

August 31, 2022

Mr. Alex Ikefuna
Director, Office of Community Solutions
City of Charlottesville
Charlottesville, Virginia 22902

RE: Dogwood Properties

Purpose

We hereby request that the City renew the existing \$850,000 loan for Dogwood Properties with the same terms as the original loan from 2007.

Background

In 2007, Woodard Properties purchased the "Dogwood Properties" portfolio from Mr. Eugene Williams in order to contribute to the affordable housing needs in Charlottesville. The purchase of fifty-seven (57) housing units was made possible in part with the help of the \$850,000 loan from the City of Charlottesville ("City Loan"), through the Piedmont Housing Alliance (PHA), along with primary funding by a local bank, United Bank, and an initial investment from Woodard Properties of approximately \$756,000. Sixteen (16) units were financed using "seller financing" and were not part of the collateral for the City Loan or United Bank. In total, the Dogwood Properties LLC portfolio is therefore a total of seventy-three (73) affordable housing units.

For the City Loan, the affordability requirement is that "the 57 rental units shall be leased to families with a household income no greater than 80% of the Charlottesville area median household income ...and... the amount of monthly rent charged to each of the 57 households, or the amount of rent paid by each household... shall not increase by more than 5%." There were also requirements on the City Loan to give assurance that this housing would be well-maintained.

Since we have owned and managed the Dogwood Properties

We are trying to keep Eugene Williams' legacy a viable endeavor. Our team has taken great pride in our work to manage, maintain, and improve the properties. Although it has been challenging in many facets, we believe it is a great service to the community to keep these homes affordable.

The information below demonstrates how we have maintained, improved, and retained affordability in the portfolio. Unless noted, this information relates to the Dogwood Properties portfolio as a whole (i.e., all 73 units).

- We have invested approximately \$1,600,000 in improvements to the units to date (in addition to the approximately \$756,000 investment to purchase the portfolio)
- We have spent approximately \$2,300,000 in maintenance expenses
- The increase in rent has averaged only 2.92% per year
- For the 57 City Loan properties, the increase in rent has averaged only 2.79% per year
- For the five 5 households that have continuously resided in these properties since our purchase, the increase has averaged only 2.21% per year
- The income guidelines (i.e., household income must be less than 80% of AMI) have also been followed



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- In compliance with the requirement to properly maintain the properties, City NDS has inspected the properties, and we have responded to requests for repairs and improvements as needed

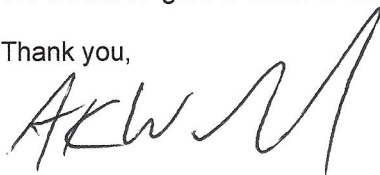
Closing

These properties are important for our community, so we are willing to take on this effort, but we need City support through this City Loan to do it. Many other businesses would deploy their resources to more financially-rewarding enterprises, but we are part of this local community and understand the benefit that this affordable housing portfolio provides.

In the event the City and PHA decide to not renew the existing City Loan, we would like to have as much notice as possible so that we can explore other options for the properties.

We would be glad to meet to discuss this further at your convenience and can provide additional information if needed.

Thank you,



ANTHONY WOODARD | Chief Executive Officer

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