PROFFER STATEMENT

Date: October 10, 2007
ZMA#: 2006-19 Willow Glen
Tax Map and Parcel Numbers: Map 32, parcels 49F, 49G, 49I, 49J and 49K

23.681 Acres to be rezoned from Rural Areas to Planned Residential Development in accord with the Application Plan entitled "Willow Glen" prepared by Terra Concepts, PC, dated September 17, 2007

Dickerson Ridge LLC, a Virginia limited liability company, is the fee simple owner (the "Owner") of Tax Map 32, Parcels 49F, 49G, 49I, 49J, and 49K (the "Property") which is the subject of the zoning map amendment application #ZMA-06-19 known as "Willow Glen." The Applicant for Willow Glen is Sugaray Two, LLC, a Virginia limited liability company. The Willow Glen community is herein referred to as the "Project."

Pursuant to Section 33.3 of the Albemarle County Zoning Ordinance, Owner hereby voluntary proffers the conditions listed in this Proffer Statement, which shall be applied to the Property if the rezoning is approved by Albemarle County. These conditions are proffered as part of the rezoning and it is agreed that the conditions are reasonable.

1. **Affordable Housing**. The Owner shall provide affordable housing equal to fifteen percent (15%) of the total residential dwelling units within the Project in the form of for sale or lease affordable dwelling units (the "Affordable Dwelling Units" or "Affordable Units"). The Affordable Dwelling Units shall be comprised of one or more of the following unit types: single-family attached housing (townhouses or duplexes) or condominiums. The Owner or its successor in interest reserves the right to provide the Affordable Dwelling Units in a variety of ways, utilizing the above mentioned unit types alone or in combination as outlined below.

A. For-Sale Affordable Units. The for-sale Affordable Dwelling Units shall be affordable to households with incomes up to eighty percent (80%) of the area median family income (the "Affordable Unit Qualifying Income"), such that the housing costs consisting of principal, interest, real estate taxes, and homeowner's insurance (PITI) do not exceed thirty percent (30%) of the Affordable Unit Qualifying Income, provided, however, that in no event shall the selling price of such affordable units be required to be less than the greater of One Hundred Ninety Thousand Four Hundred Dollars ($190,400) or sixty-five percent (65%) of the applicable Virginia Housing Development Authority (VHDA) maximum mortgage for first-time home buyers at the beginning of the 90-day identification and qualification period referenced below. The Owner or his successor in interest may at its option facilitate the provision of down payment assistance loans to reduce the out-of-pocket cash requirement costs to the homebuyer, such as, but not limited to a "silent" second lien Deed of Trust, so that the resultant first mortgage and housing costs remain at or below the parameters described herein. All financial programs or instruments described herein must be acceptable to the primary mortgage lender.

Any "silent" second lien Deed of Trust executed as part of this paragraph shall be donated to the County of Albemarle or its designee to be used to address affordable housing. For purposes of calculating the price of the Affordable Dwelling Units, the value of Seller-paid closing costs shall be excluded from the selling price of such Affordable Dwelling Units.

B. For-Lease Affordable Dwelling Units.

(i) The initial net rent for each for-rent Affordable Unit shall not exceed the then-current and applicable maximum net rent as published by the County Housing Office. In each subsequent calendar year, the monthly net rent for each for-rent Affordable Unit may be increased up to three percent (3%). For purposes of this proffer statement, the term "net rent" means that the rent does not include tenant-paid utilities. The requirement that the rents for such for-rent Affordable Units may not exceed the maximum rents established in this Proffer 1B shall apply for a period of ten (10) years following the date the certificate of occupancy is issued by the County for each for-rent Affordable Unit, or until the units are sold as affordable units as defined by the County's Affordable Housing Policy, whichever comes first (the "Affordable Term").

(ii). Conveyance of Interest - All instruments conveying any interest in the for-lease Affordable Dwelling Units during the Affordable Term shall contain language reciting that such unit is subject to the terms of this Paragraph 1(B). In addition, all contracts pertaining to a conveyance of any for-lease Affordable Dwelling Unit, or any part thereof, during the Affordable Term, shall contain a complete and full disclosure of the restrictions and controls established by this Paragraph 1(B). Prior to the conveyance of any interest in any for-lease Affordable Dwelling Unit during the Affordable Term, the then-current owner shall notify the County in writing of the conveyance and provide the name, address and telephone number of the potential grantee, and state that the requirements of this Paragraph 1(B)(ii) have been satisfied.

(iii). Reporting Rental Rates. During the Affordable Term, within thirty (30) days of each rental or lease term for each for-rent Affordable Unit, the then-current owner shall provide to the Albemarle County Housing Office a copy of the rental or lease agreement for each such unit rented that shows the rental rate for such unit and the term of the rental or lease agreement. In addition, during the Affordable Term, the then-current owner shall provide to the County, if requested, any reports, copies of rental or lease agreements, or other data pertaining to rental rates as the County may reasonably require.

C. Phasing of Affordable Units. Each subdivision plat and site plan for land within the Property shall designate the lots or units, as applicable, that will, subject to the terms and conditions of this proffer, incorporate Affordable Units as described herein, and the aggregate number of such lots or units designated for Affordable Units within each subdivision plat and site plan shall constitute a minimum of twelve percent (12%) of the lots in such subdivision plat or site plan. Notwithstanding the foregoing, however, the Owner may "carry-over" or "bank" credits for Affordable Units in the event an individual subdivision plat or site plan designates affordable units that in the aggregate exceed the twelve percent (12%) minimum for such subdivision plat or site plan, and such additional Affordable Units may be allocated toward the twelve percent (12%) minimum on any future subdivision plat or site plan, provided however,

that the maximum number of Affordable Units that may be carried over or banked shall not exceed twelve percent (12%) of the total units on any subdivision plat or site plan.

D. Notification Period; County Cash Option.

(i). Notification Period. All purchasers of the Affordable Dwelling Units shall be approved by the Albemarle County Office of Housing or its designee. The then-current owner/builder shall provide the County or its designee a period of ninety (90) days to identify and pre-qualify an eligible purchaser for the Affordable Unit(s). The ninety (90) day period shall commence upon written notice from the then-current owner/builder that the Unit(s) is within one hundred twenty (120) days of completion and, that on or before the end of such one hundred twenty (120) day period shall be ready for occupancy. If the County or its designee does not provide a qualified purchaser who executes a contract of purchase during this ninety (90) day period, the then-current owner/builder shall have the right to sell or lease the Unit(s) without any restriction on sales or lease price or income of the purchaser(s), provided, however, that any Unit(s) sold or leased without such restriction shall nevertheless be counted toward the number of Affordable Units required to be provided pursuant to the terms of this proffer. The requirements of this proffer shall apply only to the first sale of each of the Affordable Dwelling Units that are purchased. Nothing herein shall preclude the then-current owner/builder from working with the County Housing Department prior to the start of the notification periods described herein in an effort to identify qualifying purchasers for the Affordable Units.

(ii). County Option for Cash In Lieu of Affordable Units. If at any time prior to the County's approval of any preliminary site plan or subdivision plat for the Property which includes one or more for-sale Affordable Dwelling Units, the Housing Office informs the then-current owner/builder in writing that it may not have a qualified purchaser for one or more of the for-sale Affordable Dwelling Units at the time that the then-current owner/builder expects the units to be completed and that the Housing Office will instead accept a cash contribution to the Housing Office to support affordable housing programs in the amount of Nineteen Thousand One Hundred Dollars ($19,100) in lieu of each affordable unit(s), then the then-current owner/builder shall pay such cash contribution to the County prior to obtaining a certificate of occupancy for the unit(s) that were originally planned to be Affordable Dwelling Units, and the then-current owner/builder shall have the right to sell the Unit(s) without any restriction on sales price or income of the purchaser(s). If all of any portion of the cash contribution has not been exhausted by the County for the stated purpose within five (5) years of the date it was contributed, all unexpended funds shall be refunded to the party that contributed the funds. For the purposes of this proffer, such Affordable Dwelling Units shall be deemed to have been provided when the subsequent owner/builder provides written notice to the Albemarle County Office of Housing or its designee that the Affordable Unit(s) will be available for sale.

E. Inspections. The County shall have the right, upon reasonable notice and subject to all applicable privacy laws, to periodically inspect the records of the Owner or any successors in interest for the purposes of assuring compliance with this paragraph 1.

2. **Cash Proffer**.

A. The Owner shall contribute cash to the County in the following amounts for each dwelling unit constructed within the Property that is not an Affordable Dwelling Unit. The cash contributions shall be used to address the fiscal impacts of development on the County's public facilities and infrastructure (i.e., schools, public safety, libraries, parks and transportation) identified in the County's Capital Improvements Program. The cash contributions shall be paid prior to issuance of a building permit for the category of units described in this paragraph 2 in the following amounts:

(i). Seventeen Thousand Five Hundred Dollars ($17,500) for each single-family detached dwelling unit;

(ii). Eleven Thousand Nine Hundred Dollars ($11,900) for each single family attached dwelling unit that is not an Affordable Dwelling Unit.

(iii). Zero Dollars ($0.00) for each Affordable Dwelling Unit

The cash contribution for each such unit shall be paid prior to or at the time of issuance of the building permit for each unit, as applicable.

B. Annual Adjustment of Cash Proffers. Beginning January 1, 2008, the amount of each cash contribution required herein shall be adjusted annually until paid, to reflect any increase or decrease for the preceding calendar year in the Comparative Cost Multiplier, Regional City Average, Southeast Average, Category C: Masonry Bearing Walls issued by Marshall Valuation Service (a/k/a Marshall & Swift) (the "Index") or the most applicable Marshall & Swift index determined by the County if publication of the specific index referenced herein in discontinued. In no event shall any cash contribution amount be adjusted to a sum less than the amount initially established by these proffers. The annual adjustment shall be made by multiplying the proffered cash contribution amount for the preceding year by a fraction, the numerator of which shall be the Index as of December 1 in the year preceding the calendar year most recently ended, and the denominator of which shall be the Index as of December 1 in the preceding calendar year. For each cash contribution that is being paid in increments, the unpaid incremental payments shall be correspondingly adjusted each year.

3. **Connection to Town Center Drive**. The Owner shall complete construction of an extension of "Road D" as shown on the Application Plan as a vehicular connection to the future Town Center Drive in the area shown on the Application Plan, to the standards contained in Sections 14-410H and 14-422 of the County Code and shown on the sheet of the Application Plan entitled "Conceptual Road Sections" (the "Town Center Drive Connection"). The Town Center Drive Connection shall be completed by the later to occur of: (a) eighteen (18) months after issuance of a final site plan approval for the first phase of the Project; or (b) eighteen (18) months after the owner of tax map parcel 32-50 dedicates to public use the public right-of-way determined to be appropriate by VDOT and the County Engineer for the Town Center Drive Connection, and also dedicates to the Owner all drainage, construction and other easements necessary for the Owner to construct the Town Center Drive Connection. For purposes of this proffer 3, construction of the Town Center Drive Connection shall be deemed complete when it is ready to be recommended

by the Albemarle County Board of Supervisors for acceptance into the state-maintained system, and the Owner has obtained from the County Engineer a written determination that the Town Center Drive Connection is safe and convenient for traffic. The Town Center Drive Connection may be shifted from the area shown on the Application Plan to a location more suitable to both the Owner and the County which still provides access from Willow Glen to Town Center Drive, upon approval of the County Engineer and the Owner.

WITNESS the following duly authorized signatures:

Owner:
DICKERSON RIDGE LLC,
a Virginia Limited Liability Company

By: _____

Printed Name: EUGENE W. RAY JR.

Title: MANAGER

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