

**Sanctuary at Hyattsville Crossing TOD Twin
Monthly Status Report – Ending June
July 8, 2025**

Projected Schedule (Updated 6/30/2025)

Recent Development Activity

The development team has made steady progress as preparations for the upcoming LIHTC funding round, anticipated to open in Q1 2025, approach. The team has continued holding its biweekly design meetings to ensure steady progress and alignment with project goals. Preliminary site investigations have progressed, with Civil (ATCS) completing site stakeouts during the week of November 11, 2024, in preparation for geotechnical drilling. The following week, the geotechnical team completed all borings and installed infiltration test pieces. Initial results from one boring revealed a soil composition of lean clay with trace gravel and organics (FILL) extending to 7 feet. In coordination with Innova, the team decided to conduct one infiltration test in the clay layer and another in the interbedded granular material. This approach aims to demonstrate that the clays are non-infiltrating while the sands are likely permeable. Further testing is anticipated once the stormwater management (SWM) facility locations and elevations are established, as additional borings will be needed at the sites.

On November 21, 2024, the Continuum of Care (CoC) HUD Build Grant Application was submitted for the project. Prior to submission, the team engaged in several coordination meetings with the Maryland Department of Human Services (DHS), the Property Management Company (PMC), and PG DHCD to coordinate support service components of the project and to finalize and submit a comprehensive application. Efforts to advance the project also included a planned meeting with Deputy Secretary Julia Glanz, Deputy Director Robyne Chaconas of the Community Development Administration, and Chief Legislative Officer Chuck Cook. Originally scheduled for November 18, 2024, the meeting was postponed to January 6, 2025, due to scheduling conflicts, but was again rescheduled to March 2025 due to Snowstorm weather warnings.

On January 3, 2025, the development team convened with the Geotechnical and Civil Engineers to review the initial soil findings, discuss cut sheets, and address any site- or civil-related questions. The finalized Geotechnical Report was completed in early January and promptly distributed to the design team for further review. On January 22, Justin from Hardin-Kight presented the key findings of the geotechnical report to the design team, addressing several questions that were raised and provided clarifications to ensure a comprehensive understanding of the report and the site.

Subsequently, on January 30, the development team met with the Building Council of FUMCH, Dr. Bob and Rev. Dr. Yvonne Wallace Penn to discuss and answer questions on project-related topics, including the status of funding applications, the project schedule, and other design updates. We were later joined by the Mayor of Hyattsville and Councilwoman Fisher, where we presented the project and garnered the Councilwoman's support. Councilwoman Fisher confirmed her commitment to assist with the project, particularly in relation to the text amendment and other zoning related matters. During this meeting, several design suggestions were put forward, including a proposal for a rooftop terrace on the senior building from Councilwoman Fisher, an integration of a public arts feature from a local artist and expansion of parking. These suggestions were then communicated to the design team, Pennrose Management Company (PMC), and the Operations Team for further evaluation and feedback on their feasibility.

Following the announcement of the PG County NOFA for HOME, and HITF, on January 21, 2025, the team has been actively working on the application to ensure a competitive submission by the March 24, 2025, deadline. Additionally, on January 23 and 24, the team participated in a webinar focused on FY 26 Congressionally Directed Spending for non-profit organizations to explore potential opportunities to secure funding for the project through these channels.

On February 4, 2025, the team participated in an SRP Application Debrief with Jean Cannon of DHCD and David Cristeal of the City of Hyattsville. Both the 4% and 9% applications were well received and scored highly. However, the tight budget within the NED program (with only \$4 million available out of a \$19 million budget) limited awards. The team was encouraged to reapply with recommendations to emphasize the project's two-year timeline, shovel readiness, inclusion of the 9% award if received, and the provision of public amenities for the broader community. A follow-up call was offered to be scheduled once the budget is finalized, providing further guidance on the reapplication process. In addition to the PG County NOFA, the 9% LIHTC round was officially announced on February 6, 2025. The team is actively working on both applications, with the 9% LIHTC application deadline set for May 16, 2025.

On March 20, the team submitted a PILOT application to the City of Hyattsville. The application was accompanied by a kind letter of support from the city, matching Prince George's County DHCD's PILOT structure. The PILOT request outlines abatements that are expected to reduce tax obligations by approximately 75%, strengthening the project's leverage score. The Team submitted the PG County NOFO on March 24, and have since then remained actively engaged in preparing the 9% LIHTC application. They continue to request documentation from project partners and coordinating across agencies to finalize key application components ahead of the May 16 deadline.

On March 27, the team met with Renee Ensor Pope of Prince George's County Department of Social Services (DSS) to review budgets for both buildings, particularly focused on the Permanent Supportive Housing (PSH) units. The discussion also explored contingency planning for the project in the event that the CoC Build application is not awarded. Alternate service strategies and potential funding pathways are being developed to ensure continuity of services and maintain affordability targets.

On March 31, the team—joined by the church's Building Council and the Mayor of Hyattsville—had the opportunity to meet with Secretary Day on site to present an overview of the development and receive feedback. The presentation emphasized the site's transit-oriented location, directly across from a Metro line, and its position within a well-established urban setting surrounded by retail, schools, and market-rate housing. The team identified the project as a prime example of urban infill and highlighted its strong alignment with DHCD priorities, including Family Housing, Lovable Spaces, and Zero Energy Ready Homes (ZERH).

During the meeting, the team shared key project milestones and recent partnerships, such as the award of 2023 Project-Based Vouchers (PBVs), a service coordination agreement with the Department of Social Services (DSS), and active collaboration with local government through the PILOT application process. When asked about potential scoring challenges, the team noted the lack of a Qualified Census Tract (QTC) designation, which affects leverage scoring, particularly on the 4% side. In response, the team outlined several mitigation strategies, including income targeting, soft funding commitments from the County, and the anticipated approval of PILOT abatements. These elements are expected to strengthen the application and help the project exceed the critical 183-point threshold.

Entitlements were also addressed, with the team explaining that a text amendment is being pursued to secure appropriate use permissions. The team noted that while text amendments are relatively uncommon in Prince George's County, the site is clearly in line with Hyattsville's master plan for transit-oriented

development. Conversations are ongoing with Councilwoman Fisher and the Planning Department, both of whom have expressed support for the project. In response, Secretary Day acknowledged the competitiveness of the 9% round and the challenges posed by a limited funding primarily composed of recycled loan repayments. These constraints are placing added pressure on operating budgets, especially considering rising insurance costs. Secretary Day encouraged the team to sharpen its proposal and submit the strongest application possible.

On April 7, the development team delivered a presentation to the Mayor and City Council of Hyattsville, outlining the request for a Payment in Lieu of Taxes (PILOT) agreement. Pastor Penn opened the presentation, and Patrick Bateman, the Senior Developer, provided an overview of the project. The presentation highlighted key neighborhood amenities, described the family and senior components of the development, and explained the details of the PILOT request. The team expressed their intention to match Prince George's DHCD's PILOT structure and emphasized the benefit of increased annual tax revenue for the City. The broader need for affordable housing in Maryland was also addressed, citing the state's ongoing housing crisis and referencing data from the market study to demonstrate the unmet housing demand in the area.

On April 15, the team presented the same development overview and PILOT request to the City's Planning Committee during a virtual meeting. The goal was to reaffirm the importance of the project and gain further support from planning representatives. On April 21, the PILOT request appeared as an Action Item on the agenda of the Hyattsville Mayor and City Council meeting. During the meeting, the Council voted—nearly unanimously—to approve the PILOT request, with all members voting in favor except one who abstained.

Also on April 21, members of the development team met with Renee Ensor-Pope to update project financials and prepare the revised Form 202 required for the LIHTC application submission. This meeting was critical for aligning the budget and ensuring consistency with current financing expectations.

During the week of May 5, the team received notice regarding the availability of soft funding through the HOME, HITF, and PILOT programs. It was communicated that the County could offer Letters of Intent (LOIs) of up to \$6 million per twin deal. While County representatives expressed strong support for both the 4% and 9% LIHTC projects, they clarified that their total financial commitment could not exceed \$6 million. This support would be split between one PILOT agreement tied to the 4% project and another tied to the 9% project. The limitation was attributed to current funding constraints.

On May 13, the team participated in a LIHTC pre-application meeting with DHCD to ask project-specific questions and gather feedback on the submission. Key DHCD staff in attendance included Lynne Swann, Mira Morgan, Deborah Bonner, Edward Barnett, Gani Adeyemi, and Caty Waterman. The meeting provided valuable recommendations and clarified submission expectations to help the team strengthen their application.

Finally, on May 16, the team submitted the LIHTC application. A hard copy was delivered, including one full set of plans and specifications. In addition, the required documents were uploaded to both the designated Dropbox and the DHCD portal to complete the application process.

The Fiscal Year 2026 round of the State Revitalization Programs (SRP) officially opened on Wednesday, May 28, 2025. In preparation for the application process, the Pennrose development team attended the required training sessions held on May 27th to gain a thorough understanding of the program's priorities, evaluation criteria, and submission requirements. With significant guidance and collaboration from David Cristeal, Housing Manager at the City of Hyattsville's Department of Community & Economic Development, the team was able to prepare a strong, and well-rounded application across both projects. The application for both the 4% and 9% projects were submitted on June 24th ahead of the official deadline of Wednesday,

July 2, 2025. The City of Hyattsville served as the application applicant, with each project requesting \$750,000 in funding—for a total combined request of \$1.5 million.

On July 1, 2025, a Joint Public Hearing with the Prince George’s County Planning Board and District Council for the West Hyattsville–Queens Chapel Sector Plan and Sectional Map Amendment was held. Members of the First United Methodist Church of Hyattsville (FUMCH), including Pastor Rev. Dr. Yvonne Wallace Penn, attended the hearing to express their support for both the plan and the project. The church’s participation reaffirmed the community’s alignment with the development goals.

The development team continues to advance both projects while awaiting notification of tax credit awards. Given recent delays in the state’s processing timelines, a determination is expected sometime in September. In the meantime, the team remains actively engaged in coordinating with agency partners, refining project details, and preparing for the next phase of implementation.

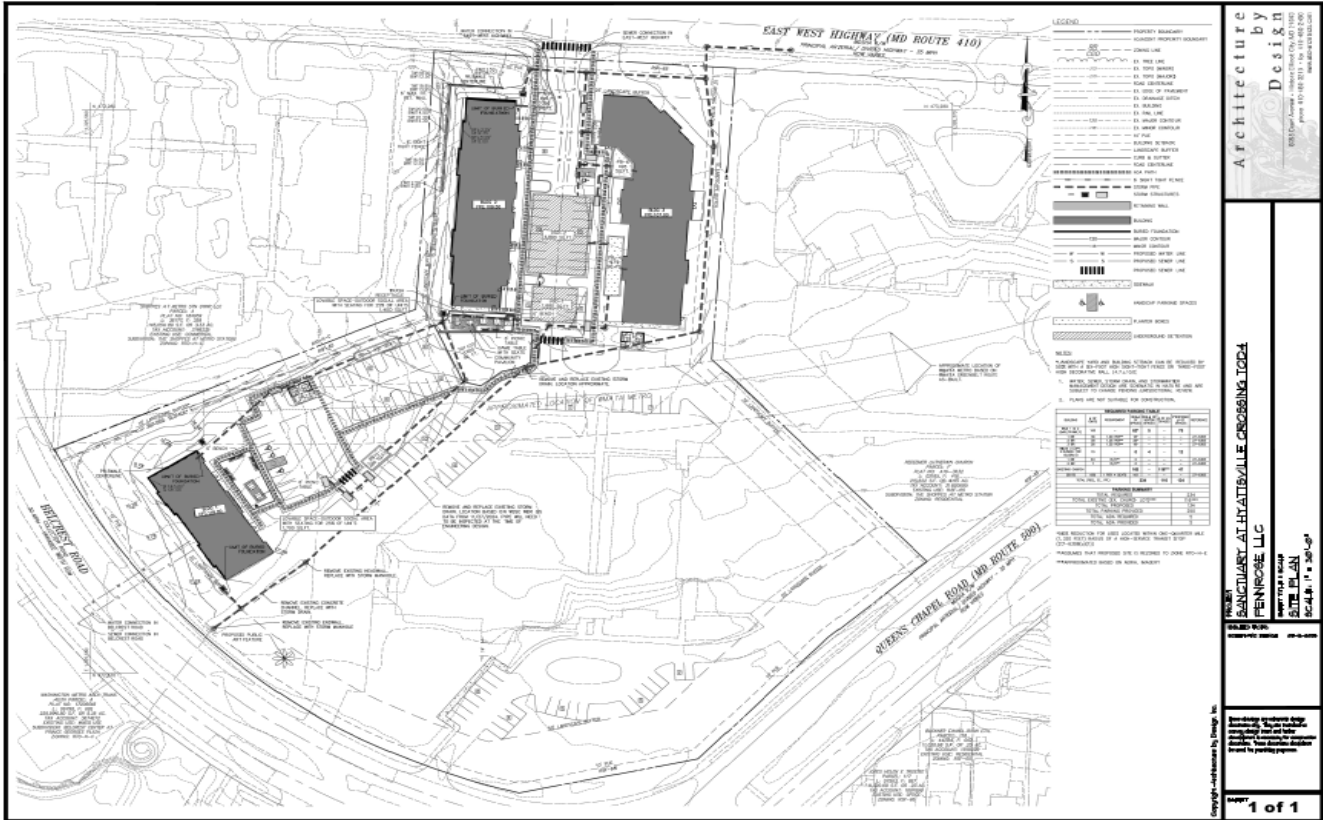
Development Team

| Discipline | Firm |
|--------------------------|---------------------------|
| Lead Developer/Owner | Pennrose, LLC |
| Developer/Owner | Sanctuary AP3, Co. |
| Architect | Architecture by Design |
| General Contractor | Harkins Builders, Inc. |
| Civil Engineer | ATCS, PLC. |
| Management Company | Pennrose Management |
| Construction Manager | Innova Building Solutions |
| Environmental Consultant | DAC Hillman |
| Green Rater | Innova Building Solutions |

List of Development Activities (Completed and Upcoming)

| Date | Activity | Status |
|---------|--|----------|
| Q2 2023 | Submitted application to HAPGC for 8 project-based vouchers for the 9% project | Complete |
| Q1 2024 | Initiated development Team (Builders, Architect and Engineers) | Complete |
| Q2 2024 | Applied for State Revitalization Funds | Complete |
| Q2 2024 | Initial Project Concept Plan Created | Complete |
| Q2 2024 | Detailed Discussion with Management Company About Amenities, Units Matrix and Layout | Complete |
| Q2 2024 | Presentation and Project Update to Congregation | Complete |
| Q3 2024 | Predevelopment Budget Created | Complete |
| Q3 2024 | Project presented at New Business Development Meeting (Internal Pennrose Process) | Complete |
| Q3 2024 | Commenced Metrorail Alignment Design and As-Built Drawings | Complete |
| Q3 2024 | Met with Senior Policy Advisor from Senator Chris Van Hollen’s Office to discuss Federal Earmarks for FY26 and other Funding Sources | Complete |
| Q3 2024 | Applied for Maryland Community Forestry Catalyst Fund | Complete |
| Q4 2024 | Further Discussions of Site Plan with County Agencies and MNCPPC | Complete |
| Q4 2024 | PG County Voucher Meeting with Property Management (PMC) | Complete |

| | | |
|---------|--|-------------|
| Q4 2024 | First draft of the larger 9% building initiated by Architectural Firm | Complete |
| Q4 2024 | In-Person Meeting with Rev. Dr. Yvonne Wallace Penn at FUMCH | Complete |
| Q4 2024 | Preliminary Investigation w/ Geotechnical Engineer Initiated | Complete |
| Q4 2024 | Submitted the Amazon Equity Housing Fund application | Complete |
| Q4 2024 | Completed site stakeout activities, conducted by ATCS | Complete |
| Q4 2024 | Scheduled drilling operations for borings | Complete |
| Q4 2024 | Application Prep for COC Notice of Funding Opportunity | Complete |
| Q4 2024 | Boring drillings conducted | Complete |
| Q4 2024 | COC Notice of Funding Opportunity Submitted | Complete |
| Q1 2025 | Geotech Report to be published | Complete |
| Q1 2025 | PG County HOME/HITF Application Prep | Complete |
| Q1 2025 | PG County HOME/HITF Application Submitted | Complete |
| Q1 2025 | FY 26' Congressionally Directed Spending (Earmarks) Application | Complete |
| Q1 2025 | 9% Tax Credit Application Prep | Complete |
| Q2 2025 | Presented PILOT request to the Mayor and City Council of Hyattsville. | Complete |
| Q2 2025 | Presented project and PILOT request to the Mayor and City Council of Hyattsville. | Complete |
| Q2 2025 | Presented project and PILOT request to the City's Planning Committee | Complete |
| Q2 2025 | PILOT request was listed as an Action Item on the City Council agenda; Council voted during the meeting | Complete |
| Q2 2025 | Development team met with Renee Ensor-Pope to update project financials and revise Form 202 for the LIHTC application. | Complete |
| Q2 2025 | Received notice of available soft funding through HOME, HITF, and PILOT programs. | Complete |
| Q2 2025 | Requested a LIHTC pre-application meeting with DHCD to ask project-specific questions and gather feedback. | Complete |
| Q2 2025 | Submitted LIHTC application, delivered hard copy with full set of plans and specs, and submitted electronic and portal versions. | Complete |
| Q2 2025 | 9% Tax Credit Application/Review Award | In Progress |
| Q2 2025 | Fiscal Year 2026 State Revitalization Programs Submission (4% & 9%) | Complete |
| Q2 2025 | Fiscal Year 2026 SRP Application Review/Award | In Progress |
| Q2 2026 | Preliminary Plan of Subdivision Process | |
| Q2 2026 | Detailed Site Plan Process | |
| Q4 2026 | Recorded Plat and Site Plan | |
| Q4 2026 | WSSC Water and Sewer Plan/Permits | |
| Q4 2026 | Fine Grading and Building Permits | |
| Q1 2027 | Closing Coordination Calls / Financial Closing | |
| Q1 2028 | Construction Commencement/ Completion | |
| Q4 2028 | Leasing Period/ 100% Leased Up | |
| Q1 2029 | Conversion to Permanent Loan | |

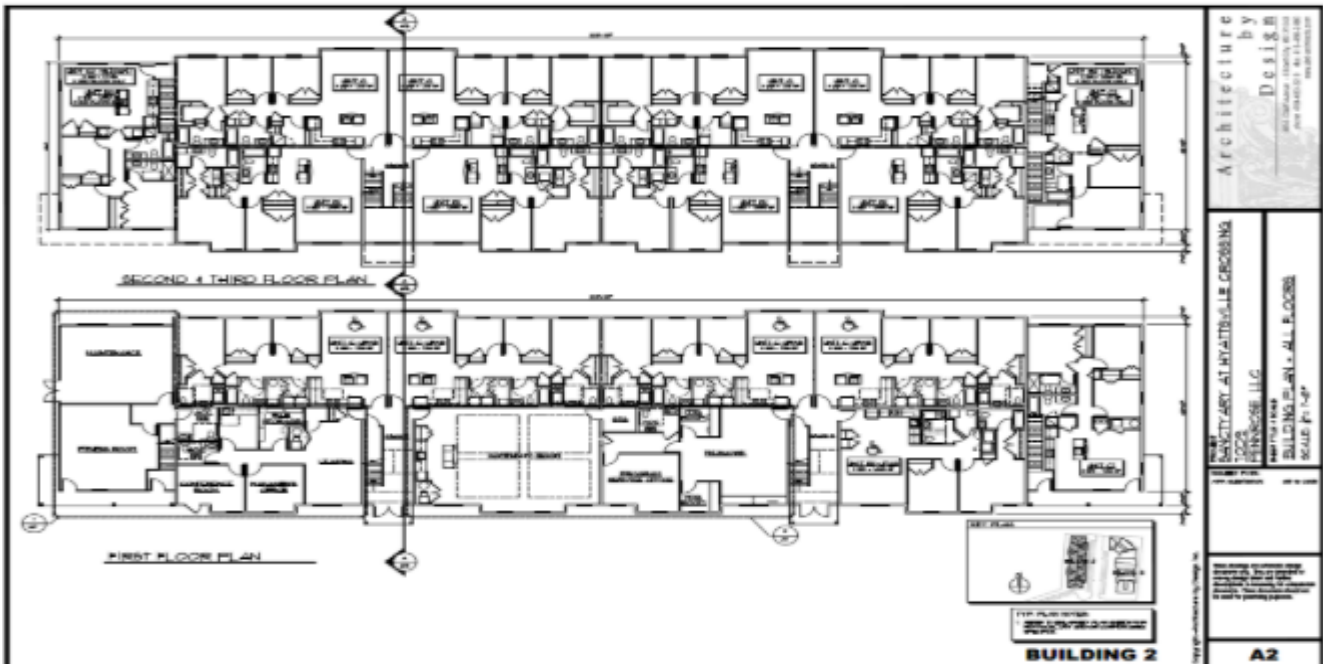


| Project Unit Mix | | |
|------------------|------------|------------|
| Project Unit Mix | 9% Project | 4% Project |
| Studio Unit | 0 | 0 |
| 1 Bedroom Units | 18 | 63 |
| 2 Bedroom Units | 17 | 7 |
| 3 Bedroom Units | 15 | 0 |
| Total | 50 | 70 |

| Project Affordability | | | | | | |
|-----------------------|------------------|------------------|------------------------------|----------|----------|----------|
| Area Median Income | 4% Project Units | 9% Project Units | Maximum Income per Household | | | |
| | | | 1 Person | 2 Person | 3 Person | 4 Person |
| Up to 20% AMI | 0 | 15 | \$22,960 | \$26,240 | \$29,520 | \$32,780 |
| Up to 30% AMI | 12 | 0 | \$34,440 | \$39,360 | \$44,280 | \$49,170 |
| Up to 40% AMI | 0 | 20 | \$45,920 | \$52,480 | \$59,040 | \$65,560 |
| Up to 50% AMI | 0 | 15 | \$57,400 | \$65,600 | \$73,800 | \$81,950 |
| Up to 60% AMI | 58 | 58 | \$68,880 | \$78,720 | \$88,560 | \$98,340 |

SANCTUARY AT HYATTSVILLE CROSSING TOD9

9% BUILDINGS
PRINCE GEORGE'S COUNTY



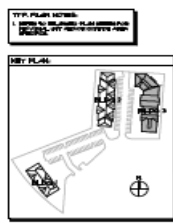
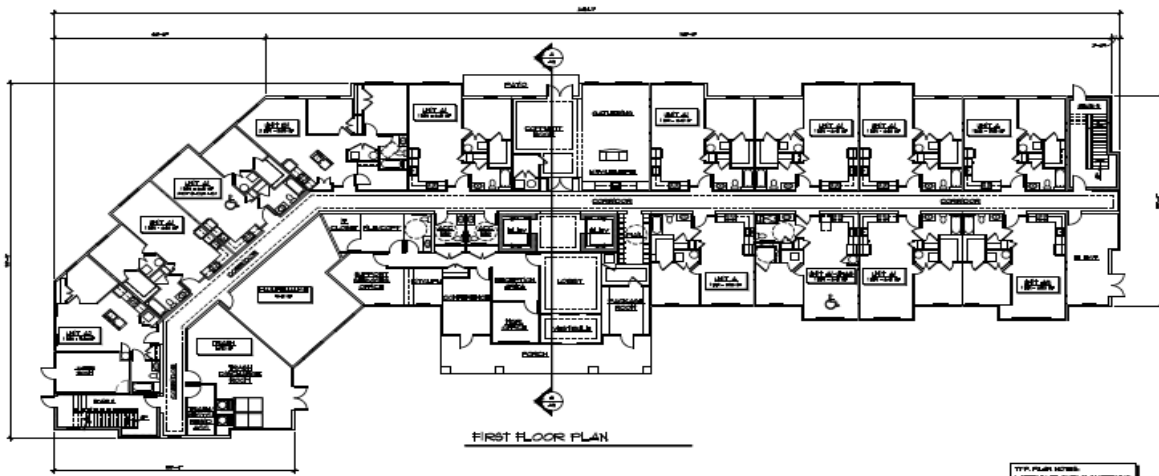
| Sources | |
|--|----------------------|
| Lument FTEL - Private Loan | \$ 4,850,000 |
| Rental Housing Program Funds | \$ 2,000,000 |
| Partnership Rental Housing Program Funds | \$ 500,000 |
| MD DHCD MEEHA Funds | \$ 120,000 |
| 45L (Energy) Credits | \$ 214,979 |
| LIHTC Equity | \$ 12,898,710 |
| Deferred Developer Fee | \$ 740,937 |
| Escrow to Fund Rental Subsidy Reserve | \$ 901,811 |
| Total Sources | \$ 22,766,436 |

| Uses | |
|--|----------------------|
| Construction Costs | \$ 13,327,379 |
| Construction-related Fees | \$ 2,464,506 |
| Financing Fees and Charges | \$ 1,781,626 |
| Acquisition Costs (25% of total Developer Fee) | \$ 1,200,905 |
| Developer's Fee | \$ 2,303,622 |
| Syndication Related Costs (carried in 4%) | \$ 239,500 |
| Guarantees and Reserves | \$ 1,448,897 |
| Total Uses | \$ 22,766,436 |

| Potential Additional Sources | Application Deadline | Amount |
|--|------------------------------|-------------|
| MD DHCD State Revitalization Programs | June 2025 | \$750,000 |
| Community Forestry Catalyst Fund (CFCF) | September 2025 | \$100,000 |
| Amazon | Fall 2025 | TBD |
| Maryland Affordable Housing Trust (MAHT) | Fall 2025 | \$75,000 |
| Federal Home Loan Bank | May 2025 | TBD |
| PG DHCD HOME Funds | Awarded | \$6,000,000 |
| Build America Bureau - TIFIA | Rolling (replaces perm debt) | TBD |
| CDBG | November 2025 | TBD |

4% Project Information (Updated 6/30/2025)





Architecture
 by
 Design
8110 East Avenue - Hyattsville, MD 20782
 phone 410-481-2011 fax 410-481-2000
 www.fenimore.com

PROJECT: SANCTUARY AT HYATTSVILLE CROSSING, TOD4
 ARCHITECT: FENIMORE LLC
 DRAWING NO: BUILDING PLANS - GROUND LEVEL
 SCALE: 1/4" = 1'-0"

DATE: 08/11/10
 SHEET NO: A1



FRONT ELEVATION



REAR ELEVATION



RIGHT SIDE ELEVATION



LEFT SIDE ELEVATION

TYPICAL ELEVATION NOTES:
 1. FINISHES TO BE DETERMINED BY ARCHITECT.
 2. MATERIALS TO BE DETERMINED BY ARCHITECT.
 3. ALL DIMENSIONS ARE TO FACE UNLESS NOTED OTHERWISE.
 4. SEE GENERAL NOTES FOR FURTHER INFORMATION.

Architecture
 by
 Design
8110 East Avenue - Hyattsville, MD 20782
 phone 410-481-2011 fax 410-481-2000
 www.fenimore.com

PROJECT: SANCTUARY AT HYATTSVILLE CROSSING, TOD4
 ARCHITECT: FENIMORE LLC
 DRAWING NO: BUILDING ELEVATIONS
 SCALE: 1/4" = 1'-0"

DATE: 08/11/10
 SHEET NO: A3

| Sources | |
|--|----------------------|
| Lument FTEL – Private Loan | \$ 6,912,000 |
| Rental Housing Works | \$ 3,500,000 |
| Partnership Rental Housing Program Funds | \$ 3,000,000 |
| PG DHCD HOME Funds | \$ 6,000,000 |
| MD DHCD MEEHA Funds | \$ 140,000 |
| 45L (Energy) Credits | \$ 300,970 |
| LIHTC Equity | \$ 8,960,764 |
| Deferred Developer Fee | \$ 932,460 |
| Escrow to Fund Rental Subsidy Reserve | \$ 1,251,336 |
| Total Sources | \$ 30,997,530 |

| Uses | |
|----------------------------|----------------------|
| Construction Costs | \$ 20,313,639 |
| Construction-related Fees | \$ 2,623,978 |
| Financing Fees and Charges | \$ 3,198,421 |
| Acquisition Costs | \$ 26,136,038 |
| Developer’s Fee | \$ 2,500,000 |
| Syndication Related Costs | \$ 211,603 |
| Guarantees and Reserves | \$ 2,149,890 |
| | |
| | |
| Total Uses | \$ 30,997,530 |

| Potential Additional Sources | Application Deadline | Amount |
|--|------------------------------|---------------|
| MD DHCD State Revitalization Programs | June 2025 | \$750,000 |
| MD DHCD RHW (TOD Boost) | Rolling | \$1,050,000 |
| Community Forestry Catalyst Fund (CFCF) | September 2025 | \$100,000 |
| Amazon | Fall 2024 | \$7,000,000 |
| Maryland Affordable Housing Trust (MAHT) | Fall 2025 | \$75,000 |
| Federal Home Loan Bank | May 2025 | TBD |
| PG DHCD HOME Funds | Awarded | \$6,000,000 |
| Build America Bureau - TIFIA | Rolling (replaces perm debt) | TBD |
| Community Development Block Grant - CDBG | November 2025 | TBD |

Project Summary (Updated 6/30/2025)

Pennrose, LLC and Sanctuary AP3 Co., have formed a partnership and are working closely with the First United Methodist Church of Hyattsville on a development of a portion of the 8.17-acre land currently owned by the church in Hyattsville, MD.

The church remains active in the community and seeks to provide affordable and senior housing on the part of the site not occupied by its church building. Situated in a prime Hyattsville location, the site is directly across the street from the Hyattsville Crossing/Prince George's Plaza Metro Station (Green Line). This location offers convenient access to Prince George's County and Washington, D.C., including key areas like Gallery Place and L'Enfant Plaza and other major regional access to the entire Washington D.C. Metro area. The surrounding neighborhood is a robust rental market, characterized by numerous high-end, market-rate developments with high rents and low vacancy rates. Nearby amenities include the Metro Station, Giant Food, Safeway, Whole Foods, Prince George's County Mall, Target, Prince George's Community College, and the University of Maryland College Park.

The current development plan calls for three separate buildings to be built on the site, two built with the 9% Low Income Housing Tax Credit ("LIHTC") and the other with the 4% LIHTC. The projects, known as a "twin," due to their plan to move forward concurrently, will seek to serve different populations. The 9% project will serve families earning a mix of a maximum area median income ("AMI") in the 30%-60% range and the 4% project will serve seniors earning up to 60% AMI. The project team looks to submit the 9% LIHTC application in the next competitive round, projected to be in early 2025.

The development will feature 120 residential units, 50 units in the 9% project and 70 units in the 4% project, composed of a mix of studios, 1-bedroom, 2-bedroom and 3-bedroom apartments. The buildings will offer ample management and amenity spaces, including multipurpose rooms, fitness centers, and other community spaces. The physical buildings are designed to be a four-story elevator building (4% senior building) and two three-story enclosed breezeway buildings (9% family buildings). The buildings will incorporate an attractive mix of brick and other durable and attractive exterior materials, achieve NGBS and Energy Star certifications, and offer many energy saving features for the benefit of the residents.

Overall, this combined development effort will total approximately \$53 million and will provide high-quality, affordable, intergenerational housing in a well-established rental market with transit access to the greater Washington, D.C. Metro Area. The 120 affordable housing units represent a significant investment in Prince George's County and will offer housing that incorporates sustainable design, energy efficiency, and green building standards. These features align with the housing priorities outlined in Prince George's County's 2035 Adopted General Plan. Moreover, the level of county, state, and federal investment in projects like this underscores the commitment to delivering new apartment buildings with transit access for many low-income families in this area of the county.