

RESOLUTION NO. 2025-006

A meeting of the Housing Finance Authority of Broward County, Florida was held at 5:30 p.m. on May 21, 2025, at the offices of the Housing Finance Authority of Broward County, Florida, 110 Northeast Third Street, Suite 201, in the City of Fort Lauderdale, Florida.

Present: Colleen LaPlant, Milette Manos, Courtnee Biscardi, Scott Ehrlich,
Donna Jarrett-Mays, Jenni Morejon, Tina Teague

Absent: Ruth T. Cyrus, Andre Madtes

Thereupon, the following resolution was considered:

A RESOLUTION OF THE HOUSING FINANCE AUTHORITY OF BROWARD COUNTY, FLORIDA (THE "HOUSING FINANCE AUTHORITY") AUTHORIZING THE ISSUANCE OF ITS NOT TO EXCEED \$34,150,000 MULTIFAMILY HOUSING REVENUE NOTE, SERIES 2025 (EKOS PEMBROKE PARK) (THE "NOTE") FOR THE PURPOSE OF FINANCING THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF EKOS PEMBROKE PARK LOCATED IN BROWARD COUNTY, FLORIDA (THE "PROJECT"); ESTABLISHING PARAMETERS FOR THE AWARD OF THE SALE THEREOF AND ESTABLISHING CRITERIA FOR DETERMINING THE TERMS THEREOF, INCLUDING INTEREST RATES, INTEREST PAYMENT DATES, MATURITY SCHEDULE AND OTHER TERMS OF SUCH NOTE; APPROVING THE FORMS OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF (I) A FUNDING LOAN AGREEMENT BY AND AMONG THE HOUSING FINANCE AUTHORITY, ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA, AS FUNDING LENDER (THE "FUNDING LENDER"), AND THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., AS FISCAL AGENT (THE "FISCAL AGENT"); (II) A BORROWER LOAN AGREEMENT BY AND BETWEEN THE HOUSING FINANCE AUTHORITY AND MHP BROWARD I, LTD (THE "BORROWER"); (III) A LAND USE RESTRICTION AGREEMENT BY AND AMONG THE HOUSING FINANCE AUTHORITY, THE FISCAL AGENT AND THE BORROWER; (IV) AN ASSIGNMENT OF

MORTGAGE AND FUNDING LOAN DOCUMENTS BY THE HOUSING FINANCE AUTHORITY TO THE FISCAL AGENT; (V) A PLACEMENT AGENT AGREEMENT BY AND BETWEEN THE HOUSING FINANCE AUTHORITY AND RAYMOND JAMES & ASSOCIATES, INC., AS PLACEMENT AGENT; AND (VI) A FISCAL AGENT FEE AGREEMENT BY AND BETWEEN THE HOUSING FINANCE AUTHORITY AND THE FISCAL AGENT; APPROVING AND AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN ADDITIONAL AGREEMENTS NECESSARY OR DESIRABLE IN CONNECTION WITH THE ISSUANCE OF THE NOTE; AUTHORIZING THE HOUSING FINANCE AUTHORITY TO CONSENT TO THE BORROWER PLACING SUBORDINATE FINANCING ON THE PROJECT AND APPROVING THE EXECUTION OF SUCH AGREEMENTS AS MAY BE NECESSARY IN CONNECTION WITH SUCH CONSENT; WAIVING THE FEE FOR SERVICES RELATED TO THE HOUSING FINANCE AUTHORITY'S ANNUAL AUDIT OF THE PROJECT; AUTHORIZING THE PROPER OFFICERS OF THE HOUSING FINANCE AUTHORITY TO DO ALL THINGS NECESSARY OR ADVISABLE IN CONNECTION WITH THE ISSUANCE OF THE NOTE; AND PROVIDING AN EFFECTIVE DATE FOR THIS RESOLUTION.

WHEREAS, the Housing Finance Authority of Broward County, Florida (the "Housing Finance Authority") is empowered under (i) the laws of the State of Florida, including the Florida Housing Finance Authority Law, Florida Statutes, Sections 159.601 through 159.623, as amended (the "Act"), and (ii) Ordinance 79-41 enacted by the Board of County Commissioners (the "Board") of Broward County, Florida (the "County") on June 20, 1979 (the "Ordinance"), as amended, to issue multifamily housing revenue bonds; and

WHEREAS, the Housing Finance Authority is authorized under the Act to issue its revenue bonds for the purpose of paying the cost of a "qualifying housing development" within the meaning of the Act which includes the acquisition and construction of multifamily housing developments; and

WHEREAS, the Housing Finance Authority desires to issue a multifamily housing revenue note in an amount not to exceed \$34,150,000 (the “Note”) for the purpose of financing the acquisition, construction and equipping of a 150-unit multifamily residential rental housing development in Pembroke Park, Broward County, Florida, known as Ekos Pembroke Park (the “Project”); and

WHEREAS, MHP Broward I, Ltd, a Florida limited partnership (the “Borrower”), has requested the Housing Finance Authority to issue its Note to Allianz Life Insurance Company of North America, a Minnesota corporation, as funding lender (the “Funding Lender”), which will evidence a loan to the Housing Finance Authority (the “Funding Loan”), and which Funding Loan proceeds will be used by the Housing Finance Authority to make a loan to the Borrower (the “Borrower Loan”) to finance the acquisition, construction and equipping of the Project; and

WHEREAS, the Housing Finance Authority desires to enter into a Funding Loan Agreement by and among the Housing Finance Authority, the Funding Lender and The Bank of New York Mellon Trust Company, N.A., a national banking association, as fiscal agent (the “Fiscal Agent”) (the “Funding Loan Agreement”), in substantially the form attached hereto as Exhibit “A”, for the purpose of setting forth the terms, conditions and covenants (i) upon which the Funding Lender will make the Funding Loan to or on the account of the Housing Finance Authority, which proceeds shall be used in order for the Housing Finance Authority to make the Borrower Loan to Borrower to finance the acquisition, construction and equipping of the Project, and (ii) that are necessary to secure the Note and protect the rights of the holder of the Note; and

WHEREAS, the Housing Finance Authority desires to enter into a Borrower Loan Agreement, between the Housing Finance Authority and the Borrower (the “Borrower Loan Agreement”), in substantially the form attached hereto as Exhibit “B”, to evidence the terms and conditions of the Borrower Loan; and

WHEREAS, the Housing Finance Authority desires to enter into a Land Use Restriction Agreement among the Housing Finance Authority, the Borrower and the Fiscal Agent (the “Land Use Restriction Agreement”), in substantially the form attached hereto as Exhibit “C”, to evidence the terms and conditions upon which the Borrower shall maintain and operate the Project; and

WHEREAS, the Housing Finance Authority desires to enter into an Assignment of Mortgage and Funding Loan Documents made by the Housing Finance Authority to and in favor of the Fiscal Agent for the benefit of the Funding Lender (the “Assignment of Loan Documents”), in substantially the form attached hereto as Exhibit “D”, pursuant to which the Housing Finance Authority will assign to the Fiscal Agent, for the benefit of the Funding Lender, its rights in the mortgage securing the Project and various other loan documents securing and evidencing the Borrower Loan, including a promissory note to be executed by the Borrower (the “Borrower Note”) (which assignment to the Fiscal Agent for the benefit of the Funding Lender may be evidenced by a separate assignment or endorsement); and

WHEREAS, the Housing Finance Authority desires to enter into a Placement Agent Agreement between the Housing Finance Authority and Raymond James & Associates, Inc., as placement agent (the “Placement Agent”) (the “Placement Agent Agreement”), in substantially the form attached hereto as Exhibit “E”, to evidence the

Placement Agent's responsibilities and obligations to the Housing Finance Authority in connection with the issuance of the Note; and

WHEREAS, the Housing Finance Authority desires to enter into a Fiscal Agent Fee Agreement by and between the Housing Finance Authority and the Fiscal Agent (the "Fiscal Agent Fee Agreement"), in substantially the form attached hereto as Exhibit "F", to evidence the Fiscal Agent's obligations and responsibilities in connection with the issuance of the Note and the fees payable to Fiscal Agent for its performance thereunder; and

WHEREAS, within the County there is a shortage of housing available at prices or rentals which many persons and families can afford and a shortage of capital for investment in such housing. This shortage constitutes a threat to the health, safety, morals and welfare of the residents of the County, deprives the County of an adequate tax base, and causes the County to make excessive expenditures for crime prevention and control, public health, welfare and safety, fire and accident protection, and other public services and facilities; and

WHEREAS, the shortage of capital and housing cannot be relieved except through the encouragement of investment by private enterprise and the stimulation of construction of housing through the use of public financing; and

WHEREAS, the Project and the financing thereof will assist in alleviating the shortage of housing in the County and of capital for investment therein, will serve the purposes of the Act and the Project will constitute a "qualified housing development" under the Act; and

WHEREAS, the Housing Finance Authority desires to authorize the execution and delivery of any other documents, instruments, certificates and affidavits to be executed in connection with the issuance of the Note; and

WHEREAS, the Housing Finance Authority is not obligated to pay the Note except from the proceeds derived from the repayment of the Borrower Loan and other payments received from the Borrower or from other security pledged therefor pursuant to the Funding Loan Agreement. Neither the faith and credit nor the taxing power of the Housing Finance Authority, the County or the State of Florida (the "State") or any other political subdivision thereof is pledged to the payment of the principal of or the interest on the Note; and

WHEREAS, due to the complexity of the financing, the turmoil in the capital markets and the need to coordinate matters among the Housing Finance Authority, the Borrower and the Funding Lender, or its affiliates, it is in the Housing Finance Authority's best interest, and the Housing Finance Authority intends, to negotiate the sale of the Note. Prior to the sale of the Note, the Funding Lender shall provide to the Housing Finance Authority and/or the Fiscal Agent, as applicable, (i) the disclosure required pursuant to Section 218.385, Florida Statutes, as amended, and (ii) an executed investor letter in the form required by and attached to the Funding Loan Agreement; and

WHEREAS, a notice of public hearing inviting written and oral comments and discussions concerning the issuance of the Note was published in the *Sun Sentinel*, a newspaper of general circulation, on March 18, 2025, at least 7 days prior to the date of such hearing, all as required by Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"); and

WHEREAS, on April 1, 2025, a public hearing concerning the issuance of the Note in an aggregate principal amount not to exceed \$34,150,000 to finance the Project was held by the Housing Finance Authority as required by Section 147(f) of the Code; and

WHEREAS, the Housing Finance Authority received from the State of Florida Division of Bond Finance an allocation of (i) 2022 private activity bond volume cap in the amount of \$87,614,098.20 (the “2022 Volume Cap”), and (ii) 2023 private activity bond volume cap in the amount of \$250,000,000 (the “2023 Volume Cap”), each of which has been carried forward pursuant to Section 145(f) of the Code and designated for the issuance of bonds or notes for qualified residential rental projects; and

WHEREAS, approximately \$46,699,565.52 of the 2022 Volume Cap remains available to finance the acquisition, construction and equipping of the Project; and

WHEREAS, the Housing Finance Authority plans to use up to \$34,150,000 of such remaining 2022 Volume Cap to finance the acquisition, construction and equipping of the Project, but will use 2023 Volume Cap (or a portion thereof) in the event sufficient 2022 Volume Cap is no longer available; and

WHEREAS, the Ordinance requires that all contracts of the Housing Finance Authority in connection with the issuance of the Note be approved by the Board.

NOW THEREFORE, BE IT RESOLVED BY THE HOUSING FINANCE AUTHORITY OF BROWARD COUNTY, FLORIDA:

Section 1. Adoption of Representations. The foregoing WHEREAS paragraphs are hereby ratified and confirmed as being true, and the same are hereby made a specific part of this Resolution.

Section 2. Authorization of the Note. The Housing Finance Authority hereby authorizes, under the authority of the Act and the Ordinance, and subject to the terms as hereinafter set forth, the issuance of the Note to be designated "Housing Finance Authority of Broward County, Florida Multifamily Housing Revenue Note, Series 2025 (Ekos Pembroke Park)" (or such other designation as determined applicable by the Executive Director of the Housing Finance Authority), in an aggregate principal amount not to exceed \$34,150,000.

Section 3. Details of the Note. The Note shall be issued under and secured by the Funding Loan Agreement, by which reference is hereby incorporated into this Resolution as if set forth in full herein. The proceeds of the Note, together with any commitment fees, shall be applied as provided in the Funding Loan Agreement, and the Note shall mature in the years and in the amounts, bear interest at such rates, be subject to redemption and shall have such other characteristics as shall be provided in the Funding Loan Agreement.

Section 4. The Note is a Special Obligation of the Housing Finance Authority. The Note is a special obligation of the Housing Finance Authority which is payable solely from moneys derived under the Funding Loan Agreement and the Borrower Loan Agreement. The Note, together with the interest thereon, is a limited obligation of the Housing Finance Authority and neither the Housing Finance Authority, the County, the State, nor any political subdivision thereof, shall be obligated to pay the Note or the interest thereon or other costs or payments incident thereto, except from the aforementioned revenues and receipts and neither the faith and credit nor the taxing power of the County or the State or any political subdivision thereof is pledged to the

payment of the Note or the interest thereon or other costs or payments incident thereto. The Housing Finance Authority has no taxing power. The Note and obligations arising thereunder do not create or reflect liability of the Housing Finance Authority or any member, official or employee thereof, except as otherwise described in this Section 4 with respect to the Housing Finance Authority.

Section 5. Execution of Note. The Chair or Vice Chair and Secretary or Assistant Secretary of the Housing Finance Authority are hereby authorized and directed to execute by manual or facsimile signature, and place the seal of the Housing Finance Authority, in manual or facsimile form, on the Note. The Note shall be in substantially the form set forth in the Funding Loan Agreement, with such changes, modifications and deletions as the officers executing the Note, with the advice of Nabors, Giblin & Nickerson, P.A. ("Note Counsel") and the County Attorney's Office of Broward County (the "County Attorney"), may deem necessary and appropriate and as are not inconsistent with the Funding Loan Agreement and this Resolution. The execution and delivery of the Note by the aforementioned persons shall be conclusive evidence of the Housing Finance Authority's approval and authorization thereof.

Section 6. Authentication and Delivery of Note. Upon the execution of the Note, the Housing Finance Authority shall deliver the Note to the Fiscal Agent for authentication, and the Fiscal Agent is hereby authorized and directed to authenticate and deliver said Note to the Funding Lender, subject to the terms for delivery set forth in the Funding Loan Agreement.

Section 7. Approval of Funding Loan Agreement. The form and content of the Funding Loan Agreement, attached hereto as Exhibit "A", is hereby authorized and

approved by the Housing Finance Authority, and the Chair or Vice Chair of the Housing Finance Authority is hereby authorized to execute and deliver the Funding Loan Agreement and the Secretary or Assistant Secretary is authorized to place the Housing Finance Authority's seal thereon and attest thereto, in the form presented at this meeting, together with such changes, modifications and deletions as they, with the advice of Note Counsel and the County Attorney, may deem necessary and appropriate. Such execution and delivery shall be conclusive evidence of the approval and authorization thereof by the Housing Finance Authority.

Section 8. Approval of Borrower Loan Agreement. The form and content of the Borrower Loan Agreement, attached hereto as Exhibit "B", is hereby authorized and approved by the Housing Finance Authority, and the Chair or Vice Chair of the Housing Finance Authority is hereby authorized to execute and deliver the Borrower Loan Agreement and the Secretary or Assistant Secretary is authorized to place the Housing Finance Authority's seal thereon and attest thereto, in the form presented at this meeting, together with such changes, modifications and deletions as they, with the advice of Note Counsel and the County Attorney, may deem necessary and appropriate. Such execution and delivery shall be conclusive evidence of the approval and authorization thereof by the Housing Finance Authority.

Section 9. Approval of the Land Use Restriction Agreement. The form and content of the Land Use Restriction Agreement, attached hereto as Exhibit "C", is hereby authorized and approved by the Housing Finance Authority, and the Chair or Vice Chair of the Housing Finance Authority is hereby authorized to execute and deliver the Land Use Restriction Agreement and the Secretary or Assistant Secretary is authorized to

place the Housing Finance Authority's seal thereon and attest thereto, in the form presented at this meeting, together with such changes, modifications and deletions as they, with the advice of Note Counsel and the County Attorney, may deem necessary and appropriate. Such execution and delivery shall be conclusive evidence of the approval and authorization thereof by the Housing Finance Authority.

Section 10. Approval of Assignment of Loan Documents. The form and content of the Assignment of Loan Documents, attached hereto as Exhibit "D", and any separate assignment or endorsement of the Borrower Note that may be required, is hereby authorized and approved by the Housing Finance Authority, and the Chair or Vice Chair of the Housing Finance Authority is hereby authorized to execute and deliver the Assignment of Loan Documents, and any required separate assignment or endorsement of the Borrower Note, and the Secretary or Assistant Secretary is authorized to place the Housing Finance Authority's seal thereon and attest thereto, in the form presented at this meeting, together with such changes, modifications and deletions as they, with the advice of Note Counsel and the County Attorney, may deem necessary and appropriate. Such execution and delivery shall be conclusive evidence of the approval and authorization thereof by the Housing Finance Authority.

Section 11. Approval of Placement Agent Agreement. The form and content of the Placement Agent Agreement, attached hereto as Exhibit "E", is hereby authorized and approved by the Housing Finance Authority, and the Chair or Vice Chair of the Housing Finance Authority is hereby authorized to execute and deliver the Placement Agent Agreement and the Secretary or Assistant Secretary is authorized to place the Housing Finance Authority's seal thereon and attest thereto, in the form presented at this

meeting, together with such changes, modifications and deletions as they, with the advice of Note Counsel and the County Attorney, may deem necessary and appropriate. Such execution and delivery shall be conclusive evidence of the approval and authorization thereof by the Housing Finance Authority.

Section 12. Appointment of Fiscal Agent. The Bank of New York Mellon Trust Company, N.A., having its designated corporate trust office in Jacksonville, Florida, is hereby appointed Fiscal Agent under the Funding Loan Agreement, and the Housing Finance Authority approves the form and content of the Fiscal Agent Fee Agreement attached hereto as Exhibit "F". The Chair or Vice Chair of the Housing Finance Authority is hereby authorized to execute and deliver the Fiscal Agent Fee Agreement, and the Secretary or Assistant Secretary is authorized to place the Housing Finance Authority's seal thereon and attest thereto, in substantially the form presented at this meeting, with such changes, modifications, deletions and insertions as the Chair or Vice Chair, with the advice of Note Counsel and the County Attorney, may deem necessary and appropriate. Such execution and delivery shall be conclusive evidence of the approval thereof by the Housing Finance Authority.

Section 13. Subordinate Financing. The Housing Finance Authority hereby acknowledges that the Borrower intends to secure subordinate financing for the Project in the form of (i) one or more loans from Broward County in the principal amount not to exceed \$9,749,850, and (ii) a loan from Florida Housing Finance Corporation of State Apartment Incentive Loan (SAIL) Program funds in the principal amount not to exceed \$9,995,000 (collectively, the "Subordinate Financing"). Given the need for additional affordable rental units in the County, the high development costs associated with the

Project and the favorable financing terms of the Subordinate Financing, the Housing Finance Authority hereby determines that it is in the public interest to consent to such Subordinate Financing in this instance. Accordingly, the Housing Finance Authority (i) authorizes the Chair or Vice Chair of the Housing Finance Authority to consent to such Subordinate Financing and to execute and deliver any agreements that may be necessary in connection with such consent, with the advice of and in such form as Note Counsel and the County Attorney may deem necessary and appropriate, and (ii) directs the Fiscal Agent to, as necessary, consent to such Subordinate Financing and to execute and deliver any agreements that may be necessary in connection with such consent, with the advice of and in such form as Note Counsel and the County Attorney may deem necessary and appropriate.

Section 14. Waiver of Audit Fee. The Ordinance no longer requires an audit of multifamily developments. Accordingly, the Borrower has requested a waiver of the fee required to be paid by the Borrower for the services of the Housing Finance Authority's auditor to audit the Project and the Note annually. The Housing Finance Authority waives such audit fee in connection with the Project.

Section 15. Sale of Note. It is hereby found and determined that due to the characteristics of the financing and the prevailing and anticipated market conditions, it is in the best interest of the Housing Finance Authority to negotiate the sale of the Note. The negotiated sale of the Note to the Funding Lender, or its affiliates, at a price of par pursuant to the Term Sheet attached hereto as Exhibit "G", is hereby approved. The Chair or Vice Chair and the Secretary or Assistant Secretary are authorized to make any and all changes to the form of the Note which shall be necessary to conform the same to

the Term Sheet. The Chair or Vice Chair and the Secretary or Assistant Secretary are also authorized to permit modifications to the Term Sheet as they, with the advice of Note Counsel and the County Attorney, may deem necessary and appropriate. The purchase of such Note shall constitute a "loan to a lending institution" within the meaning of Section 159.608(5), Florida Statutes. Additionally, the Note shall constitute "Bonds" for purposes of, and as defined under, the Act.

Section 16. Certificated Note. It is in the best interest of the Housing Finance Authority and the Borrower that the Note be issued utilizing a certificated form and not utilizing a book-entry system of registration.

Section 17. Further Actions and Ratification of Prior Actions. The officers, agents and employees of the Housing Finance Authority and the officers, agents and employees of the Fiscal Agent are hereby authorized and directed to do all acts and things required of them by the provisions of the Note, the Funding Loan Agreement, the Borrower Loan Agreement, the Land Use Restriction Agreement, the Assignment of Loan Documents, the Placement Agent Agreement, the Fiscal Agent Fee Agreement (collectively, the "Funding Loan Documents") and this Resolution and to execute and deliver any and all additional documents necessary or advisable to effectuate the foregoing. All actions heretofore undertaken by the officers, agents and employees of the Housing Finance Authority with respect to (i) the provisions of the Note and the Funding Loan Documents, and (ii) the issuance of the Note are hereby ratified and approved.

Section 18. Definitions. Capitalized terms used herein and not otherwise defined herein shall have the meaning ascribed to such terms in the Funding Loan Agreement and the Borrower Loan Agreement.

Section 19. Resolution Effective. This Resolution shall take effect immediately upon its adoption.

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Upon motion of Mr. Scott Ehrlich, seconded by Ms. Donna Jarrett-Mays, the foregoing Resolution was adopted by the following votes:

AYES: 7

NAYS: 0

Approved on May 8, 2025 as to form and legal sufficiency by:

Nabors, Giblin & Nickerson, P.A., Bond Counsel

STATE OF FLORIDA)
) ss:
COUNTY OF BROWARD)

I, COURTNEE BISCARDI, Assistant Secretary of the Housing Finance Authority of Broward County, Florida, DO HEREBY CERTIFY that the foregoing is an accurate copy of the Resolution of the Housing Finance Authority adopted at a meeting held on May 21, 2025, as set forth in the official minutes of the Housing Finance Authority, related to approval of certain actions to be taken in connection with the proposed issuance of that certain Multifamily Housing Revenue Note, Series 2025 (Ekos Pembroke Park) of the Housing Finance Authority.

I DO HEREBY FURTHER CERTIFY that said meeting was duly called and held in accordance with Chapter 286, Florida Statutes.

WITNESS my hand and the corporate seal of said Housing Finance Authority, this
21st day of May, 2025.

**HOUSING FINANCE AUTHORITY OF BROWARD
COUNTY, FLORIDA**

By: 
COURTNEE BISCARDI, Assistant Secretary



EXHIBIT "A"
FORM OF
FUNDING LOAN AGREEMENT
[ATTACHED]

FUNDING LOAN AGREEMENT

by and among

HOUSING FINANCE AUTHORITY OF BROWARD COUNTY, FLORIDA,

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,

and

ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA

Dated as of _____ 1, 2025

Relating to:

[\$[34,150,000]

**Housing Finance Authority of Broward County, Florida
Multifamily Housing Revenue Note, Series 2025
(Ekos Pembroke Park)**

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FUNDING LOAN AGREEMENT

This **FUNDING LOAN AGREEMENT** (as amended, modified or supplemented from time to time, this "Funding Loan Agreement"), dated as of _____ 1, 2025, made and entered into by and among **HOUSING FINANCE AUTHORITY OF BROWARD COUNTY, FLORIDA**, a public body corporate and politic duly organized and existing under the laws of the State of Florida (together with its successors and assigns, the "Governmental Lender"), **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.**, a national banking association (together with its successors and assigns, the "Fiscal Agent"), and **ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA**, a Minnesota corporation, as Funding Lender (together with any successor Funding Lender hereunder and their respective successors and assigns (the "Funding Lender").

WITNESSETH:

WHEREAS, the Governmental Lender is authorized under the Florida Housing Finance Authority Law, Sections 159.601 through 159.623, Florida Statutes, as amended (the "Act") to provide financing with respect to one or more projects authorized under the Act for such payments and upon such terms and conditions as the Governmental Lender may deem advisable in accordance with the provisions of the Act; and

WHEREAS, MHP Broward I, Ltd, a Florida limited partnership ("Borrower"), has applied to the Governmental Lender for a loan (the "Borrower Loan"), to finance the acquisition, construction and equipping of a multifamily apartment housing facility consisting of a total of 150 units and related personal property and equipment, located in Broward County, Florida and known as "Ekos Pembroke Park" (the "Project Facilities"); and

WHEREAS, the Borrower has requested the Governmental Lender to enter into this Funding Loan Agreement under which the Funding Lender will make a loan (the "Funding Loan") to the Governmental Lender, the proceeds of which will be loaned to Borrower pursuant to a Borrower Loan Agreement of even date herewith (as it may be supplemented or amended, the "Borrower Loan Agreement") to finance the acquisition, construction, rehabilitation, development, equipping and/or operation of the Project Facilities; and;

WHEREAS, pursuant to the Borrower Loan Agreement, the Borrower agrees to make loan payments to the Governmental Lender in an amount which, when added to other funds available under this Funding Loan Agreement, will be sufficient to enable the Governmental Lender to repay the Funding Loan and to pay all costs and expenses related thereto when due; and

WHEREAS, to evidence its payment obligations under the Borrower Loan Agreement, the Borrower will execute and deliver to the Governmental Lender its Promissory Note dated the Closing Date (the "Borrower Note") and the obligations of the Borrower under the Borrower Note will be secured by a lien on and security interest in the Project Facilities pursuant to a Mortgage, Assignment of Rents and Leases, Security Agreement and Fixture Filing dated as of the date hereof, made by the Borrower to the Governmental Lender and assigned to the Fiscal Agent (the "Mortgage"); and

WHEREAS, the Governmental Lender has executed and delivered to the Funding Lender its Multifamily Housing Revenue Note dated the Closing Date (the "Governmental Note") evidencing its obligation to make the payments due to the Funding Lender under the Funding Loan as provided in this Funding Loan Agreement; and

WHEREAS, all things necessary to make this Funding Loan Agreement the valid, binding and legal limited obligation of the Governmental Lender have been done and performed and the execution and delivery of this Funding Loan Agreement and the execution and delivery of the Governmental Note, subject to the terms hereof, have in all respects been duly authorized;

NOW, THEREFORE, IN CONSIDERATION OF THE PREMISES AND OF THE COVENANTS AND UNDERTAKINGS HEREIN EXPRESSED, AND FOR OTHER GOOD AND VALUABLE CONSIDERATION, THE ADEQUACY AND RECEIPT OF WHICH IS HEREBY ACKNOWLEDGED, AND INTENDING TO BE LEGALLY BOUND HEREBY, THE PARTIES HERETO AGREE AS FOLLOWS:

ARTICLE I DEFINITIONS

Section 1.1 Defined Terms. In addition to terms defined elsewhere in this Funding Loan Agreement, the following words and terms as used in this Funding Loan Agreement and the preambles hereto shall have the following meanings unless the context or use clearly indicates another or different meaning or intent.

“Accountant” means EisnerAmper LLP, or such other accounting firm approved in writing by the Controlling Person.

“Act” shall have the meaning given to such term in the first paragraph of this Funding Loan Agreement.

“Advance” means any advances of the proceeds of the Funding Loan or other sources made or approved by the Funding Lender or the Controlling Person pursuant to the terms of the Borrower Loan Agreement.

“Affiliate” means, with respect to any designated Person, each Person who directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, another designated Person, pursuant to the organizational document(s) of an entity or by other express, written agreement.

“Amortization Term” shall have the meaning set forth in the Schedule of Financial Terms.

“Annual Budget” means, for any Fiscal Year, the capital and operating budget adopted by the Borrower and approved by the Controlling Person, or deemed approved, pursuant to Section 6.24 of the Borrower Loan Agreement.

“Anti-Terrorism Regulations” shall have the meaning ascribed to such term in Section 6.23 of the Borrower Loan Agreement.

“Approved Transferee” means (1) a “qualified institutional buyer” as defined in Rule 144A promulgated under the Securities Act, as in effect on the date hereof, (2) an “accredited investor” as defined in Regulation D promulgated under the Securities Act or (3) any other transferee expressly permitted under the Investor Letter, (4) an Affiliate of the Funding Lender; or (5) a trust or custodial arrangement in which all of the beneficial ownership interests would be owned by one or more other Approved Transferees.

“Approving Opinion of Tax Counsel” means any opinion of Tax Counsel delivered pursuant to this Funding Loan Agreement with respect to the excludability of interest on the Governmental Note from gross income of the Noteowners thereof for federal income tax purposes or other matters specified in this Funding Loan Agreement. Each such opinion shall be addressed to the Funding Lender, the Fiscal Agent, the Controlling Person and the Governmental Lender.

“Architect” means Reprtwar LLC, a Florida limited liability company.

“Architect’s Agreement” means the contract dated March 13, 2025, between the Borrower and the Architect, providing for the design of the Improvements and the supervision of the construction thereof, including ongoing monthly inspection of the Improvements, certification of Requisitions and certification of Completion, among other things, as the same may be amended, modified or supplemented from time to time.

“Assignment of Capital Contributions” means the Assignment of Capital Contributions, dated the date hereof, by the Borrower for the benefit of the Funding Lender.

“Assignment of Management Agreement and Consent” means the Assignment of Management Agreement, dated as of the date hereof, by the Borrower to and for the benefit of the Funding Lender, consented to by the Managing Agent.

“Assignment of Project Documents” means the Assignment of Project Documents, dated as of the date hereof, made by the Borrower in favor of the Funding Lender.

“Authorized Person” means one or more individuals duly authorized to bind the Borrower in connection with the administration of the Project Facilities. The initial Authorized Persons of the Borrower are identified in the certificate attached hereto as Exhibit C. Changes to the initial Authorized Persons of the Borrower must be submitted pursuant to the form attached hereto at Exhibit C-1.

“Authorized Amount” shall mean the amount specified on the Schedule of Financial Terms as the maximum principal amount of the Funding Loan under this Funding Loan Agreement.

“Bankruptcy Code” means Title 11 of the United States Code, as amended, and any successor statute or statutes having substantially the same function.

“Borrower” shall have the meaning given to such term in the recitals to this Funding Loan Agreement.

“Borrower Loan” shall have the meaning given to such term in the recitals to this Funding Loan Agreement.

“Borrower Loan Agreement” shall have the meaning given to such term in the recitals to this Funding Loan Agreement.

“Borrower Loan Documents” means the Funding Loan Documents executed by the Borrower and any and all other instruments and other documents evidencing, securing, or otherwise relating to the Borrower Loan or any portion thereof.

“Borrower Note” shall have the meaning given to such term in the recitals to this Funding Loan Agreement.

“Business Day” means any day on which the offices of the Funding Lender, are open for business and on which The New York Stock Exchange is not closed.

“Capital Expenditures” means the capital expenditures relating to any construction, renovation, rehabilitation, repair and replacement of the Improvements or made pursuant to the recommendations of the Engineering Consultant.

“Capitalized Interest Account” means the account of that name created pursuant to Section 4.2 of this Funding Loan Agreement.

“Change Order” means a change made to the Plans and Specifications relating to the Project Facilities, as evidenced by a written change order request in accordance with the terms of the Construction Contract.

“Closing Date” means the date on which the initial Funding Loan proceeds are disbursed hereunder as set forth on the Schedule of Financial Terms.

“Closing Memorandum” means Closing Memorandum signed by the Controlling Person, the Borrower and the Fiscal Agent with respect to the initial disbursement of Funding Loan proceeds and other amounts specified therein.

“Code” means the Internal Revenue Code of 1986, as amended, and the rulings and regulations (including temporary but not proposed regulations) promulgated thereunder.

“Collateral” means all property of the Borrower in which the Fiscal Agent or Funding Lender is granted a security interest to secure payment of the Borrower Note or Governmental Note.

“Completion” means, with respect to the Project Facilities, that each of the following conditions has been satisfied:

(i) the Controlling Person shall have received from the Borrower a schedule of all Punchlist Items attached to an AIA Form G-704 or other similar notice of substantial Completion, in form and substance reasonably approved by the Controlling Person, executed by the Borrower, Contractor, and Architect;

(ii) the Borrower shall have obtained the Governmental Actions, if any, required by the Legal Requirements and all Governmental Authorities associated with the Project Facilities, including use and occupancy permits (if any are required), and shall have furnished true copies of all such Governmental Actions to the Controlling Person. Temporary certificates of occupancy, as opposed to final certificates of occupancy or their equivalent, shall be acceptable provided (A) that the Punchlist Items do not have a total cost to complete exceeding two percent (2%) of the contract price of the Work, nor an estimated time to complete, as reasonably determined by the Engineering Consultant, exceeding forty-five (45) days (except for items such as landscaping, the completion of which is subject to seasonal conditions), (B) such Punchlist Items do not substantially interfere with or prevent the use and occupancy of the Project Facilities, (C) such Punchlist Items do not include major appliances or materially affect the systems (including plumbing,

electrical, HVAC, mechanical, roofing and sprinklers) serving the Project Facilities or major structural components of the Project Facilities, and (D) adequate reserves, in amounts equal to 110% of the cost of completion of such items as estimated by the Architect and approved by the Engineering Consultant (or 125%, with respect to the items described in subsection (A) as being subject to seasonal conditions) have been deposited into the Project Fund;

(iii) as to all such Governmental Actions, no appeal or other action or proceeding challenging any such Governmental Actions shall have been filed or, if filed and decided, there shall have been no appeal (or further appeal) taken, and there shall be no claim, litigation or governmental proceeding pending against the Borrower or the Project Facilities challenging the validity or the issuance of any zoning, subdivision or other land use ordinance, variance, permit or approval, or any Governmental Action of the kind described in this subparagraph (iii) which would materially adversely impact the Project Facilities; and

(iv) the Controlling Person has determined that construction or rehabilitation, as the case may be, of the Improvements is sufficiently complete such that the Improvements can be occupied by tenants as a multifamily residential rental project;

(v) the Completion Certificate in the form required under the Borrower Loan Agreement shall have been provided to the Controlling Person and shall be reasonably acceptable to the Controlling Person; and

(vi) the Estimated Use of Proceeds Compliance Certificate in the form required under the Borrower Loan Agreement shall have been provided to the Controlling Person and shall be reasonably acceptable to the Controlling Person.

“Completion Date” means the date by which the construction of the Improvements must achieve Completion. The initial Completion Date is set forth in the Schedule of Financial Terms; provided, however, that at the request of the Borrower and with the prior written approval of the Controlling Person, the Completion Date may be extended one or more times for such periods as the Controlling Person may approve in its sole discretion, upon delivery of such other information and funds as reasonably requested by the Controlling Person or the Funding Lender. The approval of the Controlling Person shall not be unreasonably withheld, conditioned or delayed in connection with any reasonably required extension of the Completion Date and shall, unless an Event of Default is continuing, be automatically extended for a period of sixty (60) days in connection with any Force Majeure event.

“Condemnation Award” means the total condemnation proceeds actually paid by the condemnor as a result of the condemnation of all or any part of the property subject to the Mortgage less the actual costs incurred, including attorneys’ fees, in obtaining such award.

“Construction Closeout Deliveries” means, with respect to the Project Facilities, that each of the following conditions has been satisfied:

(i) All conditions to Completion have been satisfied;

(ii) the Controlling Person shall have received a copy of the final Plans and Specifications containing all Change Orders and there shall have been no Material Change Orders other than Material Change Orders approved by the Controlling Person;

(iii) the Controlling Person shall have received from the Architect, and the Engineering Consultant shall have approved, a certificate of the Architect in the form attached as Exhibit A to the form of Construction Closeout Deliveries Certificate of completion attached as Schedule 9 to the Borrower Loan Agreement and otherwise customary for projects of the scope of the Work for the Project Facilities with respect to completion of the Work at the Project Facilities;

(iv) the Work set forth in the Plans and Specifications for the Project Facilities shall have been incorporated into the Improvements at the Project Facilities;

(v) except for Permitted Encumbrances and Impositions not then due and payable, the Project Facilities shall be free of any and all private or governmental charges, claims or Liens (filed or not) of any nature, excepting only the liens and security interests in favor of the Funding Lender (or the Fiscal Agent for the benefit of the Funding Lender), mechanics' and materialmen's liens bonded over (or otherwise collateralized to the satisfaction of the Controlling Person), or liens in connection with the Subordinate Debt which are also Permitted Encumbrances and any other encumbrances approved by the Controlling Person in writing;

(vi) with respect to all contractors and subcontractors and materialmen (for contracts less than \$50,000, only as required by the Title Company; provided that the Title Company insures over any mechanics' and materialmen's liens arising from such excepted contractors, subcontractors or materialmen), either (i) the Borrower shall have obtained an unconditional waiver and release (or a conditional waiver and release conditioned solely upon receipt of final payment) of mechanics' and materialmen's liens for all of the Improvements at the Project Facilities and true copies thereof have been delivered to the Controlling Person or (ii) Title Company insures over any mechanics' and materialmen's liens arising from such excepted contractors, subcontractors or materialmen, or such liens are otherwise bonded over, and unconditional waiver and release (or a conditional waiver and release conditioned solely upon receipt of final payment) shall be delivered prior to achievement of Stabilization;

(vii) the Construction Closeout Deliveries Certificate in the form required under the Borrower Loan Agreement shall have been provided to the Controlling Person and shall be reasonably acceptable to the Controlling Person;

(viii) and an endorsement down dating the Title Policy insuring the Mortgage as a first lien, subject to Permitted Encumbrances;

(ix) if construction work resulted in new structures or expansion of foot prints of the existing structures, the Controlling Person shall have received an as-built ALTA/NSPS certified to the Fiscal Agent, the Funding Lender and the Controlling Person;

(x) the Final Use of Proceeds Certificate in the form required under the Borrower Loan Agreement shall have been provided to the Controlling Person and shall be reasonably acceptable to the Controlling Person; and

(xi) the Borrower has, in form and substance acceptable to the Controlling Person, completed the Environmental Completion Conditions.

“Construction Contract” means the guaranteed maximum price contract, dated on or about [_____, 20__], between the Borrower and the Contractor, providing for the construction of the Improvements and certification of Requisitions, among other things, as the same may be amended, modified or supplemented from time to time.

“Construction Monitoring Fee” shall have the meaning set forth in the Schedule of Financial Terms.

“Contamination” means the release, discharge, disposal, or presence of any Hazardous Substances at, on, upon or beneath the Project Facilities, whether or not originating at the Project Facilities, or arising from the Project Facilities and emanating into or upon any land or water or air, or otherwise into the environment, which may require remediation under any applicable Legal Requirements.

“Contingency Draw-Down Agreement” means the Contingency Draw-Down Agreement of even date herewith between the Funding Lender, the Fiscal Agent and the Borrower relating to possible conversion of the Funding Loan from a draw down loan to a fully funded loan.

“Contractor” means [_____, a _____].

“Control” (including, with the correlative meanings, the terms “controlling”, “controlled by” and “under common control with”) means, as used with respect to any Person, the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such other Person, or of the Person, whether through contract, stock ownership, partnership interests, membership, voting rights, governing boards, committees, divisions or other bodies with one or more common members, directors, trustees or other managers, or otherwise.

“Controlling Person” means any entity designated in writing by the Funding Lender to act as a Controlling Person hereunder, in accordance with Article VIII hereof. If at any time a Controlling Person has not been designated by the Funding Lender, all references herein and in other Funding Loan Documents to “Controlling Person” shall refer to the Funding Lender. The initial Controlling Person is R4 Servicer LLC.

“Cost Certification” means a final cost certification with respect to the Project Facilities, in form and substance acceptable to the Controlling Person, prepared by the Accountant or another independent firm approved by the Controlling Person.

“Counsel” means an attorney, or firm of attorneys, admitted to practice law before the highest court of any state in the United States of America or the District of Columbia, including Tax Counsel.

“Debt Service Schedule” means the schedule of debt service payments with respect to the Borrower Note, together with any replacement thereof, each as delivered by the Controlling Person pursuant to Section 2.1(f) of the Borrower Loan Agreement.

“Default” means an event or condition which is, or which after giving notice or lapse of time or both would be, an Event of Default.

“Default Interest” means interest payable at the Default Rate.

“Default Rate” means a rate per annum equal to ten percent (10%) per annum; provided that such rate shall in no event exceed the maximum rate allowed by law.

“Determination of Taxability” means a determination that the interest accrued or paid on the Governmental Note is included in gross income of the Noteowners or former Noteowners for federal income tax purposes, which determination shall be deemed to have been made upon the occurrence of the first to occur of the following:

(i) the day on which the Borrower, the Governmental Lender, the Funding Lender or any Noteowner formally notified in writing by the Commissioner or any District Director of the Internal Revenue Service that the interest on the Governmental Note is included in the gross income of any Noteowner or former Noteowner thereof for federal income tax purposes and no administrative appeal exists;

(ii) the day on which the Borrower receives notice from the Funding Lender in writing that the Funding Lender has received (1) a notice in writing by any Noteowner or former Noteowner that the Internal Revenue Service has issued a statutory notice of deficiency or similar notice to such Noteowner or former Noteowner that asserts in effect that the interest on the Governmental Note received by such Noteowner or former Noteowner is included in the gross income of such Noteowner or former Noteowner for federal income tax purposes, and no administrative appeal exists or (2) an opinion of Tax Counsel that concludes in effect that the interest on the Governmental Note is included in the gross income of any Noteowner or former Noteowner thereof for federal income tax purposes;

(iii) the day on which the Borrower, the Governmental Lender, the Funding Lender or any Noteowner is advised in writing by the Commissioner or any District Director of the Internal Revenue Service that there has been issued a public or private ruling of the Internal Revenue Service or a technical advice memorandum issued by the national office of the Internal Revenue Service that the interest on the Governmental Note is included in the gross income of any Noteowner or former Noteowner thereof for federal income tax purposes; or

(iv) the day on which the Borrower, the Governmental Lender, the Funding Lender or any Noteowner is advised in writing by Counsel that a final determination, from which no further right of appeal exists, has been made by a court of competent jurisdiction in the United States of America in a proceeding with respect to which the Borrower has been given written notice and an opportunity to participate and defend that the interest on the Governmental Note is included in the gross income of any Noteowner or former Noteowner thereof for federal income tax purposes;

provided, however, no Determination of Taxability shall occur to the extent that the interest on the Governmental Note is included in the gross income of any Noteowner or former Noteowner for federal income tax purposes solely because such Governmental Note was held by a Person who is a Substantial User or a Related Person.

“Developer” means, collectively, [MJHS Broward I Developer, LLC, a Florida limited liability company, MHP Broward I Developer, LLC, a Florida limited liability company, and Magellan Housing LLC, a Florida limited liability company], together with their successors and assigns approved by the Controlling Person.

“Developer Fee Pledge” means the Developer Limited Guaranty, Pledge and Security Agreement dated as of the date hereof from Developer in favor of the Funding Lender.

“Development Budget” means the budget for the implementation and completion of the acquisition, construction and equipping of the Project Facilities, initially as attached to the Borrower Loan Agreement as Schedule 3, together with any modifications or amendments thereto made in accordance with the Borrower Loan Agreement and with the prior written consent of the Controlling Person.

“DGSB Special Limited Partner” means DGSB Broward I SLP, LLC, a Florida limited liability company, a special limited partner of the Borrower, together with its successors and assigns, as permitted by the Controlling Person and the restrictions described in the definition of “Permitted Transfer” herein.

“DGSB Special Limited Partner Pledge” means the Limited Guaranty, Pledge of Partnership Interests and Security Agreement, dated the date hereof, by the DGSB Special Limited Partner, in favor of the Funding Lender.

“Draw-Down Notice” shall mean a notice described in Section 1.01 of the Contingency Draw-Down Agreement regarding the conversion of the Funding Loan from a draw down loan to a fully funded loan.

“Draw-Down Termination Date” shall have the meaning set forth in the Schedule of Financial Terms.

“Effective Gross Revenues” of the Borrower means, for the Testing Period prior to the determination of Stabilized NOI, the annualized aggregate revenues during such period generated from all tenants and others occupying or having a right to occupy or use the Project Facilities or any portion thereof pursuant to leases, including (at the Controlling Person’s reasonable discretion, taking into account whether such income is recurring and is appropriate for a stabilized property), application fees, late fees, damage fees, vending machine income, pet fees, utility deposit reimbursements, cable TV revenues, laundry service, including in unit washer and dryer rentals, telecom revenue and parking income, as adjusted in the Controlling Person’s reasonable judgment for factors such as: (i) seasonal fluctuation in the rental rate in the market in which the Project Facilities are located; (ii) evidence of rent deterioration; (iii) concessions, reductions, inducements or forbearances (such as any cash reduction in monthly rent during the term of a lease, any free rent before, during or after the term of a lease, any rent coupons, gift certificates and tangible goods or any other form of rent reduction or forbearance); (iv) economic vacancy at the higher of: (1) Underwritten Economic Vacancy, or (2) actual economic vacancy based on the annualized vacancies of the Project Facilities; (v) 30-day or more delinquencies; and (vi) low-income restrictions required by any applicable federal, state or local subsidy program, or any restrictive covenant or regulatory agreement. Notwithstanding any of the foregoing to the contrary, Effective Gross Revenues shall exclude: (i) revenues from portable tenant vouchers to the extent such revenues cause the rent on any unit to exceed the maximum allowable tax credit rent designated for such unit, (ii) interest income, and (iii) business interruption insurance proceeds.

“Engineer’s Agreement” means the agreement, if any, between the Borrower and the structural engineer for the Project Facilities approved by the Controlling Person, relating to the construction of the Improvements, as the same may be amended, modified or supplemented from time to time.

“Engineering Consultant” means a consultant licensed to practice in the State and chosen by the Controlling Person.

“Environmental Audit” means the written Phase I environmental site assessment for the Project Facilities prepared by [] dated [], 20 []

“Environmental Completion Conditions” shall mean [].

“Environmental Indemnity” means the Environmental Indemnity Agreement dated as of the date hereof, by the Borrower and Guarantor in favor of the Funding Lender.

“Environmental Laws” means all Legal Requirements governing or relating to the protection of the environment, natural resources or human health concerning (i) Contamination, (ii) activities at any of the Project Facilities, (iii) repairs or construction of any Improvements, (iv) handling of any materials at any of the Project Facilities, (v) releases into or upon the air, soil, surface water or ground water from any of the Project Facilities, and (vi) storage, distribution, use, treatment, transport or disposal of any waste at or connected with any activity at any of the Project Facilities, including, without limitation, the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 42 U.S.C. §§ 9601 et seq., as amended from time to time; the Hazardous Materials Transportation Act 49 U.S.C. §§ 5101 et seq., as amended from time to time; the Resource Conservation and Recovery Act 42 U.S.C. §§ 6901 et seq., as amended from time to time; the Federal Water Pollution Control Act 33 U.S.C. §§ 1251 et seq., as amended from time to time; and comparable State statutes.

“Environmentally Sensitive Area” means (i) a wetland or other “water of the United States” for purposes of Section 404 of the federal Clean Water Act or any similar area regulated under any State or local Legal Requirements, (ii) any other natural resources, (iii) a floodplain or other flood hazard area as defined pursuant to any applicable state Legal Requirements, (iv) a portion of the coastal zone for purposes of the federal Coastal Zone Management Act, or (v) any other area development of which is specifically restricted under applicable Legal Requirements by reason of its physical characteristics or prior use.

“EPA” shall have the meaning ascribed to such term in Section 6.14(e) of the Borrower Loan Agreement.

“Equity Account” means the account of that name created pursuant to Section 4.2 of this Funding Loan Agreement.

“ERISA” shall have the meaning ascribed to such term in Section 5.11 of the Borrower Loan Agreement.

“ERISA Affiliate” shall have the meaning ascribed to such term in Section 5.11 of the Borrower Loan Agreement.

“Event of Default” means, with respect to this Funding Loan Agreement, any of the events specified in Section 5.1 hereof, or with respect to the Borrower Loan Agreement, any of the events specified in Section 7.1 thereof.

“Expenses” means the aggregate annualized operating expenses (including replacement reserves) of the Project Facilities as reasonably determined by the Controlling Person in an amount equal to the greater of: (i) the actual amount of aggregate annualized Expenses for the

Testing Period prior to the determination of Stabilized NOI, provided that such actual expenses reflect normalized/stabilized operations as reasonably determined by the Controlling Person; and (ii) Underwritten Expenses.

“Favorable Opinion of Tax Counsel” means an opinion of Tax Counsel, addressed to the Governmental Lender (with a reliance letter to the Funding Lender, and a copy to the Controlling Person), to the effect that a proposed action, event or circumstance (i) does not affect the exclusion from gross income of interest on the Governmental Note for federal income tax purposes, and (ii) does not affect the treatment of interest on the Governmental Note as not being an item of tax preference for purposes of the federal alternative minimum tax, which opinion may be subject to customary assumptions and exclusions.

“Financing Statements” means any and all financing statements (including continuation statements) or other instruments filed or recorded to perfect the Security Interest created in this Funding Loan Agreement.

“First Loan Payment Date” shall have the meaning set forth in the Schedule of Financial Terms.

“First Monthly Tax and Insurance Escrow Payment Date” shall have the meaning set forth in the Schedule of Financial Terms.

“First Optional Call Date” shall have the meaning set forth in the Schedule of Financial Terms.

“First Par Call Date” shall have the meaning set forth in the Schedule of Financial Terms.

“First Principal Payment Date” shall have the meaning set forth in the Schedule of Financial Terms.

“First Put Date” shall have the meaning set forth in the Schedule of Financial Terms.

“Fiscal Agent” shall have the meaning given to such term in the first paragraph of this Funding Loan Agreement.

“Fiscal Agent Fee” shall mean the Fiscal Agent’s initial acceptance fee and expenses of \$2,500.00 plus fees, costs and expenses of its counsel in conjunction with the delivery of the Governmental Note and the ongoing compensation and expenses payable to the Fiscal Agent as follows: the annual administration fees of the Fiscal Agent, for the ordinary services of the Fiscal Agent rendered under this Funding Loan Agreement during each twelve-month period and shall be \$3,750.00 per annum, payable in advance in semiannual installments of \$1,875.00 on the Closing Date and each _____ 1 and _____ 1 thereafter; beginning _____ 1, 202__; the reasonable fees and charges of the Fiscal Agent for necessary extraordinary services rendered by it and/or reimbursement for extraordinary expenses incurred by it under this Funding Loan Agreement as and when the same become due, including reasonable fees and expenses of legal counsel and internal default administrators (including fees prior to litigation, at trial or for appellate proceedings); provided, however, that the Fiscal Agent shall not be required to undertake any such extraordinary services unless provision for payment of extraordinary expenses satisfactory to the Fiscal Agent shall have been made; and for purposes of the Borrower Loan Agreement, indemnification of the Fiscal Agent by the Borrower; and when the Fiscal Agent incurs expenses or renders services after the occurrence of an Event of Default, such expenses and the

compensation for such services are intended to constitute expenses of administration under any federal or state bankruptcy, insolvency, arrangement, moratorium, reorganization or other debtor relief law.

“Fiscal Year” means the annual accounting year of the Borrower, which currently begins on [January] 1 of each calendar year.

“Fitch” means Fitch, Inc., a corporation organized and existing under the laws of the State of Delaware, its successors and assigns and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, “Fitch” shall be deemed to refer to any other nationally recognized securities rating agency designated by the Controlling Person, by notice to the Borrower, the Governmental Lender and the Funding Lender.

“Force Majeure” means any acts of God, a pandemic, declared emergency by Governmental Authority, strikes, walkouts or other labor disputes, riots, civil strife, war, acts of a public enemy, lightning, fires, explosions, storms or floods or shortages of labor or materials or other causes of a like nature beyond the control of the Borrower; provided, however, that the unavailability of sources of financing, the insufficiency of funds, the loss of a tenant or changes in market conditions shall not constitute Force Majeure.

“Funding Lender” shall have the meaning given to such term in the first paragraph of this Funding Loan Agreement.

“Funding Loan” shall have the meaning given to such term in the recitals of this Funding Loan Agreement.

“Funding Loan Agreement” shall have the meaning given to such term in the first paragraph hereof.

“Funding Loan Documents” means, collectively, the Governmental Note, this Funding Loan Agreement, the Borrower Loan Agreement, the Borrower Note, the Land Use Restriction Agreement, the Tax Certificate, the Mortgage, the Environmental Indemnity, the Assignment of Management Agreement and Consent, the Governmental Lender Assignment, the Replacement Reserve Agreement, the Assignment of Project Documents, the General Partner Pledge, the DGSH Special Limited Partner Pledge, the MHP Special Limited Partner Pledge, the Developer Fee Pledge, the Assignment of Capital Contributions, the Subordination Agreement, the Guaranty of Recourse Obligations, the Guaranty of Debt Service and Stabilization and the Guaranty of Completion, and all other agreements or instruments relating to, or executed in connection with the issuance and delivery of the Governmental Note, including all modifications, amendments or supplements thereto.

“Funding Loan Fund” means the fund of that name created pursuant to Section 4.2 of this Funding Loan Agreement.

“Funding Loan Proceeds Account” means the account of that name created pursuant to Section 4.2 of this Funding Loan Agreement.

“GAAP” means generally accepted accounting principles in effect in the United States from time to time, consistently applied.

“General Partner” means [Douglas Gardens Senior Housing, Inc., a Florida not-for-profit corporation] authorized to conduct its business in the State, the general partner of the Borrower, together with its successors and assigns, as permitted by the Controlling Person and the restrictions described in the definition of “Permitted Transfer” herein.

“General Partner Pledge” means the Limited Guaranty, Pledge of Partnership Interests and Security Agreement, dated the date hereof, by the General Partner, in favor of the Funding Lender.

“Government Obligations” means (i) direct obligations of the United States of America for the full and timely payment of which the full faith and credit of the United States of America is pledged, and (ii) obligations issued by a Person controlled or supervised by and acting as an instrumentality of the United States of America, the full and timely payment of the principal of, premium, if any, and interest on which is fully guaranteed as a full faith and credit obligation of the United States of America (including any securities described in (i) or (ii) issued or held in book-entry form on the books of the Department of the Treasury of the United States of America), which obligations, in either case, are not subject to redemption prior to maturity at less than par at the option of anyone other than the holder thereof.

“Governmental Action” means all permits, authorizations, registrations, consents, certifications, approvals, waivers, exceptions, variances, claims, orders, judgments and decrees, licenses, exemptions, publications, filings, and notices to and declarations of or with any Governmental Authority and shall include all permits and licenses required to construct, use, operate and maintain any of the Project Facilities.

“Governmental Authority” means any federal, state, or local governmental or quasi - governmental subdivision, authority, or other instrumentality thereof and any entity asserting or exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government and having jurisdiction over the Borrower and/or the Project Facilities.

“Governmental Lender” shall have the meaning set forth in the first paragraph of this Funding Loan Agreement.

“Governmental Lender Assignment” means that certain Assignment of Mortgage and Funding Loan Documents dated as of _____ 1, 2025 from the Governmental Lender to the Fiscal Agent and acknowledged by the Borrower, as the same may be amended, modified or supplemented from time to time.

“Governmental Lender Closing Fee” shall mean the (i) Governmental Lender's one (1) time initial issuance fee in the amount equal to fifty (50) basis points of the original aggregate principal amount of the Funding Loan, as evidenced by the Governmental Note, for a total of \$[170,750], (ii) Governmental Lender's indemnification fee of \$20,000.00 and (iii) Governmental Lender's counsel fee of \$5,000.00 all of which shall be payable by the Borrower to the Governmental Lender on the Closing Date from money contributed by or on behalf of the Borrower and deposited with Fiscal Agent for payment to the Governmental Lender pursuant to Section 2.2(c) of the Borrower Loan Agreement.

“Governmental Lender Extraordinary Fees and Expenses” means the expenses and disbursements payable to the Governmental Lender under the Funding Loan Documents for extraordinary services and extraordinary expenses, including extraordinary fees, costs and

expenses incurred by the Governmental Lender, Tax Counsel and counsel to the Governmental Lender which are to be paid by the Borrower pursuant to the Borrower Loan Agreement.

“Governmental Lender Fees” means, collectively, (i) the Governmental Lender Closing Fee, (ii) the Governmental Lender Ordinary Fees, (iii) the Governmental Lender Ordinary Expenses, (iv) the Governmental Lender Extraordinary Fees and Expenses, and (iv) Late Reporting Fees and/or Governmental Lender’s Compliance Fees, as applicable, pursuant to the Land Use Restriction Agreement.

“Governmental Lender Guaranties” means, collectively, the Continuing, Absolute and Unconditional Guaranty of Recourse Obligations, Environmental Indemnity Agreement, Absolute and Unconditional Guaranty of Operating Deficits, Absolute and Unconditional Guaranty of Completion made by the Borrower and [the Guarantor] for the benefit of the Governmental Lender [and the Fiscal Agent].

“Governmental Lender Ordinary Expenses” means the reasonable expenses of the Governmental Lender with respect to the Funding Loan and related transactions which are not Governmental Lender Extraordinary Fees and Expenses.

“Governmental Lender Ordinary Fees” means the annual program administration fee of the Governmental Lender, payable in advance by the Borrower to the Fiscal Agent for payment to the Governmental Lender in the amount of eighteen basis points (0.18%) per annum of the outstanding principal amount of the Funding Loan (calculated on the Business Day prior to any principal reduction of the Funding Loan). The first payment of the Governmental Lender Ordinary Fees shall be payable on the Closing Date for the period beginning on the Closing Date and ending on _____, 2026. Thereafter, the Governmental Lender Ordinary Fees shall be payable in semi-annual installments in advance on each _____ 1 and _____ 1, with the first semi-annual payment due and payable on _____ 1, 202____. The Governmental Lender Ordinary Fees do not include amounts due, if any, for extraordinary services and expenses of the Governmental Lender, the Fiscal Agent, Tax Counsel, the Governmental Lender’s counsel, or the Fiscal Agent’s counsel to be paid by the Borrower pursuant to the Borrower Loan Agreement

“Governmental Note” shall have the meaning given to such term in the recitals to this Funding Loan Agreement.

“Guarantor” means, collectively, jointly and severally, the Guarantor(s) identified on the Schedule of Financial Terms hereto, together with their respective permitted successors and assigns.

“Guaranty of Completion” means the Guaranty of Completion, dated as of the date hereof made by the Guarantor in favor of the Funding Lender.

“Guaranty of Debt Service and Stabilization” means the Guaranty of Debt Service and Stabilization dated as of the date hereof made by the Guarantor in favor of the Funding Lender.

“Guaranty of Recourse Obligations” means the Guaranty of Recourse Obligations, dated as of the date hereof, made by the Guarantor in favor of the Funding Lender.

“Hazardous Substances” means (a) petroleum or derivatives thereof or chemical products, whether in liquid, solid, or gaseous form, or any fraction or by product thereof, (b) asbestos or asbestos containing materials, (c) polychlorinated biphenyls (pcbs), (d) radon gas,

(e) underground storage tanks, (f) any explosive or radioactive substances, (g) lead or lead based paint, or (h) any other pollutant, contaminant, substance, material, waste or mixture which is or shall be listed, defined, or otherwise determined by any governmental authority to be hazardous, toxic, dangerous or otherwise regulated, controlled or giving rise to liability under any Environmental Laws, including but not limited to Mold, medical waste and other bio-hazardous materials and any chemicals, pollutants, contaminant, substance, material, waste or mixture defined as or included in the definition of "hazardous substances" as defined pursuant to the federal Comprehensive Environmental Response, Compensation and Liability Act, "regulated substances" within the meaning of subtitle I of the federal Resource Conservation and Recovery Act and words of similar import under applicable Environmental Laws. Notwithstanding the provisions of this definition, Hazardous Substances shall not include items which are properly handled or otherwise commonly used household items of consumers.

"Impositions" means, with respect to the Project Facilities, all taxes including, without limitation, all real and personal property taxes, water charges and sewer rents, any special assessments, charges or claims and any other item which at any time may be or become a lien upon the Project Facilities.

"Improvements" means all buildings and other improvements included in the Project Facilities.

"Indebtedness" means, collectively, and includes all present and future indebtedness, liabilities and obligations of any kind or nature whatsoever of the Borrower to the Governmental Lender, the Controlling Person, the Funding Lender or to the Noteowners from time to time, now existing and hereafter arising, under or in connection with this Funding Loan Agreement or any of the other Funding Loan Documents or any of the Subordinate Debt Documents, including future advances, principal, interest, indemnities, other fees, late charges, enforcement costs and other costs and expenses whether direct or contingent, matured or unmatured and all other obligations of the Borrower to the Controlling Person, the Funding Lender, the Governmental Lender or the Noteowners from time to time of the Governmental Note.

"Indemnified Parties" shall have the meaning given to such term in Section 2.5 of the Borrower Loan Agreement.

"Insurance Proceeds" means the total proceeds of insurance actually paid or payable by an insurance company in respect of the required insurance on the Project Facilities, less the actual costs incurred, including attorneys' fees, in the collection of such proceeds.

"Investor Limited Partner" means U.S. Bancorp Community Development Corporation, a Minnesota corporation, and its successors and assigns in such capacity pursuant to the Partnership Agreement.

"Investor Letter" means that certain Investor Letter, substantially in the form attached hereto as Exhibit B.

"Land Use Restriction Agreement" means the Land Use Restriction Agreement, dated as of [] 1, 2025, among the Governmental Lender, the Fiscal Agent and the Borrower, as the same may be amended, modified or supplemented from time to time.

"Lease" shall have the meaning assigned to such term in the Mortgage.

“Legal Requirements” means all statutes, codes, laws, ordinances, regulations, rules, policies or other federal, state, local and municipal requirements of any Governmental Authority whether now or hereafter enacted or adopted, and all judgments, decrees, injunctions, writs, orders or like action of an arbitrator or a court or other Governmental Authority of competent jurisdiction (including those pertaining to health, safety or the environment).

“Lien” means any lien, mortgage, security interest, tax lien, pledge, encumbrance, conditional sale or title retention arrangement, or any other interest in property designed to secure the repayment of indebtedness, whether arising by agreement or under any statute or law, or otherwise.

“Loan Payment Date” has the meaning set forth in the Borrower Note.

“Local Time” means eastern time (daylight or standard, as applicable) in New York, New York.

“Major Contract” shall mean any subcontract for labor or materials, or both, in connection with the Improvements which is for an aggregate contract price equal to or greater than \$250,000, whether pursuant to one contract or agreement or multiple contracts or agreements, after taking into account all change orders.

“Management Agreement” shall have the meaning ascribed to such term in Section 6.19 of the Borrower Loan Agreement.

“Managing Agent” means Bryten Real Estate Partners, LLC, a Delaware limited liability company, together with any successor manager of the Project Facilities approved by the Controlling Person and their respective successors and assigns.

“Material Change Order” means, with respect to the Project Facilities, a Change Order which (i) would result in an increase or decrease of \$100,000 in the contract price of the Work to be performed on the Project Facilities in a single Change Order; (ii) when aggregated with other Change Orders previously effected, would result in an increase or decrease in excess of \$500,000 in the aggregate contract price for the Work to be performed on the Project Facilities; (iii) would reduce the number of apartment units in the Project Facilities; (iv) would materially reduce the aggregate useable square footage of the apartment units or the parking areas in the Project Facilities; (v) would change the number of one, two and three bedroom apartments in the Project Facilities; (vi) would alter the scope of the recreational facilities or ancillary facilities of the Project Facilities; (vii) would alter the number of apartment units in the Project Facilities designated for occupancy by low and moderate income tenants; or (viii) makes a substitution for any material or product that is of lesser quality, in the Controlling Person's determination, than that specified in the Plans and Specifications relating to the Project Facilities.

“Material Contract” means each indenture, mortgage, agreement or other written instrument or contract to which the Borrower is a party or by which any of its assets are bound (including, without limitation, any employment or executive compensation agreement, collective bargaining agreement, agreement relating to an Obligation, agreement for the acquisition, construction, repair or disposition of real or personal property, agreement for the purchasing or furnishing of services, operating lease, joint venture agreement, agreement relating to the acquisition or disposition of an Affiliate or agreement of merger or consolidation) which (i) evidences, secures or governs any outstanding obligation of the Borrower of \$100,000 or more per annum, or (ii) if canceled, breached or not renewed by any party thereto, would have a

material adverse effect on the business operations, assets or condition (financial or otherwise) of the Borrower.

"Maturity Date" means the date set forth on the Schedule of Financial Terms.

"Maximum Permanent Loan Amount" shall mean the amount specified on the Schedule of Financial Terms.

"MHP Special Limited Partner" means MHP Broward I SLP, LLC, a Florida limited liability company, a special limited partner of the Borrower, together with its successors and assigns, as permitted by the Controlling Person and the restrictions described in the definition of "Permitted Transfer" herein.

"MHP Special Limited Partner Pledge" means the Limited Guaranty, Pledge of Partnership Interests and Security Agreement, dated the date hereof, by the MHP Special Limited Partner, in favor of the Funding Lender.

"Minimum Beneficial Ownership Amount" means an amount of no less than ten percent (10%) of the outstanding principal amount of the Funding Loan.

"Minimum Coverage" shall mean the debt service coverage ratio set forth on the Schedule of Financial Terms.

"Minimum Permanent Loan Amount" shall mean the amount specified on the Schedule of Financial Terms.

"Minimum Physical Occupancy" shall mean the minimum percentage of occupancy set forth on the Schedule of Financial Terms.

"Moisture Management Program" shall have the meaning ascribed to such term in Section 6.14(e) of the Borrower Loan Agreement.

"Mold" shall have the meaning ascribed to such term in Section 6.14(e) of the Borrower Loan Agreement.

"Monthly Tax and Insurance Amount" means an amount equal to the sum of (i) one-twelfth (1/12th) of the annual Impositions, if any, plus (ii) one-twelfth (1/12th) of the annual insurance premiums for the insurance coverages for the Project Facilities required by Section 6.4 of the Borrower Loan Agreement, as any such amounts may be increased if the Controlling Person determines that funds in the Tax and Insurance Escrow Fund will be insufficient to pay Impositions and insurance premiums when due.

"Moody's" means Moody's Investors Service, Inc., a corporation organized and existing under the laws of the State of Delaware, its successors and assigns and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "Moody's" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Controlling Person, by notice to the Borrower, the Governmental Lender and the Funding Lender.

"Mortgage" shall have the meaning given to such term in the recitals to this Funding Loan Agreement.

"MSRB" means the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934.

"Negative Arbitrage Deposit" has the meaning set forth in the Contingency Draw-Down Agreement.

"Noteowner" or **"owner of the Governmental Note"** means the owner, or as applicable, collectively the owners, of the Governmental Note as shown on the registration books maintained by the Fiscal Agent pursuant to Section 2.6(e) of this Funding Loan Agreement.

"Obligations" means any and all obligations of the Borrower for the payment of money including without limitation any and all (i) obligations for money borrowed, (ii) obligations evidenced by bonds, debentures, notes, guaranties or other similar instruments, (iii) construction contracts, installment sale agreements and other purchase money obligations in connection with the performance of work, sale of property or rendering of services, (iv) leases evidencing the acquisition of capital assets, (v) obligations under any applicable ground lease, (vi) reimbursement obligations in connection with letters of credit and other credit enhancement facilities, (vii) obligations for unfunded pension liabilities, (viii) guaranties of any such obligation of a third party, and (ix) any such obligations of third parties secured by assets of the Borrower; but excluding obligations under contracts for supplies, services and pensions allocable to current Expenses during the current or future Fiscal Years in which the supplies are to be delivered, the services rendered or the pension paid.

"OFAC Violation" shall have the meaning ascribed to such term in Section 6.23 of the Borrower Loan Agreement.

"Operating Reserve Fund" means the fund of that name created pursuant to this Funding Loan Agreement.

"Operating Reserve Amount" shall mean the amount set forth on the Schedule of Financial Terms.

"Origination Fee" shall mean the origination fee set forth on the Schedule of Financial Terms and payable pursuant to Section 2.2(a) of the Borrower Loan Agreement.

"Outside Stabilization Date" means the date by which Stabilization must be achieved as specified on the Schedule of Financial Terms.

"Partnership Agreement" means the [Amended and Restated Agreement of Limited Partnership] of the Borrower dated as of [_____], 2025, as may be amended, modified or supplemented from time to time.

"Payment and Performance Bonds" shall mean dual-obligee payment and performance bonds (or a letter of credit in lieu of such bonds) relating to the Contractor (or, if required by Controlling Person, each contractor that enters into a Major Contract with Borrower), issued by a surety company or companies authorized to do business in the State and acceptable to Controlling Person, and in form and content reasonably acceptable to Controlling Person, in each case in an amount not less than the full contract price; together with a dual obligee and modification rider naming the Funding Lender, the Fiscal Agent and the Controlling Person and in the form and substance acceptable to Controlling Person which shall be attached thereto.

“**PBGC**” shall have the meaning ascribed to such term in Section 5.11 of the Borrower Loan Agreement.

“**Permitted Encumbrances**” means only:

- (i) the Land Use Restriction Agreement;
- (ii) the Mortgage;
- (iii) [Specific restrictive use agreement(s) executed in connection with the Subordinate Debt];
- (iv) liens securing the Subordinate Debt;
- (v) impositions not yet due and payable or being contested in good faith and by appropriate proceedings promptly initiated and diligently conducted if such proceedings do not in the opinion of the Controlling Person involve a material risk of the sale, forfeiture or loss of the property subject to such lien or interfere with the operation of the Project Facilities, and provided that the Borrower shall have established a reserve or made other appropriate provision, if any, as shall be required by the Controlling Person, and any foreclosure, distraint, sale or other similar proceedings shall have been effectively stayed;
- (vi) statutory liens of landlords and liens of carriers, warehousemen, mechanics and materialmen incurred in the ordinary course of business for sums not yet due or being contested by appropriate proceedings promptly initiated and diligently conducted if (1) such proceedings do not in the opinion of the Controlling Person involve a material risk of the sale, forfeiture or loss of the property subject to such lien or interfere with the operation of the Project Facilities, and provided (2) such liens have been bonded or the Borrower shall have established a reserve or made other appropriate provision, if any, as shall be required by the Controlling Person;
- (vii) the exceptions listed in the Title Policy;
- (viii) upon review and written approval by the Controlling Person: (a) an extended use agreement between the Borrower and Florida Housing Finance Corporation which constitutes the extended low-income housing commitment described in Section 42(h)(6)(B) of the Internal Revenue Code, as amended; and (b) a subordination of the Mortgage to the relevant provisions of said extended use agreement;
- (ix) upon review and written approval by the Controlling Person, the grant of easements for utilities and similar purposes in the ordinary course of business provided, such easements do not impair the use of the Project Facilities or diminish the value of the Project Facilities;
- (x) upon review and written approval by the Controlling Person, such governmental, covenants, conditions and restrictions which are customary and reasonably necessary for the use and operation of the Project Facilities; and
- (xi) any other matters affecting title which are approved in writing by the Controlling Person.

“Permitted Investments” means any one or more of the following investments, if and to the extent the same are then legal investments under the applicable laws of the State for moneys proposed to be invested therein:

- (i) Bonds or other obligations of the United States;
- (ii) Bonds or other obligations, the payment of the principal and interest of which is unconditionally guaranteed by the United States;
- (iii) Direct obligations issued by the United States or obligations guaranteed in full as to principal and interest by the United States or repurchase agreements with a qualified depository bank or securities dealers fully collateralized by such obligations, maturing on or before the date when such funds will be required for disbursement;
- (iv) Obligations of state and local government and municipal bond issuers, which are rated investment-grade by either S&P or Moody’s or other non-rated obligations of such issuers guaranteed or credit enhanced by a Person whose long-term debt or long-term deposits or other obligations are rated investment-grade by either S&P or Moody’s;
- (v) Prime commercial paper rated either “A-1” by S&P or “P-1” by Moody’s and, if rated by both, not less than “A-1” by S&P and “P-1” by Moody’s;
- (vi) Bankers’ acceptances drawn on and accepted by commercial banks;
- (vii) Interests in any money market fund or trust, the investments of which are restricted to obligations described in clauses (i) through (vi) of this definition or obligations determined to be of comparable quality by the board of directors of such fund or trust, including, without limitation, any such money market fund or trust for which the Funding Lender, an affiliate of the Funding Lender, serves as investment manager, administrator, shareholder servicing agent, and/or custodian or subcustodian; and
- (viii) Such other investments selected by the Borrower as may be authorized by applicable law and consented to by the Controlling Person.

“Permitted Transfer” means (i) a transfer by devise or descent or by operation of law upon the death of a direct or indirect owner in the Borrower, so long as such transfer does not result in a change of management or control of the affected entity, (ii) the transfer of a direct or indirect ownership interest in the General Partner, the DGSH Special Limited Partner and/or the MHP Special Limited Partner for estate planning purposes, so long as such transfer does not result in a change of management or control of the General Partner, the DGSH Special Limited Partner and/or the MHP Special Limited Partner, (iii) a transfer of partnership interests in Borrower to the Investor Limited Partner, (iv) a transfer of the limited partner interests of the Investor Limited Partner in the Borrower to an Affiliate of such Investor Limited Partner, (v) a transfer of indirect shares or ownership interests in the Investor Limited Partner so long as the direct ownership interests in the Investor Limited Partner are owned or controlled by Investor Limited Partner or an affiliate thereof, (vi) a transfer of any shares or ownership interests in the Investor Limited Partner after the contributions by the owners of the Investor Limited Partner of all installments of capital contributions required to be made by the Investor Limited Partner under the Partnership Agreement, (vii) transfers of any interests in the General Partner, the DGSH Special Limited

Partner and/or the MHP Special Limited Partner so long as the Guarantor, or one or more members of the Guarantor, controls the Borrower after such transfer occurs, (viii) the removal and replacement of the General Partner, the DGSH Special Limited Partner and/or the MHP Special Limited Partner pursuant to the Partnership Agreement, (ix) after the payment in full of all capital contributions by the Investor Limited Partner under the Partnership Agreement, other than with respect to the DGSH Special Limited Partner and the MHP Special Limited Partner, any other transfer, assignment, pledge, hypothecation or conveyance of limited partner interests in, or change in the limited partners of, the Borrower (and the owners of such limited partners) not described above, in accordance with the terms of the Partnership Agreement, (x) the extension, amendment or replacement of commercial leases approved by the Controlling Person, [(xi) a transfer of any controlling interest in Borrower, Developer, Manager, or Shear Holdings, LLC, a Florida limited liability company, or the transfer of the trustee position in W. Patrick McDowell 2001 Trust, a Revocable Trust, either: (A) from William Patrick McDowell (or from an Affiliate under his Control) to Christopher Shear (or to an Affiliate under his Control, subject to Lender's prior written approval of such Affiliate) or (B) from Christopher Shear to William Patrick McDowell (or to an Affiliate under his Control, subject to Lender's prior written approval of such Affiliate), (xii) any change in directors in General Partner, and the Douglas Gardens Senior Housing, which is the sole member of DGSH Special Limited Partner;] [UNDER REVIEW BY R4] (xiii) upon review and written approval by the Controlling Person, governmental, public utility and private utility, and private easements, covenants, conditions and restrictions, which are customary and reasonably necessary for use and operation of the Project Facilities. (xvi) upon review and written approval by the Controlling Person, such governmental covenants, conditions and restrictions which are customary and reasonably necessary for the use and operation of the Project Facilities, and (xvii) upon review and written approval by the Controlling Person, the grant of easements for utilities and similar purposes in the ordinary course of business, provided such easements do not impair the use of the Project Facilities or diminish the value of the Project Facilities.

"Person" means any individual, for-profit or not-for-profit corporation, partnership, joint venture, association, limited liability company, limited liability partnership, joint-stock company, trust, unincorporated organization or government or any agency or political subdivision thereof.

"Plans and Specifications" means, with respect to the Project Facilities, the plans and specifications for the construction of Improvements prepared by the Architect and more particularly identified on Schedule 4 attached to the Borrower Loan Agreement and approved by the Controlling Person, as the same may be amended, modified or supplemented as permitted under the Borrower Loan Agreement through Change Orders or otherwise.

"Pledged Revenues" shall mean the amounts pledged under this Funding Loan Agreement to the payment of the principal of, prepayment premium, if any, and interest on the Funding Loan and the Governmental Note, consisting of the following: (i) all income, revenues, proceeds and other amounts to which the Governmental Lender is entitled (other than amounts received by the Governmental Lender with respect to the Reserved Rights) derived from or in connection with the Funding Loan Documents, including all Borrower payments due under the Borrower Loan Agreement and the Borrower Note and all amounts obtained through the exercise of the remedies provided in the Funding Loan Documents and all receipts credited under the provisions of this Funding Loan Agreement against said amounts payable, and (ii) moneys held in the funds and accounts established under this Funding Loan Agreement, together with investment earnings thereon.

"Project Costs" means the costs, fees, and expenses associated with the acquisition, construction, and equipping of the Project Facilities for use as affordable rental housing including

but not limited to the cost of materials, appliances, equipment, and other items of tangible personal property, the fees and expenses of architects, contractors, engineers, attorneys, accountants, developers, surveyors, payment of capitalized interest, payment of certain costs and expenses incidental to the issuance of the Governmental Note and payment of any other costs shown on the Development Budget.

“Project Facilities” means the [1.86] acres of land and the multifamily apartment housing facilities consisting of a total of 150 units, subordinate and related facilities and related personal property and equipment, located in Broward County, Florida, the acquisition, construction and equipping of which are being financed by the proceeds of the Funding Loan.

“Project Fund” means the fund of that name created pursuant to Section 4.2 of this Funding Loan Agreement.

“Proposed Budget” shall have the meaning given to such term in Section 6.24 of the Borrower Loan Agreement.

“Punchlist Items” means any items necessary at the time of the issuance of a temporary use and occupancy permit to complete fully the construction of the Project Facilities substantially in accordance with the Plans and Specifications for the Project Facilities, or required for the issuance of a final certificate of occupancy or its equivalent.

“Qualified Project Costs” means the actual costs incurred to design, acquire, construct, equip, furnish, install and otherwise develop the Project Facilities which (i) are or were incurred after the date that is sixty (60) days prior to August 21, 2024, (ii) are (A) chargeable to the Project Facilities' capital account or would be so chargeable either with a proper election by the Borrower or but for a proper election by the Borrower to deduct such costs, within the meaning of Treasury Regulation Section 1.103-8(a)(I), and if charged or chargeable to the Project Facilities' capital account are or would have been deducted only through an allowance for depreciation or (B) made for the acquisition of land, to the extent allowed in Section 147(c) of the Code, and (iii) are made exclusively with respect to a “qualified residential rental project” within the meaning of Section 142(d) of the Code.

“Rebate Amount” shall have the meaning given to such term in Section 6.10(c) of the Borrower Loan Agreement.

“Rebate Analyst” shall have the meaning given to such term in Section 6.10(c) of the Borrower Loan Agreement and shall be reasonably acceptable to the Controlling Person.

“Rebate Report” shall have the meaning given to such term in Section 6.10(c) of the Borrower Loan Agreement.

“Regulatory Agreement Default” shall have the meaning given to such term in Section 7.9(b) of the Borrower Loan Agreement.

“Related Person” with reference to any Substantial User, means a “related person” within the meaning of Section 147(a)(2) of the Code.

“Rents” shall have the meaning assigned to such term in the Mortgage.

“Replacement Reserve Agreement” means the Replacement Reserve and Security Agreement, dated as of the date hereof, made by the Borrower in favor of the Funding Lender.

“Replacement Reserve Fund” means the fund of that name created pursuant to Section 4.2 of this Funding Loan Agreement.

“Required Equity Funds” means all installments of equity contributions to be made to the Borrower by the Investor Limited Partner through the Stabilization Date and funding of the Operating Reserve Account, subject to and in accordance with the terms of the Partnership Agreement.

“Requisition” means (i) on the Closing Date, the Closing Memorandum, and (ii) after the Closing Date, a requisition in the form attached to the Borrower Loan Agreement as Exhibit B, together with all invoices, bills of sale, schedules, applications for payment, certifications and other submissions required for the disbursement of the proceeds of the Funding Loan pursuant to the terms of the Borrower Loan Agreement.

“Reserved Rights” means the rights of the Governmental Lender pursuant to Sections 2.5, 4.2, 6.10, 10.5 and 10.13 of the Borrower Loan Agreement and the rights of the Governmental Lender pursuant to other sections of the Borrower Loan Agreement providing that notices, reports and other statements be given to the Governmental Lender.

“Retainage” means the greater of: (i) a holdback of the percentage of the hard costs of construction of the Improvements under each contract or subcontract set forth on the Schedule of Financial Terms or (ii) the amount required to be held back pursuant to the Construction Contract.

“Sale” means the direct or indirect sale, agreement to sell, assignment, transfer, conveyance, hypothecation, lien, mortgage, grant of a security interest in or a deed to secure debt or deed of trust with respect to, encumbrance, lease, sublease or other disposition of the Project Facilities, or any part thereof or interest therein whether voluntary, involuntary, by operation of law or otherwise, other than (i) the leasing of individual residential units to tenants, (ii) the extension, amendment, renewal or replacement of commercial leases currently in effect, or which will be entered into, which will serve the residents of the Project Facilities, and (iii) the grant of easements for utilities and similar purposes in the ordinary course of business provided, such easements do not impair the use of the Project Facilities or diminish the value of the Project Facilities. “Sale” shall also include the direct or indirect sale, transfer, assignment, pledge, hypothecation or conveyance of legal or beneficial ownership of (a) equity ownership interests in the Borrower, (b) a controlling interest in the aggregate, at any time or times, of the equity ownership interests in the General Partner, the DGSB Special Limited Partner and/or the MHP Special Limited Partner, or (c) the substitution of a new General Partner, DGSB Special Limited Partner and/or MHP Special Limited Partner in the Borrower without the Controlling Person’s written consent, which it may withhold in its sole discretion; provided, however, that “Sale” shall not include a Permitted Transfer.

“S&P” means Standard & Poor’s Ratings Services, a division of Standard & Poor’s Financial Services LLC, a limited liability company organized and existing under the laws of the State of New York, its successors and assigns and, if such company shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, “S&P” shall be deemed to refer to any other nationally recognized securities rating agency designated by the Controlling Person, by notice to the Borrower, the Governmental Lender and the Funding Lender.

“Schedule of Financial Terms” shall mean Schedule A to this Funding Loan Agreement, as modified from time to time pursuant to Section 6.1 hereof.

“Secondary Market Transaction” shall have the meaning given to such term in Section 10.12(a) of the Borrower Loan Agreement.

“Securities” shall have the meaning given to such term in Section 10.12(a) of the Borrower Loan Agreement.

“Securities Act” means the Securities Act of 1933, as amended.

“Security” shall have the meaning given to such term in Section 2.1 of this Funding Loan Agreement.

“Security Interest” or **“Security Interests”** means the security interests created herein and shall have the meanings set forth in the U.C.C.

“Stabilization” means the point at which (i) the Improvements have met Minimum Occupancy by qualified tenants meeting the requirements of the Funding Loan Documents in each month of the Testing Period; (ii) the ratio of Stabilized NOI in each month of the Testing Period to maximum principal, interest, Governmental Lender Ordinary Fees, and Fiscal Agent Fees payable in any month other than the month in which the Maturity Date occurs on the amount of Borrower Note outstanding equals or exceeds the Minimum Coverage; (iii) no Event of Default or event which, with the passage of time or the giving of notice or both, would constitute an Event of Default shall have occurred and be then continuing under the Funding Loan Documents; (iv) the Project Facilities shall have achieved Completion and satisfied each of the Construction Closeout Deliveries; (v) the Borrower Note has been repaid in part in amount not less than the amount required pursuant to Section 7(c)(iii) of the Borrower Note; and (vi) if required to be funded at Stabilization per the Schedule of Financial Terms, the Borrower shall have deposited an amount equal to the Operating Reserve Amount, or such other amount as approved by the Controlling Person, in the Operating Reserve Fund, all as determined or approved by the Controlling Person.

“Stabilization Date” means the earlier to occur of: (i) the date specified by the Controlling Person that all of the conditions to achievement of Stabilization have been satisfied; or (ii) the Outside Stabilization Date, as the same may be extended pursuant to Section 6.37 of the Borrower Loan Agreement.

“Stabilized NOI” means, for any period, (x) Effective Gross Revenues for such period less (y) Expenses for such period, as determined or approved by the Controlling Person.

“State” means the State of Florida.

“Subordinate Debt” means collectively, those certain loans in the maximum amount set forth in the Schedule of Financial Terms from the Subordinate Lender(s) to the Borrower, evidenced and secured by the Subordinate Debt Documents.

“Subordinate Debt Documents” means all documents evidencing or securing the Subordinate Debt or otherwise executed and delivered by the Borrower in connection therewith or as a condition of the advance of the proceeds thereof, together with a subordination agreement executed by lender of such Subordinate Debt, all in form and substance acceptable to the Controlling Person.

“Subordinate Lender” shall mean the Subordinate Lender(s) specified on the Schedule of Financial Terms.

“Subordination Agreement” means the Subordination Agreement(s) dated on or about the Closing Date made by Subordinate Lender, as subordinate lender, in favor of the Fiscal Agent and Funding Lender, as may be amended, modified or supplemented from time to time.

“Substantial User” means, with respect to any “facilities” (as the term “facilities” is used in Section 144(a) of the Code), a “substantial user” of such “facilities” within the meaning of Section 147(a) of the Code.

“Surplus Funding Loan Proceeds” shall have the meaning set forth in the Borrower Note.

“Tax Counsel” means an attorney, or firm of attorneys, nationally recognized and experienced in legal work relating to the financing of facilities through the issuance of tax-exempt Governmental Note, reasonably acceptable to the Controlling Person.

“Tax and Insurance Escrow Fund” means the fund of that name created pursuant to Section 4.2 of this Funding Loan Agreement.

“Tax Certificate” means, collectively, (a) Certificate as to Arbitrage and Certain Other Tax Matters dated the Closing Date and executed by the Governmental Lender, (b) the Arbitrage Rebate Agreement dated as of [____] 1, 2025, executed by the Governmental Lender, the Fiscal Agent and the Borrower, and (c) the Borrower’s Tax Certificate dated the Closing Date and executed and delivered by the Borrower, in each case including all exhibits and other attachments thereto and in each case as may be amended or supplemented from time to time.

“Testing Period” means the period for testing set forth on the Schedule of Financial Terms immediately preceding the date of such determination.

“Third Party Costs” means the ongoing Governmental Lender Fees, Fiscal Agent Fees and the fees of the Rebate Analysts or any other third party in connection with the Governmental Note.

“Title Company” means the title insurance company insuring the lien of the Mortgage on the Closing Date together with any successor title company approved by the Controlling Person.

“Title Policy” means the mortgagee’s title insurance policy relating to the Project Facilities issued by the Title Company to the Fiscal Agent and/or the Funding Lender, effective on the date of recording of the Mortgage, as the same may be subsequently down-dated or endorsed from time to time, with the approval of the Controlling Person.

“U.C.C.” means the Uniform Commercial Code of the State as now in effect or hereafter amended.

“Underwriter Group” shall have the meaning given to such term in Section 10.12 of the Borrower Loan Agreement.

“Underwritten Expenses” shall mean the amount set forth on the Schedule of Financial Terms.

“Underwritten Economic Vacancy” shall mean the amount set forth on the Schedule of Financial Terms.

“Underwritten Management Fee” means the percentage of gross income specified on the Schedule of Financial Terms received from the Project Facilities on account of rents, service fees, late charges, penalties and other charges under Leases.

“Underwritten Permanent Loan Amount” shall mean the amount set forth on the Schedule of Financial Terms.

“Work” means the items of construction of the Improvements required to be performed under the Plans and Specifications for the Improvements.

Section 1.2 Rules of Construction. Unless the context clearly indicates to the contrary, the following rules shall apply to the construction of this Funding Loan Agreement:

(a) All terms defined in the Borrower Loan Agreement and not defined herein shall have the meaning given to such terms in the Borrower Loan Agreement.

(b) Words importing the singular number shall include the plural number and vice versa.

(c) The table of contents, captions, and headings herein are for convenience of reference only and shall not constitute a part of this Funding Loan Agreement nor shall they affect its meaning, construction or effect.

(d) Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders, and words of the neuter gender shall be deemed and construed to include correlative words of the masculine and feminine genders.

(e) All references in this Funding Loan Agreement to particular Articles or Sections are references to Articles or Sections of this Funding Loan Agreement, unless otherwise indicated.

ARTICLE II SOURCE OF PAYMENTS, GENERAL TERMS AND PROVISIONS OF THE GOVERNMENTAL NOTE

Section 2.1 Security. To secure the payment of the Funding Loan and the Governmental Note, to declare the terms and conditions on which the Funding Loan and the Governmental Note is secured, and in consideration of the terms and provisions of the funding of the Funding Loan by the Funding Lender, the Governmental Lender does hereby grant, bargain, sell, remise, release, convey, assign, transfer, mortgage, hypothecate, pledge, set over and confirm to the Funding Lender (except as limited herein), a lien on and security interest in the following described property (excepting, however, in each case, the Reserved Rights) (said property, rights and privileges being herein collectively called, the “Security”):

(a) All right, title and interest of the Governmental Lender in, to and under the Borrower Loan Agreement and the Borrower Note, including, without limitation, all rents, revenues and receipts derived by the Governmental Lender from the Borrower relating to the Project Facilities and including, without limitation, all Pledged Revenues, Borrower payments derived by the

Governmental Lender under and pursuant to, and subject to the provisions of, the Borrower Loan Agreement other than the Governmental Lender Fees; provided that the pledge and assignment made under this Funding Loan Agreement shall not impair or diminish the obligations of the Governmental Lender under the provisions of the Borrower Loan Agreement;

(b) All right, title and interest of the Governmental Lender in, to and under, together with all rights, remedies, privileges and options pertaining to, the Funding Loan Documents, and all other payments, revenues and receipts derived by the Governmental Lender under and pursuant to, and subject to the provisions of, the Funding Loan Documents;

(c) Any and all moneys and investments from time to time on deposit in, or forming a part of, all funds and accounts created and held by Fiscal Agent under this Funding Loan Agreement and any amounts held at any time in the Funding Loan Proceeds Account, any Negative Arbitrage Deposit and any other amounts held under the Contingency Draw-Down Agreement, subject to the provisions of this Funding Loan Agreement permitting the application thereof for the purposes and on the terms and conditions set forth herein; and

(d) Any and all other real or personal property of every kind and nature or description, which may from time to time hereafter, by delivery or by writing of any kind, be subjected to the lien of this Funding Loan Agreement as additional security by the Governmental Lender or anyone on its part or with its consent, or which pursuant to any of the provisions hereof or of the Borrower Loan Agreement may come into the possession or control of the Fiscal Agent or the Funding Lender or a receiver appointed pursuant to this Funding Loan Agreement; and the Fiscal Agent or Funding Lender is hereby authorized to receive any and all such property as and for additional security for the Funding Loan and the Governmental Note and to hold and apply all such property subject to the terms hereof.

The pledge and assignment of and the security interest granted in the Security pursuant to this Section 2.1 for the payment of the principal of, premium, if any, and interest on the Governmental Note, in accordance with its terms and provisions, and for the payment of all other amounts due hereunder, shall attach and be valid and binding from and after the time of the delivery of the Governmental Note by the Governmental Lender. The Security so pledged and then or thereafter received by the Fiscal Agent or the Funding Lender shall immediately be subject to the lien of such pledge and security interest without any physical delivery or recording thereof or further act, and the lien of such pledge and security interest shall be valid and binding and prior to the claims of any and all parties having claims of any kind in tort, contract or otherwise against the Governmental Lender irrespective of whether such parties have notice thereof.

Section 2.2 Delivery of Security. To provide security for the payment of the Funding Loan and the Governmental Note, the Governmental Lender has pledged and assigned to secure payment of the Funding Loan and the Governmental Note its right, title and interest in the Security to the Funding Lender. In connection with such pledge, assignment, transfer and conveyance, the Governmental Lender shall deliver or cause to be delivered to the Funding Lender or the Fiscal Agent, as applicable, the following documents or instruments promptly following their execution and, to the extent applicable, their recording or filing:

(a) The Borrower Note endorsed without recourse to the Fiscal Agent by the Governmental Lender;

(b) The originally executed Borrower Loan Agreement and Land Use Restriction Agreement;

(c) The originally executed Mortgage and all other Borrower Loan Documents existing at the time of delivery of the Borrower Note and an assignment for security of the Mortgage from the Governmental Lender to the Fiscal Agent, in recordable form;

(d) Uniform Commercial Code financing statements or other chattel security documents giving notice of the Fiscal Agent's status as an assignee of the Governmental Lender's security interest in any personal property forming part of the Project Facilities, in form suitable for filing; and

(e) Uniform Commercial Code financing statements giving notice of the pledge by the Governmental Lender of the Security pledged under this Funding Loan Agreement.

The Governmental Lender shall, at the expense of the Borrower, deliver and deposit with the Fiscal Agent and/or the Funding Lender such additional documents, financing statements, and instruments as the Funding Lender may reasonably require from time to time for the better perfecting and assuring to the Funding Lender of the Fiscal Agent and/or the Funding Lender's lien and security interest in and to the Security including, at the request of the Funding Lender.

Section 2.3 Source of Payment of Funding Loan and Other Obligations. The Funding Loan is a limited obligation of the Governmental Lender, payable solely from the Pledged Revenues and other funds and moneys and Security pledged and assigned hereunder. None of the Governmental Lender, the State, or any political subdivision thereof (except the Governmental Lender, to the limited extent set forth herein) nor any public agency shall in any event be liable for the payment of the principal of, premium (if any) or interest on the Funding Loan or for the performance of any pledge, obligation or agreement of any kind whatsoever with respect thereto except as set forth herein, and none of the Funding Loan or the Governmental Note or any of the Governmental Lender's agreements or obligations with respect to the Funding Loan, the Governmental Note, or hereunder, shall be construed to constitute an indebtedness of or a pledge of the faith and credit of or a loan of the credit of or a moral obligation of any of the foregoing within the meaning of any constitutional or statutory provision whatsoever. The Governmental Lender has no taxing power.

Section 2.4 Form of Governmental Note. As evidence of its obligation to repay the Funding Loan, simultaneously with the delivery of this Funding Loan Agreement to the Funding Lender, the Governmental Lender hereby agrees to execute and deliver the Governmental Note. The Governmental Note shall be substantially in the form set forth in Exhibit A attached hereto, with such appropriate insertions, omissions, substitutions and other variations as are required or permitted by this Funding Loan Agreement.

Section 2.5 Delivery of Governmental Note, Conditions to Closing.

(a) The Governmental Note shall be executed on behalf of the Governmental Lender by the manual or facsimile signature of Authorized Governmental Lender Representative and attested by the manual or facsimile signature of its Secretary or Assistant Secretary under the official seal, or a facsimile of the official seal, of the Governmental Lender. The manual or facsimile signatures of individuals who were the proper officers of the Governmental Lender at the time of execution shall bind the Governmental Lender, notwithstanding that such individuals or any of them shall have ceased to hold such offices prior to the execution and delivery of the Governmental Note or shall not have held such offices at the date of the Governmental Note. Following execution by the Governmental Lender, the Governmental Note shall not be valid or obligatory for any purpose or be entitled to any security or benefit under this Funding Loan

Agreement unless and until a certificate of authentication on such Governmental Note substantially in the form contained on Exhibit A attached hereto shall have been duly executed by the Fiscal Agent. The certificate of authentication appearing on the Governmental Note shall be deemed to have been duly executed by the Fiscal Agent if manually signed by an authorized officer or employee of the Fiscal Agent. Such authentication certificate of the Fiscal Agent shall be conclusive evidence that the Governmental Note so registered or authenticated has been duly executed, registered, or authenticated and delivered.

(b) Prior to the delivery to the Funding Lender of the Governmental Note and as a condition to closing of the Funding Loan, there shall be filed with and/or delivered to the Funding Lender and/or Fiscal Agent:

- (i) All items required to be delivered under Section 2.2 above; and
- (ii) A certified copy of all resolutions adopted and proceedings had by the Governmental Lender authorizing execution of this Funding Loan Agreement, the Borrower Loan Agreement and the other Funding Loan Documents to which the Governmental Lender is a party and the issuance of the Governmental Note; and
- (iii) An original executed counterpart of all documents specifically listed in the definition of the Funding Loan Documents; and
- (iv) Copies of any Financing Statements required to be filed to perfect the security interests in the Security or under Section 3.2 of the Borrower Loan Agreement; and
- (v) A copy of completed IRS Form 8038 to be filed by or on behalf of the Governmental Lender pursuant to Section 149(e) of the Code; and
- (vi) An original executed counterpart of the Tax Certificate; and
- (vii) An opinion of Tax Counsel or Counsel to the Governmental Lender to the effect that this Funding Loan Agreement, the Borrower Loan Agreement and any other documents executed by the Governmental Lender have been duly authorized, executed and delivered by the Governmental Lender and are legal, valid and binding agreements of the Governmental Lender; and
- (viii) An Approving Opinion of Tax Counsel that the Governmental Note has been duly authorized and validly issued, that this Funding Loan Agreement creates a valid lien on the Security, that interest on the Governmental Note will be excludable from gross income of the Noteowners thereof for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax, that the Governmental Note is not required to be registered under the Securities Act of 1933, as amended, and that this Funding Loan Agreement need not be qualified under the Trust Indenture Act of 1939, as amended; and
- (ix) An opinion of Counsel for the Borrower to the effect that the Funding Loan Documents to which it is a party have been duly authorized, executed and delivered by the Borrower in accordance with their respective terms subject to customary qualifications and exemptions and are legal, valid and binding agreements of the Borrower and such other opinions as are reasonably requested by the Controlling Person or the Funding Lender; and

(x) A pro forma title insurance policy reasonably acceptable to the Controlling Person; and

(xi) Reliance letters for, or address of the opinions to, [the Controlling Person and] Funding Lender of each of the opinions filed with the Funding Lender; and

(xii) Such other documents as may be reasonably required by the Governmental Lender, Funding Lender, Tax Counsel, or Controlling Person

Section 2.6 Required Transferee Representations; Participations; Sale and Assignment.

(a) The Funding Lender shall deliver to the Governmental Lender an Investor Letter in substantially the form attached hereto as Exhibit B on the Closing Date.

(b) The Funding Lender shall have the right to sell (i) the Governmental Note and the Funding Loan or (ii) any portion of or a participation interest in the Governmental Note and the Funding Loan, to the extent permitted by Section 2.6(c) below, provided that such sale shall be only to Approved Transferees that execute and deliver to the Funding Lender, with a copy to the Governmental Lender and the Fiscal Agent, an Investor Letter in substantially the form attached hereto as Exhibit B. Notwithstanding anything to the contrary herein, a Noteowner shall not knowingly transfer or sell the Governmental Note or any interest therein to a party related to or affiliated with the Borrower or any general partner, limited partner, or member of the Borrower without the prior written consent of the Governmental Lender.

(c) Notwithstanding the other provisions of this Section 2.6, no beneficial ownership interest in the Governmental Note and Funding Loan shall be sold in an amount that is less than the Minimum Beneficial Ownership Amount.

(d) No service charge shall be made for any sale or assignment of any portion of the Governmental Note, but the Governmental Lender may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any such sale or assignment. Such sums shall be paid in every instance by the Funding Lender or assignee of the Funding Loan or portion thereof.

(e) The Governmental Note, or any interest therein, shall be in fully-registered form transferable to subsequent holders only on the registration books which shall be maintained by the Fiscal Agent for such purpose and which shall be open to inspection by the Governmental Lender and Funding Lender. The Governmental Note shall not be transferred through the services of the Depository Trust Company or any other third party registrar.

(f) The parties agree that no rating shall be sought from a rating agency with respect to the Funding Loan or the Governmental Note.

Section 2.7 Authority. The Governmental Lender represents and warrants that (i) it is duly authorized under the laws of the State to issue the Governmental Note, and to execute, deliver and perform the terms of the Borrower Loan Agreement and this Funding Loan Agreement; (ii) all action on its part for the issuance of the Governmental Note and execution and delivery of the Funding Loan Documents to which it is a party has been duly taken; (iii) the Governmental Note, upon execution and delivery, and the Funding Loan Documents to which it is a party upon delivery, assuming that they are the respective legal, valid, binding and enforceable obligations

of the other parties thereto, shall be valid and enforceable obligations of the Governmental Lender in accordance with their terms, except as enforceability may be limited by bankruptcy, insolvency or other similar laws affecting the enforcement of creditors' rights generally and general equitable principles; (iv) it has not heretofore conveyed, assigned, pledged, granted a security interest in or otherwise disposed of the Security; (v) it has not received any payments under the Borrower Loan Agreement; (vi) without making any independent investigation, it has no knowledge of any right of set-off, defense or counterclaim to payment or performance of the terms or conditions of the Borrower Loan Agreement; and (vii) the execution, delivery and performance of the Funding Loan Documents to which it is a party and issuance of the Governmental Note is not in contravention of law or any agreement, instrument, trust indenture or other undertaking to which it is a party or by which it is bound and no other approval, consent or notice from any governmental agency is required on the part of the Governmental Lender.

Section 2.8 No Litigation. The Governmental Lender represents and warrants that there is no action, suit, proceeding, inquiry or investigation at law or in equity or before or by any court, public board or body pending, or, to the best knowledge of the Governmental Lender, threatened against or affecting the Governmental Lender wherein an unfavorable decision, ruling or finding would adversely affect (i) the transactions contemplated by, or the validity or enforceability of, the Governmental Note, this Funding Loan Agreement or the other Funding Loan Documents to which the Governmental Lender is a party, or (ii) the exclusion from gross income of interest on the Governmental Note.

Section 2.9 Further Assurances. The Governmental Lender covenants that it will cooperate to the extent necessary with the Borrower and the Funding Lender in their defenses of the Security against the claims and demands of all Persons and, upon payment or provision for payment of the fees and expenses to be incurred by the Governmental Lender in connection therewith, will do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered such amendments or supplements hereto and such further acts, instruments and transfers as the Funding Lender may reasonably require for the better pledging of the Security. Except for any amendment, modification, supplement, waiver or consent related to the Reserved Rights, the Governmental Lender shall not cause or permit to exist any amendment, modification, supplement, waiver or consent with respect to the Borrower Loan Agreement without the prior written consent of the Funding Lender, which consent shall be governed by Article VI hereof.

Section 2.10 No Other Encumbrances; No Dissolution. The Governmental Lender covenants that, (i) except as otherwise provided herein and in the Borrower Loan Agreement, it will not sell, convey, mortgage, encumber or otherwise dispose of any portion of the Security, and (ii) to the fullest extent permitted by applicable law, for so long as the Governmental Note is outstanding, it will not dissolve, terminate or permit itself to be dissolved or terminated without a successor to its obligations hereunder and under the Governmental Note having assumed its obligations hereunder and under the Governmental Note.

Section 2.11 No Personal Liability. No recourse shall be had for the enforcement of any obligation, promise or agreement of the Governmental Lender contained herein or in the Governmental Note or the other Funding Loan Documents to which the Governmental Lender is a party or for any claim based hereon or thereon or otherwise in respect hereof or thereof against any director, member, officer, agent, attorney or employee, as such, in his/her individual capacity, past, present or future, of the Governmental Lender or of any successor entity, either directly or through the Governmental Lender or any successor entity whether by virtue of any constitutional provision, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise.

No personal liability whatsoever shall attach to, or be incurred by, any director, member, officer, agent, attorney or employee as such, past, present or future, of the Governmental Lender or of any successor entity, either directly or through the Governmental Lender or any successor entity, under or by reason of any of the obligations, promises or agreements entered into in the Governmental Note or between the Governmental Lender and the Funding Lender, whether herein contained or to be implied herefrom as being supplemental hereto; and all personal liability of that character against every such director, member, officer, agent, attorney and employee is, by the execution of this Funding Loan Agreement and as a condition of, and as part of the consideration for, the execution of this Funding Loan Agreement, expressly waived and released.

ARTICLE III

INTEREST RATE, PAYMENT AND PREPAYMENT OF GOVERNMENTAL NOTE

Section 3.1 Origination, Maturity Date and Authorized Amount of Governmental Note. The Funding Loan shall be originated on the Closing Date and shall mature on the Maturity Date at which time the entire principal amount, to the extent not previously paid, and all accrued and unpaid interest, shall be due and payable. The total principal amount of the Funding Loan is hereby expressly limited to the Authorized Amount.

Section 3.2 Principal and Interest Payments.

(a) Interest shall be paid on the outstanding principal amount of the Governmental Note at the rate or rates set forth in the Borrower Note and otherwise as set forth in the Borrower Loan Agreement.

(b) The outstanding principal amount of the Governmental Note and of the Funding Loan as of any given date shall be the total amount advanced by the Funding Lender to Fiscal Agent for the account of the Governmental Lender to fund corresponding advances under the Borrower Loan Agreement as proceeds of the Borrower Loan, less any payments of principal of the Governmental Note previously received upon payment of corresponding principal amounts under the Borrower Note, including regularly scheduled principal payments and voluntary and mandatory prepayments. The Fiscal Agent shall keep a record of all principal advances and principal repayments made under the Governmental Note and shall upon written request provide the Governmental Lender with a statement of the outstanding principal balance of the Governmental Note and the Funding Loan.

(c) The payment or prepayment of principal, interest and premium, if any, due on the Funding Loan and the Governmental Note shall be identical with and shall be made on the same dates, terms and conditions, as the principal, interest, premiums, late payment fees and other amounts due on the Borrower Note. Any payment or prepayment made by the Borrower of principal, interest, premium, if any, due on the Borrower Note shall be deemed to be like payments or prepayments of principal, interest and premium, if any, due on the Funding Loan and the Governmental Note.

(d) All payments on the Governmental Note shall be payable in lawful currency of the United States.

Section 3.3 Draw-Down Funding. The Funding Loan is originated on a draw-down basis. The proceeds of the Funding Loan shall be advanced by the Funding Lender directly to the Fiscal Agent for the account of the Governmental Lender on the dates and in the amounts specified on the Schedule of Financial Terms attached hereto for subsequent disbursement to

the Borrower as and when needed to make each advance in accordance with the disbursement provisions of the Borrower Loan Agreement. Upon each advance of the Funding Loan a like amount of principal under the Borrower Note shall be deemed concurrently and simultaneously advanced under the Borrower Note, including the initial advance set forth on the Schedule of Financial Terms, regardless if such amounts are disbursed to Borrower under the Borrower Loan Agreement. Notwithstanding anything in this Funding Loan Agreement to the contrary, no additional amounts of the Funding Loan may be drawn down and funded hereunder after the Draw-Down Termination Date; provided, however, that upon the delivery of a Favorable Opinion of Tax Counsel to the Governmental Lender, the Fiscal Agent and the Funding Lender such date may be changed to a later date as specified in such Favorable Opinion of Tax Counsel. The Governmental Lender has reviewed and approved the form of Contingency Draw-Down Agreement and consents to the terms thereof and agrees to take all actions reasonably required of the Governmental Lender in connection with the conversion of the Funding Loan to a fully drawn loan pursuant to the provisions of the Contingency Draw-Down Agreement in the event a Draw-Down Notice is filed by the Funding Lender or the Borrower.

Section 3.4 Prepayment of Governmental Note. The Governmental Note is subject to voluntary and mandatory prepayment as follows:

(a) The Governmental Note shall be subject to voluntary prepayment in full or in part by the Governmental Lender, from funds of the Governmental Lender received by the Governmental Lender or the Fiscal Agent to the extent and in the manner and on any date that the Borrower Note is subject to voluntary prepayment as set forth therein, at a prepayment price equal to the principal balance of the Borrower Note to be prepaid, plus interest thereon to the date of prepayment and the amount of any acceleration premium or other amounts payable under the Borrower Note or the Borrower Loan Agreement through the date of prepayment. The Borrower shall not have the right to voluntarily prepay all or any portion of the Borrower Note, thereby causing the Governmental Note to be prepaid, except as specifically permitted in the Borrower Note, without the prior written consent of Funding Lender, which may be withheld in Funding Lender's sole and absolute discretion.

(b) The Governmental Note shall be subject to mandatory prepayment in whole or in part upon prepayment of the Borrower Note at the direction of the Funding Lender or Controlling Person in accordance with the terms of the Borrower Note at a prepayment price equal to the outstanding principal balance of the Borrower Note prepaid, plus accrued interest plus acceleration premium or any other amounts payable under the Borrower Note or the Borrower Loan Agreement.

Section 3.5 Notice of Prepayment. Notice of prepayment of the Governmental Note shall be deemed given to the extent that notice of prepayment of the Borrower Note is timely and properly given to Funding Lender, Fiscal Agent and Governmental Lender in accordance with the terms of the Borrower Note and the Borrower Loan Agreement, and no separate notice of prepayment of the Governmental Note is required to be given.

ARTICLE IV FUNDS AND ACCOUNTS

Section 4.1 Authorization to Create Funds and Accounts. Except as provided herein and the Borrower Loan Agreement, no funds or accounts shall be established in connection with the Funding Loan at the time of closing and origination of the Funding Loan. The Funding Lender and the Controlling Person, if any, and any designee of the Funding Lender or

the Controlling Person, are authorized to establish and create, or direct the Fiscal Agent to establish and create, from time to time such other funds and accounts or subaccounts as may be necessary for the deposit of moneys (including, without limitation, insurance proceeds and/or condemnation awards), if any, received by the Governmental Lender, the Funding Lender or the Controlling Person pursuant to the terms hereof or any of the other Funding Loan Documents and not immediately transferred or disbursed pursuant to the terms of the Funding Loan Documents and/or the Borrower Loan Documents.

Section 4.2 Establishment of Funds and Accounts; Applications of Proceeds of the Funding Loan and Other Amounts.

- (a) The following are hereby created and established as special trust funds:
 - (i) the Project Fund, consisting of:
 - (A) the Funding Loan Proceeds Account;
 - (B) the Equity Account;
 - (C) the Capitalized Interest Account (containing a Funding Loan Proceeds Subaccount and an Equity Subaccount);
 - (D) [the Subordinate Debt Proceeds Account];
 - (ii) the Funding Loan Fund;
 - (iii) the Replacement Reserve Fund;
 - (iv) the Tax and Insurance Escrow Fund;
 - (v) the Operating Reserve Fund

(b) All the funds and accounts created by subsection (a) of this Section shall be held by the Fiscal Agent in trust for application only in accordance with the provisions of this Funding Loan Agreement.

(c) The initial advance of the Funding Loan will be applied in accordance with the Closing Memorandum. Following the disbursements set forth in the Closing Memorandum, the Fiscal Agent shall receive and deposit into the respective funds and/or accounts specified the amounts, if any, provided in the Closing Memorandum

Section 4.3 Funding Loan Fund.

(a) There is hereby separately created and established with the Fiscal Agent the Funding Loan Fund. There shall be deposited in the Funding Loan Fund (i) all payments by the Borrower pursuant to the Borrower Note or the Borrower Loan Agreement, including all proceeds resulting from the enforcement of the Security or its realization as collateral, and (ii) all other moneys received by the Fiscal Agent under the Borrower Loan Agreement.

(b) Moneys in the Funding Loan Fund shall be held in trust for the Noteowners and, except as otherwise expressly provided herein, shall be used solely for the payment of the regularly scheduled principal of and interest on the Funding Loan, for the payment of principal

and interest upon maturity, whether stated or accelerated, or upon mandatory or optional prepayment prior to the Maturity Date, and for the payment of the acceleration premium set forth in the Borrower Loan Agreement.

(c) After final payment in full of the Governmental Note and upon payment of any amounts payable to the United States pursuant to any rebate requirement and any other amounts owing hereunder and under the Borrower Loan Agreement, any amounts remaining in the Funding Loan Fund shall be paid to the Borrower.

Section 4.4 Project Fund.

(a) The Fiscal Agent shall deposit all amounts specified in Closing Memorandum into the specified accounts and subaccounts of the Project Fund. The Fiscal Agent will receive and deposit installments of the Funding Loan into the Funding Loan Proceeds Account of the Project Fund. The Fiscal Agent will receive and deposit into the Equity Account amounts received as future installments of Required Equity Funds from the Investor Limited Partner and the General Partner, in accordance with the provisions of the Partnership Agreement and the Assignment of Capital Contributions. The Fiscal Agent shall deposit any other amounts received, to the extent not otherwise directed herein, in such funds and/or accounts as directed by Controlling Person and consented to, prior to an Event of Default and which is continuing by the Borrower.

(b) The Fiscal Agent is hereby authorized and directed to use moneys in the Project Fund for payment or reimbursement to the Borrower upon the receipt of a fully executed Requisition approved in writing by the Controlling Person in accordance with the provisions of the Borrower Loan Agreement. Except as otherwise consented to in writing by the Controlling Person, through approval of a Requisition or otherwise, moneys in the Project Fund shall be applied for payment or reimbursement of Project Costs and at least 95% of moneys on deposit in the Funding Loan Proceeds Account of the Project Fund shall be applied to Qualified Project Costs. No later than the Stabilization Date, all Surplus Funding Loan Proceeds remaining in the Funding Loan Proceeds Account of the Project Fund shall either be applied to any required prepayment of the Borrower Note, if any, or applied to another use, in each case as directed in writing by the Controlling Person with the consent of the Borrower (except during an Event of Default). All remaining amounts in the Equity Account of the Project Fund and/or the Equity Subaccount of the Capitalized Interest Account upon Stabilization shall be paid to the Borrower upon receipt of the prior written approval of the Controlling Person, which approval shall not be unreasonably withheld or delayed.

(c) The Fiscal Agent shall and is hereby authorized to transfer funds from the Capitalized Interest Account to the Funding Loan Fund to pay interest on the Funding Loan accruing up to and including: (i) the Completion Date with respect to amounts in the Funding Loan Proceeds Subaccount; and (ii) the Stabilization Date with respect to the Equity Subaccount without submission of any Requisition. The Fiscal Agent shall and is hereby further authorized to transfer funds from any other account of the Project Fund to the Capitalized Interest Account or directly to the Funding Loan Fund to pay interest on the Governmental Note accruing up to achievement of Stabilization at the written direction (including e-mail) of the Controlling Person with the consent of the Borrower (except during an Event of Default).

Section 4.5 Tax and Insurance Escrow Fund. There shall be deposited in the Tax and Insurance Escrow Fund all moneys received for such purpose by the Fiscal Agent from the Borrower pursuant to Section 8.2 of the Borrower Loan Agreement. Moneys in the Tax and

Insurance Escrow Fund shall be applied to payment of Impositions and insurance premiums at the direction of the Borrower prior to an Event of Default and at the direction of the Controlling Person thereafter; provided, however, that upon the occurrence and continuation of an Event of Default hereunder, all money and investments held in the Tax and Insurance Escrow Fund may be disbursed at the direction of the Controlling Person to pay costs and expenses of the Project Facilities, to pay costs of enforcement of the Funding Loan Documents and to pay any and all amounts owed by the Borrower under any of the Funding Loan Documents, in whatever amounts and in whatever order the Controlling Person may determine. Upon the payment in full of the Governmental Note and the fees and expenses of the Governmental Lender and the Fiscal Agent and upon payment of amounts payable to the United States pursuant to any rebate requirement and any other amounts owing hereunder and under the Borrower Loan Agreement, any amounts remaining in the Tax and Insurance Escrow Fund shall be paid to the Borrower. If the Controlling Person determines that the Tax and Insurance Escrow is over-funded for any reason, the Controlling Person may direct the Fiscal Agent to return all or a portion of the moneys in the Tax and Insurance Escrow Fund to the Borrower.

Section 4.6 Replacement Reserve Fund. There shall be deposited in the Replacement Reserve Fund all moneys received for such purpose by the Fiscal Agent from the Borrower pursuant to the Replacement Reserve Agreement. Moneys in the Replacement Reserve Fund shall be disbursed by the Fiscal Agent upon receipt of a written request therefor executed by the Borrower and approved in writing by the Controlling Person, in accordance with the terms of the Replacement Reserve Agreement; provided that, upon the occurrence and continuation of an Event of Default hereunder, all moneys and investments in the Replacement Reserve Fund (other than moneys held to pay costs required to be paid but not yet payable) may be disbursed at the direction of the Controlling Person to pay any costs and expenses of the Project Facilities, to pay costs of enforcement of the Funding Loan Documents and to pay any and all amounts owed by the Borrower under the Funding Loan Documents, in whatever amounts and whatever order the Controlling Person may determine. Upon the payment in full of the Governmental Note and upon payment of amounts payable to the United States pursuant to any rebate requirement and any other amounts owing hereunder and under the Borrower Loan Agreement, any amounts remaining in the Replacement Reserve Fund shall be paid to the Borrower as soon as practicable. If the Controlling Person determines that the Replacement Reserve Fund is over-funded for any reason, the Controlling Person may direct the Fiscal Agent to return all or a portion of the moneys in the Replacement Reserve Fund to the Borrower, or the Borrower shall be provided a credit in the amount of the over-funding against future amounts owed or to be paid.

Section 4.7 Operating Reserve Fund. There shall be deposited in the Operating Reserve Fund all moneys received for such purpose pursuant to Section 8.4 of the Borrower Loan Agreement. Funds shall be disbursed from the Operating Reserve Fund, at the request of the Borrower, but only with the Controlling Person's written consent, which consent shall not be unreasonably withheld, conditioned or delayed, to fund any operating deficits or expenses of the Borrower or for any other operating or capital needs of the Project Facilities. Upon receipt by the Fiscal Agent from the Borrower of a written request together with the written approval of the Controlling Person, which approval shall not be unreasonably withheld or delayed, the Fiscal Agent shall disburse funds from the Operating Reserve Fund in accordance with such written request. Upon the occurrence and continuation of an Event of Default, all moneys and investments in the Operating Reserve Fund may be disbursed at the direction of the Controlling Person to pay any costs and expenses of the Project Facilities, to pay any costs of enforcement of the Funding Loan Documents and to pay any and all amounts owed by the Borrower under the Funding Loan Documents, in whatever amounts and whatever order the Controlling Person may

determine. Interest earnings on amounts held in the Operating Reserve Fund shall be released not more frequently than annually to the Borrower upon its written request and with the prior written consent of the Controlling Person. Upon payment in full of the Governmental Note and upon payment of amounts payable to the United States of America pursuant to any rebate requirement and any other amounts owing hereunder and under the Borrower Loan Agreement, any amounts remaining in the Operating Reserve Fund shall be paid to the Borrower.

Section 4.8 Transfers Between Funds and Accounts; Use of Amounts in Funds and Accounts. The Fiscal Agent shall transfer moneys between accounts as directed in writing by the Controlling Person and consented to by the Borrower, provided that no consent shall be required with respect to a transfer pursuant to Section 4.4(c) above or following the occurrence and during the continuance of an Event of Default hereunder. Upon the occurrence and continuation of an Event of Default hereunder, all money and investments hereunder may be disbursed at the direction of the Controlling Person to pay any costs and expenses of the Project Facilities, to pay costs of enforcement of the Funding Loan Documents and to pay any and all amounts owed by the Borrower under any of the Funding Loan Documents, in whatever amounts and in whatever order the Controlling Person may determine.

Section 4.9 Records.

(a) The Fiscal Agent shall keep and maintain adequate records pertaining to any funds and accounts established hereunder, including all deposits to and disbursements from said funds and accounts and shall keep and maintain the registration books for the Funding Loan and interests therein. The Fiscal Agent shall retain in its possession all certifications and other documents presented to it, all such records and all records of principal, interest and premium paid on the Funding Loan, subject to the inspection of the Governmental Lender or the Funding Lender and its representatives at all reasonable times and upon reasonable prior notice.

(b) The Governmental Lender will at any and all times, upon the reasonable request of the Controlling Person, the Borrower or the Funding Lender, afford and procure a reasonable opportunity by their respective representatives to inspect the books, records, reports and other papers of the Governmental Lender relating to the Project Facilities and the Funding Loan, if any, and to, at Borrower's expense, make copies thereof.

Section 4.10 Investment of Funds. Amounts held in any funds or accounts created pursuant to this Funding Loan Agreement shall be invested in Permitted Investments at the written direction of the Borrower, with the prior written consent of the Controlling Person, subject in all cases to the restrictions set forth in the Tax Certificate.

**ARTICLE V
DEFAULT PROVISIONS AND REMEDIES**

Section 5.1 Events of Default. Any one of the following shall constitute an Event of Default hereunder:

(a) Failure to pay interest on the Governmental Note when and as the same shall have become due;

(b) Failure to pay the principal of or any premium on the Governmental Note when and as the same shall become due, whether at the stated maturity or prepayment date thereof or by acceleration;

(c) Failure to observe or perform any other of the covenants, agreements or conditions on the part of the Governmental Lender included in this Funding Loan Agreement or in the Governmental Note and the continuance thereof for a period of thirty (30) days after written notice to the Governmental Lender and the Borrower has been given by the Funding Lender or by the Controlling Person (with a copy to the Funding Lender) or such longer period approved to in writing by the Controlling Person or such longer period to which the Controlling Person may agree in the case of a failure not curable by the exercise of due diligence within such thirty (30) day period, if the Governmental Lender or the Borrower shall have commenced a cure of such default within such thirty (30) day period and shall be diligently pursuing such cure as soon as reasonably possible; or

(d) The occurrence and continuance of an Event of Default under the Borrower Loan Agreement or the failure by the Borrower to perform or comply with any of the other terms or conditions contained in any other Funding Loan Documents to which the Borrower is a party and continuation of such failure beyond the expiration of any notice, grace or cure period provided in the Borrower Loan Agreement or the Funding Loan Documents (as applicable).

Notwithstanding anything to the contrary contained in this Funding Loan Agreement, the Funding Lender and Governmental Lender hereby agree that any cure of any default made or tendered by the Investor Limited Partner shall be deemed to be a cure by the Borrower and shall be accepted or rejected on the same basis as if made or tendered by the Borrower. Copies of all notices that are sent to the Borrower under the terms of this Funding Loan Agreement shall also be sent to the Investor Limited Partner.

Section 5.2 Acceleration.

(a) Upon the occurrence and during the continuance of an Event of Default under Section 5.1 above, the Funding Lender may, by notice in writing sent to the Governmental Lender, the Borrower and the Controlling Person, declare the principal of the Governmental Note (if not then due and payable) and the interest accrued thereon to be due and payable immediately, and, upon said declaration, such principal and interest shall become and be immediately due and payable. Upon any declaration of acceleration hereunder, the Funding Lender may exercise such rights as it may have under the Borrower Loan Agreement and the Borrower Note to declare all amounts thereunder to be immediately due and payable. In such event, there shall be due and payable on the Governmental Note an amount equal to the total principal amount of all such Governmental Note, plus all interest accrued thereon (including Default Interest, if any) and which will accrue thereon to the date of payment and all unpaid interest on the Governmental Note on the date of payment, and acceleration premium (if applicable).

Section 5.3 Other Remedies; Rights of Noteowners.

(a) Upon the happening and continuance of an Event of Default hereunder, the Funding Lender may, with or without taking action under Section 5.2 hereof, pursue any available remedy to enforce the performance of or compliance with any Funding Loan Documents.

(b) No remedy by the terms of this Funding Loan Agreement conferred upon or reserved to the Funding Lender, the Controlling Person, the Fiscal Agent or the Noteowners is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given to the Funding Lender, the Fiscal Agent, the Controlling Person or to the Noteowners hereunder or now or hereafter existing.

(c) No delay or omission to exercise any right or power accruing upon any Default or Event of Default shall impair any such right or power or shall be construed to be a waiver of any such Default or Event of Default or acquiescence therein and every such right and power may be exercised from time to time and as often as may be deemed expedient.

(d) No waiver of any Default or Event of Default hereunder, whether by the Funding Lender or by the Noteowners, shall extend to or shall affect any subsequent Default or Event of Default or shall impair any rights or remedies consequent thereon.

(e) The Funding Lender (or the Fiscal Agent on the benefit of Funding Lender), as the assignee of substantially all right, title and interest of the Governmental Lender in and to the Borrower Loan Agreement and the Borrower Note, shall be empowered to enforce each and every right granted to the Governmental Lender under the Borrower Loan Agreement and the Borrower Note other than Reserved Rights.

Section 5.4 Right of Controlling Person to Direct Proceedings. Anything in this Funding Loan Agreement to the contrary notwithstanding, if an Event of Default has occurred, the Controlling Person shall, until revoked by an instrument or instruments in writing executed and delivered by the Funding Lender to the Governmental Lender, the Borrower, the Fiscal Agent and the Controlling Person, have the right to direct the method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of this Funding Loan Agreement, or any other proceedings hereunder; provided that such direction shall not be otherwise than in accordance with the provisions of law and of this Funding Loan Agreement.

Section 5.5 Discontinuance of Default Proceedings. In case the Funding Lender shall have proceeded to enforce any right under this Funding Loan Agreement by the appointment of a receiver or otherwise, and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely, then and in every such case the Governmental Lender and the Funding Lender shall be restored to their former positions and rights hereunder and all rights, remedies and powers of the Governmental Lender and the Funding Lender shall continue as if no such proceedings had been taken subject to the limits of any adverse determination.

Section 5.6 Waiver. The Funding Lender may waive any Default or Event of Default hereunder and its consequences and rescind any declaration of acceleration of maturity of principal; provided, however, that there shall be no such waiver or rescission unless all principal of, acceleration premium, if any, and interest on the Governmental Note in arrears, together with interest thereon (to the extent permitted by law) at the applicable rate of interest borne by the Governmental Note and all fees and expenses of the Funding Lender and the Governmental Lender shall have been paid or provided for.

Section 5.7 Application of Moneys. All moneys received by the Funding Lender (or the Fiscal Agent on the benefit of Funding Lender) pursuant to any right given or action taken under the provisions of this Article shall be, after payment (out of moneys derived from a source other than moneys held for the payment of Governmental Note) of (i) the cost and expenses of the proceedings resulting in the collection of such moneys and of the expenses, liabilities and advances incurred or made by the Funding Lender (or the Fiscal Agent on the benefit of Funding Lender), including reasonable attorneys' fees, and all other outstanding fees and expenses of the Funding Lender, and (ii) any sums due to the Governmental Lender under the Borrower Loan Agreement, such moneys shall be applied in the order set forth below:

(a) Unless the entire principal of the Governmental Note shall have become or been declared due and payable, all such moneys shall be applied:

First: To the payment of all installments of interest then due on the Governmental Note in order of priority first to installments past due for the greatest period and, if the amount available shall not be sufficient to pay in full any particular installment, then to the ratable payment of the amounts due on such installment;

Second: To the payment of the unpaid principal of and acceleration premium, if any, of the Governmental Note which shall have become due, with interest on such Governmental Note from the respective dates upon which they became due (at the rate borne by the Governmental Note, to the extent permitted by law) and, if the amount available shall not be sufficient to pay in full Governmental Note due on any particular date, together with such acceleration premium, then to the ratable payment of the amounts due on such date;

Third: To the payment of the amounts required to reimburse the Governmental Lender and the Owners of the Governmental Note for any legal or other out-of-pocket costs incurred by them in connection with exercising their remedies hereunder; and

Fourth: The balance shall be paid to the Borrower after payment of any required Rebate Amount.

(b) If the principal of all the Governmental Note shall have become or been declared due and payable, all such moneys shall be applied to the payment of the principal, acceleration premium, if any, and interest then due and unpaid upon the Governmental Note, without preference or priority as between principal, premium, interest, installments of interest or Governmental Note, ratably according to the amounts due respectively for principal, premium and interest to the persons entitled thereto.

(c) If the principal on all the Governmental Note shall have been declared due and payable, and if such declaration shall thereafter have been rescinded under this Article then, subject to subsection (b) of this Section in the event that the principal of all the Governmental Note shall again become or be declared due and payable, the moneys shall be applied in accordance with subsection (a) of this Section.

(d) Notwithstanding anything contained herein to the contrary, the Funding Lender may direct the application of funds other than in the manner set forth in Section 5.7(a) above, including, without limitation, the application of funds between the principal or acceleration premium of or interest on the Governmental Note.

ARTICLE VI

AMENDMENTS TO FUNDING LOAN AGREEMENT AND BORROWER LOAN AGREEMENT

Section 6.1 Amendments to Funding Loan Agreement. Any of the terms of this Funding Loan Agreement, including the "basic loan terms" specified on the Schedule of Financial Terms and the Governmental Note may be amended or waived only by an instrument signed by the Funding Lender, the Controlling Person and the Borrower and consented to by the Governmental Lender. Notwithstanding the foregoing, any of the "other terms" set forth on the Schedule of Financial Terms may be amended or waived by an instrument signed by the Controlling Person and consented to by the Borrower. Controlling Person may, at its election,

require delivery of a Favorable Opinion of Tax Counsel in connection with any such amendment or waiver.

Section 6.2 Amendments to the Borrower Loan Agreement, the Borrower Note or the Mortgage.

(a) The Governmental Lender shall not cause or permit to exist any amendment, modification, supplement, waiver or consent with respect to the Borrower Loan Agreement, the Borrower Note or the Mortgage without the prior written consent of the Funding Lender, the Borrower and the Controlling Person.

(b) Notwithstanding anything to the contrary contained herein or therein, the Fiscal Agent, as assignee of the Governmental Lender, and the Borrower may, without the consent of or prior notice to Governmental Lender, enter into or permit any amendment of the Borrower Loan Agreement, the Borrower Note or the Mortgage acceptable to the Funding Lender and the Borrower provided, however, that any change which, in the reasonable judgment of the Funding Lender and the Governmental Lender, materially modifies (i) the Reserved Rights of the Governmental Lender, or (ii) the payment to Governmental Lender of the Governmental Lender Fees, shall require the prior written consent of the Governmental Lender.

(c) The Funding Lender and the Borrower shall file copies of any such amendments to the Borrower Loan Agreement, the Borrower Note or the Mortgage with the Governmental Lender and the Controlling Person promptly following execution.

(d) An amendment or other document described under this Article that materially affects any rights or obligations of the Borrower shall not become effective unless and until the Borrower shall have consented to the execution of such amendment or other document (provided that no such consent shall be required if the Borrower is in default under any Funding Loan Document).

**ARTICLE VII
THE FISCAL AGENT**

Section 7.1 Appointment of Fiscal Agent. The Fiscal Agent is hereby appointed and does hereby agree to act in such capacity, and to perform the duties of the Fiscal Agent under this Funding Loan Agreement, but only upon and subject to the following express terms and conditions (and no implied covenants or other obligations shall be read into this Funding Loan Agreement against the Fiscal Agent):

(a) The Fiscal Agent may execute any of its trusts or powers hereunder and perform any of its duties by or through attorneys, agents, receivers or employees. The Fiscal Agent shall be entitled to advice of Counsel concerning all matters hereunder, and may in all cases pay such reasonable compensation to all such attorneys, agents, receivers and employees. The Fiscal Agent may act upon the opinion or advice of Counsel, accountants, engineers or surveyors selected by it in the exercise of reasonable care or, if the same are selected by the Governmental Lender, approved by the Fiscal Agent in the exercise of reasonable care. The Fiscal Agent shall not be responsible for any loss or damage resulting from any action or non-action in good faith in reliance upon such opinion or advice.

(b) Except as otherwise provided herein, the Fiscal Agent shall not be responsible for any recital herein or in the Funding Loan Documents, or for the recording, re-

recording, filing or re-filing of this Funding Loan Agreement, of any Financing Statements or continuation statements, or for insuring the Security or the Project Facilities or collecting any insurance moneys, or for the validity of this Funding Loan Agreement or of any supplements hereto or instruments of further assurance, or for the sufficiency of the security for the Funding Loan issued hereunder or intended to be secured hereby, or for the value of or title to the Project Facilities or otherwise as to the maintenance of the Security. The Fiscal Agent shall not be liable to the Borrower, any Noteowner, any beneficial owner or any other Person for any loss suffered in connection with any investment of funds made by it in accordance with Section 4.10 hereof in good faith as instructed by the Borrower in accordance with the provisions of this Funding Loan Agreement, and with the prior written consent of the Controlling Person, as applicable. The Fiscal Agent shall have no duty or responsibility to examine or review and shall have no liability for the contents of any documents submitted to or delivered to any Noteowner in the nature of a preliminary or final placement memorandum, official statement, offering circular or similar disclosure document.

(c) The Fiscal Agent shall not be accountable for the use of any Governmental Note authenticated or delivered hereunder after such Funding Loan shall have been delivered in accordance with instructions of the Governmental Lender or for the use by the Borrower of the proceeds of the Funding Loan advanced to the Borrower as provided in the Borrower Loan Agreement. The Fiscal Agent may become the owner of Governmental Note secured hereby with the same rights as any other Noteowner.

(d) The Fiscal Agent shall be protected in acting upon opinions of Counsel and upon any notice, request, consent, certificate, order, affidavit, letter, telegram or other paper or document believed to be genuine and correct and to have been signed or sent by the proper person or persons. Any notices, directions, consents, approvals or requests provided to the Fiscal Agent pursuant to the terms of this Funding Loan Agreement or any of the Funding Loan Documents shall not be effective until provided in writing. Any action taken by the Fiscal Agent pursuant to this Funding Loan Agreement upon the request or authority or consent of any Person who at the time of making such request or giving such authority or consent is the Noteowner of Governmental Note shall be conclusive and binding upon all future Noteowners of the same Governmental Note and upon any Governmental Note issued in exchange therefor or in place thereof.

(e) The permissive right of the Fiscal Agent to do things enumerated in this Funding Loan Agreement or the Borrower Loan Agreement shall not be construed as duties. The Fiscal Agent shall only be responsible for the performance of the duties expressly set forth herein and shall not be answerable for other than its gross negligence, bad faith or willful misconduct in the performance of those express duties.

(f) The Fiscal Agent shall not be personally liable for any debts contracted or for damages to persons or to personal property injured or damaged, or for salaries or non-fulfillment of contracts, relating to the Project Facilities.

(g) The Fiscal Agent shall not be required to give any bond or surety in respect of the execution of said trust and powers or otherwise in respect of this Funding Loan Agreement.

(h) Before taking any action requested hereunder by the Noteowners which may require it to expend its own funds, the Fiscal Agent may require satisfactory security or indemnification for the reimbursement of all expenses to which it may be put by reason of any action so taken. The Fiscal Agent shall not be entitled to indemnification as a precondition to

giving notices of default or taking other actions at the direction of the Funding Lender or the Controlling Person which do not require the Fiscal Agent to expend its own funds or for which funds have been advanced by the Funding Lender or the Controlling Person to the Fiscal Agent in advance of its taking such action.

(i) All moneys received by the Fiscal Agent, until used or applied or invested as herein provided, shall be held as special trust funds for the purposes specified in this Funding Loan Agreement and for the benefit and security of the Noteowners of the Funding Loan as herein provided. Such moneys need not be segregated from other funds except to the extent required by law or herein provided, and the Fiscal Agent shall not otherwise be under any liability for interest on any moneys received hereunder except such as may be agreed upon.

(j) The Fiscal Agent shall not be bound to ascertain or inquire as to the performance of the obligations of the Borrower or the Governmental Lender under the Borrower Loan Agreement or this Funding Loan Agreement, and shall not be deemed to have, or be required to take, notice of default under this Funding Loan Agreement (other than under Section 5.1(a), (b), or (c) hereof if written notice thereof has been received by the Fiscal Agent) or the occurrence of a Determination of Taxability, except (i) in the event the Borrower fails to pay any payment when due, (ii) in the event of an insufficient amount in the Funding Loan Fund (or any account therein) to make a principal or interest payment on the Governmental Notes, (iii) in the event of written notification of a Determination of Taxability an owner of the Governmental Note, (iv) in the event of written notification of such Default by the Controlling Person, the Funding Lender or two or more Noteowners with combined holdings of not less than twenty-five percent (25%) of the principal amount of outstanding Funding Loan, or (v) in the event of receipt of an Opinion of Tax Counsel concluding that a Determination of Taxability has occurred, and in the absence of such notice the Fiscal Agent may conclusively presume there is no Determination of Taxability and no default except as aforesaid. The Fiscal Agent may nevertheless require the Governmental Lender and the Borrower to furnish information regarding performance of their obligations under the Borrower Loan Agreement and this Funding Loan Agreement, but is not obligated to do so.

(k) The Fiscal Agent shall, prior to any Event of Default and after the curing of all Events of Default which may have occurred, perform such duties and only such duties of the Fiscal Agent as are specifically set forth in this Funding Loan Agreement. The Fiscal Agent shall, during the existence of any Event of Default which has not been cured, exercise such of the rights and powers vested in it by this Funding Loan Agreement and use the same degree of care and skill in their exercise as a prudent person would exercise or use under the circumstances in the conduct of his/her own affairs.

(l) In addition to the Fiscal Agent's other duties hereunder, the Fiscal Agent shall authenticate and cancel the Governmental Note as provided herein, keep such books and records relating to such duties as shall be consistent with prudent industry practice and make such books and records available for inspection by the Governmental Lender and the Borrower at all reasonable times. The Governmental Note shall be made available for authentication, exchange and registration of transfer at the principal office of the Fiscal Agent.

(m) The Fiscal Agent shall have no duty to inspect or oversee the construction or completion of the Improvements or to verify the truthfulness or accuracy of the certifications made by the Borrower in any Requisition.

(n) Without limiting the duties of the Fiscal Agent expressly set forth herein, the Fiscal Agent shall have no obligation or responsibility whatsoever in connection with (i) any federal or state tax-exempt status of the Funding Loan or the interest thereon; (ii) the consequences of the investment or non-investment of any funds or accounts relating to the Funding Loan under Section 148 of the Code, or (iii) the calculation of any amount required to be rebated to the United States under Section 148 of the Code.

(o) No provision of this Funding Loan Agreement, the Borrower Loan Agreement or the Funding Loan shall require the Fiscal Agent to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers.

(p) Whenever in the administration of this Funding Loan Agreement the Fiscal Agent deems it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, the Fiscal Agent may, in the absence of bad faith on its part and except as otherwise expressly set forth herein, rely upon a written certificate of the Controlling Person or the Funding Lender.

(q) In the absence of a direction from the Controlling Person, if the Fiscal Agent receives inconsistent or conflicting requests and indemnity from two or more groups of Noteowners of the Funding Loan, each representing less than a majority in aggregate principal amount of the Funding Loan outstanding, pursuant to the provisions of this Funding Loan Agreement, the directions given by the group of Noteowners which holds the largest percentage of the principal amount of the Funding Loan shall be controlling and the Fiscal Agent shall follow such directions.

(r) The Fiscal Agent's immunities and protections from liability and its rights to indemnification in connection with the performance of its duties under this Funding Loan Agreement shall likewise extend to the Fiscal Agent's officers, directors, agents, attorneys and employees. Such immunities and protections and rights to indemnification, together with the Fiscal Agent's rights to compensation, shall survive the Fiscal Agent's resignation or removal, the discharge of this Funding Loan Agreement and the final payment of the Funding Loan.

(s) The Fiscal Agent, in its commercial banking or in any other capacity, may in good faith buy, sell, own, hold or deal in any of the Funding Loan and may join in any action that any Noteowner may be entitled to take with like effect as if it were not the Fiscal Agent. The Fiscal Agent, in its commercial banking or in any other capacity, may also engage in or be interested in any financial or other transaction with the Borrower and may act as depository, Fiscal Agent or agent for any committee of Noteowners secured hereby or other obligations of the Borrower, as freely as if it were not the Fiscal Agent hereunder. The provisions of this paragraph shall extend to the affiliates of the Fiscal Agent.

(t) Whether or not expressly so provided, each and every provision of this Funding Loan Agreement relating to the conduct or affecting the liability of or affording protection to the Fiscal Agent is subject to the provisions of this Section.

Section 7.2 Compensation and Indemnification of Fiscal Agent; Fiscal Agent's Prior Claim.

(a) The Borrower Loan Agreement provides that the Borrower will pay the reasonable fees and expenses of the Fiscal Agent under this Funding Loan Agreement and all

other amounts which may be payable to the Fiscal Agent under this Section, such fees and expenses to be paid when due and payable by the Borrower directly to the Fiscal Agent for its own account. Except as set forth in Section 5.7, the Fiscal Agent shall not have a lien on the Security for the payment of its fees or expenses and shall not be entitled to pay its fees and expenses from amounts held in the funds and accounts hereunder.

(b) The Borrower shall (i) pay the Fiscal Agent from time to time, and the Fiscal Agent shall be entitled to, reasonable compensation (which shall not be limited by any provision of law in regard to the compensation of a trustee of an express trust), (ii) pay or reimburse the Fiscal Agent upon request for all reasonable expenses, disbursements and advances incurred or made, in accordance with any of the provisions of this Funding Loan Agreement and the Borrower Loan Agreement (including the reasonable compensation and the reasonable expenses and disbursements of its Counsel and of all agents and other persons not regularly in its employ), except to the extent that any such expense, disbursement or advance is due to its own gross negligence, willful misconduct or bad faith, and (iii) indemnify the Fiscal Agent for, and hold it harmless against, any loss, liability or expense incurred by it, arising out of or in connection with the acceptance or administration of this Funding Loan Agreement or the trusts hereunder or the performance of its duties hereunder or under the Borrower Loan Agreement, including the reasonable costs and expenses of defending itself against or investigating any claim of liability in the premises, except to the extent that any such loss, liability or expense was due to its own gross negligence, willful misconduct or bad faith. "Fiscal Agent," for purposes of this Section shall include any predecessor Fiscal Agent, but the gross negligence, willful misconduct or bad faith of any Fiscal Agent, shall not affect the indemnification of any other Person. The obligations of the Borrower under this Section shall survive the termination of this Funding Loan Agreement.

Section 7.3 Intervention in Litigation. In any judicial proceedings to which the Governmental Lender is a party, the Fiscal Agent may intervene on behalf of Noteowners, and shall intervene if requested in writing by the Controlling Person, the Funding Lender or the Noteowners of at least twenty-five percent (25%) in aggregate principal amount of Funding Loan then outstanding.

Section 7.4 Resignation; Successor Fiscal Agents.

(a) The Fiscal Agent and any successor Fiscal Agent may resign only upon giving sixty (60) days prior written notice to the Governmental Lender, the Borrower, the Controlling Person and each Noteowner of Funding Loan then outstanding as shown on the Register. Such resignation shall take effect only upon the appointment of a successor Fiscal Agent by the Governmental Lender with the consent of the Controlling Person and, except during the continuance of an Event of Default, the Borrower, and the acceptance of such appointment by the successor Fiscal Agent. If no successor is appointed within sixty (60) days after the notice of resignation, the Controlling Person may appoint a Fiscal Agent or the resigning Fiscal Agent may appoint a successor or petition any court of competent jurisdiction to appoint a successor. Upon appointment of a successor Fiscal Agent, the resigning Fiscal Agent shall assign all of its right, title and interest in this Funding Loan Agreement and the Security to the successor Fiscal Agent. The successor Fiscal Agent shall be a bank or trust company with trust powers organized under the laws of the United States of America or any state of the United States, or the District of Columbia, having a combined capital stock, surplus and undivided profits aggregating at least \$50,000,000. Any successor Fiscal Agent shall accept in writing its duties and responsibilities hereunder and such writing shall be filed with the Governmental Lender, the Controlling Person and the Borrower.

(b) Any corporation into which the Fiscal Agent may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, reorganization or consolidation to which the Fiscal Agent shall be a party, or any corporation succeeding to all or any material part of the corporate trust business of the Fiscal Agent that includes this Funding Loan Agreement, shall be the successor of the Fiscal Agent hereunder without the execution or filing of any paper or of any further act on the part of any Person, anything herein to the contrary notwithstanding, provided that such successor Fiscal Agent shall be eligible to serve as Fiscal Agent under the provisions of this Funding Loan Agreement. If the Fiscal Agent is not the successor corporation in any such merger or consolidation, the Fiscal Agent shall give notice of such event to the Borrower and shall take such action as may be required to effect a transfer of the trust included in this Funding Loan Agreement to such successor corporation.

Section 7.5 Removal of Fiscal Agent. The Fiscal Agent may be removed at any time, by an instrument or concurrent instruments in writing delivered to the Fiscal Agent, the Governmental Lender, the Controlling Person and the Borrower and signed by the Funding Lender. During such time that no Event of Default has occurred and is continuing under this Funding Loan Agreement, the Fiscal Agent may also be removed by an instrument or concurrent instruments in writing delivered to the Fiscal Agent and the Governmental Lender and signed by the Controlling Person, with notice to the Borrower. Such removal shall take effect only upon the appointment of a successor Fiscal Agent by the Governmental Lender with the consent of the Controlling Person and the acceptance of such appointment by the successor Fiscal Agent. Upon such removal, the Fiscal Agent shall assign to the successor Fiscal Agent all of its right, title and interest in this Funding Loan Agreement and the Security in the same manner as provided in Section 7.4 hereof.

ARTICLE VIII CONTROLLING PERSON; SERVICING

Section 8.1 Funding Lender to Appoint Controlling Person. The Funding Lender may engage a Person, collaterally assign some or all of its rights hereunder to a Person, or otherwise provide for a Person, at the Funding Lender's sole cost and expense, to act on behalf of the Funding Lender under the Funding Loan Documents as the "Controlling Person". The Funding Lender may at any time and from time to time terminate or remove and replace any such Controlling Person. The Funding Lender shall give written notice to the Governmental Lender and the Borrower of its appointment, termination, removal or replacement of any Controlling Person, and the parties may rely on any such notice until any subsequent notice is given. Subject to any written agreement between the Controlling Person and Funding Lender, the Controlling Person may resign at any time by written notice to the Funding Lender, Fiscal Agent, the Governmental Lender and the Borrower. Initially, the Funding Lender has engaged R4 Servicer LLC to act as the "Controlling Person" hereunder and R4 Servicer LLC has accepted such engagement. The Funding Lender is under no obligation to appoint a Controlling Person; if at any time a Controlling Person has not been designated by the Funding Lender, all references to the "Controlling Person" herein and in the other Funding Loan Documents shall refer to the Funding Lender. Any opinion or certificate provided for herein, in the Borrower Loan Agreement or in any other Funding Loan Document that is directed to the Controlling Person shall also be directed to, and may be relied upon by, the Funding Lender. The Funding Lender will have no liability to the Governmental Lender, the Borrower, the Fiscal Agent or any other Person for any act or omission of the Controlling Person unless the Controlling Person is the Funding Lender or such act or omission was expressly approved by the Funding Lender in each particular case.

Section 8.2 Servicing.

(a) The Funding Lender has appointed the Controlling Person to be the servicer of the Funding Loan and the Borrower Loan and the Controlling Person has accepted such appointment. Satisfactory arrangements have previously been made for the payment of servicing fees and expenses in connection with the Controlling Person's servicing obligations hereunder, and the Borrower and the Funding Lender have no obligation for such payments. Without limiting the foregoing, the Controlling Person shall have no right or claim to any transfer or assumption fees, late charges, acceleration premium or Default Interest payable under this Funding Loan Agreement or the Funding Loan Documents; provided, however that, to the extent permitted under the Funding Loan Documents, the Controlling Person shall be entitled to collect from the Borrower its normal and customary incidental fees and charges for any requested review, approval or other action, including, without limitation, in connection with any proposed transfer, loan assumption, easement, subordinate financing, release of collateral, condemnation proceeding, non-disturbance agreement or other similar action, unless such review, approval or other action is performed solely by the Funding Lender.

(b) The Controlling Person shall be responsible for the performance of the following servicing duties:

(i) The Controlling Person shall perform the duties expressly given to the Controlling Person under the Funding Loan Documents and this Funding Loan Agreement, including approval of Requisitions and Advances.

(ii) The Controlling Person shall prepare monthly bills to the Borrower in accordance with the Funding Loan Documents for payments to the Funding Lender of principal and interest under the Borrower Loan and for deposits into the Tax and Insurance Escrow Fund and the Replacement Reserve Fund (but not the Fiscal Agent's Fee or the Governmental Lender Fee). The Controlling Person shall notify the Borrower of the amount payable by the Borrower to the Funding Lender. Such notification may be delivered by electronic mail or by facsimile. The Controlling Person shall diligently attempt to collect all of the following, at the times they are due and payable under this Funding Loan Agreement and the Funding Loan Documents:

- (1) The principal and interest due and payable on the Borrower Note;
- (2) The Governmental Lender Fee and Fiscal Agent's Fee, as applicable;
- (3) Any monthly Replacement Reserve Fund deposit;
- (4) Any Monthly Tax and Insurance Amounts;
- (5) Any other escrow or reserve deposits required by the Funding Loan Documents;
- (6) Any assumption or transfer fee required by this Funding Loan Agreement or Funding Loan Documents; and
- (7) Any acceleration premium, if applicable.

(c) All payments received under this Funding Loan Agreement or Funding Loan Documents shall be applied in the following order unless otherwise instructed by the Funding Lender or expressly set forth in this Funding Loan Agreement or the Funding Loan Documents:

- (i) To the principal and interest due and payable on the Borrower Note;
- (ii) To the Governmental Lender Fee and the Fiscal Agent's Fee, as applicable;
- (iii) To the acceleration premium, if applicable;
- (iv) To required deposits to the Replacement Reserve Fund;
- (v) To required deposits in the Tax and Insurance Escrow Fund;
- (vi) To other escrow or reserve deposits required by this Funding Loan Agreement or the other Funding Loan Documents;
- (vii) To Default Interest and any late fees; and
- (viii) To other amounts due under the Funding Loan Documents.

(d) Any payment received by the Controlling Person from or on behalf of the Borrower under this Funding Loan Agreement or the Funding Loan Documents shall be remitted by the Controlling Person to the Funding Lender or the Fiscal Agent no later than the second (2nd) Business Day after receipt by the Controlling Person, or sooner if so required under this Funding Loan Agreement or Funding Loan Documents. The Controlling Person shall make any remittance to the Funding Lender or the Fiscal Agent by wire transfer in accordance with the instructions received from the Funding Lender or the Fiscal Agent or to any other party entitled to such remittances pursuant this Funding Loan Agreement or the Funding Loan Documents in accordance with the instructions received from the Funding Lender.

(e) The Controlling Person shall review the Tax and Insurance Escrow Fund and the Replacement Reserve Fund on an annual basis and adjust required monthly escrow invoices and payment in accordance with terms of Funding Loan Documents.

(f) Upon request of the Funding Lender, the Controlling Person shall furnish to the Funding Lender monthly account statements received from the Fiscal Agent with respect to the any accounts established pursuant to this Funding Loan Agreement, including disbursements from such accounts, loan history schedules, outstanding loan balances and escrow balances.

(g) The Controlling Person shall provide immediate written notice to the Funding Lender of any Event of Default of which it receives notice or has actual knowledge, or any event which, with the giving of notice or the passage of time, or both, would constitute any Event of Default of which it receives notice or has actual knowledge.

(h) The Controlling Person shall refer to the Funding Lender and the Fiscal Agent all Borrower requests for a quote of a payoff amount for the Borrower Loan, shall request a copy of any such quote from the Funding Lender and /or the Fiscal Agent, and shall notify the

Funding Lender of the Borrower's request. The Controlling Person shall prepare payoff letters and delinquency and default notices when necessary, as required by the Funding Loan Documents or this Funding Loan Agreement or otherwise as directed by the Funding Lender.

(i) The Controlling Person shall obtain, and shall provide to the Funding Lender a copy of the Borrower's certificates of compliance with the Land Use Restriction Agreement or other evidence of such compliance submitted by the Borrower to the Governmental Lender or the Governmental Lender's designee within thirty (30) days after the later of (i) the date it is required to be submitted to the Governmental Lender or the Governmental Lender's designee, or (ii) the date it is actually so submitted.

(j) The Controlling Person may perform additional duties with respect to the Funding Loan and Borrower Loan during construction of the Project Facilities or during the period following an Event of Default at the request of the Funding Lender.

ARTICLE IX MISCELLANEOUS

Section 9.1 Right of Funding Lender to Pay Taxes and Other Charges. If any tax, assessment or governmental or other charge upon any part of the Project Facilities is not paid as required, the Funding Lender may, subject to any indemnity required pursuant to Section 7.1(h) hereof, pay such tax, assessment or governmental or other charge, without prejudice, however, to any rights of the Funding Lender hereunder arising in consequence of such failure; and any amount at any time so paid under this Section, with interest thereon from the date of payment until paid at the greater of the rate of interest borne by the Governmental Note or the per annum rate of interest announced from time to time by the bank serving as Funding Lender as its "prime rate" shall become so much additional indebtedness secured by this Funding Loan Agreement, shall be given a preference in payment over the Governmental Note, and shall be paid out of the Security.

Section 9.2 Limitation of Rights. With the exception of rights herein expressly conferred, nothing expressed or mentioned in or to be implied from this Funding Loan Agreement or the Governmental Note is intended or shall be construed to give to any Person other than the parties hereto, the Noteowners, the Controlling Person and the Borrower, any legal or equitable right, remedy or claim under or in respect to this Funding Loan Agreement or any covenants, conditions and provisions herein contained; this Funding Loan Agreement and all of the covenants, conditions and provisions herein being intended to be and being for the sole and exclusive benefit of the parties hereto, the Noteowners, the Controlling Person and the Borrower as herein provided.

Section 9.3 Severability. If any provision of this Funding Loan Agreement is held to be in conflict with any applicable statute or rule of law or is otherwise held to be unenforceable for any reason whatsoever, such circumstances shall not have the effect of rendering the other provision or provisions herein contained invalid, inoperative, or unenforceable to any extent whatsoever. The invalidity of any one or more phrases, sentences, clauses or sections of this Funding Loan Agreement, shall not affect the remaining portions of this Funding Loan Agreement or any part thereof.

Section 9.4 Notices. Except as otherwise provided herein, all notices, approvals, consents, requests, and other communications hereunder shall be in writing and shall be deemed to have been given when the writing is delivered if given or delivered by hand, overnight delivery

service or electronic mail (with confirmed receipt) to the address or e-mail address set forth below and shall be deemed to have been given on the date deposited in the mail, if mailed, by first-class, registered or certified mail, postage prepaid, addressed as set forth below. Where required herein, notice shall be given by telephone, and promptly confirmed in writing, and shall be deemed given when given by telephone to the telephone numbers set forth below. The Governmental Lender, the Borrower, the Funding Lender, the Fiscal Agent, the Controlling Person and the Investor Limited Partner may, by written notice given hereunder, designate any different addresses, phone numbers and e-mail address to which subsequent notices, certificates, approvals, consents, requests or other communications shall be sent.

To the Governmental Lender:	Housing Finance Authority of Broward County, Florida 110 NE 3rd Street, Suite 300 Fort Lauderdale, FL 33301 Attention: Executive Director Telephone: (954)-357-5728
	with a copy to:
	Broward County Attorney's Office 115 South Andrews Avenue, Room 423 Fort Lauderdale, Florida 33301 Attention: Annika Ashton, Esq. Facsimile: (954) 357-5728
To the Fiscal Agent:	The Bank of New York Mellon Trust Company, N.A. 4655 Salisbury Rd. Suite 300 Jacksonville, FL 32256 Attention: Tomeshia Harmon E-mail: Tomeshia.harmon@bnymellon.com Telephone: 904-998-4707
To the Borrower:	MHP Broward I, Ltd 777 Brickell Avenue, Suite 1300, Miami, Florida 33131 Attention: Christopher Shear Email: cshear@mcdhousing.com
With a copy to:	Nelson Mullins Riley & Scarborough, LLP 390 N. Orange Avenue, Suite 1400 Orlando, Florida 32801 Attention: Roman Petra, Esq. Telephone: (407) 669-2441 Email: roman.petra@nelsonmullins.com

To the Funding Lender:	Allianz Life Insurance Company of North America c/o R4 Capital Funding LLC 780 Third Avenue, 16th Floor New York, New York 10017 Attention: Tara Nussbaum E-mail: TNussbaum@r4cap.com
To the Controlling Person	R4 Servicer LLC 155 Federal Street, Suite 1400 Boston, Massachusetts 02110 Attention: Greg Doble and Shannon Chase E-mail: r4servicing@r4cap.com
With a copy to	Kutak Rock LLP Two Logan Square 100 North 18 th Street, Suite 1920 Philadelphia, Pennsylvania 19103 Attention: Andrew P. Schmutz, Esquire Email: Andrew.schmutz@kutakrock.com
If to Investor Limited Partner:	U.S. Bancorp Impact Finance % U.S. Bancorp Community Development Corporation 505 North Seventh Street, 10 th Floor Mail Code: SL-MO-T10F St. Louis, MO 63101 Email: curt.ridge@usbank.com
With a copy to:	Kutak Rock LLP 1650 Farnam Street Omaha NE 68102 Attention: Jill Goldstein Esq. E-mail: jill.goldstein@kutakrock.com

Section 9.5 Binding Effect. This instrument shall inure to the benefit of and shall be binding upon the Governmental Lender and the Funding Lender and their respective successors and assigns, subject, however, to the limitations contained in this Funding Loan Agreement.

Section 9.6 Captions. The captions or headings in this Funding Loan Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Funding Loan Agreement.

Section 9.7 Governing Law. This Funding Loan Agreement shall be governed by and interpreted in accordance with the laws of the State, without regard to conflict of laws principles.

Section 9.8 Limited Liability of Governmental Lender. Notwithstanding anything to the contrary, any liability for payment of money and any other liability or obligation which the Governmental Lender may incur under the Governmental Note, this Funding Loan Agreement, the Borrower Loan Agreement or any other Funding Loan Document shall not constitute a general

obligation of the Governmental Lender but shall constitute limited obligations of the Governmental Lender payable solely from and enforced only against the Security.

Section 9.9 Incorporation by Reference. The representations, covenants and agreements of the Governmental Lender set forth in the Funding Loan Documents are incorporated by reference herein for the benefit of the Funding Lender.

Section 9.10 Execution in Counterparts; Electronic Signatures. This Funding Loan Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument. Except for the Governmental Note and instruments of transfer of the Governmental Note, facsimile or electronically transmitted signatures shall constitute original signatures for all purposes under this Funding Loan Agreement to the fullest extent permitted by applicable law.

[The remainder of this page is left blank intentionally.]

IN WITNESS WHEREOF, each of the Governmental Lender, Fiscal Agent and Funding Lender has caused this Funding Loan Agreement to be executed in its name and on its behalf by its authorized official all as of the day and year first above written.

**HOUSING FINANCE AUTHORITY OF BROWARD
COUNTY, FLORIDA**

By: _____
Name:
Title:

**THE BANK OF NEW YORK MELLON TRUST
COMPANY, N.A, as Fiscal Agent**

By: _____
Name:
Title:

**ALLIANZ LIFE INSURANCE COMPANY OF
NORTH AMERICA, as Funding Lender**

By: R4 Capital Funding LLC, a Delaware limited
liability company, its attorney-in-fact

By: _____
Name: _____
Title: _____

EXHIBIT A

FORM OF GOVERNMENTAL NOTE

THIS NOTE MAY BE OWNED ONLY BY AN APPROVED TRANSFEREE IN ACCORDANCE WITH THE TERMS OF THE FUNDING LOAN AGREEMENT, AND THE HOLDER HEREOF, BY THE ACCEPTANCE OF THIS GOVERNMENTAL NOTE (A) REPRESENTS THAT IT IS AN APPROVED TRANSFEREE AND (B) ACKNOWLEDGES THAT IT CAN ONLY TRANSFER THIS GOVERNMENTAL NOTE OR ANY INTEREST HEREIN TO ANOTHER APPROVED TRANSFEREE IN ACCORDANCE WITH THE TERMS OF THE FUNDING LOAN AGREEMENT.

HOUSING FINANCE AUTHORITY OF BROWARD COUNTY, FLORIDA
MULTIFAMILY HOUSING REVENUE NOTE, SERIES 2025
(EKOS PEMBROKE PARK)
DATED [CLOSING DATE]

[\$[34,150,000.00]

FOR VALUE RECEIVED, the undersigned HOUSING FINANCE AUTHORITY OF BROWARD COUNTY, FLORIDA, a public body corporate and politic duly organized and existing under the laws of the State of Florida ("Obligor") promises to pay to the order of ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA, a Minnesota corporation ("Noteowner") the maximum principal sum of [THIRTY-FOUR MILLION ONE HUNDRED FIFTY THOUSAND and NO/100 DOLLARS (\$[34,150,000.00])* on _____, 20__, or earlier as provided herein, together with interest thereon at the rates, at the times and in the amounts provided below.

Obligor shall pay to the Noteowner on or before each date on which payment is due under that certain Funding Loan Agreement, dated as of _____ 1, 2025 (the "Funding Loan Agreement"), between Obligor, Noteowner and THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., a national banking association, as fiscal agent, an amount in immediately available funds sufficient to pay the principal amount of and prepayment premium, if any, on the Funding Loan then due and payable, whether by maturity, acceleration, prepayment or otherwise. In the event that amounts held derived from proceeds of the Borrower Loan, condemnation awards or insurance proceeds or investment earnings thereon are applied to the payment of principal due on the Funding Loan in accordance with the Funding Loan Agreement, the principal amount due hereunder shall be reduced to the extent of the principal amount of the Funding Loan so paid. Capitalized terms not otherwise defined herein shall have the meaning assigned in the Funding Loan Agreement or in the Borrower Loan Agreement (as hereinafter defined).

Obligor shall pay to the Noteowner on or before each date on which interest on the Funding Loan is payable interest on the unpaid balance hereof in an amount in immediately available funds sufficient to pay the interest on the Funding Loan then due and payable in the amounts and at the rate or rates set forth in the Funding Loan Agreement.

The Funding Loan and this Governmental Note are pass-through obligations relating to a construction and permanent loan (the "Borrower Loan") made by Obligor from proceeds of the Funding Loan to MHP BROWARD I, LTD, a Florida limited partnership, as borrower (the "Borrower"), under that certain Borrower Loan Agreement, dated as of _____ 1, 2025 (as the same may be modified, amended or supplemented from time to time, the "Borrower Loan

Agreement”), between the Obligor and the Borrower, evidenced by the Borrower Note (as defined in the Borrower Loan Agreement). Reference is made to the Borrower Loan Agreement and to the Borrower Note for complete payment and prepayment terms of the Borrower Note, payments on which are passed-through under the Governmental Note.

This Governmental Note is a limited obligation of the Obligor, payable solely from the Pledged Revenues and other funds and moneys and Security pledged and assigned under the Funding Loan Agreement. None of the Governmental Lender, the State, or any political subdivision thereof (except the Governmental Lender, to the limited extent set forth herein) nor any public agency shall in any event be liable for the payment of the principal of, premium (if any) or interest on the Funding Loan or for the performance of any pledge, obligation or agreement of any kind whatsoever with respect thereto except as set forth herein and in the Funding Loan Agreement, and none of the Funding Loan or the Governmental Note or any of the Governmental Lender's agreements or obligations with respect to the Funding Loan or this Governmental Note shall be construed to constitute an indebtedness of or a pledge of the faith and credit of or a loan of the credit of or a moral obligation of any of the foregoing within the meaning of any constitutional or statutory provision whatsoever. The Governmental Lender has no taxing power.

This Governmental Note is subject to the express condition that at no time shall interest be payable on this Governmental Note or the Funding Loan at a rate in excess of the allowed by law; and Obligor shall not be obligated or required to pay, nor shall the Noteowner be permitted to charge or collect, interest at a rate in excess of such maximum rate. If by the terms of this Governmental Note or of the Funding Loan Agreement, Obligor is required to pay interest at a rate in excess of such maximum rate, the rate of interest hereunder or thereunder shall be deemed to be reduced immediately and automatically to such maximum rate, and any such excess payment previously made shall be immediately and automatically applied to the unpaid balance of the principal sum hereof and not to the payment of interest.

Amounts payable hereunder representing late payments, penalty payments or the like shall be payable to the extent allowed by law.

This Governmental Note is subject to all of the terms, conditions, and provisions of the Funding Loan Agreement, including those respecting prepayment and the acceleration of maturity.

If there is an Event of Default under the Funding Loan Documents, then in any such event and subject to the requirements set forth in the Funding Loan Agreement, the Noteowner may declare the entire unpaid principal balance of this Governmental Note and accrued interest, if any, due and payable at once. All of the covenants, conditions and agreements contained in the Funding Loan Documents are hereby made part of this Governmental Note.

No delay or omission on the part of the Noteowner in exercising any remedy, right or option under this Governmental Note or the Funding Loan Documents shall operate as a waiver of such remedy, right or option. In any event a waiver on any one occasion shall not be construed as a waiver or bar to any such remedy, right or option on a future occasion. The rights, remedies and options of the Noteowner under this Governmental Note and the Funding Loan Documents are and shall be cumulative and are in addition to all of the rights, remedies and options of the Noteowner at law or in equity or under any other agreement.

Obligor shall pay all costs of collection on demand by the Noteowner, including without limitation, reasonable attorneys' fees and disbursements, which costs may be added to the

indebtedness hereunder, together with interest thereon, to the extent allowed by law, as set forth in the Funding Loan Agreement.

This Governmental Note may not be changed orally. Presentment for payment, notice of dishonor, protest and notice of protest are hereby waived. The acceptance by the Noteowner of any amount after the same is due shall not constitute a waiver of the right to require prompt payment, when due, of all other amounts due hereunder. The acceptance by the Noteowner of any sum in an amount less than the amount then due shall be deemed an acceptance on account only and upon condition that such acceptance shall not constitute a waiver of the obligation of Obligor to pay the entire sum then due, and Obligor's failure to pay such amount then due shall be and continue to be a default notwithstanding such acceptance of such amount on account, as aforesaid. Consent by the Noteowner to any action of Obligor which is subject to consent or approval of the Noteowner hereunder shall not be deemed a waiver of the right to require such consent or approval to future or successive actions.

IN WITNESS WHEREOF, the undersigned has duly executed and delivered this Governmental Note or caused this Governmental Note to be duly executed and delivered by its authorized representative as of the date first set forth above. The undersigned intends that this instrument shall be deemed to be signed and delivered as a sealed instrument.

**HOUSING FINANCE AUTHORITY OF BROWARD
COUNTY, FLORIDA**

By: _____
Colleen LaPlant, Chair

CERTIFICATE OF AUTHENTICATION

This is to certify that this Governmental Note is the Governmental Note referred to in the within mentioned Funding Loan Agreement.

Date of Authentication: _____, 2025

**THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A.**, a national
banking association, as Fiscal Agent

By: _____
Authorized Signatory

[TO BE UPDATED]
EXHIBIT B
FORM OF INVESTOR LETTER

[Date]

[Governmental Lender]
[Address]

Re: [GOVERNMENTAL LENDER] MULTIFAMILY HOUSING REVENUE NOTE 20__
SERIES ____ [PROJECT]

The undersigned, as holder (the "Noteowner") of the above-referenced Governmental Note issued pursuant to the Funding Loan Agreement dated as of ____ 1, 20__ (the "Funding Loan Agreement") between the [GOVERNMENTAL LENDER] (the "Governmental Lender") [Funding Lender], as Funding Lender (the "Funding Lender") and [Fiscal Agent], as Fiscal Agent, hereby represents that:

1. The Noteowner acknowledges that to its knowledge it has either been supplied with or been given access to information, including financial statements and other financial information, to which a reasonable investor would attach significance in making investment decisions, and the Noteowner has had the opportunity to ask questions and receive answers from knowledgeable individuals concerning the Borrower, the Project Facilities and the Governmental Note and the security therefor so that, as a reasonable investor, the Noteowner has been able to make its decision make the Funding Loan to the Governmental Note.

2. The Noteowner has made its own inquiry and analysis with respect to the Governmental Note and the security therefor, and other material factors affecting the security and payment of the Governmental Note. The Noteowner is aware that the business of the Borrower involves certain economic variables and risks that could adversely affect the security for the Governmental Note.

3. The Noteowner is an Approved Transferee.

4. Any disposition by the Noteowner at this time of all or any part of the Governmental Note shall be only to an institution or entity that is an Approved Transferee or that Noteowner reasonably believes is an Approved Transferee (or otherwise in accordance with the terms of of this letter); provided, however, the Noteowner reserves the right to deposit such Governmental Note into a trust or custodial arrangement in which all of the beneficial ownership interests would be owned by one or more other Approved Transferees; it being understood and agreed that, under such circumstances, each such beneficial owner, in connection with its acquisition of an interest in such arrangement, would be required to represent to the relevant Noteowner or custodian that it was acquiring such interest for its own account and for investment purposes, and not with a present view to or for resale.

5. The Noteowner understands that (a) the Governmental Note is not secured by any pledge of any moneys received or to be received from taxation by the State of _____ or any

political subdivision thereof and that the Governmental Lender has no taxing power, (b) the Governmental Note do not and will not represent or constitute a general obligation or a pledge of the faith and credit of the Governmental Lender, the State of _____ or any political subdivision thereof; and (c) the liability of the Governmental Lender with respect to the Governmental Note is limited to the Security as set forth in the Funding Loan Agreement.

6. Capitalized terms used herein and not otherwise defined have the meaning given such terms in the Funding Loan Agreement.

[Noteowner]

By: _____

Name:

Title:

EXHIBIT C
CERTIFICATE OF AUTHORIZED PERSONS

EXHIBIT C-1

FORM OF AUTHORIZED PERSON CHANGE CERTIFICATE

Schedule A

Schedule of Financial Terms

Project: Ekos on Pembroke
Park

Closing Date: [____], 2025

Basic Loan Terms	
Authorized Amount:	\$[_____]
Loan Funding Dates:	<p>Closing Date \$ _____ [DATES] [AMOUNTS]</p> <p>The Funding Lender shall fund the above draw-down installments, in an amount not less than \$[_____] ("Minimum Funding Amount"), on the dates set forth above; provided, however, that the Borrower may elect to increase or decrease the amount of the draw to be paid on such dates provided that any decreased draw is not less than the Minimum Funding Amount and provided that a signed replacement schedule is provided to the Controlling Person, Fiscal Agent and Funding Lender at least ten (10) Business Days advance written notice to the Controlling Person, Fiscal Agent and Funding Lender.</p>
Draw-Down Termination Date	December 31, 2028
Interest Rate:	A Fixed Rate of [____]% (____ and __/100 percent)]
Maturity Date:	[____ 1, 20__]
Amortization Term (in months)	480 months
First Loan Payment Date:	[____ 1, 20__]
First Monthly Tax and Insurance Escrow Payment Date	[First Loan Payment Date after the achievement of Stabilization] [____ 1, 20__], provided that such date may be extended in Controlling Person's discretion
First Principal Payment Date:	[____ 1, 20__] [36 months after initial "Outside Stabilization Date"]

First Optional Call Date:	[___ 1, 20___] [14 years after initial "Outside Stabilization Date"]		
First Par Call Date:	[___ 1, 20___] [15 years after initial "Outside Stabilization Date"]		
First Put Date:	[___ 1, 20___] [16 years after initial "Outside Stabilization Date"]		
Underwritten Permanent Loan Amount:	[\$21,000,000]		
Minimum Permanent Loan Amount:	An amount equal to 90% of the Underwritten Permanent Loan Amount		
Maximum Permanent Loan Amount:	An amount equal to 110% of the Underwritten Permanent Loan Amount		
Optional Prepayment Premium	From and including	To but Excluding	Prepayment Price
	First Optional Call Date	First Par Call Date	101%
	First Par Call Date	Maturity	100%
Other Terms:			
Minimum Coverage:	[1.15] to 1.0		
Minimum Physical Occupancy:	[90%]		
Testing Period:	Three (3) Months		
Operating Reserve Amount:	<p>To be deposited in accordance with Section 8.4 of the Borrower Loan Agreement upon receipt of the [___ Installment] (as defined in the Partnership Agreement) contemporaneously with the achievement of Stabilization</p> <p>Estimated to be \$[512,142], which amount will be adjusted on the Stabilization Date based on three months of Expenses and three months of debt service on the principal of the Borrower Note immediately following the achievement of Stabilization, calculated on the same basis that Stabilization is determined</p>		
Completion Date:	[___ 1, 20___] [___ months after closing]		
Outside Stabilization Date:	[___ 1, 20___] [30 months after closing]		

Underwritten Expenses:		\$[] per annum (increased on an annual basis commencing January 1, 2026 by 3%) adjusted to reflect actual cost of utilities, insurance and Impositions (provided that for Impositions constituting real property taxes, if any, the cost shall be based on the full assessed value of the Project Facilities after taking into account completion of construction), plus all required deposits into the Replacement Reserve Fund.
Underwritten Vacancy	Economic	[5.00]%
Underwritten Fee	Management	[3.00]%
Retainage		[10% until 50% completion and then no additional retainage thereafter]
Guarantor(s):		[MHP Developers, LLC] [MHP Developers X LLC]
Guarantor Covenants:	Financial	Minimum Liquidity: [\$] until Completion is achieved and then \$] [Note: 5% of total development costs through 100% construction completion, then 3% of total development costs]
Subordinate Loan:		\$9,995,000 State Apartment Incentive Loan \$9,749,850 Broward County Loan
Subordinate Lender:		Florida Housing Finance Corporation Broward County, Florida
Origination Fee:		\$[]
Construction Monitoring Fee:		\$[]
Tax Abatement/Exemption:		Florida Statutes Section [196.1978(4)] [196.1975]

EXHIBIT "B"
FORM OF
BORROWER LOAN AGREEMENT
[ATTACHED]

BORROWER LOAN AGREEMENT

by and between

MHP BROWARD I, LTD

and

HOUSING FINANCE AUTHORITY OF BROWARD COUNTY, FLORIDA

Dated as of _____ 1, 2025

Relating to:

**\$ _____
Housing Finance Authority of Broward County, Florida
Multifamily Housing Revenue Note, Series 2025
(Ekos Pembroke Park)**

The interests of HOUSING FINANCE AUTHORITY OF BROWARD COUNTY, FLORIDA (the "Governmental Lender") in this Borrower Loan Agreement (except for certain Reserved Rights described herein) have been pledged and assigned to ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA, as funding lender (the "Funding Lender") and/or THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., as fiscal agent (the "Fiscal Agent"), under that certain Funding Loan Agreement, of even date herewith, by and among the Governmental Lender, the Fiscal Agent and the Funding Lender, under which the Funding Lender is originating a loan to the Governmental Lender (as herein defined), the proceeds of which are to be used to fund the Borrower Loan (as herein defined) made under this Borrower Loan Agreement.

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BORROWER LOAN AGREEMENT

This BORROWER LOAN AGREEMENT (as amended, modified or supplemented from time to time, this "Agreement") made as of _____ 1, 2025, by and between HOUSING FINANCE AUTHORITY OF BROWARD COUNTY, FLORIDA, a public body corporate and politic duly organized and existing under the laws of the State of Florida (together with its successors and assigns, the "Governmental Lender") and MHP BROWARD I, LTD, a limited partnership duly organized and validly existing under the laws of the State of Florida (together with its permitted successors and assigns, the "Borrower"),

WITNESSETH:

WHEREAS, the Governmental Lender is authorized under the Florida Housing Finance Authority Law, Sections 159.601 through 159.623, Florida Statutes, as amended (the "Act") to provide financing with respect to one or more projects authorized under the Act for such payments and upon such terms and conditions as the Governmental Lender may deem advisable in accordance with the provisions of the Act; and

WHEREAS, the Borrower has applied to the Governmental Lender for a loan (the "Borrower Loan"), to finance the acquisition, construction and equipping of a multifamily apartment housing facility consisting of a total of 150 units and related personal property and equipment, located in Broward County, Florida and known as "Ekos on Pembroke Park" (the "Project Facilities"); and

WHEREAS, the Borrower has requested the Governmental Lender to enter into that certain Funding Loan Agreement, of even date herewith (the "Funding Loan Agreement"), among the Governmental Lender, The Bank of New York Mellon Trust Company, N.A. (the "Fiscal Agent") and Allianz Life Insurance Company of North America (the "Funding Lender"), under which the Funding Lender will make a loan (the "Funding Loan") to the Governmental Lender, the proceeds of which will be loaned under this Agreement to the Borrower to finance the acquisition, construction, rehabilitation, development, equipping and/or operation of the Project Facilities; and;

WHEREAS, the Borrower's repayment obligations under this Agreement are evidenced by the Borrower Note, as defined herein; and

NOW, THEREFORE, IN CONSIDERATION OF THE FOREGOING AND THE UNDERTAKINGS HEREIN SET FORTH AND OTHER GOOD AND VALUABLE CONSIDERATION, THE ADEQUACY AND RECEIPT OF WHICH ARE HEREBY ACKNOWLEDGED, AND INTENDING TO BE LEGALLY BOUND, THE BORROWER AND THE GOVERNMENTAL LENDER HEREBY AGREE AS FOLLOWS:

ARTICLE 1

DEFINITIONS

Section 1.1 Definitions. In this Agreement (except as otherwise expressly provided for or unless the context otherwise requires), any capitalized terms used, but not defined herein, shall have the meanings ascribed to them in the Funding Loan Agreement.

Section 1.2 Rules of Construction; Time of Day. In this Agreement, unless otherwise indicated, (i) defined terms may be used in the singular or the plural and the use of any gender

includes all genders, (ii) the words “hereof”, “herein”, “hereto”, “hereby” and “hereunder” refer to this entire Agreement, and (iii) all references to particular Articles or Sections are references to the Articles or Sections of this Agreement, (iv) the terms “agree” and “agreements” contained herein are intended to include and mean “covenant” and “covenants”, (v) the term “including” shall mean “including, but not limited to,” and (vi) the terms “best knowledge” or “knowledge” shall mean the actual knowledge of any Authorized Person of the Borrower after due inquiry. References to any time of the day in this Agreement shall refer to Eastern standard time or Eastern daylight saving time, as in effect in New York, New York on such day.

ARTICLE 2

LOAN AND PROVISIONS FOR REPAYMENT

Section 2.1 Basic Loan and Repayment Terms.

(a) The Governmental Lender agrees, upon the terms and conditions contained in this Agreement and the Funding Loan Agreement, to lend to the Borrower the proceeds of the Funding Loan received by the Governmental Lender from the Funding Lender. Such proceeds shall be disbursed to or on behalf of the Borrower as provided for in this Agreement and the Funding Loan Agreement. The Borrower’s obligation to repay the Borrower Loan shall be evidenced by the Borrower Note, the form of which is attached hereto as Exhibit A. The Governmental Lender hereby appoints the Funding Lender as its agent with full authority and power to act on its behalf to disburse, or cause the Fiscal Agent to disburse, the Borrower Loan for the account of the Governmental Lender, to take certain actions and exercise certain remedies with respect to the Borrower Loan, and for the other purposes set forth in this Agreement and to do all other acts necessary or incidental to the performance and execution thereof. This appointment is coupled with an interest and is irrevocable except as expressly set forth herein. Accordingly, references to the rights of the Funding Lender to take actions under this Agreement shall refer to Funding Lender in its role as agent of the Governmental Lender. The Funding Lender may designate Controlling Person to fulfill the rights and responsibilities granted by Governmental Lender to Funding Lender pursuant to this Section 2.1.

(b) The Borrower hereby agrees to pay the Borrower Note and repay the Borrower Loan made pursuant to this Agreement by paying or causing to be paid to the Fiscal Agent amounts due under the Borrower Note (each a “Borrower Loan Payment”) for payment to the Funding Lender in immediately available funds on each Loan Payment Date.

(c) Each such payment shall be made to the Fiscal Agent by deposit to such account as the Funding Lender or Controlling Person, as applicable, may designate by written notice to the Borrower. Whenever any Borrower Loan Payment shall be stated to be due on a day that is not a Business Day, such payment shall be due on the first Business Day immediately thereafter. In addition, the Borrower shall make payments in accordance with the Borrower Note in the amounts and at the times necessary to make all payments due and payable on the Funding Loan. All payments made by the Borrower hereunder or by the Borrower under the other Borrower Loan Documents, shall be made irrespective of, and without any deduction for, any set-offs or counterclaims, but such payment shall not constitute a waiver of any such set offs or counterclaims.

(d) It is understood and agreed that the Borrower Note and all payments payable by the Borrower under this Section 2.1 are assigned by the Governmental Lender to Fiscal Agent for the benefit of the Funding Lender. The Borrower assents to such assignment.

The Governmental Lender hereby directs the Borrower and the Borrower hereby agrees to pay to the Funding Lender, at the address specified in or in accordance with Section 10.1 hereof, all loan re-payments payable to the Governmental Lender pursuant to the Borrower Note and this subsection.

(e) The Borrower shall have, and is hereby granted, the option to prepay the unpaid principal amount of the Borrower Loan, together with interest thereon to the date of prepayment, but only to the extent set forth in the Borrower Note.

(f) The Controlling Person shall deliver to the Fiscal Agent and the Borrower the Debt Service Schedule on or before the first day of the month preceding the First Principal Payment Date providing for level principal and interest debt service commencing on the First Principal Payment Date with respect to the Borrower Note then Outstanding calculated on the basis of the Fixed Rate (as defined in the Borrower Note) and the Amortization Term and with all remaining principal payable on the Maturity Date, if applicable.

Section 2.2 Fees.

(a) On the date of execution and delivery of this Agreement, the Borrower shall pay, or cause to be paid, to R4 Capital Funding LLC the Origination Fee and to R4 Servicer LLC a Construction Monitoring Fee, together with the reasonable fees and expenses of its counsel.

(b) The Borrower shall pay, or cause to be paid (as directed by the Controlling Person), two (2) Business Days before each Loan Payment Date, commencing on the First Loan Payment Date and continuing through final completion of the Work in respect of the Project Facilities, an amount equal to the costs of the Engineering Consultant incurred by the Controlling Person in the prior month in an amount not to exceed \$2,500 per month (plus travel and reasonable and necessary expenses). If the Borrower fails to requisition such costs, the Controlling Person may request the Fiscal Agent to disburse such amounts as part of any Advance.

(c) The Borrower shall pay, or cause to be paid, as and when due, the Governmental Lender Fees and all expenses of the Governmental Lender.

(d) The Borrower shall pay, or cause to be paid, the Fiscal Agent Fees and all expenses of the Fiscal Agent.

(e) The Borrower shall pay, or cause to be paid, any and all special servicing fees or costs in accordance with Section 6.34 hereof.

Section 2.3 Termination and Prepayment.

(a) Notwithstanding anything to the contrary contained in this Agreement or the other Funding Loan Documents, the Controlling Person's, the Funding Lender's, the Governmental Lender's and each Noteowner's rights, interests and remedies hereunder and under the other Funding Loan Documents shall not terminate or expire or be deemed to have been discharged or released until the payment in full of the Borrower Note and the Governmental Note. No such termination, expiration or release shall affect the survival of the indemnification provisions of this Agreement, which provisions shall survive any such termination, expiration or release.

(b) The Borrower Loan may be optionally prepaid by the Borrower, and the Governmental Note shall be correspondingly paid pursuant to Section 3.2 of the Funding Loan Agreement, on any Loan Payment Date on or after the First Optional Call Date, upon the payment of the principal amount of the Borrower Note plus interest accrued thereon and optional prepayment premium set forth on the Schedule of Financial Terms, if any, to, but not including, the date of prepayment, as provided in the Borrower Note.

(c) Acceleration of the obligations of the Borrower hereunder upon an Event of Default prior to the First Par Call Date, shall constitute an evasion of the prepayment provisions of this Agreement and any tender of payment of an amount necessary to satisfy the entire indebtedness evidenced by this Agreement shall include an acceleration premium, equal to the amount of interest which would have accrued on the amount of Borrower Note scheduled to be outstanding from the date of acceleration to, but not including, the First Par Call Date.

(d) In the event of a partial prepayment of the Borrower Loan (other than pursuant to Section 5(c) of the Borrower Note), the mandatory prepayment schedule set forth on the Debt Service Schedule shall be adjusted to provide for level debt service in respect of the Borrower Loan remaining outstanding after such partial prepayment, on the basis of the number of months remaining in the Amortization Term. The Controlling Person shall provide the Funding Lender and the Borrower with the Debt Service Schedule reflecting such adjustment promptly following any such partial prepayment. The Controlling Person, with the prior written consent of the Borrower, may deliver a modified Debt Service Schedule from time to time hereafter for any other purpose agreed to by Controlling Person and Borrower. In connection with any such modified Debt Service Schedule, the Controlling Person may, at its election and at Borrower's expense, require a Favorable Opinion of Tax Counsel.

Section 2.4 Obligations Absolute. The obligations of the Borrower under this Agreement, the Borrower Note and the other Funding Loan Documents shall be absolute, unconditional and irrevocable, and shall be performed strictly in accordance with the terms of this Agreement, under all circumstances whatsoever, including without limitation the following circumstances: (i) any lack of validity or enforceability of the Funding Loan Documents or any other agreement or document relating thereto; (ii) any amendment or waiver of or any consent to or departure from the Funding Loan Documents or any document relating thereto; or (iii) the existence of any claim, set-off, defense or other right which the Borrower may have at any time against the Governmental Lender or the Funding Lender (or any persons or entities for whom the Funding Lender may be acting) or any other person or entity, whether in connection with this Agreement, the transactions described herein or any unrelated transaction. The Borrower understands and agrees that no payment made by it under any other agreement (whether voluntary or otherwise) shall constitute a defense to its obligations hereunder, except to the extent that the Borrower Loan evidenced hereby has been indefeasibly paid in full, whether owing under this Agreement or under the other Funding Loan Documents.

Section 2.5 Indemnification. The Borrower covenants to defend, indemnify and hold harmless the Governmental Lender, the Fiscal Agent, the Funding Lender, the Controlling Person, and each of their respective Affiliates and each of their and their Affiliates' respective directors, officers, employees, representatives and agents (collectively, the "Indemnified Parties"), except as limited below, from and against any and all claims, damages, losses, liabilities, costs or expenses (including reasonable attorneys' fees for counsel of each of the Indemnified Parties' choice) whatsoever which the Indemnified Parties may incur (or which may be claimed against any of the Indemnified Parties by any person or entity whatsoever) by reason of or in connection with:

(a) [Reserved];

(b) any breach by the Borrower of any representation, warranty, covenant, term or condition in, or the occurrence of any default under, this Agreement or the other Funding Loan Documents, including all reasonable fees or expenses resulting from the settlement or defense of any claims or liabilities arising as a result of any such breach or default or any Determination of Taxability;

(c) the involvement of any of the Indemnified Parties in any legal suit, investigation, proceeding, inquiry or action as a consequence, direct or indirect, of the Controlling Person or the Funding Lender's actions taken pursuant to this Agreement or any of the other Funding Loan Documents or any other event or transaction contemplated by any of the foregoing;

(d) any untrue statement of the Borrower or alleged untrue statement of the Borrower contained or incorporated by reference in any offering or reoffering materials prepared in respect of the Governmental Note, or any supplement or amendment thereof, or the omission or alleged omission to state therein a material fact necessary to make such statements in light of the circumstances in which they are or were made not misleading;

(e) arising out of or in connection with the acceptance or administration of the Funding Loan Documents or the Security Interests thereunder or the performance of duties under the Funding Loan Documents or any loss or damage to property or any injury to or death of any person that may be occasioned by any cause whatsoever pertaining to the Project Facilities or the use thereof, including without limitation any lease thereof or assignment of its interest in this Agreement;

(f) any act or omission of the Borrower or any of its agents, contractors, servants, employees or licensees in connection with the Advances or the Project Facilities, the operation of the Project Facilities, or the condition, environmental or otherwise, occupancy, use, possession, conduct or management of work done in or about, or from the planning, design, acquisition or construction of, the Improvements or any part thereof;

(g) any Lien (other than a Permitted Encumbrance) or charge upon payments by the Borrower to the Governmental Lender, the Fiscal Agent and/or the Funding Lender hereunder, or any taxes (including, without limitation, all ad valorem taxes and sales taxes), assessments, impositions and other charges imposed on the Governmental Lender, the Fiscal Agent, or the Funding Lender in respect of any portion of the Project Facilities;

(h) any violation or alleged violation of any applicable law or regulation with respect to the Project Facilities including, without limitation, any Environmental Law or any inspection, review or testing with respect to Contamination or Environmentally Sensitive Area, except for matters first occurring after a foreclosure or deed in lieu of foreclosure;

(i) the enforcement of, or any action taken by the Governmental Lender, the Fiscal Agent, the Funding Lender or any Indemnified Party, related to remedies under, this Agreement, the Funding Loan Agreement and the other Funding Loan Documents;

(j) any action, suit, claim, proceeding, audit, inquiry, examination, or investigation of a judicial, legislative, administrative or regulatory nature concerning or related to interest payable on the Governmental Note not being excludable from gross income for purposes of federal income taxation or exempt from state income taxation;

(k) any action, suit, claim or demand contesting or affecting the title of the Project Facilities;

(l) the investigation of, preparation for or defense of any litigation, proceeding or investigation in connection with the Project Facilities or the transactions to be consummated in connection therewith of any nature whatsoever, commenced or threatened against the Borrower, the Project Facilities or any Indemnified Party; and

(m) any brokerage commissions or finders' fees claimed by any broker or other party in connection with the Governmental Note or the Project Facilities and claiming through the Borrower.

The indemnification shall include the reasonable costs and expenses of defending itself or investigating any claim of liability and other reasonable expenses and attorneys' fees incurred by the Indemnified Parties, provided the Borrower shall not be required to indemnify any of the Indemnified Parties for any claims, damages, losses, liabilities, costs or expenses to the extent, but only to the extent, caused by the willful misconduct or gross negligence of any Indemnified Party. The obligations of the Borrower under this Section shall survive the termination of this Agreement and the Funding Loan Agreement. Notwithstanding any other provision of this Agreement or the Funding Loan Agreement to the contrary, the Borrower agrees (i) not to assert any claim or institute any action or suit against the Fiscal Agent or its employees arising from or in connection with any investment of funds made by the Fiscal Agent in good faith as directed by the Borrower, the Controlling Person or the Funding Lender, and (ii) to indemnify and hold the Fiscal Agent and its employees harmless against any liability, losses, damages, costs, expenses, causes of action, suits, claims, demands and judgments of any nature arising from or in connection with any such investment. Nothing in this Section is intended to limit the Borrower's obligations contained in Section 2.1 and 2.2 hereof. Amounts payable to the Governmental Lender hereunder shall be due and payable ten (10) days after demand and will accrue interest at the Default Rate, commencing with the expiration of the ten (10) day period. When the Governmental Lender incurs expenses or renders service in connection with any bankruptcy or insolvency proceeding, such expenses (including the fees and expenses of its counsel) and the compensation for such services are intended to constitute expenses of administration under any bankruptcy law or law relating to creditors rights generally. The obligations of Borrower to the Indemnified Parties under this Section shall not be subject to the recourse limitations of Section 10.13 hereof; provided the Borrower shall not be required to indemnify any of the Indemnified Parties for any claims, damages, losses, liabilities, costs or expenses to the extent, but only to the extent, caused by the willful misconduct or gross negligence of any Indemnified Party.

Section 2.6 Amounts Remaining on Deposit Upon Payment of the Governmental Note

After payment in full of the principal of, premium, if any, and interest on the Governmental Note (or defeasance of the Governmental Note) and upon payment of amounts payable to the United States pursuant to any rebate requirement and the payment of any other amounts owed hereunder or under the Funding Loan Agreement, all amounts on deposit with the Fiscal Agent or the Funding Lender pursuant to the Funding Loan Agreement, this Agreement or any other Funding Loan Document shall be paid by the Fiscal Agent or Funding Lender, as applicable, to the Borrower.

ARTICLE 3

SECURITY

Section 3.1 Mortgage and Other Funding Loan Documents.

To further secure the Borrower's obligations under this Agreement, the Borrower shall, at its sole expense, execute and deliver, or cause to be executed and delivered (and where required, duly record), the Mortgage and each of the other Funding Loan Documents which it is a party to.

Section 3.2 Financing Statements.

The Borrower hereby authorizes the Funding Lender and the Controlling Person, without the signature of the Borrower, to file such financing statements and continuation statements, and perform such other acts, under the Uniform Commercial Code of the State or other applicable Legal Requirements as are necessary or advisable to perfect and maintain perfection of the Governmental Lender's, the Fiscal Agent's and/or the Funding Lender's security interests under this Agreement, the Funding Loan Agreement, the Mortgage and the other Funding Loan Documents. The Borrower will pay upon demand the costs of filing the foregoing financing or continuation statements and the Financing Statements required under the Funding Loan Agreement in such public offices as the Controlling Person may designate.

ARTICLE 4

REPRESENTATIONS OF GOVERNMENTAL LENDER

Section 4.1 Representations by the Governmental Lender.

The Governmental Lender represents and warrants to the Borrower, the Funding Lender and the Noteowners from time to time of the Governmental Note as follows:

(a) The Governmental Lender is a public body corporate and politic, duly organized and existing under the laws of the State and is authorized by the Act to execute and to enter into this Agreement and to undertake the transactions contemplated herein and to carry out its obligations hereunder.

(b) The Governmental Lender has all requisite power, authority and legal right to execute and deliver the Funding Loan Documents to which it is a party and all other instruments and documents to be executed and delivered by the Governmental Lender pursuant thereto, to perform and observe the provisions thereof and to carry out the transactions contemplated by the Funding Loan Documents. All action on the part of the Governmental Lender which is required for the execution, delivery, performance and observance by the Governmental Lender of the Funding Loan Documents has been duly authorized and effectively taken, and such execution, delivery, performance and observation by the Governmental Lender do not contravene applicable law or any contractual restriction binding on or affecting the Governmental Lender.

(c) The Governmental Lender has duly approved the issuance of the Governmental Note and the loan of the proceeds thereof to the Borrower for the acquisition and construction of the Project Facilities; no other authorization or approval or other action by, and no notice to or filing with, any governmental authority or regulatory body is required as a condition to the performance by the Governmental Lender of its obligations under the Funding Loan Documents.

(d) This Agreement is, and each other Funding Loan Document to which the Governmental Lender is a party when delivered will be, legal, valid and binding special limited

obligations of the Governmental Lender enforceable against the Governmental Lender in accordance with its terms except as the enforceability thereof may be limited by bankruptcy, insolvency or similar laws affecting the enforcement of creditors' rights generally.

(e) There is no default of the Governmental Lender in the payment of the principal of or interest on any of its indebtedness for borrowed money or under any instrument or instruments or agreements under and subject to which any indebtedness for borrowed money has been incurred which does or could affect the validity and enforceability of the Funding Loan Documents or the ability of the Governmental Lender to perform its obligations thereunder, and no event has occurred and is continuing under the provisions of any such instrument or agreement which constitutes or, with the lapse of time or the giving of notice, or both, would constitute such a default.

(f) There are no obligations of the Governmental Lender other than the Governmental Note that have been, are being or will be (i) sold at substantially the same time, (ii) sold pursuant to the same plan of financing, and (iii) reasonably expected to be paid from substantially the same source of funds.

(g) There is no action, suit, proceeding, inquiry, or investigation at law or in equity or before or by any court, public board or body pending, or, to the best knowledge of the Governmental Lender, threatened against or affecting the Governmental Lender wherein an unfavorable decision, ruling or finding would adversely affect (i) the transactions contemplated by, or the validity or enforceability of, the Governmental Note, the Funding Loan Agreement or this Agreement or (ii) the exclusion from gross income of interest on the Governmental Note for purposes of federal income taxation.

(h) In connection with the authorization, issuance and sale of the Governmental Note, the Governmental Lender has complied in all material respects with all provisions of the laws of the State, including the Act.

(i) The Governmental Lender has not assigned or pledged and will not assign or pledge its interest in this Agreement for any purpose other than to secure the Governmental Note under the Funding Loan Agreement. The Governmental Note constitute the only Governmental Note or other obligations of the Governmental Lender in any manner payable from the revenues to be derived from this Agreement, and except for the Governmental Note, no Governmental Note or other obligations have been or will be issued on the basis of this Agreement.

(j) The Governmental Lender is not in default under any of the provisions of the laws of the State, which default would affect the issuance, validity or enforceability of the Governmental Note or the transactions contemplated by this Agreement or the Funding Loan Agreement.

(k) The Governmental Lender covenants and agrees that it will take or cause to be taken all required actions to preserve the exclusion from gross income for federal income tax purposes of interest on the Governmental Note. All of the amounts received upon the sale of the Governmental Note shall be allocated to, and shall be used, for the purpose of financing the aggregate basis of land and building costs within the meaning of Section 42(h)(4)(B) of the Code. To the extent within the reasonable control of the Governmental Lender, and provided that the Governmental Lender shall be under no duty to enforce compliance, the amounts received upon the sale of the Governmental Note and interest and other investment earnings on those amounts

shall be allocated and used for financing Project Costs of each building and related land in the Project Facilities so that the aggregate basis of each such building and related land, within the meaning of Section 42(h)(4) of the Code, shall be financed fifty percent (50%) or more from those amounts.

(l) No member of the Governmental Lender, nor any other official or employee of the Governmental Lender, has any interest (financial, employment or other) in the Borrower, in the Project Facilities or in the transactions contemplated hereby, by the other Funding Loan Documents or by the Funding Loan Agreement.

(m) The Governmental Lender used no broker in connection with the execution hereof and the transactions contemplated hereby.

Section 4.2 No Liability of Governmental Lender; No Charge Against Governmental Lender's Credit. Any obligation of the Governmental Lender created by, arising out of, or entered into in contemplation of this Agreement, including the payment of the principal of, premium if any, and interest on the Governmental Note, shall not impose or constitute a debt or pecuniary liability upon the Governmental Lender, the State or any political subdivision thereof or constitute a charge upon the general credit or taxing powers of any of the foregoing. Any such obligation shall be payable solely out of the revenues and any other moneys derived hereunder and under the Funding Loan Agreement, except (as provided in the Funding Loan Agreement and in this Agreement) to the extent it shall be paid out of moneys attributable to the proceeds of the Governmental Note or the income from the temporary investment thereof. No recourse shall be had for the payment of the principal of, premium, if any, or interest on any of the Governmental Note or for any claim based thereon or upon any obligation, covenant or agreement of the Governmental Lender hereunder against any past, present or future director, trustee, officer, member, employee or agent of the Governmental Lender, whether directly or indirectly, and all such liability of any such individual as such is expressly waived and released as a condition of and in consideration for the execution of this Agreement, the making of the loan of the proceeds of the Governmental Note to the Borrower, and the issuance of the Governmental Note.

ARTICLE 5

REPRESENTATIONS AND WARRANTIES OF THE BORROWER

The Borrower represents and warrants to and for the benefit of the Governmental Lender, the Funding Lender, the Controlling Person and the Noteowners from time to time of the Governmental Note as follows:

Section 5.1 Existence.

(a) The Borrower is a limited partnership, duly organized, validly existing and in good standing under the Legal Requirements of the state of its organization and is duly qualified to do business in the State. The Borrower has furnished to the Governmental Lender, the Funding Lender and the Controlling Person true and complete copies of its Partnership Agreement and certificate of limited partnership. The Borrower owns and will own no other assets other than the Project Facilities. The Borrower has been, is and will be engaged solely in the business of acquiring, constructing, equipping, financing, owning, managing and operating the Project Facilities and activities incident thereto.

(b) The General Partner of the Borrower is [Douglas Gardens Senior Housing, Inc., a not-for-profit corporation], duly organized, validly existing and in good standing under the laws of the State of [Florida] and is duly qualified to do business in the State. The General Partner has furnished to the Governmental Lender, the Funding Lender and the Controlling Person true and complete copies of its [articles of incorporation and bylaws]. The General Partner has and will have no other assets other than its partnership interests in the Borrower.

(c) The DGSB Special Limited Partner of the Borrower is DGSB Broward I SLP, LLC, a limited liability company, duly organized, validly existing and in good standing under the laws of the State of Florida and is duly qualified to do business in the State. The DGSB Special Limited Partner has furnished to the Governmental Lender, the Funding Lender and the Controlling Person true and complete copies of its operating agreement and articles of organization. The DGSB Special Limited Partner has and will have no other assets other than its partnership interests in the Borrower.

(d) The MHP Special Limited Partner of the Borrower is MHP Broward I SLP, LLC, a limited liability company, duly organized, validly existing and in good standing under the laws of the State of Florida and is duly qualified to do business in the State. The MHP Special Limited Partner has furnished to the Governmental Lender, the Funding Lender and the Controlling Person true and complete copies of its operating agreement and articles of organization. The MHP Special Limited Partner has and will have no other assets other than its partnership interests in the Borrower.

Section 5.2 Power, Authorization and No Conflicts. The Borrower has all requisite power and authority and the legal right to own and operate its properties and to conduct its business and operations as they are currently being conducted and as proposed to be conducted by it. The execution, delivery and performance by the Borrower of this Agreement and the other Funding Loan Documents and the Subordinate Debt Documents to which the Borrower is a party (i) are within the Borrower's powers, (ii) have been duly authorized by all necessary company and legal action by or on behalf of the Borrower, and (iii) do not contravene the certificate of limited partnership, partnership agreement, articles of organization, operating agreement, articles of incorporation or bylaws of the Borrower, the General Partner, the DGSB Special Limited Partner and/or the MHP Special Limited Partner, as applicable, or any Legal Requirement applicable to the Borrower, the General Partner, the DGSB Special Limited Partner and/or the MHP Special Limited Partner or any Material Contract or restriction binding on or affecting the Borrower, the General Partner, the DGSB Special Limited Partner and/or the MHP Special Limited Partner or any of their respective assets, or result in the creation of any mortgage, pledge, lien or encumbrance upon any of its assets other than as provided by the terms thereof.

Section 5.3 Governmental Authorizations and Other Approvals. The Borrower, the General Partner, the DGSB Special Limited Partner and the MHP Special Limited Partner have all necessary Governmental Actions (except those obtained in the ordinary course of business and as needed in connection with the construction or operation of the Project Facilities) and qualifications, and have complied with all applicable Legal Requirements necessary to conduct their business as it is presently conducted and to own, operate and construct the Project Facilities in accordance with the provisions of the Funding Loan Documents. Except as set forth on Schedule 5 hereto, the Borrower has obtained all Governmental Actions from such Governmental Authorities which are a necessary precondition to construct the Project Facilities (except those obtained in the ordinary course of business and as needed in connection with the construction or operation of the Project Facilities) and all such Governmental Actions were duly issued, are in full force and effect and are not subject to any pending judicial or administrative proceedings, the

period for judicial or administrative appeal or review having expired and no petition for administrative or judicial appeal or review having been filed. The Project Facilities (upon completion of construction of the Project Facilities as contemplated in the Plans and Specifications) will comply with all Governmental Actions and Legal Requirements, including all zoning restrictions (including without limitation, use density, setbacks, parking and other similar requirements) or the Borrower has a valid variance for or exemption from such requirements. To Borrower's knowledge, all Governmental Actions obtained by the Borrower have been validly issued and are in full force and effect. With respect to any Government Actions not yet obtained, the Borrower knows of no reason such Governmental Actions will not be timely obtained in the ordinary course of business and as needed in connection with the construction or operation of the Project Facilities. No such Governmental Action will terminate, or become void or voidable or terminable, upon any sale, transfer or other disposition of the Project Facilities including any transfer pursuant to foreclosure sale under the Mortgage.

Section 5.4 Validity and Binding Effect. This Agreement and the other Funding Loan Documents and the Subordinate Debt Documents to which the Borrower is a party are the legal, valid and binding obligations of the Borrower, enforceable against it in accordance with their respective terms, subject to the application by a court of general principles of equity and to the effect of any applicable bankruptcy, insolvency, reorganization, moratorium or similar Legal Requirement affecting creditors' rights generally.

Section 5.5 No Litigation. Except as disclosed on Schedule 1 attached hereto, there is no pending action or proceeding, including eminent domain proceedings, before any Governmental Authority or arbitrator against or involving the Borrower, the General Partner, the DGSB Special Limited Partner, the MHP Special Limited Partner or to the Borrower's knowledge after reasonable inquiry, the Project Facilities and, to the best knowledge of the Borrower, the General Partner, the DGSB Special Limited Partner and the MHP Special Limited Partner, there is no threatened action or proceeding, including eminent domain proceedings, affecting the Borrower, the General Partner, the DGSB Special Limited Partner and/or the MHP Special Limited Partner before any Governmental Authority or arbitrator which, in any case, might materially and adversely affect the business, operations, assets, condition (financial or otherwise) or prospects of the Borrower or the General Partner, or the validity or enforceability of this Agreement, the Governmental Note, the Subordinate Debt Documents or the Funding Loan Documents or the construction, operation or ownership of the Project Facilities, or the exclusion from gross income of interest on the Governmental Note for purposes of federal income taxation or, if specified on the Schedule of Financial Terms as applicable, the exemption of the Project Facilities from ad valorem real estate taxation under the laws of the State.

Section 5.6 No Violations. The Borrower, the General Partner, the DGSB Special Limited Partner and the MHP Special Limited Partner are in compliance in all material respects with, and not in breach of or default under (a) any applicable Governmental Actions or Legal Requirements with respect to the Project Facilities of any Governmental Authority having jurisdiction, or (b) the Funding Loan Documents, the Subordinate Debt Documents or any other credit agreement, indenture, mortgage, agreement or other instrument to which it is a party or otherwise subject. No event has occurred and is continuing which, with the passage of time or the giving of notice or both, would constitute an event of default under any such instrument. The Borrower is not in violation, nor is there any notice or other record of any violation of any Legal Requirements, restrictive covenants or other restrictions applicable to any of the Project Facilities.

Section 5.7 Compliance. The ownership of the Project Facilities, the construction of the Project Facilities, and the use and operation of the Project Facilities as contemplated hereby

do and shall, as applicable, in all material respects, comply with, and are lawful and permitted uses under, the Tax Certificate and the Land Use Restriction Agreement, all applicable building, fire, safety, zoning, subdivision, sewer, Environmental Laws, health, insurance and other Legal Requirements and plan approval conditions of any Governmental Authority. Except as set forth on Schedule 5 hereto, the Borrower has obtained, or will obtain in the ordinary course of business and as needed in connection with the construction or operation of the Project Facilities prior to the necessary timeframe, all Governmental Actions from such Governmental Authorities which are a necessary precondition to construct the Project Facilities and all such Governmental Actions were duly issued, are in full force and effect and are not subject to any pending judicial or administrative proceedings, the period for judicial or administrative appeal or review having expired and no petition for administrative or judicial appeal or review having been filed. The Project Facilities are located wholly within the boundaries of the Governmental Lender's jurisdiction. The Project Facilities will satisfy all requirements of the Act and the Code with respect to multifamily rental housing and/or qualified residential rental facilities, and, if specified as applicable on the Schedule of Financial Terms, the requirements for exemption from ad valorem real estate taxation under the laws of the State.

Section 5.8 Title to Properties; Liens and Encumbrances. The Borrower has good and indefeasible title in fee simple to the Project Facilities, free and clear of all liens or encumbrances except for the Permitted Encumbrances. All such real property, fixtures and equipment necessary to the conduct of the business of the Borrower and the operation of the Project Facilities will be in reasonable working order and are suitable for the purposes for which they will be used. To Borrower's knowledge, there exist no liens, encumbrances or other charges against the Project Facilities (including without limitation statutory and other liens of mechanics, workers, contractors, subcontractors, suppliers, taxing authorities and others), except Permitted Encumbrances.

Section 5.9 Utilities and Access. All utility services necessary for the operation of the Project Facilities in the manner contemplated hereby, including water supply, storm and sanitary sewer facilities, [gas,] electricity and telephone facilities are available (or will be available) within or at the boundaries of the Project Facilities; and all roads necessary for the full utilization of the Project Facilities in the manner contemplated hereby either have been or will be completed or rights-of-way therefor have been acquired by the appropriate governmental authority or others or have been dedicated to public use and accepted by such Governmental Authority.

Section 5.10 Financial Information.

(a) All of the financial information furnished to the Controlling Person or the Funding Lender with respect to the Borrower, the Guarantor, the General Partner, the DGSH Special Limited Partner and the MHP Special Limited Partner in connection with this Agreement (i) is complete and correct in all material respects as of the date hereof; and (ii) accurately presents the financial condition of such party as of the date hereof. None of the Borrower, the Guarantor, the General Partner, the DGSH Special Limited Partner and/or the MHP Special Limited Partner has any material liability or contingent liability not disclosed to the Controlling Person or the Funding Lender in writing; and

(b) Since its formation, each of the Borrower, the Guarantor, the General Partner, the DGSH Special Limited Partner and the MHP Special Limited Partner has conducted its operations in the ordinary course, and no material adverse change has occurred in the business, operations, assets or financial condition of the Borrower, the Guarantor, the General Partner, the DGSH Special Limited Partner and/or the MHP Special Limited Partner.

Section 5.11 ERISA. No employee pension plan maintained by the Borrower or the General Partner or any ERISA Affiliate which is subject to Part 3 of Title I of the Employee Retirement Income Security Act of 1974, as amended ("ERISA") has an accumulated funding deficiency (as defined in Section 302(a) of ERISA), no reportable event (as defined in Section 4043 of ERISA) has occurred with respect to any employee pension plan maintained for employees of the Borrower or any ERISA Affiliate and covered by Title IV of ERISA, no liability has been asserted against the Borrower, the General Partner or any ERISA Affiliate by the Pension Benefit Guaranty Corporation ("PBGC") or by a trustee appointed pursuant to Section 4042(b) or (c) of ERISA, and no lien has been attached and no person has threatened to attach a lien to any of the Borrower's, the General Partner's or any ERISA Affiliate's property as a result of failure to comply with ERISA or as a result of the termination of any employee pension plan covered by Title IV of ERISA. Each employee pension plan (as defined in Section 3(2) of ERISA) maintained for employees of the Borrower, the General Partner or any ERISA Affiliate which is intended to be qualified under Section 401 (a) of the Code, including all amendments to such plan or to any trust agreement, group annuity or insurance contract or other governing instrument, is the subject of a favorable determination by the Internal Revenue Service with respect to its qualification under Section 401(a) of the Code. With respect to any multi-employer pension plan (as defined in Section 3(37) of ERISA) to which the Borrower, the General Partner or any ERISA Affiliate is or has been required to contribute after September 25, 1980, (i) no withdrawal liability (within the meaning of Section 4201 of ERISA) has been incurred by the Borrower, the General Partner or any ERISA Affiliate, (ii) no withdrawal liability has been asserted against the Borrower, the General Partner or any ERISA Affiliate by a sponsor or an agent of a sponsor of any such multi-employer plan, (iii) no such multi-employer pension plan is in reorganization (as defined in Section 4241(a) of ERISA), and (iv) neither the Borrower, the General Partner nor any ERISA Affiliate has any unfilled obligation to contribute to any such multi-employer pension plan. As used in this Agreement, "ERISA Affiliate" means (i) any corporation included with the Borrower, the General Partner, the DGSB Special Limited Partner and/or the MHP Special Limited Partner in a controlled group of corporations within the meaning of Section 414(b) of the Code, (ii) any trade or business (whether or not incorporated or for-profit) which is under common control with the Borrower, the General Partner, the DGSB Special Limited Partner and/or the MHP Special Limited Partner within the meaning of Section 414(c) of the Code, (iii) any member of an affiliated service group of which the Borrower, the General Partner, the DGSB Special Limited Partner and/or the MHP Special Limited Partner is a member within the meaning of Section 414(m) of the Code, and (iv) any other entity treated as being under common control with the Borrower, the General Partner, the DGSB Special Limited Partner and/or the MHP Special Limited Partner under Section 414(o) of the Code.

Section 5.12 Environmental Representations. Except as set forth on the Environmental Audit delivered to the Controlling Person (a) the Borrower has no knowledge of any activity at the Project Facilities, or any storage, treatment or disposal of any Hazardous Substances connected with any activity at the Project Facilities, which has been conducted, or is being conducted, in violation of any Environmental Law; (b) the Borrower has no knowledge of any of the following which could give rise to material liabilities, material costs for remediation or a material adverse change in the business, operations, assets or condition (financial or otherwise) of the Borrower: (i) Contamination present at the Project Facilities, (ii) polychlorinated biphenyls present at the Project Facilities, (iii) asbestos or materials containing asbestos present at the Project Facilities, (iv) urea formaldehyde foam insulation present at the Project Facilities, or (v) lead-based paint at the Project Facilities; (c) no portion of the Project Facilities constitutes an Environmentally Sensitive Area; (d) the Borrower has no knowledge of any investigation of the Project Facilities for the presence of radon; (e) to Borrower's knowledge, no tanks presently or formerly used for the storage of any liquid or gas above or below ground are present at any of the Project Facilities;

(f) to Borrower's knowledge, no condition, activity or conduct exists on or in connection with the Project Facilities which constitutes a violation of Environmental Laws; (g) no notice has been issued by any Governmental Authority to the Borrower, the General Partner, the DGSB Special Limited Partner and/or the MHP Special Limited Partner identifying the Borrower, the General Partner, the DGSB Special Limited Partner and/or the MHP Special Limited Partner as a potentially responsible party under any Environmental Laws; (h) there exists no investigation, action, proceeding or claim by any Governmental Authority or by any third party which could result in any liability, penalty, sanctions or judgment under any Environmental Laws with respect to the Project Facilities; and (i) the Borrower is not required to obtain any permit or approval from any Governmental Authority or need notify any Governmental Authority pursuant to any Environmental Law with regard to the construction of the Project Facilities.

Section 5.13 Outstanding Obligations and Material Contracts. Except with respect to such obligations reflected under the Funding Loan Documents and the Partnership Agreement, attached hereto as Schedule 2 is (i) a complete list of all Obligations of the Borrower and the General Partner as of the date of execution and delivery hereof, together with a description of the instruments evidencing, governing or securing such obligations (provided that no description need be provided of the Obligations hereunder) and (ii) a complete list of all other Material Contracts. There exists no default under any such instrument. Except for the obligations listed on Schedule 2, neither the Borrower nor the General Partner has incurred any Obligations, secured or unsecured, direct or contingent. Each of the Borrower and the General Partner has complied with all provisions of such Material Contracts in all material respects, to the extent such contract is applicable to such party, and there exists no default or event which, with the giving of notice or the passage of time, or both, would constitute a default, under any such Material Contract.

Section 5.14 Solvency. Each of the Borrower, the Guarantor, the General Partner, the DGSB Special Limited Partner and the MHP Special Limited Partner is and, after giving effect to this Agreement and all other agreements of the Borrower, the Guarantor, the General Partner, the DGSB Special Limited Partner and/or the MHP Special Limited Partner being entered into on the date of execution and delivery of this Agreement, will be solvent (which for this purpose shall mean that it is able to pay its current debts as they come due).

Section 5.15 Full Disclosure. This Agreement, the exhibits hereto and the other documents, certificates, opinions, schedules and statements furnished to the Controlling Person or the Funding Lender by or on behalf of the Borrower, the Guarantor, the General Partner, the DGSB Special Limited Partner and/or the MHP Special Limited Partner in connection with the transactions contemplated hereby or by the Funding Loan Documents, do not contain any untrue statement of a material fact with respect to the Borrower, the Guarantor, the General Partner, the DGSB Special Limited Partner, the MHP Special Limited Partner or the Project Facilities and do not omit to state a material fact with respect to the Borrower, the Guarantor, the General Partner, the DGSB Special Limited Partner, the MHP Special Limited Partner or the Project Facilities necessary in order to make the statements contained therein not misleading in light of the circumstances under which they were made. There is no fact known to the Borrower, the Guarantor, the General Partner, the DGSB Special Limited Partner and/or the MHP Special Limited Partner which materially adversely affects or in the future may materially and adversely affect the business, operations, properties, assets or financial condition of the Borrower, the Guarantor, the General Partner, the DGSB Special Limited Partner and/or the MHP Special Limited Partner which has not been set forth in this Agreement or in the other documents, certificates, opinions, schedules and statements furnished to the Controlling Person and the Funding Lender on behalf of any such party before the date of execution and delivery of this Agreement in connection with the transactions contemplated hereby.

Section 5.16 Funding Loan Documents. Each of the Borrower, the Guarantor and the General Partner has provided the Controlling Person and the Funding Lender with true, correct and complete copies of: (i) all documents, if any, executed by the Borrower, the Guarantor or the General Partner in connection with the Governmental Note, including all amendments thereto and compliance reports filed thereunder; (ii) all management and service contracts entered into by the Borrower in connection with the Project Facilities, including all amendments thereto; (iii) all correspondence, if any, relating to the Governmental Note received by the Borrower, the General Partner, the Guarantor or the MHP Special Limited Partner from the Funding Lender, the Governmental Lender, the Securities and Exchange Commission, the Internal Revenue Service or any state or local securities regulatory body or taxing authority or any securities rating agency; and (iv) all documentation, if any, relating to governmental grants, subsidies or loans or any other loans, lines of credit or other subordinate financing (including, without limitation, the Subordinate Debt) relating to the Borrower or the Project Facilities, whether or not secured by the Project Facilities. Each of the representations and warranties on the Borrower's part made in the Funding Loan Documents to which the Borrower is a party remain true and correct in all material respects and no Default exists under any covenants on the Borrower's part to perform under the Funding Loan Documents to which the Borrower is a party.

Section 5.17 Illegal Activity. No portion of any of the Project Facilities has been or will be acquired, constructed, fixtured, equipped or furnished with proceeds of any illegal activity conducted by the Borrower.

Section 5.18 Executive Order 13224. Neither the Borrower, the General Partner, the DGSB Special Limited Partner, the MHP Special Limited Partner nor any Person holding any legal or beneficial interest whatsoever in any of those entities is included in, owned by, controlled by, acting for or on behalf of, providing assistance, support, sponsorship, or services of any kind to, or otherwise associated with any of the persons or entities referred to or described in Executive Order 13224 — Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism, as amended. It shall constitute an Event of Default hereunder if the foregoing representation and warranty shall ever become false.

Section 5.19 No Broker. The Borrower has used no broker in connection with the execution hereof and the transactions contemplated hereby.

Section 5.20 Construction Contract; Architect's Agreement. The Construction Contract and the Architect's Agreement are each in full force and effect, and the parties thereto are in full compliance with their respective obligations thereunder. The work to be performed by the Contractor under the Construction Contract is the work called for by the Plans and Specifications, and all Work required to complete the Improvements in accordance with the Plans and Specifications is provided for under the Construction Contract.

Section 5.21 Development Budget. The Development Budget attached hereto as Schedule 3 accurately reflects: (i) all anticipated costs of implementing and completing the Work within the Plans and Specifications and (ii) anticipated uses by source allocations for the purpose of complying with Section 142(a) of the Code.

Section 5.22 Plans and Specifications. The Borrower has furnished the Controlling Person with true and complete sets of the Plans and Specifications. The Plans and Specifications so furnished to the Controlling Person comply with all Legal Requirements, all Governmental Actions, and all restrictions, covenants and easements affecting the Project Facilities, and have

been approved by the Investor Limited Partner and such Governmental Authority as is required for construction of the Project Facilities.

Section 5.23 Survey. The survey for the Project Facilities delivered to the Controlling Person and the Funding Lender does not fail to reflect any material matter of survey affecting the Project Facilities or the title thereto.

Section 5.24 Flood Plain. No part of the Project Facilities is located in an area identified by the Federal Emergency Management Agency as an area having special flood hazard or to the extent any part of the Project Facilities is an area identified as an area having special flood hazard, flood insurance in an amount equal to 100% of the appraised insurable value of the Project Facilities has been obtained by the Borrower.

Section 5.25 Reserved.

Section 5.26 Requisition. Each Requisition submitted to the Controlling Person shall constitute an affirmation that the representations and warranties of the Borrower contained in this Agreement and in the other Funding Loan Documents remain materially true and correct as of the date thereof unless otherwise noted in writing; and unless the Controlling Person is notified to the contrary, in writing, prior to the requested date of the advance under such Requisition, shall constitute an affirmation that the same remain true and correct on the date of such advance.

ARTICLE 6

GENERAL COVENANTS

So long as any amount is due and owing hereunder, the Borrower covenants and agrees, except to the extent the Controlling Person shall otherwise consent in writing to perform and comply with each of the following covenants:

Section 6.1 Conduct of Business; Maintenance of Existence; Mergers. The Borrower, the General Partner, the DGSH Special Limited Partner and the MHP Special Limited Partner will (i) engage solely in the business of financing, constructing, owning and operating the Project Facilities, and activities incident thereto, (ii) preserve and maintain in full force and effect its existence as a limited partnership or limited liability company, as applicable, under the Legal Requirements of the state of its organization, and its rights and privileges and its qualification to do business in the State, (iii) not dissolve or otherwise dispose of all or substantially all of its assets, (iv) except for a Permitted Transfer, not consolidate with or merge into another entity or permit one or more other entities to consolidate with or merge into it, (v) except for a Permitted Transfer, not amend any provision of its certificate of limited partnership, partnership agreement, articles of organization, operating agreement, articles of incorporation or bylaws, as applicable, relating to its purpose, management or operation without the prior written consent of the Controlling Person, which consent shall not be unreasonably withheld, conditioned, or delayed, and (vi) promptly and diligently enforce its rights under the Partnership Agreement and cause Investor Limited Partner to make its capital contributions as and when required under the Partnership Agreement. subject to the terms and conditions set forth therein. Notwithstanding anything to the contrary, the Borrower may amend the Partnership Agreement that is not otherwise allowed under the Funding Loan Documents with the prior consent of the Controlling Person, such consent not to be unreasonably withheld, conditioned, or delayed.

Section 6.2 Compliance with Legal Requirements; Payment of Impositions. The Borrower will comply with all Legal Requirements applicable to the Borrower or the Project Facilities. The Borrower will pay all Impositions and insurance premiums when due (to the extent such payments are not made by the Fiscal Agent from the Tax and Insurance Escrow Fund) and will make the applicable deposits required by Section 8.2 of this Agreement for such purposes. The Borrower shall make commercially reasonable efforts to direct that copies of all regular Impositions and insurance premiums shall be sent directly by the Governmental Authority or insurer, as applicable, to the Controlling Person.

Section 6.3 Maintenance of Governmental Authorizations. The Borrower shall timely obtain (when needed to construct the Project Facilities in accordance with the Development Budget and Plans and Specifications) any Governmental Actions required for the construction of the Project Facilities not obtained prior to the Closing Date and shall provide copies thereof to the Controlling Person and the Funding Lender upon receipt. The Borrower will maintain in full force and effect all of its Governmental Actions and qualifications necessary for the conduct of its business as it is presently being conducted and the ownership, construction and operation of the Project Facilities as they are presently being operated and as contemplated by the terms of the Funding Loan Documents. The Borrower will promptly furnish copies of all reports and correspondence relating to a loss or proposed revocation of any such qualification to the Controlling Person.

Section 6.4 Maintenance of Insurance.

(a) At all times throughout the term hereof, the Borrower shall, at its sole cost and expense, maintain or cause to be maintained insurance against such risks and for such amounts as reasonably required by the Controlling Person for facilities of the type and size of the Project Facilities and shall pay, as the same become due and payable, all premiums with respect thereto. The initial insurance requirements shall include, but not necessarily be limited to, the requirements set forth on Schedule 12 hereto and such reasonable additional insurance as Controlling Person may require from time to time; provided, however, that any such additional insurance requirements shall not cause the Borrower to be unable to pay debt service on the Borrower Note.

(b) All insurance required by this Section 6.4 shall be produced and maintained in financially sound and generally recognized responsible insurance companies selected by the entity required to procure the same and authorized to write such insurance in the State. Such insurance may be written with deductible amounts comparable to those on similar policies carried by other companies engaged in businesses similar in size, character and other respects to those in which the procuring entity is engaged. All property and casualty insurance policies required by Section 6.4(a) hereof shall contain a standard non-contributory mortgagee clause showing the interest of the Funding Lender as first mortgagee and shall provide for payment to the Funding Lender of the net proceeds of insurance resulting from any claim for loss or damage thereunder. All policies of insurance required by Section 6.4(a) hereof shall provide for at least thirty (30) days' prior written notice of the restriction, cancellation or modification thereof to the Funding Lender, with a copy to the Controlling Person. The policy evidencing liability insurance required by Section 6.4(a) hereof shall name the Governmental Lender, the Controlling Person and the Funding Lender as additional named insureds. The Borrower acknowledges that a security interest in the policies of property and casualty insurance required by Section 6.4(a) and the net proceeds thereof is being granted to the Funding Lender pursuant to the Mortgage. Upon request of the Funding Lender, the Borrower will assign and deliver (which assignment shall be deemed to be automatic and to have occurred upon the occurrence and continuance of an Event of Default

hereunder) to the Funding Lender, the policies of property and casualty insurance required under Section 6.4(a), so and in such manner and form that the Funding Lender shall at all times, upon such request and until the payment in full of the Governmental Note, have and hold said policies and the net proceeds thereof as collateral and further security under the Mortgage for application as provided in the Mortgage. The policies under Section 6.4(a) hereof shall contain appropriate waivers of subrogation.

(c) Copies of the policy or certificate (or binder) of insurance required by Section 6.4(a) hereof shall be delivered to the Funding Lender, with a copy to the Controlling Person on or before the Closing Date. The Borrower shall deliver to the Governmental Lender and the Funding Lender before the first (1st) Business Day of each calendar year thereafter a certificate dated not earlier than the immediately preceding month reciting that there is in full force and effect insurance of the types and in the amounts required by this Section 6.4. Prior to the expiration of each such policy, the Borrower shall furnish the Funding Lender, with a copy to the Controlling Person, with evidence that such policy has been renewed or replaced or is no longer required by this Agreement. The Borrower shall provide such further information with respect to the insurance coverage required by this Agreement as the Controlling Person may, from time to time, reasonably require.

(d) The net proceeds of the property and casualty insurance carried pursuant to the provisions of Section 6.4(a) hereof shall be applied as provided in the Mortgage and the net proceeds of the liability insurance required by Section 6.4(a) hereof shall be applied, with the prior written consent of the Controlling Person toward extinguishment or satisfaction of the liability with respect to which such insurance proceeds may be paid.

Section 6.5 Compliance with Other Contracts and Funding Loan Documents. The Borrower will comply with all of its covenants and agreements under the Funding Loan Documents to which it is a party, as the same may hereafter be amended or supplemented from time to time, and each of such covenants is incorporated herein by reference as if fully set forth herein. The Borrower acknowledges that the Funding Loan Agreement imposes certain obligations upon the Borrower and the Borrower agrees to discharge such obligations as if they were fully set forth herein (notwithstanding that the Borrower is not a party to the Funding Loan Agreement). The Borrower shall comply with all of its covenants and agreements under the Subordinate Debt Documents. The Borrower shall comply in all material respects with, or cause to be complied with, all requirements and conditions of all Material Contracts and insurance policies which relate to the Borrower or the Project Facilities.

Section 6.6 Maintenance of Project Facilities. The Borrower will, at its sole expense and as one of the Expenses (including use of the funds on deposit in the funds and accounts, in accordance with the terms of the Funding Loan Agreement and the Replacement Reserve Agreement), (i) maintain and preserve the Project Facilities in good working order and repair, fit for the purposes for which they were originally erected; (ii) not permit, commit or suffer any physical waste (other than ordinary wear and tear) or abandonment of the Project Facilities; (iii) not use (and use reasonable efforts to not permit tenants to use) the Project Facilities for any unlawful purpose and use reasonable efforts to not permit any nuisance to exist thereon; (iv) promptly make such repairs or replacements (structural or nonstructural, foreseen or unforeseen) as are required for the proper operation, repair and maintenance of the Project Facilities in an economical and efficient manner and consistent with customary and prudent practices, standards and procedures applicable to properties of like size and type; (v) perform all repairs or replacements in a good and workmanlike manner, and in compliance with all applicable Governmental Actions and Legal Requirements; (vi) keep and maintain abutting grounds,

sidewalks, roads, parking and landscape areas which may be owned by the Borrower in good and neat order and repair; (vii) not take (or fail to take) any action, which if taken (or not so taken) would increase in any way the risk of fire or other hazard occurring to or affecting the Project Facilities; and (viii) not sell, lease (other than pursuant to residential leases), cause a Sale of or otherwise dispose of any part of the Project Facilities, except as otherwise permitted hereunder, including Permitted Encumbrances, and under the other Funding Loan Documents.

Section 6.7 Inspection Rights.

(a) The Borrower will, at any reasonable time after reasonable notice and from time to time, permit the Controlling Person, the Funding Lender, the Governmental Lender, and the agents or representatives of the Controlling Person, the Funding Lender and the Governmental Lender, to examine and copy and make abstracts from the records and books of account of, and, subject to prior written notice, visit the properties of, during normal business hours, the Borrower, and to discuss the affairs, finances and accounts of the Borrower with the General Partner and the Accountant. Upon reasonable prior notice, and subject to the rights of tenants, the Borrower will permit the Engineering Consultant to inspect, or cause to be inspected, the Project Facilities at any reasonable time or times as the Controlling Person may direct. The Borrower shall pay or reimburse the Controlling Person on demand for reasonable fees and expenses incurred in connection with such inspections. Any information provided hereunder shall not give rise to a waiver of any privilege that may be asserted by the Borrower.

(b) After the Engineering Consultant shall have inspected or caused to have been inspected the Project Facilities, the Engineering Consultant shall send written notice to the Controlling Person and the Borrower notifying the Controlling Person of the nature and extent of capital needs of the Project Facilities, if any, which are, in the Engineering Consultant's professional judgment, necessary to maintain and preserve the Project Facilities in accordance with the standards set forth in Section 6.6 hereof, and which are not addressed in the Annual Budget for the Project Facilities. After considering the Engineering Consultant's recommendation, the Controlling Person shall notify the Borrower of the work which the Engineering Consultant recommends be performed in order to comply with the requirements of Section 6.6 hereof and the time period over which, in its professional judgment, such work should be commenced and completed.

(c) The Borrower shall promptly commence and diligently complete the work recommended by the Engineering Consultant within the time period set forth in the report. If the Borrower fails to complete the work within such time period, the Controlling Person, at the Controlling Person's discretion, with prior notice to the Borrower, may complete such work for and on the Borrower's behalf and may do any act or thing the Controlling Person deems reasonably necessary or appropriate to that end. The expenses incurred by the Controlling Person in completing such work shall bear interest at the Default Rate, shall be borne by the Borrower and shall be reimbursed to the Controlling Person immediately upon demand. All work performed by the Borrower shall be performed in a good and workmanlike manner and shall be completely free and clear of any mechanics or materialman's liens and encumbrances and shall be subject to the requirements of Section 6.6 hereof.

Section 6.8 Keeping of Books. The Borrower will keep proper books of record and account, in which full and correct entries shall be made of financial transactions and the assets and operations of the Borrower in accordance with GAAP, and have a complete audit of such books of record and account made by the Accountant for each Fiscal Year.

Section 6.9 Reporting Requirements. The Borrower will furnish or cause to be furnished to the Controlling Person the following in form satisfactory to the Controlling Person and in such number of copies as the Controlling Person may reasonably require:

(a) As soon as available and in any event within thirty (30) days after the close of each fiscal quarter of each Fiscal Year of the Borrower:

(1) unaudited financial statements for the Borrower and the Project Facilities, including a balance sheet and related statement of income as of the end of such fiscal quarter and for such fiscal quarter and the current Fiscal Year to the end of such fiscal quarter, which shall be internally prepared and presented on a consistent basis;

(2) a compliance statement signed by an Authorized Person or designee of an Authorized Person stating that, except as disclosed in such certificate, (i) during such fiscal quarter the Borrower has observed and performed all of its covenants and agreements set forth in this Agreement and the other Funding Loan Documents (including the rules qualifying the interest payable on the Governmental Note for federal income tax exemption pursuant to Section 142(d) of the Code and the regulations issued thereunder), except as disclosed in such certificate, (ii) if the Project Facilities have received a tax credit allocation, during such fiscal quarter the Project Facilities have complied with the requirements of Section 42 of the Code and the regulations issued thereunder, and (iii) no known Event of Default exists;

(b) As soon as available and in any event within one hundred twenty (120) days after the close of each Fiscal Year of the Borrower:

(1) audited financial statements for the Borrower, which may be on a consolidated basis, including a balance sheet and related statements of income and changes in financial position as of the end of such Fiscal Year and for such Fiscal Year, which shall be prepared and reported on without qualification by the Accountant in accordance with GAAP, and shall fairly present the financial condition of the Borrower and the Project Facilities as of the end of such Fiscal Year (with a draft of such financial statements delivered within ninety (90) days of the close of such Fiscal Year);

(2) a compliance statement signed by an Authorized Person or designee of an Authorized Person stating that, except as disclosed in such certificate, (i) during such Fiscal Year the Borrower has observed and performed all of its covenants and agreements set forth in this Agreement and the other Funding Loan Documents, except as disclosed in such certificate, and (ii) no known Default or Event of Default exists, except as disclosed in such certificate;

(3) an occupancy report stating as of the last day of the month prior to the date of delivery thereof, with respect to each lease of all or any part of the Project Facilities, the tenant's name, the date thereof, the premises demised, the term, the rent, the security deposits, any advance rent payments in excess of one month and any defaults by the tenant or the Borrower in respect thereof (including, without limitation, the amounts of arrearages); and

(4) notwithstanding the foregoing, if the Closing Date occurred on or after November 15, the Borrower may elect, by submission of a signed audit waiver request to Controlling Person, to include the period from the Closing Date through the end of such Fiscal Year in the subsequent Fiscal Year audited financial statements in lieu of providing audited annual statements for the Fiscal Year in which the Closing Date occurred.

(c) As soon as possible and in any event within twenty-five (25) days after the end of each calendar month, operating statements of the Project Facilities certified by an Authorized Person and containing itemized information regarding all items of expense and income as well as occupancy reports, a rent roll and, if required by the Controlling Person, other reports such as reports on concessions, security deposits and advance rents, all in such detail as may be required by the Controlling Person;

(d) Weekly until achievement of Stabilization and, if requested by the Controlling Person during any period with occupancy of less than 90% and monthly for other periods, an occupancy report for the Project Facilities, certified by an Authorized Person;

(e) Upon receipt thereof by the Borrower, copies of any letter or report with respect to the management, operations or properties of the Borrower submitted to the Borrower by the Accountant in connection with any annual or interim audit of the Borrower's accounts, and a copy of any written response of the Borrower to any such letter or report;

(f) As soon as possible and in any event within fifteen (15) days after receipt of notice thereof, notice of any pending or threatened litigation, investigation or other proceeding involving the Borrower, the General Partner, the Guarantor, the DGSB Special Limited Partner, the MHP Special Limited Partner or the Project Facilities: (i) which, in the event of a judgment against the Borrower, the General Partner, the DGSB Special Limited Partner or the MHP Special Limited Partner, is likely to have a material adverse effect on the operations or financial condition of the Borrower, the General Partner, the DGSB Special Limited Partner, the MHP Special Limited Partner or the Project Facilities or, in the event of a judgment against Guarantor, is likely to result in any of the Guarantors being unable to perform under the Guaranty of Completion, the Guaranty of Debt Service and Stabilization, the Guaranty of Recourse Obligations, the Environmental Indemnity or any of the guaranties comprising the Governmental Lender Guaranties; (ii) with respect to the Borrower only, wherein the potential damages, in the reasonable judgment of the Borrower based upon the advice of counsel experienced in such matters, are not fully covered by the insurance policies maintained by the Borrower (except for the deductible amounts applicable to such policies); or (iii) which challenges the exclusion from gross income of interest on the Governmental Note for purposes of federal income taxation;

(g) As soon as possible, notice of any material adverse change in the operations or financial condition of the Borrower, the General Partner, the DGSB Special Limited Partner, the MHP Special Limited Partner, the Guarantor or the Project Facilities;

(h) Upon delivery thereof by the Borrower, copies of any reports, certifications, financial information, compliance documents, rebate information, audits and all other items submitted by or on behalf of the Borrower to the Funding Lender or the Governmental Lender;

(i) As and when required under the Land Use Restriction Agreement, the periodic compliance certificates, the annual copies of IRS Form 8703 and other reports and notices required to be delivered under the Land Use Restriction Agreement;

(j) Upon receipt thereof by the Borrower, notice of the cancellation or expiration (without renewal or replacement) of any insurance required to be maintained by this Agreement;

(k) Not later than the Completion Date: (i) a Completion Certificate in the form attached as Schedule 7 hereto; and (ii) an Estimated Use of Proceeds Compliance Certificate in the form set forth in Schedule 8 hereto;

(l) Not later than the Stabilization Date: (i) a Construction Closeout Deliveries Certificate in the form attached as Schedule 9 hereto; (ii) a Final Use of Proceeds Compliance Certificate in the form set forth in Schedule 10 hereto; and (iii) a Stabilization Certificate in the form set forth on Schedule 11 hereto;

(m) Unless cured, as soon as possible and in any event within fifteen (15) days after the occurrence of an Event of Default, unless cured, a statement of the General Partner setting forth the details of such Event of Default and the action which the Borrower proposes to take with respect thereto;

(n) Contemporaneously with the delivery to the Funding Lender copies of any notices, reports or other information provided to the Funding Lender under the Funding Loan Documents;

(o) Copies of IRS Form 8609 as issued and received by the Borrower;

(p) Reserved;

(q) Upon receipt thereof, copies of all real estate tax bills, if any, and all insurance bills;

(r) Upon receipt thereof, copies of all bills for Governmental Lender Fees or Fiscal Agent Fees and, upon payment, evidence of payment of such fees;

(s) Promptly following filing thereof, copies of all tax returns of the Borrower and, if requested in writing by the Controlling Person, the General Partner;

(t) Such other information respecting the operations and properties, financial or otherwise, of the Borrower as the Controlling Person may from time to time reasonably request; and

(u) The Borrower will furnish to the Governmental Lender and agencies of the State such periodic reports or statements as are required under the Act, or as such agencies may otherwise reasonably require of the Governmental Lender or Borrower throughout the term of this Agreement. Pursuant to Florida Statutes, Section 119.0701(2), the Borrower may be required to comply with public records laws, and if required to, specifically:

(v) Keep and maintain public records (as defined in Florida Statutes, Section 119.011) that ordinarily and necessarily would be required by the Governmental Lender in order to perform the service.

(i) Provide the public with access to public records on the same terms and conditions that the Governmental Lender would provide the records and at a

cost that does not exceed the cost provided by Florida Statutes, Chapter 119, or as otherwise provided by law;

(ii) Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law;

(iii) Meet all requirements for retaining public records and transfer, at no cost, to the Governmental Lender all public records in possession of the Fiscal Agent upon termination of this Indenture and destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. All records stored electronically must be provided to the Governmental Lender in a format that is compatible with the information technology systems of the Governmental Lender;

(iv) A request for public records regarding this Agreement must be made directly to the Governmental Lender, who will be responsible for responding to any such public records requests. The Borrower will provide any requested records to the Governmental Lender to enable the Governmental Lender to respond to the public records request; and

(v) Any material submitted to the Governmental Lender that the Borrower contends constitutes or contains trade secrets or is otherwise exempt from production under Florida public records laws (including Chapter 119, Florida Statutes) ("Trade Secret Materials") must be separately submitted and conspicuously labeled "EXEMPT FROM PUBLIC RECORD PRODUCTION – TRADE SECRET." In addition, the Borrower must, simultaneous with the submission of any Trade Secret Materials, provide a sworn affidavit from a person with personal knowledge attesting that the Trade Secret Materials constitute trade secrets under Section 688.002, Florida Statutes, and stating the factual basis for same. If a third party submits a request to the Governmental Lender for records designated by the Borrower as Trade Secret Materials, the Governmental Lender shall refrain from disclosing the Trade Secret Materials, unless otherwise ordered by a court of competent jurisdiction or authorized in writing by the Borrower. The Borrower shall indemnify and defend the Governmental Lender and its employees and agents from any and all claims, causes of action, losses, fines, penalties, damages, judgments, and liabilities of any kind, including attorneys' fees, litigation expenses, and court costs, relating to the nondisclosure of any Trade Secret Materials in response to a records request by a third party.

IF BORROWER HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO BORROWER'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS AGREEMENT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT (954) 357-4900, JKOTSIORIS@BROWARD.ORG, 110 NE 3RD STREET, SUITE 300, FORT LAUDERDALE, FLORIDA 33301.

Section 6.10 Tax-Exempt Status.

(a) The Borrower covenants, represents and agrees that it will not take or omit to take or permit any action that, if taken or omitted, respectively, would adversely affect the exclusion of interest on the Governmental Note from gross income for federal income tax purposes and, if it should take or permit any such action, the Borrower will take all lawful actions

that it can take to rescind such action promptly upon having knowledge thereof and that the Borrower will take such action or actions, including amendment of this Agreement, the Mortgage, the Tax Certificate and the Land Use Restriction Agreement, as may be necessary, in the opinion of Tax Counsel, to comply fully with all applicable rules, rulings, policies, procedures, regulations or other official statements promulgated or proposed by the Department of the Treasury or the Internal Revenue Service applicable to the Governmental Note or affecting the Project Facilities.

(b) The Borrower will not make or permit any use, and will not direct the Funding Lender to make any investment or use of the proceeds of any of the Governmental Note, which would cause any of the Governmental Note to be "arbitrage bonds" within the meaning of Section 148 of the Code and the Regulations thereunder as the same may be applicable to the Governmental Note at the time of such action, investment or use and agrees to take and cause the Governmental Lender and Funding Lender to take all actions required to comply with the provisions of Section 148 of the Code. The representations contained in the Tax Certificate (which is incorporated herein by reference) are true and correct, and the Borrower and the Governmental Lender will observe the applicable covenants therein as if set forth herein.

(c) The Borrower further covenants and agrees that it will comply with and will take all action reasonably required to ensure that the Funding Lender complies with all applicable requirements of said Section 148 and the rules and regulations of the United States Treasury Department thereunder relating to the Governmental Note and the interest thereon, including the employment of a Rebate Analyst for the calculation of any rebatable amount (the "Rebate Amount") to the United States Treasury Department. The Borrower agrees that it will cause a qualified rebate analyst reasonably acceptable to THE Governmental Lender and the Controlling Person (the "Rebate Analyst") to calculate the Rebate Amount not later than forty-five (45) days after the fifth (5th) anniversary of the Closing Date and each five (5) years thereafter and agrees that the Borrower will pay all costs associated therewith. Within fifteen (15) days of the date of each such calculation, the Borrower shall promptly (i) deliver a report or letter from the Rebate Analyst setting forth the Rebate Amount, if any, then due and the methods used to calculate such amount (each, a "Rebate Report") to the Governmental Lender, the Controlling Person and the Funding Lender, (ii) deliver evidence of payment of the Rebate Amount to the Funding Lender and the Governmental Lender, and (iii) deliver to the Funding Lender any forms required by the Internal Revenue Service to be submitted with the Rebate Amount, if any, and the addresses to which such forms must be sent.

(d) Neither the Borrower nor any related person shall, pursuant to any arrangement, formal or informal, purchase any of the Governmental Note, unless the Borrower or such related person delivers a Favorable Opinion of Tax Counsel to the Funding Lender, the Controlling Person, the Governmental Lender and the Fiscal Agent.

(e) No changes will be made to the Project Facilities, no actions will be taken by the Borrower and the Borrower will not omit to take any actions, which will in any way adversely affect the exclusion from gross income of interest on the Governmental Note for purposes of federal income taxation.

(f) The Borrower will not make any changes in the Project Facilities that would, at the time made, cause the average reasonably expected economic life of the Project Facilities, determined pursuant to Section 147(b) of the Code, to be less than the average reasonably expected economic life of the Project Facilities set forth in such certificates or letters of representation of the Borrower, unless the Borrower files with the Funding Lender and the Controlling Person a Favorable Opinion of Tax Counsel.

(g) Reserved

(h) The Project Facilities will be owned, managed and operated as a “qualified residential rental property” as such phrase is utilized in Section 142(d) of the Code. To that end, the Borrower hereby represents and covenants and agrees that it will continuously comply with the terms, conditions and provisions of the Land Use Restriction Agreement.

(i) The Borrower will permit any duly authorized representative of the Funding Lender, the Department of the Treasury or the Internal Revenue Service and the Controlling Person to inspect the books and records of the Borrower pertaining to the incomes of qualifying tenants residing in the Project Facilities upon reasonable notice (given at least 5 days in advance) and at reasonable times during business hours on business days.

(j) The Borrower will promptly notify the Funding Lender, the Controlling Person and the Governmental Lender in writing if at any time the dwelling units in the Project Facilities are not available for occupancy as required by the Land Use Restriction Agreement and, upon request, the Borrower will provide the Funding Lender, the Controlling Person and the Governmental Lender with a copy of the compliance certificates required to be filed by the Borrower under and at the times provided by the Land Use Restriction Agreement.

Section 6.11 Single Purpose Entities.

(a) The Borrower, the General Partner, the DGSB Special Limited Partner and the MHP Special Limited Partner shall not engage in any business or activity, other than the ownership, construction, operation and/or maintenance of the Project Facilities and activities incidental thereto. The Borrower shall not acquire, own, hold, lease, operate, manage, maintain, develop or improve any assets other than the Project Facilities and such personal property as may be necessary for the operation of the Project Facilities and shall conduct and operate its business as presently conducted and operated.

(b) The Borrower, the General Partner, the DGSB Special Limited Partner and the MHP Special Limited Partner shall (i) not maintain its assets in a way difficult to segregate and identify; (ii) ensure that business transactions between the Borrower and any Affiliate of the Borrower or any Affiliate of the General Partner, the DGSB Special Limited Partner or the MHP Special Limited Partner shall be entered into upon terms and conditions that are substantially similar to those that would be available on an arms-length basis with a third Person other than the General Partner, the DGSB Special Limited Partner or the MHP Special Limited Partner, or any respective Affiliate thereof except for business transactions disclosed and approved by the Controlling Person; (iii) not incur or contract to incur any obligations, secured or unsecured, direct or contingent (including guaranteeing any obligation), other than, in the case of the Borrower, the Obligations evidenced by this Agreement and the other Funding Loan Documents and the Subordinate Debt Documents, or unsecured loans or guaranty payments made by the partners of the Borrower or Guarantor pursuant to the Partnership Agreement, or unsecured trade payables or the Developer Fee; (iv) not make any loans or advances to any third Person (including any Affiliate of the Borrower, the General Partner, the DGSB Special Limited Partner or the MHP Special Limited Partner), except as otherwise permitted under this Agreement or the other Funding Loan Documents; (v) do or cause to be done all things necessary to preserve its existence; (vi) not amend, modify or otherwise change its partnership certificate, Partnership Agreement, articles of incorporation or bylaws without obtaining the prior written consent of the Controlling Person, not to be unreasonably withheld, conditioned or delayed (and which Controlling Person will endeavor to accept or reject within ten (10) Business Days of request);

provided that no consent shall be required for changes or amendments to the Partnership Agreement to the extent such change or amendment is solely required to effect a Permitted Transfer, and provided that any changes with respect to installments of capital contributions which constitute Required Equity Funds or the timing thereof, or that otherwise, except for a change or amendment solely required to effect a Permitted Transfer, materially and adversely affect the rights and interests of the Noteowners also require Funding Lender consent, which consent shall not be unreasonably withheld, conditioned or delayed; (vii) conduct and operate its business as presently, or contemplated to be, conducted and operated; (viii) maintain its books and records and bank accounts separate from those of its Affiliates; (ix) be, and at all times shall hold itself out to the public as, a legal entity separate and distinct from any other Person (including any Affiliate); (x) file its own tax returns; (xi) to the extent funds are available to the Borrower, maintain adequate capital for the normal obligations reasonably foreseeable in a business of its size and character and in light of its contemplated business operations and in any event not less than that required under State law in order to remain a separate legal entity; (xii) not seek or consent to the dissolution or winding up, in whole or in part, of the Borrower, the General Partner, the DGSH Special Limited Partner or the MHP Special Limited Partner; (xiii) not (A) consent to the dissolution or liquidation in whole or in part of the Borrower, or (B) permit the General Partner to dissolve, or (C) consent to the dissolution or liquidation of the General Partner; (xiv) not commingle the funds and other assets of the Borrower with those of the General Partner, any Affiliate thereof or any other Person; and (xv) except for that certain [described development agreement between Borrower and Developer] (which has the prior consent of the Controlling Person), not enter into any other transaction with an Affiliate without the prior written consent of the Controlling Person or as permitted pursuant to the Funding Loan Documents.

Section 6.12 Negative Pledge; No Sale.

(a) The Borrower will not create, incur, assume or permit to exist any mortgage, pledge, security interest, encumbrance or other Lien upon the Project Facilities or any property, tangible or intangible, now owned or hereafter acquired (including without limitation property leased to or being acquired by the Borrower under capital leases or installment sale agreements), by the Borrower (the sale with recourse of receivables or any "sale and lease back" of any fixed assets being deemed to be the giving of a lien thereon for money borrowed), other than Permitted Encumbrances.

(b) Other than Permitted Transfers and the making of residential leases, the Borrower shall not sell, assign, transfer, convey or otherwise dispose of the Project Facilities, or any part thereof, or permit or consent to a Sale without in each instance (i) obtaining the express prior written consent of the Controlling Person, which consent may be withheld or granted (and be subject to the payment of such fees and the satisfaction of other conditions as set forth in Section 1.12 of the Mortgage) in the Controlling Person's sole and absolute discretion; and (ii) complying with the applicable requirements of the Land Use Restriction Agreement.

Section 6.13 Payment of Indebtedness; Accounts Payable; Restrictions on Indebtedness.

(a) The Borrower will pay, discharge or otherwise satisfy at or before maturity or before they become delinquent, as the case may be, all of the Borrower's Indebtedness under the Funding Loan Documents, the Subordinate Debt Documents and all of its other Obligations, whether now existing or hereafter arising, and comply with all covenants and agreements set forth in agreements evidencing Obligations of the Borrower.

(b) The Borrower shall pay or cause to be paid the Expenses, and capital expenditures and its other accounts payable with respect to and costs of operation and maintenance of the Project Facilities within thirty (30) days of receipt of an invoice therefor, or when the same shall otherwise be due and payable. The Borrower shall make no distribution of funds to its partners unless no Default or Event of Default exists, such distribution is in accordance with the provisions of the Partnership Agreement, and all current accounts payable shall have been paid and funds shall have been set aside for the payment of accounts payable becoming due within thirty (30) days of said distribution.

(c) Without obtaining the prior written consent of the Controlling Person, the Borrower will not create, incur, assume, guarantee or be or remain liable for any indebtedness or Obligations other than (i) Indebtedness under the Funding Loan Documents; (ii) Indebtedness in respect of the Subordinate Debt; (iii) current liabilities of the Borrower relating to the Project Facilities incurred in the ordinary course of business, including developer fee, but not incurred through the borrowing of money or obtaining of credit; (iv) trade debt, trade payables, accounts payable, conditional sales contracts and purchase money financing for equipment and other items of tangible personal property which are unsecured and not evidenced by a note and do not exceed, at any time, \$[] in the aggregate; and (v) any unsecured loans or guaranteed payments from partners or their Affiliates or the Guarantor pursuant to the Partnership Agreement.

Section 6.14 Environmental Covenants.

(a) The Borrower will cause all activities at the Project Facilities during the term of this Agreement to be conducted in full compliance with all applicable Environmental Laws. The Borrower will obtain all Governmental Actions and will make all notifications, as required by Environmental Laws, and will, at all times, comply with the terms and conditions of any such Governmental Actions or notifications. During the term of this Agreement, if requested by the Controlling Person, the Borrower will provide to the Controlling Person copies of (i) applications or other materials submitted to any Governmental Authority in compliance with Environmental Laws, (ii) any notifications submitted to any Person pursuant to Environmental Laws, (iii) any Governmental Action granted pursuant to Environmental Laws, (iv) any record or manifest required to be maintained pursuant to Environmental Laws, and (v) any correspondence, notice of violation, summons, order, complaint or other document received by the Borrower, its lessees, sub-lessees or assigns, pertaining to compliance with any Environmental Laws.

(b) The Borrower will, at all times during the term of this Agreement, cause Hazardous Substances used at the Project Facilities to be handled, used, stored and disposed in accordance with all Environmental Laws and in a manner which will not cause an undue risk of Contamination.

(c) The Borrower will cause all construction of new structures at the Project Facilities during the term of this Agreement to use design features which safeguard against or mitigate the accumulation of radon or radon products in concentrations exceeding the Environmental Protection Agency's recommended threshold of 4.0pCi/L.

(d) The Borrower shall not install or permit to be installed any temporary or permanent tanks for storage of any liquid or gas above or below ground, except after obtaining written permission from the Controlling Person to do so and in compliance with Environmental Laws.

(e) The Borrower shall implement a moisture management and control program (the "Moisture Management Program") for the Improvements at the Project Facilities to prevent the occurrence of dangerous mold, fungi, bacterial or microbial matter contamination or pathogenic organisms that reproduces through the release of spores or the splitting of cells (collectively, "Mold"), at, on or under the Project Facilities, which Moisture Management Program shall include, at a minimum: (a) periodic inspections of the Improvements at the Project Facilities for Mold, (b) removing or cleaning up any Mold and in a manner consistent with best industry practices and, to the extent necessary, utilizing an experienced remediation contractor acceptable to and approved by the Controlling Person, and (c) in the event that the Mold identified at the Improvements at the Project Facilities cannot be removed or cleaned from any impacted building materials (e.g., porous materials such as carpeting, certain types of ceiling materials, etc.) and/or equipment, removing all such impacted building materials and/or equipment from the Project Facilities, all in accordance with the procedures set forth in the United States Environmental Protection Agency's ("EPA") guide entitled "Mold Remediation in Schools and Commercial Buildings", EPA No. 402-K-01-001, dated March 2001 and in a manner consistent with best industry practices and utilizing an experienced remediation contractor acceptable to and approved by the Controlling Person. The Borrower shall include as part of every residential lease a Mold/Mildew Addendum in the form attached hereto as Exhibit C. The Borrower further covenants and agrees that, in connection with any mold remediation undertaken by or on behalf of the Borrower hereunder, the source (e.g., leaking pipe, water damage, water infiltration, etc.) of any Mold at the Improvements at the applicable Project Facilities shall be promptly identified and corrected to prevent the occurrence or re-occurrence of any Mold.

(f) Upon the occurrence and during the continuance of an Event of Default, or if the Controlling Person has reason to believe that there has occurred and is continuing a violation of Environmental Law or that there exists a condition that could give rise to any Governmental Action, the Controlling Person may, at its discretion, commission an investigation at the Borrower's expense of (i) compliance at the Project Facilities with Environmental Laws, (ii) the presence of Hazardous Substances or Contamination at the Project Facilities, (iii) the presence at the Project Facilities of materials which are described in clause (b) of Section 5.12, (iv) the presence at the Project Facilities of Environmentally Sensitive Areas, (v) the presence at the Project Facilities of radon products, (vi) the presence at the Project Facilities of tanks of the type described in paragraph (e) of Section 5.12 or in paragraph (d) of Section 6.14 above, or (vii) the presence of Mold at the Project Facilities. In connection with any investigation pursuant to this paragraph, the Borrower, and its lessees, sub-lessees and assigns, will comply with any reasonable request for information made by the Controlling Person or its agents in connection with any such investigation. Any response to any such request for information will be full and complete. The Borrower will assist the Controlling Person and its agents to obtain any records pertaining to the Project Facilities or to the Borrower and the lessees, sub-lessees or assigns of the Borrower in connection with an investigation pursuant to this paragraph. The Borrower will permit the Controlling Person and its agents access to all areas of the Project Facilities at reasonable times and in reasonable manners in connection with any investigation pursuant to this paragraph. No investigation commissioned pursuant to this paragraph shall relieve the Borrower from any responsibility for its representations and warranties under Section 5.12 hereof or under the Environmental Indemnity Agreement.

(g) In the event of any Contamination affecting the Project Facilities, whether or not the same originates or emanates from the Project Facilities or any contiguous real estate, or if the Borrower otherwise shall fail to comply with any of the requirements of Environmental Laws, the Controlling Person may, at its election, but without the obligation so to do, give such notices, cause such work to be performed at the Project Facilities (after reasonable notice and

opportunity to cure) and take any and all other actions as the Controlling Person shall deem necessary or advisable in order to remedy said Contamination or cure said failure of compliance and any amounts paid as a result thereof, together with interest thereon at the Default Rate from the date of payment by the Controlling Person, shall be immediately due and payable by the Borrower and until paid shall be added to and become a part of the Indebtedness and shall have the benefit of the lien hereby created as a part thereof prior to any right, title or interest in or claim upon the Project Facilities attaching or accruing subsequent to the lien of the Mortgage on the Project Facilities.

Section 6.15 Controlling Person. The Borrower acknowledges and agrees that (i) the Funding Lender has the sole and exclusive right to arrange for servicing of the Borrower Loan and to appoint another person or entity to serve as its representative hereunder, under the other Funding Loan Documents and under the Funding Loan Agreement; (ii) the Funding Lender has appointed R4 Servicer LLC to serve in the capacity of Controlling Person hereunder, under the other Funding Loan Documents, and under the Funding Loan Agreement and R4 Servicer LLC, as Controlling Person, shall perform all of the duties expressly given to the Controlling Person or the Funding Lender with respect to the servicing, administration and collection activities under the Funding Loan Documents including, but not limited to those set forth in Section 8.2 of the Funding Loan Agreement; (iii) unless revoked in writing by the Funding Lender or the Controlling Person has resigned, the Borrower shall communicate solely with the Controlling Person with respect to matters arising under or relating to the Funding Loan Documents; and (iv) the Funding Lender retains the sole and exclusive right to appoint, remove or replace the Controlling Person, without the consent or approval of the Borrower. The Controlling Person is hereby granted the full power and authority to conduct the servicing, administration and collection activities for and on behalf of the Funding Lender as contemplated herein and, without limiting the generality of the foregoing, is authorized and empowered to make and accept all communications on behalf of the Funding Lender with Borrower, Guarantor and any of their agents and execute and deliver, on behalf of the Funding Lender, any and all instruments of amendment, modification, satisfaction, cancellation, sale, transfer, release, discharge and all other comparable instruments with respect to the Loan. The Funding Lender hereby constitutes and appoints the Controlling Person as the Funding Lender's true and lawful attorney in fact with the power and authority to perform the foregoing. The Borrower shall comply with the directions of the Controlling Person made on behalf of the Funding Lender.

Section 6.16 Tax Returns. The General Partner will timely file all tax returns for itself and for the Borrower, pay or cause to be paid when due all taxes imposed on their operations, assets, income or properties, and, upon request, provide to the Controlling Person copies of such returns and receipts for payment of such taxes.

Section 6.17 Leases. As of the date hereof, the Borrower hereby represents that there are no leases or agreements to lease all or any part of the Project Facilities now in effect. Except for leases to residential tenants in compliance with the Land Use Restriction Agreement and leases and/or agreements for services/utilities associated with residential rental properties (such as laundry and cable leases and/or agreements), the Borrower shall not enter into or become liable under, any leases or agreements to lease all or any part of the Project Facilities without the prior written approval thereof and of the prospective tenant by the Controlling Person. Following construction of the Project Facilities, each lease of residential units in the Project Facilities to a residential tenant shall be on a form of lease approved by the Controlling Person and shall be in compliance with the requirements of the Land Use Restriction Agreement.

Section 6.18 Further Assurances. The Borrower will promptly and duly execute, acknowledge and deliver from time to time such further instruments and take such further actions as may be reasonably required by the Governmental Lender, the Funding Lender or the Controlling Person to carry out the purposes and provisions of this Agreement and the other Funding Loan Documents, to confirm the priority and/or perfection of any lien, pledge, assignment or security interest created or intended to be created by this Agreement and to assure the Controlling Person and the Funding Lender of the subrogation and security rights in favor of the Funding Lender (or the Fiscal Agent for the benefit of the Funding Lender) for the benefit of the Noteowners of the Governmental Note contemplated by this Agreement, by the other Funding Loan Documents and by the Funding Loan Agreement. The Borrower shall obtain any approvals required under the Subordinate Debt Documents in connection with any of the foregoing.

Section 6.19 Management Agreement. The Borrower has entered into a property management agreement in a form approved by the Controlling Person with the Managing Agent (together with any extension and replacements thereof and as the same may be amended, modified or supplemented from time to time the "Management Agreement"). Under the Management Agreement, the Managing Agent shall provide certain management services and shall be entitled to receive as compensation for those services an amount not in excess of the Underwritten Management Fee. Any amounts due the Managing Agent in excess of the Underwritten Management Fee shall be subordinated to the payment by the Borrower of all principal of, premium, if any, and interest due on the Governmental Note, all Third Party Costs and all required deposits into the funds and accounts. The Borrower shall not replace the Managing Agent for the Project Facilities without the Controlling Person's prior written approval, which approval shall not be unreasonably withheld, conditioned, or delayed if the replacement managing agent has experience managing affordable housing projects similar to the Project, and the Management Agreement shall not be terminated or modified without the Controlling Person's prior written approval, which approval shall not be unreasonably withheld, conditioned, or delayed. In the event the Managing Agent resigns or is removed, the Borrower shall promptly seek a replacement Managing Agent and submit such Managing Agent and its proposed form of Management Agreement to the Controlling Person for approval, which approval shall not be unreasonably withheld, conditioned, or delayed; if the Borrower has not done so within thirty (30) days of becoming aware of such resignation or removal, the Controlling Person may (but shall not be required to) engage a new Managing Agent on terms satisfactory to the Controlling Person and at the expense of the Borrower. The sole and exclusive compensation (exclusive of reimbursement for expenses pursuant to the applicable Management Agreement) paid to manage the Project Facilities under the Management Agreement shall be as described in this Section 6.19. The Borrower shall have no employees whatsoever. The Managing Agent shall execute a consent to the Assignment of the Management Agreement pursuant to which the Managing Agent shall confirm the subordination provisions described above and agree that the Management Agreement shall be terminable by the Controlling Person, with or without cause, on thirty (30) days' notice following and during the existence of an Event of Default.

Section 6.20 Determination of Taxability. Neither the Borrower nor the General Partner shall admit in writing to the Governmental Lender or to any Governmental Authority that interest on the Governmental Note has become includable in gross income for purposes of federal income taxation without first providing reasonable advance notice to the Controlling Person and the Funding Lender and permitting the Controlling Person or the Funding Lender, at its sole discretion and at its expense, to contest such conclusion. Promptly after the Borrower first becomes aware of any Determination of Taxability or an event that could trigger a Determination of Taxability, the Borrower shall give written notice thereof to the Governmental Lender, the Funding Lender, the Controlling Person and the Funding Lender.

Section 6.21 Provision of Annual Reports; Reporting of Material Events.

(a) The Borrower shall, not later than 150 days after the end of the Borrower's fiscal year, commencing within 150 days following the end of the Borrower's current fiscal year, provide to the MSRB a report (the "Annual Report") containing financial information and operating data with respect to the Project Facilities for the prior fiscal year including the name, address, number of units, number of units occupied as of the report date, average occupancy of the Project Facilities, revenues, operating expenses, net operating income, debt service on the Borrower Loan and net operating income after debt service. The Annual Report may, but is not required to, include audited financial statements.

(b) Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues with respect to which the Borrower or any affiliate is an "obligated person" (as defined by Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time (the "Rule")), which have been filed with the Funding Lender, the MSRB or the Securities and Exchange Commission. The Borrower shall clearly identify each such other document so included by reference.

(c) In each case, the Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in this section; provided, that the financial statements of the Borrower may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. If the Borrower's fiscal year changes, it shall give notice of such change in the same manner as for a Material Event in this Section.

(d) This Section shall govern the giving of notices of the occurrence of any of the following events (each, a "Material Event"):

- (1) Principal and interest payment delinquencies;
- (2) Non-payment related defaults, if material;
- (3) Unscheduled draws on debt service reserves reflecting financial difficulty;
- (4) Unscheduled draws on credit enhancements reflecting financial difficulty;
- (5) Substitution of credit or liquidity providers, or their failure to perform;
- (6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax-exempt status of interest paid on the Governmental Note, or other Listed Events affecting the tax-exempt status of interest paid on the Governmental Note;
- (7) Modifications to rights of any interest in the Funding Loan, if material;

(8) optional, contingent or unscheduled prepayments of the Borrower Loan or Funding Loan, if material, and tender offers;

(9) Defeasances;

(10) release, substitution or sale of property securing repayment of the Borrower Loan or the Funding Loan, if material;

(11) Rating changes;

(12) bankruptcy, insolvency, receivership or similar event of the Borrower. For purposes of this clause (xii), any such event shall be considered to have occurred when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Borrower in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Borrower, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Borrower;

(13) the consummation of a merger, consolidation, or acquisition involving the Borrower or the sale of all or substantially all of the assets of the Borrower, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

(14) appointment of a successor or additional trustee/fiscal agent or paying agent or the change of the name of a trustee/fiscal agent or paying agent, if material;

(15) Incurrence of a financial obligation of the Borrower or obligated person, if material, or agreement to covenants, events of default, remedies, priority rights or other similar terms of a financial obligation of the Borrower or obligated person, any of which affect security holders, if material; and

(16) Default, event of acceleration, termination event, modification of terms or other similar events under the terms of the financial obligation of the Borrower or obligated person, any of which reflect financial difficulties

(e) Whenever the Borrower obtains knowledge of the occurrence of a potential Material Event, the Borrower shall, within five (5) Business Days of obtaining such knowledge and in any event no more than eight (8) Business Days after the occurrence of such event, determine if such event is in fact a Material Event that would be required by the Rule to be disclosed.

(f) If the Borrower has determined that a Material Event is required to be disclosed then the Borrower shall prepare a written notice describing the Material Event and

provide the same to the Funding Lender no more than ten (10) Business Days after the occurrence of the Material Event.

Section 6.22 Use of Proceeds. The Borrower agrees that the proceeds of the Governmental Note will be allocated exclusively to pay Project Costs and that, for the greatest possible number of buildings, the proceeds of the Funding Loan will be allocated to each building in the Project Facilities and the land on which such building is located, so that each building and the land on which it is located will have been financed fifty percent (50%) or more by the proceeds of the Governmental Note for the purpose of complying with Section 42(h)(4)(B) of the Code. [All of the amounts received upon the sale of the Governmental Note shall be allocated to, and shall be used, for the purpose of financing the aggregate basis of land and building costs within the meaning of Section 42(h)(4)(B) of the Code.] None of the Governmental Lender, the Controlling Person, the Fiscal Agent or the Funding Lender shall (i) have any obligation or responsibility to monitor or enforce this Section 6.22, or (ii) incur any liability for failure of the Borrower to comply with this Section 6.22.

Section 6.23 Compliance With Anti-Terrorism Regulations. Neither the Borrower, the General Partner, the DGSH Special Limited Partner, the MHP Special Limited Partner nor any Person holding any legal or beneficial interest whatsoever in the Borrower shall at any time during the term of this Agreement be described in, covered by or specially designated pursuant to or be affiliated with any Person described in, covered by or specially designated pursuant to Executive Order 13224 —Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism, as amended, or any similar list issued by OFAC or any other department or agency of the United States of America. Notwithstanding the foregoing, the Borrower, the General Partner, the DGSH Special Limited Partner and the MHP Special Limited Partner hereby each confirm that if it becomes aware or receives any notice of any violation of the foregoing covenant and agreement (an “OFAC Violation”), the Borrower, the General Partner, the DGSH Special Limited Partner or the MHP Special Limited Partner, as applicable, will immediately (i) give notice to the Controlling Person of such OFAC Violation, and (ii) comply with all Legal Requirements applicable to such OFAC Violation, including, without limitation, Executive Order 13224; the International Emergency Economic Powers Act, 50 U.S.C. Sections 1701-06; the Iraqi Sanctions Act, Pub. L. 101-5 13, 104 Stat. 2047-55; the United Nations Participation Act, 22 U.S.C. Section 287c; the Antiterrorism and Effective Death Penalty Act, (enacting 8 U.S.C. Section 219, 18 U.S.C. Section 2332d, and 18 U.S.C. Section 2339b); the International Security and Development Cooperation Act, 22 U.S.C. Section 2349 aa-9; the Terrorism Sanctions Regulations, 31 C.F.R. Part 595; the Terrorism List Governments Sanctions Regulations, 31 C.F.R. Part 596; and the Foreign Terrorist Organizations Sanctions Regulations, 31 C.F.R. Part 597 (collectively, the “Anti-Terrorism Regulations”), and the Borrower, the General Partner, the DGSH Special Limited Partner and the MHP Special Limited Partner hereby authorize and consent to the Controlling Person’s taking any and all reasonable steps the Controlling Person deems necessary, in its sole discretion, to comply with all Legal Requirements applicable to any such OFAC Violation, including the requirements of the Anti-Terrorism Regulations. Notwithstanding anything to the contrary in this Section, the Borrower shall not be deemed to be in violation of the covenants and agreements set forth in the first sentence of this Section if the Borrower timely complies with all requirements imposed by the foregoing sentence and all requirements of the Antiterrorism Regulations and all other applicable Legal Requirements relating to such OFAC Violation.

Section 6.24 Adoption of Capital and Operating Budgets.

(a) On or before December 1 of each Fiscal Year, the Borrower shall submit to the Controlling Person for approval a proposed capital and operating budget with respect to the Project Facilities to be effective for the next following Fiscal Year (the "Proposed Budget" or "Annual Budget"). The Controlling Person shall have the right to approve or disapprove any Proposed Budget, which approval shall not be unreasonably withheld, conditioned or delayed. Third party costs not within the Borrower's control and costs associated with remediation of emergency conditions shall be permitted variances to the Annual Budget. If any Proposed Budget is not disapproved by the Controlling Person within thirty (30) days following submission by the Borrower, such Proposed Budget shall be deemed approved. If any Proposed Budget is disapproved, the Borrower shall thereafter consult with the Controlling Person in an effort to achieve a mutually acceptable Annual Budget for an additional thirty (30) days. To the extent the proposed operating budget is disapproved, the operating budget for the previous Fiscal Year shall remain in effect increased by five percent (5%) over the previous Fiscal Year (except for costs of utilities, Impositions and insurance and other third-party costs or cost associated with remediation of emergency conditions which shall be permitted variances to the Proposed Budget) until the parties resolve their differences. In addition to, and not in limitation of the foregoing, each Annual Budget may be revised from time to time with approval of Controlling Person to reflect changes to Expenses and proposed Capital Expenditures set forth in the then-current Annual Budget.

(b) Without limiting the generality that each Proposed Budget must be approved by the Controlling Person, each Proposed Budget:

(i) shall be prepared on the basis of sound accounting practices consistently applied;

(ii) shall reflect all amounts projected to be deposited in the Replacement Reserve Account and the projected revenues and Expenses of the Project Facilities;

(iii) shall reflect all projected Capital Expenditures which are reasonably expected to be made in connection with the Project Facilities during the Fiscal Year covered by such Proposed Budget; and

(iv) shall be in such form as is reasonably acceptable to the Controlling Person and containing such other information as reasonably may be requested by the Controlling Person.

Section 6.25 Borrower's Approval of Funding Loan Agreement. The Borrower understands that the Governmental Lender will, pursuant to the Funding Loan Agreement and as security for the payment of the principal of, acceleration premium, if any, and the interest on the Governmental Note, assign and pledge to the Funding Lender and/or the Fiscal Agent, and create a security interest in favor of the Funding Lender (or the Fiscal Agent for the benefit of the Funding Lender) in certain of its rights, title and interest in and to this Agreement (including all payments hereunder) reserving, however, the Reserved Rights; and the Borrower hereby agrees and consents to such assignment and pledge. The Borrower acknowledges that it has received a copy of the Funding Loan Agreement for its examination and review. By its execution of this Agreement, the Borrower acknowledges that it has approved, has agreed to and is bound by the applicable provisions of the Funding Loan Agreement. The Borrower agrees that the Funding Lender and the Fiscal Agent shall each be entitled to enforce and to benefit from the terms and conditions of this Agreement that relate to it notwithstanding the fact that it is not a signatory hereto.

Section 6.26 Conditions Precedent; Payment of Certain Fees, Deposits and Expenses. On the date of execution and delivery hereof, (a) the Controlling Person shall have received, in immediately available funds, an amount equal to the fees set forth in Section 2.2(a) hereof, and the fees of the Engineering Consultant set forth in Section 2.2(b) hereof incurred as of the date of the execution and delivery hereof, and (b) the Funding Lender shall have received the deposits required to be made in the funds and accounts on such date pursuant to Article 8 hereof.

Section 6.27 Additional Conditions Precedent. The rights of the Borrower to draw the initial advance of funds under this Agreement shall be subject to the conditions precedent set forth in Section 9.12 hereof and on Part A of Schedule 6 attached hereto.

Section 6.28 No Amendments. The Borrower shall not amend, modify or otherwise change the Subordinate Debt Documents without the prior written consent of the Controlling Person, which consent shall not be unreasonably conditioned, delayed or withheld.

Section 6.29 Construction of Improvements. The Borrower shall construct, or cause the construction of, the Project Facilities in a true, thorough and workmanlike manner and substantially in accordance with the Plans and Specifications and in compliance in all material respects with all applicable Governmental Actions and Legal Requirements. The Borrower shall provide, subject to available funds, at the Borrower's expense all manner of materials, labor, implements and cartage of every description for the due completion of construction of the Project Facilities. Subject to Force Majeure, the Borrower shall take all necessary steps to assure that commencement of renovation or construction of the Project Facilities shall begin within thirty (30) days following the Closing Date, shall proceed continuously and diligently and in a commercially reasonable manner, and shall be completed lien free in a timely manner substantially in accordance with the Plans and Specifications and in all instances in compliance in all material respects with all applicable Governmental Actions and Legal Requirements, on or before the Completion Date, subject to delays caused by a Force Majeure.

Section 6.30 Evidence of Payment of Costs. If requested by the Controlling Person, the Borrower shall furnish, before each advance agreed to be made and on completion of construction, all receipted bills, certificates, affidavits, conditional releases of lien or other documents available to the Borrower which may be reasonably required by the Controlling Person, as evidence of full payment (less retainage, if applicable) for all labor and materials incident to the construction of the Project Facilities for each requested draw with copies of unconditional releases of lien, subject to retainage, if applicable, from each prior draw and will promptly secure the release of the Project Facilities from all liens by payment thereof or transfer to bond or other security.

Section 6.31 Correction of Deficiencies in Improvements. The Borrower agrees that it will correct any work performed and replace any materials that do not comply with the Plans and Specifications in any material respect. In the event of any dispute between the Borrower and the Controlling Person with respect to the interpretation and meaning of the Plans and Specifications, the same shall be determined by an independent engineer selected by the Borrower from the list of engineers approved by the Controlling Person.

Section 6.32 Loan Rebalancing. If, for any reason, the Controlling Person shall, in the reasonable exercise of the Controlling Person's judgment, determine that the combined total of (i) the remaining proceeds of the Funding Loan, (ii) the capital contributions from Borrower's partners; (iii) any other source of funds shown in the Development Budget attached hereto; (iv) undisbursed developer fee; (v) cost savings pursuant to Section 9.9(c) herein; (vi) contingency;

(vii) Project Facilities cash flow; (viii) the Subordinate Debt and other sources of funds shown in the Development Budget; and (ix) any other sums deposited by the Borrower with the Funding Lender are insufficient to pay through completion of the Project Facilities, all of the following sums: (x) all remaining costs of construction, marketing, ownership and leasing of the Project Facilities; and (y) all remaining interest and all other remaining sums which may accrue or be payable under the Funding Loan Documents, then the Controlling Person may require the Borrower to deposit with the Funding Lender for deposit into the Project Fund, within ten (10) Business Days after written request by the Controlling Person, the projected deficiency, and such deposit shall be disbursed in the same manner as the Borrower Loan is to be disbursed as provided. Notwithstanding the foregoing, if, at any time, Controlling Person determines, in Controlling Person's reasonable discretion, that it is unlikely that Borrower will receive all or a portion of the sources of funds shown on the Development Budget (other than Loan proceeds), Controlling Person may exclude such amount from its determination of whether the Borrower Loan is "in balance" as provided above.

Section 6.33 Use of Loan Proceeds. All labor and materials contracted for and in connection with the construction of the Project Facilities shall be used and employed solely for the Improvements (except for materials stored off site) and in said construction and only in accordance with the Plans and Specifications. Moneys disbursed from funds and accounts held under the Funding Loan Agreement to or for the account of the Borrower under this Agreement shall constitute a trust fund in the hands of the Borrower or other payee and shall be used solely by such payee for the payment of the Qualified Project Costs and for no other purpose unless another use is specifically provided for in this Agreement or consented to in writing by the Controlling Person. Nothing in this paragraph shall be deemed to impose a trust on the undisbursed portion of the Borrower Loan or any other amounts held under the Funding Loan Agreement or to impose any duty on the Controlling Person with respect thereto.

Section 6.34 Special Servicing Costs. In accordance with industry standards, the Controlling Person, as servicer of the Loan, may charge the Borrower additional servicing fees and costs for special servicing requests. The Borrower shall pay as and when due all such special servicing fees or costs.

Section 6.35 Developer Fee. Borrower will not pay any Developer Fee unless permitted under Section 2 of the Developer Fee Pledge.

Section 6.36 Payment and Performance Bonds. Borrower shall furnish to Controlling Person and shall maintain in effect through final completion of the Work such Payment and Performance Bonds with respect to the Contractor, or if the Contractor does not obtain such Payment and Performance Bond, such Payment and Performance Bonds shall be obtained with respect to each contractor that enters into a Major Contract; provided, however, that if Payment and Performance Bonds have been provided by any contractor under a Major Contract in accordance with the terms hereof, any subcontractor of such contractor shall not be required to post any Payment and Performance Bonds in respect of such subcontract. Borrower shall take such action and require such performance as Controlling Person deems necessary under the Payment and Performance Bonds. In the event that any payments under any Payment and Performance Bonds are issued jointly to Borrower and Funding Lender or Borrower and Controlling Person, Borrower shall endorse any such jointly issued payments to the order of Funding Lender or Controlling Person, as determined by Controlling Person in its discretion, promptly upon Controlling Person's demand. Notwithstanding the foregoing, provided no Default or Event of Default exists, the Borrower may request that Controlling Person consent in writing to the release of the Payment and Performance Bonds following achievement of Completion.

Section 6.37 Extension of the Outside Stabilization Date.

(a) The Borrower may, upon thirty (30) days prior written notice to the Controlling Person, extend the deadline for the Project Facilities to achieve Stabilization so long as:

(1) there is no uncured Default or Event of Default under the Funding Loan Documents and the Borrower is then in material compliance with its obligations under the Borrower Loan Documents;

(2) the extended deadline for the achievement of Stabilization is extended for six months after the initial Outside Stabilization Date; and

(3) Not less than thirty (30) days prior to the initial Outside Stabilization Date, an extension fee is paid to the Controlling Person equal to 0.15% times the principal amount of the Borrower Note outstanding at the time such fee is paid; and

(4) the Borrower certifies in writing to the Controlling Person that cash flows generated from property operations and/or funds on deposit with the Fiscal Agent (or other sources approved by the Controlling Person) will be sufficient to pay debt service during the term of the extension.

(b) Reserved

ARTICLE 7

DEFAULTS AND REMEDIES

Section 7.1 Defaults. Each of the following shall constitute an event of default hereunder ("Event of Default"):

(a) Failure by the Borrower to (i) pay any installment of principal and/or interest required to be paid under the Borrower Note when the same shall become due and payable, or (ii) failure by the Borrower to pay any other amount required to be paid by the Borrower under this Agreement, the Borrower Note or any of the other Funding Loan Documents within five (5) Business Days after written demand from when the same shall become due and payable;

(b) Failure by the Borrower to perform or comply with any of the terms or conditions contained in Section 6.1, 6.11 or 6.12 hereof;

(c) Failure by the Borrower to perform or comply with any of the terms or conditions contained in this Agreement and any of the other Funding Loan Documents to which the Borrower is a party, other than as described in paragraphs (a) and (b) above, and continuation of such failure for thirty (30) days after written notice from the Funding Lender, the Controlling Person or the Governmental Lender to the Borrower (with a copy to the Guarantor and the Investor Limited Partner), or such longer period to which the Controlling Person may agree in the case of a default not curable by the exercise of due diligence within such thirty (30) day period, if the Borrower, the General Partner, the Guarantor, the DGSH Special Limited Partner, the MHP Special Limited Partner or the Investor Limited Partner shall have commenced a cure of such

default within such thirty (30) day period and shall be diligently pursuing such cure as quickly as reasonably possible;

(d) Any of the representations or warranties of the Borrower set forth in this Agreement, any of the other Funding Loan Documents or any other document furnished to the Governmental Lender, the Funding Lender, the Controlling Person or the Funding Lender pursuant to the terms hereof proves to have been false or misleading in any materially adverse respect when made;

(e) Any provision of this Agreement or any of the other Funding Loan Documents to which the Borrower, the General Partner, the DGSB Special Limited Partner, the MHP Special Limited Partner or any Guarantor is a party for any reason ceases to be valid and binding on the Borrower, the General Partner, the DGSB Special Limited Partner, the MHP Special Limited Partner or any Guarantor, is declared to be null and void, subject to the Borrower being allowed to cure such invalidity if, in the Controlling Person's sole determination, the Borrower makes a good faith effort to rectify and cure such invalidity within ten (10) days of such invalidity, and is able to cure such within no more than thirty (30) days, or is violative of any applicable Legal Requirement relating to a maximum amount of interest permitted to be contracted for, charged or received, or the validity or enforceability thereof is contested by the Borrower, the General Partner, the DGSB Special Limited Partner, the MHP Special Limited Partner or any Guarantor or any Governmental Authority, or the Borrower, the General Partner, the DGSB Special Limited Partner, the MHP Special Limited Partner or any Guarantor denies that it has any or further liability or obligation under this Agreement or any of the Funding Loan Documents to which the Borrower, the General Partner or any Guarantor is a party;

(f) The occurrence and continuance of an Event of Default as defined in the Funding Loan Agreement or the other Funding Loan Documents or the Subordinate Debt Documents;

(g) The Borrower, any Guarantor, the DGSB Special Limited Partner, the MHP Special Limited Partner or the General Partner (i) applies for or consents to the appointment of a receiver, trustee, liquidator or custodian or the like of the Borrower, any Guarantor, the DGSB Special Limited Partner, the MHP Special Limited Partner or the General Partner, as applicable, or of property of any such party or (ii) admits in writing as a part of any court proceeding the inability of the Borrower, any Guarantor or the General Partner to pay its debts generally as they become due, or (iii) makes a general assignment for the benefit of creditors, (iv) is adjudicated bankrupt or insolvent, (v) commences a voluntary case under the Bankruptcy Code or files a voluntary petition or answer seeking reorganization, an arrangement with creditors or an order for relief or seeking to take advantage of any insolvency law or files an answer admitting the material allegations of a petition filed against the Borrower, any Guarantor, the DGSB Special Limited Partner, the MHP Special Limited Partner or the General Partner in any bankruptcy, reorganization or insolvency proceeding, or action of the Borrower, any Guarantor, the DGSB Special Limited Partner, the MHP Special Limited Partner or the General Partner is taken for the purpose of effecting any of the foregoing, or (vi) has instituted against it, without the application, approval or consent of the Borrower, any Guarantor, the DGSB Special Limited Partner, the MHP Special Limited Partner or the General Partner, as applicable, a proceeding in any court of competent jurisdiction, under any Legal Requirements relating to bankruptcy, insolvency, reorganization or relief of debtors, seeking in respect of the Borrower, any Guarantor, the DGSB Special Limited Partner, the MHP Special Limited Partner or the General Partner an order for relief or an adjudication in bankruptcy, reorganization, dissolution, winding up or liquidation, a composition or arrangement with creditors, a readjustment of debts, the appointment of a trustee,

receiver, liquidator or custodian or the like of the Borrower, any Guarantor, the DGSB Special Limited Partner, the MHP Special Limited Partner or the General Partner or of all or any substantial part of the assets of such party or other like relief in respect thereof under any Legal Requirements relating to bankruptcy or insolvency law, and, if such proceeding is being contested by the Borrower, such Guarantor, the DGSB Special Limited Partner, the MHP Special Limited Partner or the General Partner, as applicable, in good faith, the same (A) results in the entry of an order for relief or any such adjudication or appointment or (B) remains undismissed and undischarged for a period of ninety (90) days;

(h) The Borrower fails to maintain in full force and effect any insurance required pursuant to this Agreement, provided, however, with respect to non-compliance with such insurance requirements which, in the determination of the Controlling Person, could not have a material adverse effect, the Borrower shall have three (3) Business Days' notice to cure such non-compliance;

(i) The Project Facilities suffer a loss by fire or other casualty and such loss is not fully insured and any deficiency in the amount of insurance proceeds paid with respect to such loss is not posted with the Funding Lender within thirty (30) days of the determination of such deficiency;

(j) The Project Facilities fail to achieve (i) Completion on or before the Completion Date; (ii) Stabilization on or before the Stabilization Date, as same may be extended pursuant to this Agreement, or (iii) if specified on the Schedule of Financial Terms as applicable, [to obtain and maintain the exemption from ad valorem real estate taxation under the laws of the State];

(k) Any litigation or administrative proceeding ensues, and is not dismissed within sixty (60) days, involving the Borrower, the General Partner, any Guarantor, the DGSB Special Limited Partner, the MHP Special Limited Partner or any instrument, contract or document delivered by the Borrower to the Controlling Person or the Funding Lender in compliance with this Agreement, and the adverse result of such litigation or proceeding would have, in the Controlling Person's reasonable opinion, a materially adverse effect on the Borrower's, the General Partner's, any Guarantor's, the DGSB Special Limited Partner's or the MHP Special Limited Partner's ability to pay its obligations and comply with the covenants under this Agreement or any of the other Funding Loan Documents;

(l) Any one or more non-appealable judgments or orders are entered against the Borrower, any Guarantor, the DGSB Special Limited Partner, the MHP Special Limited Partner or the General Partner, and (1) are in excess of \$50,000 for the Borrower, the General Partner, the DGSB Special Limited Partner and the MHP Special Limited Partner and \$100,000 for the Guarantor and unsatisfied and unstayed for thirty (30) days or (2) a judgment lien on any property of the Borrower, any Guarantor, the DGSB Special Limited Partner, the MHP Special Limited Partner or the General Partner is recorded in respect thereof and is not stayed pending appeal by a bond or other arrangement given or obtained by the Borrower, any Guarantor, the DGSB Special Limited Partner, the MHP Special Limited Partner or the General Partner on terms which do not violate any of the Borrower's covenants under this Agreement;

(m) Failure by the Borrower or the Guarantor (1) to make any payment or payments in respect of any Obligation or Indebtedness (unless a bona fide dispute exists as to whether such payment is due), when such payment or payments are due and payable (after the lapse of any applicable notice, grace and cure periods), or (2) to pay or perform any obligation

or covenant under any Material Contract unless a bona fide dispute exists, any of which (x) results in the acceleration of such Obligation or Indebtedness or enables the holder or holders of such Obligation or Indebtedness or any person acting on behalf of such holder or holders to accelerate the maturity of such obligation or (y) would have, in the Controlling Person's reasonable opinion, a materially adverse effect on either the Borrower's or the Guarantor's ability to pay its obligations and comply with the covenants under this Agreement or any of the other Funding Loan Documents;

(n) Construction of the Improvements shall have been discontinued for thirty (30) consecutive working days for any reason whatsoever except due to Force Majeure or such other reason as the Controlling Person shall deem reasonable;

(o) If at any time the Borrower shall have been unable for a period of forty-five (45) days to meet the requirements for an Advance under this Agreement, regardless of whether the Borrower has requested an Advance that has not been funded, other than due to Force Majeure;

(p) The Contractor shall have defaulted under the Construction Contract, which default the Controlling Person, in its sole opinion, shall deem to be substantial, and the Borrower, upon ten (10) Business Days written notice from the Controlling Person, shall have failed to exercise any right or remedy to which it shall be entitled; and

(q) An event of default shall have occurred under the Subordinate Debt Documents and any applicable notice, grace and cure period shall have expired.

Notwithstanding anything to the contrary, to the extent that either the General Partner or the DGSB Special Limited Partner shall cause an Event of Default [under Section 7.1 (___)], the Borrower shall be permitted to remove such Person as a partner of the Borrower in accordance with the Partnership Agreement, in which case such Event of Default shall be deemed cured so long as the Guarantor, or one or more members of the Guarantor, controls the Borrower after such removal occurs.

To the extent a Guarantor shall cause an Event of Default, the Borrower shall be permitted to replace such Guarantor within thirty (30) days with a replacement guarantor approved by the Controlling Person in the Controlling Person's sole discretion, provided if the non-default Guarantor shall meet the Minimum Liquidity stipulated on the Schedule of Financial Terms on its own, a replacement guarantor shall not be required, provided in either case, the replacement defaulting Guarantor or the non-defaulting Guarantor meeting the Minimum Liquidity stipulated on the Schedule of Financial Terms on its own, such Event of Default shall be deemed cure. For the avoidance of doubt, the Controlling Person's approval of a replacement Guarantor may be conditioned upon, among other things, such replacement Guarantor (i) being a person or entity for which no OFAC Violation (as set forth in Section 6.23 hereof) shall have occurred; (ii) satisfying the Controlling Person's credit underwriting standards at the time of replacement; (iii) executing and delivering instruments of assumption in a form and substance acceptable to the Controlling Person; and (iv) together with the other non-defaulting Guarantors satisfying the Minimum Liquidity stipulated on the Schedule of Financial Terms.

Section 7.2 Remedies. If an Event of Default has occurred and is continuing uncured, the Funding Lender, or the Controlling Person on behalf of the Funding Lender, may:

(a) Declare the principal of the Governmental Note then outstanding and the interest accrued thereon to be due and payable; and

(b) Declare the Borrower's obligations hereunder, under the Borrower Note and under the other Funding Loan Documents to be, whereupon the same shall become, immediately due and payable, provided, no such declaration shall be required, and acceleration shall be automatic, upon occurrence of an event set forth in Section 7.1(g) hereof; and

(c) Enter upon the Project Facilities and take possession thereof, together with the Improvements in the course of construction or completed, and all of the Borrower's materials, supplies, tools, equipment and construction facilities and appliances located thereon, and proceed either in the name of the Funding Lender or in the name of the Borrower as the attorney-in-fact of the Borrower (which authority is coupled with an interest and is irrevocable by the Borrower) as the Controlling Person shall elect, to complete the construction of the Improvements at the cost and expense of the Borrower; if the Controlling Person elects to complete or cause the construction of the Improvements to be so completed, it may do so according to the terms of the Plans and Specifications and as the Controlling Person shall deem expedient or necessary, and the Funding Lender may enforce or cancel all contracts entered into as aforesaid or make other contracts which in the Controlling Person's reasonable opinion may seem advisable, and the Borrower shall be liable, under this Agreement and under the Borrower Note or any other note given by it pursuant to the provisions hereof, to pay the Funding Lender upon demand any amount or amounts expended by the Funding Lender or its representatives for such performance, together with any costs, charges or expenses incident thereto or otherwise incurred or expended by the Funding Lender or its representatives on behalf of the Borrower in connection with the Improvements, and the amounts so expended shall bear interest at the default rate specified in the Borrower Note, and shall be considered part of the indebtedness evidenced by the Borrower Note and secured by the Mortgage; and

(d) In the event the Contractor shall have defaulted as aforesaid, and the Contractor has no surety, the Borrower, within five (5) days after written notice from the Controlling Person to do so shall proceed to negotiate or invite bidding to procure, within an additional fifteen (15) days, a successor Contractor to complete the Improvements under a performance bond and labor and material payment bond approved by the Controlling Person in the full amount of the new contract price; if the Contractor has a surety, but the surety refuses or fails to commence completion of the Improvements within fifteen (15) days after notice from the Borrower to do so, the Borrower shall proceed, within ten (10) days, to negotiate or invite bidding as herein provided or to take action against the entity; and

(e) (1) Enter upon or take possession of the Project Facilities and call upon or employ suppliers, agents, managers, maintenance personnel, security guards, architects, engineers and inspectors to complete, manage or operate the Project Facilities or to protect the Project Facilities from injury; (2) pay out additional sums (which sums shall be immediately due and payable by the Borrower to the Funding Lender) and use any property of the Borrower associated with the Project Facilities, or any property of the Borrower in which the Funding Lender has or obtains an interest for application to or as a reserve for payment of any or all of the following with respect to the protection, management, operation or maintenance of the Project Facilities or the protection of the Funding Lender's interest therein, and in such connection deliver or disburse the same to such entities in such amounts and with such preferences and priorities as the Controlling Person in its sole discretion shall determine, either with or without vouchers or orders executed by the Borrower: (A) all sums due from the Borrower to the Funding Lender; (B) premiums and costs of title and any other insurance; (C) leasing fees and brokerage or sales commissions; (D) fees, costs and expenses of the Funding Lender and its counsel in connection with the enforcement and performance of this Agreement, the other Funding Loan Documents and the other documents contemplated hereby; (E) any taxes (including federal, state and local

taxes) or other governmental charges; (F) any sums required to indemnify and hold the Funding Lender harmless from any act or omission of the Funding Lender (except such as are grossly negligent or due to its willful misconduct) under Section 2.5 hereof, the other Funding Loan Documents or any other document; (G) architectural and engineering costs or any sums due to contractors, subcontractors, mechanics or materialmen for work or services actually furnished on or for the Project Facilities; (H) claims of any Governmental Authority for any required withholding of taxes on wages payable or paid by the Borrower; and (I) other costs and expenses which are required to complete, manage or operate the Project Facilities or to protect the Project Facilities from injury or maintain the Funding Lender's security position before the rights of all others; (3) place additional encumbrances upon the Project Facilities; and (4) employ leasing and sales agents and negotiate and execute leases, sales contracts and financing undertakings in connection with all or any part of the Project Facilities; and

(f) Subject to all Legal Requirements, require the Borrower to transfer all security deposits to the Funding Lender; and

(g) Exercise, or cause to be exercised, any and all such remedies as it may have under this Agreement, the other Funding Loan Documents or at law or in equity.

Section 7.3 No Waivers; Consents. No waiver of, or consent with respect to, any provision of this Agreement shall in any event be effective unless the same shall be in writing and signed by the Funding Lender (or by the Governmental Lender if the same relates to Reserved Rights), and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which it was given.

Section 7.4 No Waiver; Remedies Cumulative. No failure on the part of the Governmental Lender, the Funding Lender, the Controlling Person or any Noteowner to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof; and no single or partial exercise of any right hereunder shall preclude any other or further exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any remedies available under any other document or at law or in equity.

Section 7.5 Set-Off. Upon the occurrence and during the continuation of an Event of Default hereunder, the Funding Lender is hereby authorized at any time and from time to time without notice to the Borrower, the General Partner, the DGSB Special Limited Partner or the MHP Special Limited Partner (any such notice being expressly waived by the Borrower, the General Partner, the DGSB Special Limited Partner and the MHP Special Limited Partner) and, to the fullest extent permitted by applicable Legal Requirements, to set off and to apply any and all balances, credits, deposits (general or special, time or demand, provisional or final), accounts or moneys at any time held and other indebtedness at any time owing by the Governmental Lender to or for the account of the Borrower against any and all of the obligations of the Borrower now or hereafter existing under this Agreement, the other Funding Loan Documents or any other agreement or instrument delivered by the Borrower to the Governmental Lender in connection therewith, whether or not the Governmental Lender shall have made any demand hereunder or thereunder and although such obligations may be contingent or unmatured. The rights of the Funding Lender under this Section are in addition to other rights and remedies (including, without limitation, other rights of set-off) which the Funding Lender may have.

Section 7.6 Governmental Lender and Borrower to Give Notice of Default. The Governmental Lender and the Borrower severally covenant that they will, at the expense of the Borrower, promptly give to the Funding Lender, the Controlling Person and the Investor Limited

Partner and to each other written notice of the occurrence of any Event of Default under this Agreement, and any act, event or circumstance which, with the passage of time, or notice, or both, would constitute such an Event of Default of which they shall have actual knowledge or written notice, but the Governmental Lender shall not be liable for failing to give such notice.

Section 7.7 Cure by Guarantor and/or Investor Limited Partner. Notwithstanding anything to the contrary contained herein, the Governmental Lender hereby agrees that any timely cure of any default made or tendered by any Guarantor or the Investor Limited Partner shall be deemed to be a cure by the Borrower, and shall be accepted or rejected on the same basis as if made or tendered by the Borrower; provided, however, that the Investor Limited Partner shall not have any obligation or duty to take any action to cure any default or to cause any default to be cured.

Section 7.8 Default Rate; Acceleration Premium. In the event there shall have occurred an acceleration of the obligations of the Borrower hereunder following an Event of Default on or before the First Par Call Date, any tender of payment of an amount necessary to satisfy the indebtedness evidenced by this Agreement shall include the acceleration premium set forth in Section 2.3(c) hereof. In addition, in the event that principal or interest payable hereunder is not paid when due, there shall be payable on the amount not timely paid, interest at the Default Rate until the unpaid amount, together with interest thereon, shall have been paid in full.

Section 7.9 Reserved Rights; Regulatory Agreement Defaults.

(a) Notwithstanding anything to the contrary contained herein, the Governmental Lender may enforce its Reserved Rights under the Funding Loan Documents and exercise the permitted remedies with respect thereto against the Borrower, subject to the provisions of subparagraph (c) below.

(b) If there shall have occurred and be then continuing an event of default under the Land Use Restriction Agreement which would, in the reasonable judgment of the Governmental Lender or the Funding Lender, jeopardize the exclusion from gross income of interest on the Governmental Note (a "Regulatory Agreement Default") and such Regulatory Agreement Default remains uncured or unwaived for a period of sixty (60) days after the Borrower, the Controlling Person and the Funding Lender receive written notice from the Funding Lender or the Governmental Lender (or any other party on its behalf, including the Fiscal Agent) stating that a Regulatory Agreement Default has occurred and specifying the nature of such default, then, if authorized by the Funding Loan Documents, the Governmental Lender, the Fiscal Agent and/or the Funding Lender may, without the consent of the Controlling Person or the Funding Lender, exercise the remedy of pursuing specific performance of the Funding Loan Documents on account of such default, unless:

(i) The Governmental Lender and the Funding Lender, prior to the end of such sixty (60) day period, are provided with an opinion of Tax Counsel to the effect that the failure to cure such default will not have an adverse effect on the exclusion from gross income for federal income tax purposes of interest on the Governmental Note (which opinion may be requested and obtained by the Controlling Person or the Funding Lender);

(ii) The Controlling Person, the Funding Lender or the Borrower institutes action to cure such Regulatory Agreement Default within such sixty (60)

day period and diligently pursues such action thereafter until such Regulatory Agreement Default is cured; or

(iii) If such Regulatory Agreement Default is not reasonably curable by the Controlling Person or the Funding Lender without the Funding Lender's first securing possession of the Project Facilities and/or operational control of the Borrower and the Controlling Person or the Funding Lender (subject to extension during any stay on account of the bankruptcy of the Borrower) (x) instructs the Funding Lender, subject to the terms of the Funding Loan Agreement, to institute, within such sixty (60) day period, proceedings or other action for the purposes of obtaining such possession or control pursuant to the Funding Loan Documents; (y) thereafter instructs the Funding Lender, pursuant to the terms of the Funding Loan Agreement, to pursue diligently such proceedings until such possession or control is obtained; and (z) diligently pursues action to cure such default after the Funding Lender or other designee of the Controlling Person or the Funding Lender obtains possession or control of the Project Facilities, until such default is cured; provided, however, that any extension, of the period within which a Regulatory Agreement Default must be cured shall only be effective if and to the extent that, in the opinion of Tax Counsel provided, at the sole expense of the Borrower, to the Funding Lender and the Governmental Lender, such extension will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Governmental Note; and provided further, that the Funding Lender, upon five (5) Business Days' prior written notice to the Controlling Person and the Funding Lender following any such Regulatory Agreement Default, may reduce the 60-day period provided above to such shorter period of time as is specified in such notice (but in no event less than fifteen (15) Business Days), but only if the Funding Lender, the Controlling Person, the Funding Lender and the Governmental Lender shall have been provided with an opinion of Tax Counsel to the effect that such reduction of such period is necessary to preserve the exclusion from gross income for federal income tax purposes of interest on the Governmental Note.

(c) In the event of a default in respect of Reserved Rights or a Regulatory Agreement Default which remains uncured after written notice thereof to the Borrower, the Controlling Person and the Funding Lender, nothing in this Section 7.9 shall restrict or in any way limit the right of the Governmental Lender to take any action for specific performance available under the Land Use Restriction Agreement or at law or in equity in order to enforce the terms of the Land Use Restriction Agreement or to enforce Reserved Rights hereunder, so long as the Governmental Lender does not take any action (i) to declare the outstanding balance of the Governmental Note or the Borrower Loan to be due on account of such default, (ii) to have a receiver appointed in respect of the Project Facilities, (iii) to foreclose any liens upon or security interests or to enforce any other similar remedy against any of the property described in the Mortgage, or (iv) to enforce any other similar remedy which would cause such liens or security interests to be discharged or materially impaired thereby.

ARTICLE 8

DEPOSITS

Section 8.1 Deposits to and Disbursements from the Replacement Reserve Fund.
Pursuant to the Replacement Reserve Agreement, the Borrower shall pay or cause to be paid to

the Fiscal Agent, for deposit into the Replacement Reserve Fund, the amounts described in the Replacement Reserve Agreement. The sums contained in the Replacement Reserve Fund from time to time, shall be maintained, disbursed, and applied as provided in the Replacement Reserve Agreement.

Section 8.2 Deposits to Tax and Insurance Escrow Fund. Unless otherwise directed by the Controlling Person, two Business Days before each Loan Payment Date, commencing on the First Monthly Tax and Insurance Escrow Payment Date, and continuing each month thereafter, the Borrower shall pay, or cause to be paid, to the Fiscal Agent an amount equal to the Monthly Tax and Insurance Amount for the Project Facilities to be deposited in the Tax and Insurance Escrow Fund.

Section 8.3 Reserved.

Section 8.4 Deposits to Operating Reserve Fund. At the time set forth on the Schedule of Financial Terms, the Borrower shall pay or cause to be paid to the Fiscal Agent, to be deposited in the Operating Reserve Fund, the Operating Reserve Amount pursuant to Section 4.6 of the Funding Loan Agreement. Following any disbursement, payment or transfer of moneys from the Operating Reserve Fund, the Borrower shall replenish the Operating Reserve Fund monthly, from and to the extent of revenue from the operation of the Project Facilities available after payment of Expenses, capital expenditures and amounts then due and owing under the Funding Loan Documents, and prior to the payment of any distributions to the Borrower's partners, until such time as the balance on deposit in the Operating Reserve Fund equals the Operating Reserve Amount.

Section 8.5 Investment. Funds in the funds and accounts shall be invested in Permitted Investments upon the direction of the Borrower with the consent of the Controlling Person, as set forth in Section 4.10 of the Funding Loan Agreement. Earnings on the funds and accounts hereunder shall be held or disbursed as set forth in Article IV of the Funding Loan Agreement. The Fiscal Agent will deposit any cash held from time to time in the funds and accounts in one or more bank accounts with an institution or institutions of the Fiscal Agent and/or the Funding Lender's choosing. The Fiscal Agent shall have the right to invest or withdraw any deposited funds or to direct the liquidation of any investments held in order to pay the amounts required under this Agreement and the other Funding Loan Documents. Neither the Fiscal Agent nor the Funding Lender shall be liable for any loss sustained as a result of any liquidation of any collateral prior to its maturity. Any income or gain realized on such investments shall be credited to and become part of the respective funds and accounts and reinvested and applied as provided in the Funding Loan Agreement. Provided that no Default or Event of Default exists, the Borrower from time to time may request the Controlling Person to consent to the disbursement to or upon the order of the Borrower of the investment income previously credited to the funds and accounts, which consent by the Controlling Person shall not be unreasonably withheld or delayed.

Section 8.6 Security Interest in Funds and Accounts. The Borrower hereby assigns and pledges to the Governmental Lender, and grants the Governmental Lender a security interest in, as additional collateral security for the Borrower's obligations to the Governmental Lender hereunder (and the Borrower acknowledges and agrees that the Governmental Lender shall have a continuing security interest in) all of the Borrower's right, title and interest, if any, in all funds and accounts, all cash, cash equivalents, instruments, investments and other securities at any time held in the funds and accounts, all proceeds of the foregoing, and all of the Borrower's rights associated with such funds and accounts, if any. The Governmental Lender hereby directs the

Fiscal Agent to hold all moneys in the funds and accounts from time to time as assignee of the Governmental Lender.

Section 8.7 Liability of Fiscal Agent. In performing any of its duties hereunder, the Fiscal Agent shall not incur any liability to anyone for any damages, losses or expenses, except for its gross negligence, bad faith or willful misconduct; and the Fiscal Agent shall not incur any liability with respect to any action taken or omitted in good faith in the performance of its duties and responsibilities under this Agreement.

ARTICLE 9

CONSTRUCTION AND FUNDING OF ADVANCES

Section 9.1 Construction of Project Facilities; Completion and Stabilization. Subject to Force Majeure, the Borrower shall commence performance of the Work in respect of the Improvements no later than thirty (30) days' following the Closing Date, and shall achieve Completion of such Work in substantial accordance with the Plans and Specifications on or before the Completion Date and Stabilization on or before the Stabilization Date, subject to extension. At the request of the Borrower and with the prior written approval of the Controlling Person, the Completion Date may be extended one or more times for such periods as the Controlling Person may approve in its sole discretion and upon delivery of such other information and funds as the Controlling Person may require in its sole discretion and the Stabilization Date may be extended as provided in Section 6.37 herein.

Section 9.2 Making The Advances.

(a) On the Closing Date, the Fiscal Agent shall make disbursements from the Project Fund as set forth in the Closing Memorandum. Thereafter, at such time as the Borrower desires to obtain an Advance, an Authorized Person shall complete, execute and deliver a Requisition to the Controlling Person for its approval. The Controlling Person shall approve or object to any Requisition within ten (10) Business Days of its submission and the submission of all additional information required in connection with such Requisition and shall endeavor to provide specific information concerning the nature of any objection it may have.

(b) Each Requisition shall be submitted to the Controlling Person at least fifteen (15) Business Days prior to the date of the requested Advance, and no more frequently than once each month (excluding the month in which the initial advance is requested). The Borrower shall open and maintain a checking account with a financial institution reasonably satisfactory to the Controlling Person. Except as otherwise provided herein, the Controlling Person shall direct the Fiscal Agent to deposit the proceeds of each Requisition into such fund or account.

Section 9.3 Advances to Contractors; to Others. At its option during the existence of any Event of Default, the Funding Lender may make, or direct the Fiscal Agent (with notice to the Borrower) to make, any or all advances: (a) for costs incurred under any construction contract directly to a contractor, subcontractor or vendor, (b) through the Title Company, or (c) to any Person to whom the Controlling Person in good faith determines payment is due.

Section 9.4 Requisition. Each Requisition shall be in the form set forth on Exhibit B hereto, shall be signed on behalf of the Borrower by an Authorized Person, shall be subject to approval by the Controlling Person prior to payment and shall state with respect to each

disbursement to be made: (a) the number of the Requisition; (b) the amount to be disbursed; (c) that each obligation therein for which such disbursement is being requested has been properly incurred and has not been the basis for any previous disbursement; and (d) that the expenditure of such disbursement of the net proceeds Governmental Note, when added to all previous disbursements, will result in not less than ninety-five percent (95%) of all disbursements of the net proceeds Governmental Note having been used or will be used to pay or reimburse the Borrower for Qualified Project Costs.

Section 9.5 Project Costs. The Development Budget reflects the purposes and the amounts for which funds to be advanced by the Funding Lender are to be used. Subject to Section 9.7 hereof, the Controlling Person shall not be required to approve any Requisition requiring disbursement of funds from the Project Fund for any item of Work in an amount exceeding the amount specified for any item in the Development Budget, subject to the ability to reallocate from other line items with the consent of the Controlling Person, which shall not be unreasonably withheld. Subject to Section 9.7 hereof, in no event shall the Controlling Person approve any Advance in an amount exceeding (a) the total cost (as determined by the Controlling Person) of the labor, materials, fixtures, machinery and equipment completed, approved and incorporated into the Project Facilities prior to the date of such Requisition, less (b) Retainage (if required) less (c) the total amount of any advances previously made by the Funding Lender for such costs.

Section 9.6 Retainage. The Controlling Person shall approve disbursement of Retainage upon completion of the Work or category of Work by the contractor or subcontractor under the contract for which the Retainage was held. No advance of funds from the Project Fund shall be approved unless all Work done at the date the Requisition for such advance is submitted is done in a good and workmanlike manner and without defects, as confirmed by the report of the Engineering Consultant.

Section 9.7 Contingency Reserve. The amount allocated to "contingency" in the Development Budget is not intended to be disbursed without, and will only be disbursed upon, the prior approval of the Controlling Person. The disbursement of a portion of the contingency reserve shall in no way prejudice the Controlling Person or the Funding Lender from withholding disbursement of any further portion of the contingency reserve.

Section 9.8 Stored Materials; Removal of Materials.

(a) The Controlling Person shall approve Requisitions for funds for materials, furnishings, fixtures, machinery or equipment not yet incorporated into the Improvements, provided that any such disbursement shall be subject to and shall be contingent upon the Controlling Person's receiving satisfactory evidence that:

(1) such materials are components in a form ready for incorporation into the Improvements and shall be so incorporated within a period of forty-five (45) days; and

(2) such materials are stored at the Project Facilities, or in a bonded warehouse or at such other site as the Controlling Person shall approve, and are insured and protected against theft and damage.

(b) Prior to the Completion Date, within thirty (30) days after receiving notice from the Controlling Person (or the Engineering Consultant), the Borrower will commence or

cause to be commenced the removal of all materials, whether worked or unworked, and all portions of the construction which the Controlling Person (or the Engineering Consultant) may condemn as failing in a substantial way to conform with the Plans and Specifications, and will prosecute diligently or cause to be prosecuted diligently such removal. The Controlling Person (or the Engineering Consultant) shall immediately notify the Borrower in writing after learning of such non-conformance. The Borrower further agrees to make good all portions of the construction and other materials damaged by such removal.

Section 9.9 Cost Overruns and Savings.

(a) If the Borrower becomes aware of any change in the costs of the Work which will increase or decrease the projection of the costs reflected on the Development Budget by [\$50,000] or more, the Borrower shall immediately notify the Controlling Person in writing and promptly submit to the Controlling Person for its approval a revised Development Budget. If the Controlling Person otherwise becomes aware of any such change in costs of the Work, the Controlling Person shall have the right to prepare and to authorize disbursements on the basis of a revised Development Budget which is approved by the Borrower.

(b) If the revised Development Budget indicates an increase in costs of the Work for the Project Facilities (in excess of the aggregate contingency amount and savings), no further Requisitions for the Work at the Project Facilities need be approved by the Controlling Person unless and until the Borrower complies with Section 6.32 in order to complete fully the construction of the Improvements in substantial accordance with the Plans and Specifications to the extent applicable.

(c) If the revised schedule indicates a decrease in costs of the Work for the Project Facilities, no savings may be reallocated by the Borrower unless and until the Borrower has furnished the Controlling Person and the Engineering Consultant with evidence satisfactory to them that the labor performed and materials supplied in connection with such line item of costs have been satisfactorily completed and paid for in full, less retainage. At such time, such savings may be reallocated by the Borrower, with the consent of the Controlling Person, which shall not be unreasonably withheld, to other line items.

(d) The Governmental Lender does not make any warranty, either express or implied, that the moneys paid into the Project Fund and available for payment of the Project Costs will be sufficient to pay all of the Project Costs. The Borrower agrees that if after exhaustion of the moneys in the Project Fund, along with any other available sources, pursuant to Section 6.32, the Borrower should pay any portion of the Project Costs as required herein, the Borrower shall not be entitled to any reimbursement therefor from the Governmental Lender, nor shall the Borrower be entitled to any diminution of the amounts payable under this Agreement or under the Borrower Note.

Section 9.10 Right to Retain the Engineering Consultant.

(a) The Funding Lender, or the Controlling Person on behalf of the Funding Lender, shall have the right to retain, and at the Borrower's reasonable cost and expense, the Engineering Consultant to perform various services on behalf of the Controlling Person, including, without limitation, to make periodic inspections for the purpose of assuring that construction of the Improvements to date is in substantial accordance with the Plans and Specifications, to advise the Controlling Person of the anticipated cost of and time for completion of construction of the Improvements and to review all construction contracts and subcontracts.

(b) The reasonable fees of the Engineering Consultant during the performance of the construction shall be paid by the Borrower in accordance with Section 2.2(b) hereof.

(c) Except for the extent of gross negligence or willful misconduct, neither the Controlling Person, Funding Lender nor the Engineering Consultant shall have any liability to the Borrower on account of (i) the services performed by the Engineering Consultant, (ii) any neglect or failure on the part of the Engineering Consultant to properly perform its services, or (iii) any approval by the Engineering Consultant of construction of the Improvements. Neither the Controlling Person nor the Engineering Consultant assumes any obligation to the Borrower, the General Partner, the DGSB Special Limited Partner and the MHP Special Limited Partner or any other Person concerning the quality of the Work performed or the absence of defects from the Improvements.

Section 9.11 Inspections. The Borrower agrees to provide and cause to be provided to the Controlling Person and its authorized agents, at all times, facilities commonly made available by responsible general contractors for the inspection of the Improvements, and to afford full and free access to the Controlling Person and its authorized agents to all plans, drawings and records with respect to the construction of the Improvements. The Borrower further agrees to promptly send to the Controlling Person a copy of all construction inspection reports made by the Borrower's Architect or engineer.

Section 9.12 Initial Advances. The right of the Borrower to draw the initial Advance on the Issue Date shall be subject to the satisfaction of the conditions precedent listed on Part A of Schedule 6 attached hereto.

Section 9.13 Subsequent Advances. The right of the Borrower to draw any subsequent advances of funds shall be subject to the satisfaction of the conditions listed on Part B of Schedule 6 attached hereto.

Section 9.14 Construction Information and Verification. From time to time, within ten (10) days after the written request of Controlling Person, Borrower shall deliver to Controlling Person any and all of the following information and documents, to the extent applicable to the construction or renovation of the Project Facilities, that Controlling Person may request, all in forms acceptable to Controlling Person, as applicable:

(a) Current Plans and Specifications for the Improvements certified by the Architect as being complete and accurate, and a line item cost breakdown for the proposed construction and/or rehabilitation of the Improvements;

(b) A current, complete and correct list showing the name, address, telephone number and license information of each contractor, material subcontractor and material supplier

engaged in connection with the construction and/or rehabilitation of the Improvements, and the total dollar amount of each contract and subcontract (including any changes) and the scope of work involved, together with the amounts paid through the date of the list and all other information reasonably requested by Controlling Person;

(c) True and correct copies of the most current versions of all executed contracts and subcontracts with each party identified in the list described in clause (b) above, including any changes;

(d) True and correct copies of all grading, foundation, building and all other construction permits, licenses and authorizations from all applicable Governmental Authorities or third parties necessary for the construction and/or rehabilitation of the Improvements and the operation of, and access to, the Project Facilities;

(e) To the extent reasonably available to the Borrower, copies of (i) owner/architect/contractor project meeting minutes; (ii) requests for information (RFI), submittal logs, proposed change orders (PCO), and change order logs; (iii) independent test results, (iv) quality inspection reports; and (v) anticipated cost reports, buy-out logs and Major Contracts;

(f) A construction schedule showing the progress of construction or rehabilitation, as the case may be, and the projected sequencing and completion times for uncompleted Work, all as of the date of the schedule; and

(g) Any update to any item described above which Borrower may have previously delivered to Controlling Person.

(h) Borrower expressly authorizes the Controlling Person to contact Architect, Contractor or any contractor, subcontractor, material supplier, surety or any Governmental Authority to verify any information disclosed in accordance with this Section 9.14; provided, however, that Controlling Person shall not contact any subcontractor, material supplier, or surety unless it has a reasonable basis for inquiry related to costs, delays, or financial feasibility. Controlling Person shall give notice to Borrower of any such contacts, provided that neither Controlling Person nor Funding Lender shall incur any liability to Borrower by reason of the failure to give such notice, and Borrower's obligations under the Borrower Loan Documents shall not be affected in any manner by any failure to give such notice. The Borrower shall use its best commercially reasonable efforts to cause the Contractor to disclose such information to Funding Lender and Controlling Person if the Contractor is not otherwise required to disclose such information under the Construction Contractor. Any defaulting architect, contractor, subcontractor, material supplier or surety shall be promptly replaced, to the extent the Borrower has knowledge of same, and to the extent it has privity of contract with such Person, and Borrower shall promptly deliver all reasonably required information and documents to Controlling Person and Funding Lender to the extent of a Material Contract and documents to Controlling Person and Funding Lender regarding each such replacement architect, contractor, subcontractor, material supplier and surety. Controlling Person may disapprove any architect, contractor, subcontractor, material supplier, surety or other party whom Controlling Person in its reasonable judgment may deem financially or otherwise unqualified, however, the absence of any such disapproval shall not constitute a representation of qualification.

Section 9.15 Effect of Approval. Approval of any Requisition by the Controlling Person shall not constitute an approval or acceptance of the Work or materials, nor shall such approval give rise to any liability or responsibility relating to: (i) the quality of the work, the quantity of the

work, the rate of progress in completion of the Work, or the sufficiency of materials or labor being supplied in connection therewith; and (ii) any errors, omissions, inconsistencies or other defects of any nature in the Plans and Specifications. Any inspection of the Work that the Controlling Person may choose to make, whether through any consulting engineer or architect, agent or employee or officer, during the progress of the Work shall be solely for the Controlling Person's information and under no circumstances will they be deemed to have been made for the purpose of supervising or superintending the Work, or for the information or protection of any right or interest of any person or entity other than the Controlling Person and the Funding Lender.

ARTICLE 10

MISCELLANEOUS

Section 10.1 Notices. All notices and other communications provided for hereunder shall be in writing and sent by electronic mail (with confirmed receipt) and by reputable overnight mail service or private delivery service addressed as follows:

To the Borrower:	MHP Broward I, Ltd 777 Brickell Avenue, Suite 1300, Miami, Florida 33131 Attention: Christopher Shear Email: cshear@mcdhousing.com
With a copy to:	Nelson Mullins Riley & Scarborough, LLP 390 N. Orange Avenue, Suite 1400 Orlando, Florida 32801 Attention: Roman Petra, Esq. Telephone: (407) 669-2441 Email: roman.petra@nelsonmullins.com
If to the Governmental Lender:	Housing Finance Authority of Broward County, Florida 110 NE 3rd Street, Suite 300 Fort Lauderdale, FL 33301 Attention: Executive Director Telephone: (954)-357-5728
If to the Fiscal Agent:	The Bank of New York Mellon Trust Company, N.A. 4655 Salisbury Rd. Suite 300 Jacksonville, FL 32256 Attention: Tomeshia Harmon E-mail: Tomeshia.harmon@bnymellon.com Telephone: 904-998-4707

If to the Funding Lender:	Allianz Life Insurance Company of North America c/o R4 Capital Funding LLC 780 Third Avenue, 16th Floor New York, New York 10017 Attention: Tara Nussbaum E-mail: TNussbaum@r4cap.com
If to the Controlling Person:	R4 Servicer LLC 155 Federal Street, Suite 1400 Boston, Massachusetts 02110 Attention: Greg Doble and Shannon Chase E-mail: r4servicing@r4cap.com
With a copy to:	Kutak Rock LLP Two Logan Square 100 North 18 th Street, Suite 1920 Philadelphia, Pennsylvania 19103 Attention: Andrew P. Schmutz, Esquire E-mail: Andrew.Schmutz@kutakrock.com
If to Investor Limited Partner:	U.S. Bancorp Impact Finance % U.S. Bancorp Community Development Corporation 505 North Seventh Street, 10 th Floor Mail Code: SL-MO-T10F St. Louis, MO 63101 E-mail: curt.ridge@usbank.com
With a copy to:	Kutak Rock LLP 1650 Farnam Street Omaha NE 68102 Attention: Jill Goldstein Esq. E-mail: jill.goldstein@kutakrock.com

The above parties may change the address to which notices to it are to be sent by written notice given to the other persons listed in this Section. All notices shall, when sent as aforesaid, be effective when received.

Section 10.2 Successors and Assigns; Third Party Beneficiaries. This Agreement shall inure to the benefit of and shall be binding upon the parties hereto and their respective successors and assigns, including, without limitation, the Funding Lender. Each of the Controlling Person and the Fiscal Agent is an express third party beneficiary of this Agreement with full rights of enforcement hereof. The Borrower may not assign its interests in or its rights, duties or obligations under this Agreement without the prior written consent of the Controlling Person. The Borrower and the Governmental Lender intend that no person other than the parties hereto, the Funding Lender, the Controlling Person, the Investor Limited Partner, the Fiscal Agent and their respective successors and assigns as permitted hereunder, shall have any claim or interest under this Agreement or right of action hereon or hereunder.

Section 10.3 Survival of Covenants. All covenants made by the Borrower herein and in any document delivered pursuant hereto shall survive the issuance, sale and delivery of the Governmental Note, the delivery of this Agreement and the payment of any amounts under the Funding Loan Documents.

Section 10.4 Counterparts; Electronic Signature. The execution hereof by each party hereto shall constitute a contract between them for the uses and purposes herein set forth, and this Agreement may be executed in any number of counterparts, with each executed counterpart constituting an original and all counterparts together constituting one agreement. To the fullest extent permitted by applicable law, facsimile or electronically transmitted signatures shall be treated as original signatures for all purposes hereunder.

Section 10.5 Costs, Expenses and Taxes. The Borrower agrees to pay on the Closing Date and thereafter within thirty (30) days after demand, all reasonable costs and expenses of the Governmental Lender, the Fiscal Agent, the Controlling Person and the Funding Lender (and each of their respective counsel) in connection with the preparation, execution, delivery and administration of this Agreement, the other Funding Loan Documents and any other documents that may be delivered in connection with this Agreement or the other Funding Loan Documents or any amendments or supplements thereto, including, without limitation, the fees and expenses of the Engineering Consultant, the cost of an annual appraisal (but only upon the occurrence and during the continuation of an Event of Default) of the Project Facilities by an appraiser selected by the Controlling Person, and the reasonable fees and expenses of counsel for the Funding Lender and the Controlling Person with respect thereto and with respect to advising the Funding Lender and the Controlling Person as to their respective rights and responsibilities under this Agreement, the other Funding Loan Documents and such other documents, and all costs and expenses, if any (including, without limitation, reasonable counsel fees and expenses of the Controlling Person and the Funding Lender), in connection with the enforcement of this Agreement, the other Funding Loan Documents and such other documents.

Section 10.6 Severability; Interest Limitation. If any provision hereof is found by a court of competent jurisdiction to be prohibited or unenforceable in any jurisdiction, it shall be ineffective as to such jurisdiction only to the extent of such prohibition or unenforceability, and such prohibition or unenforceability shall not invalidate the balance of such provision as to such jurisdiction to the extent it is not prohibited or unenforceable, nor invalidate such provision in any other jurisdiction, nor invalidate the other provisions hereof, all of which shall be liberally construed in favor of the Governmental Lender in order to effect the provisions of this Agreement. Notwithstanding anything to the contrary herein contained, the total liability of the Borrower for payment of interest pursuant hereto shall not exceed the maximum amount, if any, of such interest permitted by applicable Legal Requirements to be contracted for, charged or received, and if any payments by the Borrower to the Funding Lender include interest in excess of such a maximum amount, the Funding Lender shall apply such excess to the reduction of the unpaid principal amount due pursuant hereto, or if none is due, such excess shall be refunded to the Borrower; provided that, to the extent permitted by applicable Legal Requirements, in the event the interest is not collected, is applied to principal or is refunded pursuant to this sentence and interest thereafter payable pursuant hereto shall be less than such maximum amount, then such interest thereafter so payable shall be increased up to such maximum amount to the extent necessary to recover the amount of interest, if any, theretofore uncollected, applied to principal or refunded pursuant to this sentence. Any such application or refund shall not cure or waive any Event of Default. In determining whether or not any interest payable under this Agreement exceeds the highest rate permitted by applicable Legal Requirements, any non-principal payment (except payments specifically stated in this Agreement to be "interest") shall be deemed, to the extent

permitted by applicable Legal Requirements, to be an expense, fee, premium or penalty rather than interest.

Section 10.7 Conflicts. Insofar as possible the provisions of this Agreement shall be deemed complementary to the terms of the other Funding Loan Documents, but in the event of conflict the terms hereof shall control to the extent such are enforceable under applicable Legal Requirements.

Section 10.8 Complete Agreement. Taken together with the other Funding Loan Documents and the other instruments and documents delivered in compliance herewith, this Agreement is a complete memorandum of the agreement of the Borrower, the General Partner, the DGSB Special Limited Partner, the MHP Special Limited Partner, the Guarantor, the Controlling Person, the Funding Lender, the Governmental Lender and the Noteowners from time to time of the Governmental Note, with respect to the subject matter hereof.

Section 10.9 Consent to Jurisdiction; Venue; Waiver of Jury Trial. The parties hereby irrevocably (i) agree that any suit, action or other legal proceeding arising out of or relating to this Agreement or the other Funding Loan Documents may be brought in any federal court located in the State and consents to the jurisdiction of such court in any such suit, action or proceeding; (ii) agree that any suit, action or other legal proceeding relating to the Funding Loan Documents shall be brought solely in a federal or state court located in the State and (iii) waive any objection which they may have to the laying of venue of any such suit, action or proceeding in any such court and any claim that any such suit, action or proceeding has been brought in an inconvenient forum. The parties hereby irrevocably consent to the service of any and all process in any such suit, action or proceeding by mailing of copies of such process to such party at its address provided under or pursuant to Section 10.1 hereof. The parties agree that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by applicable Legal Requirements. All mailings under this Section shall be by certified or registered mail, return receipt requested. Nothing in this Section shall affect the right of the Controlling Person and the Funding Lender to serve legal process in any other manner permitted by applicable Legal Requirements. **THE PARTIES HERETO HEREBY WAIVE THE RIGHT TO TRIAL BY JURY IN ANY ACTION ARISING UNDER THIS AGREEMENT, ANY OF THE OTHER FUNDING LOAN DOCUMENTS OR OTHERWISE IN CONNECTION HEREWITH.**

Section 10.10 Governing Law. This Agreement shall be governed by, and construed in accordance with, the Legal Requirements of the State without reference to its principles of conflicts of law.

Section 10.11 Headings. Section headings in this Agreement are included herein for convenience of reference only and shall not constitute a part of this Agreement for any other purpose.

Section 10.12 Sale of Governmental Notes and Secondary Market Transaction. [UNDER REVIEW]

(a) At the Controlling Person or Funding Lender's request (to the extent not already required to be provided by the Borrower under this Agreement), the Borrower shall use reasonable efforts to satisfy the market standards to which the Controlling Person or Funding Lender customarily adheres or which may be reasonably required in the marketplace or by the Controlling Person or Funding Lender in connection with obtaining a rating or one or more sales

or assignments of all or a portion of the Governmental Note or participations therein or securitizations of single or multi-class securities (the "Securities") secured by or evidencing ownership interests in all or a portion of the Governmental Note (each such sale, assignment and/or securitization, a "Secondary Market Transaction"); provided that neither the Borrower nor the Governmental Lender shall incur any costs and expenses in connection with a Secondary Market Transaction, including the costs associated with the delivery of any Provided Information or any opinion required in connection therewith, and all such costs including, without limitation, any costs associated with receiving a rating on the Governmental Note, shall be paid by the Controlling Person or Funding Lender, and shall not modify Borrower's rights or obligations. Without limiting the generality of the foregoing, the Borrower and the Governmental Lender shall, so long as the Borrower Loan is still outstanding:

(i) (1) provide such financial and other reasonable information with respect to the Borrower Note, with respect to the Project Facilities, the Borrower, the General Partner, the DGSB Special Limited Partner, the MHP Special Limited Partner, the Managing Agent, or the Contractor, and, from the Governmental Lender, with respect to the Governmental Note, (2) provide financial statements, audited, if available, relating to the Project Facilities with customary disclaimers for any forward looking statements or lack of audit, and (3) at the expense of the Controlling Person or Funding Lender, perform or permit or cause to be performed or permitted such site inspection, appraisals, surveys, market studies, environmental reviews and reports (Phase I's and, if appropriate, Phase II's), engineering reports, termite and other insect infestation reports and other due diligence investigations of the Project Facilities, the Borrower, General Partner, the DGSB Special Limited Partner, the MHP Special Limited Partner, the Guarantor, the Managing Agent, the Contractor and other third parties in connection with the Governmental Note, as may be reasonably requested from time to time by the Controlling Person or Funding Lender or the Rating Agencies or as may be necessary or appropriate in connection with a Secondary Market Transaction or Exchange Act requirements (the items provided to the Controlling Person or Funding Lender pursuant to this paragraph (i) and the other information provided pursuant to this Agreement and the other Funding Loan Documents used in connection with a Secondary Market Transaction being called the "Provided Information"), together, if customary, with appropriate verification of and/or consents to the Provided Information through letters of auditors or opinions of counsel of independent attorneys acceptable to the Controlling Person or Funding Lender and the Rating Agencies;

(ii) make such representations and warranties as of the closing date of any Secondary Market Transaction with respect to the Project Facilities, the Borrower, the General Partner, the DGSB Special Limited Partner, the MHP Special Limited Partner Guarantor, the Managing Agent, the Contractor or other third parties and the Funding Loan Documents reasonably acceptable to the Controlling Person or Funding Lender, consistent with the facts covered by such representations and warranties as they exist on the date thereof, including a "bringdown" of the representations and warranties contained in the Funding Loan Documents as of the date thereof and a representation that no default or event of default has occurred and is continuing; and

(iii) execute such amendments to the Funding Loan Documents to accommodate such Secondary Market Transaction so long as such amendment

does not affect the material economic terms of the Funding Loan Documents and is not otherwise adverse to such party in its reasonable discretion or affect the excludability from gross income for federal income tax purposes of interest on the Governmental Note.

(b) The Borrower understands that certain of the Provided Information and the required records may be included in disclosure documents in connection with a Secondary Market Transaction, including a prospectus or private placement memorandum (each, a "Secondary Market Disclosure Document"), or provided or made available to investors or prospective investors in the Securities, the Rating Agencies and service providers or other parties relating to the Secondary Market Transaction. In the event that the Secondary Market Disclosure Document is required to be revised, the Borrower shall reasonably cooperate, subject to Section 10.12(c) hereof, with the Controlling Person and Funding Lender in updating the Provided Information or required records for inclusion or summary in the Secondary Market Disclosure Document or for other use reasonably required in connection with a Secondary Market Transaction by providing all current information pertaining to the Borrower and the Project Facilities necessary to keep the Secondary Market Disclosure Document accurate and complete in all material respects with respect to such matters. The Borrower hereby consents to any and all such disclosures of such information.

(c) In connection with a Secondary Market Disclosure Document, the Borrower, the General Partner, the DGSH Special Limited Partner, the MHP Special Limited Partner or the Guarantor shall provide, or in the case of a Borrower-engaged third party such as the Managing Agent, cause it to provide, information reasonably requested by the Controlling Person or the Funding Lender pertaining to the Borrower, the General Partner, the DGSH Special Limited Partner, the MHP Special Limited Partner or the Guarantor, the Project Facilities or such third party (and portions of any other sections reasonably requested by the Controlling Person or the Funding Lender pertaining to the Borrower, General Partner or Guarantor, the Project Facilities or the third party). The Borrower shall, if requested by the Controlling Person or the Funding Lender, certify in writing that the Borrower has carefully examined those portions of such Secondary Market Disclosure Document, pertaining to the Borrower, General Partner or Guarantor, the Project Facilities or the third party, and such portions (and portions of any other sections reasonably requested and pertaining to the Borrower, the Project Facilities or the third party) do not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; provided that the Borrower shall not be required to make any representations or warranties regarding any Provided Information obtained from a third party except with respect to information it provided to such third parties; provided further that the Borrower will be required to use best efforts to cause such third parties with which it has privity of contract to provide similar certification with respect to any information not so certified by the Borrower. Furthermore, the Borrower hereby indemnifies the Funding Lender, the Controlling Person, the Fiscal Agent, the Governmental Lender and issuer, sponsor, guarantor and the underwriter group for any securities, and their affiliates, officers, directors, partners, members, and controlling persons (the "Underwriter Group") for any liabilities to which any such parties become subject to the extent such liabilities arise out of the Provided Information in a Secondary Market Disclosure Document, provided the Underwriting Group shall promptly notify the Borrower of such liability and allow Borrower to defend such parties or investigate any claim of liability, provided the Borrower shall not be required to indemnify any of the Underwriting Group for any liability caused by the willful misconduct or gross negligence of any Underwriting Group.

(d) In connection with filings under the Exchange Act or the Securities Act, the Borrower shall (i) defend and indemnify the Controlling Person, the Funding Lender, the Fiscal Agent, the Governmental Lender, its members, and the Underwriter Group for any liabilities to which the Funding Lender, the Controlling Person, the Governmental Lender, the Fiscal Agent or the Underwriter Group become subject insofar as such liabilities arise out of or are based upon the omission or alleged omission to state in the Provided Information of a material fact required to be stated in the Provided Information in order to make the statements in the Provided Information, in the light of the circumstances under which they were made not misleading, and (ii) reimburse the Controlling Person, the Funding Lender, the Funding Lender, the Underwriter Group and other indemnified parties listed above for any legal or other expenses reasonably incurred by the Controlling Person, the Funding Lender, the Fiscal Agent, the Governmental Lender or the Underwriter Group in connection with defending or investigating the liabilities; provided that the Borrower shall not provide any indemnification regarding any Provided Information obtained from unrelated third parties except with respect to information it provided to such parties, but shall use commercially reasonable efforts to require such third parties to provide such indemnification with respect to information they certify.

(e) Promptly after receipt by an indemnified party under this Section 10.12 of notice of the commencement of any action for which a claim for indemnification is to be made against the Borrower, such indemnified party shall notify the Borrower in writing of such commencement, but the omission to so notify the Borrower will not relieve the Borrower from any liability that it may have to any indemnified party hereunder except to the extent that failure to notify causes prejudice to the Borrower. In the event that any action is brought against any indemnified party, and it notifies the Borrower of the commencement thereof, the Borrower will be entitled, jointly with any other indemnifying party, to participate therein and, to the extent that it (or they) may elect by written notice delivered to the indemnified party promptly after receiving the aforesaid notice of commencement, to assume the defense thereof with counsel selected by the Borrower and reasonably satisfactory to such indemnified party in its sole discretion. After notice from the Borrower to such indemnified party under this Section 10.12 and provided that the Borrower duly provides the defense and indemnity herein described, including payment of all required fees, expenses and liabilities, the Borrower shall not be responsible for any legal or other expenses subsequently incurred by such indemnified party in connection with the defense thereof other than reasonable costs of investigation. No indemnified party shall settle or compromise any claim for which the Borrower may be liable hereunder without the prior written consent of the Borrower.

(f) In order to provide for just and equitable contribution in circumstances in which the indemnity agreement provided for in this Section 10.12 is for any reason held to be unenforceable by an indemnified party in respect of any liabilities (or action in respect thereof) referred to therein which would otherwise be indemnifiable under this Section 10.12, the Borrower shall contribute to the amount paid or payable by the indemnified party as a result of such liabilities (or action in respect thereof); provided, however, that no Person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any Person not guilty of such fraudulent misrepresentation. In determining the amount of contribution to which the respective parties are entitled, the following factors shall be considered: (i) the indemnified parties and the Borrower's relative knowledge and access to information concerning the matter with respect to which the claim was asserted; (ii) the opportunity to correct and prevent any statement or omission; and (iii) any other equitable considerations appropriate in the circumstances. The parties hereto hereby agree that it may not be equitable if the amount of such contribution were determined by pro rata or per capita allocation.

Section 10.13 Nonrecourse.

(a) Notwithstanding anything to the contrary contained in this Agreement (other than Sections 10.13(b) through (e) hereof) or the other Funding Loan Documents, the Governmental Lender agrees that, in connection with the exercise of any rights or remedies available to the Governmental Lender under this Agreement or any of the other Funding Loan Documents (other than the Environmental Indemnity and the other guaranty agreements of the Guarantors), the Governmental Lender shall look solely to the enforcement of the lien and security interests created by this Agreement and the other Funding Loan Documents and to the collateral and other security held by the Funding Lender (or the Fiscal Agent for the benefit of the Funding Lender).

(b) Notwithstanding the preceding subsection, the Borrower and the Guarantor shall have personal liability for, and be subject to, judgments and deficiency decrees arising from and to the extent of any loss or damage suffered or incurred by the Governmental Lender, the Funding Lender, the Controlling Person or the Noteowners as a result of the occurrence of any of the following events:

(i) the Borrower fails to pay to the Funding Lender upon demand after an Event of Default which is continuing all Rents to which the Funding Lender is entitled under Section 2 of the Mortgage and the amount of all security deposits collected by Borrower from tenants then in residence. However, Borrower will not be personally liable for any failure described in this Section 10.13(b)(i) if Borrower is unable to pay to the Funding Lender all Rents and security deposits as required by the Mortgage because of a valid order issued in a bankruptcy, receivership, or similar judicial proceeding;

(ii) the Borrower fails to apply all insurance proceeds or casualty or condemnation proceeds as required by the Funding Loan Documents. However, Borrower will not be personally liable for any failure described in this Section 10.13(b)(ii) if Borrower is unable to apply insurance or casualty or condemnation proceeds as required by the Funding Loan Documents because of a valid order issued in a bankruptcy, receivership, or similar judicial proceeding;

(iii) if an Event of Default has occurred and is continuing, the Borrower fails to deliver all books and records relating to the Project Facilities or its operation in accordance with the provisions of Section 6.8 or 6.9 of this Agreement;

(iv) the Borrower engages in any willful act of material physical waste of the Project Facilities;

(v) the Borrower, the General Partner, the DGSB Special Limited Partner or the MHP Special Limited Partner fails to comply with any provision of Section 6.11(b) hereof;

(vi) the occurrence of any of the following transfers, unless it is a Permitted Transfer:

(A) any Person that is not an Affiliate creates a mechanic's lien or other involuntary lien or encumbrance against the Project

Facilities and Borrower has not complied with the provisions of this Agreement.

(B) a transfer of property by devise, descent or operation of law occurs upon the death of a natural person in violation of the requirements set forth in the Funding Loan Documents.

(C) the Borrower grants an easement that does not meet the requirements set forth in the Funding Loan Documents.

(D) Borrower executes a Lease that does not meet the requirements set forth in the Funding Loan Documents;

(vii) any act of fraud or willful misconduct or any criminal act of the Borrower, the General Partner, the DGSH Special Limited Partner, the MHP Special Limited Partner or the Guarantor;

(viii) the Borrower's misappropriation of funds or other Collateral; or

(ix) any litigation or other legal proceeding related to the Obligations filed by any of the Borrower, the General Partner, the DGSH Special Limited Partner, the MHP Special Limited Partner, the Guarantor, or any of their Affiliates, or any other action of any such Person that willfully and without merit delays, opposes, impedes, hinders, enjoins or otherwise interferes with or frustrates the efforts of Funding Lender to exercise any rights and remedies available to Funding Lender provided herein or in the other Funding Loan Documents.

(c) The Borrower and the Guarantor shall have full recourse and personal liability for all of the Indebtedness (and the limitation on liability in the first sentence of Section 10.13(a) hereof shall be null and void) as a result of the occurrence of any of the following:

(i) a violation of Section 6.11(a), 6.12(b) or 6.13(c) hereof, other than transfers by, or within, the Investor Limited Partner;

(ii) the Borrower's knowingly and intentionally taking any action which adversely affects the exclusion from gross income of interest on the Governmental Note for federal income tax purposes, or the Borrower's knowingly and intentionally omitting or failing to take any action required to maintain the exclusion from gross income of interest on the Governmental Note for federal income tax purposes;

(iii) the Borrower, the General Partner, the DGSH Special Limited Partner or the MHP Special Limited Partner fails to comply with any provision of Section 6.11(b) hereof and a court of competent jurisdiction holds or determines that such failure or combination of failures is the basis, in whole or in part, for the substantive consolidation of the assets and liabilities of the Borrower, the General Partner, the DGSH Special Limited Partner or the MHP Special Limited Partner with the assets and liabilities of a debtor pursuant to Title 11 of the Bankruptcy Code;

(iv) other than a transfer allowed in 6.12(b) herein, a transfer that is an Event of Default under Section 7.1 hereof occurs (other than a transfer described

in Section 10.13(b)(vi) above, for which Borrower will have personal liability for any loss or damage); provided, however, that Borrower will not have any personal liability for a transfer consisting solely of the involuntary removal or involuntary withdrawal of the General Partner or transfers by, or within, the Investor Limited Partner;

(v) there was fraud or written material misrepresentation knowingly or intentionally by the Borrower or any officer, director, partner, member or employee of the Borrower in connection with the application for or creation of the Indebtedness or there is fraud in connection with any request for any action or consent by the Governmental Lender, Funding Lender, Controlling Person or the Noteowners;

(vi) the Borrower, the General Partner, the DGSH Special Limited Partner or the MHP Special Limited Partner voluntarily files for bankruptcy protection under the Bankruptcy Code;

(vii) the Borrower, the General Partner, the DGSH Special Limited Partner or the MHP Special Limited Partner voluntarily becomes subject to any reorganization, receivership, insolvency proceeding, or other similar proceeding pursuant to any other federal or state law affecting debtor and creditor rights;

(viii) the Project Facilities or any part of the Project Facilities becomes an asset in a voluntary bankruptcy or becomes subject to any voluntary reorganization, receivership, insolvency proceeding, or other similar voluntary proceeding pursuant to any other federal or state law affecting debtor and creditor rights;

(ix) an order of relief is entered against the Borrower, the General Partner, the DGSH Special Limited Partner or the MHP Special Limited Partner pursuant to the Bankruptcy Code or other federal or state law affecting debtor and creditor rights in any involuntary bankruptcy proceeding initiated or joined (in support) in by a related party other than the Investor Limited Party; or

(x) an involuntary bankruptcy or other involuntary insolvency proceeding is commenced against the Borrower, the General Partner, the DGSH Special Limited Partner or the MHP Special Limited Partner (by a party other than the Funding Lender or the Noteowner) but only if the Borrower, the General Partner, the DGSH Special Limited Partner or the MHP Special Limited Partner, as applicable, has failed to use commercially reasonable efforts to dismiss such proceeding or has consented to such proceeding. "Commercially reasonable efforts" will not require any direct or indirect interest Noteowners in the Borrower, the General Partner, the DGSH Special Limited Partner or the MHP Special Limited Partner to contribute or cause the contribution of additional capital to the Borrower, the General Partner, the DGSH Special Limited Partner or the MHP Special Limited Partner.

(d) The Borrower and the Guarantor shall have personal liability for all of the following:

(i) the performance of and compliance with all of Borrower's obligations under Sections 5.12 and 6.14 of this Agreement (relating to environmental matters) or the Borrower's failure to comply with the provisions of the Environmental Indemnity;

(ii) the costs of any audit under Section 6.8 of this Agreement;

(iii) any costs and expenses incurred by the Governmental Lender, the Controlling Person and the Funding Lender in connection with the collection of any amount for which Borrower is personally liable under this Section 10.13, including reasonable attorneys' fees and costs and the costs of conducting any independent audit of Borrower's books and records to determine the amount for which Borrower has personal liability; and

(iv) Borrower's indemnity obligations pursuant to Section 2.5 and 10.12.

(e) Further, nothing contained in this Section shall be deemed to limit, vary, modify or amend any obligation owed under any guaranty, master lease or indemnification agreement, including the Environmental Indemnity and the other guaranty agreements of the Guarantors, furnished in connection with financing of the acquisition, construction and equipping of the Project Facilities, recourse under which is not, by its terms, expressly limited in accordance with this Section 10.13.

(f) Notwithstanding anything to the contrary, Governmental Lender, Funding Lender, Controlling Person and Noteowners shall not be deemed to have waived any right such Persons may have under Section 506(a), 506(b), 1111(b) or any other provisions of the Bankruptcy Code to file a claim for the full amount of Borrower's and Guarantor's Obligations under the Funding Loan Documents or to require that all collateral shall continue to secure all Obligations under the Funding Loan Documents.

Section 10.14 Publicity. The Borrower hereby authorizes the Controlling Person, the Funding Lender or the Governmental Lender and their respective affiliates, with prior notice, to use the Borrower's and its affiliates' name(s), logo(s) and photographs related to the Project Facilities in its advertising, marketing and communications materials on a national and/or international basis. Such materials may include web pages, print ads, direct mail and various types of brochures or marketing sheets, and various media formats other than those listed (including without limitation video or audio presentations through any media form). In these materials, the Controlling Person, the Funding Lender or the Governmental Lender also may discuss at a high level the types of services and solutions the Controlling Person, the Funding Lender or the Governmental Lender has provided the Borrower. This authorization shall remain in effect unless the Borrower notifies the Controlling Person and the Governmental Lender in writing in accordance with the notice provisions set forth herein that such authorization is revoked. The Controlling Person, the Funding Lender and the Governmental Lender shall also have the right to publicize its involvement in the financing of the Project Facilities, including the right to maintain a sign indicating such involvement at a location at the Project Facilities reasonably acceptable to the Borrower, Controlling Person and the Governmental Lender.

Section 10.15 Determinations by the Funding Lender and Controlling Person. Subject to specific provisions in this Agreement to the contrary, in any instance under this Agreement where the consent or approval of the Controlling Person or the Funding Lender may be given or is required, or where any determination, judgment or decision is to be rendered by the Controlling

Person or the Funding Lender under this Agreement, the granting, withholding or denial of such consent or approval and the rendering of such determination, judgment or decision shall be made or exercised by the Controlling Person or the Funding Lender (or its designated representative) at its sole and absolute discretion. With prior written notice to the Borrower, the Funding Lender may by separate instrument delegate, assign, transfer and set over unto the Controlling Person any or all of the rights, remedies, duties and obligations of the Funding Lender under this Funding Loan Agreement and the other Funding Loan Documents, in which event the Controlling Person shall have each of the rights, remedies, duties and obligations delegated to it as if specifically named herein and in the other Funding Loan Documents, as applicable, and shall be entitled to act in its own name, but if necessary in the name and stead of the Funding Lender, to enforce each of the remedies provided to the Funding Lender hereunder or under the other Funding Loan Documents.

Section 10.16 Further Assurances. The Borrower will promptly and duly execute, acknowledge and deliver from time to time such further instruments and take such further actions as may be reasonably required by the Governmental Lender, the Funding Lender or the Controlling Person to carry out the purposes and provisions of this Agreement and to the other Funding Loan Documents, to make elections or take actions (or, as requested, to refrain from making elections or taking actions) related to the audit procedures involving the Borrower and/or its members, equityholders, shareholders and/or partners set forth in the Bipartisan Budget Act of 2015 so that the Borrower's members, equityholders, shareholders and/or partners will be directly responsible for any audit adjustments, changes or modifications rather than the Borrower, to confirm the priority and/or perfection of any lien, pledge, assignment or security interest created or intended to be created by this Agreement and the other Funding Loan Documents and to assure the Controlling Person and the Funding Lender of the subrogation and security rights in favor of the Funding Lender (or the Fiscal Agent for the benefit of the Funding Lender) for the benefit of the Noteowners of the Governmental Note contemplated by this Agreement, by the other Funding Loan Documents in connection with any of the foregoing and such approvals shall be in form reasonably satisfactory to the Controlling Person.

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IN WITNESS WHEREOF, the Governmental Lender and the Borrower have caused this Agreement to be duly executed and delivered on the day and year first above written.

**HOUSING FINANCE AUTHORITY OF
BROWARD COUNTY, FLORIDA**

By: _____
Colleen LaPlant, Chair

MHP BROWARD I, LTD, a Florida limited
partnership

By: MHP Broward I SLP, LLC, a Florida limited
liability company, its Special Limited
Partner

By: _____
W. Patrick McDowell
Chief Executive Officer

**EXHIBIT A
FORM OF BORROWER NOTE**

AFTER THE ENDORSEMENT AS HEREON PROVIDED AND PLEDGE OF THIS NOTE, THIS NOTE MAY NOT BE ASSIGNED, PLEDGED, ENDORSED OR OTHERWISE TRANSFERRED EXCEPT TO AN ASSIGNEE OR SUCCESSOR OF THE FISCAL AGENT IN ACCORDANCE WITH THE FUNDING LOAN AGREEMENT, BOTH REFERRED TO HEREIN.

\$[34,150,000.00] _____, 20__

FOR VALUE RECEIVED, MHP BROWARD I, LTD, a limited partnership duly formed and validly existing under the laws of the State of Florida (the "Borrower"), by this promissory note (referenced herein as "this Note" or "the Borrower Note") hereby promises to pay to the order of the HOUSING FINANCE AUTHORITY OF BROWARD COUNTY, FLORIDA, a public body corporate and politic duly organized and existing under the laws of the State of Florida (the "Governmental Lender") the principal sum of [THIRTY-FOUR MILLION ONE HUNDRED FIFTY THOUSAND and NO/100 DOLLARS (\$[34,150,000.00]), together with interest on the drawn and unpaid principal amount hereof, from the Closing Date (as defined in the Funding Loan Agreement referenced below) until paid in full, at a rate per annum, and acceleration premium, if any, as set forth herein.

1. **Defined Terms**. As used in this Note, the following terms shall have the following definitions:

"First Loan Payment Date" means the first (1st) calendar day of the second month following the Closing Date.

"First Optional Call Date" shall have the meaning set forth in the Schedule of Financial Terms.

"First Par Call Date" shall have the meaning set forth in the Schedule of Financial Terms.

"First Principal Payment Date" shall have the meaning set forth in the Schedule of Financial Terms.

"First Put Date" shall have the meaning set forth in the Schedule of Financial Terms.

"Fixed Rate" shall mean the fixed rate set forth on the Schedule of Financial Terms and computed on the basis of a 360-day year comprised of twelve 30-day months.

"Loan Payment Date" means: (i) the first Business Day of each month, commencing on the First Loan Payment Date, and (ii) any other date on which the Borrower Note is prepaid or paid, whether at the scheduled maturity or upon the acceleration of the maturity thereof.

"Maturity Date" shall have the meaning set forth in the Schedule of Financial Terms.

"Maximum Rate" means the lesser of (i) ten percent (10%) per annum or (ii) the maximum interest rate that may be paid on the Borrower Loan under the laws of the State.

"Surplus Funding Loan Proceeds" means all drawn but unexpended moneys and any unliquidated investments with respect thereto remaining upon Completion and delivery of the

Construction Closeout Deliveries and after payment in full of the Project Costs, except for Funding Loan proceeds retained to pay for Project Costs not then due and payable.

All other capitalized terms used but not defined in this Note shall have the meanings given to such terms in the Borrower Loan Agreement, or the Funding Loan Agreement (as defined in the Borrower Loan Agreement).

2. **Method of Payment.** All payments due under this Note shall be payable to Fiscal Agent, or, if there is no Fiscal Agent, to the Funding Lender, or its successor. Each such payment shall be made by wire transfer of immediately available funds in accordance with wire transfer instructions that the Funding Lender or Controlling Person shall supply by written notice to the Borrower from time to time on the date that is two Business Days before any other date that any payment of interest, premium, if any, principal or other amount is required to be made hereunder.

3. **Payments Due on Non-Business Days.** In any case where the date of maturity of, interest on or premium, if any, or principal of this Note or the date fixed for prepayment of any Borrower Note shall not be a Business Day, then payment of such interest, premium or principal need not be made on such date but shall be made on the next succeeding Business Day, with the same force and effect as if made on the date of maturity or the date fixed for prepayment, and, in the case of such payment, no interest shall accrue for the period from and after such date.

4. **Interest Rate.** Interest shall accrue on the drawn and unpaid principal of this Note from, and including, the Closing Date, until the Maturity Date, at the Fixed Rate. Notwithstanding any other provision of this Note to the contrary, interest shall not exceed the Maximum Rate.

5. **Payment of Principal and Interest.** Principal and interest shall be paid as follows:

(a) Borrower shall pay all amounts due under this Note at the times and in the amounts set forth herein and in the Borrower Loan Agreement. Borrower shall make its payments under this Note in immediately available funds.

(b) Commencing on the First Loan Payment Date and continuing on each Loan Payment Date thereafter until and including the First Principal Payment Date, Borrower shall pay monthly payments of interest only, at the Interest Rate, in successive monthly installments. Such payments shall be made to the Fiscal Agent by 2:00 p.m., New York City time, on the second (2nd) Business Day prior to each Loan Payment Date.

(c) Commencing on the First Principal Payment Date, and continuing on each Loan Payment Date thereafter until and including the Maturity Date, Borrower shall pay monthly payments of principal and interest as set forth on the Debt Service Schedule to the Borrower Loan Agreement, in successive monthly installments. Such payments shall be made to the Fiscal Agent by 2:00 p.m., New York City time, on the second (2nd) Business Day prior to each Loan Payment Date.

(d) Any accrued interest remaining past due may, at Funding Lender's discretion, be added to and become part of the unpaid principal balance and shall bear interest at the rate or rates specified in this Note, and any reference below to "accrued interest" shall refer to accrued interest that has not become part of the unpaid principal balance.

(e) Borrower shall pay all unpaid principal of and interest on this Note on the Maturity Date and any other amounts due hereunder.

(f) Any regularly scheduled monthly installment of principal and interest that is received by Funding Lender before the date it is due shall be deemed to have been received on the due date solely for the purpose of calculating interest due.

(g) Borrower shall make all payments of principal and interest under this Note without relief from valuation and appraisal laws.

(h) Borrower acknowledges that the calculation of all interest payments shall be made by the Funding Lender and Controlling Person and shall be final and conclusive, absent manifest error.

6. **Acceleration.** If an Event of Default has occurred and is continuing, the entire unpaid principal balance, any accrued interest, the prepayment premium payable hereunder, if any, and all other amounts payable under this Note and any other Borrower Loan Document shall at once become due and payable, at the option of Funding Lender, without any prior notice to Borrower (except if notice is required by applicable law, then after such notice). Funding Lender may exercise this option to accelerate regardless of any prior forbearance.

7. **Prepayments.**

(a) In connection with any prepayment (*i.e.*, any receipt by Funding Lender of principal, other than principal required to be paid in monthly installments pursuant to Section 5 of this Note, prior to the Maturity Date) made under this Note, whether voluntary or involuntary, a prepayment premium shall be payable to the extent provided in Section 9 of this Note and Section 2.3 of the Borrower Loan Agreement. EXCEPT AS OTHERWISE PERMITTED HEREIN, NO VOLUNTARY PREPAYMENTS OF THIS NOTE, IN WHOLE OR IN PART, SHALL BE PERMITTED.

(b) *Optional Prepayment of Borrower Note.*

(i) The Borrower Note is subject to optional prepayment in whole but not in part, by the Borrower upon not less than thirty (30) days written notice to the Funding Lender and the Controlling Person on any Loan Payment Date occurring on or after the First Optional Call Date, at a prepayment price as set forth on the Schedule of Financial Terms, plus accrued interest thereon to, but not including, the prepayment date.

(ii) The Borrower Note is subject to optional prepayment in part on any Loan Payment Date specified by the Borrower and consented to by the Controlling Person following Completion but not later than the Stabilization Date in an amount which will not reduce, in the aggregate, the Borrower Loan to less than the Minimum Permanent Loan Amount at a prepayment price equal to 100% of the principal amount being prepaid without premium or penalty plus interest accrued thereon to, but not including, the prepayment date.

(c) *Mandatory Prepayment of Borrower Note.*

(i) The Borrower Note is subject to mandatory prepayment in part upon the written direction of the Controlling Person from, and to the extent of, any Surplus Funding Loan Proceeds, on any Loan Payment Date after Completion of the Project Facilities and delivery of the Construction Closeout Deliveries, but in no event later than the Stabilization Date, at a prepayment price equal to 100% of the principal amount of the Borrower Note to be prepaid, without premium or penalty, plus interest accrued thereon to, but not including, the prepayment date.

(ii) The Borrower Note is subject to mandatory prepayment in whole or in part upon the written direction of the Controlling Person on any the Loan Payment Date to the extent that Insurance Proceeds or a Condemnation Award in connection with the Project Facilities are deposited in the Tax and Insurance Escrow Account and are not to be used to repair or restore the Project Facilities at a prepayment price equal to 100% of the principal amount of the Borrower Note to be prepaid, without premium or penalty, plus interest accrued thereon to, but not including, the prepayment date.

(iii) If the Project Facilities have not achieved Stabilization by the Stabilization Date, the Borrower Note is subject to mandatory prepayment in part on any Loan Payment Date at a prepayment price equal to 100% of the principal amount of the Borrower Note to be prepaid, without premium or penalty, plus interest accrued thereon to, but not including, the prepayment date upon the written direction of, and in the amount as specified by, the Controlling Person equal to the greater of: (i) the amount necessary to cause the Project Facilities to meet the requirements of clause (ii) of the definition of "Stabilization"; or (ii) the amount necessary to reduce, in the aggregate, the Borrower Loan to not more than the Maximum Permanent Loan Amount.

(iv) The Borrower Note is subject to extraordinary mandatory prepayment in whole or in part on any Loan Payment Date at the direction of the Controlling Person at a prepayment price equal to 100% of the principal amount of the Borrower Note to be prepaid, without premium or penalty, plus interest accrued thereon to, but not including, the prepayment date following receipt by the Funding Lender of the direction of the Controlling Person, within one hundred eighty (180) days of the occurrence of any of the following events to the extent uncured with such timeframe:

(A) the Project Facilities shall have been damaged or destroyed to such an extent that in the reasonable judgment of the Controlling Person (A) it cannot reasonably be restored within a period of [eighteen (18)] consecutive months to the condition thereof immediately preceding such damage or destruction, (B) the Borrower is thereby prevented from carrying on its normal operations at the Project Facilities for a period of [twelve (12)] consecutive months or any losses from operations during such time are not covered by insurance (or cash reserves to cover such losses are not otherwise provided to the satisfaction of the Controlling Person), or (C) the Project Facilities cannot be replaced, repaired, rebuilt or restored in accordance with the terms of the Mortgage;

(B) title in and to all or substantially all of the Project Facilities shall have been taken under the exercise of the power of eminent domain

by any Governmental Authority or any Person acting under Governmental Authority (including such a taking as, in the reasonable judgment of the Controlling Person, results in the Borrower being prevented thereby from carrying on its normal operations at the Project Facilities for a period of [twelve (12)] consecutive months) or any losses during such period and not covered by insurance (or cash reserves to cover such losses are not otherwise provided to the satisfaction of the Controlling Person);

(C) as a result of any changes in the Constitution of the State, or the Constitution of the United States of America or by legislative or administrative action (whether state or federal) or by final non-appealable decree, judgment, decision or order of any court or administrative body (whether state or federal), any material provision of the Borrower Loan Agreement or the Funding Loan Documents, in the reasonable judgment of the Controlling Person shall have become void or unenforceable or impossible of performance in accordance with the intent and purpose of the parties as expressed therein;

(D) during an Event of Default, unreasonable burdens or excessive liabilities shall have been imposed on the Borrower with respect to the operations of the Project Facilities, including, without limitation federal, state or other ad valorem, property, income or other taxes not being imposed on the date of this Note that, in the judgment of the Controlling Person, render the continued operation of the Project Facilities uneconomical;

(E) during an Event of Default, changes which the Borrower cannot reasonably control or overcome in the economic availability of materials, supplies, labor, equipment and other properties and things necessary for the efficient operation of the Project Facilities for the purposes contemplated by the Borrower Loan Agreement shall have occurred or technological changes that the Borrower cannot reasonably overcome shall have occurred that, in the judgment of the Controlling Person, render the continued operation of the Project Facilities uneconomical;

(F) during an Event of Default, legal curtailment of the Borrower's use and occupancy of all or substantially all of the Project Facilities for any reason other than that set forth in (ii) above, which curtailment shall, in the judgment of the Controlling Person, prevent the Borrower from carrying on its normal operations at the Project Facilities for a period of [twelve (12)] consecutive months or any losses during such period and not covered by insurance (or cash reserves to cover such losses are not otherwise provided to the satisfaction of the Controlling Person); or

(G) the Borrower Loan Agreement is terminated prior to its expiration for any reason, including the occurrence of an Event of Default under the Borrower Loan Agreement.

(v) This Note is subject to mandatory prepayment in whole at a prepayment price equal to 100% of the principal amount of the Borrower Note to

be prepaid plus interest accrued thereon to, but not including, the prepayment date, on the first Loan Payment Date for which notice of prepayment can be given in accordance with the Funding Loan Agreement within forty-five (45) days after the occurrence of a Determination of Taxability; provided, however, if mandatory prepayment on account of a Determination of Taxability of less than all the Governmental Note would result, in the opinion of Tax Counsel, in the interest on the Governmental Note outstanding following such mandatory prepayment being excludable from the gross income of the Noteowners of such Governmental Note outstanding, then this Note is subject to mandatory prepayment upon the occurrence of a Determination of Taxability in the amount specified in such opinion, provided that such prepayment must be in an Authorized Denomination.

(vi) This Note is subject to mandatory prepayment in whole on any Loan Payment Date specified by the Controlling Person on or after the First Put Date, if the Controlling Person directs prepayment by providing notice to the Borrower, the Funding Lender and the Governmental Lender at least one hundred eighty (180) days prior to the Loan Payment Date specified in such notice on which the Borrower Note is to be prepaid at a prepayment price equal to 100% of the principal amount thereof plus interest accrued thereon to, but not including, the prepayment date.

(vii) This Note is subject to mandatory prepayment in part on the Loan Payment Date immediately following the funding of the [Second Installment] (as defined in the Partnership Agreement) in an amount equal to the amount of such [Second Installment] at a prepayment price equal to 100% of the principal amount being prepaid without premium or penalty plus interest accrued thereon to, but not including, the prepayment date.

8. **Obligations of the Borrower Absolute and Unconditional.** Subject to Section 10.13 of the Borrower Loan Agreement, the obligations of the Borrower to make all payments required under this Note and the other Borrower Loan Documents on or before the date the same become due, and to perform all of its other obligations, covenants and agreements hereunder and under the other Borrower Loan Documents shall be primary, absolute, unconditional and irrevocable, and shall be paid or performed strictly in accordance with the terms of this Note and the other Borrower Loan Documents under any and all circumstances, without notice or demand, and without abatement, deduction, set-off, counterclaim, recoupment or defense or any right of termination or cancellation arising from any circumstance whatsoever, whether now existing or hereafter arising, and irrespective of whether the Borrower's title to the Project Facilities or to any part thereof is defective or nonexistent, and notwithstanding any damage due to loss, theft or destruction of the Project Facilities or any part thereof, any failure of consideration or frustration of commercial purpose, the taking by eminent domain of title to or of the right of temporary use of all or any part of the Project Facilities, legal curtailment of the Borrower's use thereof, the eviction or constructive eviction of the Borrower, any change in the tax or other laws of the United States of America, the State or any political subdivision thereof, any change in the legal organization or status of the Funding Lender, Governmental Lender or Fiscal Agent, or any default hereunder or under any other Borrower Loan Document, and regardless of the invalidity of any action of the Funding Lender or the invalidity of any portion of this Note or the other Borrower Loan Documents. Provided further, the obligations of Borrower under this Note and the other Borrower Loan Documents shall not be affected by:

- (a) any lack of validity or enforceability of any Borrower Loan Document or any of the Funding Loan Documents;
- (b) any amendment of, or any waiver or consent with respect to, any of the Borrower Loan Documents or Funding Loan Documents;
- (c) the existence of any claim, set-off, defense or other rights which Borrower, General Partner or Guarantor may have at any time against Funding Lender (other than the defense of payment in accordance with the terms of this Note or the other Borrower Loan Documents) or any other Person, whether in connection with this Note or any other Borrower Loan Document, the Funding Loan Documents or any transaction contemplated thereby or any unrelated transaction;
- (d) any breach of contract or other dispute between Borrower, General Partner or Guarantor, and Funding Lender;
- (e) any Requisition or any document presented in connection therewith, proving to be forged, fraudulent, untrue, inaccurate, invalid or insufficient in any respect (except in the event of willful misconduct by Funding Lender with respect to same); or
- (f) any exchange, release or nonperfection of any lien or security interest in any collateral pledged or otherwise provided to secure any of the obligations contemplated herein, in any other Borrower Loan Document or in any Funding Loan Document.

The Borrower hereby waives the application to it of the provisions of any statute or other law now or hereafter in effect contrary to any of its obligations, covenants or agreements under this Note or the other Borrower Loan Documents or which releases or purports to release the Borrower therefrom. Nothing contained herein shall be construed as prohibiting the Borrower from pursuing any rights or remedies it may have against any Person in a separate legal proceeding.

9. **Default Interest and Acceleration Premium.** In the event that principal or interest payable on the Borrower Note is not paid when due, there shall be payable on the amount not timely paid, interest at the Default Rate, to the extent permitted by law. This interest shall accrue at the Default Rate until the unpaid amount, together with interest thereon, shall have been paid in full. In the event there shall have occurred an acceleration of the Borrower Note or the Borrower's obligations under the Borrower Loan Agreement following an Event of Default on or before the First Par Call Date, any tender of payment of any amount necessary to pay the Borrower Note in full shall include the acceleration premium set forth in Section 2.3(c) of the Borrower Loan Agreement.

10. **Costs and Expenses.** To the fullest extent allowed by applicable law, Borrower shall pay all expenses and costs, including, without limitation, out-of-pocket expenses and reasonable fees of attorneys (including, without limitation, in-house attorneys) and expert witnesses and costs of investigation, incurred by Funding Lender, Governmental Lender or Fiscal Agent as a result of any default under this Note or in connection with efforts to collect any amount due under this Note, or to enforce the provisions of any of the other Borrower Loan Documents, including those incurred in post-judgment collection efforts and in any bankruptcy proceeding (including any action for relief from the automatic stay of any bankruptcy proceeding) or judicial or non-judicial foreclosure proceeding. For purposes of this Section 10, attorneys' out of pocket expenses shall include, but are not limited to, support staff costs, costs of preparing for litigation,

computerized research, telephone and facsimile transmission expenses, mileage, deposition costs, postage, duplicating, process service, videotaping and similar costs and expenses.

11. **Waivers.** Presentment, demand, notice of dishonor, protest, notice of acceleration, notice of intent to demand or accelerate payment or maturity, presentment for payment, notice of nonpayment, grace, and diligence in collecting the Indebtedness are waived by Borrower and all endorsers and guarantors of this Note and all other third party obligors.

12. **Governing Law.** This Note shall be governed by and enforced in accordance with the laws of the State, without giving effect to the choice of law principles of the State that would require the application of the laws of a jurisdiction other than the State.

13. **Consent to Jurisdiction and Venue.** Borrower agrees that any controversy arising under or in relation to this Note shall be litigated exclusively in the State. The state and federal courts and authorities with jurisdiction in the State shall have exclusive jurisdiction over all controversies which shall arise under or in relation to this Note. Borrower irrevocably consents to service, jurisdiction, and venue of such courts for any such litigation and waives any other venue to which it might be entitled by virtue of domicile, habitual residence or otherwise. However, nothing herein is intended to limit Funding Lender's right to bring any suit, action or proceeding relating to matters arising under this Note against Borrower or any of Borrower's assets in any court of any other jurisdiction.

14. **Further Assurances.** Borrower shall at any time and from time to time, promptly execute and deliver all further instruments and documents, and take all further action that may be reasonably necessary or desirable, or that Funding Lender may reasonably request, in order to protect any right or interest granted by this Note or to enable Lender to exercise and enforce its rights and remedies under this Note.

15. **Captions.** The captions of the sections of this Note are for convenience only and shall be disregarded in construing this Note.

16. **Controlling Person.** Borrower hereby acknowledges and agrees that, pursuant to the terms of the Funding Loan Documents: (a) from time to time, Funding Lender may appoint a controlling person to collect payments, escrows and deposits, to give and to receive notices under this Note or the other Borrower Loan Documents, and to otherwise service the Borrower Loan and (b) unless Borrower receives written notice from Funding Lender to the contrary, any action or right which shall or may be taken or exercised by Funding Lender may be taken or exercised by such controlling person with the same force and effect.

17. **Waiver of Trial by Jury.** TO THE MAXIMUM EXTENT PERMITTED UNDER APPLICABLE LAW, EACH OF BORROWER AND FUNDING LENDER (A) COVENANTS AND AGREES NOT TO ELECT A TRIAL BY JURY WITH RESPECT TO ANY ISSUE ARISING OUT OF THIS NOTE OR THE RELATIONSHIP BETWEEN THE PARTIES THAT IS TRIABLE OF RIGHT BY A JURY AND (B) WAIVES ANY RIGHT TO TRIAL BY JURY WITH RESPECT TO SUCH ISSUE TO THE EXTENT THAT ANY SUCH RIGHT EXISTS NOW OR IN THE FUTURE. THIS WAIVER OF RIGHT TO TRIAL BY JURY IS SEPARATELY GIVEN BY EACH PARTY KNOWINGLY AND VOLUNTARILY WITH THE BENEFIT OF COMPETENT LEGAL COUNSEL.

18. **Time of the Essence.** Time is of the essence with respect to this Note.

IN WITNESS WHEREOF, the undersigned has duly executed and delivered this Note or caused this Note to be duly executed and delivered by its authorized representative as of the date first set forth above.

MHP BROWARD I, LTD, a Florida limited partnership

By: MHP Broward I SLP, LLC, a Florida limited liability company, its Special Limited Partner

By: _____
W. Patrick McDowell
Chief Executive Officer

ENDORSEMENT

Pay to the order of THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., a national banking association, without recourse, as Fiscal Agent under the Funding Loan Agreement referred to in the within mentioned Agreement, as security for such Governmental Note issued under such Funding Loan Agreement. This endorsement is given without any warranty as to the authority or genuineness of the signature of the maker of the Borrower Note.

**HOUSING FINANCE AUTHORITY OF
BROWARD COUNTY, FLORIDA**

By: _____
Colleen LaPlant, Chair:

Dated: _____, 20__

**EXHIBIT B
FORM OF WRITTEN REQUISITION
OF THE BORROWER**

BORROWER:

PROJECT:

REQUISITION NO.: _____

In the Amount of \$_____

TO: Allianz Life Insurance Company of North America, as Funding Lender

Attention: _____

R4 Servicer LLC, as Controlling Person
155 Federal Street, Suite 1400
Boston, Massachusetts 02110
Attention: Greg Doble and Shannon Chase

The Borrower hereby requests payments in the following amounts, from the following sources and to be made to the following parties, all as set forth on the Borrower's Request for Payment attached to this Requisition:

<u>Amount</u>	<u>Source</u>	<u>Payable to:</u>
	[identify name of Account & Fund]	[Borrower's account #] [third party payment/wire instructions must be attached]

Requisition - Contents and Attachments

- ☐ Borrower's Request for Payment
- ☐ Borrower's Representations and Warranties
- ☐ Updated Loan Balancing (Sources and Uses) & Monthly Requisition Spreadsheet
- ☐ Contractor's Application and Certification for Payment (AIA Form G-702 & G-703)
- ☐ Architect, Contractor, Owner Change Order (Executed AIA G-701(s) added to G-702)
- ☐ Pending Change Order and Change Order Log (dated)
- ☐ Vendor Payee List or equivalent
- ☐ Requisitions and Invoices Supporting Application
- ☐ Contractor's Requisition Certificate
- ☐ Architect's Requisition Certificate
- ☐ Lien Waivers, Conditional for the current Hard cost pay request
- ☐ Lien Waivers, Unconditional for payment thru the prior period pay request
- ☐ Stored Materials Log and documentation (e.g., insurance, bill of sale, invoices, photos) as Applicable
- ☐ Current Project Schedule
- ☐ Other Documents as Requested by the Funding Lender or Controlling Person as set forth in the Borrower Loan Agreement

Representations and Warranties

1. No material changes have been made in the Plans and Specifications which require and have not received the prior approval of (i) the Controlling Person under the terms of the Borrower Loan Agreement dated as of _____ 1, 2025 (the "Agreement"), (ii) any Governmental Authority having jurisdiction over the Project Facilities or (iii) any other parties from whom such approval is required.
2. construction of the Improvements has been performed in substantial accordance with the Plans and Specifications (other than any changes that did not constitute Material Change Orders).
3. As of the date hereof, the Borrower has executed change orders (increasing/decreasing) the cost of construction of the Improvements by \$_____ in the aggregate, has notified the Engineering Consultant of such changes and, to the extent necessary, has received any and all necessary approvals from the Controlling Person.
4. Funding of this Requisition shall be in accordance with the terms and provisions of the (i) Agreement, and (ii) the Funding Loan Agreement dated as of _____ 1, 2025, with respect to the Governmental Note.
5. All money requisitioned by the Borrower for construction of the Improvements and disbursed by the Fiscal Agent under previously approved requisitions have been paid to the Contractor and, to the Borrower's best knowledge, all subcontractors, vendors and suppliers; all other funds requisitioned by the Borrower and disbursed by the Fiscal Agent under previously approved requisitions have been expended for the purpose for which they were requisitioned.
6. All of the information submitted to the Controlling Person and the Funding Lender in connection with this Requisition is true and accurate in all material respects as of the date of submission.
7. The applicable representations and warranties of the Borrower set forth in the Funding Loan Documents are true and correct in all material respects as of the date hereof with the same effect as if made on this date , except [].
8. The Borrower represents and warrants that (i) there is no uncured Event of Default or event which, with the passage of time or the giving or notice or both, would constitute an Event of Default on the part of the Borrower or the Guarantor under the terms of the Funding Loan Documents, (ii) except as previously disclosed by the Borrower to the Controlling Person, the Borrower has not received notice from or been informed by any Governmental Authority or the Engineering Consultant of any alleged deficiencies in the work performed to date or any deviation of such work from Plans and Specifications or notice of any assertion of a claim that the Improvements have not been constructed in accordance with all applicable Legal Requirements, (iii) with the exception of any Permitted Encumbrance and those being contested by the Borrower in accordance with the terms of the Funding Loan Documents, there are no liens against any portion of the Project Facilities or any other Collateral of the Borrower, and (iv) the Funding Loan Documents are in full force and effect.

9. The Borrower represents and warrants that this Requisition is materially in the form of requisition required by the Controlling Person under the Funding Loan Documents.
10. The Borrower represents and warrants that, following payment of the amounts requested under this Requisition, not less than 95% of amounts paid from proceeds of the Governmental Note have been applied to the payment of Qualified Project Costs.
11. Attached hereto are copies of lien waivers from all such contractors, subcontractors and materialmen requisitioning payment under this Requisition, the originals of which have been delivered, if requested by the Controlling Person, to the Title Insurance Company.
12. All capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto under the Borrower Loan Agreement.

Executed this ____ day of ____, 20__.

[BORROWER], a _____

By: _____, a
_____, its _____

By: _____
Name: _____
Title: _____

Approved:

R4 SERVICER LLC, as Controlling Person

By: _____
Name: _____
Title: _____
Dated: _____, 20__

Contractor's Application for Payment

Contractor's Application and Certification for Payment (AIA Form G-702 & G-703)
Architect, Contractor, Owner Change Order (Executed AIA G-710(s) added to G-702)
Pending Change Order and Change Order Log (dated)

Requisitions and Invoices

Contractor's Requisition Certificate²

Application for Payment No. _____

TO: Allianz Life Insurance Company of North America ("Funding Lender")
R4 Servicer LLC ("Controlling Person")

FROM: _____ ("Contractor")

RE: Construction of Ekos Pembroke Park (the "Project Facilities") by MHP Broward
I, Ltd ("Borrower").

We are the general contractor for the Project Facilities and, to induce the Controlling Person to approve disbursements of loan proceeds and other amounts by the Fiscal Agent and/or the Funding Lender to assist in funding construction of the Improvements and knowing that the Funding Lender and the Controlling Person will rely on this certificate in doing so, we hereby certify as follows:

1. In reference to our contract dated _____, 20__, with Borrower for construction of the Improvements, and the Plans and Specifications therefor, no amendments, modifications or changes have been made with respect to our contract or the Plans and Specifications except such as have had your prior written approval. There are no pending change orders except as follows:
2. Our Application for Payment No. _____, dated _____, 20__, which we understand is to be included as an item in the Borrower's requisition to you, is in material compliance with the terms of our contract with Borrower, and, upon the payment of same, we will have no other or additional claim (including claims for so-called "extras") against Borrower on account of our contract or otherwise for and through the period of time ending upon the date of our Application for Payment, for all labor and materials furnished by us through and including the date of our Application for Payment except as follows:
 - a. Retainage not exceeding __% of the value of labor and materials incorporated into the Project Facilities and covered by applications submitted by us on account of the construction of the Improvements for which payment is to be made to us after substantial completion of our contract, as provided therein (the amount of said retainage), as of the end of the period covered by our Application for Payment dated _____, 20__, is \$_____); and
 - b. [specify other claims, if any]
3. The Borrower is not in default of any of the Borrower's obligations to us as of the date hereof except as follows: _____ [none]
4. We have paid in full all our obligations to subcontractors, workmen, suppliers and materialmen for and with respect to all labor and materials supplied through and including the date of our last Application for Payment, except for an amount equal to __% thereof,

² Contractor to review

which we are holding in accordance with the terms of such obligations and our contract, and all our subcontractors have paid their subcontractors, workmen and materialmen in full for and with respect to all labor and materials supplied through and including the date of our last Application for Payment.

5. To the fullest extent allowed by law, we waive and release any and all rights to claim any lien for labor done or materials furnished up to an amount equal to the amount of our Application for Payment dated _____, 20__ plus the amount of all our previously funded applications.

Executed as an instrument under seal this _____ day of _____, 20__.

[CONTRACTOR]

By: _____
Name:
Title:

Architect's Requisition Certificate³

Application for Payment No. _____

TO: Allianz Life Insurance Company of North America ("Funding Lender")
R4 Servicer LLC ("Controlling Person")

FROM: _____ ("Architect")

RE: Construction of Ekos Pembroke Park (the "Project Facilities") by MHP Broward
I, Ltd ("Borrower")

We are the architect for the Project Facilities and, to induce the Controlling Person to approve disbursements of loan proceeds and other amounts by the Fiscal Agent and/or the Funding Lender to assist in funding construction of the Improvements, and knowing that the Controlling Person will rely on this certificate in doing so, we hereby certify as follows:

1. We inspected the Project Facilities on _____, 20__ and found the status of Work at the Project Facilities on that date and the progress made on the Project Facilities since our last certificate to you dated _____, 20__ to be as follows: _____
[substantially in accordance with the approved, as amended and approved, plans and specifications], [non-compliant with the approved plans and specifications], [other – describe here]
2. We delivered the Plans and Specifications for the Project Facilities, copies of which have been delivered to you (the "Plans and Specifications"). We have made no changes to the Plans and Specifications except as you have approved in writing or which do not require your approval. There are no pending change orders or construction change directives except as provided in the current Pending Change Order and Change Order Log.
3. All Work to date has been done in accordance with the Plans and Specifications and in a good and workmanlike manner. All materials and fixtures usually furnished and installed or stored on site at the current stage of construction have been furnished, installed or stored on site. All of the Work to date is hereby approved except as follows: _____

4. We have examined the requisition being submitted herewith to you by Borrower, which requisition includes an Application for Payment from [_____] ("Contractor") respecting construction of the Improvements. The payment so applied for by Contractor does not exceed (when added to the payments heretofore applied for by and paid to Contractor) __% of the value of labor and materials incorporated into the Improvements.

³ Architect to review

5. All permits, licenses, approvals and the like required to complete construction of the Improvements have been validly issued by the appropriate authorities and are in full force and effect, and there is no violation of any of the provisions thereof or of any Legal Requirements applicable to the Project Facilities of which we have notice or knowledge as of the date hereof except as follows:
6. Access to and egress from the Project Facilities and all improvements to be constructed thereon are in accordance with all applicable Legal Requirements. Water, drainage and sanitary sewerage facilities and telephone, gas and electric services of public utilities are or are due to be installed in the locations indicated on the Plans and Specifications and are adequate to serve the Project Facilities. All necessary approvals for installation of or connection to said facilities or services have been obtained.
7. To the best of our knowledge, there are no petitions, actions or proceedings pending or threatened to revoke, rescind, alter or declare invalid any laws, ordinances, regulations, permits, licenses or approvals for or relating to the Project Facilities.
8. No amendments, modifications or changes have been made to our contract dated _____, 20__ with the Borrower except such as have had your prior written approval or which do not require your approval.
9. The Borrower is not in default of any of the Borrower's obligations to us as of the date hereof except as follows: _____

This certificate is rendered based on our examination of the Project Facilities, the Plans and Specifications, the data comprising the Application for Payment and all other matters which we deem relevant. We are to incur no liability under this certificate except for failure to exercise due professional skill and diligence.

Executed as a sealed instrument this _____ day of _____, 20__.

[ARCHITECT]

By: _____
Name:
Title:

Borrower's Request for Payment

[attach spreadsheets in form provided by R4 Capital]

Lien Waivers

EXHIBIT C
MOLD/MILDEW ADDENDUM⁴

This Mold and Mildew Addendum (the "Addendum") dated _____, 20__ is attached to and made a part of the lease dated _____, 20__ (the "Lease") by and between [Borrower] ("Lessor") and _____ ("Resident") for unit number _____ (the "Unit") in _____.

Resident acknowledges that it is necessary for Resident to provide appropriate climate control, keep the Unit clean, and take other measures to retard and prevent mold and mildew from accumulating in the Unit. Resident agrees to clean and dust the Unit on a regular basis and to remove visible moisture accumulation on windows, walls and other surfaces as soon as reasonably possible. Resident agrees not to block or cover any of the heating, ventilation or air-conditioning ducts in the Unit. Resident also agrees to immediately report to the management office: (i) any evidence of a water leak or excessive moisture in the Unit, as well as in any storage room, garage or other common area; (ii) any evidence of mold- or mildew-like growth that cannot be removed by simply applying a common household cleaner and wiping the area; (iii) any failure or malfunction in the heating, ventilation or air conditioning system in the Unit; and (iv) any inoperable doors or windows. Resident further agrees that Resident shall be responsible for damage to the Unit and Resident's property as well as personal injury to Resident and Occupants resulting from Resident's failure to comply with the terms of this Addendum.

A default under the terms of this Addendum shall be deemed a material default under the terms of the Lease, and Lessor shall be entitled to exercise all rights and remedies at law or in equity. Except as specifically stated herein, all other terms and conditions of the Lease shall remain unchanged. In the event of any conflict between the terms of this Addendum and the terms of the Lease, the terms of this Addendum shall control. Any term that is capitalized but not defined in this Addendum that is capitalized and defined in the Lease shall have the same meaning for purposes of this Addendum as it has for purposes of the Lease.

Resident or Residents:
(all Residents must sign here)

Lessor:

Resident's Signature

[BORROWER]

Resident's Name

By: _____
Authorized Representative:

Resident's Unit No.

⁴ Borrower may provide substitute for review

Resident's Signature

Resident's Name

Resident's Unit No.

**SCHEDULE 1
SCHEDULE OF LITIGATION**

SCHEDULE 2
SCHEDULE OF OBLIGATIONS AND MATERIAL CONTRACTS

**SCHEDULE 3
DEVELOPMENT BUDGET**

**SCHEDULE 4
PLANS AND SPECIFICATIONS**

SCHEDULE 5
PERMITS AND APPROVALS NOT YET OBTAINED

[Borrower to provide list]

**SCHEDULE 6
CONDITIONS TO ADVANCES**

A. CONDITIONS TO INITIAL ADVANCE. The right of Borrower to draw the initial advance shall be subject to the fulfillment of the following conditions precedent in a manner, and by documentation, satisfactory to the Controlling Person:

1. Construction Documents. Each of the Architect's Agreement and the Construction Contract shall have been duly executed and delivered by the respective parties thereto and shall be in full force and effect. The Architect and the Contractor shall have duly executed and delivered to the Controlling Person a consent to the assignment of the Architect's Contract, the Engineer's Agreement and the Construction Contract in form and substance satisfactory to the Controlling Person.

2. Subcontracts; Other Contracts. The Borrower shall have delivered to the Controlling Person a list of all subcontractors and materialmen who have been or, to the extent identified by the Borrower, will be supplying labor or materials for the Project Facilities in the amount of [\$10,000] or more. The Borrower shall have delivered, if requested, to the Controlling Person correct and complete photocopies of all other executed contracts with contractors, subcontractors, engineers or consultants for the Project Facilities in an amount of [\$25,000] or more, and of all development, management, brokerage, sales or leasing agreements for the Project Facilities.

3. Validity of Liens. The Mortgage, the Assignment of Project Documents, the Assignment of Capital Contributions, the Developer Fee Pledge, the General Partner Pledge, the DGSH Special Limited Partner Pledge and the MHP Special Limited Partner Pledge shall be effective to create in the Fiscal Agent or Funding Lender, as applicable, a legal, valid and enforceable security interest in the collateral identified therein and enforceable lien with respect to the Mortgage. All filing, recordings, deliveries of preserve such liens and security interests shall have been duly effected (or as applicable will be upon recordation and filing on the Closing Date).

4. Deliveries. The following items or documents shall have been delivered to the Controlling Person by the Borrower and shall be in form and substance satisfactory to the Controlling Person.

(a) Plans and Specifications. Two complete sets of the Plans and Specifications and approval thereof by any necessary Governmental Authority, with a certification from the Architect that the Improvements to be constructed comply with all Legal Requirements and Governmental Actions and that the Construction Contract satisfactorily provides for the construction of the Improvements.

(b) Title Policy. The Title Policy, or a pro forma policy that constitutes a commitment to issue the Title Policy in the form of such pro forma policy, together with proof of payment of all fees and premiums for such policy and true and accurate copies of all documents listed as exceptions under such policy.

(c) Other Insurance. Duplicate originals or certified copies of all policies of insurance required hereunder to be obtained and maintained during the construction of the Improvements.

(d) Evidence of Sufficiency of Funds. Evidence that the proceeds of the Funding Loan and the proceeds of the Subordinate Debt, together with Required

Equity Funds delivered on the Closing Date or to be delivered after the Closing Date pursuant to the Funding Loan Agreement and the Partnership Agreement, will be sufficient to cover all Project Costs reasonably anticipated to be incurred to complete the Improvements prior to the Completion Date and to carry the Project Facilities through to Stabilization.

5. Evidence of Access, Availability of Utilities, Project Approvals. Evidence as to:
 - (a) the methods of access to and egress from the Project Facilities, and nearby or adjoining public ways, meeting the reasonable requirements of the Project Facilities and the status of completion of any required improvements to such access;
 - (b) the availability of water supply and storm and sanitary sewer facilities meeting the reasonable requirements of the Project Facilities;
 - (c) the availability of all other required utilities, in location and capacity sufficient to meet the reasonable needs of the Project Facilities; and
 - (d) the obtaining of all then-applicable Project Facilities approvals, permits and licenses or evidence that no such permits or licenses are required) which are required, necessary or desirable for the construction of the Improvements and the access thereto, together with copies of all such Governmental Actions.
6. Environmental Report. An environmental site assessment report or reports of one or more qualified environmental engineering or similar inspection firms approved by the Controlling Person, which report or reports shall indicate a condition of the Land and any existing improvements thereon in compliance with all Legal Requirements and in all respects satisfactory to the Controlling Person in its sole discretion and upon which report or reports the Controlling Person, the Funding Lender and the initial Funding Lender shall be expressly entitled to rely.
7. Soils Report. A soils report for the Project Facilities prepared by a soils engineer approved by the Controlling Person, which report shall indicate that based upon actual surface and subsurface examination of the Project Facilities, the soils conditions are fully satisfactory for the proposed construction and operation of the Improvements and upon which report or reports the Controlling Person, the Funding Lender and the initial Funding Lender shall be expressly entitled to rely.
8. Survey and Taxes. A Survey of the land upon which the Project Facilities are (or will be) located (and any existing improvements thereon) and Surveyor's Certificate, and evidence of payment of all real estate taxes and municipal charges on the Land (and any existing improvements thereon) which were due and payable prior to the Closing Date.
9. Deposit of Funds. The initial installment of Required Equity Funds and any other source of funds required for closing shall have been delivered to the satisfaction of the Controlling Person.
10. Requisition. If any portion of the initial Advance shall be for hard costs of construction, a completed Requisition and together with the approval of the Engineering Consultant.
11. Form Lease. The standard form of lease to be used by the Borrower in connection with the Improvements.

12. Engineering Consultant Report. The Controlling Person shall have received a report or written confirmation from the Engineering Consultant that (i) the Engineering Consultant has reviewed the Plans and Specifications, (ii) the Plans and Specifications have been received and approved by each Governmental Authority to which the Plans and Specifications are required under applicable Legal Requirements to be submitted, (iii) the Construction Contract satisfactorily provides for the construction of the Improvements, and (iv) in the opinion of the Engineering Consultant, construction of the Improvements can be completed on or before the Completion Date for an amount not greater than the amount allocated for such purpose in the Development Budget.

13. Searches. The Controlling Person shall have received searches from a recognized search firm (which shall be updated from time to time at Borrower's expense upon request by the Controlling Person) that searches of the public record disclosed (a) no recorded conditional sales contracts, security agreements, chattel mortgages, leases of personalty, financing statements or title retention agreements which affect the collateral, (b) no bankruptcy filings on the part of any of the Borrower, the General Partner, the DGSH Special Limited Partner, the MHP Special Limited Partner and the Guarantor (collectively, the "Obligors"), and (c) no litigation with respect to the Project Facilities or any of the Obligors that would materially adversely affect the obligations of the Obligors hereunder.

14. Mechanics' Liens. In the event that for any reason the initial Advance is not funded on the Closing Date, the Controlling Person may withhold or refuse to approve the initial Advance if any mechanic's lien or notice of intention to record or file a mechanic's lien has been filed or given, unless such lien is bonded over, insured against, or reserved as for as determined by the Controlling Person in its sole discretion or such disbursement shall be used to satisfy such lien and has been approved by the Controlling Person.

15. Notices. All notices required by any Governmental Authority under applicable Legal Requirements to be filed prior to commencement of construction of the Improvements shall have been filed.

16. Appraisal. The Controlling Person shall have received an Appraisal, in form and substance satisfactory to the Controlling Person.

17. Performance; No Default. The Borrower shall have performed and complied with all terms and conditions herein required to be performed or complied with by it on or prior to the date of the initial advance, and on the date of the initial advance there shall exist no Event of Default.

18. Representations and Warranties. The representations and warranties made by the Obligors in the Funding Loan Documents, the General Partner Pledge, the DGSH Special Limited Partner Pledge, the MHP Special Limited Partner Pledge, the Developer Fee Pledge or the documents executed by the Guarantor or otherwise made by or on behalf of the Obligors in connection therewith or after the date thereof shall have been true and correct in all material respects when made and shall be true and correct in all material respects on the date of the initial advance.

19. Proceedings and Documents. All proceedings in connection with the transactions contemplated by this Agreement and the other Funding Loan Documents shall be satisfactory to the Controlling Person and their counsel in form and substance, and the Controlling Person shall have received all information and such counterpart originals or certified copies of such documents and such other certificates, opinions or documents as they or their counsel may reasonably require.

20. Payment and Performance Bonds. The Controlling Person shall have received the original Payment and Performance Bonds in form and content and from a surety satisfactory in all respects to the Controlling Person.

B. CONDITIONS TO SUBSEQUENT ADVANCES. The right of the Borrower to draw each advance after the initial advance shall be subject to the following conditions precedent in a manner, and by documentation, satisfactory to the Controlling Person:

1. Prior Conditions Satisfied. All conditions precedent to any prior disbursement shall continue to be satisfied (unless waived) as of the date of the Requisition of such subsequent advance.

2. Performance; No Default. The Borrower shall have materially performed and complied with all terms and conditions herein required to be performed or complied with by it on or prior to the date of such Requisition, and on such date there shall exist no Default or Event of Default.

3. Representations and Warranties. Each of the representations and warranties made by the Borrower in the Funding Loan Documents or otherwise made by or on behalf of the Borrower in connection therewith after the date thereof shall have been true and correct in all material respects on the date on when made and shall also be true and correct in all material respects on the date of such Requisition (except if no longer applicable or except to the extent of changes resulting from transactions contemplated or permitted by the Funding Loan Documents).

4. No Damage. If the Improvements shall have been materially injured or damaged by fire, explosion, accident, flood or other casualty, such Improvements are able to be and are diligently being restored upon availability of insurance proceeds in accordance with the terms of the Mortgage.

5. Receipt by Controlling Person. The Controlling Person shall have received:

(a) Requisition. A completed Requisition in the form set forth on Exhibit B to this Agreement, accompanied by the certificates, applications, invoices and other materials required thereby together with approval of the portion of the Requisition applicable to the Work for such Advance by the Engineering Consultant, accompanied by a certificate or report from the Engineering Consultant to the effect that in its opinion, based on site observations and submissions by the Contractor, the Work for which the Advance is requested to the date thereof was performed in a good and workmanlike manner and stating that the remaining non-disbursed portion of the Funding Loan proceeds and other available funds specified in the Development Budget are adequate to complete construction of the Improvements in substantial accordance with the Plans and Specifications; and

(b) Endorsement to Title Policy. At the time of each advance to update the date of and increase the amount of coverage by the amount of such advance, such endorsements (a "Down Date Endorsement") shall be delivered by the Title Company, increasing the coverage under the Title Policy by the amount of the approved Requisition plus the amount of any proceeds of the Funding Loan disbursed from the Capitalized Interest Account of the Project Fund;

6. Foundation Survey; Current Survey. If the Plans and Specifications provide for construction of the foundations, including, if applicable, expansion or modification of existing foundations, within forty-five (45) days after completion of construction of the foundations of the Improvements, a survey certified by a registered engineer or surveyor showing that the foundations are located within the perimeter of the Land and any set back lines and at the location shown on the Plans and Specifications, and from time to time. An updated Survey if required by the Title Insurance Company or the Controlling Person;
7. Approval by Engineering Consultant. Approval of the Requisition for such disbursement by the Engineering Consultant, accompanied by a certificate or report from the Engineering Consultant to the effect that in its opinion, based on site observations and submissions by the Contractor, the construction of the Improvements to the date thereof was performed in a good and workmanlike manner and in accordance with the Plans and Specifications, stating the estimated total cost of construction of the Improvements, stating the percentage of in-place construction of the Improvements, and stating that the remaining non-disbursed portion of the Project Fund and Required Equity Funds allocated for such purpose in the Development Budget is adequate to complete the construction of the Improvements;
8. Contracts. Evidence that one hundred percent (100%) of the cost of the remaining Work is covered by firm fixed price or guaranteed maximum price contracts or subcontracts, or orders for the supplying of materials, with contractors, subcontractors, materialmen or suppliers satisfactory to the Controlling Person, and that the Payment and Performance Bonds have been obtained, as required.
9. Mechanics' Liens. The Controlling Person may withhold or refuse to fund any advance hereunder if any mechanic's lien has been filed or recorded and not bonded over, insured over or otherwise collateralized to the satisfaction of the Controlling Person, or if notice of intention to record or file any such lien has been received, unless such a lien is bonded over, insured against, or otherwise collateralized to the sole satisfaction of the Controlling Person or such disbursement shall be used to satisfy the lien and has been approved by the Controlling Person.
10. Lien Waivers. No sums shall be disbursed until the Borrower has delivered a waiver or full, conditional or partial release of liens (unless disputed) from all contractors, subcontractors, materialmen or others who may be entitled to a lien, as permitted by law for the work supplied or materials provided and for which payment is requested, and with respect to all contractors, subcontractors, materialmen or others entitled to a lien for work done or materials provided and paid from any prior advance funded by reliance on conditional lien waivers, on unconditional waiver or release of lien with respect to such work.
11. Required Equity Funds. Unless "in balance" requirements under Section 6.32 are otherwise met, all installments of Required Equity Funds which shall be then due and payable under the Partnership Agreement shall have been deposited with the Fiscal Agent.
12. Release of Retainage. In addition to the conditions set forth in this Section, the Controlling Person's obligation to approve any Requisition for Retainage shall be subject to receipt by the Controlling Person of the Engineering Consultant's certification of completion as to the Work performed under any contract or subcontract for which the Retainage will be disbursed.
13. Loan Rebalancing. The Controlling Person shall not be obligated to authorize any further advances until the requirements of Section 6.32 of this Agreement have been satisfied.

14. Material Change Orders. No Material Change Order shall have been made without the written approval of the Controlling Person.

**SCHEDULE 7
FORM OF COMPLETION CERTIFICATE**

_____, 20__

Allianz Life Insurance Company of North America, as Funding Lender

Attention: _____

R4 Servicer LLC, as Controlling Person
155 Federal Street, Suite 1400
Boston, Massachusetts 02110
Attention: Greg Doble and Shannon Chase

Re: Ekos Pembroke Park (the "Project Facilities")

Ladies and Gentlemen:

The undersigned, being the owner of the Project Facilities, hereby certifies to Allianz Life Insurance Company of North America, as Funding Lender (the "Funding Lender"), and R4 Servicer LLC as Controlling Person, acting on behalf of the Funding Lender of the Governmental Note issued in connection with the Project Facilities (the "Controlling Person") that "Completion" of the Project Facilities (as defined in the Funding Loan Agreement dated as of _____ 1, 2025 (the "Funding Loan Agreement") by and among the Funding Lender, the Fiscal Agent and Housing Finance Authority of Broward County, Florida (the "Governmental Lender")) has been attained as of the date hereof and all conditions relating thereto as set forth in the Borrower Loan Agreement dated as of _____ 1, 2025 between the undersigned and the Governmental Lender (the "Borrower Loan Agreement") have been satisfied. Capitalized terms used herein and not defined shall have the meanings ascribed thereto in the Funding Loan Agreement or the Borrower Loan Agreement.

The undersigned hereby represents and warrants that:

1. Attached hereto schedule of all Punchlist Items attached to an AIA Form G-704 or other similar notice of substantial completion as required by clause (i) of the definition of "Completion" contained in the Funding Loan Agreement;
2. Attached hereto are true copies of all Governmental Actions as required by clause (ii) of the definition of "Completion" contained in the Funding Loan Agreement;
3. The requirements of clause (iii) and clause (iv) of the definition of "Completion" in the Funding Loan Agreement are true and correct as of the date hereof except for the following:
[_____] [Not Applicable]

[BORROWER], a _____

By: _____, a _____, its

By: _____
Name:
Title

Accepted and agreed to by:

R4 SERVICER LLC, as Controlling Person

By: _____
Name:
Title:

Effective Date: _____

Schedule of Attachments to Completion Certificate

Punchlist Items

Governmental Actions

SCHEDULE 8
FORM OF ESTIMATED USE OF PROCEEDS COMPLIANCE CERTIFICATE

_____, 20__

Allianz Life Insurance Company of North America, as Funding Lender

Attention: _____

R4 Servicer LLC, as Controlling Person
155 Federal Street, Suite 1400
Boston, Massachusetts 02110
Attention: Greg Doble and Shannon Chase

Re: Ekos Pembroke Park (the "Project Facilities")

Ladies and Gentlemen:

The undersigned, being the owner of the Project Facilities hereby certifies to Allianz Life Insurance Company of North America, as the Funding Lender (the "Funding Lender") and R4 Servicer LLC, as Controlling Person (the "Controlling Person") that;

(i) no less than 95% of the net proceeds of the Funding Loan has been or will be spent for Qualified Project Costs of the Project Facilities as required by Section 142(a) of the Internal Revenue Code.

(ii) not less than 50% of the land and basis of each building of the Project Facilities and related personal property has been financed with the proceeds of the Funding Loan for purposes of Section 42(h)(4).

(iii) in compliance with Section 42(h)(4), the net proceeds of the Governmental Note are allocated to each building in the Project Facilities and the land on which such building are located using the same method used to determine whether 95% of the net proceeds of the Governmental Note have been spent on the Qualified Project Costs.

Attached hereto is a schedule of expected expenditures evidencing compliance with the foregoing and showing all costs of the Project Facilities, the amounts expended, for each category of cost, the source of funds therefor, and a calculation of the percentage of the net proceeds of the Funding Loan expended.

Capitalized terms used herein and not defined shall have the meanings ascribed to such terms in the Funding Loan Agreement dated as of _____ 1, 2025 among the Funding Lender, the Fiscal Agent and the Governmental Lender.

WITNESS WHEREOF, the undersigned has duly executed this Estimated Use of Proceeds Compliance Certificate as of the day and year first above written.

[NAME OF BORROWER], a _____

By: _____, a _____,
its _____

By: _____
Name:
Title

Schedule of Attachments to Estimated Use of Proceeds Compliance Certificate

[Attach Schedule]

SCHEDULE 9

FORM OF CONSTRUCTION CLOSEOUT DELIVERIES CERTIFICATE

_____, 20__

Allianz Life Insurance Company of North America, as Funding Lender

Attention: _____

R4 Servicer LLC, as Controlling Person
155 Federal Street, Suite 1400
Boston, Massachusetts 02110
Attention: Greg Doble and Shannon Chase

Re: Ekos Pembroke Park (the "Project Facilities")

Ladies and Gentlemen:

The undersigned, being the owner of the Project Facilities hereby certifies to Allianz Life Insurance Company of North America, as the Funding Lender (the "Funding Lender") and R4 Servicer LLC, as Controlling Person (the "Controlling Person") that that each of the "Construction Closeout Deliveries" (as defined in the Funding Loan Agreement dated as of _____ 1, 2025 (the "Funding Loan Agreement") by and among the Funding Lender, the Fiscal Agent and Housing Finance Authority of Broward County, Florida (the "Governmental Lender")) has been attained as of the date hereof and all conditions relating thereto as set forth in the Borrower Loan Agreement dated as of _____ 1, 2025 between the undersigned and the Governmental Lender (the "Borrower Loan Agreement") have been satisfied. Capitalized terms used herein and not defined shall have the meanings ascribed thereto in the Funding Loan Agreement or the Borrower Loan Agreement.

The undersigned hereby represents and warrants that:

1. Attached hereto is an original, executed Architect's certificate in the form attached hereto as Exhibit A as required by clause (iii) of the definition of "Construction Closeout Deliveries" contained in the Funding Loan Agreement.
2. Attached hereto are true, complete and correct copies of all use and occupancy permits issued in connection with the Project Facilities (the "Permits") as referenced in clause (ii) of the definition of "Completion" contained in the Funding Loan Agreement. The Permits are all of the permits, licenses or approvals required for the occupancy of the Project Facilities as a multifamily residential facility. No appeal, action or proceeding challenging any of the Permits has been filed; there is no pending claim, litigation or governmental proceeding challenging the Permits.
3. Attached hereto is a complete schedule of all Punchlist Items referenced in clause (i) of the definition of "Completion" contained in the Funding Loan Agreement. The undersigned has completed, or will complete, all Punchlist Items.

4. Attached are lien waivers required by clause (vi) of the definition of "Construction Closeout Deliveries" contained in the Funding Loan Agreement.

5. Attached hereto is an endorsement down dating the Title Policy insuring the Mortgage in favor of the Funding Lender (or the Fiscal Agent for the benefit of the Funding Lender), subject only to Permitted Encumbrances, as required by clause (viii) of the definition of "Construction Closeout Deliveries" contained in the Funding Loan Agreement.

6. Attached hereto is an as-built ALTA/NSPS Survey, certified to the Funding Lender, Fiscal Agent and the Controlling Person and meeting the requirements of clause (ix) of the definition of "Construction Closeout Deliveries" contained in the Funding Loan Agreement.

7. Attached hereto is evidence of completion of the Environmental Completion Conditions.

8. Attached hereto is evidence of insurance meeting the requirements of Section 6.4 of the Loan Agreement.

9. Attached hereto is evidence of payment of all Impositions which are due and payable.

[BORROWER], a _____

By: _____, a _____, its

By: _____
Name: _____
Title _____

Accepted and agreed to by:

R4 SERVICER LLC, as Controlling Person

By: _____
Name: _____
Title: _____

Effective Date: _____

Schedule of Attachments to Construction Closeout Deliveries Certificate

Architect's Completion Certificate

Occupancy Permits

Lien Waivers

Endorsement to Title Policy

As-Built Survey

Insurance Certificates

Evidence of Payment of Impositions

Evidence of Satisfaction of Environmental Completion Conditions

EXHIBIT A

Form of Architect's Certificate

ARCHITECT'S COMPLETION CERTIFICATE

The undersigned, an architect duly licensed and registered in the State of Florida State] has prepared final working plans and detailed specifications (the "**Plans and Specifications**") for MHP Broward I, Ltd, a Florida limited partnership (the "**Borrower**") in connection with the construction of improvements on certain real property located in Pembroke Park, Florida, such improvements or project being known as Ekos Pembroke Park (the "**Improvements**").

The undersigned hereby certifies to ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA and R4 SERVICER LLC that to the best of our knowledge, information and belief: (i) all of the Improvements have been completed in material accordance with the Plans and Specifications, (ii) a [temporary] certificate of occupancy has been issued for the Project Facilities[, provided however that there is no work remaining to be done that would impair or delay the permanent occupancy of the Project Facilities or any portion thereof and issuance of a permanent certificate of occupancy with respect to the Project Facilities, and other permits required for the continued use and occupancy of the Improvements have been issued with respect thereto by the governmental agencies having jurisdiction thereof], and (iii) the Improvements have been constructed in compliance with the Plans and Specifications and are in compliance with the requirements and restrictions of the governmental authorities having jurisdiction, including applicable zoning, building, environmental, fire, and health ordinances, rules and regulations, including without limitation, the Americans with Disabilities Act, the Rehabilitation Act of 1973 and the design and construction requirements of the Fair Housing Act.

[Architect]

By: _____

Date: _____

SCHEDULE 10
FORM OF FINAL USE OF PROCEEDS COMPLIANCE CERTIFICATE

_____, 20__

Allianz Life Insurance Company of North America, as Funding Lender

Attention: _____

R4 Servicer LLC, as Controlling Person
155 Federal Street, Suite 1400
Boston, Massachusetts 02110
Attention: Greg Doble and Shannon Chase

Re: Ekos Pembroke Park (the "Project Facilities")

Ladies and Gentlemen:

The undersigned, being the owner of the Project Facilities hereby certifies to Allianz Life Insurance Company of North America, as the Funding Lender (the "Funding Lender") and R4 Servicer LLC, as Controlling Person (the "Controlling Person") that;

(i) (i) no less than 95% of the net proceeds of the Funding Loan has been or will be spent for Qualified Project Costs of the Project Facilities as required by Section 142(a) of the Internal Revenue Code.

(ii) not less than 50% of the land and basis of each building of the Project Facilities and related personal property has been financed with the proceeds of the Funding Loan for purposes of Section 42(h)(4).

(iii) in compliance with Section 42(h)(4), the net proceeds of the Governmental Note are allocated to each building in the Project Facilities and the land on which such building are located using the same method used to determine whether 95% of the net proceeds of the Governmental Note have been spent on the Qualified Project Costs.

Attached hereto is the Cost Certification evidencing compliance with the foregoing and showing all costs of the Project Facilities, the amounts expended, for each category of cost, the source of funds therefor, and a calculation of the percentage of the net proceeds of the Funding Loan expended.

Capitalized terms used herein and not defined shall have the meanings ascribed to such terms in the Funding Loan Agreement dated as of _____ 1, 2025 among the Funding Lender, the Fiscal Agent and Housing Finance Authority of Broward County, Florida.

WITNESS WHEREOF, the undersigned has duly executed this Final Use of Proceeds Compliance Certificate as of the day and year first above written.

[NAME OF BORROWER], a _____

By: _____, a _____,
its _____

By: _____
Name:
Title

Schedule of Attachments to Final Use of Proceeds Compliance Certificate

Cost Certification

SCHEDULE 11
FORM OF STABILIZATION CERTIFICATE

_____, 20__

Allianz Life Insurance Company of North America, as Funding Lender

Attention: _____

R4 Servicer LLC, as Controlling Person
155 Federal Street, Suite 1400
Boston, Massachusetts 02110
Attention: Greg Doble and Shannon Chase

Re: Ekos Pembroke Park (the "Project Facilities")

Ladies and Gentlemen:

The undersigned, being the owner of the Project Facilities, hereby certifies to Allianz Life Insurance Company of North America, as the Funding Lender (the "Funding Lender") and R4 Servicer LLC, as Controlling Person (the "Controlling Person") that the date of Stabilization was _____, 20__ and:

The undersigned hereby represents and warrants that:

1. At least ____% of the residential units in the Improvements have been physically occupied by qualified tenants meeting the requirements of the Funding Loan Documents in each of the prior ____ (____) consecutive months.
2. The ratio of Stabilized NOI in each of the prior ____ (____) consecutive months to maximum principal, interest, Governmental Lender Fees and Fiscal Agent Fees payable in any month other than the month in which the Maturity Date occurs on the amount of Borrower Note is ____ to 1.0.
3. No Event of Default or event which, with the passage of time or the giving of notice or both, would constitute an Event of Default shall have occurred and be continuing under the Loan Documents, the General Partner Pledge, the DGSH Special Limited Partner Pledge, the MHP Special Limited Partner Pledge, the Developer Fee Pledge or the Guarantor Documents.
4. The Borrower has at all times been and is currently in compliance with all requirements set forth in the Land Use Restriction Agreement.
5. The Borrower Note has been repaid in part in amount not less than the amount required pursuant to Section 7(c)(iii) of the Borrower Note.
6. Stabilization [has/has not] occurred.
7. Attached hereto is a copy of the Stabilization test showing the calculation of Stabilization.

Capitalized terms used herein and not defined shall have the meanings ascribed thereto in the Funding Loan Agreement dated as of _____ 1, 2025 among the Funding Lender, the Fiscal and Housing Finance Authority of Broward County, Florida.

[NAME OF BORROWER], a _____

By: _____, a _____, its

By: _____
Name:
Title:

Accepted and agreed to by:

R4 SERVICER LLC, as Controlling Person

By: _____
Name:
Title:

Effective Date:

Stabilization Spreadsheet

SCHEDULE 12
INITIAL INSURANCE REQUIREMENTS

The Project Facilities must be continuously covered by acceptable property insurance policies meeting the minimum requirements described below. This is a general outline of the insurance coverages required by the Controlling Person, additional coverage may be required at the Controlling Person's discretion.

[Insert R4 Current Insurance Guidelines]

EXHIBIT "C"
FORM OF
LAND USE RESTRICTION AGREEMENT
[ATTACHED]

**THIS INSTRUMENT PREPARED
BY AND RETURN TO:**
Junious D. Brown III, Esq.
Nabors, Giblin & Nickerson, P.A.
1500 Mahan Drive, Suite 200
Tallahassee, Florida 32308

LAND USE RESTRICTION AGREEMENT

Owner's MHP BROWARD I, LTD
Name and Address: c/o McDowell Housing Partners, LLC
777 Brickell Ave, Suite 1300
Miami, Florida 33131

Location of Property: [Northeast corner of SW 56th Avenue and SW 41st Street
(County Line Rd)]
Pembroke Park, Florida _____

Name of Project: Ekos Pembroke Park

Governmental Lender's
Name and Address: Housing Finance Authority of Broward County, Florida
110 N.E. 3rd Street, Suite 300
Fort Lauderdale, Florida 33301

THIS LAND USE RESTRICTION AGREEMENT (this "Agreement"), made and entered into as of _____1, 2025, by and among the HOUSING FINANCE AUTHORITY OF BROWARD COUNTY, FLORIDA, a public body corporate and politic created, organized and existing under the laws of the State of Florida, whose mailing address is listed above (the "Governmental Lender"); THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., a national banking association, whose mailing address is 4655 Salisbury Road, Suite 300, Jacksonville, Florida 32256, as fiscal agent (the "Fiscal Agent"), pursuant to the Funding Loan Agreement dated as of _____1, 2025, among Allianz Life Insurance Company of North America, a Minnesota corporation, as the Funding Lender ("Funding Lender"), the Governmental Lender, and the Fiscal Agent (the "Funding Loan Agreement"), authorizing and securing the issuance of the Governmental Lender's \$[34,150,000] Housing Finance Authority of Broward County, Florida Multifamily Housing Revenue Note, Series 2025 (Ekos Pembroke Park) (the "Governmental Note"),

and MHP BROWARD I, LTD, a Florida limited partnership, and its successors and assigns, whose mailing address is listed above (the "Owner");

W I T N E S S E T H:

WHEREAS, Owner, the fee simple owner of the Project (as such term is herein defined), intends to acquire, construct and equip a multifamily residential rental project located within Broward County, Florida (the "County") to be occupied by Lower-Income Persons and Eligible Persons (as such terms are herein defined), all for the public purpose of assisting persons or families of low, moderate or middle income within the County to afford the costs of decent, safe and sanitary housing; and

WHEREAS, the Governmental Lender has authorized the issuance and delivery of the Governmental Note in the original principal amount of \$[34,150,000] pursuant to the Funding Loan Agreement under which the Funding Lender will advance funds in the amount of \$[34,150,000] to or for the account of the Governmental Lender (the "Funding Loan"), who will use such Funding Loan proceeds in order to make a loan to the Owner (the "Borrower Loan" and, together with the Funding Loan, the "Loans") pursuant to a Borrower Loan Agreement dated as of _____1, 2025 (the "Borrower Loan Agreement"), by and between the Governmental Lender and the Owner, to finance the acquisition, construction and equipping of the Project (as hereinafter defined) and certain costs incurred in connection with the issuance of the Governmental Note, all under and in accordance with the Constitution and laws of the State of Florida (the "State"); and

WHEREAS, the Funding Loan Agreement and the Borrower Loan Agreement require, as a condition of making the Loans, the execution and delivery of this Agreement; and

WHEREAS, in order to satisfy such requirement, the Governmental Lender, the Fiscal Agent and the Owner have determined to enter into this Agreement to set forth certain terms and conditions relating to the operation of the Project, which is located on the real property in the County, as further described in Exhibit "A" hereto (the "Land"); and

WHEREAS, this Agreement shall be properly filed and recorded by the Owner within the official records of the County and shall constitute a restriction upon the use of the property subject to and in accordance with the terms contained herein.

NOW THEREFORE, in consideration of providing the financing by the Governmental Lender to the Owner, acknowledging that compliance with this Agreement is necessary to preserve the exclusion from gross income for federal income tax purposes of interest on the Governmental Note, the Owner covenants and agrees with the other parties hereto as follows:

Section 1. Definitions and Interpretation.

(a) The following terms shall have the respective meanings set forth below (undefined terms shall be given the meanings set forth in the Funding Loan Agreement):

"Affiliated Party" of a person means a person such that (i) the relationship between such persons would result in a disallowance of losses under Section 267 or 707(b) of the Code, or (ii) such persons are members of the same controlled group of corporations as defined in Section 1563(a) of the Code, except that "more than 50 percent" shall be substituted for "at least 80 percent" each place it appears therein or (iii) a related person within the meaning of Section 144(a) or 147(a) of the Code.

"Applicable Income Limit" means sixty percent (60%) of area median gross income (within the meaning of Section 142(d) of the Code) for Broward County, Florida, Standard Metropolitan Statistical Area, as determined by the Secretary of the United States Department of the Treasury in a manner consistent with determinations of lower income families and area median gross income under Section 8 of the Housing Act of 1937, as amended (or if such program is terminated, under such program as in effect immediately before such termination), including adjustments for family size.

"Borrower Loan" means the loan made by the Governmental Lender to the Owner in connection with the issuance and delivery of the Governmental Note, as such Borrower Loan is evidenced by the Borrower Note and further described in the Borrower Loan Agreement.

"Borrower Loan Agreement" means that certain Borrower Loan Agreement entered into between the Owner and the Governmental Lender dated as of _____ 1, 2025, as amended or supplemented from time to time.

"Borrower Note" means that certain \$[34,150,000] Borrower Note, executed by the Owner in favor of the Governmental Lender, and endorsed to the Fiscal Agent for the benefit of the Funding Lender, to evidence the Owner's obligation to repay the Borrower Loan.

"Certificate of Continuing Program Compliance" means the certificate required to be delivered by the Owner to the Governmental Lender pursuant to Section 4(e) of this Agreement.

"Closing Date" means the delivery date of the Governmental Note.

"Code" means the Internal Revenue Code of 1986, as amended, and except as otherwise provided herein or required by the context hereof, includes interpretations thereof contained or set forth in the applicable regulations of the Department of the Treasury (including applicable final regulations or temporary regulations), the applicable rulings of the Internal Revenue Service (including published Revenue Rulings and private letter rulings) and applicable court decisions.

"Compliance Agent" shall mean initially, the Governmental Lender, and thereafter such other organization subsequently designated by the Governmental Lender to serve as Compliance Agent for the Project.

"County" means Broward County, Florida.

"Current Annual Family Income" is determined in accordance with Section 8 of the Housing Act of 1937, as amended (or, if such program is terminated, under such program as in effect immediately before such termination), and includes wages and salaries, overtime pay, commissions, fees, tips and bonuses and other forms of compensation for personal services, net income from operation of a business or a profession, interest, dividends and other net income of any kind from real or personal property, periodic payments from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits or similar types of periodic receipts, payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation and severance pay, welfare assistance, periodic and determinable allowances such as alimony and child support and regular pay, special pay and allowances of a member of the Armed Forces, and other forms of income described in the Income Certification (as promulgated by the Governmental Lender from time to time in accordance with the Housing Act) but does not include earnings of children under 18, payments received for care of foster children or adults, lump sum insurance payments, inheritances, capital gains and settlements for personal or property losses, amounts received specifically for, or in reimbursement of, the cost of medical expenses, income of a live-in aide, certain student financial assistance, special pay to a member of the Armed Forces who is exposed to hostile fire, amounts received under certain training programs and other social service programs, temporary, nonrecurring or sporadic income or other forms of income that the Income Certification specifies may be excluded.

"Eligible Persons" means one or more natural persons or a family, irrespective of race, creed, religion, color, national origin, familial status, mental or physical handicap or sex, who are either Lower-Income Persons or whose Current Annual Family Income does not exceed one hundred fifty percent (150%) of the area median gross income (within the meaning of Section 142(d) of the Code) for Broward County, Florida, Standard Metropolitan Statistical Area, subject to family size adjustment, as indicated in the latest published Decile Distributions of Family Income by Standard Metropolitan Statistical Areas and Non-Metropolitan Counties prepared and published from time to time by HUD, or such other reliable compilation of income statistics as the Governmental Lender may determine to employ, as adjusted by the Governmental Lender according to the most recent Consumer Price Index statistics; provided that persons of 65 years of age or older shall be defined as "Eligible Persons" regardless of their income.

"Funding Lender" means the owner of the Governmental Note, which shall be Allianz Life Insurance Company of North America, a Minnesota corporation.

"Funding Loan Agreement" means the Funding Loan Agreement, dated as of _____, 2025, among the Governmental Lender, the Fiscal Agent and the Funding Lender relating to the making of the Funding Loan and the issuance of the Governmental Note, as amended or supplemented from time to time.

"Governmental Lender's Compliance Fee" means a compliance monitoring fee in an annual amount (without proration for any partial year) equal to \$25.00 per rental unit in the Project (or such other amount as is implemented by the Governmental Lender) to be paid by or on behalf of the Owner to the Governmental Lender, if, but only if, at any time during the Qualified Project Period or for such longer period if the set-aside requirements required by the Code, Chapter 159, Part IV, Florida Statutes or other Governmental Lender requirements remain in force, the Governmental Note is no longer outstanding. Such fee will be due in a lump sum payment on the date the Governmental Note is paid in full. The fee will be calculated for the period commencing on the date the Governmental Note is paid in full and ending on the last date of the Qualified Project Period, or such longer period if the set-aside required by the Code, Chapter 159, Part IV, Florida Statutes or other Governmental Lender requirements remain in force after the Governmental Note is no longer outstanding.

"Governmental Note" means the \$[34,150,000] Housing Finance Authority of Broward County, Florida Multifamily Housing Revenue Note, Series 2025 (Ekos Pembroke Park), dated _____, 2025, made by the Governmental Lender in favor of the Funding Lender.

"HUD" means the United States Department of Housing and Urban Development or any successor agency.

"Income Certification" means the certification required to be obtained from each Lower-Income Tenant by the Owner pursuant to Section 4(a) hereof.

"Investor Limited Partner" means U.S. Bancorp Community Development Corporation, a Minnesota corporation, the investor limited partner of the Owner and its successors and assigns as permitted herein.

"Land" shall have the meaning given that term in the Recitals of this Agreement.

"Loan Documents" means, collectively, all documents referred to and defined as "Funding Loan Documents" and "Borrower Loan Documents" in the Borrower Loan Agreement, and any and all other documents executed in connection with the issuance of the Governmental Note and the making of the Borrower Loan to the Owner by the Governmental Lender.

"Lower-Income Persons" means Eligible Persons whose Current Annual Family Income does not exceed the Applicable Income Limit; provided, however, that the occupants of a unit shall not be considered to be Lower-Income Persons if all of the occupants of such unit are students (as defined in Section 152(f)(2) of the Code), no one of whom is entitled to file a joint return under Section 6013 of the Code. Notwithstanding the foregoing, a dwelling unit shall not fail to be treated as a dwelling unit that is occupied by Lower-Income Persons merely because such dwelling unit is occupied (a) by an individual who is a student and (i) receiving assistance under Title IV of the Social Security Act, (ii) was previously under the care and placement responsibility of the State agency program responsible for administering a plan under Part B or Part E of Title IV of the

Social Security Act, or (iii) enrolled in a job training program receiving assistance under the Job Training Partnership Act or under other similar federal, State or local laws, or (b) entirely by full-time students if such students are (i) single parents and their children and such parents are not dependents of another individual and such children are not dependents of another individual other than a parent of such children, or (ii) married and file a joint return.

"Mortgage" means the first lien Mortgage, Assignment of Rents and Leases, Security Agreement and Fixture Filing with respect to the Project, given by the Owner in favor of the Governmental Lender and assigned by the Governmental Lender to the Fiscal Agent for the benefit of the Funding Lender, securing the repayment of the Borrower Note given in connection with the issuance and delivery of the Governmental Note, as such Mortgage may be amended from time to time.

"Project" means the acquisition, construction and equipping of a multifamily residential rental housing project known as Ekos Pembroke Park, located on the Land and financed with proceeds of the Borrower Loan pursuant to the Borrower Loan Agreement. The Project consists of 150 units and will be occupied by Lower-Income Persons and Eligible Persons.

"Qualified Project Period" means the period beginning on the first (1st) day on which ten percent (10%) of the residential units in the Project are first occupied or the delivery date of the Governmental Note, whichever is later, and ending on the latest of (a) the date that is fifteen (15) years after the date on which at least fifty percent (50%) of the units in the Project are first occupied, or (b) the first (1st) day on which no tax-exempt private activity bond (as that term is defined in Section 142(d)(2) of the Code) issued with respect to the Project is outstanding, or (c) the date on which any assistance provided with respect to the Project under Section 8 of the United States Housing Act of 1937, as amended, terminates.

"Regulations" means the Income Tax Regulations issued under the Code, as applicable (including applicable final regulations or temporary regulations).

"State" means the State of Florida.

"Tax Counsel" means any attorney at law or firm of attorneys of nationally recognized standing in matters pertaining to the exclusion from gross income of interest on bonds for federal income tax purposes issued by states and political subdivisions selected by the Governmental Lender.

(b) Unless the context clearly requires otherwise, as used in this Agreement, words of the masculine, feminine or neuter gender shall be construed to include any other gender when appropriate and words of the singular number shall be construed to include the plural number, and vice versa, when appropriate. This Agreement and all the terms and provisions hereof shall be construed to effectuate the purposes set forth herein and to sustain the validity hereof.

(c) The titles and headings of the sections of this Agreement have been inserted for convenience of reference only, and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof or be considered or given any effect in construing this Agreement or any provisions hereof or in ascertaining intent, if any question of intent shall arise.

Section 2. Residential Rental Property. The Owner hereby represents, covenants, warrants and agrees that:

- (a) The Owner will acquire, construct, equip, own and operate the Project for the purpose of providing a "qualified residential rental project" as such phrase is used in Sections 142(a)(7) and 142(d)(1) of the Code, (2) the Owner shall own the entire Project for federal tax purposes, and (3) the Project shall be owned, managed and operated as multifamily residential rental property, comprised of a building or structure or several buildings or structures containing similarly constructed units, together with any functionally related and subordinate facilities and no other facilities, in accordance with Section 142(d) of the Code and Sections 1.103-8(b)(4) and 1.103-8(a)(3) of the Regulations, and in accordance with such requirements as may be imposed thereby on the Project from time to time.
- (b) Each residential unit in the Project shall be contained in one or more buildings or structures located on the Land and shall be similarly designed, furnished and constructed (except as to number of bedrooms), each of which will contain separate and complete facilities for living, sleeping, eating, cooking and sanitation for an individual or a family, including a living area, a sleeping area, bathing and sanitation facilities and cooking facilities equipped with a cooking range or microwave oven, refrigerator and sink, all of which are separate and distinct from the other units.
- (c) None of the units in the Project will at any time be (1) utilized on a transient basis, (2) used as a hotel, motel, dormitory, fraternity or sorority house, rooming house, nursing home, hospital, sanitarium, rest home, trailer court or park, or (3) rented for initial lease periods of less than six (6) months. No part of the Project will, at any time, be owned or used by a cooperative housing corporation or converted to condominiums.
- (d) All of the units will be rented or available for rent on a continuous basis to members of the general public (other than units for a resident manager or maintenance personnel), and the Owner will not give preference to any particular class or group of persons in renting the units in the Project, except to the extent that units are required to be leased or rented to (1) Lower-Income Persons, or (2) Eligible Persons. Lower-Income Persons and Eligible Persons who are residents of the Project will have equal access to and enjoyment of all common facilities of the Project at all times. The

Owner will not discriminate against children of any age when renting the units in the Project.

- (e) The Land consists of a parcel of real property or parcels of real property that are contiguous except for the interposition of a road, street, stream or similar property, and the Project comprises buildings, structures and facilities that are geographically contiguous and functionally related. Any common facilities financed with proceeds of the Governmental Note (such as swimming pools, recreational facilities, parking areas and other facilities which are reasonably required for the Project, for example, heating and cooling equipment, trash disposal equipment or units for resident managers or maintenance or security personnel) are functionally related and subordinate to the Project and are commensurate with its size and intended use.
- (f) The Owner or an Affiliated Party of the Owner shall not occupy any of the units in the Project; provided, however, that the Owner or an Affiliated Party of the Owner may occupy a unit in a building or structure in the Project that contains five or more units if the Owner or an Affiliated Party of the Owner is a resident manager or other necessary employee (e.g., maintenance and security personnel). No more than two units in the Project shall be occupied by resident managers or maintenance or security personnel.
- (g) None of the proceeds of the Governmental Note (including investment earnings) may be used to provide a skybox or any other private luxury box, an airplane, or a store the principal business of which is the sale of alcoholic beverages for consumption off premises or a facility used primarily for gambling.
- (h) On (i) the Closing Date for an acquisition/rehabilitation in which at least fifty percent (50%) of the residential units in the Project are occupied on such Closing Date, or (ii) the first day on which fifty percent (50%) of the residential units in the Project are first occupied for (a) new construction, and/or (b) an acquisition/rehabilitation in which less than fifty percent (50%) of the residential units in the Project are occupied on the Closing Date, the Owner shall submit to the Governmental Lender and the Fiscal Agent a signed certificate for purposes of the calculation of the commencement and termination of the Qualified Project Period. Such certificate shall set forth the dates on which the Project achieved ten percent (10%) occupancy and fifty percent (50%) occupancy. In the event Owner does not submit the above-described certificate as required in this Section 2(h), Governmental Lender shall utilize information provided to it by or on behalf of the Owner in satisfaction of the monthly data reporting requirements for purposes of calculating the commencement and termination of the Qualified Project Period;

The requirements of this Section 2 shall remain in effect during the term of this Agreement (as defined in Section 13 below).

Section 3. Lower-Income Persons and Eligible Persons. The Owner hereby represents, warrants and covenants as follows:

- (a) At all times during the Qualified Project Period, not less than forty percent (40%) of the residential units in the Project shall be occupied (or held available for occupancy) on a continuous basis by persons or families who at the time of their initial occupancy of such units are Lower-Income Persons. This occupancy requirement is referred to herein as the "Lower-Income Requirement."
- (b) At all times during the term of this Agreement (as defined in Section 13 below), at least sixty percent (60%) of the completed units in the Project shall be rented to or be available for rent by Eligible Persons.
- (c) For purposes of paragraphs (a) and (b) of this Section 3, a unit occupied by an individual or family who at the commencement of the occupancy of such unit is a Lower-Income Person (or Eligible Person) shall be counted as occupied by a Lower-Income Person (or Eligible Person) during such individual's or family's tenancy in such unit, even though such individual or family ceases to be a Lower-Income Person (or Eligible Person). However, a Lower-Income Person whose income as of the most recent Income Certification (as described in Section 4(a) below) exceeds one hundred forty percent (140%) of the Applicable Income Limit shall not continue to be treated as a Lower-Income Person if after delivery of such Income Certification, but before the delivery of the next Income Certification, any residential unit in the Project of comparable or smaller size is occupied by a new resident who is not a Lower-Income Person. In addition, a unit that was occupied by a Lower-Income Person (or Eligible Person) shall be counted as occupied by a Lower-Income Person (or Eligible Person) until it is reoccupied other than for a temporary period of not more than thirty-one (31) days, at which time the unit shall be considered to be occupied by a Lower-Income Person (or Eligible Person) only if the individual or family then occupying the unit satisfies the definition of a Lower-Income Person (or Eligible Person).

Section 4. Reporting Requirements; Payment of Governmental Lender's Compliance Fee and Late Reporting Fee; Maintenance.

- (a) The Owner shall obtain and maintain on file an Income Certification from each Lower-Income Person and Eligible Person dated immediately prior to the initial occupancy of such tenant in the Project in the form and containing such information as may be required by Section 142(d) of the Code, as the same may be from time to time amended by the Governmental Lender on

the advice of Tax Counsel in the exercise of its opinion that any such amendment is necessary, or in such other form and manner as may be required by applicable rules, rulings, procedures, official statements, regulations or policies now or hereafter promulgated or proposed by the Department of the Treasury or the Internal Revenue Service with respect to obligations issued under Section 142(d) of the Code. Photocopies of each such Income Certification and any verifications of such income, to the extent requested by the Governmental Lender, shall be submitted to the Governmental Lender (i) within 10 days following the end of the calendar month during which the tenant first occupies a unit in the Project, (ii) within 10 days following the end of the calendar month thereafter in which the lease is renewed or extended, and (iii) as reasonably requested by the Governmental Lender or the Fiscal Agent, which may be as often as may be necessary, in the opinion of Tax Counsel, to comply with the provisions of Section 142(d) of the Code. To the extent permitted by the Governmental Lender, such submissions may be made electronically.

- (b) The Owner shall file with the Governmental Lender, on the tenth (10th) business day of each month, copies of the Income Certifications specified in Section 4(a) hereof obtained by the Owner during the previous month.
- (c) At all times during the term of this Agreement, the Owner will obtain and maintain on file from each Lower-Income Person residing in the Project the information demonstrating each tenant's income eligibility.
- (d) The Owner shall maintain complete and accurate records pertaining to the incomes of (as of the date of initial occupancy of each tenant) and rentals charged to Lower-Income Persons and Eligible Persons residing in the Project, and shall permit, during normal business hours, upon five (5) business days' notice to the Owner, any duly authorized representative of the Governmental Lender or the Fiscal Agent to inspect the books and records of the Owner pertaining to the incomes of and rentals charged to all tenants residing in the Project.
- (e) The Owner shall prepare and submit at the beginning of the Qualified Project Period, and on the tenth (10th) day of each month thereafter, to the Governmental Lender, rent rolls and a Certificate of Continuing Program Compliance in the form and content approved by the Governmental Lender, executed by the Owner stating (i) the percentage of residential units that were occupied by Lower-Income Persons and Eligible Persons as of the 20th day of the previous month, (ii) that at all times during the previous month 60% of the residential units, were occupied (or held available for occupancy) by Eligible Persons (as determined in accordance with Section 3 of this Agreement), (iii) that at all times during the previous month at least 40% of the residential units were occupied (or held available for occupancy) by Lower-Income Persons (as determined in accordance with

Section 3 of this Agreement), and (iv) that no default has occurred under this Agreement or, if such a default has occurred, the nature of such default and the steps, if any, the Owner has taken or proposes to take to correct such default.

- (f) During the Qualified Project Period, the Owner shall submit to the Secretary of the Treasury (the "Secretary") (at such time and in such manner as the Secretary shall prescribe) an annual certification required by Section 142(d)(7) of the Code. As of the date of this Agreement, the Owner shall make such certification to the Secretary annually by completing and submitting IRS Form 8703 by March 31 after the close of the calendar year for which the certification is made. The Owner shall be responsible for making such certification at such other time or in such other manner as the Secretary may prescribe from time to time.
- (g) In the event the Governmental Lender transfers responsibility for compliance monitoring to the Fiscal Agent or a newly designated Compliance Agent under Section 23 hereof, the Governmental Lender may direct the Owner to provide and the Owner shall provide to the Fiscal Agent or the newly designated Compliance Agent copies of all of the reports, documents and certificates required under this Section. The Owner shall pay all reasonable fees and expenses of the Fiscal Agent or the newly designated Compliance Agent in connection with such responsibilities. Upon the designation of the Fiscal Agent (and acceptance of such designation by the Fiscal Agent) or the Compliance Agent as the compliance monitor under this Agreement, all references herein to the Governmental Lender as the recipient of reports and filings shall be deemed to be the Fiscal Agent and/or the Compliance Agent, as applicable.
- (h) The Owner shall immediately notify the Fiscal Agent and the Governmental Lender of any change in the management of the Project.
- (i) If at any time during the term of this Agreement the Governmental Note is no longer outstanding (as provided in the Funding Loan Agreement), the Owner shall pay the Governmental Lender's Compliance Fee.
- (j) The Owner will keep the buildings, parking areas, roads and walkways, recreational facilities, landscaping and all other improvements of any kind now or hereafter erected as part of the Project, in good condition and repair (normal wear and tear excepted), will not commit or suffer any waste and will not do or suffer to be done anything which would or could increase the risk of fire or other hazard to the Project or any part thereof. In order to ensure the Owner's compliance with this covenant, the Governmental Lender or its representatives are hereby authorized to enter upon and inspect the Project at any time during normal business hours upon reasonable notice and subject to the rights of tenants. Notwithstanding the

foregoing, the Governmental Lender has no affirmative duty to make such inspection.

- (k) The Owner will construct and operate the Project so that it conforms in all material respects with all applicable zoning, planning, building and environmental laws, ordinances and regulations of governmental authorities having jurisdiction over the Project, including, but not limited to, the Americans with Disabilities Act of 1990.
- (l) The Owner hereby agrees to pay a late fee in the amount of \$100 per day (including weekends) for each day that the Owner fails to timely submit (in the sole, reasonable opinion of the Governmental Lender) any of the information, Income Certifications, rent rolls, Certificates of Continuing Program Compliance, reports, documents and/or certificates (collectively, the "Compliance Reporting Information") required by this Section 4, as may be amended from time to time (the "Late Reporting Fee"). The Owner acknowledges and hereby agrees that, notwithstanding anything in this Agreement to the contrary, a Late Reporting Fee shall apply to and be payable in connection with each separate instance in which any of the Compliance Reporting Information (including individual components thereof) is not timely submitted pursuant to this Section 4, as may be amended from time to time.

Section 5. Indemnification. The Owner hereby covenants and agrees that it shall indemnify and hold harmless the Governmental Lender, the County and the Fiscal Agent and their respective officers, directors, officials, employees and agents from and against any and all claims by or on behalf of any person arising from any cause whatsoever in connection with this Agreement, the Funding Loan, the Project or the sale of the Governmental Note to finance the Funding Loan or the making of the Borrower Loan to finance the Project, any and all claims arising from any act or omission of the Owner or any of its agents, contractors, servants, employees or licensees in connection with the Project or the sale of the Governmental Note to finance the Project, and all costs, reasonable counsel fees, expenses or liabilities incurred in connection with any such claim or proceeding brought thereon; except that the Owner shall not be required to indemnify any person for damages caused by the negligence or willful misconduct of such person or for losses relating to principal and interest. In the event that any action or proceeding is brought against the Governmental Lender, the County the Fiscal Agent or any of their respective officers, directors, officials, employees or agents, with respect to which indemnity may be sought hereunder, the Owner, upon written notice from the indemnified party (which notice shall be given in a timely manner so as not to impair Owner's rights to defend), shall assume the investigation and defense thereof, including the employment of counsel reasonably acceptable to the indemnified party and the payment of all expenses. The indemnified party shall have the right to employ separate counsel in any such action or proceedings and to participate in the defense thereof, but, unless such separate counsel is employed with the approval and consent of the Owner, or because of a conflict of interest between the Owner and the indemnified party, the

Owner shall not be required to pay the fees and expenses of such separate counsel. The Owner agrees to execute any additional documents deemed necessary by the Governmental Lender, the County or the Fiscal Agent to evidence the indemnification provided for in this Section 5. At the request of the Governmental Lender or County, Owner agrees, in addition to the above indemnification, to pay the reasonable costs and expenses of the County Attorney of Broward County in connection with the action or proceeding giving rise to the indemnification.

While the Owner has possession of the Project, the Owner also shall pay and discharge and shall indemnify and hold harmless the Governmental Lender and the Fiscal Agent from (a) any lien or charge upon payments by the Owner to the Governmental Lender and the Fiscal Agent hereunder, and (b) any taxes (including, without limitation, all ad valorem taxes and sales taxes), assessments, impositions and other charges other than income and other similar taxes in respect of any portion of the Project. If any such claim is asserted, or any such lien or charge upon payments, or any such taxes, assessments, impositions or other charges other than income and other similar taxes, are sought to be imposed, the Governmental Lender or the Fiscal Agent shall give prompt notice to the Owner and the Owner shall have the sole right and duty to assume, and will assume, the defense thereof, with full power to litigate, compromise or settle the same in its sole discretion.

In addition thereto, the Owner will pay upon demand all of the reasonable fees and expenses paid or incurred by the Fiscal Agent and/or the Governmental Lender in enforcing the provisions hereof.

Section 6. Reliance. The Governmental Lender and the Owner hereby recognize and agree that the representations and covenants set forth herein may be relied upon by the owners from time to time of the Governmental Note, the County, Tax Counsel and the other parties to transactions involving the issuance, sale or remarketing of the Governmental Note and their respective counsel. In performing their duties and obligations hereunder, the Governmental Lender and the Fiscal Agent may rely upon statements and certificates of the Owner, Lower-Income Persons and Eligible Persons reasonably believed by the Owner, its agents and employees to be genuine and to have been executed by the proper person or persons, and upon audits of the books and records of the Owner pertaining to occupancy of the Project. In addition, the Governmental Lender and the Fiscal Agent may consult with counsel, and the opinion of such counsel shall be full and complete authorization and protection with respect to any action taken or suffered by the Governmental Lender or the Fiscal Agent hereunder in good faith and in conformity with the opinion of such counsel. In performing its duties and obligations hereunder, the Owner may rely upon certificates of Lower-Income Persons and Eligible Persons reasonably believed to be genuine and to have been executed by the proper person or persons.

Section 7. Fair Housing Laws. The Owner will comply with all fair housing laws, rules, regulations or orders applicable to the Project and shall not discriminate on the basis of race, creed, color, sex, age or national origin in the lease, use or occupancy of

the Project or in connection with the employment or application for employment of persons for the operation and management of the Project. All advertising and promotional material used in connection with the Project shall contain the phrase "Equal Housing Opportunity."

Section 8. Tenant Lists. All tenants lists, applications, and waiting lists relating to the Project shall at all times be kept separate and identifiable from any other business of the Owner which is unrelated to the Project, and shall be maintained, as required by the Governmental Lender or the Funding Lender from time to time, in a reasonable condition for proper audit and subject to examination during business hours by representatives of the Governmental Lender, the Funding Lender or the Fiscal Agent. Failure to keep such lists and applications or to make them available to the Governmental Lender, the Funding Lender or Fiscal Agent after written request therefor will be a default hereunder.

Section 9. Tenant Lease Restrictions. All tenant leases shall contain clauses, among others, wherein each individual lessee:

- (a) Certifies the accuracy of the statements made in the Income Certification;
- (b) Agrees that the family income, family composition and other eligibility requirements shall be deemed substantial and material obligations of such lessee's tenancy; that such lessee will comply promptly with all requests for information with respect thereto from the Owner, the Fiscal Agent, the Funding Lender or the Governmental Lender, and that such lessee's failure to provide accurate information in the Income Certification or refusal to comply with a request for information with respect thereto shall be deemed a violation of a substantial obligation of such lessee's tenancy; and
- (c) Agrees not to sublease to any person or family who does not execute and deliver an Income Certification.

Section 10. Sale, Assignment, Conveyance or other Disposition of Project or Interest in Owner. Except with respect to transfer of interests within the Owner, as permitted under the terms and conditions of the Owner's [Amended and Restated Agreement of Limited Partnership] dated as of _____ 1, 2025 (as may be further amended, the "Partnership Agreement"), the Owner shall not sell, assign, convey or transfer any material portion of the Land, fixtures or improvements constituting a part of the Land or Project, or any material portion of the personal property constituting a portion of the Project during the term of this Agreement without (i) the prior written consent of the Governmental Lender, which consent shall not be unreasonably withheld, (ii) in the event the Governmental Note remains outstanding, the Fiscal Agent, the Funding Lender and the Governmental Lender having received an opinion of Tax Counsel to the effect that, in reliance upon such factual certificates as it deems appropriate and subject to such qualifications as may be generally acceptable in the industry, such sale, conveyance, transfer, or assignment will not result, under then-existing law, in interest on the

Governmental Note, or any part thereof, becoming includable in the gross income of the holders thereof for federal income tax purposes, and (iii) upon receipt by the Governmental Lender of a fee from the Owner upon transfer of ownership in excess of fifty percent (50%) interest in the Project or the Owner (which fee shall be refunded by the Governmental Lender to the Owner in the event the Governmental Lender does not approve the transfer of the Project to the proposed purchaser or assignee thereof, or in the event such transfer is not consummated) in the amount of (a) ten percent (10%) of the amount of the Governmental Note outstanding on the date of the written transfer request if up to ten percent (10%) of the units in the Project are rented; (b) two percent (2%) of the amount of the Governmental Note outstanding on the date of the written transfer if eleven percent (11%) to sixty percent (60%) of the units in the Project are rented; (c) one percent (1%) of the amount of the Governmental Note outstanding on the date of the written transfer if over sixty percent (60%) of the units in the Project are rented; or (d) one-half percent (.05%) of the amount of the Governmental Note outstanding on the date of the written transfer after one (1) year from the date of completion of construction of the Project, regardless of occupancy (the "Transfer Fee"). Provided that the above conditions have been satisfied, the Governmental Lender will provide to the Owner and the purchaser or transferee on request its written consent to any transfer in accordance with this Section an estoppel certificate. It is hereby expressly stipulated and agreed that any sale, transfer or other disposition of the Project in violation of this Section 10 shall be null, void and without effect, shall cause a reversion of title to the Owner, and shall be ineffective to relieve the Owner of its obligations under this Agreement. Nothing contained in this Section 10 shall affect any provision of the Mortgage or any other document or instrument to which the Owner is a party which requires the Owner to obtain the consent of the holder of the Borrower Note or any other person as a precondition to sale, transfer or other disposition of the Project. The Transfer Fee will apply if a material portion of the Project financed with proceeds from the Borrower Loan is sold during the term hereof and such material portion of such Project consisted of personal property or equipment, the proceeds from the sale thereof may be used by the Owner to purchase property of similar function to be used in connection with the Project, otherwise, the proceeds from such sale shall be applied in accordance with the Mortgage. If such material portion of such Project consists of real property and improvements, the purchaser thereof must execute and deliver to the Owner and the Fiscal Agent a document in form and substance reasonably satisfactory to the Governmental Lender and the Funding Lender pursuant to which such purchaser shall agree to operate such property in compliance with the terms and conditions of this Agreement. Notwithstanding the foregoing, ownership of the Project may be transferred in connection with a foreclosure thereof under the Mortgage, or the acceptance of the Project by the mortgagee or its designee in lieu of foreclosure under the Mortgage, without complying with this Section 10; provided, however, that this sentence shall cease to apply if, at any time during that part of the Qualified Project Period subsequent to such transfer, the Owner or an Affiliated Party with respect to any of such parties obtains an ownership interest in the Project for federal tax purposes.

Except as permitted under the terms and conditions of the Partnership Agreement, the Owner shall not sell or otherwise transfer the Project in whole, nor shall there be

substituted a new general partner of the Owner or a change in the controlling ownership of the general partner of the Owner, or other merger, transfer or consolidation of the Owner, unless (a) the Owner has received the prior written consent of the Governmental Lender (which shall respond within a reasonable period of time and shall not unreasonably withhold such consent), (b) the fees and expenses of the Governmental Lender and its professionals have been paid, including the Transfer Fee, (c) the Owner shall not be in default hereunder, (d) it is reasonably expected that continued operation of the Project will comply with the requirements of this Agreement, (e) the subsequent purchaser or assignee shall execute any document reasonably requested by the Governmental Lender and, for so long as the Borrower Loan is outstanding, the Funding Lender, with respect to assuming the obligations of the Owner under this Agreement, (f) the Funding Lender, if the Borrower Loan is outstanding, and the Governmental Lender shall not have any reason to believe that the purchaser or assignee is incapable, financially or otherwise, of complying with or may be unwilling to comply with, the terms of all agreements binding on such purchaser or assignee relating to the Project, (g) the purchaser or assignee shall have satisfied such other conditions as may be reasonable under the circumstances, (h) the purchaser or assignee shall have first executed a document in recordable form addressed to the Governmental Lender, the Funding Lender, if the Borrower Loan is outstanding, and the Fiscal Agent to the effect that such purchaser or assignee will comply with the terms and conditions of this Agreement, the Borrower Loan Agreement and the other Loan Documents, (i) the Fiscal Agent, the Funding Lender, if the Borrower Loan is outstanding, and the Governmental Lender shall receive an opinion of counsel reasonably acceptable to the Governmental Lender to the effect that the purchaser's or assignee's obligations under this Agreement, the Borrower Loan Agreement and other Loan Documents relating to the Governmental Note are enforceable against such purchaser or assignee in accordance with their terms, and (j) the Fiscal Agent, the Funding Lender, if the Borrower Loan is outstanding, and the Governmental Lender shall have received an opinion of Tax Counsel to the effect that, in reliance upon such factual certificates as it deems appropriate and subject to such qualifications as may be generally acceptable in the industry, such sale, transfer, disposition or assignment will not result, under then-existing law, in interest on the Governmental Note, or any part thereof, becoming includable in the gross income of the holders thereof for federal income tax purposes.

It is hereby expressly stipulated and agreed that any sale, transfer or other disposition of the Project in violation of this Section shall be ineffective to relieve the Owner of its obligations under this Agreement or the Borrower Loan Agreement. In the event that the purchaser or assignee shall assume the obligations of the Owner under the Borrower Loan, the Borrower Loan Agreement and this Agreement, the Owner shall be released from its obligations thereunder and hereunder, other than its obligations hereunder and under the Borrower Loan Agreement arising prior to such date of assumption (unless such obligations are assumed by the purchaser or transferee).

Notwithstanding the foregoing, ownership of the Project may be transferred in connection with a foreclosure thereof under the Mortgage, or the acceptance of the Project by the mortgagee or its designee in lieu of foreclosure under the Mortgage, without

complying with this Section 10; provided, however, that this sentence shall cease to apply if, at any time during that part of the Qualified Project Period subsequent to such transfer, the Owner or an Affiliated Party with respect to any of such parties obtains an ownership interest in the Project for federal tax purposes.

Notwithstanding anything in this Section 10 to the contrary, the restrictions set forth above on the sale, transfer or other disposition or encumbrance of the Project or any portion thereof shall not be applicable to any of the following: (i) leases of apartment units as contemplated by this Agreement, (ii) grants of utility related easements and service or concession related leases or easements, including, without limitation, coin-operated laundry service leases and/or television cable easements on the Project, providing same are granted in connection with the operation of the Project as contemplated by this Agreement, (iii) any sale or conveyance to a condemning governmental authority as a direct result of the condemnation or a governmental taking or a threat thereof, (iv) the placing of a subordinate mortgage lien, assignment of leases and/or rents or security interest on or pertaining to the Project which is made expressly subject and subordinate hereto and, to the extent still outstanding, to the Mortgage, (v) subject to the provisions of the Mortgage, any transfer of limited partnership interests in the Owner or in the entities which are partners in the Owner, or (vi) the removal of the General Partner for cause under the Partnership Agreement and the temporary replacement of the General Partner with an Affiliate of the Investor Limited Partner (provided, that the ultimate replacement of the General Partner shall be subject to the consent of the Governmental Lender not to be unreasonably withheld).

Section 11. Negative Covenants. During the term of this Agreement, the Owner shall not:

- (a) Except pursuant to the provisions of this Agreement, the Borrower Loan Agreement and the other Loan Documents, or except upon a sale or transfer of the Project in accordance with the terms of this Agreement, the Borrower Loan Agreement and the Mortgage, encumber any of the mortgaged property, including the grant of commercial leases (other than for vending machines, coin operated laundry facilities and similar amenities functionally related and subordinate to the Project and granted in connection with the day to day operation of an apartment complex), or permit the conveyance, transfer or encumbrance of such property (except for such leases and for apartment leases) for the Qualified Project Period. Nothing in this paragraph shall prohibit the granting of easements for the purpose of providing utility services (including cable television or private satellite television) to the Project;
- (b) Demolish any part of the Project necessary for the operation thereof for its intended purposes or substantially subtract from any real or personal property of the Project; or

- (c) Permit the use of the dwelling accommodations of the Project for any purpose except rental residences in compliance with Section 142(d) of the Code.

Section 12. Covenants to Run with the Land. This Agreement and the covenants, reservations and restrictions set forth herein shall be deemed covenants running with the Land and, except as provided in Section 13 hereof, shall pass to and be binding upon the Owner's assigns and successors and all subsequent owners of the Land (whether fee simple or leasehold) or the Project or any interest therein; provided, however, that upon the termination of this Agreement in accordance with the terms hereof said covenants, reservations and restrictions shall expire. Except as provided in Section 13 hereof, each and every contract, deed or other instrument hereafter executed covering or conveying the Land or the Project or any portion thereof or interest therein shall conclusively be held to have been executed, delivered and accepted subject to such covenants, reservations and restrictions, regardless of whether such covenants, reservations and restrictions are set forth in such contract, deed or other instruments. If a portion or portions of the Land or the Project are conveyed, all of such covenants, reservations and restrictions shall run to each portion of the Land or the Project.

Section 13. Term. This Agreement shall remain in full force and effect until the expiration of the Qualified Project Period; provided, however, that this Agreement shall automatically terminate in the event of involuntary noncompliance with the provisions of this Agreement caused by fire or other casualty, seizure, requisition, foreclosure or transfer by deed in lieu of foreclosure, change in a federal law or an action of a federal agency that prevents the Governmental Lender from enforcing the provisions hereof, or condemnation or a similar event (as determined by Tax Counsel), but only if within a reasonable period thereafter (i) the Governmental Note is retired in full or (ii) the proceeds received as a result of such event are used to finance a project that complies with the provisions hereof and any other applicable requirements of the Code and the Regulations. In the case of foreclosure or transfer of title by deed in lieu of foreclosure or similar event (as determined by Tax Counsel), such termination will cease to be in effect if, at any time during the remainder of the Qualified Project Period following such event, the Owner or an Affiliated Party to the Owner, obtains an ownership interest in the Project for federal tax purposes.

Upon the termination of the Qualified Project Period, and the satisfaction by the Owner of all obligations under this Agreement, the Governmental Lender, the Fiscal Agent and the Owner shall, upon the written request of the Owner, and at Owner's sole expense, execute and record a Notice of Termination of Land Use Restriction Agreement, the form of which is attached hereto as Exhibit B (the "Notice of Termination"). Pursuant to Resolution No. 2025-____, adopted by the Governmental Lender on April 16, 2025, the Chair and Vice Chair of the Governmental Lender have each been authorized to execute and deliver the Notice of Termination.

Section 14. Correction of Noncompliance. The failure of the Owner to comply with any of the provisions of this Agreement shall not be deemed a default hereunder

unless such failure has not been corrected within a period of 60 days following the date that the Owner, or with respect to the requirements of Sections 2 or 3 hereof, any of the parties hereto, learned of such failure or should have learned of such failure by the exercise of reasonable diligence (which 60-day period may be extended if (i) such failure cannot reasonably be corrected within such 60-day period, (ii) diligent action to correct such failure commences within such 60-day period, (iii) such action is diligently pursued until such failure is corrected, and (iv) with respect to a failure to comply with any of the requirements of Sections 2 or 3 hereof, the Owner delivers to the Governmental Lender, the Funding Lender, if the Governmental Note is outstanding, and the Fiscal Agent an opinion of Tax Counsel to the effect that such longer cure period will not adversely affect the exclusion of interest on the Governmental Note from gross income for federal income tax purposes). After the Fiscal Agent learns of such failure, the Fiscal Agent shall attempt with reasonable diligence to notify the Owner and the Governmental Lender of such failure by telephonic and written communication. Notwithstanding anything to the contrary herein, the Investor Limited Partner shall have the right, but not the obligation, to cure a default hereunder within the applicable cure period.

Section 15. Modification of Tax Covenants. Notwithstanding the provisions of Section 22(b) hereof, to the extent any amendments, modifications or changes to the Regulations or the Code shall, in the written opinion of Tax Counsel addressed to the Governmental Lender, the Owner, the Funding Lender, if the Governmental Note is outstanding, and the Fiscal Agent, impose requirements upon the ownership, occupancy or operation of the Project different than those imposed by the Regulations or the Code and stated herein, and the Owner's failure to comply with such different requirements would produce a material and substantial risk that interest on the Governmental Note will become subject to federal income taxation, then this Agreement shall be amended and modified in accordance with such requirements. The parties hereto agree to execute, deliver, and record, if applicable, any and all documents or instruments necessary in the opinion of and in the form approved by Tax Counsel to effectuate the intent of this Section 15.

Section 16. Burden and Benefit. The Governmental Lender, the Fiscal Agent and the Owner hereby declare their understanding and intent that the burden of the covenants set forth herein touch and concern the Land in that the Owner's legal interest in the Land and the Project is rendered less valuable thereby. The Fiscal Agent, the Governmental Lender and the Owner hereby further declare their understanding and intent that the benefit of such covenants touch and concern the Land by enhancing and increasing the enjoyment and use of the Land and the Project by Lower-Income Persons and Eligible Persons, the intended beneficiaries of such covenants, reservations and restrictions, and by furthering the public purposes for which the Governmental Note was issued. The Owner hereby expressly acknowledges that this Agreement is necessary to preserve the exclusion from gross income for federal income tax purposes of interest on the Governmental Note issued by the Governmental Lender to finance the Borrower Loan and covenants and agrees that in connection with the acquisition, construction, ownership and operation of the Project, it shall, and shall require any subsequent purchaser of the Project to, fully comply with all terms and conditions of this Agreement.

Section 17. Uniformity; Common Plan. The covenants, reservations and restrictions hereof shall apply uniformly to the entire Project.

Section 18. Application of Insurance and Condemnation Proceeds. Subject to the provisions of the Borrower Loan Agreement and the other Loan Documents, if during the Qualified Project Period, the Project is damaged or destroyed or if all or a portion of the Land or Project is taken through eminent domain proceedings, or under the threat thereof, proceeds from insurance on the Project or any condemnation awards pertaining to such eminent domain proceedings shall be applied as provided in the Mortgage.

Section 19. Remedies; Enforceability. The benefits of this Agreement shall inure to, and may be enforced by, respectively, the Governmental Lender and the Fiscal Agent and its successors, the holder of the Governmental Note and their successors and assigns to the extent permitted by the Funding Loan Agreement, and solely as to Sections 2, 3 and 7 of this Agreement, the Lower-Income Persons and Eligible Persons and their successors who shall reside or be eligible to reside in units set aside for their occupancy pursuant to Section 3 of this Agreement for the period set forth in Section 13 hereof, whether or not the Borrower Loan may be paid in full, and whether or not the Governmental Note is outstanding. If a material violation of any of the provisions hereof occurs and is not cured within the period provided by Section 14 hereof, any or all of such parties may institute and prosecute any proceeding at law or in equity to abate, prevent or enjoin any such violation or attempted violation, or to compel specific performance hereunder, it being recognized that the beneficiaries of the Owner's obligations hereunder cannot be adequately compensated by monetary damages in the event of the Owner's default. The remedies of the beneficiaries of this Agreement other than the Governmental Lender and the Fiscal Agent shall be limited to those described in the preceding sentence. In addition to such other remedies as may be provided for herein, if a violation of any of the provisions hereof occurs which is not corrected during the period provided in Section 14 hereof, the Governmental Lender shall have the right (but not the obligation), and is specifically authorized by the Owner, to terminate the manager and appoint a new manager of the Project to operate the Project in accordance with this Agreement and the Borrower Loan Agreement, which new manager shall be acceptable to the Funding Lender, in Funding Lender's reasonable discretion, and take all actions necessary, in the reasonable judgment of the Governmental Lender, to cure any default by the Owner hereunder, and such new manager assuming such management hereunder shall be paid by or on behalf of the Owner, from the rents, revenues, profits and income from the Project, a management fee not to exceed the prevailing management fee paid to managers of similar housing projects in the area of Broward County, Florida. Subject to Section 13 hereof, the provisions hereof are imposed upon and made applicable to the Land and shall run with the Land and shall be enforceable against the Owner or any other person or entity that has or had an ownership interest in the Project at the time of such violation or attempted violation. No delay in enforcing the provisions hereof as to any breach or violation shall impair, damage or waive the right of any party entitled to enforce the provisions hereof or to obtain relief against or recover for the continuation or repetition of such breach or violation or any similar breach or violation hereof at any later time or

times. All rights and remedies provided in this Agreement are cumulative, non-exclusive and in addition to any and all rights and remedies that the parties and beneficiaries hereof may otherwise have.

The Owner hereby agrees that the appointment of a new manager may be necessary to serve the public purpose for which the Governmental Note was issued and to preserve the exclusion from gross income for federal income tax purposes of interest on the Governmental Note following a violation of the provisions of this Agreement which is not cured within the period provided in Section 14 hereof. The Owner hereby expressly consents to, and agrees not to contest, the appointment of a new manager to operate the Project following a violation by the Owner of the provisions of this Agreement which is not cured as provided in Section 14 hereof and hereby waives any and all defenses and objections that might otherwise be raised to any such appointment of a new manager in accordance with the terms hereof. The Owner further agrees that the Governmental Lender shall have the right to require the Owner to remove any manager or managing agent whose actions or inactions present a material risk of a breach of the agreements of the Owner herein, including, without limitation, a material risk of an adverse impact on the excludability from gross income for federal income tax purposes of interest on the Governmental Note and which action or inaction is not being corrected as provided in Section 14 hereof, upon such manager or managing agent being given thirty (30) days' written notice of any violation hereof, and such right shall be expressly acknowledged in any contract between the Owner and any such manager or managing agent.

Section 20. Filing. Upon execution and delivery by the parties hereto, the Owner shall cause this Agreement and all amendments and supplements hereto to be recorded and filed in the official public deed records of Broward County, Florida, and in such manner and in such other places as the Governmental Lender or the Fiscal Agent may reasonably request, and shall pay all fees and charges incurred in connection therewith.

Section 21. Governing Law. This Agreement shall be governed by the laws of the State. The venue for any proceeding hereunder shall be a court of appropriate jurisdiction in Broward County, Florida.

Section 22. Amendments.

- (a) The Owner shall not assign its interest hereunder, except by writing and in accordance with the provisions of Section 10 hereof.
- (b) This Agreement shall not be amended, revised, or terminated except by a written instrument, executed by the parties hereto (or their successors in title), and duly recorded in the official public records for Broward County, Florida. Anything to the contrary notwithstanding, the parties hereby agree to amend this Agreement to the extent required in the opinion of Tax Counsel, in order for interest on the Governmental Note to remain exempt from federal income taxation under Section 103 of the Code. The Owner agrees, from time to time, to take such other actions and steps necessary

to comply, and to cause the Project to comply, with the requirements of Section 142(d) of the Code and to enter into modifications and amendments to this Agreement to the extent required by federal law, by any amendment to the Code or by any Regulation promulgated thereunder, in each case so that interest on the Governmental Note remains exempt from federal income taxes. Any such amendment, revision or termination shall be effected only in accordance with the Funding Loan Agreement.

Section 23. Fiscal Agent or Compliance Agent to Monitor Compliance Upon Request of Governmental Lender. If the Governmental Lender requests in writing that the Fiscal Agent (and the Fiscal Agent agrees in writing to such request) or Compliance Agent assume the role of compliance monitoring, the Fiscal Agent or Compliance Agent, as the case may be, shall receive and examine all other reports, certifications and other documents required to be delivered to the Governmental Lender or the Fiscal Agent or Compliance Agent hereunder and shall notify the Governmental Lender promptly of non-compliance with this Agreement. In such event the Fiscal Agent or Compliance Agent shall include in its monthly statement described above a statement as to whether it has received the rent rolls and whether any of the information in any such documents received by the Fiscal Agent or Compliance Agent indicates the Owner has failed to comply with any of the requirements contained in this Agreement. The Fiscal Agent or Compliance Agent shall be authorized to charge reasonable fees and expenses to the Owner if it assumes such role.

Section 24. Notice. All notices and other communications required or permitted under this Agreement must be in writing and shall be deemed to have been duly given (i) when delivered, if sent by registered or certified mail (return receipt requested), (ii) when delivered, if delivered personally, (iii) when transmitted, if sent by facsimile if a confirmation of transmission is produced by the sending machine (and a copy of each facsimile promptly shall be sent by first class United States mail, postage fully prepaid), (iv) when delivered, if sent by overnight mail or overnight courier, or (v) on the date delivery is refused, as indicated on the return receipt or the delivery records of the delivery service, as applicable, in each case to the parties at the addresses listed in the first paragraph of this Agreement. A duplicate copy of each notice, certificate or other communication given hereunder by either the Governmental Lender or the Owner to the others, shall also be given to the Fiscal Agent and the Investor Limited Partner. Copies of all notices sent pursuant to this Agreement shall be sent in accordance with Section 9.4 of the Funding Loan Agreement.

Section 25. Severability. If any provision hereof shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining portions hereof shall not in any way be affected or impaired thereby.

Section 26. Multiple Counterparts. This Agreement may be simultaneously executed in multiple counterparts, all of which shall constitute one and the same instrument, and each of which shall be deemed to be an original.

Section 27. Release of Fiscal Agent. Notwithstanding anything in this Agreement to the contrary, on and after the date the Governmental Note is no longer outstanding under the Funding Loan Agreement, the Fiscal Agent shall be released as a party to this Agreement and discharged from any duties or obligations hereunder, and all provisions throughout this Agreement related to the duties of, or notice to or from, the Fiscal Agent shall be of no further force and effect. If any approval or consent of the Fiscal Agent is required, such approval or consent shall be obtained from the Governmental Lender; however, multiple notices need not be provided. Notwithstanding the foregoing, any such references shall remain in effect when needed to construe land use restriction obligations under this Agreement or to provide definitions. The Fiscal Agent's rights to indemnification provided for in the Funding Loan Agreement, the Borrower Loan Agreement and this Agreement shall survive such release and discharge.

[COUNTERPART SIGNATURE PAGES TO FOLLOW]

**COUNTERPART SIGNATURE PAGE FOR
LAND USE RESTRICTION AGREEMENT**

(Ekos Pembroke Park)

IN WITNESS WHEREOF, the Governmental Lender, the Fiscal Agent, and the Owner have caused this Agreement to be executed and delivered on their behalf by their duly authorized representatives as of the date first set forth above.

GOVERNMENTAL LENDER:

Witness: _____
Printed Name: _____
Address: 110 N.E. 3rd Street, Suite 300
Fort Lauderdale, Florida 33301
(Business Address)

HOUSING FINANCE AUTHORITY OF
BROWARD COUNTY, FLORIDA

By: _____
Colleen LaPlant, Chair

Witness: _____
Printed Name: _____
Address: 110 N.E. 3rd Street, Suite 300
Fort Lauderdale, Florida 33301
(Business Address)

Address: 110 N.E. 3rd Street, Suite 300
Fort Lauderdale, Florida 33301

[SEAL]

Attest: _____
Ruth T. Cyrus, Secretary

[NOTARY BLOCKS FOLLOW ON THE NEXT PAGE]

**COUNTERPART SIGNATURE PAGE FOR
LAND USE RESTRICTION AGREEMENT**

(Ekos Pembroke Park)

STATE OF FLORIDA
COUNTY OF BROWARD

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this ____ day of _____, 2025, by COLLEEN LAPLANT, Chair of the HOUSING FINANCE AUTHORITY OF BROWARD COUNTY, FLORIDA, a public body corporate and politic, on behalf of said Authority. They are *(check one)* ☐ personally known to me or ☐ have produced a valid driver's license as identification.

[Notary Seal]

Signature of person taking acknowledgment
Name (typed, printed or stamped):

Title or Rank:

Serial number (if any):

STATE OF FLORIDA
COUNTY OF BROWARD

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this ____ day of _____, 2025, by RUTH T. CYRUS, Secretary of the HOUSING FINANCE AUTHORITY OF BROWARD COUNTY, FLORIDA, a public body corporate and politic, on behalf of said Authority. They are *(check one)* ☐ personally known to me or ☐ have produced a valid driver's license as identification.

[Notary Seal]

Signature of person taking acknowledgment
Name (typed, printed or stamped):

Title	or	Rank:
Serial	number	(if any):

**COUNTERPART SIGNATURE PAGE FOR
LAND USE RESTRICTION AGREEMENT**

(Ekos Pembroke Park)

IN WITNESS WHEREOF, the Governmental Lender, the Fiscal Agent, and the Owner have caused this Agreement to be executed and delivered on their behalf by their duly authorized representatives as of the date first set forth above.

FISCAL AGENT:

WITNESSES:

THE BANK OF NEW YORK
MELLON
TRUST COMPANY, N.A., as Fiscal
Agent

Print: _____

Address: _____

Print: _____

Address: _____

By: _____

Name: _____

Title: _____

Address: 4655 Salisbury Road,
Suite 300
Jacksonville, Florida 32256

STATE OF FLORIDA
COUNTY OF DUVAL

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this ____ day of _____, 2025, and Trust Officer of THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., this ____ day of _____, 2025, on behalf of said bank. Said person is (*check one*) ☐ personally known to me or ☐ has produced a valid driver's license as identification.

[Notary Seal]

Signature of person taking acknowledgment
Name (typed, printed or stamped):

Title

or

Rank:

Serial

number

(if

any):

**COUNTERPART SIGNATURE PAGE FOR
LAND USE RESTRICTION AGREEMENT**

(Ekos Pembroke Park)

IN WITNESS WHEREOF, the Governmental Lender, the Fiscal Agent, and the Owner have caused this Agreement to be executed and delivered on their behalf by their duly authorized representatives as of the date first set forth above.

OWNER:

MHP BROWARD I, LTD, a Florida limited partnership

WITNESSES:

By: MHP Broward I SLP, LLC, a Florida limited liability company, its Special Limited Partner

Print: _____
Address: _____

By: _____
W. Patrick McDowell
Chief Executive Officer

Print: _____
Address: _____

Address: 777 Brickell Avenue, Suite 1300
Miami, Florida 33131

STATE OF FLORIDA
COUNTY OF _____

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this ____ day of _____, 2025, by W. PATRICK MCDOWELL, as Chief Executive Officer of MHP BROWARD I SLP, LLC, a Florida limited liability company, the Special Limited Partner of MHP BROWARD I, LTD, a Florida limited partnership, on behalf of the limited liability company and the limited partnership. Said person is (*check one*) ☐ personally known to me or ☐ has produced a valid driver's license as identification.

[Notary Seal]

Signature of person taking acknowledgment
Name (typed, printed or stamped):

Title or Rank:

Serial number (if any):

EXHIBIT "A"
LEGAL DESCRIPTION
(Ekos Pembroke Park)

EXHIBIT "B"
FORM OF
NOTICE OF TERMINATION OF LAND USE RESTRICTION AGREEMENT
(Ekos Pembroke Park)

FOR
ONLY

ABOVE SPACE RESERVED
RECORDING PURPOSES

This NOTICE OF TERMINATION OF LAND USE RESTRICTION AGREEMENT (the "Termination") is executed as of _____, 20____, with an effective date of _____, 20____, by the HOUSING FINANCE AUTHORITY OF BROWARD COUNTY, FLORIDA (the "Authority"), THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., a national banking association, as fiscal agent (the "Fiscal Agent"), and _____, a Florida _____ (the "Current Owner").

1. That certain Land Use Restriction Agreement dated as of _____ 1, 2025 and recorded _____, 2025, in Official Records Book _____, Page _____, of the Public Records of Broward County, Florida (the "Land Use Restriction Agreement").

2. The Qualified Project Period, as defined in the Land Use Restriction Agreement, ended on _____, and the Authority has authorized the execution and delivery of this Termination.

3. By execution of this Termination, the Land Use Restriction Agreement will be terminated.

4. All payments of any amounts due under the Land Use Restriction Agreement are fully paid and all obligations thereunder have been met. There is currently no default under the Land Use Restriction Agreement.

IN WITNESS WHEREOF, the Authority, the Fiscal Agent and the Current Owner hereby agree to terminate the Land Use Restriction Agreement.

[COUNTERPART SIGNATURE PAGES TO FOLLOW]

**COUNTERPART SIGNATURE PAGE FOR
NOTICE OF TERMINATION OF LAND USE RESTRICTION AGREEMENT**

(Ekos Pembroke Park)

IN WITNESS WHEREOF, the parties have caused this Notice of Termination of Land Use Restriction Agreement to be executed in their respective names by their duly authorized representative as of the day and year first written above.

CURRENT OWNER:

WITNESSES:

Print: _____

Address: _____

By: _____

Name: _____

Title: _____

Print: _____

Address: _____

Address: _____

STATE OF FLORIDA
COUNTY OF _____

The foregoing instrument was acknowledged before me this ____ day of _____, 20__, by _____, as _____ of _____, a _____, on behalf of the _____. Said person is (*check one*) ☐ personally known to me or ☐ has produced a valid driver's license as identification.

[Notary Seal]

Signature of person taking acknowledgment
Name (typed, printed or stamped):

_____ Title or Rank:

_____ Serial number (if any):

**COUNTERPART SIGNATURE PAGE FOR
NOTICE OF TERMINATION OF LAND USE RESTRICTION AGREEMENT**

(Ekos Pembroke Park)

IN WITNESS WHEREOF, the parties have caused this Notice of Termination of Land Use Restriction Agreement to be executed in their respective names by their duly authorized representative as of the day and year first written above.

THE AUTHORITY:

WITNESSES:

HOUSING FINANCE AUTHORITY OF
BROWARD COUNTY, FLORIDA

Print: _____
Address: _____

By: _____
Chair

WITNESSES:

[SEAL]

Print: _____
Address: _____

Attest:

By: _____
Secretary

STATE OF FLORIDA
COUNTY OF BROWARD

The foregoing instrument was executed and acknowledged before me this _____ day of _____, 20____, by _____ and _____, as Chair and Secretary, respectively, of the HOUSING FINANCE AUTHORITY OF BROWARD COUNTY, FLORIDA, a public body corporate and politic, on behalf of said Authority. They are (*check one*) ☐ personally known to me or ☐ have produced a valid driver's license as identification.

[Notary Seal]

Signature of person taking acknowledgment
Name (typed, printed or stamped):

Title or Rank:

Serial number (if any):

**COUNTERPART SIGNATURE PAGE FOR
NOTICE OF TERMINATION OF LAND USE RESTRICTION AGREEMENT**

(Ekos Pembroke Park)

IN WITNESS WHEREOF, the parties have caused this Notice of Termination of Land Use Restriction Agreement to be executed in their respective names by their duly authorized representative as of the day and year first written above.

FISCAL AGENT:

WITNESSES:

THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A., as Fiscal Agent

Print: _____

Address: _____

Print: _____

Address: _____

By: _____

Name: _____

Title: _____

STATE OF FLORIDA
COUNTY OF _____

The foregoing instrument was acknowledged before me by _____, as a _____ of THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., this ____ day of _____, 20____, on behalf of said bank. Said person is (*check one*) ☐ personally known to me or ☐ has produced a valid driver's license as identification.

[Notary Seal]

Signature of person taking acknowledgment
Name (typed, printed or stamped):

Title

or

Rank:

Serial

number

(if

any):

EXHIBIT "D"
FORM OF
ASSIGNMENT OF LOAN DOCUMENTS
[ATTACHED]

ASSIGNMENT OF MORTGAGE AND FUNDING LOAN DOCUMENTS

from

HOUSING FINANCE AUTHORITY OF BROWARD COUNTY, FLORIDA

to

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.

with the consent of

MHP BROWARD I, LTD

Dated as of July 1, 2025

Relating to:

[\$[34,150,000]

**Housing Finance Authority of Broward County, Florida
Multifamily Housing Revenue Note, Series 2025
(Ekos Pembroke Park)**

This instrument prepared by and
when recorded return to:

Kutak Rock LLP
Two Logan Square
100 North 18th Street, Suite 1920
Philadelphia, Pennsylvania 19103
Attention: Andrew P. Schmutz, Esquire

ASSIGNMENT OF MORTGAGE AND FUNDING LOAN DOCUMENTS

This **ASSIGNMENT OF MORTGAGE AND FUNDING LOAN DOCUMENTS**, dated as of July 1, 2025 (as the same may be amended, modified or supplemented from time to time, "Assignment") from HOUSING FINANCE AUTHORITY OF BROWARD COUNTY, FLORIDA, a public body corporate and politic organized under the laws of the State of Florida (together with its successors and assigns, the "Assignor"), to THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., a national banking association organized under the laws of the United States of America (together with its successors and assigns, the "Assignee") under the Funding Loan Agreement dated as of July 1, 2025 (as the same may be amended, modified or supplemented from time to time, the "Funding Loan Agreement"), among the Assignor as Governmental Lender, the Assignee as Fiscal Agent and ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA (the "Funding Lender"),

WITNESSETH:

WHEREAS, MHP Broward I, Ltd (the "Borrower") has applied to the Governmental Lender for a loan (the "Borrower Loan"), to finance the acquisition, construction and equipping of a multifamily apartment housing facility consisting of total of 150 units and related personal property and equipment, located in Pembroke Park, Florida and known as "Ekos on Pembroke Park" (the "Project Facilities"); all capitalized terms used herein and not otherwise defined shall have the meanings given to them in the Funding Loan Agreement;

WHEREAS, the Borrower has requested the Governmental Lender to enter into the Funding Loan Agreement between Governmental Lender, Funding Lender and Assignee as Fiscal Agent dated as of July 1, 2025 (the "Funding Loan Agreement") under which the Funding Lender will make a loan (the "Funding Loan") to the Governmental Lender, the proceeds of which will be loaned to Borrower pursuant to a Borrower Loan Agreement of even date herewith (as it may be supplemented or amended, the "Borrower Loan Agreement") to finance the acquisition, construction, rehabilitation, development, equipping and/or operation of the Project Facilities;

WHEREAS, pursuant to the Borrower Loan Agreement, the Borrower agrees to make loan payments to the Governmental Lender in an amount which, when added to other funds available under the Funding Loan Agreement, will be sufficient to enable the Governmental Lender to repay the Funding Loan and to pay all costs and expenses related thereto when due;

WHEREAS, to evidence its payment obligations under the Borrower Loan Agreement, the Borrower will execute and deliver to the Governmental Lender its Promissory Note dated the Closing Date (the "Borrower Note") which will be secured by that certain Mortgage, Assignment of Rents and Leases, Security Agreement and Fixture Filing (the "Mortgage") on the Project Facilities;

WHEREAS, the rights of the Governmental Lender under the Mortgage, the Borrower Note and the other Funding Loan Documents (collectively, the "Assigned Documents") are being assigned contemporaneously with the execution and delivery hereof to the Fiscal Agent for the benefit of the Funding Lender as set forth in the Funding Loan Agreement; and

WHEREAS, the Borrower is joining in the execution of this Assignment in order to evidence its consent hereto and in order to agree that the Assigned Documents shall be effective to secure the obligations of the Borrower to the Assignee as more fully set forth therein and herein.

NOW THEREFORE, in consideration of the Funding Loan and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the parties hereby agree as follows:

Section 1. Definitions. All words and phrases defined in the Funding Loan Agreement have the same meanings in this Assignment, which definitions are incorporated herein by reference, unless a different definition is set forth in this Assignment.

Section 2. Assignment. The Assignor sells, assigns and sets over and transfers to the Assignee all the right, title and interest of the Assignor in, to and under the Assigned Documents, excluding the Reserved Rights of the Assignor. This Assignment is made and shall be without recourse, warranty or representation of the Assignor.

Section 3. Miscellaneous. In case any one or more of the provisions contained in this Assignment are invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein will not be affected or impaired thereby.

Section 4. Counterparts; Electronic Signatures. This Assignment may be executed in any number of counterparts, each executed counterpart constituting an original, but all counterparts together constituting only one instrument. To the fullest extent permitted by applicable law, electronically transmitted or facsimile signatures shall constitute original signatures for all purposes under this Assignment.

Section 5. Governing Law. It is the intention of the parties hereto that this Assignment and the rights and obligations of the parties hereunder shall be governed, construed and enforced in accordance with the laws of the State of Florida, without reference to its conflicts of laws and principles.

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

ASSIGNOR:

**HOUSING FINANCE AUTHORITY OF BROWARD
COUNTY, FLORIDA**

By: _____

Name:

Title:

ACKNOWLEDGMENT

STATE OF FLORIDA)
)
COUNTY OF LEON)

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this ____ day of _____, 2025, by _____, _____ of Housing Finance Authority of Broward County, Florida, a public body corporate and politic of the State of Florida, on behalf of the Housing Finance Authority of Broward County, Florida. He/She is personally known to me or has produced _____ as identification.

Signature of person taking acknowledgement

(Name typed, printed or stamped)

(Title or rank)

(Serial number, if any)

ASSIGNEE:

**THE BANK OF NEW YORK MELLON TRUST
COMPANY, N.A.**, as fiscal agent

By: _____
Name: Nathan Turner
Title: Vice President

ACKNOWLEDGMENT

STATE OF FLORIDA)
)
COUNTY OF _____)

The foregoing instrument was acknowledged before me by means of ☐ physical presence
or ☐ online notarization, this ____ day of _____, 2025, by _____
of The Bank of New York Mellon Trust Company, N.A., a national banking association, on behalf
of The Bank of New York Mellon Trust Company, N.A.. He is personally known to me or has
produced _____ as identification.

Signature of person taking acknowledgement

(Name typed, printed or stamped)

(Title or rank)

(Serial number, if any)

The undersigned, being the Borrower referred to in the foregoing Assignment, hereby acknowledges receipt and acceptance thereof and consents and agrees to the Assignment made therein and to the terms and provisions thereof to such Assignment.

BORROWER:

MHP BROWARD I, LTD, a Florida limited partnership

By: MHP Broward I SLP, LLC, a Florida limited liability company, its special limited partner

By: _____
Name: W. Patrick McDowell
Title: Chief Executive Officer

ACKNOWLEDGMENT

STATE OF _____)
)
COUNTY OF _____)

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this ____ day of _____, 2025, by W. Patrick McDowell, Chief Executive Officer of MHP Broward I SLP, LLC, a Florida limited liability company, the Special Limited Partner of MHP Broward I, Ltd, a Florida limited partnership, on behalf of the company, who is personally known to me or has produced _____ as identification.

Signature of person taking acknowledgement

(Name typed, printed or stamped)

(Title or rank)

(Serial number, if any)

EXHIBIT A
LEGAL DESCRIPTION OF PROPERTY

EXHIBIT “E”
FORM OF
PLACEMENT AGENT AGREEMENT
[ATTACHED]

PLACEMENT AGENT AGREEMENT

THIS PLACEMENT AGENT AGREEMENT dated as of _____ 1, 2025 (herein, the “Agreement”), is by and between the HOUSING FINANCE AUTHORITY OF BROWARD COUNTY, FLORIDA, a public body corporate and politic organized under Part IV of Chapter 159, Florida Statutes, as amended and supplemented (together with its permitted successors and assigns, the “Governmental Lender”), and RAYMOND JAMES & ASSOCIATES, INC., as Placement Agent (herein, the “Agent”), in connection with the issuance of the Governmental Note (as defined below) and consented to by MHP BROWARD I, LTD, a Florida limited partnership (together with its successors and permitted assigns, the “Borrower”) with respect to the Governmental Note.

A. Background.

The Governmental Lender proposes to issue its Housing Finance Authority of Broward County, Florida Multifamily Housing Revenue Note, Series 2025 (Ekos Pembroke Park), in one or more series, in the aggregate principal amount of \$[34,150,000] (the “Governmental Note”) to provide financing to the Borrower for the acquisition, construction and equipping of a 150-unit multifamily residential rental development in Broward County, Florida (the “County”) known as Ekos Pembroke Park (the “Development”).

The Governmental Note will initially be (i) acquired directly by Allianz Life Insurance Company of North America, a Minnesota corporation (the “Funding Lender”) pursuant to the requirements of the Governmental Lender’s administrative code and policies (herein, collectively the “Governmental Lender’s Requirements”), and (ii) booked as a loan in the Funding Lender’s portfolio.

Upon satisfaction of certain conditions subsequent and in compliance with the Governmental Lender’s Requirements, future investment banking services may be required in connection with the Governmental Note (herein, the “Future Services”).

B. Role of Agent.

In connection with the initial issuance of the Governmental Note, the Agent has performed, at the request of and on behalf of the Governmental Lender, the following services on or before the closing of the Governmental Note:

1. Assisted in the determination of the readiness to proceed of the Governmental Note issuance with regard to the granting of private activity allocation to the financing which is to be issued on a tax-exempt basis.
2. Created a distribution list for the financing participants and financing timetable and coordinated the processing of the transaction.

3. Continuously consulted with the financing participants to ensure that the timetable was being met, and scheduled and hosted conference calls.

4. Consulted with the Governmental Lender's staff regarding policy issues that arose in connection with the financing.

5. On a limited basis, reviewed and commented on the financing documents to ensure that the Governmental Lender's Requirements were reflected therein and to improve the structure of the transaction.

6. Assisted in the coordination of all aspects of the financing as it relates to the Governmental Lender or the County.

The foregoing is collectively referred to as the "Agent Services".

C. Limitations of Agent's Role; No Liability. The Governmental Lender and Borrower acknowledge and agree that: (i) the Agent's Services contemplated by this Agreement are an arm's length, commercial transaction between the Governmental Lender and the Agent in which the Agent is not acting as a municipal advisor, financial advisor or fiduciary to the Borrower or Governmental Lender; (ii) the Agent has not assumed any advisory or fiduciary responsibility to the Borrower or Governmental Lender with respect to the services contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether the Agent has provided other services or is currently providing other services to the Borrower or Governmental Lender on other matters); (iii) the only obligations the Agent has to the Governmental Lender or Borrower with respect to the services contemplated hereby expressly are set forth in this Agreement; and (iv) the Governmental Lender and Borrower have consulted their respective legal, accounting, tax, financial and other advisors, as applicable, to the extent it has deemed appropriate.

Notwithstanding the Agent's Services described above, the Agent has not done any of the following nor does Agent assume any responsibility or liability for such actions:

1. Advised the Funding Lender on the financial feasibility of the Development.

2. Prepared or disseminated any offering materials.

3. Investigated or determined the credit worthiness or accreditation of the Funding Lender. In that regard the Governmental Lender will receive an accredited investor letter.

4. Provided any advice regarding obtaining a rating or credit enhancement for the transaction.

5. Taken any action in connection with the issuance of the Governmental Note to effect a financial transaction as contemplated by the USA Patriot Act.

It should be noted that the Governmental Lender has retained the services of a registered financial advisor in connection with the issuance of the Governmental Note. The Agent is not acting as a financial advisor for the Governmental Lender or Borrower for purposes of Rule G-23 of the Municipal Securities Rulemaking Board, nor acting as a municipal advisor to either the Governmental Lender or the Borrower.

D. Fees for Agent's Services.

Simultaneously with the closing of the Governmental Note, the Borrower will pay the Agent for the Agent's Services rendered a fee equal to \$_____, plus reasonable, documented out-of-pocket expenses.

E. Future Services of Agent.

In the event the Borrower and the Governmental Lender determine that there will be Future Services relating to the Governmental Note, the Agent will act, on behalf of the Governmental Lender, as placement agent, remarketing agent or underwriter, as the structure so dictates. The fees and expenses associated with any future engagement will be (i) determined at such time that the details of such engagement and scope of service are identified, and (ii) subject to the approval of the Borrower, which approval shall not be unreasonably withheld, conditioned or delayed.

To the extent the Agent is (i) unable to perform any of the Future Services, or (ii) no longer on the Governmental Lender's underwriting team, the Governmental Lender may, in its sole discretion, and upon written notice to the Borrower and the Agent, assign Future Services to an entity on its then-current underwriting team.

F. Governing Law; Multiple Counterparts.

This Agreement shall be governed by Florida Law and may be signed in multiple counterparts.

G. Amendments; Modifications.

This Agreement may not be amended or modified except by written agreement signed by all parties hereto.

[SIGNATURE PAGE TO FOLLOW]

SIGNATURE PAGE FOR PLACEMENT AGENT AGREEMENT

(Ekos Pembroke Park)

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed in their respective names by their duly authorized representatives as of the day and year first set forth above.

**HOUSING FINANCE AUTHORITY OF
BROWARD COUNTY, FLORIDA**

By: _____
Colleen LaPlant, Chair

RAYMOND JAMES & ASSOCIATES, INC.

By: _____
Name: _____
Title: _____

MHP BROWARD I, LTD, a Florida limited partnership

By: MHP Broward I SLP, LLC, a Florida limited liability company, its Special Limited Partner

By: _____
W. Patrick McDowell
Chief Executive Officer

EXHIBIT “F”
FORM OF
FISCAL AGENT FEE AGREEMENT
[ATTACHED]

FISCAL AGENT FEE AGREEMENT

Between

HOUSING FINANCE AUTHORITY OF BROWARD COUNTY, FLORIDA

and

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.

DATED AS OF _____ 1, 2025

PROVIDING FOR

A FEE SCHEDULE FOR SERVICES RENDERED BY THE FISCAL AGENT FOR

\$(34,150,000)

HOUSING FINANCE AUTHORITY OF BROWARD COUNTY, FLORIDA
MULTIFAMILY HOUSING REVENUE NOTE, SERIES 2025
(EKOS PEMBROKE PARK)

FISCAL AGENT FEE AGREEMENT

This FISCAL AGENT FEE AGREEMENT (the "Agreement") dated as of _____ 1, 2025, by and between the HOUSING FINANCE AUTHORITY OF BROWARD COUNTY, FLORIDA (the "Governmental Lender"), a public body corporate and politic created under the laws of the State of Florida, and THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., a national banking association, having a corporate trust office in Jacksonville, Florida and duly qualified to exercise trust powers under the laws of the State of Florida, as fiscal agent (the "Fiscal Agent").

WITNESSETH:

In consideration of the mutual terms and conditions, promises, covenants and payments hereinafter set forth, the Governmental Lender and the Fiscal Agent agree as follows:

ARTICLE I PREAMBLE

1.1 The Fiscal Agent submitted certain proposals to serve as trustee or in a similar capacity for all financings of the Governmental Lender during calendar year 2025, including the Governmental Lender's \$[34,150,000] Housing Finance Authority of Broward County, Florida Multifamily Housing Revenue Note, Series 2025 (Ekos Pembroke Park) (the "Governmental Note"). All capitalized terms used but not defined herein shall have the meaning ascribed to such terms in the Funding Loan Agreement (as hereinafter defined).

1.2 Said proposals contain a description of the types of services to be provided, a schedule of fees for the various services to be provided and a brief discussion of the Fiscal Agent's corporate qualifications and capabilities.

1.3 The Fiscal Agent is willing to provide the services described in its proposals and in the loan documents pertaining to the Governmental Note at the rates set forth in said proposals, and the Governmental Lender is willing to accept the services of the Fiscal Agent set forth in the Fiscal Agent's proposals at the rates provided therein. The Governmental Lender and the Fiscal Agent desire to enter into this Agreement to establish the terms of said proposals for the services of the Fiscal Agent with respect to the Governmental Note.

ARTICLE II SCOPE OF SERVICES AND FEES

The Fiscal Agent hereby accepts all of the duties, responsibilities and obligations imposed on it as Fiscal Agent under the terms of the Funding Loan Agreement dated as of _____ 1, 2025, among the Governmental Lender, the Fiscal Agent and Allianz Life Insurance Company of North America, a Minnesota corporation (the "Funding Loan Agreement") and hereby confirms the accuracy of all of the representations and warranties, if any, of the Fiscal Agent contained therein. The terms of this Agreement

attached hereto as Exhibit "A" are accepted and adopted by reference by the parties to this Agreement. Such terms include the services to be provided by the Fiscal Agent and the fees and costs to be charged by the Fiscal Agent for such services. The fees and charges set forth in Exhibit "A" include all expenses incurred by the Fiscal Agent in connection with the execution and delivery and closing of the Governmental Note. Exhibit "A" comprises one (1) page.

ARTICLE III OTHER PROVISIONS

This Agreement shall continue in full force and effect and be binding on both the Governmental Lender and the Fiscal Agent for so long as the Funding Loan Agreement is in effect.

[COUNTERPART SIGNATURE PAGES TO FOLLOW]

**COUNTERPART SIGNATURE PAGE TO
FISCAL AGENT FEE AGREEMENT**

(Ekos Pembroke Park)

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

GOVERNMENTAL LENDER:

HOUSING FINANCE AUTHORITY OF
BROWARD COUNTY, FLORIDA

By: _____
Colleen LaPlant, Chair

ATTEST:

By: _____
Ruth T. Cyrus, Secretary

**COUNTERPART SIGNATURE PAGE TO
FISCAL AGENT FEE AGREEMENT**

(Ekos Pembroke Park)

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

FISCAL AGENT:

THE BANK OF NEW YORK MELLON TRUST
COMPANY, N.A., as Fiscal Agent

By: _____
Name: _____
Title: _____

EXHIBIT "A"

Services to be provided by Fiscal Agent:

The Fiscal Agent shall provide all services required of the Fiscal Agent as set forth in (i) the Funding Loan Agreement, and (ii) all other documents executed in connection with the Governmental Note to which the Fiscal Agent is a party.

Fees and Expenses of Fiscal Agent:

The fees and expenses of the Fiscal Agent shall be all such fees and expenses of the Fiscal Agent set forth in the Funding Loan Agreement and all other documents executed in connection with the Governmental Note, and shall be paid by the Borrower (as defined in the Funding Loan Agreement) at the times and in the manner set forth in the Funding Loan Agreement and the Borrower Loan Agreement (as defined in the Funding Loan Agreement).

EXHIBIT “G”
TERM SHEET
[ATTACHED]

via e-mail



January 16, 2025
Revised: January 28, 2025
Revised: February 3, 2025

Christopher Shear & Henry Phillips
McDowell Housing Partners
601 Brickell Key Drive, Suite 700
Miami, FL 33131

Re: **Bond Financing Proposal for:**

Ekos on Pembroke Park (150 Units)
Pembroke Park, Florida

Dear Mr. Shear & Mr. Phillips,

On behalf of R4 Capital Funding ("R4CF"), we appreciate this opportunity to provide a financing proposal regarding Ekos on Pembroke Park, a proposed senior rental community in Pembroke Park, Florida and hereinafter referred to as the "Property". As follows, this letter (the "Letter") expresses the intent of and summarizes the terms and conditions pursuant to which R4CF proposes to finance the Property by providing construction period and permanent mortgage capital to McDowell Housing Partners or its affiliates (the "Sponsor").

Under our *Direct Bond Purchase Program*, R4CF or a designated capital partner would purchase an estimated **\$34,150,000** of construction to permanent tax-exempt bonds (the "Bonds"). The aggregate bonds to be purchased by R4CF shall herein after be referred to as the "Bonds".

The basic business terms and conditions of the Bonds are set forth herein. Please note that R4CF structured this proposal using key assumptions provided by the Sponsor which are subject to revision following R4CF's underwriting and due diligence.

FINANCING & SECURITY

Property Description	The Property is a proposed rental apartment community, located in Pembroke Park, Florida and comprised of 150 units. Following the proposed construction, the Property will consist of 150 one-bedroom units. The Property will be subject to certain LURAs based upon its receipt of LIHTC and/or other public subsidies.
Bond Structure	It is anticipated that the Bonds will be issued by the Housing Finance Authority of Broward County. Upon issuance, R4CF, or its designee, will purchase the Bonds. Proceeds of the Bonds will be lent to the borrowing entity (the "Borrower") under the terms of a Loan Agreement to pay for a portion of the Property's development costs.

In order to reduce construction period interest, the Bonds will be funded on a *Draw Basis* pursuant to a schedule mutually agreed upon prior to Closing by the Sponsor and R4CF. R4CF anticipates that such draws will be in a minimum amount of \$250,000 and occur not more frequently than once per calendar month.

Bond Principal \$34,150,000 during the development period, paid down to approximately \$21,000,000 at Stabilization.

An upsizing and / or downsizing of up to 10% of projected permanent principal will be permitted pursuant to the Stabilization Test described herein.

Bond Interest Rates The fixed rate of interest on the Bonds will be established approximately five business days prior to Closing based upon the 10-year Treasury Index, published by Thomson Reuters, plus a spread of 1.30%, subject to a bond interest rate floor of 5.40%.

As of January 15, 2025 the 10-year Treasury Index is 4.65%, and the Bond Interest Rate would be 5.95%.

Upon Closing, interest will be paid monthly.

Notwithstanding the above, the Sponsor may elect to enter into a rate lock agreement with R4CF based upon the following terms:

- Up to 12 weeks prior to Closing for an additional 0.20% added to the above mentioned spread
- Up to 6 weeks prior to Closing for an additional 0.10% added to the above mentioned spread
- Up to 4 weeks prior to Closing for no additional premium added to the above mentioned spread

Mandatory Redemption Concurrently with the achievement of 100% Completion, there shall be a one-time Partial Redemption of the Bonds in connection with the LIHTC Equity Completion Installment. The remainder of the Bonds shall be redeemed at Stabilization. This Partial Redemption will be concurrent with and in addition to the final sizing of the Bonds as described in *Stabilization Requirement*.

Debt Sizing Method The Bonds shall be sized to a minimum 1.15x Debt Service Coverage Ratio ("DSCR").

The Bond Amount assumes an underwritten net operating income of \$1,449,059. This NOI initially incorporates a 5.0% vacancy rate, a 3.0% hard pay management fee, and \$300/unit per annum replacement reserve, and assumes the Property will qualify for an ad valorem real estate tax exemption under Florida Statute 196.1978(4). These assumptions are subject to review through R4CF's underwriting process.

Stabilization Requirement The Property is anticipated to achieve Stabilization 30 months from Closing (the “Stabilization Date”), with an optional 6-month extension with payment of 0.15%. Upon Stabilization, the final sizing of the Bonds shall be determined. Development Period Recourse Guarantees, as described below, shall be released upon R4CF’s determination that the minimum DSCR has been reached (which may involve a partial redemption of the Bonds).

Stabilization requires that: (i) the ratio of net operating income of the Property for the prior three months to the maximum debt service in any three month period equals or exceeds 1.15x to 1.0x, (ii) the average economic occupancy in each of the three months equals at least 90%, and (iii) the Property has achieved Final Completion (as defined in the Bond documents).

For the purposes of Stabilization, net operating income shall be defined as actual Property income adjusted to reflect actual economic vacancy (subject to a 5.0% minimum) over the greater of aggregate Property expenses or projected aggregate property expenses established through R4CF’s underwriting process (excluding property taxes, insurance and utilities which will be verified from actual expenses).

Interest Only Period The Bonds shall be interest only until 36 months from Stabilization.

Amortization Upon Conversion, mandatory redemption of the Bonds shall occur, in part, on a monthly basis sufficient to fully amortize such Bonds over 40 years.

Financing Term Upon the 16th anniversary of Stabilization, the Bondholder shall have the option to require a mandatory tender of the Bonds. The Bondholder shall be required to provide 6 months’ notice for such mandatory tender.

Optional Prepayment Optional prepayment of the Bonds shall not be permitted prior to the 15th anniversary of Stabilization.

From the 14th anniversary to the 15th anniversary of Stabilization, the Bonds may be prepaid at a price equal to a percent of the outstanding balance as outlined below:

- From the 14th anniversary to the 15th anniversary: 101%
- From the 15th anniversary to Maturity: 100%

Thereafter, the Bonds may be prepaid at par upon 30 days’ notice to the Bondholder.

CONSTRUCTION

Construction Period	Substantial Completion is anticipated to occur 21 months from Closing.
Construction Budget	R4CF's proposal assumes that the Borrower will spend approximately \$40,950,001 (\$273,000 per unit) in hard costs.
Construction Deposits and Disbursements	<p>Funds necessary to construct the Property will be deposited into an escrow account (the "Development Fund") to fund capital expenditures, including Deferred Developer Fee, on a schedule and with terms approved by R4CF prior to the Closing Date.</p> <p>During the Construction Period, amounts in the Development Fund shall be disbursed to the Borrower as construction progresses but not more often than on a monthly basis. Disbursements shall be based upon approval of the Borrower's Requisition Submission by R4CF.</p> <p>Any monies remaining in the Development Fund at the end of the Construction Period which are not needed for R4CF-approved capital items shall be used to redeem the Bonds.</p>

FINANCING COSTS

Application Fee	\$40,000 to cover the cost of the third-party appraisal, engineering, and environmental reports, as well as any R4CF out-of-pocket underwriting costs. The Application Fee is payable upon the execution of this proposal by the Borrower. R4CF shall use reasonable efforts to coordinate third party reports with the LIHTC Equity provider.
Legal Deposit	A \$17,500 legal deposit is required to commence legal documentation.
R4CF Origination Fee	0.50% of the Bonds payable to R4CF at Closing
R4CF Construction Fee	1.00% of the Bonds payable to R4CF at Closing
Construction Inspection Fees	In connection with construction draws, the Borrower will be charged for third-party inspection fees in an amount not to exceed \$2,000 per month per property.
Ongoing Fees	All ongoing trustee and issuer fees associated with the transaction are to be paid separately by the Borrower.
Other Costs	The Sponsor and/or Borrower shall be responsible for transaction costs and expenses incurred by R4CF, legal fees of the issuer, trustee and R4CF. Should the Bonds not close for any reason other than the failure of R4CF to comply with its obligations hereunder, Sponsor and/or Borrower shall remain obligated for all third-party costs and out-of-pocket costs incurred by R4CF not covered by the Application Deposit.

RESERVES & ESCROWS

Escrow Accounts	The Borrower shall make monthly payments to escrow accounts held in the Partnership's name by the Bond Trustee for taxes, insurance premiums, and replacement reserves. All disbursements from the escrow accounts shall require R4CF's consent and are not to be unreasonably withheld.
Replacement Reserves	Replacement reserves will initially be set at \$300 per unit per year (to be confirmed by R4CF's underwriter and engineer).
Operating Reserve	Upon Stabilization, the Borrower will fund an Operating Reserve of approximately \$512,142 (to be calculated as 3 months of expenses, replacement reserves, and debt service) which the Borrower shall deposit into an escrow account held by the Trustee / Fiscal Agent (the "Operating Reserve") to be used for debt service payments and/or operating deficits during the term of the Bonds. The Operating Reserve shall be held in an interest-bearing account and the interest shall be paid to the Borrower annually. The Operating Reserve shall be released to the Borrower upon repayment of the Bonds. The final sizing of the Operating Reserve is subject to review through R4CF's underwriting process.

KEY PARTIES & GUARANTEES

Borrower Structure	The Borrower and its General Partner shall each be a single-purpose, bankruptcy-remote limited liability limited partnership or limited liability company.
Guarantors	MHP Developers, LLC, and MHP Developers X LLC and or other entities / individuals subject to R4CF due diligence and approval, will provide joint and several guarantees as described below.
Development Period Recourse Guarantees	Prior to Stabilization, the Bonds will be full recourse to the Borrower and Guarantors, and Completion and Debt Service Guarantees are required from the Borrower and Guarantors. R4CF will require the Guarantor to maintain Liquidity of at least 5% of total development costs through 100% construction completion and thereafter shall maintain Liquidity of at least 3% of total development costs.
Permanent Period Guarantees	None after Stabilization, except for industry-standard carve-outs, which shall include guarantees against fraud, misrepresentation, bankruptcy, and environmental issues.
General Contractor	As part of its diligence, R4CF will review and approve the General Contractor. R4CF currently expects that a to-be-determined General Contractor, subject to R4CF approval, will serve as General Contractor. The General Contractor shall provide for a 100% payment and performance bond or a letter of credit for not less than 15% of the fixed-price construction contract amount from a banking institution acceptable to R4CF. A minimum of a 5% total construction cost contingency is required (unless a higher amount is required by the R4CF after underwriting the Project). It is expected that the construction contingency amount will be outside of the construction contract. A minimum retainage of

10% is required to be withheld until the project reaches 50% construction completion and then 0% withheld until 100% completion.

**Property
Management**

As part of its diligence, R4CF will review and approve the Property Manager and the management contract. R4CF currently expects that Weller Management Company will serve as Property Manager. The property management fee shall be 3.00% of Effective Gross Income and any amount in excess of 3.00% shall be subordinate to payment of interest and principal on the Bonds and ongoing third-party fees.

SECURITY & OTHER FINANCING

Financing Security

The Bonds shall be secured by a first priority mortgage lien on the land and improvements; UCC filings for fixtures; assignment of all rents and leases; and a first priority collateral assignment of all contracts, management agreements, and other agreements and all permits relating to the Property.

LIHTC Equity

In addition to the Bonds, the acquisition and construction of the Property will be funded through a Partnership investment in the Federal Low Income Housing Tax Credits (the "Tax Credits"). R4CF currently estimates that the Tax Credit Partnership will generate approximately \$24,939,981 of proceeds for investment in the Property. The terms and pay-in commitments of the LIHTC proceeds are subject to review by R4CF.

Subordinate Debt

In addition to the Bonds, the acquisition and construction of the Property shall be funded with a \$9,995,000 State Apartment Incentive Loan ("SAIL") Soft Loan, and a \$9,749,850 Broward County Soft Loan (together, the "Subordinate Funds"). Any payments due under the Subordinate Funds shall be subordinated to the Bonds and subject to an Intercreditor Agreement acceptable to R4CF.

**Deed Restrictions And
Ground Leases**

All income and rent restrictions shall be subordinate to the Bonds. Ground leases, if any, shall be subordinate to the first priority mortgage lien unless the fee interest is owned by a government agency to ensure long-term affordability.

OTHER PROVISIONS

**On-going Reporting
Requirements**

The Borrower shall provide R4CF or its designee with an annual budget for operations and capital expenditures to be approved by R4CF within 30 days of submission. Periodic reporting requirements shall include delivery of operating statements, occupancy reports, rent rolls, and other reports reasonably requested by R4CF.

Borrower shall provide to R4CF an annual audit report of the Partnership's financial statements from a firm approved by R4CF not more than 120 days after the end of each fiscal year.


Due Diligence / Conditions to Closing	<p>R4CF shall have 60 days to complete due diligence beginning from the date on which R4CF has received: (i) an executed copy of this proposal along with the Application Fee and Legal Deposit and (ii) necessary preliminary due diligence information as requested by R4CF. R4CF's due diligence efforts include, but are not be limited to, market and valuation analysis, engineering and environmental investigations, bond document review, title and survey review, and review of borrower/sponsor financial statements and history. Based upon our findings during the due diligence period, R4CF has the right to decline to proceed with this proposal and shall not be under any obligation to the Borrower. In the event that R4CF rejects the transaction, all unspent proceeds from the Application Fee and Legal Deposit will be returned to the Borrower.</p>
Closing Method	<p>R4CF may purchase the Bonds directly or indirectly through a designee, a placement agent, or underwriter at no cost to the Borrower. The designee will abide by all the terms included in this term sheet.</p>
Sale or Securitization	<p>R4CF may elect to sell, assign, or participate all or part of its interests in the Bonds, provided that such transaction does not negatively impact the Borrower. The Borrower agrees to cooperate with R4CF in this matter and take all actions reasonably requested by R4CF and the new participant, so long as the Borrower does not incur any out-of-pocket costs or additional liability from any such transfer or securitization.</p>
Exclusivity	<p>Upon execution of this proposal, the Sponsor agrees to cease all initiatives to obtain bond financing from other parties and to terminate any other financing proposals in process. This exclusivity requirement shall terminate should R4CF advise the Sponsor in writing that it does not intend to proceed with this transaction or in the event that there is a material change in the economic terms of the transaction as outlined in the Term Sheet herein.</p> <p>Any violation of this exclusivity requirement from the Sponsor or affiliates shall also cause the Origination Fee, any out-of-pocket costs, and/or legal fees incurred by R4CF, to be immediately due and payable to R4CF.</p>

The economic terms provided in this letter shall remain valid through September 1, 2025, subject to current bond market conditions. However, this letter does not constitute a commitment by R4CF to complete the transaction outlined herein, as any commitment by R4CF to lend or purchase the Bonds is contingent upon final approval of R4CF's Investment Committee.

R4CF is pleased to provide this financing proposal. If the terms set forth in this proposal are satisfactory, please indicate your acceptance by executing and returning to R4CF a copy of this letter and the Application Deposit before February 7, 2025. If you have not done so by such date, this proposal shall expire and be of no further effect.

Very truly yours,

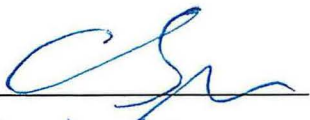
R4 Capital Funding LLC



James D. Spound
President

Agreed and Accepted:

McDowell Housing Partners

By: 

Name: Christopher Shear

Title: COO

Date: February 4, 2025