | 99,750.00 | 100,000.00 | -250.00 | 200,000.00 |
| 41600.6 · 2nd Floor CAM | 7,695.00 | 7,695.00 | 46,170.00 | 50,000.00 | -3,830.00 | 100,000.00 |
| 41650 · Rental Income-Westhampton | 416.63 | 416.63 | 2,499.78 | 2,500.00 | -0.22 | 5,000.00 |
| 41660 · Westhampton Maintenance Res | 350.00 | 1,254.06 | 31,005.80 | 6,000.00 | 25,005.80 | 12,000.00 |
| Total Income | 84,151.63 | 72,595.06 | 579,308.80 | 431,584.50 | 147,724.30 | 863,169.00 |
| Expense | | | | | | |
| 60100 · Amortization Expense | 2,436.60 | 2,436.60 | 14,619.60 | 14,619.60 | 0.00 | 29,239.20 |
| 60500 · Staffing | 16,814.00 | 20,111.00 | 90,832.00 | 79,890.00 | 10,942.00 | 159,780.00 |
| 60510 · Payroll Expenses | 2.00 | 267.00 | 5,753.00 | 3,500.00 | 2,253.00 | 7,000.00 |
| 61000 · General and Administrative | 2,675.00 | 4,062.00 | 16,450.00 | 21,054.50 | -4,604.50 | 42,109.00 |
| 61500 · Security Service | 1,104.00 | 1,077.00 | 5,846.00 | 5,000.00 | 846.00 | 10,000.00 |
| 63400 · Interest Exp-lease | 4,099.31 | 4,099.48 | 24,529.54 | 25,000.00 | -470.46 | 50,000.00 |
| 63500 · Bank Service Charges | 21.20 | 22.00 | 131.90 | 250.00 | -118.10 | 500.00 |
| 63700 · Landscaping and Groundskeeping | 1,000.00 | 1,100.00 | 7,150.00 | 6,000.00 | 1,150.00 | 12,000.00 |
| 66500 · Telephone Expense | 605.00 | 605.00 | 3,630.00 | 4,000.00 | -370.00 | 8,000.00 |
| 66670 · Insurance Expense | 2,585.00 | 2,380.00 | 9,909.00 | 12,500.00 | -2,591.00 | 25,000.00 |
| 66700 · Professional Fees | 0.00 | 0.00 | 0.00 | 2,500.00 | -2,500.00 | 5,000.00 |
| 67100 · Ground Rent Expense | 0.00 | 0.00 | 0.00 | 20,280.00 | -20,280.00 | 40,560.00 |
| 67700 · Real estate taxes | 0.00 | 0.00 | 4,930.72 | 5,000.00 | -69.28 | 10,000.00 |
| 68400 · Grounds Maintenance | 9,709.00 | 10,010.00 | 58,254.00 | 50,000.00 | 8,254.00 | 100,000.00 |
| 68500 · Maintenance Expense | 5,171.00 | 3,147.00 | 23,157.00 | 30,000.00 | -6,843.00 | 60,000.00 |
| 68510 · Janitorial Service Supplies | 0.00 | 1,463.00 | 7,465.00 | 8,500.00 | -1,035.00 | 17,000.00 |
| 69000 · Base Management Expense | 1,205.00 | 1,057.00 | 8,728.00 | 4,650.00 | 4,078.00 | 9,300.00 |
| 69001 · Incentive Management Fee | 0.00 | 0.00 | 4,486.00 | 3,000.00 | 1,486.00 | 6,000.00 |
| 69500 · Operations | 1,046.00 | 1,286.00 | 22,222.00 | 10,000.00 | 12,222.00 | 20,000.00 |
| 78000 · Utilities | 12,035.96 | 12,308.06 | 58,079.14 | 55,000.00 | 3,079.14 | 110,000.00 |
| Total Expense | 60,509.07 | 65,431.14 | 366,172.90 | 360,744.10 | 5,428.80 | 721,488.20 |
| Net Ordinary Income | 23,642.56 | 7,163.92 | 213,135.90 | 70,840.40 | 142,295.50 | 141,680.80 |
| Other Income/Expense | | | | | | |
| 42800 · Interest Income-CKing | 1.98 | 1.80 | 9.97 | 20.00 | -10.03 | 30.00 |
| Total Other Income | 1.98 | 1.80 | 9.97 | 20.00 | -10.03 | 30.00 |
| Other Expense | | | | | | |
| 72500 · Depreciation Expense | 27,378.97 | 26,433.38 | 159,653.59 | 156,941.00 | 2,712.60 | 313,881.99 |
| Total Other Expense | 27,378.97 | 26,433.38 | 159,653.59 | 156,941.00 | 2,712.60 | 313,881.99 |
| Net Other Income | -27,376.99 | -26,431.58 | -159,643.62 | -156,921.00 | -2,722.63 | -313,851.99 |
| Net Income | -3,734.43 | -19,267.66 | 53,492.28 | -86,080.60 | 139,572.88 | -172,171.19 |

**ECONOMIC DEVELOPMENT AUTHORITY
OF THE CITY OF RICHMOND**
(A Component Unit of the City of Richmond, Virginia)
Statement of Net Position
Enterprise Funds
December 31, 2023

DRAFT

| | CARE | EZIL | CAP | CRLF | EDHLF | OPERATIONS | TOTAL |
|---|--------------|------------|-------------|--------------|---------------|------------|---------------|
| ASSETS | | | | | | | |
| Peoples Bank | 899,757.04 | | 756,759.74 | 399,723.10 | | 34,486.61 | 1,190,969.45 |
| Wells Fargo Checking | 105,342.54 | | | | | | 899,757.04 |
| Wells Fargo Money Market | | | | 181,405.03 | | | 105,342.54 |
| Community Capital Bank | | 244,419.51 | | | | | 181,405.03 |
| Atlantic Union Bank | | | | | - | | 244,419.51 |
| Community Capital Bank GLFIA | | | | | 461,864.08 | | 461,864.08 |
| Peoples Bank LRA | | | | | 1,632,209.72 | | 1,632,209.72 |
| Peoples Bank GLFIA | | | | | 1,028,265.63 | | 1,028,265.63 |
| Peoples Bank GLFIA-2 | | | | | 357,377.74 | | 357,377.74 |
| Total Cash | 1,005,099.58 | 244,419.51 | 756,759.74 | 581,128.13 | 3,479,717.17 | 34,486.61 | 6,101,610.74 |
| Prepaid/Accounts Receivable | 1,200.00 | | | 1,115.00 | | | 2,315.00 |
| Total Current Assets | 1,006,299.58 | 244,419.51 | 756,759.74 | 582,243.13 | 3,479,717.17 | 34,486.61 | 6,103,925.74 |
| Long Term Assets | | | | | | | |
| Note/Grant Receivable | 24,306.73 | | 142,839.34 | 1,015,270.23 | 7,802,675.28 | | 8,985,091.58 |
| Unused LOC | | | | | | | - |
| Accrued Interest Receivable | 9,763.41 | | 55,310.01 | 122,082.05 | 1,529,174.70 | | 1,716,330.17 |
| Loan Loss Reserve | (12,155.68) | | (87,326.39) | (230,962.00) | (159,898.36) | | (490,342.43) |
| Total Long Term Assets | 21,914.46 | | 110,822.96 | 906,390.28 | 9,171,951.62 | | 10,211,079.32 |
| Total Assets | 1,028,214.04 | 244,419.51 | 867,582.70 | 1,488,633.41 | 12,651,668.79 | 34,486.61 | 16,315,005.06 |
| Accounts Payable | 5,250.00 | | 4,500.00 | | | 2,950.00 | 19,900.00 |
| Due to City of Richmond | | | | | | 28,243.93 | 28,243.93 |
| Net Position | 1,022,964.04 | 244,419.51 | 863,082.70 | 1,481,433.41 | 12,651,668.79 | 3,292.68 | 16,266,861.13 |
| Total Liabilities & Net Position | 1,028,214.04 | 244,419.51 | 867,582.70 | 1,488,633.41 | 12,651,668.79 | 34,486.61 | 16,315,005.06 |

**ECONOMIC DEVELOPMENT AUTHORITY
OF THE CITY OF RICHMOND, VIRGINIA**
(A Component Unit of the City of Richmond, Virginia)
Statement of Revenues, Expenses and Changes in Net Position
For the Six Months Ending December 31, 2023

DRAFT

| | CARE | EZIL | CAP | CRLF | EDHLF | OPERATIONS | TOTAL |
|--|--------------|------------|------------|--------------|---------------|------------|---------------|
| Operating Revenues | | | | | | | |
| Program Income-Interest | 791.56 | | 6,048.74 | 25,916.28 | 181,737.30 | | 214,493.88 |
| Loan origination fee | | | | | | | - |
| Application fees | | | | | | | - |
| Loan Document Fees | | | | | | | - |
| Capital Contributions | 300,000.00 | | | | | | 300,000.00 |
| Late fees , etc. | | | | | | | - |
| Total Revenues | 300,791.56 | - | 6,048.74 | 25,916.28 | 181,737.30 | - | 514,493.88 |
| Expenses | | | | | | | |
| Bank Charges/Late Fees | 120.39 | | | 93.58 | | 11.87 | 225.84 |
| Loan Fund Grants | 89,491.16 | | | | | | 89,491.16 |
| Loan Fund Expenses | 24,000.00 | | | | | | 24,000.00 |
| ECD/FSG Administration | 52,000.00 | | | | | | 52,000.00 |
| Marketing | | | | | | | - |
| Training/Seminars/Conference | | | | | | | - |
| Loan loss reserve | | | | | | | - |
| EDA Administration | 6,300.00 | | 4,500.00 | 7,200.00 | | | 18,000.00 |
| Total Expenses | 171,911.55 | - | 4,500.00 | 7,293.58 | | 11.87 | 183,717.00 |
| Net Increase (Decrease) From Operations | 128,880.01 | - | 1,548.74 | 18,622.70 | 181,737.30 | (11.87) | 330,776.88 |
| Other Income & Expenses | | | | | | | |
| Bank Interest Earned | 4,618.54 | 307.80 | 72.33 | 1,404.26 | 4,928.00 | 5.97 | 11,336.90 |
| Recoveries | | | | | | | - |
| Total Other Income & Expenses | 4,618.54 | 307.80 | 72.33 | 1,404.26 | 4,928.00 | 5.97 | 11,336.90 |
| Net Increase (Decrease) in Funds | 133,498.55 | 307.80 | 1,621.07 | 20,026.96 | 186,665.30 | (5.90) | 342,113.78 |
| Net Position, Beg of Year | 889,465.49 | 244,111.71 | 861,461.63 | 1,461,406.45 | 12,465,003.49 | 3,298.58 | 15,924,747.35 |
| Net Position, End of Period | 1,022,964.04 | 244,419.51 | 863,082.70 | 1,481,433.41 | 12,651,668.79 | 3,292.68 | 16,266,861.13 |

**Amendment and Restated
Declaration of West Hampton
Condominiums**

Prepared by:
Hirschler Fleischer, A Professional Corporation
P. O. Box 500
Richmond, VA 23218-0500
Tax Map Number: W0210140001 (part); W0210140002;
W0210140003; 40210140004; W0210140005; W0210140006

AMENDED AND RESTATED DECLARATION

OF

WESTHAMPTON CONDOMINIUM

THIS AMENDED AND RESTATED DECLARATION OF WESTHAMPTON CONDOMINIUM (“Declaration”) is made effective as of _____, 2023, by TRP WESTHAMPTON LLC, a Virginia limited liability company (“TRP”), the ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF RICHMOND, a political subdivision of the Commonwealth of Virginia (“Ground Lessor”), WESTHAMPTON CONDOMINIUM OWNERS ASSOCIATION INC., a Virginia nonstock corporation (“Association”), and BON SECOURS – ST. MARY’S HOSPITAL OF RICHMOND LLC, a Virginia not-for-profit, limited liability company (“Sub-Ground Lessor” and “SMH”).

RECITALS

1. Laburnum Properties, Inc., as declarant (“Declarant”), Ground Lessor and Sub-Ground Lessor, entered into that certain Declaration of Westhampton Condominium dated March ___, 2020 (the “Original Declaration”) pursuant to which the parties established the Westhampton Condominium (the “Condominium”) in accordance with Chapter 19 of Title 55.1 of the Code of Virginia of 1950, as amended (the “Condominium Act”). Capitalized terms used in this Declaration shall have the meanings set forth below.

2. SMH and TRP are, collectively, owners of all of the Condominium Units in the Condominium and, therefore, the leasehold interests in the Submitted Land and fee title to the Buildings now or hereafter located on their respective Units for the term of the Sub-Ground Lease. The Association is the association of unit owners described in the Original Declaration.

3. This Declaration amends and restates in its entirety the Original Declaration.

4. Ground Lessor and Sub-Ground Lessor join in this Declaration solely for the purpose of consenting to this Declaration as provided in Section 18.7 below.

ARTICLE I

DEFINITIONS

Certain terms used in the Condominium Instruments shall have the meaning set forth below. Unless a term is otherwise expressly defined in the Condominium Instruments, it shall have the meaning specified in the Condominium Act.

1.1 “Affiliate” shall mean any Person which directly or indirectly controls or is controlled by or is under common control with the designated Person.

1.2 “Association” is the Westhampton Condominium Owners Association Inc., a Virginia non-stock corporation, which shall function as the Owners Association for the Condominium.

1.3 “Board of Directors” or “Board” is the board of directors of the Association.

1.4 “Building” or “Buildings” shall mean the Libbie Building, the Patterson Building, the MF Building and the School Building or any combination of them, as the context requires.

1.5 “Building Units” shall mean the Libbie Unit, the Patterson Unit, the MF Unit and the School Unit and shall exclude the Parking Unit.

1.6 “Bylaws” are the Bylaws of the Association. A copy of the Bylaws is attached as Exhibit C hereto.

1.7 “Clerk’s Office” shall mean the Clerk’s Office of the Circuit Court of the City of Richmond, Virginia, or any successor repository of land records for the City of Richmond.

1.8 “Common Elements” shall have the meaning set forth in Section 4.1 of this Declaration.

1.9 “Condominium” shall mean the leasehold condominium known as Westhampton Condominium.

1.10 “Condominium Act” shall mean Chapter 19 of Title 55.1 of the Code of Virginia of 1950, as amended.

1.11 “Condominium Instruments” refer to this Declaration and the Bylaws.

1.12 “EDA REA” shall mean the Reciprocal Operating and Easement Agreement dated September 23, 2018, between Ground Lessor and Sub-Ground Lessor recorded in the Clerk’s Office as Instrument No190004168, as the same may be modified from time to time.

1.13 “Eligible Mortgagee” is any holder of a Mortgage that has submitted a written request for the Association to notify it of any proposed action requiring the consent of a specified

percentage of Eligible Mortgagees.

1.14 “Ground Lease” shall mean that certain Deed of Ground Lease dated July 8, 2013 between the Ground Lessor and Sub-Ground Lessor, as amended from time to time, and evidenced of record by that certain Memorandum of Ground Lease recorded March 5, 2019 in the Clerk’s Office as Instrument No 190004166, as amended from time to time.

1.15 “Insurance Trustee” shall have the meaning set forth in Section 14.6 of this Declaration.

1.16 “Majority Interest” shall mean Owner’s representing at least fifty one percent (51%) of the Percentage Interests.

1.17 “Libbie Unit” shall mean that certain parcel of land located in the City of Richmond, Virginia, and described as “Unit 1” on the Plats and Plans.

1.18 “Limited Common Elements” shall have the meaning set forth in Section 4.2 of this Declaration.

1.19 “Managing Agent” is the Person, if any, retained by the Board of Directors from time to time to assist in the management of the Association.

1.20 “MF Building” shall mean that certain building now or hereafter located on the MF Unit.

1.21 “MF Unit” shall mean that certain parcel of land located in the City of Richmond, Virginia, and described as “Unit 4” on the Plats and Plans.

1.22 “Mortgage” is any first deed of trust or mortgage encumbering a Unit.

1.23 “Mortgagee” is the holder of a note secured by a Mortgage.

1.24 “Notice” shall have the meaning set forth in Section 19.4 of this Declaration.

1.25 “Owner” is the owner of title to a Unit, excluding those holding title merely as security for an obligation.

1.26 “Parking Deck” shall mean that certain multi-level parking deck now or hereafter existing on the Property and shown on the Plats and Plans as containing approximately 363 parking spaces.

1.27 “Parking Deck Allocation” shall have the meaning set forth in Section 15.4.3 of this Declaration.

1.28 “Parking Deck CE” shall mean that portion of the Parking Deck that does not include the Parking Unit.

1.29 “Parking Unit” shall mean that certain parcel of land located in the City of Richmond, Virginia, and described as “Unit 5” in this Declaration and in the Plats and Plans.

1.30 “Patterson Unit” shall mean that certain parcel of land located in the City of Richmond, Virginia, and described as “Unit 3” on the Plats and Plans.

1.31 “Percentage Interest” is the individual percentage interest in the Common Elements allocated and appertaining to each Unit. The Percentage Interest appertaining to each Unit is calculated as a fraction. The numerator of the fraction shall be the par value of the Unit (as set forth on Exhibit D) and the denominator shall be the aggregate par value of all of the Units submitted to the Condominium.

1.32 “Person” shall mean any natural person, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organization, government or any agency or political subdivision thereof, limited liability company or any other form of entity.

1.33 “Plats and Plans” are the plats and plans included in Exhibit B attached hereto.

1.34 “Rules and Regulations” shall mean the rules and regulations of the Association as adopted by the Board from time to time.

1.35 “School Unit” shall mean that certain parcel of land located in the City of Richmond, Virginia, and described as “Unit 2” on the Plats and Plans.

1.36 “Sub-Ground Lease” shall mean that certain Deed of Sub-Ground Lease dated as of March 13, 2020 between Declarant, as lessee, and the Sub-Ground Lessor, as landlord, as amended from time to time, pursuant to which the Declarant owns a leasehold interest in the Submitted Land, and evidenced of record by that certain Memorandum of Deed of Sub-Ground Lease dated March 13, 2020, recorded in the Clerk’s Office as Instrument No 200005819.

1.37 “Sub-Ground Lessor” shall have the meaning set forth in the Sub-Ground Lease.

1.38 “Submitted Land” shall mean the land and appurtenant rights subject to the Sub-Ground Lease.

1.39 “Submitted Property” shall mean the Submitted Land, together with the Buildings and appurtenant rights submitted to this Declaration and described in Exhibit A to this Declaration.

1.40 “Unit” is that discrete area designed and intended for individual ownership and use and described in Article III of this Declaration.

1.41 “Unit Easement Area” shall have the meaning set forth in Section 6.1.1 of this Declaration.

ARTICLE II

AMENDED AND REINSTATED

2.1 Submission of Property. The Unit Owners hereby declare that the Submitted Property is hereby submitted to the provisions of the Condominium Act and this Declaration, which shall amend and reinstate the Original Declaration in its entirety.

ARTICLE III

UNITS

3.1 Location. The Condominium is located on the northwest corner of Libbie Avenue and Patterson Avenue in the City of Richmond, Virginia.

3.2 Units. The location of the Units are shown on the Plats and Plans. Each Unit is given an identifying number as set out on the Plats and Plans. The par value and Percentage Interest of each Unit are set forth on Exhibit D. The Condominium shall contain five (5) Units.

3.3 Unit Boundaries.

3.3.1 Vertical and Horizontal. For the purposes of this Declaration there shall be no upper or lower (horizontal) boundaries for the Building Units. The vertical (or perimetric) boundaries of the Units are shown on the Plat in courses and distances. The Parking Unit shall consist of three-dimensional blocks of space with lower and upper boundaries situated on the parking spaces located in the Parking Deck and identified on Exhibit E to this Declaration. The lower boundary of the Parking Unit shall be the floor surface of the deck encompassed by the vertical boundaries of each block of space designated as part of the Parking Unit on the Plats and Plans. The upper boundary of the Parking Unit shall be the surface of the underside of the Parking Deck floor encompassed by the vertical boundaries of each block of space designated as part of the Parking Unit on the Plats and Plans; provided, however, to the extent no floor is over a portion of the Parking Unit (i.e., that portion of the Parking Unit on the top floor of the Parking Deck) the upper boundary shall be eight feet four inches (8'4") feet above the lower boundary of the Parking Unit.

3.3.2 Included Components. Without limiting the foregoing, the following components shall be deemed a part of each Unit, except as expressly indicated on the Plats and Plans:

a. any Building located within a Unit (including, without limitation, footers, foundations, slabs, exterior walls, trim, roofs, doors and windows;

b. the projections extending from the Building, including, without limitation, balconies, stoops, stairs, and decorative features to the extent located outside the boundaries of the Unit and permitted or approved in accordance with this Declaration;

c. to the extent not owned by the utility provider, those portions of utility lines and facilities (including, without limitation, water, sewer, natural gas, electric, cable and communications) which serve only that Unit commencing at the point of disconnection from the utility pipes, lines or systems serving the entire Condominium or more than one Unit and whether or not located within that Unit; and

d. those portions of storm water retention and transmission systems and best management practices facilities which serve only that Unit commencing at the point of disconnection from the systems serving the entire Condominium or more than one Unit and whether or not located within that Unit.

3.3.3 Excluded Components. A Unit shall not include the following items, whether or not located within the boundaries of that Unit:

a. those portions of utility lines and facilities (including, without limitation, water, sewer, natural gas, electric and communications) which serve more than one Unit, whether or not located in a Unit;

b. those improvements designated as Common Elements or Limited Common Elements on the Plats and Plans, whether or not located within the boundaries of a Unit.

c. those portions of storm water retention and transmission systems and best management practices facilities which serve more than one Unit.

3.3.4 General Provisions. Except as expressly set forth in this Section, this description of the Unit boundaries shall be governed by the provisions of Section 55.1-1912 of the Condominium Act.

ARTICLE IV

COMMON AND LIMITED COMMON ELEMENTS

4.1 Common Elements. The Common Elements consist of all of the property in the Condominium that is not defined as part of a Unit.

4.2 Limited Common Elements; Assignments.

4.2.1 Limited Common Elements. Limited Common Elements shall include the following: (a) the portion of the Submitted Property designated on the plats and plans as "Limited Common Element" and identified as appertaining to each Unit; (b) other portions of the Submitted Property and other items designated by Section 55.1-1912(5) of the Condominium Act and not otherwise included in the description of a Unit; and (c) the parking spaces allocated to the Building Units pursuant to Section 4.6 of this Declaration. Limited Common Elements shall appertain exclusively to the designated Unit or Units to which such Limited Common Element is appurtenant. Limited Common Elements shall be reserved for the exclusive use of

the owner of the Unit or Units identified within the area designated as “Limited Common Element.”

4.2.2 Assignment and Reassignment of Limited Common Elements.

a. Reservation of Right. The Board of Directors shall have the right to assign Common Elements as Limited Common Elements, and the right to assign or reassign Limited Common Elements as Common Elements; provided, however, that the assignment or reassignment of Limited Common Elements as Common Elements shall require the written consent of the Owner of the Unit or Units to which the Limited Common Element is assigned.

b. Delineation of Common Elements Subject to Assignment and Reassignment Rights. All Common Elements shall be subject to the rights described in Section 4.2.2.a, including, but not limited to, parking areas, parking spaces, sidewalks, pedestrian areas, patio areas and open spaces.

c. Method for Assignment or Reassignment. Any assignment or reassignment shall be made by a written amendment to this Declaration executed by the parties required by this Section 4.2.2 and recorded in the Clerk’s Office. The amendment to the Declaration making such an assignment shall be prepared and executed by the President or any Vice President of the Association. Such amendment shall be recorded by any officer of the Association or the officer’s agent following payment by the Owner or Owners of the Unit or Units concerned of all reasonable costs for the preparation, acknowledgment and recordation thereof. The amendment shall become effective when recorded, and the recordation thereof shall be conclusive evidence that the method for assigning or reassigning Common Element or as Limited Common Element or Limited Common Element as Common Element was adhered to. A copy of the amendment shall be delivered to the Owner or Owners of the Unit or Units concerned.

4.3 Allocation of Shared Limited Common Elements. Notwithstanding anything to the contrary herein, to the extent any Limited Common Elements are assigned to more than one (1) Unit, the allocation of the Limited Common Elements may be agreed upon by the Owners with rights to the shared Limited Common Element pursuant to a separate written agreement of such Owners, which separate written agreement may or may not be recorded at the election of the Owners who are parties to the agreement.

4.4 Structural Integrity. Nothing shall be done to any Unit, or in, on or to the Common Elements or Limited Common Elements, which may impair the structural integrity of any improvement.

4.5 No Partition. Any conveyance, encumbrance, judicial sale or other transfer (voluntary or involuntary) of a Unit’s individual interest in the Common Elements will be void unless the Unit to which that interest is allocated is also transferred.

4.6 Allocation of Limited Common Element Parking Spaces. Declarant hereby assigns as Limited Common Elements appurtenant to the Building Units the numbered parking

spaces as shown in the Plats and Plans and identified on Exhibit E attached to this Declaration.

ARTICLE V

PERCENTAGE INTERESTS

Allocation of Undivided Interest in Common Elements. Pursuant to the provisions of Section 55.1-1917 of the Condominium Act, an undivided ownership interest, or “Percentage Interest,” in the Common Elements is allocated to each Unit in the Condominium based on the par value of the Unit. The Percentage Interest allocated to each Unit is set forth in Exhibit D.

ARTICLE VI

EASEMENTS

In addition to the easements for encroachments created by Sections 55.1-1923 of the Condominium Act, the following easements are hereby granted or reserved as the case may be:

6.1 Easement for Ingress and Egress Through Common Elements, Access to Units and Support.

6.1.1 Access. Each Owner is hereby granted an easement in common with each other Owner for ingress and egress through all Common Elements intended for ingress and egress, subject to such reasonable rules, regulations and restrictions as may be imposed by the Association. The portions of each Building Unit located between the exterior of the Building on such Building Unit (including any exterior area exclusively serving a portion of such Unit and enclosed by a fence, hardscape, landscaping or other visual barricade or barrier) and the boundary of any Common Element or Limited Common Element or public right of way (the “Unit Easement Areas”) shall also be subject to an easement in common with each other Owner for ingress and egress to the extent designed for such purpose (including, without limitation, driveways, pedestrian ways and parking areas).

6.1.2 Maintenance. The Association and its authorized agents are hereby granted the right of access to any Unit as provided in Section 55.1--1955 of the Condominium Act and the Bylaws. In case of emergency, such entry may be immediate, regardless of whether the Owner is present, subject to the rights of tenants.

6.1.3 Support. Each Unit and Common Element shall have an easement for lateral and subjacent support from every other Unit and Common Element.

6.2 Easements for Operations. The Association and its authorized agents are hereby granted easements over and under all of the Common Elements of the Condominium and the Unit Easement Areas for ingress and egress from, and the installation, replacing, repairing and maintaining of, all utilities, including, but not limited to water, sewer, gas, telephone, electricity, security systems, irrigation system, exterior lighting (excluding building-mounted lighting), communications, master television antennas and cable television, and the access ways, parking

areas, and walkways, and for all other purposes necessary for the proper operation of the Condominium. By these easements, it shall be expressly permissible for the Association to grant to the appropriate public authorities and/or private companies and contractors permits, licenses and easements under, over and through the Common Elements to construct and maintain the necessary appurtenances and improvements on, above, across and under the Condominium, provided that such appurtenances and improvements do not unreasonably interfere with the use and enjoyment of the Condominium. Should any public authority or other Person furnishing a service request a specific easement, permit, or license, the Board shall have the right to grant such easement, permit, or license without conflicting with the terms hereof including without limitation any permits, licenses or easements provided for in the EDA REA or the Ground Lease or the Sub-Ground Lease. In addition, in the event the Board determines that the grant of easement rights to others is in the best interest of the Association, the Association shall have the right to grant the same, provided that use of the same would not, in the sole judgment of the Board, unreasonably interfere with the use and enjoyment of the Condominium by the Owners.

6.3 Easements Not for Public Use; Licenses for Services; Parking.

6.3.1 No Public Rights. Nothing contained in this Declaration shall be deemed to grant any easements to the public or for the public's use of any part of the Condominium.

6.3.2 Board Authority to Grant Use Rights. The Board of Directors may make the Parking Deck CE and surface parking spaces in the Common Elements (including Limited Common Elements) and other components of the Common Elements (including, without limitation, courtyards, squares, drive aisles and pedestrian ways) available to the public generally and specific Persons on such terms and conditions as the Board shall determine are acceptable in its sole discretion; provided, however, that if any such area is assigned as a Limited Common Element to any Unit or Units, the written consent of the Owner of such Unit or Units shall be required.

6.3.3 Access for Emergency and Other Services. Non-exclusive licenses are hereby granted to all police, firemen, ambulance operators, postal services, delivery persons, and trash removal personnel to enter the Common Elements in the performance of their duties, subject to such reasonable rules and regulations as the Board may establish from time to time.

ARTICLE VII

ASSESSMENTS

7.1 Determination of Common Expenses and Assessments Against Owners.

7.1.1 Fiscal Year. Unless otherwise determined by the Board of Directors, the fiscal year of the Association shall be the calendar year.

7.1.2 Preparation and Approval of Budget. Each year on or before November 1, the Board of Directors shall adopt a budget for the Association containing an estimate of the total amount which it considers necessary to pay the cost of utility services, maintenance,

management, operation, repair and replacement of the Common Elements and satisfaction of the Association's other responsibilities in this Declaration, and the cost of wages, materials, insurance premiums, services, supplies and other expenses that may be declared to be Common Expenses by the Condominium Act, the Condominium Instruments, or a resolution of the Board of Directors, and which will be required during the ensuing fiscal year for the administration, operation, maintenance and repair of the Common Elements, including Limited Common Elements, of the Condominium and the rendering to the Owners of all related services. The budget may also include:

a. The cost of any maintenance, repair and restoration of any Unit or portion of a Unit if such maintenance, repair or restoration is reasonably necessary in the discretion of the Board of Directors to protect the Common Elements or to preserve the appearance or value of the Condominium or is otherwise in the interest of the general welfare of all Owners. No maintenance, repair or restoration of any Unit by the Association shall be undertaken without (1) a resolution by the Board of Directors, and (2) prior reasonable written Notice to the Owner of the Unit proposed to be maintained, repaired or restored. Unless the Board of Directors determines otherwise after consideration of all relevant factors, the cost of any maintenance, repair or restoration to a Unit shall be assessed against the Unit to which such maintenance, repair or restoration is performed. Once so assessed, a statement for the amount thereof shall be rendered promptly to the Owner at which time the assessment shall become due and payable and shall constitute a continuing lien and obligation of the Owner as provided in this Declaration and Section 55.1-1966 of the Condominium Act.

b. Any amount necessary to discharge any lien or encumbrance levied against the Condominium, or any portion thereof, which may, in the opinion of the Board of Directors, constitutes a lien against the Common Elements.

c. Any reasonable amounts the Board of Directors considers necessary to provide a working fund for the Association, a general operating reserve, and reserves for contingencies and replacements.

d. Any rent, real estate taxes, assessments and any other expenses payable by the tenant of the Sub-Ground Lease other than penalties, interest, fines, costs or other charges resulting from tenant's failure to comply with the Sub-Ground Lease, including any late or delinquent payment by tenant, unless caused directly or indirectly by the Association or any Owner or their respective employees, agents, licensees, invitees or lessees.

7.1.3 Assessment and Payment of Common Expenses. The Board of Directors shall send to each Owner a copy of the budget, in itemized form, which sets forth the amount of the Common Expenses payable by each Owner, at least forty five (45) days prior to the beginning of the fiscal year to which the budget applies. The budget shall constitute the basis for determining each Owner's contribution towards the Common Expenses of the Association. The total amount of the estimated funds required for the operation of the Association set forth in the budget for the fiscal year adopted by the Board of Directors shall be assessed against each Unit in proportion to its Percentage Interest except as provided in Section 7.1.11 (Special Allocation of Common Expenses). The assessment for Common Expenses shall constitute a lien against

each Unit as provided in Section 55.1-1966 of the Condominium Act. The total annual Common Expense assessment shall be due and payable when such assessment is made, but installment payments of one-twelfth (1/12) of the assessment for such fiscal year may be made monthly, in advance, beginning on or before the first day of the first month of the fiscal year, and continuing on the first day of each of the succeeding eleven (11) months. The obligation to pay annual Common Expense assessments shall be prorated for the initial partial year of operating the Condominium, if applicable. Such payments shall be made by each Owner to the Board of Directors or its designated agent without offset, reductions or counterclaims. Within sixty (60) days after the end of each fiscal year, the Board of Directors shall supply to all Owners an accounting of the Common Expenses for such fiscal year actually incurred and paid, together with a tabulation of the amounts collected pursuant to the budget adopted by the Board of Directors for such fiscal year, and showing the net amount over or short of the actual expenditures plus reserves. Any amount accumulated in excess of the amount required for actual expenses and reserves may, if the Board of Directors deems it advisable, be credited, according to each Unit's Percentage Interest, to the installments due in the succeeding months of that or the following fiscal year.

7.1.4 Reserves.

a. The Board shall: (i) conduct at least once every five (5) years a study to determine the necessity and amount of reserves required to repair, replace and restore the capital components of the Common Elements and pay deductibles provided in any insurance policies required to be maintained by the Association (the "**Reserve Study**"); (ii) review the results of the study at least annually to determine if reserves are sufficient; and make any adjustments the Board deems necessary to maintain reserves, as appropriate.

b. To the extent that the Reserve Study indicates a need to budget for reserves, the Association's budget shall include, without limitation, (i) the current estimated replacement cost, estimated remaining life and estimated useful life of the capital components of the Common Elements; (ii) as of the beginning of the fiscal year for which the budget is prepared, the current amount of accumulated cash reserves set aside, to repair, replace or restore the capital components and pay insurance deductibles, and the amount of the expected contribution to the reserve fund for that fiscal year; and (iii) a general statement describing the procedures used for the estimation and accumulation of cash reserves pursuant to this Section 7.1.4 and the extent to which the Association is funding its reserve obligations consistent with the Reserve Study.

c. Extraordinary expenditures not originally included in the annual budget which may become necessary during the year shall be charged first against reserves allocated thereto. If the reserves are inadequate for any reason, including non-payment of any Owner's assessment, or if the Board determines the reserves are not allocated to such expense, the Board of Directors may at any time levy a further assessment, which shall be assessed against the Units according to their respective Percentage Interests, and which may be payable in a lump sum or in installments as the Board of Directors may determine. The Board of Directors shall give Notice of any such further assessment to all Owners, stating the amount and reasons therefor, and the further assessment shall, unless otherwise specified in the Notice, become effective immediately

and payable with the next monthly payment which is due after Notice of further assessment. All Owners shall be obligated to pay the adjusted monthly amount or, if the additional assessment is not payable in installments, the full amount of such assessment when due in accordance with Section 7.1.3.

7.1.5 Parking Deck Reserve. Notwithstanding Section 7.1.4.a, the Board shall establish and maintain a reasonable reserve for the Parking Deck satisfying the provisions of Section 7.1.4.b.

7.1.6 Effect of Failure to Prepare or Adopt Budget. The failure or delay of the Board of Directors to prepare or adopt the annual budget for any fiscal year shall not constitute a waiver or release in any manner of an Owner's obligation to pay its allocable share of the Common Expense as herein provided whenever the same shall be determined, and in the absence of any annual budget or adjusted budget, each Owner shall continue to pay the monthly charge established for the previous fiscal period increased by two percent (2%) until the new annual or adjusted budget shall have been delivered.

7.1.7 Accounts. All sums collected by the Board of Directors with respect to assessments against the Owners may be commingled into a single fund, but shall be identified and accounted for as to each Owner.

7.1.8 Association's Units. Should the Association be the Owner of a Unit or Units, any assessment which would be otherwise due and payable to the Association by the owner of such Unit or Units, reduced by the amount of income which might be derived from the leasing of such Unit or Units, shall be apportioned and an assessment therefore levied ratably among the Owners of all Units not owned by the Association based upon the respective Percentage Interests appertaining to those Units.

7.1.9 Loans. Nothing contained in this Declaration or the other Condominium Instruments shall be construed as a restriction on the Association's ability to obtain a loan from any lending source.

7.1.10 Restrictions on Increases in Assessments. If the Common Expense assessment for a fiscal year exceeds the Common Expense assessment for the prior fiscal year by twenty-five percent (25%) or more, such increase shall require the approval of Owners of Units to which at least sixty-seven percent (67%) of the Percentage Interests appertain and Eligible Mortgagees representing at least fifty-one percent (51%) of the Percentage Interests of all Units that are subject to Mortgages held by Eligible Mortgagees.

7.1.11 Special Allocation of Common Expenses.

a. Remedial Assessments. Notwithstanding the Percentage Interest allocation of Common Expenses in Section 7.1.3 or the allocation of Sub-Ground Lease Rent provided in Section 7.1.11(c) below, an Owner shall be responsible for and shall pay to the Association as a Common Expense: (a) amounts charged to that particular Owner pursuant to this Declaration or the Bylaws, including under Section 8.1; and (b) any expenses arising from

the failure of such Owner to comply with the Sub-Ground Lease following the notice and cure period applicable to such failure as provided in the Sub-Ground Lease.

b. Parking Deck Expenses. The Owners of the Units shall pay the Common Expenses related solely to the Parking Deck in accordance with the Parking Deck Allocation.

c. Sub-Ground Lease Rent. Annual Rent, Additional Rent and any other expenses or costs charged by the Sub-Ground Lessor pursuant to the Sub-Ground Lease, except as provided in Section 7.1.11 (Remedial Assessments) above, shall be paid by the Owners of the Units in accordance with their Percentage Interests.

7.2 Payment of Common Expenses.

7.2.1 Default and Acceleration. All Owners shall be obligated to pay the Common Expenses assessed by the Board of Directors pursuant to the provisions of Section 7.1 and any assessment not paid within thirty (30) days after it is due shall be in default. Upon default the entire annual assessment attributable to the defaulting Owner shall immediately become due and payable, unless otherwise determined by the Board of Directors. No Owner shall be liable for the payment of any part of the Common Expenses assessed against his Unit subsequent to a sale, transfer or other conveyance by him of such Unit to another Owner. Upon payment to the Association of a reasonable fee established from time to time by the Board of Directors, any Owner shall be entitled to a statement from the Treasurer setting forth the amount of the unpaid assessments against the Owner pursuant to Section 55.1-1966.H of the Condominium Act.

7.2.2 Effect on Mortgages. A lien for assessments shall not be affected by the sale or transfer of a Unit except the foreclosure of a first Mortgage. Notwithstanding any other provision of this Declaration, the lien for any assessment or other charge levied pursuant to this Declaration on any Unit shall be subordinate to the rights of a first Mortgagee described in Section 55.1-1966.A(iii) of the Condominium Act. Any first Mortgagee who obtains title to a Unit pursuant to the remedies provided in such Mortgage or other purchaser at the foreclosure of such Mortgage will not be liable for any assessments or other charges accrued prior to the date the mortgagor is divested of title, and the lien for assessments due and owing prior to such divestment shall terminate upon the sale of a Unit at the foreclosure of such Mortgage.

7.3 Collection of Assessments. The Board of Directors shall take prompt action to collect any assessments for Common Expenses due from any Owner which remain unpaid for more than thirty (30) days from the due date for payment thereof. A late charge, costs, and interest in amounts established by the Board of Directors from time to time shall be added to any assessment or installment thereof not paid within ten (10) days after the due date thereof. Such collection shall be pursuant to the provisions of Section 55.1-1966 of the Condominium Act.

ARTICLE VIII

MAINTENANCE, REPAIRS AND ALTERATIONS

8.1 Maintenance, Repair, Replacement and Other Common Expenses.

8.1.1 By the Association. Except as provided below, the Association shall be responsible for all maintenance, repair and replacement of the Parking Unit and the Common Elements, including the Limited Common Elements. The cost of all such maintenance, repairs and replacements made by the Association to the Common Elements and Limited Common Elements shall be a Common Expense unless (i) in the opinion of a majority of the Board of Directors, such expense was incurred due to the negligence, misuse or neglect of an Owner or such Owner's tenant, licensee or invitee, in which event such expense may be charged to the responsible Owner, or (ii) the Owner has agreed, by separate agreement with the Association, to pay for such maintenance, repairs and replacements to Limited Common Elements of a special or unique nature or benefit to the Owner, or (iii) this Declaration or the Rules and Regulations provide otherwise.

8.1.2 By the Owner. Each Owner:

a. of a Building Unit and the Parking Unit (except as otherwise provided in this Declaration) shall keep and maintain its Unit, the Building, any other improvements on the Unit and appurtenances in good order, condition and repair and in a clean and sanitary condition except as otherwise provided in this Declaration;

b. of a Building Unit shall keep its Limited Common Elements in good order, condition and repair and in a clean and sanitary condition;

c. shall be responsible for all damage to any other Units or to the Common Elements resulting from his negligence or misuse, or the negligence or misuse of the Owner's tenants, licensees or invitees, or from the Owner's failure to make any of the repairs or replacements required by this Section;

d. shall perform his responsibility in a manner which shall not unreasonably disturb or interfere with the other Owners' use and enjoyment of their Units or Limited Common Elements;

e. shall promptly report to the Board of Directors or its designee any defect or need for repairs for which the Board of Directors is responsible;

f. shall make all repairs and replacements to his Unit, the Building and any other improvements on the Unit except as otherwise provided in this Declaration; and

g. shall comply with the applicable provisions of the Ground Lease, the EDA REA and the Sub-Ground Lease.

8.1.3 Manner of Repair and Replacement. All repairs and replacements shall be of first-class quality and shall comply with all of the applicable building codes and ordinances in the City of Richmond, Virginia. The method of approving invoices for all repairs and

replacements which are the responsibility of the Association shall be determined by the Board of Directors. Common Elements shall be restored or repaired to substantially the same condition as existed prior to the damage, allowing for any changes or improvements necessitated by changes in applicable building codes and changes in the availability, quality, durability, and cost of replacement materials, as determined by the Board.

8.1.4 Services Benefiting Less Than All Units. Any Common Expenses paid or incurred by the Association in making available services to one or more but less than all of the Owners shall be assessed against the Units involved based on their respective Percentage Interests or other basis reasonably determined by the Board of Directors.

8.1.5 Maintenance of Unit Easement Areas. The Association shall perform normal maintenance and repairs to the landscaping, irrigation, non-building mounted lighting, sidewalks, pedestrian paths, walkways and other hardscaped areas within the Unit Easement Areas except to the extent (a) this Declaration requires the Owner to insure the improvements contained within the Unit Easement Areas against the risk of damage from fire and other risks and insurance proceeds are available to such Owner to cover the cost of repairs and replacements, (b) the Unit Easement Areas are enclosed by fences, hardscape, landscaping or other visual barricade or barrier (e.g., dining areas adjoining restaurants and cafes), or (c) the Association and the Owner agree in writing.

8.2 Additions, Alterations, or Improvements by Board of Directors. Whenever in the judgment of the Board of Directors, the Common Elements shall require additions, alterations or improvements costing in excess of TWENTY-FIVE THOUSAND AND NO/DOLLARS (\$25,000.00) or five percent (5%) of the annual budget, whichever is greater (the “**Improvement Cap**”), during any period of twelve (12) months, the making of such additions, alterations or improvements shall be approved by Owners representing a Majority Interest (except that no Owner approval shall be required for additions, alterations or improvements required to comply with applicable law or governmental regulation, or to correct any deficiency or defect creating a safety or health hazard to occupants, as determined by the Board). If a Majority Interest grants such approval, the Board of Directors shall proceed with such additions, alterations or improvements and shall assess all Owners for the cost thereof as a Common Expense. Any additions, alterations, or improvements costing an amount equal to or less than the Improvement Cap during any period of twelve (12) consecutive months may be made by the Board of Directors without approval of the Owners and the cost thereof shall constitute part of the Common Expenses. Notwithstanding the foregoing, if it is determined by a majority of the members of the Board of Directors that such additions, alterations or improvements are exclusively for the benefit of the Owner or Owners requesting the same, such assessments may be made against such requesting Owners in such proportion as they jointly approve, or if they are unable to agree thereon, in such proportions as may be determined by the Board of Directors. Notwithstanding anything to the contrary in this Section, additions, alterations or improvements to the Parking Deck exceeding the Improvement Cap during any twelve (12) consecutive months shall require the prior written approval of the Owner of the Parking Unit which may be withheld or granted in its reasonable discretion Interest (except that no Parking Unit Owner approval shall be required for additions, alterations or improvements required to comply with applicable law or governmental regulation, or to correct any deficiency or defect creating a safety or health hazard

to occupants or users, as determined by the Board).

8.3 Additions, Alterations or Improvements by Owners. Once the improvements on a Unit are constructed, no Owner shall make any alteration in or to his Unit that would impair the structural integrity of any Common Element or other Unit. No Owner shall make any material addition, alteration or improvement to the Owner's Unit (other than to the roof, rooftop equipment and exterior mechanical, electrical and plumbing equipment and facilities for which no prior Board approval shall be required) without first obtaining the Board's prior written approval of the plans and specifications for such work, and the approval of the appropriate and necessary authorities of the City of Richmond, Virginia, to the extent required, the Ground Lessor and Sub-Ground Lessor, and any other parties entitled to approve such work. If approval of such plans and specifications is neither granted nor denied by the Board of Directors within thirty (30) days following receipt by the Board of Directors of the Owner's written request for approval as more particularly set forth in the Rules and Regulations, the Owner making such request shall provide Notice to the Board of Directors of its failure to act, and if approval is neither granted nor denied within fifteen (15) days thereafter, the plans and specifications shall be deemed to be disapproved by the Board of Directors. If any application to any governmental authority for a permit to make any such structural addition, alteration or improvement in or to any Unit requires execution by the Association, and provided consent has been given by the Board of Directors, then the application shall be executed on behalf of the Association by the president, vice president or, if authorized by the Board, another officer of the Association, without, however, incurring any liability on the part of the officer, Board of Directors or Association to any government, municipality, contractor, subcontractor or materialman on account of such addition, alteration or improvement, or to any person having claim for injury to persons or damage to property arising therefrom. The Owner requesting the improvement shall pay the costs of preparing and filing all applications.

8.4 Utility Charges. Each Owner shall be responsible for all charges or assessments for utilities, including but not limited to gas, electricity, cable television, communications and telephone charges supplied to each Owner's Unit and separately metered for that Unit. The cost of utilities and other services serving the Condominium which are not individually metered to each Unit shall be a Common Expense.

ARTICLE IX

RULES AND REGULATIONS

9.1 Disclosure. The Condominium is a mixed use development, consisting of multi-family residential, office and commercial space. In recognition of the fact that the successful operation of the businesses therein is essential, establishes the character of the Condominium, and must be supported and continued, the rights and privileges set forth in this Article are irrevocably reserved to and vested in each Unit.

9.2 Use. Subject to the Condominium Instruments and the Rules and Regulations, the Units shall be used for any lawful purpose that is permitted by the Sub-Ground Lease. The Association shall not otherwise restrict the use of any Unit or the leasing of any Unit.

9.3 Rights and Privileges. An Owner shall have the following rights and privileges:

9.3.1 Rules and Regulations. To promulgate and enforce rules and regulations regarding the use of the Owner's Unit and Limited Common Elements assigned to that Unit, and the activities which may affect, directly or indirectly, that Unit and Limited Common Elements. By way of illustration and not of limitation, an Owner may promulgate rules and regulations regarding its Units with respect to the following subjects:

a. rights of first refusal for commercial tenants, subleasing and assignment;

b. restrictions on the type or nature of business or business activity that may occur upon the Unit and/or Limited Common Element; otherwise to permit or regulate any lawful use thereon whatsoever;

c. restrictions or requirements for interior or exterior signage or lighting, including any signage or lighting that may be located upon or visible from the exterior of improvements on the Unit;

d. restrictions or requirements for parking, the loading or unloading of materials or goods, or the storage or sale of materials or goods.

9.3.2 Conflicts. Notwithstanding any provision to the contrary in this Declaration, no Unit shall be subject to any Rules or Regulations promulgated by the Association to the extent they may conflict with the rights and privileges reserved for the Units in this Article or elsewhere in this Declaration. In addition, no Rules and Regulations promulgated by the Association shall conflict with the Ground Lease, the EDA REA or the Sub-Ground Lease, and if any provisions of this Declaration shall conflict with the Ground Lease, the EDA REA or the Sub-Ground Lease, the provisions of the Ground Lease, the EDA REA or the Sub-Ground Lease shall control. The Owners of the Units shall have sole, exclusive, final and nonreviewable jurisdiction and authority to promulgate and enforce rules and regulations regarding or affecting their Units which rules or regulations shall take precedence in the event of a conflict with a rule or regulation promulgated by the Association.

9.4 Sub-Condominium; Subdivisions. Each Owner shall have the right to establish, modify or reconstitute, at any time and from time to time one or more condominiums within all or a portion of each initial Unit, without the consent of the Board, the Association, or any other Owner, or any Mortgagee who does not hold a mortgage loan which directly encumbers the Unit affected, and provided only that (i) the obligation for payment of Common Expenses and the aggregate Percentage Interest assigned to the initial Units will not change even though the same may be reallocated to the owners of units in the sub-condominium, and (ii) any increase in Common Expenses resulting directly or indirectly from the establishment of any new sub-condominiums shall be borne by the Owner(s) responsible for such increased expenses (which such Owner(s) may allocate to the sub-condominium). Notwithstanding anything herein to the contrary, no Owner shall have the right to further subdivide its Unit (i.e., into two or more Units)

pursuant to the provisions of Virginia Code Ann. Section 55.1-1933 without the consent of all the other Owners and the consent of the Mortgagee of such Unit.

9.5 General Rules and Regulations.

9.5.1 Hazardous Uses and Insurance. Unless the Owner pays the additional cost thereof, nothing shall be done or kept in or upon any Unit, Limited Common Element or the Common Elements which will increase the rate of insurance for the Condominium without the prior written consent of the Board of Directors. No Owner shall permit anything to be done or kept in his Unit or upon the Common Elements or Limited Common Elements which will result in the cancellation of insurance on the Condominium or any part thereof or which would be in violation of any law, regulation or administrative ruling. No waste will be committed by any Owner in or to the Common Elements.

9.5.2 Compliance With Laws. No unlawful use shall be made of the Condominium or any part thereof, and all laws, zoning ordinances and regulations of all governmental agencies having jurisdiction thereof shall be observed. All laws, orders, rules, regulations or requirements of any governmental agency requiring any repair or alteration to any portion of the Condominium shall be complied with, by and at the sole expense of the Owner or the Association, whichever shall have the obligation to maintain or repair such portion of the Condominium. If the latter, then the cost of such compliance shall be a Common Expense, unless a majority of the Board of Directors determine that an alteration is required to satisfy the needs of the particular Owner, in which event the cost of the alteration may be charged to the Owner.

9.5.3 Designed Use. The Common Elements and Limited Common Elements shall be used only for the furnishing of the services and facilities for which the same are designed and reasonably suited and which are incident to the use and occupancy of the Units.

9.5.4 Adoption of Rules and Regulations. The Board of Directors is hereby authorized to adopt, modify and rescind from time to time Rules and Regulations that do not contravene the provisions of this Declaration, the Ground Lease, the EDA REA or the Sub-Ground Lease and that the Board determines are (a) reasonably necessary to protect the health, safety and welfare of the Owners or (b) otherwise generally in the best interest of the Owners.

9.6 (Intentionally Omitted).

9.7 No Tax Exemption.

9.7.1 Obligation to Pay. Each Owner shall be obligated to pay (i) all real estate taxes assessed against it with respect to its Unit, and any fees or charges in lieu thereof, and (ii) all taxes, charges, and levies assessed against personal property used in or located at the Unit, arising out of such Owner's or its tenants' or other occupants' use and activities at the Unit.

9.7.2 Payment In Lieu of Taxes. If for any reason a Unit is not subject to real estate taxes or business personal property taxation arising from the Owner's or its tenants' or

other occupants' use and activities at the Unit, such Owner shall pay to the City of Richmond annually an amount equal to the real estate taxes and business personal property tax that such Owner would be required to pay if such Owner or the Unit were subject to such taxation. Neither the Owner nor any other occupant of the Unit shall be entitled to exemptions from real estate taxes or business personal property taxes arising from their use or activities at or upon the Unit. Each Owner agrees that it shall endeavor to disclose this provision to tenants and other occupants of the Unit.

9.7.3 Third Party Beneficiary. Bon Secours – St. Mary's Hospital of Richmond LLC, a Virginia not-for-profit limited liability company, shall be deemed a third-party beneficiary of this Sections 9.7. This Section 9.7 shall not be amended without the prior written consent of Bon Secours – St. Mary's Hospital of Richmond LLC.

9.8 Parking Shortage

9.8.1 Parking Study. The Owners of the Building Units agree that should any one of them determine in its sole discretion that there is a parking shortage in the Condominium following substantial completion of the Buildings, then the Association shall engage a third-party parking expert to assess the parking shortage, determine the cause of such shortage and allocate responsibility for such parking shortage to the Building Units (the "Parking Study"). All costs associated with the Parking Study, and all costs associated with addressing the parking shortage, shall be paid by the Owners in the proportion that the Parking Study allocates the responsibility for the parking shortage to each Building Unit.

9.8.2 Permitted Occupants. Unless otherwise agreed in writing by the Owners, each Owner shall, in good faith, limit occupancy in its Unit or Units to users whose parking requirements do not exceed the parking spaces allocated to such Unit in this Declaration or the other Condominium Instruments.

9.8.3 Resolution of Parking Shortages. The Owners shall in good faith take commercially reasonable efforts to address the parking shortage identified in the Parking Study. The Association and Owners may consider any reasonable options for addressing a parking shortage including, without limitation, the following:

- a. Providing additional on-street parking adjoining the Condominium;
- b. Responsible Owner or Owners providing busing and/or shuttling services to offsite parking facilities;
- c. Responsible Owner or Owners securing rights to additional parking (which may be rented at fair market value from an Owner or third-party pursuant to a written agreement);
- d. Reallocation of parking spaces designated as Limited Common Element within the Condominium subject to the written consent of the affected Owner which may be withheld or granted in its sole discretion notwithstanding any good faith obligation set forth above.

9.8.4 Enforcement. Nothing contained in this Section 9.8 shall prohibit an Owner from immediately enforcing its rights to use the Limited Common Element parking spaces assigned to the Owner's Unit or Units (e.g., during the preparation of the Parking Study or otherwise) or prohibit the Association from enforcing such rights. Enforcement rights shall include any legally permissible means, including, without limitation, the following:

- a. Hiring a parking attendant/security guard;
- b. Gating spaces;
- c. Additional signage and painting;
- d. Booting and/or towing violators;
- e. Fining the Owner or Owners whose employees, tenants, guests or contractors violate the parking rights of other Owners; and
- f. Installing video surveillance and other security measures.

ARTICLE X

INTENTIONALLY OMITTED

ARTICLE XI

CONDEMNATION

11.1 Controlling Provisions. The following provisions of this Article XI shall govern upon the taking of a Unit or Common Element, including, without limitation, any Limited Common Element, to the extent such provisions do not conflict with the provisions of Section 55.1-1906 of the Condominium Act. This Article shall be further subject and subordinate to the provisions of the Ground Lease and the Sub-Ground Lease.

11.2 Taking of Common Elements.

11.2.1 General Allocation. Except as provided in Section 11.2.2, if any portion of the Common Elements is taken by eminent domain, the award therefor shall be paid to the Association. Provided, however, that the portion of the award attributable to the taking of any permanently assigned Limited Common Element shall be allocated to the Owner of the Unit to which that Limited Common Element was assigned at the time of the taking. If that Limited Common Element was permanently assigned to more than one Unit at the time of the taking, then the portion of the award attributable to the taking thereof shall be allocated in equal shares to the Owners of the Units to which it was so assigned. A permanently assigned Limited Common Element is a Limited Common Element which cannot be reassigned or which can be reassigned only with the consent of the Owner or Owners of the Unit or Units to which it is assigned.

11.2.2 Parking Deck. If the entire Parking Deck is taken by eminent domain, the award therefor shall be allocated in accordance with the Parking Deck Allocation. If only a portion of the Parking Deck is taken, each Unit shall be allocated that portion of the award representing the value of the number of parking spaces assigned to such Unit as Limited Common Element provided that the Parking Unit shall be allocated one-hundred percent (100%) of the award representing the value of the parking spaces taken within the Parking Unit.

11.3 Taking of Entire Unit. If one or more Units are taken by eminent domain, the undivided interest in the Common Elements appertaining to any such Unit shall thereafter appertain to the remaining Units, being allocated to them in proportion to their respective Percentage Interests. The Association shall request that the court enter a decree reflecting the reallocation of Percentage Interests produced thereby, and that the award include, without limitation, just compensation to the Owner of any Unit taken for its percentage Interest in the Common Elements as well as for the Owner's Unit.

11.4 Taking a Portion of Unit. If portions of any Unit are taken by eminent domain, the Association shall request that the court determine the fair market value of the portions of such Unit not taken, and the Percentage Interest in the Common Elements appertaining to any such Units shall be reduced, in the case of each such Unit, in proportion to the diminution in the fair market value of such Unit resulting from the taking. The portions of Percentage Interests thereby divested from the Owners of any such Units shall be reallocated among those Units and the other Units in proportion to their respective Percentage Interests, with any Units partially taken participating in such reallocation on the basis of their Percentage Interests as reduced in accordance with the preceding sentence. The Association shall request that the court enter a decree reflecting the reallocation of Percentage Interests produced thereby, and that the award include, without limitation, just compensation to the Owner of any Unit partially taken for that portion of the Owner's Percentage Interest divested from the Owner by operation of the following sentence, as well as for that portion of the Unit taken by eminent domain. If, however, the taking of a portion of any Unit makes it impractical to use the remaining portion of that Unit for any lawful purpose permitted by the Condominium Instruments, then the entire Percentage Interest appertaining to that Unit shall thereafter appertain to the remaining Units, being allocated to them in proportion to their respective Percentage Interests, and the remaining portion of that Unit shall thereafter be a Common Element. The Association shall request that the court enter a decree reflecting the reallocation of the Percentage Interests produced thereby, and that the award include, without limitation, just compensation to the Owner of such Unit for the Owner's entire Percentage Interest and for the Owner's entire Unit.

11.5 Voting Rights. Votes in the Association, rights to future common profits, and liabilities for future Common Expenses not specially assessed, appertaining to any Unit or Units taken or partially taken by eminent domain, shall thereafter appertain to the remaining Units, being allocated to them in proportion to their relative voting strength in the Association, with any Units partially taken participating in such reallocation as though their voting strength in the Association had been reduced in proportion to the reduction to their Percentage Interests, and the Association shall request that the decree of the court provide accordingly.

ARTICLE XII

(INTENTIONALLY OMITTED)

ARTICLE XIII

ADMINISTRATION OF THE CONDOMINIUM
BY THE OWNERS ASSOCIATION

13.1 Authority. A non-stock corporation known as Westhampton Condominium Unit Owners Association Inc. will function as the Association. The Association will administer the operation and management of the Condominium and shall have the power to perform all acts and duties incident to such administration in accordance with the terms of its Articles of Incorporation and the Bylaws, as well as in accordance with the terms of the Condominium Act. All Owners shall automatically become members of the Association and such membership shall automatically terminate upon divestiture of such ownership regardless of how such ownership is divested. No person, firm or corporation holding any lien, deed of trust or other encumbrance upon any Unit or upon the Condominium as a whole shall be entitled by virtue of such lien, deed of trust or other encumbrance to membership in the Association or to any of the rights or privileges of such membership. The Association shall have and is granted the authority to enforce the provisions of this Declaration, the Bylaws and the Rules and Regulations as the Board of Directors may determine.

13.2 Board of Directors as Agent. The Board of Directors shall be the Executive Organ and governing body of the Association. The Board of Directors shall have the power to act as agent for the Owners and for each of them, to manage, control and deal with the interests of such Owners in the Common Elements of the Condominium to permit the Board of Directors to fulfill all of its powers, rights, functions and duties and to act in the capacity of the Tenant in the Sub-Ground Lease. The Board of Directors shall have the power to act as agent for each Owner, each Mortgagee, other named insureds and their beneficiaries and any other holder of a lien or other interest in the Condominium or the Property to: (i) adjust and settle all claims arising under insurance policies purchased by the Board of Directors, (ii) execute and deliver releases upon the payment of claims and (iii) act on their behalf in any condemnation proceeding or action of eminent domain pursuant to section 55.1-1906 of the Condominium Act; provided however, that the Board of Directors shall notify the Mortgagee of such and obtain Mortgagee's consent pursuant to Section 16.4 of this Declaration. The powers hereby granted shall be in addition to any rights granted by section 55.1-1956.B of the Condominium Act, including, without limitation, the authority to grant and accept easements and licenses pursuant to section 55.1-1956.B of the Condominium Act.

13.3 Management Agent. Unless otherwise agreed in writing by all of the Owners, the Board of Directors, on behalf of the Association, shall contract with a Managing Agent experienced in condominium association management to assist with managing the Condominium and the Association. The Managing Agent shall be selected through a competitive bid process to ensure the Managing Agent is paid market rate fees. Nothing contained in this Section shall

prohibit an Affiliate of an Owner from submitting a proposal; provided, however, that any decision to retain, extend or dismiss the Managing Agent that is an Affiliate of one or more Owners, shall be made only by the Owner or Owners that are not Affiliates of the Managing Agent.

ARTICLE XIV

INSURANCE

14.1 Authority to Purchase.

14.1.1 Association Policies. Except as otherwise provided in Section 14.5, all insurance policies relating to the Common Elements shall be purchased by or on behalf of the Association. Neither the Association, any officer or director, a Managing Agent, nor the Declarant shall be liable for failure to obtain any coverages required by this Article to be obtained by or on behalf of the Association if such failure is due to the unavailability of such coverages from reputable insurance companies, or if such coverages are available only at demonstrably unreasonable cost. Pursuant to Section 55.1-1963.C of the Condominium Act, the Secretary shall promptly furnish to each Owner Notice of the procurement, subsequent changes in, and the termination of all insurance coverage obtained on behalf of the Association.

14.1.2 General Requirements. Each policy purchased by or on behalf of the Association shall provide, to the extent reasonably available at reasonable rates, that:

a. The insurer waives any right of subrogation against the Declarant, the Association, the Managing Agent, the Ground Lessor or the Sub-Ground Lessor, the Owners and Mortgagees or the respective officers, directors, partners, members, employees or agents of any of them;

b. The policy shall not be cancelled, invalidated or suspended due to the conduct of any officer or director, Owner, Managing Agent, or any invitee, agent, officer, or employee of any of the foregoing without a prior demand in writing to the Board of Directors or the Managing Agent (whichever is applicable) that the conduct cease or be corrected, followed by failure to correct or cease such conduct within sixty (60) days after such demand; and

c. The policy shall not be cancelled or substantially modified for any reason (including nonpayment of premium) without at least sixty (60) days' prior Notice to the Board of Directors and the Managing Agent and to all Mortgagees.

14.1.3 (Intentionally Omitted).

14.1.4 Rating. All policies of insurance obtained by Owners or by or on behalf of the Association shall be written by companies licensed to do business in the Commonwealth of Virginia, and assigned an "A" rating or better by Best's Insurance Reports.

14.1.5 Insurance Trustee as Loss Payee. All policies of physical damage insurance obtained by or on behalf of the Association shall provide that they are payable to the

Insurance Trustee (as defined below).

14.2 Common Element Physical Damage Insurance.

14.2.1 Policy Requirements. Except to the extent that an Owner is required to insure Limited Common Elements, the Board of Directors shall obtain and maintain a master casualty policy insuring against the risk of damage from fire and other risks, which may include earthquake, environmental hazards, vandalism, malicious mischief, windstorm, debris removal, cost of demolition and water damage and such other risks as are determined by the Board. The Board shall insure the Parking Deck (including, without limitation, individual parking spaces whether or not assigned as Limited Common Element or included within the Parking Unit) but shall not be required to insure hardscape such as curbs, gutters, and other items within the Common Elements not normally insured, if any. Such insurance shall cover the interests of the Association, the Board of Directors, all Owners and their Mortgagees, Ground Lessor and Sub-Ground Lessor as their interests may appear (subject, however, to the loss payment and adjustment provisions in favor of the Board of Directors as Insurance Trustee contained in Sections 14.6 and 14.7 of this Article), and shall be in an amount that would provide for one hundred percent (100%) of the then current replacement cost of the insured portions, if any, of the Common Elements (exclusive of land, excavations, foundations, Limited Common Elements required to be insured by the Owners and other items normally excluded from such coverage), without deduction for depreciation. Notwithstanding anything to the contrary in this Section 14.2, the insurance shall provide at least those coverages required by the Sub-Ground Lease. Such amounts and coverages shall be determined annually by the Board of Directors with the assistance of the Managing Agent, the insurance company affording such coverage, and (if the Board so resolves) a qualified appraiser of real estate.

14.2.2 Specific Requirements. Unless the Ground Lease or Sub-Ground Lease otherwise provide, the casualty policy required by Section 14.2.1 shall also provide:

a. A waiver of any right of the insurer to repair, rebuild or replace any damage or destruction if a decision is made pursuant to Section 15.5 of this Declaration not to do so, and, in such event, that the insurer shall pay on the basis of the agreed amount endorsement;

b. The following endorsements (or equivalent): (i) "no control" (to the effect that coverage shall not be prejudiced by any act or neglect of any Owner, occupant, or other person if such act or neglect is not within the control of the insured, nor by any failure of the insured or any other person to comply with any warranty or condition concerning any portion of the Condominium not controlled by the insured); (ii) "contingent liability from operation of building laws or codes"; (iii) "increased cost of construction" or "condominium replacement cost"; and (iv) "agreed amount" or elimination of coinsurance clause;

c. That any "no other insurance" clause excludes individual Owners' policies from its operation so that the physical damage policy purchased on behalf of the Association shall be deemed primary coverage and any individual Owners' policies shall be deemed excess coverage, and in no event shall the insurance coverage obtained and maintained on behalf of the Association hereunder be brought into contribution with insurance purchased by

individual Owners or their Mortgagees unless otherwise required by law; and

d. That a duplicate original of such policy, all renewals thereof, and any subpolicies or certificates and endorsements issued thereunder, together with proof of payment of premiums, shall be delivered by the insurer to the Association, the Sub-Ground Lessor and any Mortgagee whose request therefore is received by the insurer at least thirty (30) days prior to expiration of the then current policy.

14.3 Association Liability Insurance. The Board of Directors shall obtain and maintain a master liability policy (including without limitation coverage of all officers and directors against libel, slander, false arrest, invasion of privacy, and errors and omissions) and property damage insurance in such limits as the Board may from time to time determine, insuring the Association, each officer and director, the Managing Agent, each Owner, each Mortgagee, the Declarant, Ground Lessor and Sub-Ground Lessor against any liability to the public arising out of or incident to the ownership or use of the Common Elements. Such insurance shall be issued on a comprehensive liability basis and shall contain: (i) a cross liability endorsement under which the rights of a named insured shall not be prejudiced with respect to his action against another named insured; (ii) hired and non-owned vehicle coverage; (iii) host liquor liability coverage with respect to events sponsored by the Association; (iv) deletion of the normal products exclusion with respect to events sponsored by the Association; and (v) a "severability of interest" endorsement which shall preclude the insurer from denying liability to an Owner because of negligent acts or omissions of another insured. The Board of Directors shall review such limits once a year, but in no event shall such insurance be less than the coverages required by the Sub-Ground Lease.

14.4 Other Insurance. The Board of Directors may, in its discretion, obtain and maintain:

14.4.1 Fidelity Coverage. Adequate fidelity coverage to protect against dishonest acts on the part of officers, agents and employees of the Association and all others who handle or are responsible for handling funds of the Association. The fidelity coverage shall meet the greater of the requirements of this Section 14.4.1 or the requirements of the Condominium Act. The fidelity coverage shall: (i) name the Association as an obligee; (ii) be written in an amount not less than fifty percent (50%) of the total annual assessments for Common Expenses for the then current fiscal year; provided, however, the aggregate amount of the bonds shall not be less than the lesser of the estimated maximum of funds, including reserve funds, in the custody of the Association or the Managing Agent at any given time during the term of the coverage, or a sum equal to three (3) months' aggregate assessment on all Units plus reserve funds; and (iii) contain waivers of any defense based upon the exclusion of persons who serve without compensation from any definition of "employee" or similar expression;

14.4.2 Workers' Compensation. Worker's compensation insurance if and to the extent necessary to meet the requirements of law; and

14.4.3 Other Insurance. Such other insurance as the Board of Directors may determine is appropriate.

14.5 Unit and Limited Common Element Insurance.

14.5.1 Casualty Policy Requirements.

a. General Requirements. Each Owner shall, at his own expense, obtain and maintain in full force and effect a condominium Owner's casualty policy insuring such Unit, the Building and any other improvements on the Unit, if any, and the insurable portions of the Limited Common Elements appurtenant to such Unit in an amount that would provide for not less than the lesser of (a) one hundred percent (100%) of the then current replacement cost thereof (exclusive of general Common Elements and foundations and other items normally excluded from coverage), without deduction for depreciation, including insurance coverage for its personal liability, or (b) the amount required by the Owner's Mortgagee; provided, however, that no Owner shall acquire or maintain insurance coverage so as to decrease the amount which the Association may realize under any insurance policy, or to cause any insurance coverage in favor of the Association to be brought into contribution with insurance coverage obtained by an Owner. All policies obtained by Owners individually shall contain waivers of subrogation against the Owners, the Association the Managing Agent, the Ground Lessor and the Sub-Ground Lessor.

b. Parking Deck. Notwithstanding 14.5.1a, the Association shall maintain insurance for the Parking Deck, including, without limitation, each parking space assigned as Limited Common Element in the Parking Deck or included in the Parking Unit or elsewhere in the Common Element. The Owner of the Parking Unit shall not be required to maintain a separate casualty policy for any portion of the Parking Deck or the Parking Unit.

14.5.2 Specific Requirements. The policy required by Section 15.5.1 shall also provide:

a. The following endorsements (or equivalent): (i) "no control" (to the effect that coverage shall not be prejudiced by any act or neglect of any person if such act or neglect is not within the control of the insured, nor by any failure of the insured or any other person to comply with any warranty or condition concerning any portion of the Condominium not controlled by the insured); (ii) "contingent liability from operation of building laws or codes"; (iii) "increased cost of construction" or "condominium replacement cost"; and (iv) "agreed amount" or elimination of coinsurance clause;

b. That any "no other insurance" clause excludes policies obtained by or on behalf of the Association from its operation so that the physical damage insurance on Units obtained by Owners shall be deemed primary coverage with respect to the Units and any policy obtained by or on behalf of the Association shall be deemed excess coverage, and in no event shall the insurance coverage obtained by any Owner be brought into contribution with any policy obtained by or on behalf of the Association unless otherwise required by law; and

c. That a duplicate original of each policy, all renewals thereof, and any subpolicies, certificates and endorsements issued thereunder, together with proof of payment of

premiums, shall be delivered by the insurer to the Association, the Sub-Ground Lessor and any Mortgagee whose request therefore is received by the insurer at least thirty (30) days prior to expiration of the then current policy.

d. The minimum coverages required by the Ground Lease and Sub-Ground Lease with respect to the Unit.

14.5.3 Unit Owner Liability Policy. Each Owner shall obtain and maintain a liability policy and property damage insurance in at least such limits as the Board may from time to time determine, insuring the Owner and naming as additional insureds the Association, the Managing Agent, the Declarant, Ground Lessor and Sub-Ground Lessor against any liability to the public arising out of or incident to the ownership or use of the Owner's Unit. The liability policy and property damage insurance shall meet the minimum coverages required by the Ground Lease and Sub-Ground Lease.

14.5.4 Association's Right to Procure Unit Insurance. If any Owner shall fail to provide a policy of casualty insurance with respect to a Unit or a policy of liability insurance as required in this Section 15.5, then the Board of Directors may, but shall not be obligated to, obtain such a policy with respect to the Unit, on behalf of such Owner, and all expenses incurred by the Board of Directors in connection with obtaining such policy shall be repaid by such Owner to the Association promptly upon demand by the Board of Directors. Any expenses incurred by the Association pursuant to this Section shall be charged to the responsible Owner, and such expenses shall be secured by the lien for payment of Common Expenses as provided in this Declaration.

14.6 Insurance Trustee. All physical damage insurance policies purchased by or on behalf of the Association shall be for the benefit of the Association, the Owners, their Mortgagees, and the Ground Lessor and Sub-Ground Lessor as their respective interests may appear, and shall provide that, subject to the requirements of the Ground Lease and Sub-Ground Lease, all proceeds of such policies shall be paid in trust to the Board of Directors as "**Insurance Trustee**" to be applied pursuant to the terms of Article XV of this Declaration. The sole duty of the Insurance Trustee shall be to receive such proceeds as are paid to it and to hold the same in trust for the purposes stated in Article XV of this Declaration, for the benefit of the insureds and their beneficiaries thereunder.

14.7 Board of Directors as Agent. The Board of Directors as Insurance Trustee is irrevocably constituted as agent for the Association, each Owner, each Mortgagee, other named insureds and their beneficiaries, and any other holder of a lien or other interest in the Condominium, to adjust and settle all claims arising under insurance policies purchased by the Board of Directors and deliver releases upon the payment of claims.

ARTICLE XV

REPAIR AND RECONSTRUCTION AFTER FIRE OR OTHER CASUALTY

15.1 When Repair and Reconstruction of Common Elements Required. Except as

otherwise provided in this Article, or required by the Ground Lease or Sub-Ground Lease, upon damage to or destruction of all or any part of the Common Elements insured pursuant to Article XV, as a result of fire or other casualty, the Board of Directors under the direction of the Insurance Trustee shall arrange for and supervise the prompt repair and restoration thereof.

15.2 Procedure for Reconstruction and Repair of Common Elements.

15.2.1 Cost Estimates. Immediately after a fire or other casualty causing damage to any part of the insured Common Elements, the Board of Directors under the direction of the Insurance Trustee shall obtain reliable and detailed estimates of the cost of such repair and restoration to a condition as good as that existing before such casualty or damage. Such costs may also include professional fees and premiums for such bonds as the Insurance Trustee determines necessary.

15.2.2 Assessments. If the proceeds of insurance are not sufficient to defray such estimated costs of reconstruction and repair or if at any time during reconstruction and repair, or upon completion of reconstruction and repair, the funds for the payment of the costs thereof are insufficient, assessments for such deficiency shall be made against all the Owners in proportion to their respective Percentage Interests, except as otherwise provided in Section 7.1.11 (Special Allocation of Common Expenses) above.

15.2.3 Encroachments. Section 55.1-1923 of the Condominium Act (Easement for Encroachments) shall apply if encroachments upon or in favor of a Unit are created as a result of such reconstruction or in any event contemplated and set out in section 55.1-1923, and no such encroachment shall give rise to a claim or basis for any action for removal thereof by the Owner upon whose property such encroachment results.

15.3 Plans and Specifications. Any reconstruction or repair of the Units and the Common Elements shall be substantially in accordance with the plans and specifications under which the Condominium was originally constructed, regardless of whether such improvements are insured by a policy carried by the Owner or the Association, but subject to changes in applicable building codes and changes in the availability, quality, durability and cost of replacement materials.

15.4 Disbursements of Construction Funds for Common Elements.

15.4.1 Construction Fund. The net proceeds of insurance collected on account of a casualty and the funds received by the Board of Directors or Insurance Trustee from assessments against Owners on account of such casualty shall constitute a construction fund which shall be disbursed in payment of the cost of reconstruction and repair in the manner set forth in this Section but subject to the provisions of any Mortgages encumbering Units as provided in Article XVI of this Declaration and the requirements of the Ground Lease and the Sub-Ground Lease. The net proceeds of insurance collected on account of a casualty shall be deposited with the Board of Directors as the Insurance Trustee, and the entire construction fund shall be disbursed by the Insurance Trustee.

15.4.2 Method of Disbursements.

a. If the cost of reconstruction or repair is less than Twenty-Five Thousand Dollars (\$25,000), then the construction fund shall be disbursed by the Insurance Trustee in appropriate progress payments, to any contractors, suppliers, and personnel performing the work or supplying materials or services for such repair, restoration or reconstruction as are designated by the Board of Directors.

b. If the estimated cost of reconstruction and repair is Twenty-Five Thousand Dollars (\$25,000) or more, then the construction fund shall be disbursed in payment of such costs upon approval of an architect qualified to practice in Virginia, and employed by the Insurance Trustee to supervise such work, with payment to be made from time to time as the work progresses in accordance with applications for payment by the contractors performing such work. The architect shall be required to approve such applications for payment and furnish a certificate giving a brief description of the services and materials furnished by various contractors, subcontractors, materialmen, the architect and other persons who have rendered services or furnished materials in connection with the work and stating that (A) the sums requested by them in payment are justly due and owing and that such sums do not exceed the value of the services and material furnished; (B) there is no other outstanding indebtedness known to the architect for the services and materials described; and (C) the cost as estimated by the architect for the work remaining to be done subsequent to the date of such certificate does not exceed the amount of the construction fund remaining after payment of the sum so requested.

15.4.3 Surplus. It shall be presumed that the first monies disbursed in payment for the cost of reconstruction and repair shall be from insurance proceeds; and if there is a balance in a construction fund after the payment of all the costs of the reconstruction and repair for which the fund is established, such balance shall be divided among all Owners in proportion to the Percentage Interests appertaining to their respective Units and disbursed in accordance with the priority of interests at law or in equity in each Unit, provided, however, the Owners of the Units shall be entitled to the following percentages of such surplus with respect to the surplus of funds allocable to the Parking Deck (the "Parking Deck Allocation"):

| | |
|-----------------|-----|
| Libbie Unit: | 18% |
| Patterson Unit: | 26% |
| MF Unit: | 18% |
| Parking Unit: | 30% |
| School Unit: | 8% |

15.4.4 Certificate. The Insurance Trustee shall be entitled but not obligated to rely upon a certificate executed by the president or vice president, and the secretary of the Association certifying (a) the name of the payee and the amount to be paid with respect to disbursements from any construction fund held by it or whether surplus funds to be distributed are less than the assessments paid by the Owners; and (b) all other matters concerning the holding and disbursing of any construction fund. The certificate shall be delivered to the Insurance Trustee promptly after request.

15.5 When Reconstruction of Common Elements Not Required. Subject to the provisions of the Ground Lease and the Sub-Ground Lease, if the Common Elements are damaged or destroyed and all of the Owners vote at a special meeting of the Association (to be held for such purpose within sixty (60) days after such casualty) that the Common Elements not be repaired and if the insurance policy covering such damage does not require otherwise, and all Mortgagees agree, then any insurance proceeds received on account of such damage along with the net assets of the Condominium shall be distributed as follows by the Board of Directors or the Insurance Trustee: first, out of the share of each Owner, to the extent sufficient therefore, the amount of any unpaid liens on that Owner's Unit in the order of priority of such liens, then to each Owner in proportion to the Percentage Interests appertaining to their respective Units, except that insurance proceeds allocable to the Parking Deck shall be allocated in accordance with the Parking Deck Allocation. This Section shall not be construed to require the distribution of proceeds from any insurance policy obtained by an Owner.

15.6 Reconstruction or Repair of Building Units. Except to the extent required by the Ground Lease or the Sub-Ground Lease, beginning ten (10) years after the issuance of a certificate permitting occupancy of the Building on an Owner's Building Unit, such Owner shall not be required by this Declaration to reconstruct or repair its Unit or the Building or other improvements thereon following damage or destruction. As soon as practicable after damage or destruction to a Building Unit, the Building or other improvements on the Building Unit occurs, the Owner shall secure the Building Unit, the Building and improvements from unauthorized persons and stabilize the Building and other improvements to avoid damage to any other Unit or Common Element, including, without limitation, the Parking Deck. Within sixty (60) days after such damage or destruction, or such additional time approved by the Board of Directors, the Owner shall notify the Board of the Owner's election to either repair or reconstruct the Building and other improvements on the Building Unit, or not repair or reconstruct the Building and other improvements provided the ten (10) year period has elapsed. If the Owner elects not to repair or reconstruct the Building and other improvements on the Building Unit, the Owner shall restore the Building Unit to the physical condition required by the Ground Lease and the Sub-Ground Lease. If the Owner elects to repair or reconstruct the Building and other improvements, or the ten (10) year period has not elapsed, such repair and reconstruction shall be performed subject to the following conditions and such further conditions as may be imposed by the Owner's Mortgagee:

15.6.1 Owner shall take all steps, including application for all permits and necessary to effectuate such repairs, and promptly after obtaining such permits, Owner shall commence and diligently proceed with the repairs and complete the same within a reasonable period of time.

15.6.2 All work shall be done in compliance with all applicable laws, ordinances, regulations, orders and requirements of all governmental authorities.

15.6.3 Owner shall reconstruct the Building and the other improvements on the Unit substantially in accordance with the original plans and specifications for such Building and other improvements, subject to such modifications as shall be required to conform to existing building codes, provided that such modifications shall be subject to the Board of Directors' prior

written consent, not to be unreasonably withheld, conditioned or delayed.

15.7 Reconstruction or Repair of Parking Unit. Given that the Parking Unit exists entirely within the Parking Deck, repair or reconstruction of the Parking Unit shall be governed by Sections 15.1 through 15.5 of this Declaration.

ARTICLE XVI

MORTGAGEES AND MORTGAGES

16.1 Notice to Board of Directors. An Owner who encumbers his Unit with a Mortgage shall notify the Board of Directors of the name and address of the Mortgagee and shall file a copy of the note and Mortgage with the Board of Directors certified by the Owner to be true, correct and complete.

16.2 Notice of Unpaid Assessments for Common Expenses. The Board of Directors, whenever so requested in writing by a Mortgagee, shall promptly report to the Mortgagee any sixty (60) day delinquency in the payment of assessments for Common Expenses or other charges due from, or any other default by, the Owner of the mortgaged Unit.

16.3 Notice of Default, Casualty, Condemnation, Insurance Cancellation and Ground Lease Defaults. The Board of Directors, when giving Notice to an Owner of a default in paying an assessment for Common Expenses or any other default, shall simultaneously send a copy of the Notice to the Mortgagee of such Unit if requested by the Mortgagee in writing given to the Association with the Mortgagee's address for purposes of receiving Notice. The Board of Directors shall also notify all Mortgagees of any casualty giving rise to a possible claim under any insurance purchased pursuant to Article XIV (Insurance) of this Declaration, of all actions taken under Section 15.5 (When Reconstruction Is Not Required), of any proposed taking in condemnation or by eminent domain and action in response thereto and of any lapse, cancellation, or material modification of any insurance policy maintained by the Association. In addition, the Board shall also notify all Mortgagees of the Board's receipt of notice of default under either Ground Lease.

16.4 Insurance Proceeds and Condemnation Awards. No provision of the Condominium Instruments shall be construed to give any Owner, the Association, or any other party, priority over the rights of any Mortgagee in the case of any distribution of insurance proceeds or condemnation awards for losses to or a taking of Units or Common Elements, unless such Mortgagee otherwise consents in writing after Notice as provided in Section 16.3.

16.5 Other Rights of Mortgagees. All Mortgagees or their representatives shall be entitled to attend meetings of the Association and shall have the right to speak thereat, and shall have the right to examine the books and records of the Condominium.

16.6 Availability of Audited Financial Statements. The Association shall make an audited financial statement for the preceding fiscal year (if the Condominium has been

established for a full fiscal year) available to a Mortgagee upon submission of written request for the audited financial statement. The Association shall cause the audited financial statement to be available within 120 days of the Association's fiscal year end.

16.7 Mortgagee Approval. Without the prior written approval of Eligible Mortgagees representing at least fifty-one percent (51%) of the Percentage Interests of all Units that are subject to Mortgages held by Eligible Mortgagees:

16.7.1 Abandonment and Termination. No portion of the Condominium shall be abandoned or terminated except as provided by Code of Virginia Section 55.1-1906 or other law in the case of a taking by condemnation or eminent domain.

16.7.2 Amendments. No material amendment shall be made to the Declaration or Bylaws. An amendment to the Declaration or Bylaws to any of the following applicable provisions would be considered material (but which shall not limit the authority of the Association or the Board of Directors to act as permitted pursuant to the Declaration and Bylaws):

- a. voting rights;
- b. restrictions or increases in Common Expense assessments above twenty-five percent (25%) of the prior year's assessment;
- c. assessment liens;
- d. priority of assessment liens;
- e. requirements for reserves for maintenance, repair, and replacement of Common Elements;
- f. responsibility for maintenance and repairs;
- g. allocation of interests in the Common Elements as Limited Common Elements or rights to their use;
- h. definition of any Unit boundaries;
- i. convertibility of Units into Common Elements and vice versa;
- j. casualty or fidelity insurance requirements;
- k. restoration or repair of the Condominium after damage or partial condemnation; and
- l. any provision that expressly benefits Mortgagees.

16.7.3 Transfer of Common Elements. The Common Elements shall not be, whether by act or omission, partitioned, subdivided, encumbered, sold or transferred, except that the granting of licenses and easements to Owners in connection with the use and operation of the Buildings and the tenants therein and public utilities or other public purposes consistent with the intended use of the Common Elements by the Condominium (e.g., permitting Owners and their tenants and third parties to use the Parking Deck CE, parking spaces and other portions of the Common Element) shall not be deemed a transfer within the meaning of this provision.

16.8 Additional Mortgagee and Owner Approvals. Without the approval of all of the Owners and the prior written approval of Eligible Mortgagees representing at least fifty-one percent (51%) of the Percentage Interests of all Units that are subject to Mortgages held by Eligible Mortgagees, the Association shall not:

16.8.1 Termination After Condemnation or Destruction. Terminate the legal status of the Condominium after substantial destruction or condemnation occurs.

16.8.2 Leasing Restrictions. Impose any restrictions on leasing of Units except as provided for in this Declaration.

16.8.3 Transfer Restrictions. Impose any restrictions on an Owner's right to sell or transfer his or her Unit.

16.9 Termination. The Association shall not terminate the legal status of the Condominium for any reason other than described in Section 16.8.1 without the approval of all Owners and the prior written consent of Eligible Mortgagees representing at least sixty-seven percent (67%) of the Percentage Interests of all Units that are subject to Mortgages held by Eligible Mortgagees.

ARTICLE XVII

COMPLIANCE AND DEFAULT

17.1 Relief. As set forth in Section 55.1-1915 of the Condominium Act, each Owner shall be governed by, and shall comply with, all of the terms of this Declaration, the Bylaws, the Rules and Regulations, any other Condominium Instruments and any amendments thereto. Default by an Owner shall entitle the Association, acting through its Board of Directors or through the Managing Agent, to the following relief:

17.1.1 Legal Proceedings. Failure to comply with any of the foregoing items set out in this Section shall be grounds for relief which may include, without limitation, an action to recover any sums due for money damages, injunctive relief, foreclosure of the lien for payment of all assessments, any other relief provided for in the Condominium Instruments, applicable law, or any combination thereof, and any other relief afforded by a court of competent jurisdiction, all of which relief may be sought by the Association, the Board of Directors, the Managing Agent, or, if appropriate, by any aggrieved Owner.

17.1.2 Additional Liability. Each Owner shall be liable for the expense of all maintenance, repair or replacement to the extent rendered necessary by his act, neglect or carelessness or the act, neglect or carelessness of any Owner or its employees, agents, licensees, invitees or lessees, but only to the extent that such expense is not covered by the proceeds of insurance carried by the Board of Directors. Such liability shall include any increase in fire insurance rates occasioned by use, misuse, occupancy or abandonment of any Unit or Common Element. Nothing contained herein, however, shall be construed as modifying any waiver by any insurance company of its rights of subrogation.

17.1.3 Costs and Attorneys' Fees. In any proceeding arising out of any alleged default by an Owner, the prevailing party shall be entitled to recover the costs incurred due to the proceeding, and such reasonable attorneys' fees as may be determined by the court or other appropriate forum in which such proceeding is instituted.

17.1.4 No Waiver of Rights. The failure of the Association, the Board of Directors, or an Owner to enforce any right, provision, covenant, or condition which may be granted by this Declaration, the Bylaws or the Rules and Regulations shall not constitute a waiver of the right of the Association, the Board of Directors, or the Owner to enforce such right, provision, covenant, or condition in the future. All rights, remedies and privileges granted to the Association, the Board of Directors, or any Owner pursuant to any term, provision, covenant or condition of this Declaration, the Bylaws or the Rules and Regulations shall be deemed to be cumulative, and the exercise of any one or more thereof shall not be deemed to constitute an election of remedies, nor shall it preclude the party exercising the same from exercising such privileges or rights as may be granted to such party by this Declaration, the Bylaws or the Rules and Regulations, or at law or in equity.

17.1.5 Abatement and Enjoinment of Violations by Owners. The violation of the Rules or Regulations or the breach of any provision of the Bylaws, this Declaration or any of the Condominium Instruments shall give the Board of Directors the right, in addition to any other rights set forth in this Declaration to: (1) enter, except by force or breach of the peace, the Unit in which, or as to which, such violation or breach exists and summarily to abate and remove, at the expense of the defaulting Owner, any Building or other improvements or other structure, thing or condition that may exist therein contrary to the intent and meaning of the provisions hereof, and the Board of Directors shall not thereby be deemed guilty in any manner of trespass; provided, however, that before any items of construction within a Unit can be altered or demolished the Association must first institute judicial proceedings; or (2) enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach.

17.1.6 Assessment of Charges for Violations.

a. The Association shall have the power to (i) suspend an Owner's right to use the Common Elements, including, without limitation, any Limited Common Element parking spaces assigned to the Owner's Unit for nonpayment of assessments which are more than sixty (60) days past due, to the extent that access to the Unit through the Common Elements is not precluded and provided that such suspension shall not endanger the health, safety, or property of

any Owner, tenant or occupant, and (ii) assess charges against any Owner for any violation of the Condominium Instruments or the Rules and Regulations for which the Owner or its tenants or invitees are responsible.

b. Before any such suspension or charge may be imposed, the Owner shall be given an opportunity to be heard and to be represented by counsel before the Board or such other tribunal as the Condominium Instruments or Rules and Regulations specify.

c. Notice of such hearing, including the charges or other sanctions that may be imposed, shall, at least 14 days in advance thereof, be hand delivered or mailed by registered or certified United States mail, return receipt requested, to such Owner at the address or addresses required for Notices of meetings of the Association.

d. The amount of any charges so assessed shall not exceed the greater of (i) the highest amount permitted by the Condominium Act and approved by the Board, or (ii) \$50 for a single offense, or \$10 per diem for any offense of a continuing nature, and shall be treated as an assessment against such Owner's Unit and subject to foreclosure as provided in this Declaration and the Condominium Act. However, the total charges for any offense of a continuing nature shall not be assessed for a period exceeding 90 days.

e. After the date a lawsuit is filed in the general district or circuit court by (i) the Association by and through its counsel to collect the charges, obtain injunctive relief and correct the violation, or (ii) the Owner challenging any such charges, no additional charges shall accrue. If the court rules in favor of the Association, the Association shall be entitled to collect such charges from the date the action was filed as well as all other charges assessed pursuant to this Section 17.1 against the Owner prior to the action. In addition, if the court finds that the violation remains uncorrected, the court may order the Owner to abate or remedy the violation.

f. If any suit filed in general district court pursuant to this Section 17.1, the court may enter default judgment against the Owner on the Association's sworn affidavit.

17.2 Lien for Assessments. Any sum assessed by the Association for the share of the Common Expenses chargeable to any Unit and remaining unpaid for a period of sixty (60) days or longer after the Association has delivered Notice of the amount of such assessment shall constitute a lien on such Unit and shall be enforced pursuant to the provisions of Section 55.1-1966 of the Condominium Act.

17.3 Right of Action. Any Owner shall have a right of action to enforce the provisions of the Condominium Instruments against any other Owner and the Association, and the prevailing party shall be entitled to recover the costs incurred due to the proceeding, and such reasonable attorneys' fees as may be determined by the court or other appropriate forum in which such proceeding is instituted.

ARTICLE XVIII

LEASEHOLD CONDOMINIUM

18.1 Disclosure. The Submitted Property is subject to the Ground Lease and the Sub-Ground Lease. The Ground Lease and the Sub-Ground Lease are not recorded. A Memorandum of Ground Lease providing record notice of the Ground Lease is recorded in the Clerk's Office as instrument number 190004166, as amended by that certain First Amendment to Memorandum of Ground Lease recorded in the Clerk's Office as instrument number 200005817, and a Memorandum of Deed of Sub-Ground Lease providing record notice of the Sub-Ground Lease is recorded in the Clerk's Office as instrument number 200005819.

18.2 Expiration of Ground Leases. The Ground Lease shall expire on August 31, 2075, provided, however, that the Ground Lease shall automatically renew for two (2) twenty (20) year period unless the Sub-Ground Lessor notifies the Ground Lessor that Sub-Ground Lessor affirmatively declines to exercise such renewals. The Sub-Ground Lease shall expire on August 31, 2075. However, the Association may extend the Sub-Ground Lease for one (1) additional twenty (20) year period and one (1) additional period of twenty (20) years less one (1) day.

18.3 Improvements Owned in Fee Simple. The Buildings now or hereafter located within the boundaries of each Building Unit will be owned in fee by the respective Owners of such Units, subject to the Ground Lease and the Sub-Ground Lease. Upon expiration of the terms of the Ground Lease and the Sub-Ground Lease, all of the Buildings on the Submitted Land and other improvements, including, without limitation, the Parking Deck, shall revert to the Sub-Ground Lessor and ultimately to the Ground Lessor. Neither the Owners nor the Association have any right to remove any Building, the Parking Deck or other improvements upon expiration of the Ground Leases.

18.4 Right to Redeem Reversion (Option to Purchase Parcels). Neither the Ground Lease nor the Sub-Ground Lease provide the Association or the Owners with a right or option to purchase (or "redeem") the Submitted Land.

18.5 Designation of Location for Payment of Ground Lease Rent. All rent due and payable under the Ground Lease must be paid to Economic Development Authority of the City of Richmond, 2401 W. Leigh Street, Richmond, Virginia 23220, or at such other address as the Ground Lessor may require. All rent due and payable under the Sub-Ground Lease must be paid to Bon Secours – St. Mary's Hospital of Richmond LLC, c/o Bon Secours – Richmond Health System, Attention: Chief Financial Officer, 5875 Bremo Road, Suite 705, Richmond, Virginia 23226, or at such other address as the Sub-Ground Lessor may require.

18.6 Owners' and Association's Rights and Obligations. By taking title to a Unit, the Owner shall become the assignee of an undivided interest in and to the Submitted Land in an amount equal to the Percentage Interest associated with the Owner's Unit. Notwithstanding such assignment, the Association shall have the obligation to comply with all obligations of the tenant under the Sub-Ground Lease, including, but not limited to, maintaining the Submitted Land and paying all rent and other charges due under the Sub-Ground Lease as and when due. By taking title to a Unit, each Owner acknowledges and agrees to be bound by the terms and conditions of the Sub-Ground Lease, and agrees that the Association, as the Owner's agent, shall comply with

the terms of the Sub-Ground Lease on behalf of the Owners. Except as provided in this Declaration and the Condominium Act, the Association shall have the power to perform all acts and duties of the tenant under the Sub-Ground Lease in accordance with the terms of the Condominium Instruments and the Condominium Act. All costs and expenses incurred with respect to the Sub-Ground Lease shall be a Common Expense of the Association, including, without limitation, rent, real estate taxes, assessments and other pass-through expenses pursuant to Section 7.1.2 above.

18.7 Agreement of Ground Lessor and Sub-Ground Lessor. Ground Lessor and Sub-Ground Lessor each consents to and executes this Declaration pursuant to Section 55.1-1910 of the Condominium Act with respect to the Condominium and any sub-condominium created within any Unit. The Sub-Ground Lessor shall provide the Association with a copy of any notice required to be sent to the tenant of the Sub-Ground Lease and shall accept the Association's performance of such tenant's obligations under the Sub-Ground Lease, subject to any special allocations set forth in Section 7.1.11 of this Declaration.

ARTICLE XIX

GENERAL PROVISIONS

19.1 Amendments. This Declaration may be amended upon (i) the consent of owners of Units to which at least fifty-one percent (51%) or more of the votes allocated to all of the Units appertain, and (ii) the recording of an instrument setting forth such amendment in the Clerk's Office. No amendment to this Declaration shall (a) conflict with or supersede the provisions of any Ground Lease or the EDA REA, or (b) without the written consent of the Declarant, diminish or impair the rights of the Declarant. Additionally, no amendment may modify this Section or the rights of any Person hereunder. Further, an amendment, vote or other action resulting in any of the following shall require the affirmative vote or written consent of Unit 5 (Parking Unit) to be effective (including, without limitation, any amendments to the Declaration, Articles of Incorporation or Bylaws): (i) any change that would materially and adversely alter or reduce the access rights of Unit 5 (Parking Unit) through the drive aisles of the parking areas located within the Common Elements, including, without limitation, the Parking Deck, (ii) any material alterations or expenditure of costs applicable to the Parking Deck which would be included within the Parking Deck Allocation payable by the Owner of Unit 5 (Parking Unit) to the extent not included in the annual budget of Common Expenses for the Parking Deck, (iii) any change to the boundaries of the Parking Unit, (iv) any change to the votes or Percentage Interest in the Common Elements allocated to the Parking Unit, (v) any change to the Parking Deck Allocation for Common Expenses allocated to the Owner of Unit 5 (Parking Unit), (vi) any change to the Association's responsibility for insuring, maintaining, repairing, replacing and reconstructing the Parking Deck, or (vii) any change to the requirement for reserves for the Parking Deck, except that (i) and (ii) would not apply to the extent any such access is temporarily interrupted or costs included within the Parking Deck Allocation due to regular maintenance, repair, replacement, or construction activities over and across such drive aisles and Parking Deck, so long as commercially reasonable alternative access is provided to the Owner of Unit 5 (Parking Unit) during any such interruption and the Association provides the Owner of Unit 5 (Parking Unit) not less than five (5) business days prior notice of such interruption.

19.2 No Obligations. Nothing contained in the Condominium Instruments shall be deemed to impose upon the Declarant any obligations of any nature to build, construct or provide any buildings or other improvements except to the extent required by the Condominium Act.

19.3 Burdens and Benefits. The Condominium Instruments shall benefit and burden all of the Units whether occupied or not occupied.

19.4 Notices. All notices, demands, bills, statements or other communications under this Declaration shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by registered or certified mail, return receipt requested, first-class postage prepaid or otherwise as may be permitted by the Condominium Act (a “**Notice**”).

19.4.1 If to an Owner, at the address which the Owner shall designate in writing and file with the Secretary of the Association, or if no such address is designated, at the address of the Unit of such Owner; or

19.4.2 If to the Association, the Board of Directors, or the Managing Agent, at the principal office of the Managing Agent if there be one and if there is none, at the principal office of the Association, or at such other address as shall be designated by the notice in writing to the Owners pursuant to this Section.

19.5 Invalidity. The invalidity of any part of this Declaration shall not impair or affect in any manner the validity, enforceability or effect of the balance of this Declaration.

19.6 Captions. The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of this Declaration, or the intent of any provision thereof.

19.7 Gender. The use of the masculine gender in this Declaration shall be deemed to include the feminine and neuter genders, and vice versa and the use of the singular shall be deemed to include the plural, and vice versa, whenever the context so requires.

WITNESS the following duly authorized signatures:

[SIGNATURE PAGES ATTACHED]

ASSOCIATION:

WESTHAMPTON CONDOMINIUM OWNERS
ASSOCIATION INC.,
a Virginia nonstock corporation

By: _____
Name: _____
Title: _____

COMMONWEALTH OF VIRGINIA

City of Richmond, to-wit:

The foregoing instrument was acknowledged before me this ____ day of _____,
20__, by _____, as _____ of Westhampton Condominium
Owners Association Inc., a Virginia nonstock corporation, on behalf of the corporation.

My Commission Expires _____
Notary Registration No. _____

Notary Public

GROUND LESSOR:

ECONOMIC DEVELOPMENT AUTHORITY OF
THE CITY OF RICHMOND, a political
subdivision of the Commonwealth of Virginia

By: _____

John Molster, Chairman

Approved as to form:

Bonnie Ashley, General Counsel to the Authority

STATE OF _____,

CITY/COUNTY OF _____, to-wit:

The foregoing instrument was acknowledged before me this ____ day of
_____, 20 __, by John Molster, as Chairman of the Economic Development
Authority of the City of Richmond, a political subdivision of the Commonwealth of Virginia.

My commission expires: _____

Notary registration no: _____

Notary Public

SUB-GROUND LESSOR:

BON SECOURS – ST MARY’S HOSPITAL OF RICHMOND LLC, a Virginia not-for-profit limited liability company

By: BON SECOURS – RICHMOND HEALTH SYSTEM, a Virginia non-stock corporation, its sole member

By: _____
Name: _____
Title: _____

COMMONWEALTH OF VIRGINIA

City of Richmond, to-wit:

The foregoing instrument was acknowledged before me this ____ day of _____, 20__, by _____, as _____ of Bon Secours – Richmond Health System, a Virginia non-stock corporation, sole member of Bon Secours – St. Mary’s Hospital of Richmond LLC, a Virginia not-for-profit limited liability company, on behalf of the company.

My Commission Expires _____
Notary Registration No. _____

Notary Public

EXHIBITS

- A - Submitted Property
- B - Plats and Plans
- C - Bylaws
- D - Percentage Interest
- E – Parking Space Allocation

EXHIBIT A

SUBMITTED PROPERTY

ALL that certain piece or parcel of land, with all improvements thereon and appurtenances thereto belonging, lying and being in the City of Richmond, Virginia, designated as “Parcel ‘A’, 4.234 Acres, ‘Proposed Lease Area’”, containing 4.234 acres, more or less, as shown on plat of survey prepared by JenningStephenson, P.C., dated July 12, 2013, entitled, “ALTA/ACSM Land Title Survey on Two Parcels of Land Lying on the North Line of Patterson Avenue, City of Richmond, Virginia”, J.N. 13-511, attached to and recorded with Memorandum of Ground Lease from Economic Development Authority of the City of Richmond, Virginia a political subdivision of the Commonwealth of Virginia, recorded March 5, 2019, as Instrument No. 19-4166, as amended by First Amendment to Memorandum of Ground Lease, dated March 13, 2020, recorded in the aforesaid Clerk’s Office as Instrument No. 200005817, to which plat reference is hereby made for a more particular description of the property.

Together with those non-exclusive easements emergency access and utilities, as set forth in Reciprocal Operating and Easement Agreement, by and between Bon Secours – St. Mary’s Hospital of Richmond, Inc., a Virginia non-stock, not-for-profit corporation, and The Economic Development Authority of the City of Richmond, a political subdivision of the Commonwealth of Virginia, dated September 27, 2018, recorded March 5, 2019, in the Clerk’s Office, Circuit Court, City of Richmond, Virginia, as Instrument No. 190004168.

EXHIBIT B

(PLATS AND PLANS)

SEE PLATS AND PLANS RECORDED IN

PLAT BOOK _____, PAGES _____

EXHIBIT C

BYLAWS

EXHIBIT D

CONDOMINIUM PERCENTAGE INTERESTS

WESTHAMPTON CONDOMINIUM

| Unit | Par Value | Percentage Interest |
|----------------------------|-----------|---------------------|
| 1. Libbie Unit (Unit 1) | 28,063 | 32.81% |
| 2. School Unit (Unit 2) | 9,360 | 10.94% |
| 3. Patterson Unit (Unit 3) | 25,590 | 29.91% |
| 4. MF Unit (Unit 4) | 13,980 | 16.34% |
| 5. Parking Unit (Unit 5) | 8,550 | 10.00% |
| | | |
| Total | 85,543 | 100.00% |

EXHIBIT E

PARKING SPACE LIMITED COMMON ELEMENTS AND UNIT 5 VERTICAL BOUNDARIES

The following numbered parking spaces shown on the Plats and Plans are allocated as Limited Common Elements appurtenant to the designated Unit or Units with respect to Units 1 through 4:

| Parking Space | Unit 1 | Units 2 | Unit 3 | Unit 4 | Unit 5** |
|---|---------------------------------------|-------------|-------------|-------------|--|
| Surface Parking Spaces (identified as “SP” in the Plats and Plans) | | | | | |
| | *See below. | *See below. | *See below. | *See below. | None |
| Parking Deck Spaces (identified as “PD” in the Plats and Plans) | | | | | |
| Level 1 | 132-139 (8 spaces) | *See below. | *See below. | *See below. | None |
| Level 2 | 215-222, 241-244, 254-259 (18 spaces) | *See below. | *See below. | *See below. | None |
| Level 3 | *See below. | *See below. | *See below. | *See below. | None |
| Level 4 | *See below. | *See below. | *See below. | *See below. | 434-444, 450-460, 461-466 (28 spaces) |
| Level 5 | *See below. | *See below. | *See below. | *See below. | 515-525, 526-533, 534-544, 547-560 561-567 (51 spaces) |
| Level 6 | *See below. | *See below. | *See below. | *See below. | 601-641 (41 spaces) |

* All other parking spaces (surface spaces and parking deck spaces) which are not Limited Common Element of Unit 5 or a part of Unit 5 shall be Limited Common Element of Units 1, 2, 3 and 4.

** The vertical boundaries of Unit 5 shall consist of the blocks of parking spaces identified in this Exhibit E and shown on the Plats and Plans.

020005.03863 – 16505229v7

L=234.67'
 R=772.11'
 T=118.25'
 D=17°24'50"
 CHB=S58°29'23"E
 CH=233.76'

PARCEL B
2.384 ACRES
 103,828 SQ. FT.
 (EXCLUDED FROM CONDOMINIUM)

| LINE | BEARING | DISTANCE |
|------|---------------|----------|
| L2 | N 81°39'53" E | 56.95' |
| L3 | N 48°56'48" E | 73.02' |
| L4 | S 67°32'14" E | 35.80' |
| L5 | S 80°21'29" E | 44.82' |
| L6 | S 10°21'00" E | 91.02' |
| L7 | S 60°33'26" E | 57.55' |
| L8 | S 50°33'00" E | 241.00' |
| L9 | N 39°27'00" E | 37.83' |
| L10 | N 50°33'00" W | 202.84' |
| L11 | S 39°27'00" W | 127.50' |
| L12 | N 50°33'00" W | 38.16' |
| L13 | N 39°27'00" E | 165.33' |
| L14 | S 49°46'58" E | 136.32' |
| L15 | S 39°26'58" W | 135.00' |
| L16 | S 50°33'02" E | 6.00' |
| L17 | S 39°26'58" W | 53.67' |
| L18 | S 50°33'02" E | 1.98' |
| L19 | S 39°27'01" W | 20.33' |
| L20 | N 50°33'02" W | 20.33' |
| L21 | N 39°26'58" E | 2.33' |
| L22 | N 50°33'02" W | 104.33' |
| L23 | N 39°26'58" E | 41.33' |
| L24 | N 50°33'02" W | 19.64' |
| L25 | N 39°26'58" E | 46.83' |
| L26 | N 50°33'02" W | 2.08' |
| L27 | N 39°26'58" E | 30.33' |
| L28 | S 50°33'02" E | 2.08' |
| L29 | N 39°27'54" E | 89.99' |
| L30 | S 49°43'30" E | 129.50' |
| L31 | S 40°16'30" W | 69.70' |
| L32 | N 49°43'30" W | 129.50' |
| L33 | N 40°16'30" E | 21.60' |
| L34 | N 49°43'30" W | 17.00' |
| L35 | N 40°16'30" E | 19.50' |
| L36 | S 49°43'30" E | 17.00' |
| L37 | N 40°16'30" E | 28.60' |
| L38 | S 50°33'02" E | 212.66' |
| L39 | S 39°26'58" W | 120.33' |
| L40 | N 50°33'02" W | 212.66' |
| L41 | N 39°26'58" E | 120.33' |

S49°46'58"E
 8.11'

376.72'
 (PROPOSED LEASE LINE)
 N39°12'47"E

SP71
 SP72
 SP73

PARK AVENUE
 (60' R/W)

S49°46'58"E

485.90'

L14

UNIT 4
 13,980 SQ. FT.
 (0.321 ACRE)

UNIT 5
 A PORTION OF PARKING DECK
 DETAIL (SEE SHEET 2 & 3)

UNIT 1
 28,063 SQ. FT.
 (0.644 ACRE)

PARCEL A
4.234 ACRES
 184,420 SQ. FT.
 (SUBMITTED LAND)

UNIT 2
 9,360 SQ. FT.
 (0.215 ACRE)

UNIT 3
 25,590 SQ. FT.
 (0.587 ACRE)

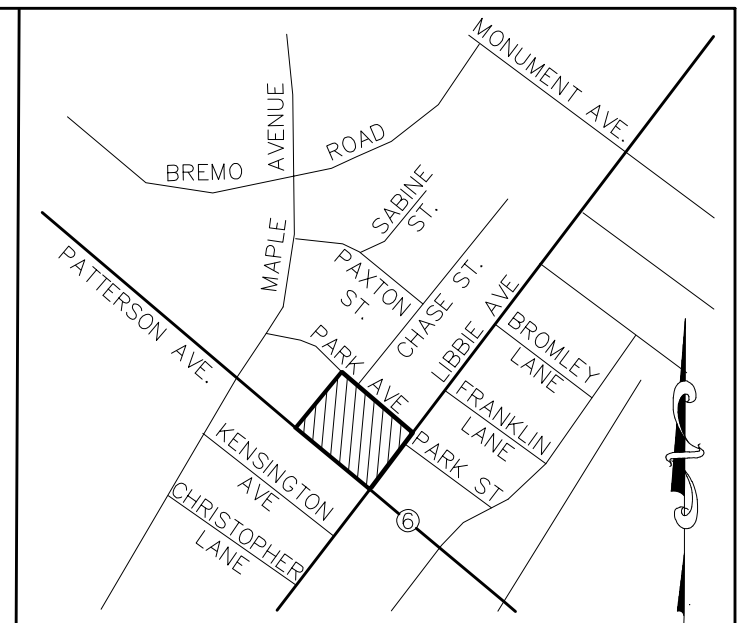
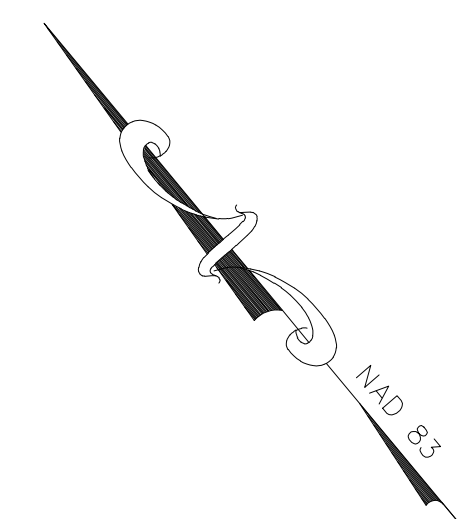
CE=COMMON ELEMENT
 114,858 SQ. FT.
 (2.637 ACRES)

ALL IMPROVEMENTS WITHIN THE COMMON ELEMENTS ARE NOT YET COMPLETE

L=16.28'
 R=10.00'
 T=10.59'
 D=93°15'55"
 CHB=S83°19'00"W
 CH=14.54'

LIBBIE AVENUE
 (100' R/W)

VICINITY MAP
 SCALE 1" = 1000'



N50°33'02"W 258.01'

N50°33'02"W

491.49'

PATTERSON AVENUE
STATE ROUTE 6
 (80' R/W)

I HEREBY CERTIFY THAT THIS PLAT SHOWS ACCURATELY THE INFORMATION DEPICTED HEREON AND THAT IT COMPLIES WITH THE PROVISIONS OF SECTION 55.1-1920.A AND 55.1-1920.B OF THE CODE OF VIRGINIA 1950, AS AMENDED, AND THAT THERE ARE NO VISIBLE EASEMENTS OR ENCROACHMENTS OTHER THAN AS SHOWN OR NOTED HEREON. I FURTHER CERTIFY THAT ALL UNITS OR PORTIONS THEREOF DEPICTED HEREON HAVE BEEN SUBSTANTIALLY COMPLETED.

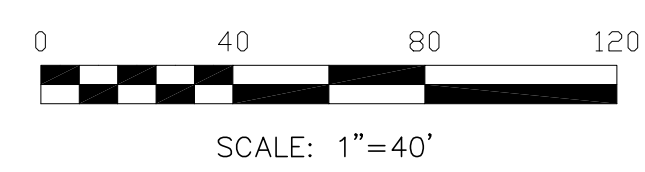
NOTES

- 1.) FEE OWNERSHIP:
 PARCEL A & B
 ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF RICHMOND
 INSTR. NO. 130008767
 PARCEL ID: W0210140001
- 2.) THIS PROPERTY LIES IN ZONE 'X' OF THE FEMA DEFINED FLOOD HAZARD AREA AS SHOWN ON FLOOD INSURANCE RATE MAP NUMBER 5101290009D, EFFECTIVE DATE 4-02-2009
- 3.) DATUM: HORIZONTAL - NAD 83
- 4.) DURING THE PROCESS OF OUR PHYSICAL IMPROVEMENT SURVEY NO INDICATIONS OF A CEMETERY WERE FOUND. NO FURTHER INSPECTION OF THE PROPERTY HAS BEEN MADE FOR POSSIBLE CEMETERIES.
- 5.) SURFACE PARKING SPACE = 9'x18' (TYPICAL)

- 6.) ALL NUMBERED PARKING SPACES ON THIS PLAT (INCLUDING THE HATCH AREAS IMMEDIATELY ADJACENT TO EACH SPACE, IF ANY) ARE LIMITED COMMON ELEMENTS ALLOCATED TO THE UNITS PURSUANT TO THE DECLARATION, AS THE SAME MAY BE AMENDED FROM TIME TO TIME, EXCLUDING PARKING SPACES INCLUDED IN UNIT 5 AS DESCRIBED IN THE DECLARATION.

BRIAN M LONG
 LIC. NO. 2372

DATE

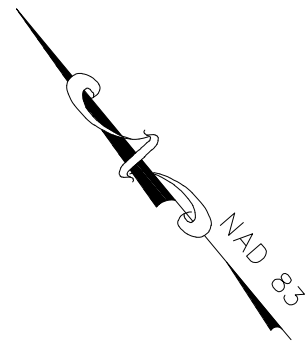


WESTHAMPTON CONDOMINIUM

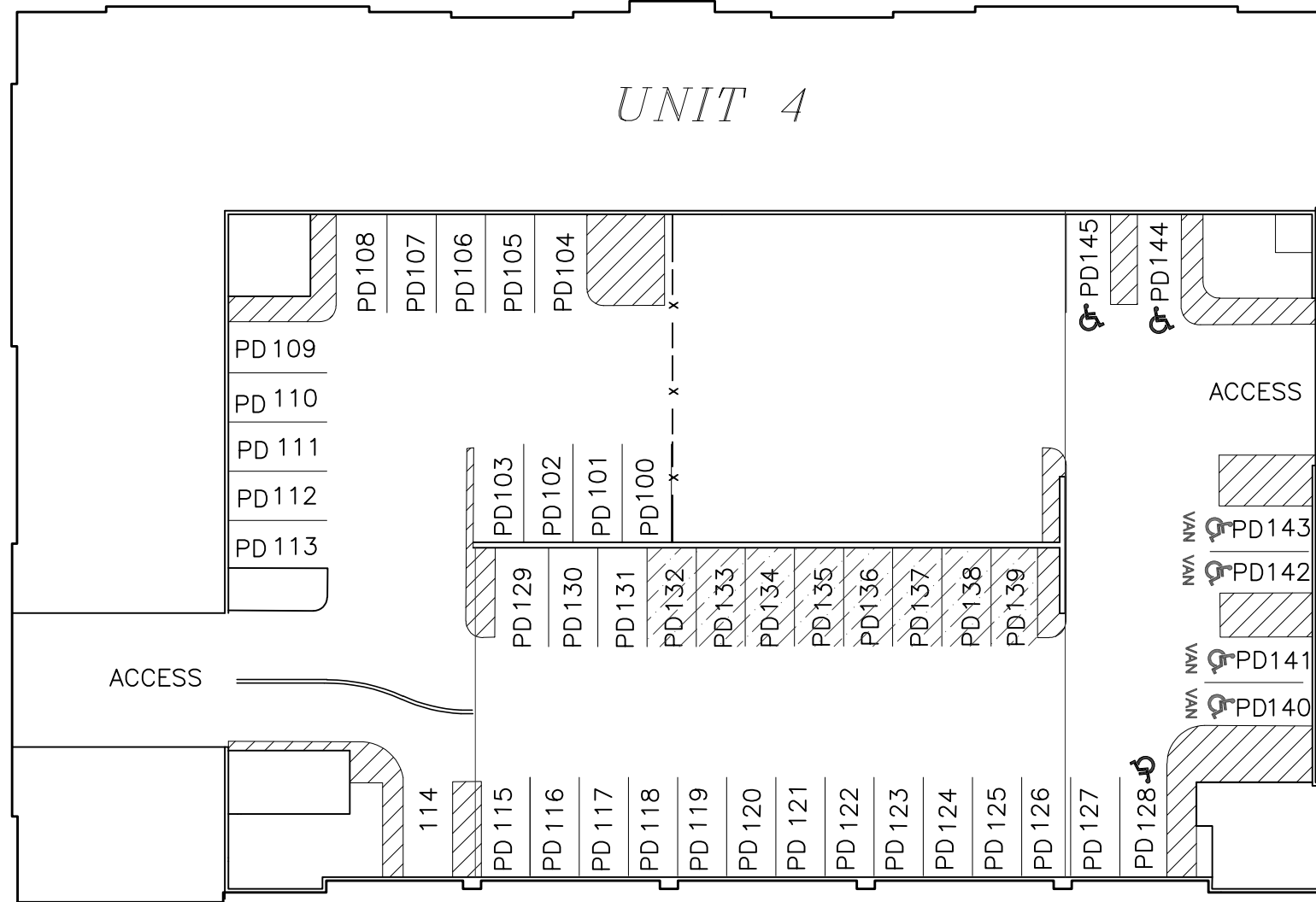
CITY OF RICHMOND ~ VIRGINIA

DECEMBER 21, 2023

JENNINGSTEPHENSON P.C. 10160 STAPLES MILL ROAD
 SUITE 103
 GLEN ALLEN, VA 23060
 PHONE - 804-545-6235
 FAX - 804-545-6259
 LAND SURVEYORS & PLANNERS
 J.N. 19-521

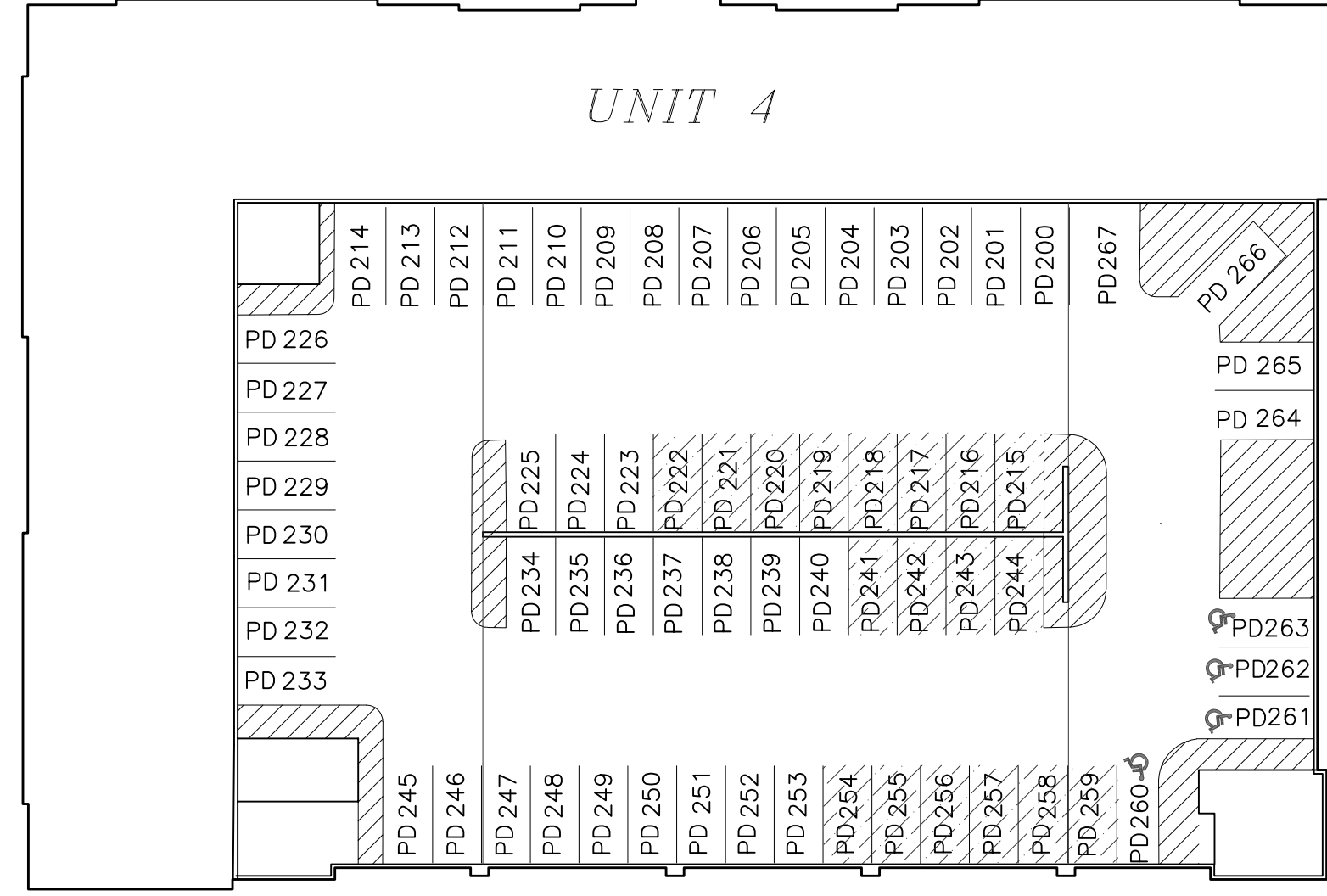


PARK AVENUE
(60' R/W)



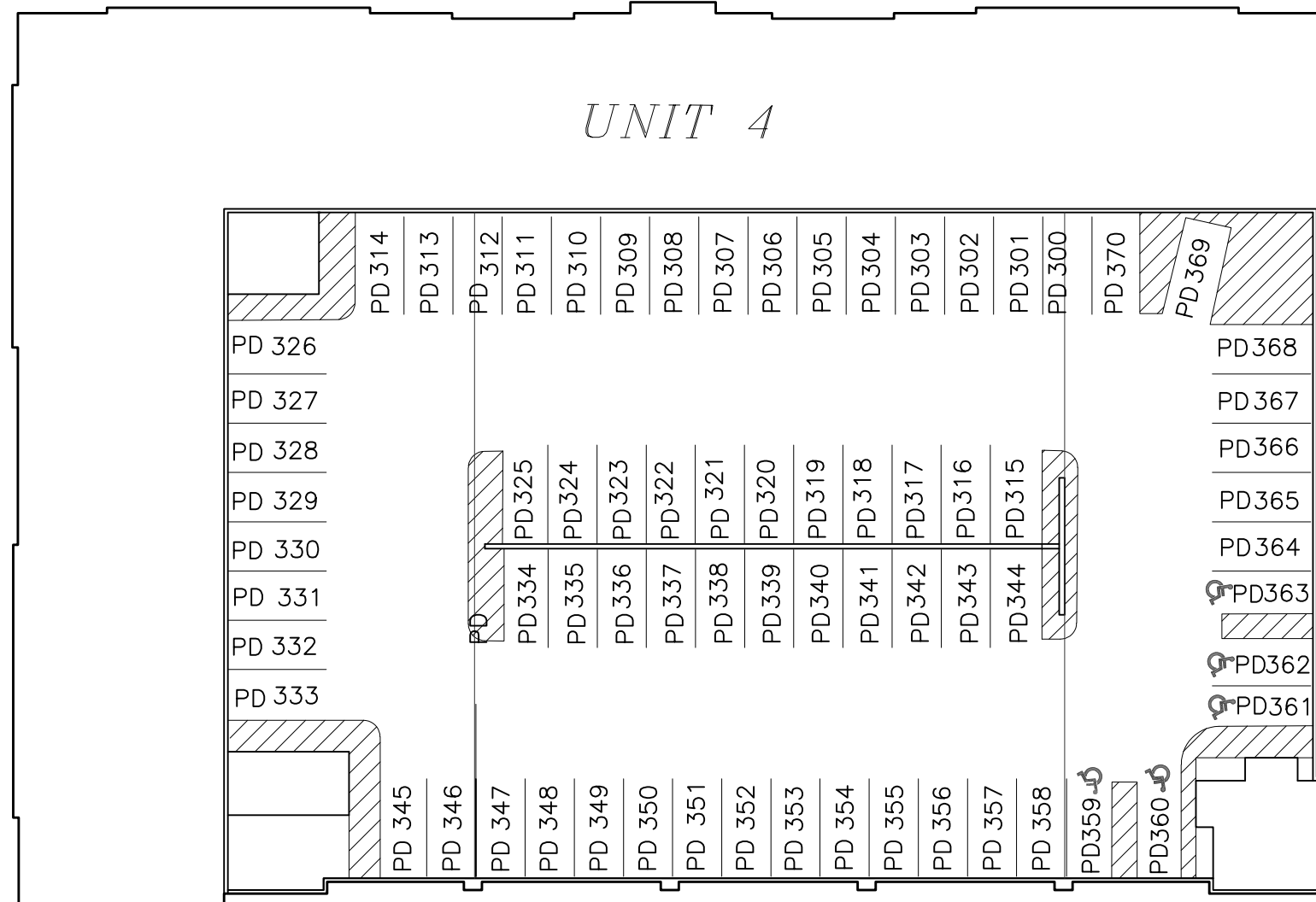
UNIT 1 LCE PARKING DECK ~ LEVEL 1

PARK AVENUE
(60' R/W)



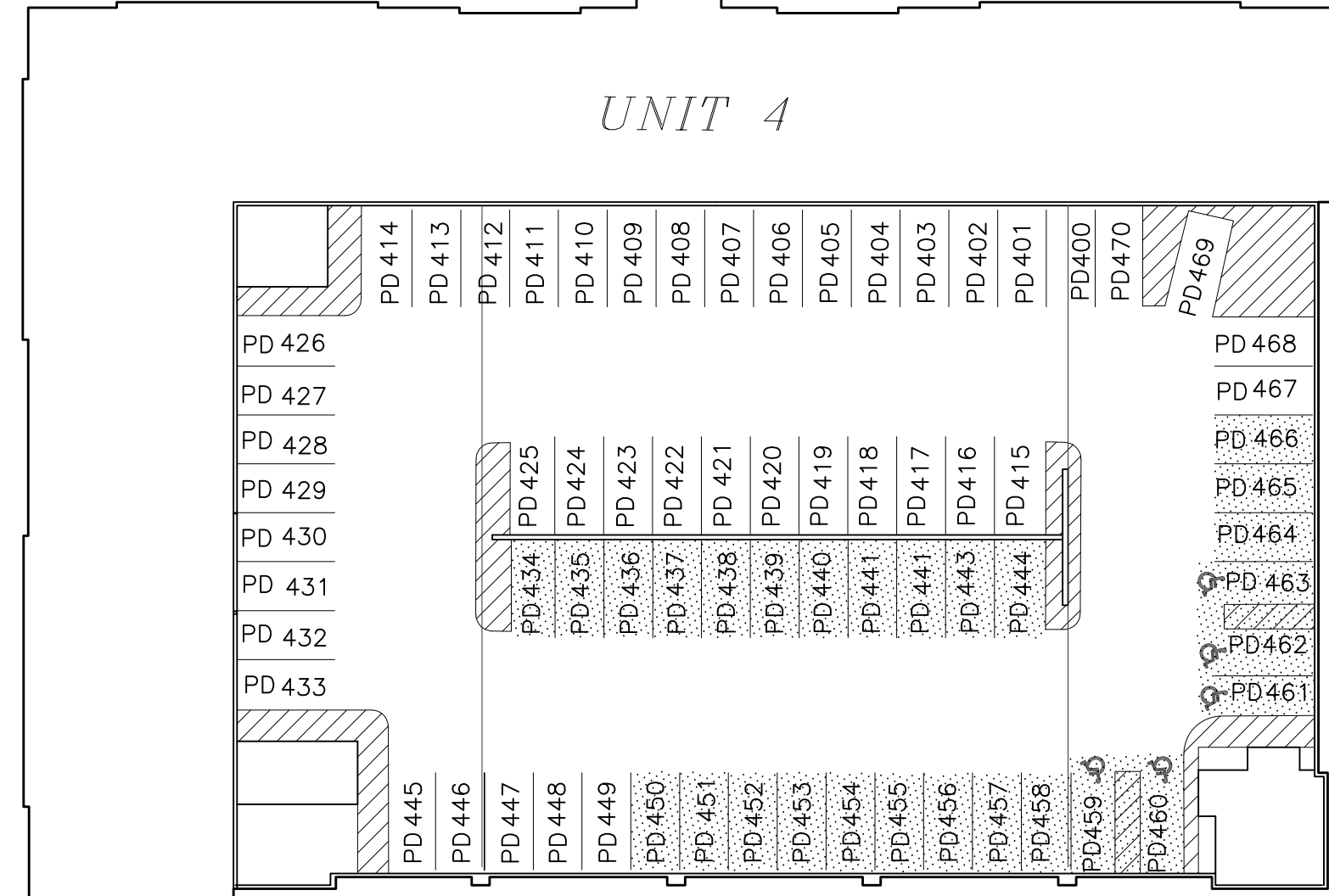
UNIT 1 LCE PARKING DECK ~ LEVEL 2

PARK AVENUE
(60' R/W)



PARKING DECK ~ LEVEL 3

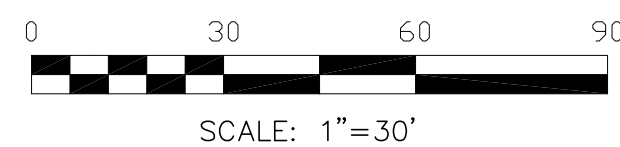
PARK AVENUE
(60' R/W)



PARKING DECK ~ LEVEL 4

UNIT 5: 28 SPACES

LCE=LIMITED COMMON ELEMENT



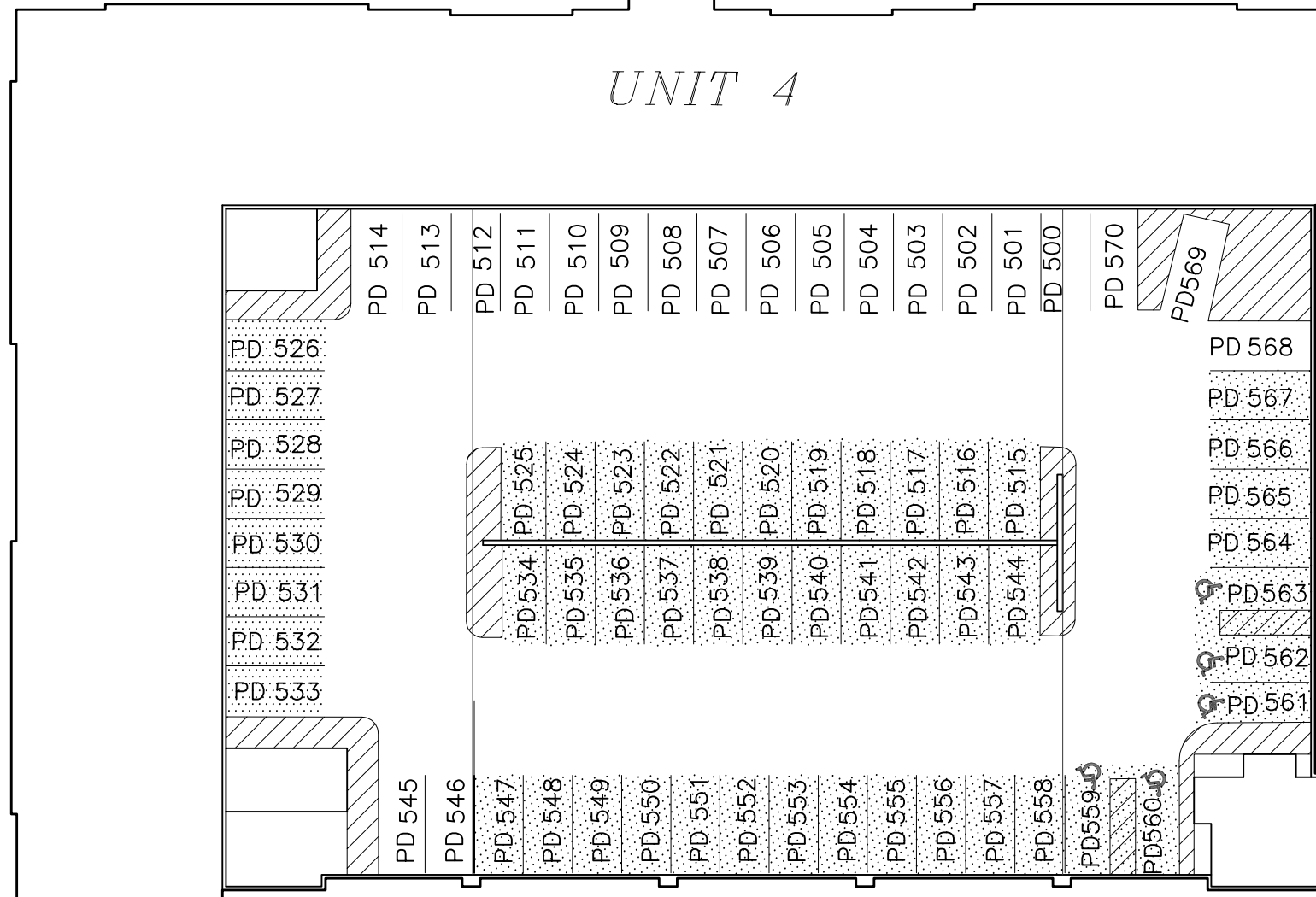
WESTHAMPTON CONDOMINIUM

CITY OF RICHMOND ~ VIRGINIA
DECEMBER 21, 2023

JENNINGSSTEPHENSON P.C. 10160 STAPLES MILL ROAD
SUITE 103
GLEN ALLEN, VA 23060
PHONE - 804-545-6235
FAX - 804-545-6259
LAND SURVEYORS & PLANNERS

PARK AVENUE
(60' R/W)

UNIT 4

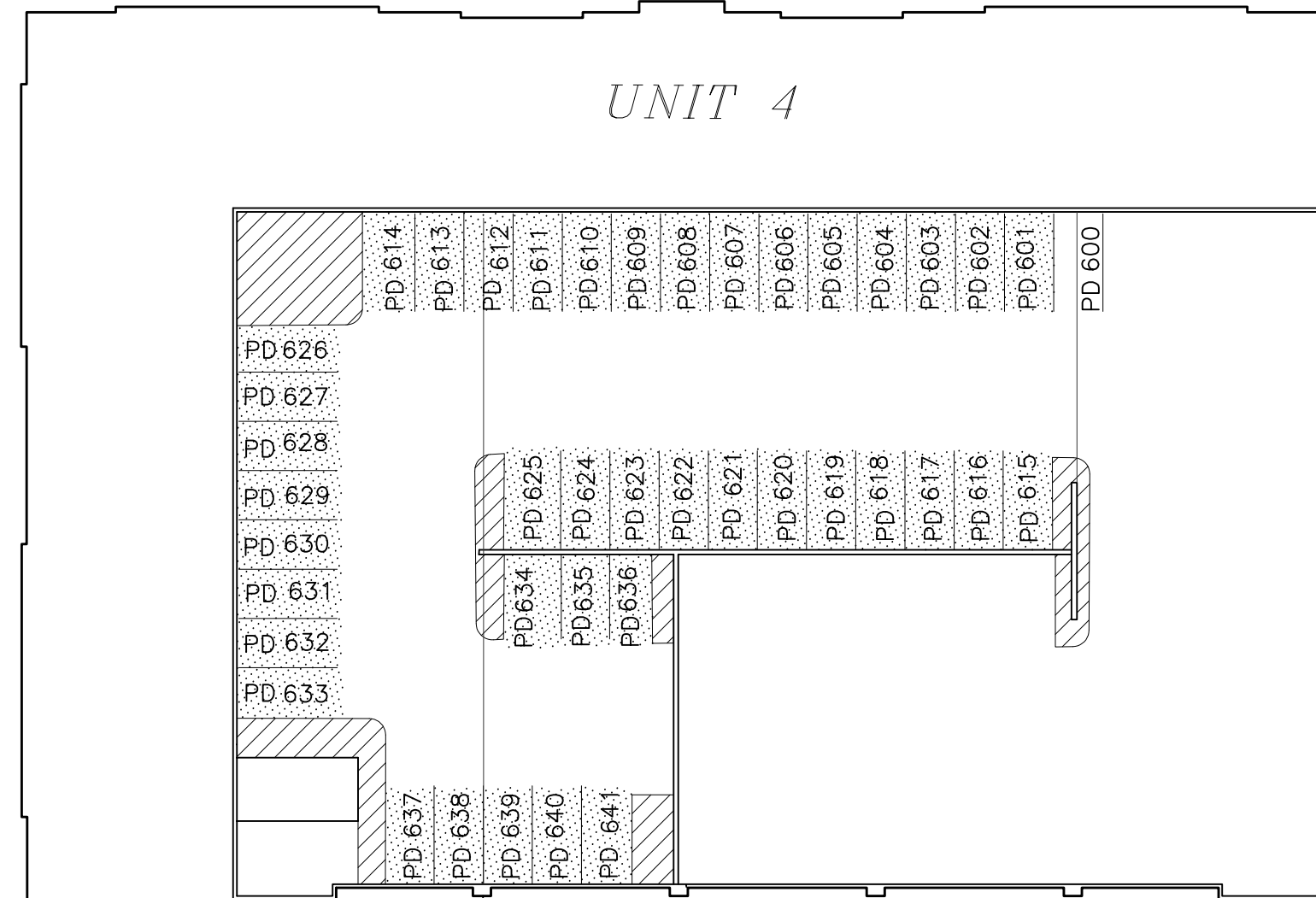


PARKING DECK ~ LEVEL 5

UNIT 5: 51 SPACES

PARK AVENUE
(60' R/W)

UNIT 4



PARKING DECK ~ LEVEL 6

UNIT 5: 41 SPACES

RD
34
72
76

PARK AVENUE
(60' R/W)

S49°46'58"E 485.90'

UNIT 4

UNIT 5
PARKING DECK

UNIT 1
FUTURE BUILDING

ECONOMIC DEVELOPMENT AUTHORITY
OF THE CITY OF RICHMOND
INST. 130008767
PARCEL W0210140001

LABURNUM PROPERTIES INC.
INST. 200005819
PARCEL W0110140002

WESTHAMPTON CONDOMINIUM UNIT
OWNERS ASSOCIATION
INST.
PARCEL W0210140003

BON SECOURS ST. MARY'S HOSPITAL
OF RICHMOND LLC
INST. 200005823
PARCEL W0210140004

TRP WESTHAMPTON LLC
INST. 200005824
PARCEL W0210140005 &
PARCEL W0210140006

UNIT 3

UNIT 2

N39°12'47"E

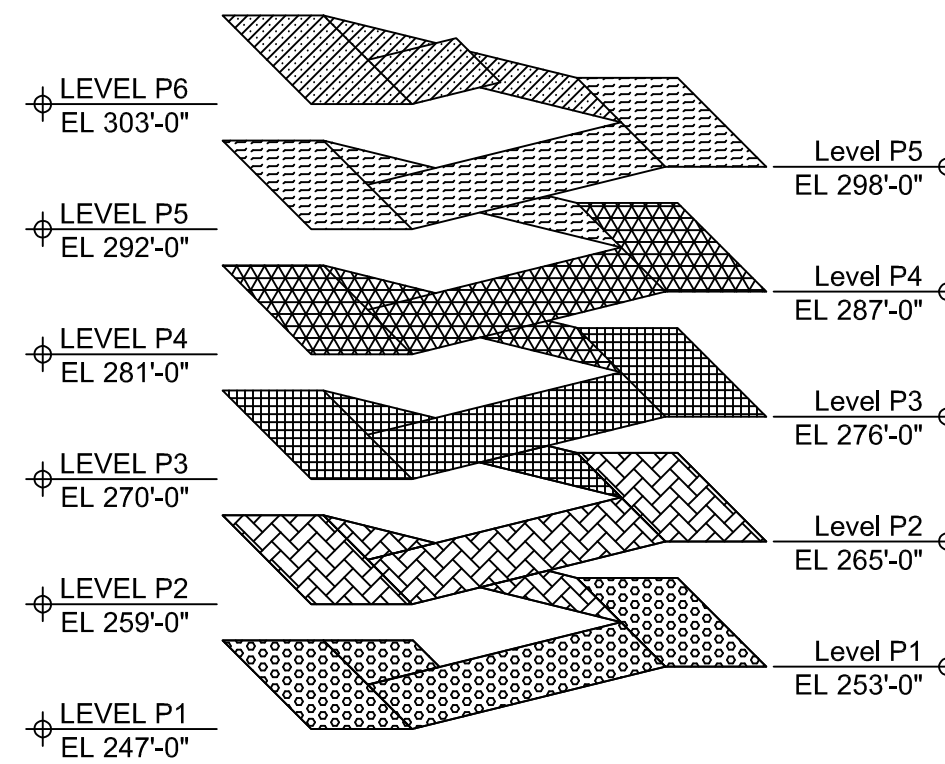
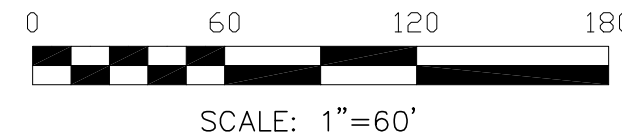
N50°33'02"W

749.50'

PATTERSON AVENUE
STATE ROUTE 6
(80' R/W)

LIBBIE AVENUE
(100' R/W)

A 16.28'
R 10.00'
T 10.59'
B S 83°19'00" W
C 14.54'



LEVEL KEY



SCALE: 1"=30'

WESTHAMPTON CONDOMINIUM

CITY OF RICHMOND ~ VIRGINIA

DECEMBER 21, 2023

JENNINGSTEPHENSON P.C.

LAND SURVEYORS
& PLANNERS

10160 STAPLES MILL ROAD
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GLEN ALLEN, VA 23060
PHONE - 804-545-6235
FAX - 804-545-6259

J.N. 19-521

SHEET 3 OF 3

**Updated Estoppel Certificate for
Westhampton Project**

ESTOPPEL CERTIFICATE

(PERFORMANCE AGREEMENT)

This Estoppel Certificate (the “**Certificate**”) is made as of _____, 2023, by the ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF RICHMOND, VIRGINIA, a political subdivision of the Commonwealth of Virginia (“**EDA**”), for the benefit of TRP II WESTHAMPTON, LLC, a Virginia limited liability company (successor by assignment to Thalhimer Realty Partners, Inc.) (the “**Purchaser**”), VIRGINIA CREDIT UNION, INC., organized and existing under the Commonwealth of Virginia, and its successors and assigns (the “**Mortgagee**”), Bon Secours-Richmond Community Hospital, Inc., a Virginia not-for-profit corporation, now known as Bon Secours – Richmond Community Hospital LLC, a Virginia not-for-profit limited liability company (“**BSRCH**”), Bon Secours-St. Mary’s Hospital of Richmond, Inc., a Virginia not-for-profit corporation, now known as Bon Secours – St. Mary’s Hospital of Richmond LLC, Virginia not-for-profit limited liability company (“**BSSMH**”) and Bon Secours-Richmond Health System, a Virginia not-for-profit corporation (“**BSRHS**” and together with BSRCH and BSSMH, individually and collectively, whether one or more, “**Bon Secours**”).

RECITALS:

A. EDA and BSRCH, BSSMH and BSRHS are parties to that certain Performance Agreement dated July 8, 2013, as amended by that certain First Amendment to Performance Agreement dated October 30, 2015, as amended by that certain Second Amendment to Performance Agreement dated December 31, 2016, as amended by that certain Third Amendment to Performance Agreement dated February 28, 2018, and as amended by that certain Fourth Amendment to Performance Agreement dated March 11, 2020 (as amended, the “**Performance Agreement**”).

B. The City Council of the City of Richmond, Virginia adopted Ordinance No. 2012-230-218 on December 10, 2012 (the “**Ordinance**”), and incorporated the Ordinance into that certain Special Warranty Deed dated April 8, 2013, recorded April 25, 2013 in the Clerk’s Office of the Circuit Court of the City of Richmond, Virginia (the “**Clerk’s Office**”) conveying certain real property from the City of Richmond, a municipal corporation of the Commonwealth of Virginia (the “**City**”) to the EDA (the “**Deed**”), as more particularly described in the Deed.

C. EDA and BSSMH are parties to that certain Deed of Ground Lease dated July 8, 2013 (as amended, the “**Ground Lease**”) pertaining to certain property located at 5800 Patterson Avenue in the City of Richmond, Virginia as more particularly described in the Ground Lease (the “**Property**”). In connection with the Ground Lease, EDA conveyed the then-existing improvements on the Property (the “**Existing Improvements**”) to BSSMH pursuant to that certain Deed for Improvements dated September 27, 2018, recorded in the Clerk’s Office as Instrument No. 19-4167. The Ground Lease is evidenced by that certain Memorandum of Ground Lease recorded March 5, 2019, in the Clerk’s Office as Instrument No. 19-4166.

D. In connection with the execution of the Ground Lease, EDA and BSSMH entered into a Reciprocal Operating and Easement Agreement dated September 27, 2018, pertaining to the use of certain property not included within the scope of the Ground Lease (the “**REA**”), which REA is recorded in the Clerk’s Office as Instrument No. 19-4168.

E. BSSMH and Laburnum Properties, Inc., a Virginia corporation (“**Sub-Ground Tenant**”) entered into a Deed of Sub-Ground Lease dated March 13, 2020 (the “**Sub-Ground Lease**”) for all of BSSMH’s leasehold interest in the Property and its rights under the REA, and BSSMH conveyed fee title to the Existing Improvements to Sub-Ground Tenant by a Deed of Gift dated March 13, 2020, recorded in the Clerk’s Office as Instrument No. 200005820.

F. Sub-Ground Tenant submitted its leasehold interest in the Property, its rights under the REA and its title to the Existing Improvements to the Declaration of Westhampton Condominium effective as of March 13, 2020, and recorded in the Clerk’s Office as Instrument No. 200005822 (the “**Condominium Declaration**”) creating a three (3) unit leasehold condominium (the “**Condominium**”).

G. The common elements of the Condominium, including a 363 space parking deck, 88 surface parking spaces and related driveways and improvements, and Units 2 and 3 and the improvements thereon were constructed in accordance with POD #044397-2018 approved by the City of Richmond on April 2, 2019, as amended from time to time and approved by the EDA in accordance with the Ground Lease (the “**Original POD**”). Unit 2 consists of the renovated 1917 building containing 21,000+/- square feet and a new building containing 101,200+/- square feet consisting of 39,800+/- square feet of office and retail space and 66 multi-family units in 61,461+/- square feet. Unit 3 contains 62 multi-family units in 67,200+/- square feet.

H. Unit 1 in the Condominium shall contain a 139,025+/- square foot mixed-use building containing 53,000+/- square feet of office space and approximately 54 multi-family units in 79,500+/- square feet to be constructed in accordance with POD #113084-2022 approved by the City of Richmond on September 20, 2022 and approved by the EDA in accordance with the Ground Lease (the “**New POD**”).

I. Further, the EDA has been informed that BSSMH and Purchaser have entered into that certain Purchase and Sale Agreement dated as of May 19, 2023, as amended from time to time (the “**Purchase Agreement**”), in which BSSMH agrees to sell, transfer, convey to Purchaser, and Purchaser has agreed to purchase Unit 1 in the Condominium as more particularly described in the Purchase Agreement (the “**Unit 1**”).

J. Mortgagee is considering making a loan to Purchaser in an amount not to exceed _____ and No/100 Dollars (\$ _____) (the “**Loan**”) to finance the acquisition of the Unit 1. The Loan shall be evidenced by a promissory note in the amount of the Loan, and secured by a deed of trust on Unit 1 and all improvements now or hereafter constructed thereon, and further evidenced and secured by such other documents, whether now or hereafter executed, in connection therewith, all as the same may be amended or supplemented from time to time (the “**Loan Documents**”). Mortgagee’s agreement to extend such Loan to Purchaser is conditioned, in part, on the execution and delivery of this Certificate.

CERTIFICATE:

1. Estoppel Provisions. EDA hereby warrants, represents and certifies to Purchaser, Bon Secours and Mortgagee as follows:
 - a. The Performance Agreement consists of the documents listed in **Exhibit A** hereto and there are no other amendments, modifications and supplements thereto and assignments thereof.
 - b. All conditions precedent to the effectiveness of the Performance Agreement have been fully satisfied and the Performance Agreement is in full force and effect.
 - c. EDA has not delivered or received any notices of default under the Performance Agreement. To the best of EDA's knowledge, there is no default by Bon Secours under the Performance Agreement, nor has any event or omission occurred which, with the giving of notice or the lapse of time, or both, would constitute a default.
 - d. Bon Secours has met or exceeded all of the goals in the Performance Agreement, including, without limitation, the Richmond Community Hospital "Expansion Project" and the "Westhampton Project" (as defined in the Performance Agreement), as evidenced by the information contained in **Exhibit B** and **Exhibit C**, respectively, attached to this Certificate, except those requirements that cannot be satisfied due to the duration of those requirements extending beyond the date of this Certificate which include the following:
 - i. Section 1.a.(iv) (Maintenance of FTEs [related to the Richmond Community Hospital Expansion Project]);
 - ii. Section 3 (Westhampton Neighborhood Beautification) as described in Section 1.g.vii below; and
 - iii. Section 4.a.(iv) (Maintenance of FTEs [related to the Westhampton Project]).
 - e. EDA has no existing defenses or offsets, claims or counterclaims against Bon Secours under the Performance Agreement.
 - f. All Conditions (as defined in the Deed) set forth in the Ordinance and actions required as of the date hereof to have been performed and/or satisfied by EDA and Bon Secours have been performed and satisfied, and EDA is not aware of any act or omission which, with the giving of notice or the lapse of time or both, could trigger the City's reserved right to declare a forfeiture of EDA's title to the Property and a reconveyance of the Property to the City.
 - g. The status of each of the Conditions is as follows:
 - i. Condition (a) (Bon Secours participation in a development at either 2401 West Leigh Street or 2701 West Leigh Street) has been satisfied in full.

- ii. Condition (b) (Bon Secours development of additional medical and related facilities at Richmond Community Hospital) has been satisfied in full.
- iii. Condition (c) (\$100,000 per year for 10 years for Richmond public schools) has been satisfied in full and no additional payments are required, Bon Secours having paid the full \$1,000,000 required by the Conditions.
- iv. Condition (d) (\$33,000 per year rent for the Westhampton School property comprised of \$5,000 “Annual Rent” and \$28,000 as the “Playing Field Maintenance Amount”) has been satisfied through August 31, 2023.
- v. Condition (e) (endeavor to maintain the historic nature of the property at 5800 Patterson Avenue) has been satisfied by working with the community and Purchaser to actually preserve the exterior of the 1917 school building located on the site.
- vi. Condition (f) (relocation and upgrade of “tot lot”) has been satisfied in full by the relocation and upgrade of the playground equipment to a City designated location south of Patterson Avenue.
- vii. Condition (g) (assist in neighborhood beautification program in the Patterson-Libbie business district) will be satisfied, at least in part, by Bon Secours paying for the installation of streetscape improvements on City-owned property in the vicinity of 5800 Patterson Avenue in excess of the requirements for City approval of the POD. Note, however, that the concept of the neighborhood beautification program for the Patterson-Libbie business district has not been developed as of the date of this Certificate, and, pursuant to the Performance Agreement, the ten (10) year period during which Bon Secours agreed to maintain the landscaping on the portion of the Property fronting Patterson Avenue does not commence until the Westhampton Project Completion Date. Therefore, as of the date of this Certificate, the EDA is unable to determine the City’s expectations for participation in such program by Bon Secours or any other property owner in the Patterson-Libbie business district.
- h. EDA and the person or persons executing this Certificate on behalf of EDA has the power and authority to execute this Certificate.

2. Notice and Cure Provisions.

- a. Definitions. For purposes of this Section, an “**Agreement Default**” shall mean a default by Bon Secours in the performance of its obligations under the Performance Agreement, and an “**Ordinance Default**” shall mean a default in the performance of any requirements under the Ordinance.

- b. Agreement Default. Notwithstanding anything to the contrary contained in the Performance Agreement, if an Agreement Default shall occur, EDA shall provide Purchaser, Mortgagee and Bon Secours with written notice thereof and Purchaser and Mortgagee shall have the right to cure such Agreement Default prior to the EDA exercising any rights or remedies available to the EDA under the Performance Agreement. Purchaser and Mortgagee shall have thirty (30) days after such notice is given to cure the Agreement Default; provided, however, that if the default cannot reasonably be cured within such thirty (30) day period, then Mortgagee and Purchaser shall have such additional time as is reasonably necessary to cure such default, provided, that Mortgagee and Purchaser have commenced the curing of such default within such thirty (30) day period, and thereafter have proceeded diligently to cure the same. Nothing contained herein shall in any manner obligate Mortgagee and Purchaser to cure any Agreement Default.

- c. Ordinance Default. If EDA receives written notice from the City of an Ordinance Default or otherwise has actual notice that an Ordinance Default has occurred, EDA shall provide Purchaser, Mortgagee and Bon Secours with written notice in accordance with subsection (d) hereof within ten (10) days after receipt of such written notice from the City or after otherwise obtaining actual notice of an Ordinance Default. Nothing contained herein shall in any manner obligate Mortgagee and Purchaser to cure any Ordinance Default. However, if Mortgagee and/or Purchaser elect to cure an Ordinance Default, EDA shall cooperate with either party so long as either (or both) is proceeding diligently to cure the same to avoid a forfeiture and reconveyance of the Property.

- d. Notice Addresses for Purchaser and Mortgagee. EDA acknowledges that Purchaser's, Mortgagee's and Bon Secours' addresses for notice and other purposes under this Certificate are as follows:

Purchaser:

TRP Westhampton II, LLC
Attention: Jason Guillot
Thalhimer Center
11100 West Broad Street
Richmond, Virginia 23060

Williams Mullen
Attention: R. Joseph Noble, Esquire and John M. Mercer, Esquire
Williams Mullen Center
200 South 10th Street, Suite 1600
Richmond, VA 23219

Mortgagee:

Virginia Credit Union, Inc.
Member Business Services
7500 Boulder View Drive
North Chesterfield, Virginia 23225

Bon Secours:

Bon Secours – St. Mary’s Hospital of Richmond LLC
c/o Chris Accashian, MHA, FACHE
Chief Operating Officer
Bon Secours Richmond Health System
5875 Bremono Road, MOB South, Suite 710
Richmond, VA 23226

With a copy to:

Nick Wessels
Development Manager
Bon Secours Mercy Health
1701 Mercy Health Place
Cincinnati, Ohio 452347

Rhodes Ritenour
Vice President, External and Regulatory Affairs
Bon Secours Health System
5875 Bremono Road, Suite 710
Richmond, Virginia 23226

Charles H. Rothenberg, Esquire
Hirschler
2100 East Cary Street, Fourth Floor
Richmond, Virginia 23223-7078

Purchaser, Mortgagee and Bon Secours may change the address for notice by delivering such notice to EDA.

3. Notice of Amendment, Termination, Satisfaction. Until the Loan is repaid in full, EDA agrees to provide at least five (5) days prior written notice of any proposed amendment to the Performance Agreement to Purchaser and Mortgagee. Upon the satisfaction of all obligations of Bon Secours under the Performance Agreement, EDA shall provide written notice thereof to Purchaser and Mortgagee.

4. Approval of Loan Documents. In accordance with Section 6.10 of the Ground Lease, EDA hereby approves the Loan Documents.
5. Estoppel Certificates. From time to time, the EDA shall provide to the Purchaser and Mortgagee such further estoppel certificates as either may reasonably request certifying as to status of the completion of the conditions of the Performance Agreement and the Ordinance, including without limitation, upon fulfillment of all such conditions, an estoppel certificate that all of the conditions of the Performance Agreement and the Ordinance have been fully completed to the satisfaction of the EDA.
6. Successors and Assigns. This Certificate shall bind and inure to the benefit of the respective parties hereto and their heirs, successors and assigns.
7. Controlling Law Venue. This Certificate shall be governed and construed in accordance with the laws of the Commonwealth of Virginia without regard to its conflict of laws provisions. The venue of any action to interpret or enforce the provisions of this Certificate shall be laid in the City of Richmond, Virginia.
8. Reliance. The undersigned further certifies that Purchaser, Bon Secours and Mortgagee and their respective successors and/or assigns will be relying upon the statements contained herein in the sale and purchase of Unit 1 and making the Loan.

[SIGNATURE PAGES TO FOLLOW]

WITNESS the following signatures and seals:

EDA:

ECONOMIC DEVELOPMENT AUTHORITY OF
THE CITY OF RICHMOND, a political
subdivision of the Commonwealth of Virginia

By: _____
John Molster, Chairman

Approved as to form:

Bonnie Ashley, General Counsel to the Authority

COMMONWEALTH OF VIRGINIA,

CITY/COUNTY OF _____, to-wit:

The foregoing instrument was acknowledged before me this ____ day of _____, 2023, by John Molster, as Chairman of the Economic Development Authority of the City of Richmond, a political subdivision of the Commonwealth of Virginia.

My commission expires: _____

Notary registration no: _____

Notary Public

Exhibit A
To Estoppel Certificate

1. Performance Agreement dated July 8, 2013
2. First Amendment to Performance Agreement dated October 30, 2015
3. Second Amendment to Performance Agreement dated December 31, 2016
4. Third Amendment to Performance Agreement dated February 28, 2018
5. Fourth Amendment to Performance Agreement dated March 11, 2020
6. Covid-19 Extension Agreement dated August 31, 2020

Exhibit B
To Estoppel Certificate

Bon Secours East End Performance Agreement Tracker

| East End – Performance Agreement Requirements | Progress To-Date |
|--|--|
| Develop at least 25,000 square feet of medical and related facilities at or near the existing hospital campus | Prior: 32,141 MOB: 25,000* Total: 57,141 |
| Invest at least \$8.5M in construction and related costs | Prior: \$9.5MM MOB: \$16.5MM Total: \$26MM |
| Establish a publicly available wellness and fitness center | \$1,615,000 |
| Create at least 75 FTEs, new to the City, and maintain for at least 10 years | 147 |
| Establish at least \$6.7M in payroll and benefits | \$9.5MM |
| Commence construction on or before January 17, 2020 | Complete |
| Complete construction on or before December 31, 2022 | Complete |

*Programming: Behavioral Health Partial Hospitalization Program (New); Behavioral Health Tele-Consult Center (New); BSmart; Hospice; Home Health; Pastoral Care; IVNA

Exhibit C
To Estoppel Certificate

Bon Secours Westhampton Performance Agreement Tracker

| Westhampton – Performance Agreement Requirements | Current Development | Projected Development | Total Projected Development |
|--|----------------------------------|----------------------------------|--|
| Develop at least 75,000 square feet | 193,500 sq. ft. | 103,360 sq. ft. | 296,860 sq. ft.* |
| Invest at least \$24M in development capital | \$62.2MM | \$32.7MM | \$94.9MM |
| Create at least 120 FTEs, new to the City, and maintain for at least 10 years | 194 FTEs (125 New to City) | 99+ (94 New to City) | 293 FTEs (219 New to City) |
| Establish at least \$10.8M in payroll and benefits | \$33.6MM | \$14.8MM | \$48.4MM |
| Commence construction on or before March 1, 2019 | Complete | Complete | Complete |
| Complete construction on or before December 31, 2022 | Completed | Q2 2025 | On Track |

*In addition, the parking deck is approximately 134,500 square feet, and includes 363 spaces. Together, with off-street surface parking on site, there are 444 spaces.

**Performance Agreement between the City,
Alacer Corp. (Haleon), and the EDA**

INTRODUCED: December 11, 2023

AN ORDINANCE No. 2023-365

To authorize the Chief Administrative Officer, for and on behalf of the City of Richmond, to execute a Performance Agreement between the City of Richmond, Alacer Corp., and the Economic Development Authority of the City of Richmond, for the purpose of providing the balance of the local match funds to Alacer Corp. through a grant from the Economic Development Authority of the City of Richmond in accordance with a Commonwealth’s Development Opportunity Fund Performance Agreement as an incentive to improve, equip, and operate a research and development facility at 1211 Sherwood Avenue in the city of Richmond.

Patron – Mayor Stoney

Approved as to form and legality
by the City Attorney

PUBLIC HEARING: JANUARY 8 2024 AT 6 P.M.

THE CITY OF RICHMOND HEREBY ORDAINS:

§ 1. That the Chief Administrative Officer, for and on behalf of the City of Richmond, be and is hereby authorized to execute a Performance Agreement between the City of Richmond, Virginia, Alacer Corp., and the Economic Development Authority of the City of Richmond, for the purpose of providing the balance of the local match funds to Alacer Corp. through a grant from the Economic Development Authority of the City of Richmond in accordance with a Commonwealth’s Development Opportunity Fund Performance Agreement as an incentive to

AYES: 9 NOES: 0 ABSTAIN: _____

ADOPTED: JAN 8 2024 REJECTED: _____ STRICKEN: _____

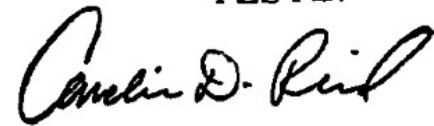
improve, equip, and operate a research and development facility at 1211 Sherwood Avenue in the city of Richmond. The Performance Agreement shall be approved as to form by the City Attorney and shall be substantially in the form of the document attached to this ordinance.

§ 2. This ordinance shall be in force and effect upon adoption.

APPROVED AS TO FORM:

City Attorney's Office

**A TRUE COPY:
TESTE:**

A handwritten signature in black ink, appearing to read "Amelia D. Reed". The signature is written in a cursive style with a large initial 'A'.

City Clerk

PERFORMANCE AGREEMENT

This **PERFORMANCE AGREEMENT** (the “Agreement”) made and entered this ____ day of _____, 2023, by and among the **CITY OF RICHMOND, VIRGINIA** (the “City”), a municipal corporation of the Commonwealth of Virginia; **ALACER CORP.**, a California corporation and member of the Haleon group of companies, authorized to transact business in the Commonwealth of Virginia (the “Company”); and the **ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF RICHMOND, VIRGINIA** (the “Authority”), a political subdivision of the Commonwealth.

RECITALS

WHEREAS, the Company expanded, equipped, improved and operates a research and development facility in the city of Richmond commonly known as 1211 Sherwood Avenue, Richmond, VA (the “Facility”), thereby making a significant Capital Investment, and creating and Maintaining a significant number of New Jobs, as such capitalized terms are hereinafter defined;

WHEREAS, the City, the Company, the Authority, and the Virginia Economic Development Partnership Authority entered into that certain Commonwealth’s Development Opportunity Fund Performance Agreement dated July 1, 2021 (“COF”);

WHEREAS, the City agreed in the COF to provide to the Company an economic development monetary grant and additional incentives for the purpose of providing a local match and thereby inducing the Company to expand, equip, improve and operate the Facility (“Local Match”);

WHEREAS, the City has provided a portion of the Local Match;

WHEREAS, the City desires to provide the balance of the Local Match to the Authority with the expectation that the Authority will provide the funds to or for the use of the Company, given that the Company met the criteria relating to the Capital Investment and the New Jobs in accordance with the terms and conditions of the COF;

WHEREAS, the expanding, equipping, improving, and operating the Facility entailed a Capital Investment of not less than \$4,886,000 in building upfits resulting in an increase in taxable real property; not less than \$6,519,000 in machinery and tools; and not less than \$186,000 in tangible personal property as of the Performance Date;

WHEREAS, the expanding, equipping, improving, and operating of the Facility entailed the creation of not less than 57 New Jobs as of the Performance Date;

WHEREAS, the City and the Authority have determined that the Company’s expanding, equipping, improving, and operating its primary research and development location at the Facility resulted in substantial benefits to the welfare of the city and its inhabitants; is in the public interest; and serves governmental interests, including but not limited to an increase in real estate and tangible personal property tax receipts and job creation;

WHEREAS, the stimulation of additional tax revenue and economic activity to be generated by the Capital Investment and New Jobs constitute a valid public purpose for the expenditure of public funds;

WHEREAS, the City is authorized by Section 15.2-953 of the Code of Virginia and other laws, and the Authority is authorized by the Industrial Development and Revenue Bond Act, contained in Chapter 49, Title 15.2 of the Code of Virginia and other laws to perform the activities contemplated in this Agreement; and

WHEREAS, this Agreement sets forth the understanding of the parties concerning the payment of the Local Match, subject to the approval of the Authority's Board of Directors and the Richmond City Council.

NOW, THEREFORE, in consideration of the foregoing, the mutual benefits, promises and undertakings of the parties to this Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows.

Section 1. Definitions.

For the purposes of this Agreement, the following terms shall have the following definitions:

“Capital Investment” means a capital expenditure by or on behalf of the Company of not less than \$4,886,000 in building upfits resulting in an increase in taxable real property; not less than \$6,519,000 in Machinery and Tools; and not less than \$186,000 in Tangible Personal Property from November 1, 2019 through the Performance Date. The purchase or lease of furniture, fixtures, and tangible personal property, including under an operating lease, and expected building up-fit and improvements by or on behalf of the Company will qualify as Capital Investment. The Capital Investment must be in addition to the capital improvements at the Facility as of November 1, 2019. For purposes of clarity, the fact that any capital expenditure qualifies for any tax incentive, deduction, grant, abatement, credit or similar favorable treatment shall not disqualify said expenditure from qualifying as a Capital Investment hereunder.

“Corporate Divestment” shall mean: (a) a sale, assignment or transfer of all or substantially all of the capital stock or assets of the Company; or (b) a merger or consolidation involving the Company and another entity with which the Company merges or consolidates which succeeds to substantially all the assets or stock of the Company. Without limiting the foregoing, the parties acknowledge that Company's ultimate parent entity effectuated a demerger of the joint venture (of which the Company is a part) and therefore agree that said demerger shall be considered a Corporate Divestment for purposes of this Agreement.

“Facility” means the real and personal property located at 1211 Sherwood Avenue (Tax Map Parcel No. N000-0857/003) in the city of Richmond.

“Machinery and Tools” has the meaning ascribed to it in Virginia Code §58.1-3507, as the same may be from time to time amended, and taxable by the City of Richmond, Virginia.

“Maintain” means that the New Jobs continued without interruption from the date of creation through December 31, 2022 and that the level of Capital Investment remained level from the time it was achieved through the Performance Date.

“New Job” means 57 new permanent full-time employment of an indefinite duration at the Facility for which the standard fringe benefits are provided by the Company for the employee, and for which the Company pays an average annual wage of at least \$110,000. Average annual wage means the average annual salary of full-time positions at the Facility determined by dividing total payroll (of a type included in W-2 compensation) provided to full-time positions at the Facility by the number of full-time positions at the Facility. Each New Job must require a minimum of either (i) 35 hours of an employee’s time per week for the entire normal year of the Company’s operations, which “normal year” must consist of at least 48 weeks, or (ii) 1,680 hours per year. Seasonal or temporary positions, positions created when a job function is shifted from an existing location in the Commonwealth, and positions with construction contractors, vendors, suppliers and similar multiplier or spin-off jobs shall not qualify as New Jobs. Net new jobs in the city of Richmond for contractors or employees of contractors who provide dedicated full-time service to the Company may count as New Jobs, even though the Company is not directly paying the wages or providing the fringe benefits, if the other conditions set forth in this paragraph have been satisfied. For purposes of clarity, the term “spin off jobs” shall not disqualify New Jobs created or maintained as a result of the demerger referenced in the definition of “Corporate Divestment. The New Jobs must be in addition to the 215 full-time jobs at the Facility as of November 1, 2019.

“Performance Date” means December 31, 2022.

“Tangible Personal Property” means all personal property not classified as intangible personal property, merchants capital, or daily rental property as defined by Code of Virginia §§ 58.1-1100 and 58.1-3510, as the same may be from time to time amended, and taxable by the City of Richmond, Virginia.

“Targets” means the Company’s obligations to make the Capital Investment and to create New Jobs as of the Performance Date.

Section 2. Targets.

2.1 Capital Investment. The Company made a minimum Capital Investment of not less than \$4,886,000 in building upfits resulting in an increase in taxable real property; not less than \$6,519,000 in locally taxable Machinery and Tools; and not less than \$186,000 in locally taxable Tangible Personal Property by the Performance Date.

2.2 New Jobs. The Company created at least 57 New Jobs by the Performance Date.

Section 3. Disbursement of Grant.

3.1 Grant Amount. As a result of the Company having met its Targets, the City shall, through the Authority, provide the Company with the balance of the Local Match in the form of an economic development grant in a total amount of \$149,714.64 (the “Grant”).

3.2 Payment of Grant. The City, through the Authority, shall pay the Grant in one lump sum as soon as practicable following full execution of this Agreement.

3.2.1 Certification of Performance Requirements. The Company may request payment of the Grant in writing no earlier than the full execution of this Agreement. Such request must include a certification by a Certified Public Accountant licensed in the Commonwealth of Virginia that the Capital Investment has been made in accordance with the terms of this Agreement, together with documentation acceptable to the City in the City’s sole discretion detailing such Capital Investment. The Company shall also certify and attest to the creation of 57 New Jobs acceptable to the City in the City’s sole discretion. Once the Company’s request in writing has been received by the City and the City has approved the certifications and related documentation, the City shall, within 30 days, request the Authority to provide the Company with the Grant.

3.2.2 Forfeiture of Grant. Should the Company fail to adequately certify or document the achievement of the Targets pursuant to section 3.2.1, the Company will be deemed to have forfeited the Grant. Upon such forfeiture, this Agreement shall terminate and the City and the Authority will have no obligation to the Company pursuant to this Agreement.

3.3 Appropriations Required. The City’s and the Authority’s obligation to provide the Grant to the Company is subject to and contingent upon the appropriation of all necessary funds by the Richmond City Council for such purposes and upon action of the Authority’s Board of Directors.

Section 4. Administration of Grant.

4.1 The City agrees to transfer to the Authority, as and when appropriated by the City Council, the funds necessary for the Authority to meet its obligations under the Agreement relating to the Grant. No administrative fees or expenses shall be paid by the City.

4.2 The Authority’s obligation to undertake the activities herein is specially conditioned upon the City providing funding on a timely basis; provided, however, the City’s obligation is subject to appropriation by the City Council and availability of funds.

4.3 The Authority agrees to provide the City’s Chief Administrative Officer, or the designee thereof, with copies of all documents related to this Agreement and will keep the Chief Administrative Officer fully and timely informed of all matters related to the Agreement.

4.4 The Authority agrees that all funds transferred by the City to the Authority for the Grant shall be deposited by the Authority within a Project Fund, to be used only to satisfy the obligations contained in this Agreement related to the Grants.

4.5 It is the intent of the parties not to impose upon the Authority any responsibility, duty or obligation other than what may be required to implement the Grant. Accordingly, Authority does

not assume any responsibility or liability whatsoever except as specifically stated herein. If litigation involving the Grant is initiated or expected to be filed against the Authority, the Authority shall immediately notify the City Attorney and Chief Administrative Officer.

4.6 The Authority shall keep records of its financial transactions, if any, related to the Agreement in accordance with generally accepted accounting principles. The City Auditor or a designee thereof may at any time audit the financial transactions undertaken under this Agreement.

4.7 The Authority shall not be required to furnish the City with surety.

Section 5. Representations.

5.1 The Company is empowered to enter into this Agreement, to be bound hereby, and to perform according to the terms hereof.

5.2 Any and all actions necessary to enable the Company to enter into this Agreement, and to be bound hereby, have been duly taken.

5.3 The person or persons executing or attesting the execution of this Agreement on behalf of the Company has or have been duly authorized and empowered to so execute or attest.

5.4 The execution of this Agreement on behalf of the Company will bind and obligate the Company to the extent provided by the terms hereof.

5.5 There exists no litigation pending against the Company or to the Company's actual knowledge threatened, which if determined adversely, would materially and adversely affect the ability of the Company to carry out its obligations under this Agreement or the transactions contemplated hereunder.

Section 6 Default.

6.1 Events of Default. Each of the following will constitute a default by the Company under this Agreement (each an "Event of Default"):

6.1.1 Any court of competent jurisdiction enters an order, judgment, or decree approving a petition seeking reorganization of the Company or all or a substantial part of the assets of the Company or any guarantor of the Company or appointing a receiver, sequestrator, trustee or liquidator of the Company, or any guarantor of the Company or any of their property and such order, judgment or decree continues unstayed and in effect for at least 60 Days.

6.1.2 The Company (i) makes a general assignment for the benefit of creditors, (ii) is adjudicated as either bankrupt or insolvent, (iii) files a voluntary petition in bankruptcy or a petition or an answer seeking reorganization or an arrangement with creditors, (iv) either (a) takes advantage of any bankruptcy, reorganization, insolvency, readjustment of debt, dissolution or liquidation law or (b) admits the material allegations of a petition filed against the Company in any proceedings under

such a law or (v) any guarantor of the Company takes action for the purposes of effecting any item identified in item (iv).

6.1.3 The Company fails to maintain its corporate existence.

6.2 Effect of Default. In the case of an occurrence of an Event of Default, the Grant provisions of Section 3 of this Agreement shall terminate immediately and neither the City nor the Authority will have any further obligation relating thereto and the Company will no longer be eligible for the Grant.

Section 7 Notices.

All notices, demands or other communications under this Agreement shall be in writing and shall be sent to each other party, at its address specified below (or such other address as a party may from time to time specify to the other parties by notice given in accordance with this Agreement), and shall be deemed to have been duly given when actually received by the addressee or when served (a) personally; (b) by independent, reputable, overnight commercial carrier; or (c) by deposit in the United States mail, postage and fees fully prepaid, registered or certified mail, with return receipt requested, addressed as follows:

If to the City:

Chief Administrative Officer
900 East Broad Street, 14th Floor
Richmond, Virginia 23219

with a copy to:

Department of Economic Development
City of Richmond, Virginia
1500 East Main Street, Suite 400
Richmond, Virginia 23219
Attention: Director of Economic Development
and

City Attorney
900 East Broad Street, Suite 400
Richmond, Virginia 23219

If to the Authority:

Economic Development Authority of the City of Richmond,
Virginia
1500 East Main Street, Suite 400
Richmond, Virginia 23219
Attention: Chairman

with a copy to:

Economic Development Authority of the City of Richmond,
Virginia
1500 East Main Street, Suite 400
Richmond, Virginia 23219
Attention: Executive Director

and

City Attorney
900 East Broad Street, Suite 400
Richmond, Virginia 23219

If to the Company:

Haleon
1211 Sherwood Avenue
Richmond, VA 23220
Attn: Peter J. Ramsey, Chief Scientific Officer

with a copy to:

Haleon
184 Liberty Corner Road
Warren, NJ 07059
Attn: David Moss, VP Legal Operations

Section 8 General Terms and Conditions.

8.1 Entire Agreement; Amendments. This Agreement constitutes the entire agreement among the parties hereto and may not be amended or modified, except in writing, signed by each of the parties hereto. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. The Company may not assign its rights and obligations under this Agreement without the prior written consent of the City and the Authority; provided, however, that no prior consent shall be required for an assignment of the Company's rights or obligations under this Agreement in whole or in part by the Company pursuant to a Corporate Divestment.

8.2 Governing Law; Venue. This Agreement is made, and is intended to be performed, in the Commonwealth of Virginia and shall be construed and enforced by the laws of the Commonwealth of Virginia. Jurisdiction and venue for any litigation arising out of or involving this Agreement shall lie in the Circuit Court of the City of Richmond, and such litigation shall be brought only in such court.

8.3 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be an original, and all of which together shall be one and the same instrument. This Agreement is signed when a party's signature is delivered by facsimile, email, or other electronic medium. These signatures must be treated in all respects as having the same force and effect as original signatures.

8.4 Severability. If any provision of this Agreement is determined to be unenforceable, invalid or illegal, then the enforceability, validity and legality of the remaining provisions will not in any way be affected or impaired, and such provision will be deemed to be restated to reflect the original intentions of the parties as nearly as possible in accordance with applicable law.

8.5 Subject-to-Appropriations. All payments and other performances by the City and the Authority under this Agreement are subject to City Council approval, Authority Board approval and annual appropriations by the City Council. It is understood and agreed among the parties that the City and the Authority shall be bound hereunder only to the extent of the funds available or which may hereafter become available for the purpose of this Agreement. Under no circumstances shall the City's or the Authority's total liability under this Agreement exceed the total amount of funds appropriated by the City Council for the payments hereunder for the performance of this Agreement.

8.6 Public Disclosure.

8.6.1 Applicable Law. The parties to this Agreement acknowledge that records maintained by or in the custody of the City and the Authority are subject to the provisions of the Virginia Public Records Act, Va. Code §§ 42.1-76 through 42.1-90.1, and the Virginia Freedom of Information Act, Va. Code §§ 2.2-3700 through 2.2-3714 and thus are subject to the records retention and public disclosure requirements set forth in those statutes.

8.6.2 Challenges to Nondisclosure. If a party submitting records to the City or the Authority requests that those records not be disclosed under applicable law and the City or the Authority consequently denies a request for disclosure of such records based on the submitting party's request, and the City's or the Authority's denial of a request for disclosure of records is challenged in court, the submitting party shall indemnify, hold harmless and defend the City or the Authority, their respective officers and employees from any and all costs, damages, fees and penalties (including attorney's fees and other costs related to litigation) relating thereto.

8.7 No Waiver. Neither failure on the part of the City or the Authority to enforce any covenant or provision contained in this Agreement nor any waiver of any right under this Agreement shall discharge or invalidate such covenant or provision or affect the right of the City or the Authority to enforce the same right in the event of any subsequent default.

8.8 Effective Date of the Agreement. The effective date of this Agreement shall be the date upon which it has been fully executed by the parties following approval by City Council and by the Authority's Board of Directors.

8.9 No Partnership or Joint Venture. It is mutually understood and agreed that nothing contained in this Agreement is intended or shall be construed in any manner or under any

circumstance whatsoever as creating and establishing the relationship of copartners or creating or establishing a joint venture between or among any of the parties or as designating any party to the Agreement as the agent or representative of any other party to the Agreement for any purpose.

8.10 No Third Party Beneficiaries. Notwithstanding any other provision of this Agreement, the parties agree that (i) no individual or entity shall be considered, deemed or otherwise recognized to be a third-party beneficiary of this Agreement; (ii) the provisions of this Agreement are not intended to be for the benefit of any individual or entity other than the City, the Authority, or the Company; (iii) no other individual or entity shall obtain any right to make any claim against the City, the Authority, or the Company under the provisions of this Agreement; and (iv) no provision of this Agreement shall be construed or interpreted to confer third-party beneficiary status on any individual or entity.

8.11 Attorney's Fees. Each party will bear its own attorney's fees.

8.12 Authorization to Act. The Chief Administrative Officer of the City of Richmond, Virginia or a designee thereof and the Chairman of the Economic Development Authority of the City of Richmond, Virginia are authorized to act on behalf of the City and the Authority, respectively, under this Agreement.

SIGNATURES ON FOLLOWING PAGE

IN WITNESS WHEREOF, the parties hereto have executed this Performance Agreement as of the date first written above.

CITY OF RICHMOND, VIRGINIA

a municipal corporation of the Commonwealth of Virginia

By: _____
Lincoln Saunders Date
Chief Administrative Officer

Authorized by Ordinance No. _____

Approved as to Form:

By: Bonnie M. A. [Signature]
City Attorney's Office

ALACER CORP., a California corporation

By: _____
Date

Name: _____
Title: _____

ECONOMIC DEVELOPMENT OF THE CITY OF RICHMOND, VIRGINIA,

a political subdivision of the Commonwealth of Virginia

By: _____
Chairman Date

Approved as to Form:

By: _____
General Counsel to Authority

COMMONWEALTH'S DEVELOPMENT OPPORTUNITY FUND
PERFORMANCE AGREEMENT

This **PERFORMANCE AGREEMENT** (this "Agreement") is made and entered as of the first day of July, 2021, by and among the **CITY OF RICHMOND, VIRGINIA** (the "Locality"), a political subdivision of the Commonwealth of Virginia (the "Commonwealth"), **ALACER CORP.**, a California corporation which is a member of the GlaxoSmithKline group of companies and authorized to transact business in the Commonwealth (the "Company"), the **ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF RICHMOND, VIRGINIA** (the "Authority"), a political subdivision of the Commonwealth, and the **VIRGINIA ECONOMIC DEVELOPMENT PARTNERSHIP AUTHORITY** ("VEDP"), a political subdivision of the Commonwealth.

WITNESSETH:

WHEREAS, the Locality has been awarded a grant of and expects to receive \$675,000 from the Commonwealth's Development Opportunity Fund (the "COF Grant") through VEDP for the purpose of inducing the Company to expand, equip, improve and operate a research and development facility in the Locality commonly known as 1211 Sherwood Avenue, Richmond VA (the "Facility"), thereby making a significant Capital Investment, and creating and Maintaining a significant number of New Jobs, as such capitalized terms are hereinafter defined;

WHEREAS, the Locality is willing to provide the funds to the Authority with the expectation that the Authority will provide the funds to or for the use of the Company, provided that the Company promises to meet certain criteria relating to Capital Investment and New Jobs;

WHEREAS, the Locality, the Authority, the Company, and VEDP desire to set forth their understanding and agreement as to the payout of the COF Grant, the use of the COF Grant proceeds, the obligations of the Company regarding Capital Investment and New Jobs, and the repayment of all or part of the COF Grant under certain circumstances;

WHEREAS, the expansion, equipping, improvement and operation of the Facility will entail a capital expenditure by or on behalf of the Company of approximately \$16,730,000, of which approximately \$8,500,000 will be invested in machinery and tools, approximately \$2,730,000 will be invested in furniture, fixtures and business personal property, and approximately \$5,500,000 will be invested in the expansion and up-fit of the building;

WHEREAS, the expansion, equipping, improvement and operation of the Facility will further entail the creation and Maintenance of 158 New Jobs at the Facility; and

WHEREAS, the stimulation of the additional tax revenue and economic activity to be generated by the Capital Investment and New Jobs constitutes a valid public purpose for the expenditure of public funds and is the animating purpose for the COF Grant:

NOW, THEREFORE, in consideration of the foregoing, the mutual benefits, promises and undertakings of the parties to this Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties covenant and agree as follows.

Section 1. Definitions.

For the purposes of this Agreement, the following terms shall have the following definitions:

“Capital Investment” means a capital expenditure by or on behalf of the Company in taxable real property, taxable tangible personal property, or both, at the Facility, from November 1, 2019 through the Performance Date. For purposes of clarity, the fact that any capital expenditure qualifies for any tax incentive, deduction, grant, abatement, credit or similar favorable treatment shall not disqualify said expenditure from qualifying as a Capital Investment hereunder. The purchase or lease of machinery and tools or furniture, fixtures, and business personal property, including under an operating lease, by or on behalf of the Company will qualify as Capital Investment. The Capital Investment must be in addition to the capital improvements at the Facility as of November 1, 2019.

“Corporate Divestment” shall mean: (a) a sale, assignment or transfer of all or substantially all of the capital stock or assets of the Company; or (b) a merger or consolidation involving the Company and another entity with which Company merges or consolidates which succeeds to substantially all the assets or stock of the Company. Without limiting the foregoing, the parties acknowledge that Company’s ultimate parent entity has announced¹ that it plans to effectuate a demerger of the joint venture (of which the Company is a part) and therefore agree that said demerger shall be considered a Corporate Divestment for purposes of this Agreement.

“Fund” means the Commonwealth’s Development Opportunity Fund, from which the COF Grant will be paid.

“Maintain” means that the New Jobs will continue without interruption from the date of creation through the Performance Date. Positions for the New Jobs will be treated as Maintained during periods in which such positions are not filled due to (i) temporary reductions in the Company’s employment levels (so long as there is active recruitment for open positions), (ii) strikes, and (iii) other temporary work stoppages.

“New Job” means new permanent full-time employment of an indefinite duration at the Facility for which the standard fringe benefits are provided by the Company for the employee, and for which the Company pays an average annual wage of at least \$110,000. Average annual wage means the average annual salary of full-time positions at the Facility determined by dividing total payroll (of a type included in W-2 compensation) provided to full-time positions at the Facility by the number of full-time positions at the Facility. Each New Job must require a minimum of either (i) 35 hours of an employee’s time per week for the entire normal year of the

¹ <https://www.gsk.com/en-gb/media/press-releases/glaxosmithkline-plc-and-pfizer-inc-to-form-new-world-leading-consumer-healthcare-joint-venture/>

Company's operations, which "normal year" must consist of at least 48 weeks, or (ii) 1,680 hours per year. Net new jobs in the Commonwealth for contractors or employees of contractors who provide dedicated full-time service to the Company may count as New Jobs, even though the Company is not directly paying the wages or providing the fringe benefits, if the other conditions set forth in this paragraph have been satisfied. Seasonal or temporary positions, positions created when a job function is shifted from an existing location in the Commonwealth, and positions with construction contractors, vendors, suppliers and similar multiplier or spin-off jobs shall not qualify as New Jobs. For purposes of clarity, the term "spin off jobs" shall not disqualify New Jobs created or maintained as a result of the demerger referenced in the definition of "Corporate Divestment". The New Jobs must be in addition to the 215 full-time jobs at the Facility as of November 1, 2019.

"Performance Date" means December 31, 2022. If the Locality, in consultation with the Authority and VEDP, deems that good faith and reasonable efforts have been made and are being made by the Company to achieve the Targets, the Locality may, at any time prior to the Performance Date, request an extension of the Performance Date by up to 15 months. Any extension of the Performance Date shall require the prior approval of the Board of Directors of VEDP (the "Board") and the Company. If the Performance Date is extended, the Locality shall send written notice of the extension to the Authority, the Company and VEDP and the date to which the Performance Date has been extended shall be the "Performance Date" for the purposes of this Agreement.

"Targets" means the Company's obligations (which may be satisfied by the Company's affiliates) to make Capital Investments of at least \$16,730,000 and to create and Maintain at least 158 New Jobs, all as of the Performance Date.

"Virginia Code" means the Code of Virginia of 1950, as amended.

Section 2. Targets; Statutory Criteria.

(a) *Targets:* The Company will expand, equip, improve and operate the Facility in the Locality, make a Capital Investment of at least \$16,730,000, and create and Maintain at least 158 New Jobs, all as of the Performance Date.

(b) *Encouragement to Offer New Jobs to Residents of the Commonwealth:* The Locality, the Authority, and VEDP hereby strongly encourage the Company to ensure that at least 30% of the New Jobs are offered to "Residents" of the Commonwealth, as defined in Virginia Code Section 58.1-302. In pertinent part, that definition includes natural persons domiciled in Virginia or natural persons who, for an aggregate of more than 183 days of the year, maintained a place of abode within the Commonwealth, whether domiciled in the Commonwealth or not.

(c) *Prevailing Wage; Unemployment and Poverty Rates:* The Authority and VEDP provide this Section 2(c) as representations to the Company. The average annual wage of the New Jobs of at least \$110,000 is more than the prevailing average annual wage in the Locality of \$68,015. The Locality is a high-unemployment locality, with an unemployment rate for 2019, which is the last year for which such data is available, of 3.3% as compared to the 2019 statewide unemployment rate of 2.8%. The Locality is a high-poverty locality, with a poverty rate for 2019,

which is the last year for which such data is available, of 19.2% as compared to the 2019 statewide poverty rate of 9.9%.

(d) *Disclosure of Political Contributions:* The Company acknowledges that the name of the Company will be shared by VEDP with the Governor of Virginia, and any campaign committee or political action committee associated with the Governor. The Company acknowledges that within 18 months of the date of this Performance Agreement, the Governor, his campaign committee, and his political action committee will submit to the Virginia Conflict of Interest and Ethics Advisory Council a report listing any contribution, gift, or other item with a value greater than \$100 provided by the Company to the Governor, his campaign committee, or his political action committee, respectively, during the period from the date of the Company's application for the COF Grant through the one-year period immediately after the date of this Agreement.

Section 3. Disbursement of COF Grant.

(a) *Disbursement of the COF Grant:* The disbursement of the COF Grant proceeds to the Company will serve as an inducement to the Company to achieve the Targets. Within 90 days after the Performance Date, the Company will provide the Final Report described in Section 5(b). Through the Final Report, the Company will provide notice and evidence to the Locality and VEDP of the amount of Capital Investments made and retained and the number of New Jobs created and Maintained at the Facility as of the Performance Date. The Final Report will be subject to verification by the Locality and VEDP.

The amount of the COF Grant proceeds to be disbursed shall be calculated as follows:

If the Final Report indicates that the Company has not made Capital Investments of at least \$1,500,000 and created and Maintained at least 15 New Jobs as of the Performance Date, it will not receive any of the proceeds of the COF Grant. These are the statutory minimum requirements for a COF Grant under the Virginia Code for a project located in the Locality.

If the Final Report indicates that the Company has made Capital Investments of at least \$16,730,000 and created and Maintained at least 158 New Jobs as of the Performance Date, the Company will receive all \$675,000 of the COF Grant proceeds.

If the Final Report indicates that the Company has made Capital Investments of at least \$1,500,000 and created and Maintained at least 15 New Jobs, but has not fully achieved the Targets as of the Performance Date, as required under the preceding paragraph for the Company to receive all \$675,000 of the COF Grant proceeds, the Company will qualify for a reduced disbursement of the COF Grant. In calculating the reduced disbursement, the COF Grant is to be allocated as 10% (\$67,500) for the Company's Capital Investment Target, and 90% (\$607,500) for the Company's New Jobs Target. If the Company met the statutory minimum requirements set forth above, but has not fully achieved the Targets as of the

Performance Date, the Company will not receive that part of the COF Grant that is proportional to the Target or Targets for which there is a shortfall. For example, if as of the Performance Date, only \$13,384,000 of the Capital Investment has been made and retained (reflecting achievement of 80% of the Capital Investment Target), and only 118 New Jobs have been created and Maintained (reflecting achievement of 75% of the New Jobs Target), the Company will receive \$54,000 (reflecting 80% of the \$67,500 allocated to the Capital Investment Target), *plus* \$455,625 (reflecting 75% of the \$607,500 allocated to the New Jobs Target), for a total disbursement amount of \$509,625. These amounts reflect the percentages of the shortfall from the expected amount of Capital Investment and expected number of New Jobs, each multiplied by the portion of the COF Grant proceeds available to the Company allocated to that Target.

The COF Grant proceeds shall be retained in the Fund, until needed for disbursement. Within 30 days after verification of the Final Report, if any amount of COF Grant proceeds have been earned by the Company, VEDP will disburse that amount to the Locality. Within 30 days after the receipt of the COF Grant proceeds (receipt meaning both acceptance of the COF Grant proceeds by the City Council of the City of Richmond, Virginia (the "Council") and the appropriation by Council of such COF Grant proceeds to the Authority), the Locality will disburse the COF Grant proceeds to the Authority. Within 30 days after its receipt of the COF Grant proceeds, the Authority will disburse the COF Grant proceeds to the Company.

If any amount of COF Grant proceeds have not been earned by the Company, the amount not disbursed will be retained in the Fund and will be available for other economic development projects.

(b) *Use of the COF Grant Proceeds:* The Company will use the COF Grant proceeds to pay or reimburse: the cost of grading, drainage, paving, and any other activity required to prepare a site for construction, and construction or build-out of publicly or privately owned buildings or for training, all as permitted by Section 2.2-115(D) of the Virginia Code.

(c) *Tax Apportionment.* The parties hereto acknowledge that the in-scope operations at the Facility for this Agreement may be undertaken by various affiliated entities within the group company structure of which the Company is a part. As a result thereof, the parties agree that any incentives, rebates, deductions or other financial benefits made available to the Company under this Agreement may be apportioned among said affiliated entities, as determined by the Company's tax advisors and as communicated by said advisors to the Locality, Authority and VEDP.

Section 4. Break-Even Point; State and Local Incentives.

(a) *State-Level Incentives:* VEDP has estimated that the Commonwealth will reach its "break-even point" by the Performance Date. The break-even point compares new revenues realized as a result of the Capital Investment and New Jobs at the Facility with the Commonwealth's expenditures on discretionary incentives, including but not limited to the COF

Grant. With regard to the Facility, the Commonwealth expects to provide discretionary incentives in the following amounts:

| <u>Category of Incentive:</u> | <u>Total Amount</u> |
|--|---------------------|
| COF Grant | \$675,000 |
| Enterprise Zone Job Creation Grant (“EZJCG”) (Estimated)* | 689,600 |
| Enterprise Zone Real Property Investment Grant (“EZRPIG”) (Estimated)* | 100,000 |
| VEDP Talent Accelerator Program (“VTAP”) (Approximate Value) | 700,000 |

* The availability of state-level enterprise zone incentives assumes that the Locality applies for, and the Commonwealth approves, an expansion of an existing enterprise zone to include the land on which the Facility sits.

The proceeds of the COF Grant shall be used for the purposes described in Section 3(b). The proceeds of the EZJCG and the EZRPIG, if authorized, may be used by the Company for any lawful purpose. The VTAP represents workforce development services to be provided to the Company for recruitment and training.

(b) *Local-Level Incentives:* The Locality expects to provide the following incentives, as matching grants or otherwise, for the Facility by the Performance Date:

| <u>Category of Incentive:</u> | <u>Total Amount</u> |
|---|---------------------|
| Existing Economic Development Incentive Grant to Wyeth, LLC | \$325,000 |
| Local Economic Development Incentive Grant to Pfizer | 275,000 |
| Relocation Assistance (In-Kind) | 25,000 |
| Permit Fee Grant | 10,000 |
| Local Enterprise Zone Incentives | 40,000 |

If, by the Performance Date, the proceeds disbursed or committed to be disbursed by the Locality to the Company total less than the \$675,000 COF Grant local match requirement, the Locality, subject to appropriation, will make an additional grant, or will provide additional in-kind services, either or both, in the Locality’s discretion, to the Company in a value equal to the difference promptly after the Performance Date, so long as the Company has met its Targets.

The proceeds of the Cash Grants may be used by the Company for any lawful purpose. The relocation assistance, the permit fee grant, and the local enterprise zone incentives will reflect cost savings to the Company. Notwithstanding anything contained in this Agreement to the contrary, the Company and VEDP acknowledge and agree that the value of the relocation assistance, the permit fee grant, and the local enterprise zone incentives are based upon the estimated value of the availability of those incentives to the Company and are in an “up to” or “not to exceed” amount. The Company and VEDP further acknowledge and agree that so long as such incentives are made available to the Company, the Locality shall be deemed to have met its obligations related thereto and met its local match requirement in the amount corresponding thereto, regardless of whether the Company avails itself of any particular incentive, in whole or

in part.

(c) *Other Incentives:* This Agreement relates solely to the COF Grant. The qualification for, and payment of all State-Level Incentives and Local-Level Incentives, except for the COF Grant, will be governed by separate arrangements between the Company and the entities offering the other incentives. Any Local-Level Incentives involving monetary payments to the Company are subject to appropriation by the Council and to the provisions contained in Section 4(b).

Section 5. Company Reporting.

(a) *Progress Reporting:* The Company shall provide, at the Company's expense, in the form attached hereto as Exhibit A, detailed verification satisfactory to the Locality, the Authority, and VEDP of the Company's progress on the Targets. Such progress reports will be provided annually, starting on April 1, 2022, and covering the period through the prior December 31. Further, the Company shall provide such progress reports at such other times as the Locality, the Authority, or VEDP may reasonably require.

With each such progress report, the Company shall report to VEDP the amount paid by the Company in the prior calendar year in Virginia corporate income tax. VEDP hereby represents to the Company that it considers such information to be confidential proprietary information that is exempt from public disclosure under the Virginia Freedom of Information Act and that such information will be used by VEDP solely in calculating aggregate return on invested capital analyses for purposes of gauging the overall effectiveness of economic development incentives.

(b) *Final Report:* The Company shall provide, at the Company's expense, in the form attached hereto as Exhibit B (the "Final Report"), detailed verification satisfactory to the Locality, the Authority, and VEDP of the Company's achievement of the Targets as of the Performance Date. If the Company wishes to count as New Jobs the net new jobs in the Commonwealth for contractors or employees of contractors, as described in the definition of "New Job," the Company will be responsible for providing to the Locality, the Authority and VEDP the documentation necessary to verify the qualification of such net new jobs as New Jobs. The Final Report shall be filed within 90 days after the Performance Date.

Section 6. Verification of Targets.

(a) *Verification of Capital Investment:* The Company hereby authorizes the Locality, including the Locality's Department of Finance, to release to VEDP the Company's real estate tax, business personal property tax and machinery and tools tax information. Such information shall be marked and considered confidential and proprietary and shall be used by VEDP solely for verifying satisfaction of the Capital Investment Target. If the Locality's Department of Finance should require additional documentation or consents from the Company to access such information, the Company shall promptly provide, at the Company's expense, such additional documentation or consents as may be required. In accordance with Virginia Code Section 58.1-

3122.3, VEDP is entitled to receive the Company's real estate tax, business personal property tax and machinery and tools tax information from the Locality.

(b) *Verification of New Jobs and Wages:* The Company must submit copies of its four most recent Employer's Quarterly Tax Reports (Form FC-20) with the Virginia Employment Commission with the Final Report. The forms shall be marked and considered confidential and proprietary and shall be used by VEDP solely for verifying satisfaction of the New Jobs Target. In accordance with Virginia Code Section 60.2-114, VEDP is entitled to receive the Company's employment level and wage information from the Virginia Employment Commission.

The Company agrees that it will report to the Virginia Employment Commission with respect to its employees at a facility-level, rather than at the company-level.

(c) *Additional Documentation:* In addition to the verification data described in subsections (a) and (b), in the sole discretion of the Locality, the Authority, or VEDP, the Locality, the Authority, or VEDP, may each require such other documentation, including invoices or audits, as may be required to properly verify the Targets.

Section 7. Inability to Comply.

If the Locality or VEDP shall reasonably determine at any time prior to the Performance Date that the Company is unable or unwilling to meet and Maintain its Targets by and through the Performance Date, and if the Locality, the Authority or VEDP shall have promptly notified the Company of such determination, the Company's rights hereunder will automatically terminate and the COF Grant will be simultaneously and irrevocably withdrawn. Such a determination will be based on such circumstances as a filing by or on behalf of the Company under Chapter 7 of the U.S. Bankruptcy Code, the liquidation of the Company, an abandonment of the Facility by the Company or other similar significant event that demonstrates that the Company will be unable or is unwilling to satisfy the Targets for the COF Grant. In the event the Company disagrees with the assessment by the Locality or VEDP under this Section 7, the Company may dispute said assessment by recourse to the procedure outlined in Section 9(f) (Dispute Resolution).

Section 8. Notices.

Formal notices and communications between the parties shall be given either by (i) personal service, (ii) delivery by a reputable document delivery service that provides a receipt showing date and time of delivery, (iii) mailing utilizing a certified or first class mail postage prepaid service of the United States Postal Service that provides a receipt showing date and time of delivery. Notices and communications personally delivered or delivered by document delivery service shall be deemed effective upon receipt. Notices and communications mailed shall be deemed effective on the second business day following deposit in the United States mail. Notices and communications delivered by email shall be deemed effective the next business day, not less than 24 hours, following the date of transmittal and confirmation of delivery to the intended recipient. Such written notices and communications shall be addressed to:

if to the Company, to:

and to:

GSK Consumer Healthcare
184 Liberty Corner Road
Warren, NJ 07059
Email: Peter.J.Ramsey@GSK.COM
Attention: Peter J. Ramsey, PhD, Vice
President & Head, GSK R&D

184 Liberty Corner Road
Warren, NJ 07059
Email: Gregory.G.Tole@GSK.COM
Attention: Gregory Tole, Vice President
GSK Consumer Healthcare
Legal Operations CH Americas

if to the Locality, to:

with a copy to:

City of Richmond, Virginia
900 E. Broad St., Suite 201
Richmond, Virginia 23219
Email: rvamayor@richmondgov.com
Attention: Mayor

City of Richmond, Virginia
900 E. Broad St., Suite 400
Richmond, Virginia 23219
Email: bonnie.ashley@richmondgov.com
Attention: City Attorney

if to the Authority, to:

with a copy to:

Economic Development Authority of the City
of Richmond, Virginia
1500 East Main Street
Suite 400
Richmond, Virginia 23219
Email: John.Molster@truist.com
Attention: Chair, Board of Directors

Economic Development Authority of the City of
Richmond, Virginia
2401 W Leigh Street
Richmond, Virginia 23220
Email: Carla.childs@richmondgov.com
Attention: Management Analyst

if to VEDP, to:

with a copy to:

Virginia Economic Development Partnership
One James Center, Suite 900
901 East Cary Street
Richmond, Virginia 23219
Email: moret@vedp.org
Attention: President and CEO

Virginia Economic Development Partnership
One James Center, Suite 900
901 East Cary Street
Richmond, Virginia 23219
Email: smcninch@vedp.org
Attention: General Counsel

Section 9. Miscellaneous.

(a) *Entire Agreement; Amendments:* This Agreement constitutes the entire agreement among the parties hereto as to the COF Grant and may not be amended or modified, except in writing, signed by each of the parties hereto. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. The Company may not assign its rights and obligations under this Agreement without the prior written consent of the Locality, the Authority and VEDP, provided however that no prior consent shall be required for an assignment of Company's rights or obligations under this Agreement in whole or in part by

the Company pursuant to a Corporate Divestment.

(b) *Governing Law; Venue:* This Agreement is made, and is intended to be performed, in the Commonwealth and shall be construed and enforced in accordance with the laws of the Commonwealth. Jurisdiction and venue for any litigation arising out of or involving this Agreement shall lie in the Circuit Court of the City of Richmond, and such litigation shall be brought only in such court.

(c) *Counterparts:* This Agreement may be executed in one or more counterparts, each of which shall be an original, and all of which together shall be one and the same instrument.

(d) *Severability:* If any provision of this Agreement is determined to be unenforceable, invalid or illegal, then the enforceability, validity and legality of the remaining provisions will not in any way be affected or impaired, and such provision will be deemed to be restated to reflect the original intentions of the parties as nearly as possible in accordance with applicable law.

(e) *Attorneys' Fees:* Attorneys' fees shall be paid by the party incurring such fees.

(f) *Dispute Resolution:* In the event of any dispute, controversy or claim of any kind or nature arising under or in connection with this Agreement (including disputes as to the creation, validity, or interpretation of this Agreement) (a "Dispute"), then upon the written request of any party, each of the parties will appoint a designated senior executive whose task it will be to meet for the purpose of endeavoring to resolve the Dispute. The designated executives will meet as often as the parties reasonably deem necessary in order to gather and furnish to the other all information with respect to the matter in issue which the parties believe to be appropriate and germane in connection with its resolution. Such executives will discuss the Dispute and will negotiate in good faith in an effort to resolve the Dispute without the necessity of any formal proceeding relating thereto. The specific format for such discussions will be left to the discretion of the executives but may include the preparation of agreed upon statements of fact or written statements of position furnished to the other party. No formal proceedings for the resolution of the Dispute may be commenced until the earlier to occur of (a) a good faith mutual conclusion by the executives that amicable resolution through continued negotiation of the matter in issue does not appear likely or (b) the 90th day after the initial request to negotiate the Dispute. If the resolution of the Dispute requires any party to take, or cause to be taken or to cease taking, some action, such party shall be provided a reasonable period of time, not to exceed ninety (90) days, to take, to cause, or to cease taking, such action.

[REMAINDER OF PAGE INTENTIONALLY BLANK; SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have caused this Performance Agreement to be executed below by their duly authorized representatives, as of the date first above written.

CITY OF RICHMOND, VIRGINIA

APPROVED AS TO FORM:

Bonnie M. Ashley

Deputy City Attorney

By *Lincoln Saunders*
Name: J. E. Lincoln Saunders
Title: Chief Administrative Officer
Date: 5/23/22

ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF RICHMOND, VIRGINIA

By _____
Name: John Molster
Title: Chair
Date: May 12, 2022

ALACER CORP.

Lisa D Paley
By _____
Name: Lisa D Paley
Title: SVP Alacer Corp US
Date: July 7, 2021

VIRGINIA ECONOMIC DEVELOPMENT PARTNERSHIP AUTHORITY

DocuSigned by:
Jason El Koubi
By _____
Name: Jason El Koubi
Title: President & CEO
Date: 7/4/2022

Exhibit A: Annual Progress Report Form
Exhibit B: Final Report Form

Exhibit A

**ANNUAL PROGRESS REPORT
COMMONWEALTH'S DEVELOPMENT OPPORTUNITY FUND**

PROJECT SUMMARY:

| | |
|------------------------------|--|
| Project | |
| Location | |
| Amount of Grant | |
| Performance Reporting Period | |
| Performance Date | |

PROJECT PERFORMANCE:

| Performance Measurement | Target | As of _____ | % Complete |
|---|----------------------------------|--------------------------------------|---------------------------------|
| New Jobs (over ___ baseline) ¹ | | | |
| Confidence level target will be reached by Performance Date shown above (check one) | High <input type="checkbox"/> | Moderate <input type="checkbox"/> | Low <input type="checkbox"/> |
| Capital Investment (provide breakdown below) ² | | | |
| Confidence level target will be reached by Performance Date shown above (check one) | High <input type="checkbox"/> | Moderate <input type="checkbox"/> | Low <input type="checkbox"/> |
| Average Annual Wage | | | N/A |
| Confidence level target will be reached by Performance Date shown above (check one) | High <input type="checkbox"/> | Moderate <input type="checkbox"/> | Low <input type="checkbox"/> |
| Standard Fringe Benefits (check one) | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A |
| Virginia Corporate Income Tax Paid in Prior Calendar Year ³ | \$ | | |

¹ Data will be verified using Virginia Employment Commission records.

² Data will be verified with locality records.

³ This confidential information is protected from disclosure pursuant to § 2.2-3705.6 of FOIA.

| Capital Investment Breakdown | Amount |
|-------------------------------------|---------------|
| Land | \$ |
| Land Improvements | \$ |
| New Construction or Expansion | \$ |
| Renovation or Building Up-fit | \$ |
| Production Machinery and Tools | \$ |
| Furniture, Fixtures and Equipment | \$ |
| Other | \$ |
| Total | \$ |

COMMENTS:

Discuss project status, including the current level of new jobs and capital investment, progress on targets, changes or likely changes in project’s nature that may impact achievement of targets, and other information relevant to project performance. If the project is not on track to meet targets, please provide an explanation.

TO BE CERTIFIED BY AN OFFICER OF THE COMPANY:

I certify that I have examined this report and to the best of my knowledge and belief, it is true, correct, and complete.

Company: _____

Submitted By: _____
Signature of Official

Name: _____
Print Name

Title: _____

Date: _____

Please return to:

Kim Ellett, Incentives Coordinator, Virginia Economic Development Partnership,
804.545.5618, kellett@vedp.org

FINAL REPORT COMMONWEALTH'S DEVELOPMENT OPPORTUNITY FUND

PROJECT SUMMARY:

| | |
|------------------|--|
| Project | |
| Location | |
| Amount of Grant | |
| Performance Date | |

PROJECT PERFORMANCE:¹

| Performance Measurement | Target | As of _____ | % Complete |
|---|--------|-------------|------------|
| New Jobs (over __ baseline) ² | | | |
| Capital Investment (provide breakdown below) ³ | | | |
| Average Annual Wage | | | N/A |
| Standard Fringe Benefits | | | |
| Virginia Corporate Income Tax Paid in Prior Calendar Year ⁴ | \$ | | |

| Capital Investment Breakdown | Amount |
|-----------------------------------|-----------|
| Land | \$ |
| Land Improvements | \$ |
| New Construction or Expansion | \$ |
| Renovation or Building Up-fit | \$ |
| Production Machinery and Tools | \$ |
| Furniture, Fixtures and Equipment | \$ |
| Other | \$ |
| Total | \$ |

¹ Final, actual performance will be reported on VEDP's public reporting website.

² Attach the company's four most recent Quarterly Tax Reports (Form FC-20) filed with the Virginia Employment Commission.

³ Data will be verified using records from the Commissioner of the Revenue and, if requested, invoices.

⁴ This confidential information is protected from disclosure pursuant to § 2.2-3705.6 of FOIA.

LOCAL MATCH:

| | |
|--------|--|
| Goal | |
| Actual | |

COMMENTS:

Discuss Project status or the importance of the Project to the locality and region.

TO BE CERTIFIED BY AN OFFICER OF THE COMPANY:

I certify that I have examined this report and to the best of my knowledge and belief, it is true, correct, and complete.

Company: _____

Submitted By: _____
Signature of Official

Name: _____
Print Name

Title: _____

Date: _____

Please return to:

Kim Ellett, Incentives Coordinator, Virginia Economic Development Partnership,
804.545.5618, kellett@vedp.org

EDA Credit Card

**Update on 2401 West Leigh Street Facility
Operations and Maintenance**

BON SECOURS TRAINING CENTER



FINANCIAL REPORTS NOVEMBER 2023

DISTRIBUTION:

EDA FINANCE COMMITTEE

LISA JONES - A.G. REESE AND ASSOCIATES

NATHAN HUGHES - SPERITY REAL ESTATE VENTURES

LEONARD SLEDGE - DEPT OF ECONOMIC DEVELOPMENT

ASM

BOB PAPKE, VICE PRESIDENT - THEATERS

GLENN MAJOR, GENERAL MANAGER

JEFFREY WONG, SVP FINANCE - AMERICAS

PREPARED

12/20/2023

DISTRIBUTED

12/20/2023

BON SECOURS TRAINING CENTER
FINANCIAL REPORTS
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BON SECOURS TRAINING CENTER
Profit Loss Budget Performance
NOVEMBER 2023

| | Nov-22 | Nov-23 | YTD Actual | YTD Budget | Annual Budget |
|-----------------------------------|------------------|------------------|-------------------|-------------------|-------------------|
| Ordinary Income/Expense | | | | | |
| Income | | | | | |
| Event Income | 10,897.00 | 17,491.00 | 124,114.00 | 71,025.00 | 71,025.00 |
| Advertising & Other Income | 0.00 | 10,816.00 | 13,133.00 | 0.00 | 0.00 |
| Parking Income | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 1st Floor Ground Rent | 1,767.00 | 1,767.00 | 8,837.00 | 0.00 | 10,602.00 |
| 2nd Floor Ground Rent | 563.00 | 563.00 | 2,814.00 | 0.00 | 3,378.00 |
| 1st Floor Rent | 25,484.00 | 25,484.00 | 127,422.00 | 0.00 | 152,904.00 |
| 2nd Floor Rent | 13,448.00 | 13,448.00 | 67,240.00 | 0.00 | 80,688.00 |
| 1st Floor CAM | 16,625.00 | 16,625.00 | 83,125.00 | 0.00 | 99,750.00 |
| 2nd Floor CAM | 7,695.00 | 7,695.00 | 38,475.00 | 327,910.00 | 46,170.00 |
| Rental Income-Westhampton | - | - | - | - | - |
| Sponsorship Fee-Bon Secours | - | - | - | - | - |
| Total Income | 76,479.00 | 93,889.00 | 465,160.00 | 398,935.00 | 464,517.00 |
| Expense | | | | | |
| Bank Service Charges | - | - | - | - | - |
| Depreciation Expense | - | - | - | - | - |
| General and Administrative | 5,795.00 | 1,219.00 | 13,778.00 | 12,900.00 | 16,839.00 |
| Grounds Maintenance | 6,005.00 | 9,709.00 | 48,547.00 | 50,380.00 | 60,456.00 |
| Insurance Expense | 2,329.00 | -1,767.00 | 7,323.00 | 9,833.00 | 11,799.00 |
| Janitorial Service Supplies | 1,463.00 | 1,463.00 | 7,464.00 | 7,535.00 | 9,042.00 |
| Maintenance Expense | 17,240.00 | -1,045.00 | 17,985.00 | 45,718.00 | 57,163.00 |
| Base Management Fee | 1,057.00 | 1,205.00 | 6,317.00 | 5,250.00 | 6,300.00 |
| Incentive Management Fee | 557.00 | 0.00 | 4,486.00 | 2,500.00 | 3,000.00 |
| Operations | 2,488.00 | 1,011.00 | 20,136.00 | 14,550.00 | 20,460.00 |
| Additional Training Camp Expenses | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Payroll Expenses | 174.00 | 3,696.00 | 5,751.00 | 3,880.00 | 4,656.00 |
| Ground Rent Expense | 3,380.00 | 3,380.00 | 16,900.00 | 16,900.00 | 20,280.00 |
| Repairs and Maintenance | - | 0.00 | 0.00 | 0.00 | 0.00 |
| Security Service | 838.00 | 644.00 | 4,742.00 | 2,700.00 | 3,240.00 |
| Staffing | 14,011.00 | 2,775.00 | 73,824.00 | 68,573.00 | 87,376.00 |
| Telephone Expense | 605.00 | 605.00 | 3,400.00 | 3,025.00 | 3,630.00 |
| Utilities | 8,425.00 | 7,439.00 | 45,247.00 | 43,110.00 | 51,732.00 |
| Total Expense | 64,367.00 | 30,334.00 | 275,900.00 | 286,854.00 | 355,973.00 |
| Net Ordinary Income | 12,112.00 | 63,555.00 | 189,260.00 | 112,081.00 | 108,544.00 |
| Other Income/Expense | | | | | |
| Other Income | | | | | |
| Interest Income-Cking | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total Other Income | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Net Other Income | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Net Income | 12,112.00 | 63,555.00 | 189,260.00 | 112,081.00 | 108,544.00 |

DocuSigned by:

Tabitha Sechrist

Tabitha Sechrist, Director of Facility Accounting

DocuSigned by:

Glenn Major

Glenn Major, General Manager

BON SECOURS TRAINING CENTER
ROLLING FORECAST SUMMARY
STUB FISCAL YEAR ENDING DECEMBER 31, 2023*
SUMMARY FOR THE FIVE MONTHS ENDING NOVEMBER 2023

| | 11/30/23 | | | BUDGET | | OPERATING RESULTS | |
|-------------------------------|----------------|---------------------|-------------------|----------------|---------------|-------------------|-----------------|
| | ACTUAL YTD | ROLLING FORECAST | TOTAL 12/31/23 | STUB FYE2024 | VARIANCE | FYE2023 | VARIANCE |
| NO. EVENTS | 39 | 0 | 39 | 21 | 18 | 60 | (21) |
| ATTENDANCE | 52,909 | 0 | 52,909 | 14,285 | 38,624 | 20,210 | 32,699 |
| DIRECT EVENT INCOME | 123,213 | 0 | 123,213 | 47,875 | 75,338 | 134,780 | (11,567) |
| ANCILLARY INCOME | 900 | 0 | 900 | 3,150 | (2,250) | 1,572 | (672) |
| FACILITY FEES & REBATES | 0 | 0 | 0 | 20,000 | (20,000) | 6,728 | (6,728) |
| TOTAL EVENT INCOME | 124,114 | 0 | 124,113 | 71,025 | 53,088 | 143,081 | (18,968) |
| OTHER INCOME | 341,046 | 65,582 | 406,628 | 393,492 | 13,136 | 798,669 | (392,041) |
| INDIRECT EXPENSES | | | | | | | |
| EXECUTIVE | 27,954 | 8,893 | 36,847 | 47,285 | 10,438 | 83,798 | 46,951 |
| FINANCE | 12,576 | 1,880 | 14,456 | 4,906 | (9,550) | 31,502 | 17,046 |
| MARKETING | 864 | 250 | 1,114 | 3,012 | 1,898 | 5,651 | 4,537 |
| OPERATIONS | 145,419 | 38,005 | 183,424 | 191,047 | 7,623 | 317,768 | 134,344 |
| OVERHEAD | 78,284 | 26,137 | 102,815 | 100,423 | (2,392) | 220,670 | 117,855 |
| TOTAL INDIRECT EXP. | 265,097 | 75,166 | 338,657 | 346,673 | 8,016 | 659,389 | 320,732 |
| MANAGEMENT FEE | 10,803 | 1,606 | 12,409 | 9,300 | (3,109) | 20,168 | 7,759 |
| NET INCOME - OPERATING | 189,260 | (11,190) | 179,677 | 108,544 | 71,133 | 262,194 | (82,517) |

ESTIMATED FY24 BASE MANAGEMENT FEE: \$ **8,160.69**
ESTIMATED FY24 INCENTIVE MANAGEMENT FEE: \$ **4,486.00**

*ASM CONTRACT ENDS 12/31/23

BON SECOURS TRAINING CENTER
ROLLING FORECAST

| EVENT | YEAR-TO-DATE | | | | | | REMAINING PROJECTION | | | | | | | ROLL EVT INC FY 6/22 | | | | |
|--|--------------|--------|----------------------|-----------|-------------------|---------------------|----------------------|--------|------|--------------------|--------------------|----------|-------------|----------------------------|------------------|---------|------|--------------------|
| | NO. | ATTND | DIRECT EVENT INC. | ANCILLARY | FEES & REBATES | TOTAL EVENT INC. | NO. | ATTND. | RENT | SERVICES INCOME | TOTAL DIR. INC. | CATERING | CONCESSIONS | | TOTAL ANCILL. | REBATES | FEES | TOTAL EVT. INC. |
| Assemblies 701 | | | | | | - | | | | | - | | | | | | - | - |
| | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - | 0 | 0 | 0 | 0 | 0 | - | - |
| Banquets 702 | | | | | | | | | | | | | | | | | | |
| 07.27.23 MBL RVA LINKUP | 1 | 100 | 5,450 | - | - | 5,450 | | | | | - | | | 0 | | | - | 5,450 |
| 08.19.23 Walker Birthday Party | 1 | 300 | 5,197 | - | - | 5,197 | | | | | - | | | 0 | | | - | 5,197 |
| 09.09.23 Joyner Wedding | 1 | 350 | 5,957 | - | - | 5,957 | | | | | - | | | 0 | | | - | 5,957 |
| 09.21.23 Chamber CollegeJam | 1 | 100 | 4,160 | - | - | 4,160 | | | | | - | | | 0 | | | - | 4,160 |
| 09.30.23 Coley Wedding | 1 | 100 | 5,093 | - | - | 5,093 | | | | | - | | | 0 | | | - | 5,093 |
| 10.13.23 Empty Plate Luncheon | 1 | 350 | 4,304 | - | - | 4,304 | | | | | - | | | 0 | | | - | 4,304 |
| 11.02.23 YMCA Chairman's Roundtable | 1 | 300 | 4,111 | - | - | 4,111 | | | | | - | | | 0 | | | - | 4,111 |
| 11.18.23 Wallach Bar Mitzvah | 1 | 100 | 6,325 | - | - | 6,325 | | | | | - | | | 0 | | | - | 6,325 |
| 11.14.23 Pitch VA | 1 | 200 | 4,752 | - | - | 4,752 | | | | | - | | | 0 | | | - | 4,752 |
| PAST EVENTS FY23 | | | (400) | 846 | | 446 | | | | | - | | | 0 | | | - | 446 |
| | 9 | 1,900 | 44,949 | 846 | 0 | 45,795 | 0 | 0 | 0 | 0 | - | 0 | 0 | 0 | 0 | 0 | - | 45,795 |
| Concerts 704 | | | | | | | | | | | | | | | | | | |
| 08.26.23 Iron Blossom Festival | 2 | 21,079 | 32,302 | | | 32,302 | | | | | - | | | 0 | | | - | 32,302 |
| | 2 | 21,079 | 32,302 | 0 | 0 | 32,302 | 0 | 0 | 0 | 0 | - | 0 | 0 | 0 | 0 | 0 | - | 32,302 |
| EDA Complimentary Meetings 708 | | | | | | | | | | | | | | | | | | |
| 07.08.23 GRTC Meeting | 1 | 21 | 1,468 | | | 1,468 | | | | | - | | | - | | | - | 1,468 |
| 08.11.23 Mayor Youth Academy | 1 | 200 | 540 | 54 | | 594 | | | | | - | | | - | | | - | 594 |
| 08.11.23 City DPU Family and Friends Day | 1 | 200 | 519 | | | 519 | | | | | - | | | - | | | - | 519 |
| 11.16.23 All Hands DPU | 1 | 250 | 635 | - | - | 635 | | | | | - | | | 0 | | | - | 635 |
| 11.07.23 Polling Station Election Day | 1 | 3,000 | 997 | - | - | 997 | | | | | - | | | - | | | - | 997 |
| | 5 | 3,671 | 4,160 | 54 | 0 | 4,214 | 0 | 0 | 0 | 0 | - | 0 | 0 | 0 | 0 | 0 | - | 4,214 |
| Sporting Events 709 | | | | | | | | | | | | | | | | | | |
| 08.02-08.05.24 VCU Soccer | 15 | 855 | 8,100 | - | - | 8,100 | | | | | - | | | 0 | | | - | 8,100 |
| 09.02.23 Parks and Rec Football | 1 | 2,000 | 4,101 | - | - | 4,101 | | | | | - | | | 0 | | | - | 4,101 |
| 11.25.23 Armstrong City Event | 1 | 1,000 | 1,469 | | | 1,469 | | | | | - | | | 0 | | | - | 1,469 |
| | 17 | 3,855 | 13,671 | 0 | 0 | 13,671 | 0 | 0 | 0 | 0 | - | 0 | 0 | 0 | 0 | 0 | - | 13,671 |
| Other 712 | | | | | | | | | | | | | | | | | | |
| 07.08.23 SMOKE AND VINE FESTIVAL | 1 | 1,104 | 6,944 | | | 6,944 | | | | | - | | | 0 | | | - | 6,944 |
| 10.21.23 Pumpkin Festival | 1 | 10,000 | 4,718 | | | 4,718 | | | | | - | | | 0 | | | - | 4,718 |
| 10.22.23 VA Pride Fest | 1 | 10,000 | 5,078 | - | - | 5,078 | | | | | - | | | - | | | - | 5,078 |
| 10.14.23 Lupus Walk | 1 | 700 | 2,886 | | | 2,886 | | | | | - | | | 0 | | | - | 2,886 |
| 10.28.23 Ask Fall Festival | 1 | 100 | 2,885 | | | 2,885 | | | | | - | | | 0 | | | - | 2,885 |
| 10.29.23 Postal Service Union Picnic | 1 | 500 | 5,623 | | | 5,623 | | | | | - | | | 0 | | | - | 5,623 |
| | 6 | 22,404 | 28,135 | 0 | 0 | 28,135 | 0 | 0 | 0 | 0 | - | 0 | 0 | 0 | 0 | 0 | - | 28,135 |
| TOTAL EVENT INCOME | 39 | 52,909 | 123,216 | 900 | 0 | 124,116 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 124,116 |

BON SECOURS TRAINING CENTER
ROLLING FORECAST
FOR THE STUB YEAR ENDING DECEMBER 31, 2023

| | YTD as of 11/30/23 | December 2023 | Total Forecast | TOTAL FYE2024 | BUDGET FYE 12/31/23 |
|----------------------------|-----------------------|------------------|-------------------|------------------|------------------------|
| <u>OTHER INCOME</u> | | | | | |
| ADVERTISING INCOME | 0 | - | - | - | 0 |
| TENANT INCOME | 327,913 | 65,582 | 65,582 | 393,495 | 393,492 |
| OTHER INCOME | 13,133 | - | - | 13,133 | 0 |
| MISC INCOME | 0 | - | - | - | 0 |
| TOTAL OTHER INCOME | 341,046 | 65,582 | 65,582 | 406,628 | 393,492 |

| | | December 2023 | Total Forecast | TOTAL FYE2024 | BUDGET FYE 12/31/23 |
|-------------------------|---------------|------------------|-------------------|------------------|------------------------|
| <u>EXECUTIVE</u> | | | | | |
| SALARIES | 24,231 | 6,300 | 6,300 | 30,531 | 31,500 |
| BONUS | 4,620 | 1,260 | 1,260 | 5,880 | 6,300 |
| PAYROLL TAXES | 740 | 567 | 567 | 1,307 | 3,150 |
| EMPLOYEE BENEFITS | (2,157) | 316 | 316 | (1,841) | 1,578 |
| 401k | 461 | 316 | 316 | 777 | 1,578 |
| PROFESSIONAL FEES-LEGAL | 0 | 85 | 85 | 85 | 425 |
| Dues & Subscriptions | 59 | 50 | 50 | 109 | 2,754 |
| | | - | - | | |
| TOTAL EXECUTIVE | 27,954 | 8,893 | 8,893 | 36,847 | 47,285 |

| | | December 2023 | Total Forecast | TOTAL FYE2024 | BUDGET FYE 12/31/23 |
|---------------------------|---------------|------------------|-------------------|------------------|------------------------|
| <u>FINANCE</u> | | | | | |
| PROFESSIONAL FEES - OTHER | 0 | - | - | - | 0 |
| DUES AND SUBSCRIPTIONS | 6,825 | 1,365 | 1,365 | 8,190 | 250 |
| PAYROLL PROCESSING | 5,751 | 515 | 515 | 6,266 | 4,656 |
| TOTAL FINANCE | 12,576 | 1,880 | 1,880 | 14,456 | 4,906 |

BON SECOURS TRAINING CENTER
ROLLING FORECAST
FOR THE STUB YEAR ENDING DECEMBER 31, 2023

| | YTD as of 11/30/23 | December 2023 | Total Forecast | TOTAL FYE2024 | BUDGET FYE 12/31/23 |
|--------------------------------|-----------------------|------------------|-------------------|------------------|------------------------|
| <u>MARKETING</u> | | | | | |
| DUES & SUBSCRIPTIONS | 864 | 250 | 250 | 1,114 | 3,012 |
| TOTAL MARKETING | 864 | 250 | 250 | 1,114 | 3,012 |
| <u>OPERATIONS</u> | | | | | |
| Salaries Administration | 21,231 | 4,800 | 4,800 | 26,031 | 30,375 |
| General Event Wages | 12,922 | 3,223 | 3,223 | 16,145 | - |
| Commission | - | - | - | - | 1,200 |
| Payroll Taxes | 2,889 | 607 | 607 | 3,496 | 3,036 |
| Benefits | 7,496 | 1,160 | 1,160 | 8,656 | 4,556 |
| 401 (k) | 773 | 304 | 304 | 1,077 | 1,519 |
| Contracted Security | 4,742 | 1,025 | 1,025 | 5,767 | 3,240 |
| Contracted Cleaning | 7,464 | 1,808 | 1,808 | 9,272 | 9,042 |
| Contracted Landscaping | 48,547 | 9,709 | 9,709 | 58,256 | 60,456 |
| Operating Supplies | 914 | 500 | 500 | 1,414 | 3,090 |
| Trash Removal | 3,935 | 950 | 950 | 4,885 | - |
| Snow Removal | - | - | - | - | 3,000 |
| Sand & Salt | - | - | - | - | 500 |
| Landscaping | 4,251 | 1,417 | 1,417 | 5,668 | 500 |
| Exterminating | 1,548 | 240 | 240 | 1,788 | 1,200 |
| Exterior Window Clean | 2,512 | - | - | 2,512 | 4,500 |
| Small Equipment | - | - | - | - | 400 |
| Safety Equipment | 153 | 40 | 40 | 193 | 350 |
| Rental Other | 2,078 | 277 | 277 | 2,355 | 1,386 |
| Vehicle Expense | - | - | - | - | 250 |
| General Building Repairs | - | 1,500 | 1,500 | 1,500 | 2,500 |
| Yearly Electrical Inspection | - | - | - | - | 498 |
| Computer Expense | - | - | - | - | 600 |
| Elevator Escalator | - | 500 | 500 | 500 | 1,002 |
| Field Maintenance | 7,259 | 2,000 | 2,000 | 9,259 | 15,000 |
| Sprinkler Sys Prev Maintenance | - | - | - | - | 1,626 |
| Floor Maintenance | - | - | - | - | 1,500 |
| HVAC Systems | 1,703 | 300 | 300 | 2,003 | 1,500 |
| Maintenance Agreements | 420 | 1,732 | 1,732 | 2,152 | 8,661 |
| Other Repairs/Maintenance | - | 1,000 | 1,000 | 1,000 | 4,998 |
| Park Maintenance | 8,603 | 3,856 | 3,856 | 12,459 | 19,278 |
| General Building Supplies | 734 | 500 | 500 | 1,234 | 2,500 |
| Plumbing | 163 | 200 | 200 | 363 | 1,000 |
| Filters | 203 | 100 | 100 | 303 | 500 |
| Janitorial | 4,712 | 257 | 257 | 4,969 | 1,284 |
| Uniforms | 167 | - | - | 167 | - |
| TOTAL OPERATIONS | 145,419 | 38,005 | 38,005 | 183,424 | 191,047 |

BON SECOURS TRAINING CENTER
ROLLING FORECAST
FOR THE STUB YEAR ENDING DECEMBER 31, 2023

| <u>OVERHEAD</u> | YTD as of 11/30/23 | December 2023 | Total Forecast | TOTAL FYE2024 | BUDGET FYE 12/31/23 |
|-------------------------|-------------------------------|--------------------------|---------------------------|--------------------------|--------------------------------|
| WORKERS COMP INSURANCE | 618 | 200 | 200 | 818 | 2,250 |
| BANK SERVICE CHARGES | 1,598 | 400 | 400 | 1,998 | 1,182 |
| POSTAGE | - | - | - | - | 100 |
| RENTAL OFFICE EQUIPMENT | 1,029 | 247 | 247 | 1,276 | 1,236 |
| OFFICE SUPPLIES | - | - | - | - | 498 |
| RENT EXPENSE | 16,900 | 3,380 | 3,380 | 20,280 | 20,280 |
| COMPUTER EXPENSE | 2,468 | 442 | 442 | 2,910 | 4,200 |
| COMPUTER MAINTENANCE | - | - | - | - | 2,400 |
| CABLE EXPENSE | 21 | 223 | 223 | 244 | 1,116 |
| INSURANCE EXPENSES | 5,443 | 3,390 | 3,390 | 8,833 | 6,684 |
| UMBRELLA COVERAGE | 1,560 | 1,023 | 1,023 | 2,583 | 5,115 |
| ELECTRICITY | 29,310 | 7,500 | 7,500 | 36,810 | 37,110 |
| TELEPHONE | 3,400 | 726 | 726 | 4,126 | 3,630 |
| WATER & SEWER & GAS | 15,937 | 7,000 | 7,000 | 22,937 | 14,622 |
| BASE FEE | 6,317 | 1,606 | 1,606 | 7,923 | 6,300 |
| INCENTIVE FEE | 4,486 | - | - | 4,486 | 3,000 |
| TOTAL OVERHEAD | 89,087 | 26,137 | 26,137 | 115,224 | 109,723 |

Bon Secours Training Center
Balance Sheet
November 30, 2023

ASSETS

Current Assets

| | | |
|---------------------|----|----------|
| Cash | \$ | 282,298 |
| Accounts Receivable | | 54,142 |
| Prepaid Assets | | (10,965) |
| Inventory | | 0 |

Total Current Assets 325,475

Fixed Assets

| | | |
|--------------------------|--|---|
| Fixed Assets | | 0 |
| Accumulated Depreciation | | 0 |

Total Fixed Assets 0

Other Assets

| | | |
|--------------|--|---|
| Other Assets | | 0 |
| Deposits | | 0 |

Total Other Assets 0

Total Assets **\$ 325,475**

LIABILITIES AND EQUITY

Current Liabilities

| | | |
|-------------------------------|----|--------|
| Accounts Payable | \$ | 49,642 |
| Accrued Expenses | | 23,791 |
| Deferred Income | | 65,582 |
| Advance Ticket Sales/Deposits | | 0 |

Total Current Liabilities 139,015

Long-Term Liabilities

| | | |
|-----------------------|--|---|
| Long Term Liabilities | | 0 |
|-----------------------|--|---|

Total Long-Term Liabilities 0

Total Liabilities 139,015

Equity

| | |
|--------------------|-------------|
| Contributions | (2,771,135) |
| Net Funds Received | 0 |
| Retained Earnings | 2,768,331 |
| Net Income (Loss) | 189,260 |

Total Equity 186,456

Total Liabilities & Equity **\$ 325,471**

BON SECOURS TRAINING CENTER
A/R Aging, A/P Aging, and Event Deposit Schedule

Schedule of A/R Aging

11/30/2023

| | Total Amount Due | % |
|----------------------------|-------------------------|----------|
| Accounts Receivable | | |
| Current | 13,903 | 25.68% |
| Past Due 30 Days | 6,519 | 12.04% |
| Past Due 60 Days | 5,578 | 10.30% |
| Past Due 90 + Days | 28,141 | 51.98% |
| Total Accounts Receivable | 54,141 | 100% |

Explanation of Items Due 90 + Days
Customer Name

Event Date

Amount

Comment:

| | | | |
|------------------------------|-----------|----------|------------------|
| American Heart Association | Event | \$ 1,182 | Resent to Client |
| Bon Secours Primary Care | Monthly | \$ 7,209 | Resent to Client |
| Bon Secours Physical Therapy | Monthly | \$ 526 | Resent to Client |
| Bon Secours Rent - CAM | Monthly | \$ 2,565 | Resent to Client |
| City of Richmond | Event | \$ 1,784 | Resent to Client |
| Blue Grey Events | Events | \$ 2,565 | Resent to Client |
| RVA FASHION WEEK | 4/23/2023 | \$ 5,446 | Resent to Event |
| ZAKIA HALL BABY SHOWER | 5/1/2023 | \$ 5,311 | Resent to Event |
| VA ROYALS FOOTBALL | 4/3/2022 | \$ 1,248 | Resent to Event |

Schedule of A/P Aging

11/30/2023

| | Total Amount Due | % |
|-------------------------|-------------------------|----------|
| Accounts Payable | | |
| Current | 35,533 | 121.60% |
| Past Due 30 Days | (5,128) | -17.55% |
| Past Due 60 Days | (784) | -2.68% |
| Past Due 90 + Days | (400) | -1.37% |
| Total Accounts Payable | 29,221 | 100% |

Explanation of Items Due 90 + Days

Schedule of Event Deposits

11/30/2023

Event Date

Event

Deposit Received

%

| | | |
|--|---|----|
| | - | 0% |
| | - | 0% |

Bon Secours Training Center
Income Statement
For the Five Months Ending November 30, 2023

| | Current Month Actual | Current Month Budget | Current Month Prior Year | Year to Date Actual | Year to Date Budget | Year to Date Prior Year |
|-------------------------------|-------------------------|-------------------------|-----------------------------|------------------------|------------------------|----------------------------|
| EVENT INCOME | | | | | | |
| Direct Event Income | | | | | | |
| Rental Income | \$ 12,150 | \$ 6,000 | \$ 9,450 | \$ 100,930 | \$ 40,000 | \$ 37,730 |
| Service Revenue | 7,623 | 2,250 | 4,331 | 108,772 | 15,750 | 16,648 |
| Service Expenses | (2,282) | (1,125) | (2,885) | (86,488) | (7,875) | (10,496) |
| Total Direct Event Inco | 17,491 | 7,125 | 10,896 | 123,214 | 47,875 | 43,882 |
| Ancillary Income | | | | | | |
| F & B Concessions | 0 | 0 | 0 | 846 | 0 | 0 |
| F & B Catering | 0 | 200 | 0 | 54 | 3,150 | 0 |
| Novelty Sales | 0 | 0 | 0 | 0 | 0 | 0 |
| Gift Shop Sales | 0 | 0 | 0 | 0 | 0 | 0 |
| Parking | 0 | 0 | 0 | 0 | 0 | 0 |
| Parking: Valet | 0 | 0 | 0 | 0 | 0 | 0 |
| Booth Cleaning | 0 | 0 | 0 | 0 | 0 | 0 |
| Business Center | 0 | 0 | 0 | 0 | 0 | 0 |
| Telephone | 0 | 0 | 0 | 0 | 0 | 0 |
| Electrical Services | 0 | 0 | 0 | 0 | 0 | 0 |
| Audio Visual | 0 | 0 | 0 | 0 | 0 | 0 |
| Internet Services | 0 | 0 | 0 | 0 | 0 | 0 |
| Equipment Rental | 0 | 0 | 0 | 0 | 0 | 0 |
| Other Ancillary | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Ancillary Income | 0 | 200 | 0 | 900 | 3,150 | 0 |
| Other Event Income | | | | | | |
| Other Event Related In | 0 | 0 | 0 | 0 | 0 | 0 |
| Luxury Box Ticket Sale | 0 | 0 | 0 | 0 | 0 | 0 |
| Club Seat Ticket Sales | 0 | 0 | 0 | 0 | 0 | 0 |
| Event Advertising Inco | 0 | 0 | 0 | 0 | 0 | 0 |
| Ticket Rebates | 0 | 0 | 0 | 0 | 0 | 0 |
| Facility Fees | 0 | 0 | 0 | 0 | 20,000 | 0 |
| Total Other Event Inco | 0 | 0 | 0 | 0 | 20,000 | 0 |
| Total Event Income | 17,491 | 7,325 | 10,896 | 124,114 | 71,025 | 43,882 |
| OTHER OPERATING INCOME | | | | | | |
| Advertising | 0 | 0 | 0 | 0 | 0 | 0 |
| 1st Floor Ground Rent | 1,767 | 0 | 1,767 | 8,837 | 0 | 8,837 |
| 2nd Floor Ground Rent | 563 | 0 | 563 | 2,814 | 0 | 2,814 |
| 1st Floor Rent | 25,484 | 0 | 25,484 | 127,422 | 0 | 127,422 |
| 2nd Floor Rent | 13,448 | 0 | 13,448 | 67,240 | 0 | 67,240 |
| 1st Floor CAM | 16,625 | 0 | 16,625 | 83,125 | 0 | 83,125 |

Bon Secours Training Center
Income Statement
For the Five Months Ending November 30, 2023

| | Current Month Actual | Current Month Budget | Current Month Prior Year | Year to Date Actual | Year to Date Budget | Year to Date Prior Year |
|--------------------------------|-------------------------|-------------------------|-----------------------------|------------------------|------------------------|----------------------------|
| 2nd Floor CAM | 7,695 | 0 | 7,695 | 38,475 | 0 | 38,475 |
| Other Income | 10,816 | 65,582 | 0 | 13,133 | 327,910 | 416 |
| Total Other Operating I | 76,398 | 65,582 | 65,582 | 341,046 | 327,910 | 328,329 |
| Adjusted Gross Income | 93,889 | 72,907 | 76,478 | 465,160 | 398,935 | 372,211 |
| INDIRECT EXPENSES | | | | | | |
| Salaries & Wages | 1,432 | 11,463 | 13,330 | 63,786 | 57,313 | 63,219 |
| Payroll Taxes & Benefi | 1,343 | 2,252 | 1,385 | 10,820 | 11,260 | 13,448 |
| Labor Allocations to E | 0 | 0 | (704) | (782) | 0 | (1,495) |
| Net Salaries and Benefi | 2,775 | 13,715 | 14,011 | 73,824 | 68,573 | 75,172 |
| Contracted Services | 11,816 | 12,123 | 12,883 | 60,753 | 60,615 | 61,429 |
| General and Administr | 8,295 | 6,736 | 8,777 | 36,429 | 33,680 | 36,875 |
| Operating | (51) | 2,363 | 1,085 | 14,157 | 11,815 | 4,977 |
| Repairs & Maintenance | (1,045) | 9,144 | 13,235 | 17,985 | 45,718 | 33,328 |
| Operational Supplies | 1,062 | 547 | 1,403 | 5,979 | 2,735 | 2,031 |
| Insurance | (1,767) | 1,967 | 2,329 | 7,323 | 9,833 | 11,649 |
| Utilities | 8,044 | 9,227 | 9,030 | 48,647 | 46,135 | 55,897 |
| Redskins Local Contrib | 0 | 0 | 0 | 0 | 0 | 0 |
| ASM Management Fee | 1,205 | 1,550 | 1,614 | 10,803 | 7,750 | 7,818 |
| Allocated Expenses | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Indirect Expenses | 30,334 | 57,372 | 64,367 | 275,900 | 286,854 | 289,176 |
| Net Income (Loss) | \$ 63,555 | \$ 15,535 | \$ 12,111 | \$ 189,260 | \$ 112,081 | \$ 83,035 |

Bon Secours Training Center
Indirect Expenses Detail
For the Five Months Ending November 30, 2023

| | Current Month Actual | Current Month Budget | Current Month Prior Year | Year to Date Actual | Year to Date Budget | Year to Date Prior Year |
|-------------------------------------|-------------------------|-------------------------|-----------------------------|------------------------|------------------------|----------------------------|
| INDIRECT EXPENSES | | | | | | |
| Employee Wages and Benefits | | | | | | |
| Salaries Administration \$ | 1,402 | \$ 10,313 | \$ 9,003 | \$ 45,462 | \$ 51,563 | \$ 50,734 |
| Changeover Labor - W | 30 | 0 | 1,240 | 13,564 | 0 | 1,806 |
| General - Part-Time | 0 | 0 | 1,630 | 0 | 0 | 1,630 |
| Security - Event | 0 | 0 | 252 | 140 | 0 | 420 |
| Bonus - Performance | 0 | 1,050 | 1,100 | 4,620 | 5,250 | 6,509 |
| Commission | 0 | 100 | 105 | 0 | 500 | 2,120 |
| Payroll Taxes | (346) | 1,031 | 908 | 3,629 | 5,155 | 3,988 |
| Benefits | 1,777 | 643 | 254 | 5,339 | 3,215 | 7,726 |
| 401 (k) | (22) | 390 | 152 | 1,234 | 1,950 | 859 |
| Workers Compensation | (66) | 188 | 71 | 618 | 940 | 875 |
| Allocated Chngover. L | 0 | 0 | (556) | (218) | 0 | (927) |
| Allocated Custodial - E | 0 | 0 | 0 | (88) | 0 | 0 |
| Allocated Security - Ev | 0 | 0 | 0 | (476) | 0 | (420) |
| Allocated Stagehands - | 0 | 0 | (148) | 0 | 0 | (148) |
| Net Employee Wages a | 2,775 | 13,715 | 14,011 | 73,824 | 68,573 | 75,172 |
| Contracted Services | | | | | | |
| Contracted Security | 644 | 540 | 838 | 4,742 | 2,700 | 3,492 |
| Contracted Cleaning | 1,463 | 1,507 | 1,463 | 7,464 | 7,535 | 7,314 |
| Contracted Landscapin | 9,709 | 10,076 | 10,010 | 48,547 | 50,380 | 50,051 |
| Other Contracted Servi | 0 | 0 | 572 | 0 | 0 | 572 |
| Total Contracted Servic | 11,816 | 12,123 | 12,883 | 60,753 | 60,615 | 61,429 |
| General and Administrative Expenses | | | | | | |
| Professional Fees - Oth | 0 | 56 | 0 | 0 | 280 | 0 |
| Bank Service Charges | 299 | 197 | 337 | 1,598 | 985 | 1,827 |
| Travel | 0 | 0 | 0 | 0 | 0 | 116 |
| Meals & Entertainment | 0 | 0 | 0 | 59 | 0 | 65 |
| Dues & Subscriptions | 1,408 | 732 | 4,067 | 7,819 | 3,660 | 11,451 |
| Postage | 0 | 20 | 13 | 0 | 100 | 58 |
| Rental Office Equipme | 257 | 206 | 234 | 1,029 | 1,030 | 1,170 |
| Office Supplies | 0 | 83 | 0 | 0 | 415 | 90 |
| Rent Expense | 3,380 | 3,380 | 3,380 | 16,900 | 16,900 | 16,900 |
| Payroll Processing | 3,696 | 776 | 174 | 5,751 | 3,880 | 1,039 |
| Licenses & Fees | 30 | 0 | 0 | 30 | 0 | 75 |
| Over & Short | 0 | 0 | 0 | 0 | 0 | (1) |
| Computer Expense | (775) | 700 | 387 | 3,222 | 3,500 | 3,160 |
| Computer Maintenance | 0 | 400 | 0 | 0 | 2,000 | 0 |
| Cable Expense | 0 | 186 | 185 | 21 | 930 | 925 |
| Total General and Adm | 8,295 | 6,736 | 8,777 | 36,429 | 33,680 | 36,875 |

Bon Secours Training Center
Indirect Expenses Detail
For the Five Months Ending November 30, 2023

| | Current Month Actual | Current Month Budget | Current Month Prior Year | Year to Date Actual | Year to Date Budget | Year to Date Prior Year |
|-------------------------------|-------------------------|-------------------------|-----------------------------|------------------------|------------------------|----------------------------|
| Operating Expenses | | | | | | |
| Operating Supplies | 0 | 0 | 0 | 0 | 0 | 56 |
| Trash Removal | 117 | 515 | 559 | 3,935 | 2,575 | 2,555 |
| Snow Removal | 0 | 500 | 0 | 0 | 2,500 | 0 |
| Sand & Salt | 0 | 42 | 0 | 0 | 210 | 0 |
| Landscaping | 0 | 42 | 0 | 4,251 | 210 | 0 |
| Exterminating | (197) | 200 | 195 | 1,548 | 1,000 | 780 |
| Cleaning | 0 | 750 | 0 | 2,512 | 3,750 | 0 |
| Small Equipment | 0 | 33 | 0 | 0 | 165 | 0 |
| Safety Equipment | 0 | 29 | 50 | 153 | 145 | 240 |
| Rental Other | 29 | 231 | 281 | 1,758 | 1,155 | 1,346 |
| Vehicle Maintenance | 0 | 21 | 0 | 0 | 105 | 0 |
| Total Operating Expens | (51) | 2,363 | 1,085 | 14,157 | 11,815 | 4,977 |
| Repairs and Maintenance | | | | | | |
| General Building Repai | 0 | 208 | 0 | 0 | 1,040 | 0 |
| Computer Equipment | 0 | 50 | 0 | 0 | 250 | 0 |
| Electrical Systems | 0 | 83 | 0 | 0 | 415 | 0 |
| Elevator Escalator | 0 | 167 | 0 | 0 | 835 | 849 |
| Field Maintenance | 0 | 2,500 | 10,088 | 7,259 | 12,500 | 10,465 |
| Fire Alarm | 0 | 271 | 357 | 0 | 1,355 | 357 |
| Floor Maintenance | 0 | 125 | 0 | 0 | 625 | 0 |
| HVAC Systems | 500 | 250 | 0 | 1,703 | 1,250 | 7,353 |
| Maintenance Agreemen | (3,266) | 1,444 | 1,069 | 420 | 7,218 | 5,701 |
| Luxury Seating | 0 | 3,213 | 0 | 0 | 16,065 | 0 |
| Other Repairs / Mainte | 0 | 833 | 0 | 0 | 4,165 | 0 |
| Park Maintenance | 1,721 | 0 | 1,721 | 8,603 | 0 | 8,603 |
| Total Repairs and Main | (1,045) | 9,144 | 13,235 | 17,985 | 45,718 | 33,328 |
| Operational Supplies | | | | | | |
| General Building Suppl | 0 | 208 | 0 | 734 | 1,040 | 189 |
| Bulbs & Lamps | 0 | 0 | 278 | 163 | 0 | 278 |
| Electrical | 0 | 0 | 806 | 0 | 0 | 806 |
| Plumbing | 0 | 83 | 18 | 0 | 415 | 18 |
| HVAC | 0 | 0 | 0 | 203 | 0 | 0 |
| Filters | 0 | 42 | 0 | 0 | 210 | 166 |
| Paint | 0 | 0 | 0 | 66 | 0 | 20 |
| Janitorial | 1,062 | 214 | 301 | 4,712 | 1,070 | 554 |
| Uniforms | 0 | 0 | 0 | 101 | 0 | 0 |
| Total Operational Supp | 1,062 | 547 | 1,403 | 5,979 | 2,735 | 2,031 |

Insurance

Bon Secours Training Center
Indirect Expenses Detail
For the Five Months Ending November 30, 2023

| | Current Month Actual | Current Month Budget | Current Month Prior Year | Year to Date Actual | Year to Date Budget | Year to Date Prior Year |
|-------------------------------|-------------------------|-------------------------|-----------------------------|------------------------|------------------------|----------------------------|
| General Liability Insura | (139) | 0 | 0 | (139) | 0 | 0 |
| Insurance Expense | 1,129 | 1,114 | 1,129 | 5,649 | 5,570 | 5,649 |
| Property Insurance | 51 | 0 | 0 | 253 | 0 | 0 |
| Umbrella Coverage | (2,808) | 790 | 1,200 | 1,560 | 3,950 | 6,000 |
| Other Insurance | 0 | 63 | 0 | 0 | 313 | 0 |
| Total Insurance | (1,767) | 1,967 | 2,329 | 7,323 | 9,833 | 11,649 |
| Utilities | | | | | | |
| Electricity | 7,576 | 6,185 | 7,139 | 29,310 | 30,925 | 33,826 |
| Telephone | 1,057 | 605 | 285 | 3,400 | 3,025 | 2,815 |
| Water & Sewage | (589) | 2,437 | 1,606 | 15,937 | 12,185 | 19,256 |
| Total Utilities | 8,044 | 9,227 | 9,030 | 48,647 | 46,135 | 55,897 |
| Other Expenses | | | | | | |
| Total Other Expenses | 0 | 0 | 0 | 0 | 0 | 0 |
| ASM Management Fees | | | | | | |
| Base Fee | 1,205 | 1,050 | 1,057 | 6,317 | 5,250 | 5,287 |
| Incentive Fee | 0 | 500 | 557 | 4,486 | 2,500 | 2,531 |
| Total SMG Managem | 1,205 | 1,550 | 1,614 | 10,803 | 7,750 | 7,818 |
| Expense Allocations | | | | | | |
| Total Expense Allocati | 0 | 0 | 0 | 0 | 0 | 0 |
| Net Indirect Expenses | \$ 30,334 | \$ 57,372 | \$ 64,367 | \$ 275,900 | \$ 286,854 | \$ 289,176 |

Bon Secours Training Center
Financial Statements Monthly Highlights
For the Five Months Ending November 30, 2023

| | Current Actual | Current Budget | Variance | Prior Year Actual | Variance |
|------------------------|-------------------|-------------------|----------|----------------------|----------|
| Attendance | 4,850 | 645 | 4,205 | 3,488 | 1,362 |
| Attendance - Tickets S | 0 | 0 | 0 | 0 | 0 |
| Number of Performanc | 6 | 3 | 3 | 4 | 2 |
| Square Footage | 0 | 0 | 0 | 0 | 0 |
| Other Statistical | 0 | 0 | 0 | 0 | 0 |
| Gross Ticket Sales | 0 | 0 | 0 | 0 | 0 |
| Direct Event Income | 17,491 | 7,125 | 10,366 | 10,896 | 6,595 |
| Ancillary Income | 0 | 200 | (200) | 0 | 0 |
| Other Event Income | 0 | 0 | 0 | 0 | 0 |
| Total Event Income | 17,491 | 7,325 | 10,166 | 10,896 | 6,595 |
| Other Operating Incom | 76,398 | 65,582 | 10,816 | 65,582 | 10,816 |
| Adjusted Gross Income | 76,398 | 65,582 | 10,816 | 65,582 | 10,816 |
| Indirect Expenses | (30,334) | (57,372) | 27,038 | (64,367) | 34,033 |
| Net Income (Loss) Fro | 63,555 | 15,535 | 48,020 | 12,111 | 51,444 |

Bon Secours Training Center
 Financial Statements Year to Date Highlights
 For the Five Months Ending November 30, 2023

| | Year to Date Actual | Year to Date Budget | Variance | Prior YTD Actual | Variance |
|-----------------------|------------------------|------------------------|----------|---------------------|----------|
| Attendance | 52,909 | 14,285 | 38,624 | 6,101 | 46,808 |
| Number of Performanc | 2 | 0 | 2 | 0 | 2 |
| Number of Event Days | 37 | 21 | 16 | 21 | 16 |
| Square Footage | 0 | 0 | 0 | 0 | 0 |
| Other Statistical | 0 | 0 | 0 | 0 | 0 |
| Gross Ticket Sales | 0 | 0 | 0 | 0 | 0 |
| Direct Event Income | 123,214 | 47,875 | 75,339 | 43,882 | 79,332 |
| Ancillary Income | 900 | 3,150 | (2,250) | 0 | 900 |
| Other Event Income | 0 | 20,000 | (20,000) | 0 | 0 |
| Total Event Income | 124,114 | 71,025 | 53,089 | 43,882 | 80,232 |
| Other Operating Incom | 341,046 | 327,910 | 13,136 | 328,329 | 12,717 |
| Adjusted Gross Income | 341,046 | 327,910 | 13,136 | 328,329 | 12,717 |
| Indirect Expenses | (275,900) | (286,854) | 10,954 | (289,176) | 13,276 |
| Net Income (Loss) Fro | 189,260 | 112,081 | 77,179 | 83,035 | 106,225 |

BON SECOURS TRAINING CENTER



FINANCIAL REPORTS DECEMBER 2023

DISTRIBUTION:

EDA FINANCE COMMITTEE

LISA JONES - A.G. REESE AND ASSOCIATES

NATHAN HUGHES - SPERITY REAL ESTATE VENTURES

LEONARD SLEDGE - DEPT OF ECONOMIC DEVELOPMENT

ASM

BOB PAPKE, VICE PRESIDENT - THEATERS

GLENN MAJOR, GENERAL MANAGER

JEFFREY WONG, SVP FINANCE - AMERICAS

PREPARED

01/08/2024

DISTRIBUTED

01/08/2024

BON SECOURS TRAINING CENTER
FINANCIAL REPORTS
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BON SECOURS TRAINING CENTER
Profit Loss Budget Performance
DECEMBER 2023

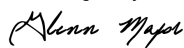
| | Dec-22 | Dec-23 | YTD Actual | YTD Budget | Annual Budget |
|-----------------------------------|------------------|------------------|-------------------|-------------------|-------------------|
| Ordinary Income/Expense | | | | | |
| Income | | | | | |
| Event Income | 6,178.00 | 17,803.00 | 141,917.00 | 71,025.00 | 71,025.00 |
| Advertising & Other Income | 0.00 | 0.00 | 13,133.00 | 0.00 | 0.00 |
| Parking Income | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 1st Floor Ground Rent | 1,767.00 | 1,767.00 | 10,604.00 | 0.00 | 10,602.00 |
| 2nd Floor Ground Rent | 563.00 | 563.00 | 3,377.00 | 0.00 | 3,378.00 |
| 1st Floor Rent | 25,484.00 | 25,484.00 | 152,906.00 | 0.00 | 152,904.00 |
| 2nd Floor Rent | 13,448.00 | 13,448.00 | 80,687.00 | 0.00 | 80,688.00 |
| 1st Floor CAM | 16,625.00 | 16,625.00 | 99,749.00 | 0.00 | 99,750.00 |
| 2nd Floor CAM | 7,695.00 | 7,695.00 | 46,171.00 | 393,492.00 | 46,170.00 |
| Rental Income-Westhampton | - | - | - | - | - |
| Sponsorship Fee-Bon Secours | - | - | - | - | - |
| Total Income | 71,760.00 | 83,385.00 | 548,544.00 | 464,517.00 | 464,517.00 |
| Expense | | | | | |
| Bank Service Charges | - | - | - | - | - |
| Depreciation Expense | - | - | - | - | - |
| General and Administrative | 4,062.00 | 2,675.00 | 16,854.00 | 16,839.00 | 16,839.00 |
| Grounds Maintenance | 10,010.00 | 9,709.00 | 58,257.00 | 60,456.00 | 60,456.00 |
| Insurance Expense | 2,380.00 | 2,585.00 | 9,908.00 | 11,799.00 | 11,799.00 |
| Janitorial Service Supplies | 1,463.00 | 0.00 | 7,464.00 | 9,042.00 | 9,042.00 |
| Maintenance Expense | 3,147.00 | 5,171.00 | 23,155.00 | 57,163.00 | 57,163.00 |
| Base Management Fee | 1,057.00 | 1,205.00 | 7,522.00 | 6,300.00 | 6,300.00 |
| Incentive Management Fee | - | 0.00 | 4,486.00 | 3,000.00 | 3,000.00 |
| Operations | 1,286.00 | 1,046.00 | 21,182.00 | 20,460.00 | 20,460.00 |
| Additional Training Camp Expenses | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Payroll Expenses | 267.00 | 2.00 | 5,753.00 | 4,656.00 | 4,656.00 |
| Ground Rent Expense | 3,380.00 | 3,380.00 | 20,280.00 | 20,280.00 | 20,280.00 |
| Repairs and Maintenance | - | 0.00 | 0.00 | 0.00 | 0.00 |
| Security Service | 1,077.00 | 1,104.00 | 5,846.00 | 3,240.00 | 3,240.00 |
| Staffing | 20,111.00 | 16,814.00 | 90,635.00 | 87,376.00 | 87,376.00 |
| Telephone Expense | 605.00 | 605.00 | 3,728.00 | 3,630.00 | 3,630.00 |
| Utilities | 12,154.00 | 11,506.00 | 57,030.00 | 51,732.00 | 51,732.00 |
| Total Expense | 60,999.00 | 55,802.00 | 332,100.00 | 355,973.00 | 355,973.00 |
| Net Ordinary Income | 10,761.00 | 27,583.00 | 216,444.00 | 108,544.00 | 108,544.00 |
| Other Income/Expense | | | | | |
| Other Income | | | | | |
| Interest Income-Cking | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total Other Income | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Net Other Income | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Net Income | 10,761.00 | 27,583.00 | 216,444.00 | 108,544.00 | 108,544.00 |

DocuSigned by:



Tabitha Sechrist, Director of Facility Accounting

DocuSigned by:



Glenn Major, General Manager

BON SECOURS TRAINING CENTER
ROLLING FORECAST SUMMARY
STUB FISCAL YEAR ENDING DECEMBER 31, 2023*
SUMMARY FOR THE SIX MONTHS ENDING DECEMBER 2023

| | 12/31/23 | | | BUDGET | | OPERATING RESULTS | |
|-------------------------|---------------|---------------------|-------------------|--------------|----------|-------------------|-----------|
| | ACTUAL YTD | ROLLING FORECAST | TOTAL 12/31/23 | STUB FYE2024 | VARIANCE | FYE2023 | VARIANCE |
| NO. EVENTS | 41 | 0 | 41 | 21 | 20 | 60 | (19) |
| ATTENDANCE | 53,409 | 0 | 53,409 | 14,285 | 39,124 | 20,210 | 33,199 |
| DIRECT EVENT INCOME | 141,017 | 0 | 141,017 | 47,875 | 93,142 | 134,780 | 6,238 |
| ANCILLARY INCOME | 900 | 0 | 900 | 3,150 | (2,250) | 1,572 | (672) |
| FACILITY FEES & REBATES | 0 | 0 | 0 | 20,000 | (20,000) | 6,728 | (6,728) |
| TOTAL EVENT INCOME | 141,917 | 0 | 141,917 | 71,025 | 70,892 | 143,081 | (1,163) |
| OTHER INCOME | 406,627 | 0 | 406,627 | 393,492 | 13,135 | 798,669 | (392,042) |
| INDIRECT EXPENSES | | | | | | | |
| EXECUTIVE | 35,278 | 0 | 35,278 | 47,285 | 12,007 | 83,798 | 48,520 |
| FINANCE | 14,333 | 0 | 14,333 | 4,906 | (9,427) | 31,502 | 17,169 |
| MARKETING | 864 | 0 | 864 | 3,012 | 2,148 | 5,651 | 4,787 |
| OPERATIONS | 171,979 | 0 | 171,979 | 191,047 | 19,068 | 317,768 | 145,789 |
| OVERHEAD | 97,638 | 0 | 97,638 | 100,423 | 2,785 | 220,670 | 123,032 |
| TOTAL INDIRECT EXP. | 320,092 | 0 | 320,092 | 346,673 | 26,581 | 659,389 | 339,297 |
| MANAGEMENT FEE | 12,008 | 0 | 12,008 | 9,300 | (2,708) | 20,168 | 8,160 |
| NET INCOME - OPERATING | 216,444 | 0 | 216,446 | 108,544 | 107,902 | 262,194 | (45,748) |

FY24 BASE MANAGEMENT FEE: \$ 7,522.00
FY24 INCENTIVE MANAGEMENT FEE: \$ 4,486.00

*ASM CONTRACT ENDS 12/31/23

BON SECOURS TRAINING CENTER
ROLLING FORECAST

| EVENT | YEAR-TO-DATE | | | | | | REMAINING PROJECTION | | | | | | | ROLL EVT INC FY 6/22 | | | | |
|--|--------------|--------|----------------------|-----------|-------------------|---------------------|----------------------|--------|------|--------------------|--------------------|----------|-------------|----------------------------|------------------|---------|------|--------------------|
| | NO. | ATTND | DIRECT EVENT INC. | ANCILLARY | FEES & REBATES | TOTAL EVENT INC. | NO. | ATTND. | RENT | SERVICES INCOME | TOTAL DIR. INC. | CATERING | CONCESSIONS | | TOTAL ANCILL. | REBATES | FEES | TOTAL EVT. INC. |
| Assemblies 701 | | | | | | - | | | | | - | | | | | | - | - |
| | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - | 0 | 0 | 0 | 0 | 0 | - | - |
| Banquets 702 | | | | | | | | | | | | | | | | | | |
| 07.27.23 MBL RVA LINKUP | 1 | 100 | 5,450 | - | - | 5,450 | | | | | - | | | 0 | | | - | 5,450 |
| 08.19.23 Walker Birthday Party | 1 | 300 | 5,197 | - | - | 5,197 | | | | | - | | | 0 | | | - | 5,197 |
| 09.09.23 Joyner Wedding | 1 | 350 | 5,957 | - | - | 5,957 | | | | | - | | | 0 | | | - | 5,957 |
| 09.21.23 Chamber CollegeJam | 1 | 100 | 4,160 | - | - | 4,160 | | | | | - | | | 0 | | | - | 4,160 |
| 09.30.23 Coley Wedding | 1 | 100 | 5,093 | - | - | 5,093 | | | | | - | | | 0 | | | - | 5,093 |
| 10.13.23 Empty Plate Luncheon | 1 | 350 | 4,304 | - | - | 4,304 | | | | | - | | | 0 | | | - | 4,304 |
| 11.02.23 YMCA Chairman's Roundtable | 1 | 300 | 4,111 | - | - | 4,111 | | | | | - | | | 0 | | | - | 4,111 |
| 11.18.23 Wallach Bar Mitzvah | 1 | 100 | 6,325 | - | - | 6,325 | | | | | - | | | 0 | | | - | 6,325 |
| 11.14.23 Pitch VA | 1 | 200 | 4,752 | - | - | 4,752 | | | | | - | | | 0 | | | - | 4,752 |
| 12.02.23 City Parade | 1 | 250 | 112 | - | - | 112 | | | | | - | | | 0 | | | - | 112 |
| PAST EVENTS FY23 | | | 16,876 | 846 | - | 17,723 | | | | | - | | | 0 | | | - | 17,723 |
| | 10 | 2,150 | 62,337 | 846 | 0 | 63,183 | 0 | 0 | 0 | 0 | - | 0 | 0 | 0 | 0 | 0 | - | 63,183 |
| Concerts 704 | | | | | | | | | | | | | | | | | | |
| 08.26.23 Iron Blossom Festival | 2 | 21,079 | 32,302 | | | 32,302 | | | | | - | | | 0 | | | - | 32,302 |
| | 2 | 21,079 | 32,302 | 0 | 0 | 32,302 | 0 | 0 | 0 | 0 | - | 0 | 0 | 0 | 0 | 0 | - | 32,302 |
| EDA Complimentary Meetings 708 | | | | | | | | | | | | | | | | | | |
| 07.08.23 GRTC Meeting | 1 | 21 | 1,468 | | | 1,468 | | | | | - | | | - | | | - | 1,468 |
| 08.11.23 Mayor Youth Academy | 1 | 200 | 540 | 54 | | 594 | | | | | - | | | - | | | - | 594 |
| 08.11.23 City DPU Family and Friends Day | 1 | 200 | 519 | | | 519 | | | | | - | | | - | | | - | 519 |
| 11.16.23 All Hands DPU | 1 | 250 | 635 | | | 635 | | | | | - | | | 0 | | | - | 635 |
| 12.15.23 City DPW Meeting | 1 | 250 | 415 | | | 415 | | | | | - | | | 0 | | | - | 415 |
| 11.07.23 Polling Station Election Day | 1 | 3,000 | 997 | | | 997 | | | | | - | | | - | | | - | 997 |
| | 6 | 3,921 | 4,575 | 54 | 0 | 4,629 | 0 | 0 | 0 | 0 | - | 0 | 0 | 0 | 0 | 0 | - | 4,629 |
| Sporting Events 709 | | | | | | | | | | | | | | | | | | |
| 08.02-08.05.24 VCU Soccer | 15 | 855 | 8,100 | | | 8,100 | | | | | - | | | 0 | | | - | 8,100 |
| 09.02.23 Parks and Rec Football | 1 | 2,000 | 4,101 | | | 4,101 | | | | | - | | | 0 | | | - | 4,101 |
| 11.25.23 Armstrong City Event | 1 | 1,000 | 1,469 | | | 1,469 | | | | | - | | | 0 | | | - | 1,469 |
| | 17 | 3,855 | 13,671 | 0 | 0 | 13,671 | 0 | 0 | 0 | 0 | - | 0 | 0 | 0 | 0 | 0 | - | 13,671 |
| Other 712 | | | | | | | | | | | | | | | | | | |
| 07.08.23 SMOKE AND VINE FESTIVAL | 1 | 1,104 | 6,944 | | | 6,944 | | | | | - | | | 0 | | | - | 6,944 |
| 10.21.23 Pumpkin Festival | 1 | 10,000 | 4,718 | | | 4,718 | | | | | - | | | 0 | | | - | 4,718 |
| 10.22.23 VA Pride Fest | 1 | 10,000 | 5,078 | | | 5,078 | | | | | - | | | - | | | - | 5,078 |
| 10.14.23 Lupus Walk | 1 | 700 | 2,886 | | | 2,886 | | | | | - | | | 0 | | | - | 2,886 |
| 10.28.23 Ask Fall Festival | 1 | 100 | 2,885 | | | 2,885 | | | | | - | | | 0 | | | - | 2,885 |
| 10.29.23 Postal Service Union Picnic | 1 | 500 | 5,623 | | | 5,623 | | | | | - | | | 0 | | | - | 5,623 |
| | 6 | 22,404 | 28,135 | 0 | 0 | 28,135 | 0 | 0 | 0 | 0 | - | 0 | 0 | 0 | 0 | 0 | - | 28,135 |
| TOTAL EVENT INCOME | 41 | 53,409 | 141,019 | 900 | 0 | 141,919 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 141,919 |

BON SECOURS TRAINING CENTER
 ROLLING FORECAST
 FOR THE STUB YEAR ENDING DECEMBER 31, 2023

| | YTD as of 12/31/23 | Total Forecast | TOTAL FYE2024 | BUDGET FYE 12/31/23 |
|----------------------------|-----------------------|---------------------------|------------------|------------------------|
| <u>OTHER INCOME</u> | | | | |
| ADVERTISING INCOME | 0 | - | - | 0 |
| TENANT INCOME | 393,494 | - | 393,494 | 393,492 |
| OTHER INCOME | 13,133 | - | 13,133 | 0 |
| MISC INCOME | 0 | - | - | 0 |
| TOTAL OTHER INCOME | 406,627 | - | 406,627 | 393,492 |

| | | Total Forecast | TOTAL FYE2024 | BUDGET FYE 12/31/23 |
|-------------------------|---------------|---------------------------|------------------|------------------------|
| <u>EXECUTIVE</u> | | | | |
| SALARIES | 31,154 | - | 31,154 | 31,500 |
| BONUS | 4,620 | - | 4,620 | 6,300 |
| PAYROLL TAXES | 890 | - | 890 | 3,150 |
| EMPLOYEE BENEFITS | (2,113) | - | (2,113) | 1,578 |
| 401k | 668 | - | 668 | 1,578 |
| PROFESSIONAL FEES-LEGAL | 0 | - | - | 425 |
| Dues & Subscriptions | 59 | - | 59 | 2,754 |
| | | - | | |
| TOTAL EXECUTIVE | 35,278 | - | 35,278 | 47,285 |

| | | Total Forecast | TOTAL FYE2024 | BUDGET FYE 12/31/23 |
|---------------------------|---------------|---------------------------|------------------|------------------------|
| <u>FINANCE</u> | | | | |
| PROFESSIONAL FEES - OTHER | 0 | - | - | 0 |
| DUES AND SUBSCRIPTIONS | 8,580 | - | 8,580 | 250 |
| PAYROLL PROCESSING | 5,753 | - | 5,753 | 4,656 |
| TOTAL FINANCE | 14,333 | - | 14,333 | 4,906 |

BON SECOURS TRAINING CENTER
 ROLLING FORECAST
 FOR THE STUB YEAR ENDING DECEMBER 31, 2023

| | YTD as of 12/31/23 | Total Forecast | TOTAL FYE2024 | BUDGET FYE 12/31/23 |
|--------------------------------|-----------------------|-------------------|------------------|------------------------|
| <u>MARKETING</u> | | | | |
| DUES & SUBSCRIPTIONS | 864 | - | 864 | 3,012 |
| TOTAL MARKETING | 864 | - | 864 | 3,012 |
| <u>OPERATIONS</u> | | | | |
| Salaries Administration | 28,077 | - | 28,077 | 30,375 |
| General Event Wages | 12,922 | - | 12,922 | - |
| Commission | - | - | - | 1,200 |
| Payroll Taxes | 3,505 | - | 3,505 | 3,036 |
| Benefits | 9,217 | - | 9,217 | 4,556 |
| 401 (k) | 1,077 | - | 1,077 | 1,519 |
| Contracted Security | 5,846 | - | 5,846 | 3,240 |
| Contracted Cleaning | 7,464 | - | 7,464 | 9,042 |
| Contracted Landscaping | 58,257 | - | 58,257 | 60,456 |
| Operating Supplies | 957 | - | 957 | 3,090 |
| Trash Removal | 4,569 | - | 4,569 | - |
| Snow Removal | - | - | - | 3,000 |
| Sand & Salt | - | - | - | 500 |
| Landscaping | 4,251 | - | 4,251 | 500 |
| Exterminating | 1,757 | - | 1,757 | 1,200 |
| Exterior Window Clean | 2,512 | - | 2,512 | 4,500 |
| Small Equipment | - | - | - | 400 |
| Safety Equipment | 153 | - | 153 | 350 |
| Rental Other | 2,078 | - | 2,078 | 1,386 |
| Vehicle Expense | - | - | - | 250 |
| General Building Repairs | 318 | - | 318 | 2,500 |
| Yearly Electrical Inspection | - | - | - | 498 |
| Computer Expense | - | - | - | 600 |
| Elevator Escalator | - | - | - | 1,002 |
| Field Maintenance | 7,259 | - | 7,259 | 15,000 |
| Sprinkler Sys Prev Maintenance | 200 | - | 200 | 1,626 |
| Floor Maintenance | - | - | - | 1,500 |
| HVAC Systems | 1,703 | - | 1,703 | 1,500 |
| Maintenance Agreements | 3,352 | - | 3,352 | 8,661 |
| Other Repairs/Maintenance | - | - | - | 4,998 |
| Park Maintenance | 10,323 | - | 10,323 | 19,278 |
| General Building Supplies | 734 | - | 734 | 2,500 |
| Plumbing | 163 | - | 163 | 1,000 |
| Filters | 203 | - | 203 | 500 |
| Janitorial | 4,981 | - | 4,981 | 1,284 |
| Uniforms | 101 | - | 101 | - |
| TOTAL OPERATIONS | 171,979 | - | 171,979 | 191,047 |

BON SECOURS TRAINING CENTER
 ROLLING FORECAST
 FOR THE STUB YEAR ENDING DECEMBER 31, 2023

| <u>OVERHEAD</u> | YTD as of 12/31/23 | Total Forecast | TOTAL FYE2024 | BUDGET FYE 12/31/23 |
|-------------------------|-------------------------------|---------------------------|--------------------------|--------------------------------|
| WORKERS COMP INSURANCE | 618 | - | 618 | 2,250 |
| BANK SERVICE CHARGES | 2,006 | - | 2,006 | 1,182 |
| POSTAGE | 72 | - | 72 | 100 |
| RENTAL OFFICE EQUIPMENT | 1,287 | - | 1,287 | 1,236 |
| OFFICE SUPPLIES | 21 | - | 21 | 498 |
| RENT EXPENSE | 20,280 | - | 20,280 | 20,280 |
| COMPUTER EXPENSE | 2,987 | - | 2,987 | 4,200 |
| COMPUTER MAINTENANCE | - | - | - | 2,400 |
| CABLE EXPENSE | 21 | - | 21 | 1,116 |
| INSURANCE EXPENSES | 8,028 | - | 8,028 | 6,684 |
| UMBRELLA COVERAGE | 1,560 | - | 1,560 | 5,115 |
| ELECTRICITY | 39,588 | - | 39,588 | 37,110 |
| TELEPHONE | 3,728 | - | 3,728 | 3,630 |
| WATER & SEWER & GAS | 17,442 | - | 17,442 | 14,622 |
| BASE FEE | 7,522 | - | 7,522 | 6,300 |
| INCENTIVE FEE | 4,486 | - | 4,486 | 3,000 |
| TOTAL OVERHEAD | 109,646 | - | 109,646 | 109,723 |

Bon Secours Training Center
Balance Sheet
December 31, 2023

ASSETS

Current Assets

| | | |
|---------------------|----|--------|
| Cash | \$ | 83,934 |
| Accounts Receivable | | 50,823 |
| Prepaid Assets | | 20,280 |
| Inventory | | 0 |

Total Current Assets 155,037

Fixed Assets

| | | |
|--------------------------|--|---|
| Fixed Assets | | 0 |
| Accumulated Depreciation | | 0 |

Total Fixed Assets 0

Other Assets

| | | |
|--------------|--|---|
| Other Assets | | 0 |
| Deposits | | 0 |

Total Other Assets 0

Total Assets **\$ 155,037**

LIABILITIES AND EQUITY

Current Liabilities

| | | |
|-------------------------------|----|--------|
| Accounts Payable | \$ | 25,813 |
| Accrued Expenses | | 0 |
| Deferred Income | | 65,582 |
| Advance Ticket Sales/Deposits | | 0 |

Total Current Liabilities 91,395

Long-Term Liabilities

| | | |
|-----------------------|--|---|
| Long Term Liabilities | | 0 |
|-----------------------|--|---|

Total Long-Term Liabilities 0

Total Liabilities 91,395

Equity

| | |
|--------------------|-------------|
| Contributions | (2,921,135) |
| Net Funds Received | 0 |
| Retained Earnings | 2,768,331 |
| Net Income (Loss) | 216,444 |

Total Equity 63,640

Total Liabilities & Equity **\$ 155,035**

BON SECOURS TRAINING CENTER
A/R Aging, A/P Aging, and Event Deposit Schedule

Schedule of A/R Aging

12/31/2023

| | Total Amount Due | % |
|----------------------------|-------------------------|----------|
| Accounts Receivable | | |
| Current | 3,857 | 7.59% |
| Past Due 30 Days | 7,471 | 14.70% |
| Past Due 60 Days | 5,858 | 11.53% |
| Past Due 90 + Days | 33,638 | 66.19% |
| Total Accounts Receivable | 50,823 | 100% |

Explanation of Items Due 90 + Days

| Customer Name | Event Date | Amount | Comment: |
|------------------------------|------------|----------|------------------|
| American Heart Association | Event | \$ 1,182 | Resent to Client |
| Bon Secours Primary Care | Monthly | \$ 8,056 | Resent to Client |
| Bon Secours Physical Therapy | Monthly | \$ 385 | Resent to Client |
| Bon Secours Rent - CAM | Monthly | \$ 2,869 | Resent to Client |
| City of Richmond | Event | \$ 997 | Resent to Client |
| ChamberRVA | Event | \$ 5,578 | Resent to Client |
| Blue Grey Events | Events | \$ 2,565 | Resent to Client |
| RVA FASHION WEEK | 4/23/2023 | \$ 5,446 | Resent to Event |
| ZAKIA HALL BABY SHOWER | 5/1/2023 | \$ 5,311 | Resent to Event |
| VA ROYALS FOOTBALL | 4/3/2022 | \$ 1,248 | Resent to Event |

Schedule of A/P Aging

12/31/2023

| | Total Amount Due | % |
|-------------------------|-------------------------|----------|
| Accounts Payable | | |
| Current | 23,791 | 100.00% |
| Past Due 30 Days | - | 0.00% |
| Past Due 60 Days | - | 0.00% |
| Past Due 90 + Days | - | 0.00% |
| Total Accounts Payable | 23,791 | 100% |

Explanation of Items Due 90 + Days

| | | |
|--|--|--|
| | | |
| | | |

Schedule of Event Deposits

12/31/2023

| Event Date | Event | Deposit Received | % |
|------------|-------|-------------------------|----------|
| | | - | 0% |
| | | - | 0% |

Bon Secours Training Center
Income Statement
For the Six Months Ending December 31, 2023

| | Current Month Actual | Current Month Budget | Current Month Prior Year | Year to Date Actual | Year to Date Budget | Year to Date Prior Year |
|-------------------------------|-------------------------|-------------------------|-----------------------------|------------------------|------------------------|----------------------------|
| EVENT INCOME | | | | | | |
| Direct Event Income | | | | | | |
| Rental Income | \$ 0 | \$ 0 | \$ 5,400 | \$ 100,930 | \$ 40,000 | \$ 43,130 |
| Service Revenue | 20,637 | 0 | 6,733 | 129,409 | 15,750 | 23,381 |
| Service Expenses | (2,834) | 0 | (5,955) | (89,322) | (7,875) | (16,451) |
| Total Direct Event Inco | 17,803 | 0 | 6,178 | 141,017 | 47,875 | 50,060 |
| Ancillary Income | | | | | | |
| F & B Concessions | 0 | 0 | 0 | 846 | 0 | 0 |
| F & B Catering | 0 | 0 | 0 | 54 | 3,150 | 0 |
| Novelty Sales | 0 | 0 | 0 | 0 | 0 | 0 |
| Gift Shop Sales | 0 | 0 | 0 | 0 | 0 | 0 |
| Parking | 0 | 0 | 0 | 0 | 0 | 0 |
| Parking: Valet | 0 | 0 | 0 | 0 | 0 | 0 |
| Booth Cleaning | 0 | 0 | 0 | 0 | 0 | 0 |
| Business Center | 0 | 0 | 0 | 0 | 0 | 0 |
| Telephone | 0 | 0 | 0 | 0 | 0 | 0 |
| Electrical Services | 0 | 0 | 0 | 0 | 0 | 0 |
| Audio Visual | 0 | 0 | 0 | 0 | 0 | 0 |
| Internet Services | 0 | 0 | 0 | 0 | 0 | 0 |
| Equipment Rental | 0 | 0 | 0 | 0 | 0 | 0 |
| Other Ancillary | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Ancillary Income | 0 | 0 | 0 | 900 | 3,150 | 0 |
| Other Event Income | | | | | | |
| Other Event Related In | 0 | 0 | 0 | 0 | 0 | 0 |
| Luxury Box Ticket Sale | 0 | 0 | 0 | 0 | 0 | 0 |
| Club Seat Ticket Sales | 0 | 0 | 0 | 0 | 0 | 0 |
| Event Advertising Inco | 0 | 0 | 0 | 0 | 0 | 0 |
| Ticket Rebates | 0 | 0 | 0 | 0 | 0 | 0 |
| Facility Fees | 0 | 0 | 0 | 0 | 20,000 | 0 |
| Total Other Event Inco | 0 | 0 | 0 | 0 | 20,000 | 0 |
| Total Event Income | 17,803 | 0 | 6,178 | 141,917 | 71,025 | 50,060 |
| OTHER OPERATING INCOME | | | | | | |
| Advertising | 0 | 0 | 0 | 0 | 0 | 0 |
| 1st Floor Ground Rent | 1,767 | 0 | 1,767 | 10,604 | 0 | 10,604 |
| 2nd Floor Ground Rent | 563 | 0 | 563 | 3,377 | 0 | 3,377 |
| 1st Floor Rent | 25,484 | 0 | 25,484 | 152,906 | 0 | 152,906 |
| 2nd Floor Rent | 13,448 | 0 | 13,448 | 80,687 | 0 | 80,687 |
| 1st Floor CAM | 16,625 | 0 | 16,625 | 99,749 | 0 | 99,749 |

Bon Secours Training Center
Income Statement
For the Six Months Ending December 31, 2023

| | Current Month Actual | Current Month Budget | Current Month Prior Year | Year to Date Actual | Year to Date Budget | Year to Date Prior Year |
|--------------------------------|-------------------------|-------------------------|-----------------------------|------------------------|------------------------|----------------------------|
| 2nd Floor CAM | 7,695 | 0 | 7,695 | 46,171 | 0 | 46,171 |
| Other Income | 0 | 65,582 | 0 | 13,133 | 393,492 | 416 |
| Total Other Operating I | 65,582 | 65,582 | 65,582 | 406,627 | 393,492 | 393,910 |
| Adjusted Gross Income | 83,385 | 65,582 | 71,760 | 548,544 | 464,517 | 443,970 |
| INDIRECT EXPENSES | | | | | | |
| Salaries & Wages | 13,769 | 12,397 | 16,285 | 77,555 | 69,709 | 79,504 |
| Payroll Taxes & Benefi | 3,045 | 6,407 | 3,982 | 13,862 | 17,667 | 17,430 |
| Labor Allocations to E | 0 | 0 | (156) | (782) | 0 | (1,651) |
| Net Salaries and Benefi | 16,814 | 18,804 | 20,111 | 90,635 | 87,376 | 95,283 |
| Contracted Services | 10,813 | 12,123 | 12,550 | 71,567 | 72,738 | 73,980 |
| General and Administr | 6,057 | 8,095 | 7,709 | 42,887 | 41,775 | 44,585 |
| Operating | 843 | 3,361 | 1,307 | 15,000 | 15,176 | 6,283 |
| Repairs & Maintenance | 5,171 | 11,446 | 4,327 | 23,155 | 57,163 | 37,654 |
| Operational Supplies | 203 | 2,549 | 218 | 6,182 | 5,284 | 2,249 |
| Insurance | 2,585 | 1,967 | 2,380 | 9,908 | 11,799 | 14,029 |
| Utilities | 12,111 | 9,227 | 12,759 | 60,758 | 55,362 | 68,657 |
| Redskins Local Contrib | 0 | 0 | 0 | 0 | 0 | 0 |
| ASM Management Fee | 1,205 | 1,550 | 1,057 | 12,008 | 9,300 | 8,875 |
| Allocated Expenses | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Indirect Expenses | 55,802 | 69,122 | 62,418 | 332,100 | 355,973 | 351,595 |
| Net Income (Loss) | \$ 27,583 | \$ (3,540) | \$ 9,342 | \$ 216,444 | \$ 108,544 | \$ 92,375 |

Bon Secours Training Center
Indirect Expenses Detail
For the Six Months Ending December 31, 2023

| | Current Month Actual | Current Month Budget | Current Month Prior Year | Year to Date Actual | Year to Date Budget | Year to Date Prior Year |
|-------------------------------------|-------------------------|-------------------------|-----------------------------|------------------------|------------------------|----------------------------|
| INDIRECT EXPENSES | | | | | | |
| Employee Wages and Benefits | | | | | | |
| Salaries Administration | \$ 13,769 | \$ 10,647 | \$ 11,753 | \$ 59,231 | \$ 62,209 | \$ 62,487 |
| Changeover Labor - W | 0 | 0 | 2,248 | 13,564 | 0 | 4,054 |
| General - Part-Time | 0 | 0 | 1,184 | 0 | 0 | 2,814 |
| Security - Event | 0 | 0 | 0 | 140 | 0 | 420 |
| Bonus - Performance | 0 | 1,050 | 1,100 | 4,620 | 6,300 | 7,609 |
| Commission | 0 | 700 | 0 | 0 | 1,200 | 2,120 |
| Payroll Taxes | 767 | 1,031 | 2,069 | 4,395 | 6,186 | 6,057 |
| Benefits | 1,765 | 2,919 | 1,033 | 7,104 | 6,134 | 8,759 |
| 401 (k) | 513 | 1,147 | 265 | 1,745 | 3,097 | 1,124 |
| Workers Compensation | 0 | 1,310 | 615 | 618 | 2,250 | 1,490 |
| Allocated Chngover. L | 0 | 0 | (156) | (218) | 0 | (1,083) |
| Allocated Custodial - E | 0 | 0 | 0 | (88) | 0 | 0 |
| Allocated Security - Ev | 0 | 0 | 0 | (476) | 0 | (420) |
| Allocated Stagehands - | 0 | 0 | 0 | 0 | 0 | (148) |
| Net Employee Wages a | 16,814 | 18,804 | 20,111 | 90,635 | 87,376 | 95,283 |
| Contracted Services | | | | | | |
| Contracted Security | 1,104 | 540 | 1,077 | 5,846 | 3,240 | 4,570 |
| Contracted Cleaning | 0 | 1,507 | 1,463 | 7,464 | 9,042 | 8,777 |
| Contracted Landscapin | 9,709 | 10,076 | 10,010 | 58,257 | 60,456 | 60,061 |
| Other Contracted Servi | 0 | 0 | 0 | 0 | 0 | 572 |
| Total Contracted Servic | 10,813 | 12,123 | 12,550 | 71,567 | 72,738 | 73,980 |
| General and Administrative Expenses | | | | | | |
| Professional Fees - Oth | 0 | 61 | 0 | 0 | 341 | 0 |
| Bank Service Charges | 408 | 197 | 465 | 2,006 | 1,182 | 2,293 |
| Travel | 0 | 0 | 0 | 0 | 0 | 116 |
| Meals & Entertainment | 0 | 0 | 0 | 59 | 0 | 65 |
| Dues & Subscriptions | 1,798 | 2,106 | 2,479 | 9,617 | 5,766 | 13,930 |
| Postage | 72 | 0 | 0 | 72 | 100 | 58 |
| Rental Office Equipme | 257 | 206 | 234 | 1,287 | 1,236 | 1,404 |
| Office Supplies | 21 | 83 | 0 | 21 | 498 | 90 |
| Rent Expense | 3,380 | 3,380 | 3,380 | 20,280 | 20,280 | 20,280 |
| Payroll Processing | 2 | 776 | 267 | 5,753 | 4,656 | 1,306 |
| Licenses & Fees | 0 | 0 | 0 | 30 | 0 | 75 |
| Over & Short | 0 | 0 | 0 | 0 | 0 | (1) |
| Computer Expense | 119 | 700 | 667 | 3,741 | 4,200 | 3,827 |
| Computer Maintenance | 0 | 400 | 0 | 0 | 2,400 | 0 |
| Cable Expense | 0 | 186 | 217 | 21 | 1,116 | 1,142 |
| Total General and Adm | 6,057 | 8,095 | 7,709 | 42,887 | 41,775 | 44,585 |

Bon Secours Training Center
Indirect Expenses Detail
For the Six Months Ending December 31, 2023

| | Current Month Actual | Current Month Budget | Current Month Prior Year | Year to Date Actual | Year to Date Budget | Year to Date Prior Year |
|-------------------------------|-------------------------|-------------------------|-----------------------------|------------------------|------------------------|----------------------------|
| Operating Expenses | | | | | | |
| Operating Supplies | 0 | 0 | 0 | 0 | 0 | 56 |
| Trash Removal | 634 | 515 | 542 | 4,569 | 3,090 | 3,097 |
| Snow Removal | 0 | 500 | 0 | 0 | 3,000 | 0 |
| Sand & Salt | 0 | 290 | 0 | 0 | 500 | 0 |
| Landscaping | 0 | 290 | 239 | 4,251 | 500 | 239 |
| Exterminating | 209 | 200 | 195 | 1,757 | 1,200 | 975 |
| Cleaning | 0 | 750 | 0 | 2,512 | 4,500 | 0 |
| Small Equipment | 0 | 235 | 0 | 0 | 400 | 0 |
| Safety Equipment | 0 | 205 | 50 | 153 | 350 | 290 |
| Rental Other | 0 | 231 | 281 | 1,758 | 1,386 | 1,626 |
| Vehicle Maintenance | 0 | 145 | 0 | 0 | 250 | 0 |
| Total Operating Expens | 843 | 3,361 | 1,307 | 15,000 | 15,176 | 6,283 |
| Repairs and Maintenance | | | | | | |
| General Building Repai | 318 | 1,460 | 0 | 318 | 2,500 | 0 |
| Computer Equipment | 0 | 350 | 0 | 0 | 600 | 0 |
| Electrical Systems | 0 | 83 | 0 | 0 | 498 | 0 |
| Elevator Escalator | 0 | 167 | 0 | 0 | 1,002 | 849 |
| Field Maintenance | 0 | 2,500 | 1,180 | 7,259 | 15,000 | 11,645 |
| Fire Alarm | 200 | 271 | 357 | 200 | 1,626 | 714 |
| Floor Maintenance | 0 | 875 | 0 | 0 | 1,500 | 0 |
| HVAC Systems | 0 | 250 | 0 | 1,703 | 1,500 | 7,353 |
| Maintenance Agreemen | 2,932 | 1,444 | 1,069 | 3,352 | 8,661 | 6,770 |
| Luxury Seating | 0 | 3,213 | 0 | 0 | 19,278 | 0 |
| Other Repairs / Mainte | 0 | 833 | 0 | 0 | 4,998 | 0 |
| Park Maintenance | 1,721 | 0 | 1,721 | 10,323 | 0 | 10,323 |
| Total Repairs and Main | 5,171 | 11,446 | 4,327 | 23,155 | 57,163 | 37,654 |
| Operational Supplies | | | | | | |
| General Building Suppl | 0 | 1,460 | 32 | 734 | 2,500 | 221 |
| Bulbs & Lamps | 0 | 0 | 0 | 163 | 0 | 278 |
| Electrical | 0 | 0 | 45 | 0 | 0 | 851 |
| Plumbing | 0 | 585 | 0 | 0 | 1,000 | 18 |
| HVAC | 0 | 0 | 0 | 203 | 0 | 0 |
| Filters | 0 | 290 | 0 | 0 | 500 | 166 |
| Paint | 0 | 0 | 0 | 66 | 0 | 20 |
| Janitorial | 203 | 214 | 141 | 4,915 | 1,284 | 695 |
| Uniforms | 0 | 0 | 0 | 101 | 0 | 0 |
| Total Operational Supp | 203 | 2,549 | 218 | 6,182 | 5,284 | 2,249 |

Insurance

Bon Secours Training Center
Indirect Expenses Detail
For the Six Months Ending December 31, 2023

| | Current Month Actual | Current Month Budget | Current Month Prior Year | Year to Date Actual | Year to Date Budget | Year to Date Prior Year |
|-------------------------------|-------------------------|-------------------------|-----------------------------|------------------------|------------------------|----------------------------|
| General Liability Insura | 1,456 | 0 | 0 | 1,317 | 0 | 0 |
| Insurance Expense | 1,129 | 1,114 | 1,129 | 6,778 | 6,684 | 6,778 |
| Property Insurance | 0 | 0 | 51 | 253 | 0 | 51 |
| Umbrella Coverage | 0 | 790 | 1,200 | 1,560 | 4,740 | 7,200 |
| Other Insurance | 0 | 63 | 0 | 0 | 375 | 0 |
| Total Insurance | 2,585 | 1,967 | 2,380 | 9,908 | 11,799 | 14,029 |
| Utilities | | | | | | |
| Electricity | 10,278 | 6,185 | 8,777 | 39,588 | 37,110 | 42,603 |
| Telephone | 329 | 605 | 525 | 3,728 | 3,630 | 3,341 |
| Water & Sewage | 1,504 | 2,437 | 3,457 | 17,442 | 14,622 | 22,713 |
| Total Utilities | 12,111 | 9,227 | 12,759 | 60,758 | 55,362 | 68,657 |
| Other Expenses | | | | | | |
| Total Other Expenses | 0 | 0 | 0 | 0 | 0 | 0 |
| ASM Management Fees | | | | | | |
| Base Fee | 1,205 | 1,050 | 1,057 | 7,522 | 6,300 | 6,344 |
| Incentive Fee | 0 | 500 | 0 | 4,486 | 3,000 | 2,531 |
| Total SMG Manageme | 1,205 | 1,550 | 1,057 | 12,008 | 9,300 | 8,875 |
| Expense Allocations | | | | | | |
| Total Expense Allocati | 0 | 0 | 0 | 0 | 0 | 0 |
| Net Indirect Expenses | \$ 55,802 | \$ 69,122 | \$ 62,418 | \$ 332,100 | \$ 355,973 | \$ 351,595 |

Bon Secours Training Center
Financial Statements Monthly Highlights
For the Six Months Ending December 31, 2023

| | Current Actual | Current Budget | Variance | Prior Year Actual | Variance |
|------------------------|-------------------|-------------------|----------|----------------------|----------|
| Attendance | 500 | 0 | 500 | 318 | 182 |
| Attendance - Tickets S | 0 | 0 | 0 | 0 | 0 |
| Number of Performanc | 2 | 0 | 2 | 4 | (2) |
| Square Footage | 0 | 0 | 0 | 0 | 0 |
| Other Statistical | 0 | 0 | 0 | 0 | 0 |
| Gross Ticket Sales | 0 | 0 | 0 | 0 | 0 |
| Direct Event Income | 17,803 | 0 | 17,803 | 6,178 | 11,625 |
| Ancillary Income | 0 | 0 | 0 | 0 | 0 |
| Other Event Income | 0 | 0 | 0 | 0 | 0 |
| Total Event Income | 17,803 | 0 | 17,803 | 6,178 | 11,625 |
| Other Operating Incom | 65,582 | 65,582 | 0 | 65,582 | 0 |
| Adjusted Gross Income | 65,582 | 65,582 | 0 | 65,582 | 0 |
| Indirect Expenses | (55,802) | (69,122) | 13,320 | (62,418) | 6,616 |
| Net Income (Loss) Fro | 27,583 | (3,540) | 31,123 | 9,342 | 18,241 |

Bon Secours Training Center
 Financial Statements Year to Date Highlights
 For the Six Months Ending December 31, 2023

| | Year to Date Actual | Year to Date Budget | Variance | Prior YTD Actual | Variance |
|-----------------------|------------------------|------------------------|----------|---------------------|----------|
| Attendance | 53,409 | 14,285 | 39,124 | 6,419 | 46,990 |
| Number of Performanc | 2 | 0 | 2 | 0 | 2 |
| Number of Event Days | 39 | 21 | 18 | 25 | 14 |
| Square Footage | 0 | 0 | 0 | 0 | 0 |
| Other Statistical | 0 | 0 | 0 | 0 | 0 |
| Gross Ticket Sales | 0 | 0 | 0 | 0 | 0 |
| Direct Event Income | 141,017 | 47,875 | 93,142 | 50,060 | 90,957 |
| Ancillary Income | 900 | 3,150 | (2,250) | 0 | 900 |
| Other Event Income | 0 | 20,000 | (20,000) | 0 | 0 |
| Total Event Income | 141,917 | 71,025 | 70,892 | 50,060 | 91,857 |
| Other Operating Incom | 406,627 | 393,492 | 13,135 | 393,910 | 12,717 |
| Adjusted Gross Income | 406,627 | 393,492 | 13,135 | 393,910 | 12,717 |
| Indirect Expenses | (332,100) | (355,973) | 23,873 | (351,595) | 19,495 |
| Net Income (Loss) Fro | 216,444 | 108,544 | 107,900 | 92,375 | 124,069 |